

SENATE SUBSTITUTE FOR  
HOUSE BILL NO. 5816

A bill to make, supplement, and adjust appropriations for the departments of attorney general, civil rights, civil service, information technology, management and budget, state, and treasury, the executive office, and the legislative branch for the fiscal year ending September 30, 2009; to provide for the expenditure of these appropriations; to provide for the funding of certain work projects; to provide for the imposition of certain fees; to establish or continue certain funds, programs, and categories; to transfer certain funds; to prescribe certain requirements for bidding on state contracts; to provide for disposition of year-end balances; to prescribe the powers and duties of certain principal executive departments and state agencies, officials, and employees;

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## LINE-ITEM APPROPRIATIONS

Sec. 101. Subject to the conditions set forth in this act, the amounts listed in this part are appropriated for the departments of attorney general, civil rights, civil service, information technology, management and budget, state, and treasury, the executive office, the legislative branch, and certain other state purposes, for the fiscal year ending September 30, 2009, from the funds indicated in this part. The following is a summary of the appropriations in this part:

## TOTAL GENERAL GOVERNMENT

APPROPRIATION SUMMARY:

Full-time equated unclassified positions..... 46.0

Full-time equated classified positions..... 7,457.7

GROSS APPROPRIATION.....	\$ 3,147,766,100
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Interdepartmental grant revenues:

Total interdepartmental grants and intradepartmental

transfers .....	655,308,100
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ADJUSTED GROSS APPROPRIATION.....	\$ 2,492,458,000
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Federal revenues:

Total federal revenues.....	114,545,700
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## Special revenue funds:

Total local revenues .....	3,098,000
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## House Bill No. 5816 as amended May 28, 2008

1	Total private revenues.....	1,265,700
2	Total other state restricted revenues.....	<<1,704,894,500>>
3	State general fund/general purpose.....	\$ <<668,654,100>>
4	<b>Sec. 102. DEPARTMENT OF ATTORNEY GENERAL</b>	
5	<b>(1) APPROPRIATION SUMMARY</b>	
6	Full-time equated unclassified positions.....	6.0
7	Full-time equated classified positions.....	537.0
8	GROSS APPROPRIATION.....	\$ 76,544,500
9	Interdepartmental grant revenues:	
10	Total interdepartmental grants and intradepartmental	
11	transfers .....	24,301,000
12	ADJUSTED GROSS APPROPRIATION.....	\$ 52,243,500
13	Federal revenues:	
14	Total federal revenues.....	8,050,800
15	Special revenue funds:	
16	Total local revenues.....	0
17	Total private revenues.....	0
18	Total other state restricted revenues.....	11,927,600
19	State general fund/general purpose.....	\$ 32,265,100
20	<b>(2) ATTORNEY GENERAL OPERATIONS</b>	
21	Full-time equated unclassified positions.....	6.0
22	Full-time equated classified positions.....	537.0
23	Attorney general.....	\$ 125,000
24	Unclassified positions--5.0 FTE positions.....	476,200
25	Attorney general operations--500.0 FTE positions.....	70,171,500
26	Child support enforcement--25.0 FTE positions.....	2,955,100

1	Prosecuting attorneys coordinating council--12.0 FTE	
2	positions .....	1,997,000
3	Internal audit services.....	<u>47,800</u>
4	GROSS APPROPRIATION.....	\$ 75,772,600
5	Appropriated from:	
6	Interdepartmental grant revenues:	
7	IDG from MDCH, health services.....	1,875,600
8	IDG from MDCH, WIC.....	70,300
9	IDG from DOC.....	479,100
10	IDG from MDE.....	289,400
11	IDG from MDEQ.....	1,748,200
12	IDG from MDHS.....	3,345,100
13	IDG from MDLEG, career education services.....	187,000
14	IDG from MDLEG, children's protection registry.....	36,400
15	IDG from MDLEG, financial and insurance services.....	1,107,300
16	IDG from MDLEG, homeowners construction lien	
17	recovery fund .....	557,000
18	IDG from MDLEG, licensing and regulation fees.....	176,500
19	IDG from MDLEG, Michigan occupational safety and	
20	health administration .....	99,200
21	IDG from MDLEG, Michigan state housing development	
22	authority .....	521,000
23	IDG from MDLEG, remonumentation fees.....	77,900
24	IDG from MDLEG, unemployment insurance agency.....	1,720,200
25	IDG from MDMB, civil service commission.....	301,400
26	IDG from MDMB, risk management revolving fund.....	1,362,800
27	IDG from DMVA.....	119,500

1	IDG from MDOT, comprehensive transportation fund.....	159,800
2	IDG from MDOT, state aeronautics fund.....	157,700
3	IDG from MDOT, state trunkline fund.....	2,821,100
4	IDG from MDSP, Michigan justice training fund.....	325,000
5	IDG from MDSP.....	708,400
6	IDG from Michigan gaming control board.....	1,090,400
7	IDG from treasury.....	4,646,500
8	IDG from treasury, strategic fund.....	129,800
9	IDG from MDIT.....	188,400
10	Federal revenues:	
11	DAG, state administrative match grant/food stamps....	389,500
12	Federal funds.....	2,495,400
13	HHS, medical assistance, medigrant.....	652,300
14	HHS-OS, state Medicaid fraud control units.....	4,513,600
15	Special revenue funds:	
16	Antitrust enforcement collections.....	653,100
17	Assigned claims assessments.....	120,600
18	Attorney general's operations fund.....	883,900
19	Auto repair facilities fees.....	234,700
20	Franchise fees.....	300,600
21	Game and fish protection fund.....	917,800
22	Liquor purchase revolving fund.....	1,064,600
23	Manufactured housing fees.....	197,200
24	Merit award trust fund.....	408,600
25	Prisoner reimbursement.....	463,000
26	Prosecuting attorneys training fees.....	375,000
27	Public utility assessments.....	1,839,300

1	Real estate enforcement fund.....	552,600
2	Reinstatement fees.....	160,800
3	Retirement funds.....	758,200
4	Second injury fund.....	1,004,500
5	Self-insurers security fund.....	175,200
6	Silicosis and dust disease fund.....	536,200
7	State building authority revenue.....	98,700
8	State lottery fund.....	249,900
9	Utility consumers fund.....	562,400
10	Waterways fund.....	100,700
11	Worker's compensation administrative revolving fund..	270,000
12	State general fund/general purpose.....	\$ 31,493,200
13	<b>(3) INFORMATION TECHNOLOGY</b>	
14	Information technology services and projects.....	\$ <u>771,900</u>
15	GROSS APPROPRIATION.....	\$ 771,900
16	Appropriated from:	
17	State general fund/general purpose.....	\$ 771,900
18	<b>Sec. 103. DEPARTMENT OF CIVIL RIGHTS</b>	
19	<b>(1) APPROPRIATION SUMMARY</b>	
20	Full-time equated unclassified positions.....	5.0
21	Full-time equated classified positions.....	127.0
22	GROSS APPROPRIATION.....	\$ 14,528,400
23	Interdepartmental grant revenues:	
24	Total interdepartmental grants and intradepartmental	
25	transfers .....	0
26	ADJUSTED GROSS APPROPRIATION.....	\$ 14,528,400

1	Federal revenues:	
2	Total federal revenues.....	2,057,300
3	Special revenue funds:	
4	Total local revenues.....	0
5	Total private revenues.....	0
6	Total other state restricted revenues.....	0
7	State general fund/general purpose.....	\$ 12,471,100
8	<b>(2) CIVIL RIGHTS OPERATIONS</b>	
9	Full-time equated unclassified positions..... 5.0	
10	Full-time equated classified positions..... 127.0	
11	Unclassified positions--5.0 FTE positions.....	\$ 264,800
12	Civil rights operations--127.0 FTE positions.....	13,334,700
13	Internal audit services.....	<u>68,800</u>
14	GROSS APPROPRIATION.....	\$ 13,668,300
15	Appropriated from:	
16	Federal revenues:	
17	EEOC, state and local antidiscrimination agency	
18	contracts .....	1,271,700
19	HUD, grant.....	770,600
20	State general fund/general purpose.....	\$ 11,626,000
21	<b>(3) INFORMATION TECHNOLOGY</b>	
22	Information technology services and projects.....	\$ <u>860,100</u>
23	GROSS APPROPRIATION.....	\$ 860,100
24	Appropriated from:	
25	Federal revenues:	
26	EEOC, state and local antidiscrimination agency	
27	contracts .....	15,000

1	State general fund/general purpose .....	\$	845,100
2	<b>Sec. 104. EXECUTIVE OFFICE</b>		
3	<b>(1) APPROPRIATION SUMMARY</b>		
4	Full-time equated unclassified positions.....	10.0	
5	Full-time equated classified positions.....	74.2	
6	GROSS APPROPRIATION.....	\$	5,317,300
7	Interdepartmental grant revenues:		
8	Total interdepartmental grants and intradepartmental		
9	transfers .....		0
10	ADJUSTED GROSS APPROPRIATION.....	\$	5,317,300
11	Federal revenues:		
12	Total federal revenues.....		0
13	Special revenue funds:		
14	Total local revenues.....		0
15	Total private revenues.....		0
16	Total other state restricted revenues.....		0
17	State general fund/general purpose .....	\$	5,317,300
18	<b>(2) EXECUTIVE OFFICE OPERATIONS</b>		
19	Full-time equated unclassified positions.....	10.0	
20	Full-time equated classified positions.....	74.2	
21	Governor.....	\$	177,100
22	Lieutenant governor.....		123,800
23	Executive office--74.2 FTE positions.....		4,166,700
24	Unclassified positions--8.0 FTE positions.....		<u>849,700</u>
25	GROSS APPROPRIATION.....	\$	5,317,300
26	Appropriated from:		

1	State general fund/general purpose .....	\$	5,317,300
2	<b>Sec. 105. DEPARTMENT OF INFORMATION TECHNOLOGY</b>		
3	<b>(1) APPROPRIATION SUMMARY</b>		
4	Full-time equated unclassified positions.....	3.0	
5	Full-time equated classified positions.....	1,657.0	
6	GROSS APPROPRIATION.....	\$	432,992,900
7	Interdepartmental grant revenues:		
8	Total interdepartmental grants and intradepartmental		
9	transfers .....		432,992,900
10	ADJUSTED GROSS APPROPRIATION.....	\$	0
11	Federal revenues:		
12	Total federal revenues.....		0
13	Special revenue funds:		
14	Total local revenues.....		0
15	Total private revenues.....		0
16	Total other state restricted revenues.....		0
17	State general fund/general purpose .....	\$	0
18	<b>(2) ADMINISTRATION</b>		
19	Full-time equated unclassified positions .....	3.0	
20	Full-time equated classified positions.....	1,657.0	
21	Unclassified positions--3.0 FTE positions.....	\$	300,000
22	Enterprisewide services--69.0 FTE positions .....		22,746,900
23	Health and human services--720.5 FTE positions .....		246,499,700
24	Education services--36.0 FTE positions .....		3,756,700
25	Public protection--284.0 FTE positions .....		52,855,000
26	Resources services--160.0 FTE positions .....		17,381,900

1	Transportation services--99.5 FTE positions .....	28,174,000
2	General services--288.0 FTE positions .....	<u>61,278,700</u>
3	GROSS APPROPRIATION.....	\$ 432,992,900
4	Appropriated from:	
5	Interdepartmental grant revenues:	
6	IDG from department of agriculture .....	1,525,000
7	IDG from department of attorney general .....	772,000
8	IDG from department of civil rights .....	860,200
9	IDG from civil service commission .....	4,289,200
10	IDG from department of community health .....	52,394,800
11	IDG from department of corrections .....	19,105,500
12	IDG from department of education .....	2,820,900
13	IDG from department of environmental quality .....	7,478,800
14	IDG from Michigan gaming control board .....	1,324,000
15	IDG from department of history, arts, and libraries ..	1,274,800
16	IDG from department of human services .....	152,570,200
17	IDG from department of labor and economic growth .....	42,853,200
18	IDG from bureau of state lottery .....	4,550,500
19	IDG from department of management and budget .....	28,527,900
20	IDG from department of military and veterans affairs .	1,183,800
21	IDG from department of natural resources .....	8,880,100
22	IDG from department of state .....	24,541,000
23	IDG from department of state police .....	31,344,500
24	IDG from department of transportation .....	28,496,200
25	IDG from department of treasury .....	18,200,300
26	State general fund/general purpose .....	\$ 0

1	<b>Sec. 106. LEGISLATURE</b>		
2	<b>(1) APPROPRIATION SUMMARY</b>		
3	GROSS APPROPRIATION.....	\$	113,744,100
4	Interdepartmental grant revenues:		
5	Total interdepartmental grants and intradepartmental		
6	transfers .....		0
7	ADJUSTED GROSS APPROPRIATION.....	\$	113,744,100
8	Federal revenues:		
9	Total federal revenues.....		0
10	Special revenue funds:		
11	Total local revenues.....		0
12	Total private revenues.....		400,000
13	Total other state restricted revenues.....		1,109,800
14	State general fund/general purpose.....	\$	112,234,300
15	<b>(2) LEGISLATURE</b>		
16	Senate.....	\$	29,126,500
17	Senate automated data processing.....		2,549,500
18	Senate fiscal agency.....		3,219,200
19	House of representatives.....		45,515,900
20	House automated data processing.....		2,024,800
21	House fiscal agency.....		<u>3,219,200</u>
22	GROSS APPROPRIATION.....	\$	85,655,100
23	Appropriated from:		
24	State general fund/general purpose.....	\$	85,655,100
25	<b>(3) LEGISLATIVE COUNCIL</b>		
26	Legislative council.....	\$	10,014,100
27	Legislative service bureau automated data processing .		1,374,800

1	Worker's compensation.....	133,100
2	National association dues.....	149,000
3	Legislative corrections ombudsman.....	<u>500,000</u>
4	GROSS APPROPRIATION.....	\$ 12,171,000
5	Appropriated from:	
6	Special revenue funds:	
7	Private - gifts and bequests revenues.....	400,000
8	State general fund/general purpose.....	\$ 11,771,000
9	<b>(4) LEGISLATIVE RETIREMENT SYSTEM</b>	
10	General nonretirement expenses.....	\$ <u>4,533,800</u>
11	GROSS APPROPRIATION.....	\$ 4,533,800
12	Appropriated from:	
13	Special revenue funds:	
14	Court fees.....	1,109,800
15	State general fund/general purpose.....	\$ 3,424,000
16	<b>(5) PROPERTY MANAGEMENT</b>	
17	Capitol building.....	\$ 2,552,900
18	Cora Anderson building.....	7,263,500
19	Farnum building and other properties.....	<u>1,567,800</u>
20	GROSS APPROPRIATION.....	\$ 11,384,200
21	Appropriated from:	
22	State general fund/general purpose.....	\$ 11,384,200
23	<b>Sec. 107. LEGISLATIVE AUDITOR GENERAL</b>	
24	<b>(1) APPROPRIATION SUMMARY</b>	
25	GROSS APPROPRIATION.....	\$ 15,891,300
26	Interdepartmental grant revenues:	

1	Total interdepartmental grants and intradepartmental	
2	transfers .....	1,801,500
3	ADJUSTED GROSS APPROPRIATION.....	\$ 14,089,800
4	Federal revenues:	
5	Total federal revenues.....	0
6	Special revenue funds:	
7	Total local revenues.....	0
8	Total private revenues.....	0
9	Total other state restricted revenues.....	1,539,900
10	State general fund/general purpose.....	\$ 12,549,900
11	<b>(2) OFFICE OF THE AUDITOR GENERAL</b>	
12	Unclassified positions.....	\$ 313,600
13	Field operations.....	<u>15,577,700</u>
14	GROSS APPROPRIATION.....	\$ 15,891,300
15	Appropriated from:	
16	Interdepartmental grant revenues:	
17	IDG from MDMB, civil service commission.....	107,900
18	IDG from MDLEG, liquor purchase revolving fund.....	11,300
19	IDG from MDOT, comprehensive transportation fund.....	25,200
20	IDG from MDOT, Michigan transportation fund.....	204,300
21	IDG from MDOT, state aeronautics fund.....	19,600
22	IDG from MDOT, state trunkline fund.....	474,600
23	IDG, single audit act.....	958,600
24	Special revenue funds:	
25	Cadillac local development finance authority.....	12,000
26	Clean Michigan initiative implementation bond fund...	37,500
27	Commercial mobile radio system emergency telephone	

1	fund .....	37,500
2	Construction lien fund.....	7,200
3	Contract audit administration fees.....	52,700
4	Correctional industries revolving fund.....	31,300
5	Fee adequacy, air quality delegated authority.....	9,400
6	Game and fish protection fund.....	21,400
7	Legislative retirement system.....	18,700
8	Marine safety fund.....	1,900
9	Michigan economic development corporation.....	41,200
10	Michigan education trust fund.....	30,000
11	Michigan justice training commission fund.....	28,100
12	Michigan state fair revolving fund.....	33,000
13	Michigan state housing development authority fees....	22,100
14	Michigan strategic fund.....	87,500
15	Michigan tobacco settlement authority.....	75,000
16	Michigan veterans' trust fund.....	24,400
17	Motor transport revolving fund.....	4,700
18	Office services revolving fund.....	6,800
19	State disbursement unit, office of child support.....	25,000
20	State services fee fund.....	926,900
21	Waterways fund.....	5,600
22	State general fund/general purpose.....	\$ 12,549,900

23     **Sec. 108. DEPARTMENT OF MANAGEMENT AND BUDGET**

24     **(1) APPROPRIATION SUMMARY**

25     Full-time equated unclassified positions..... 7.0

26     Full-time equated classified positions..... 1,418.0

1	GROSS APPROPRIATION.....	\$	548,440,900
2	Interdepartmental grant revenues:		
3	Total interdepartmental grants and intradepartmental		
4	transfers .....		165,318,000
5	ADJUSTED GROSS APPROPRIATION.....	\$	383,122,900
6	Federal revenues:		
7	Total federal revenues.....		10,669,900
8	Special revenue funds:		
9	Total local revenues.....		1,992,900
10	Total private revenues.....		150,000
11	Total other state restricted revenues.....		77,694,100
12	State general fund/general purpose.....	\$	292,616,000
13	<b>(2) MANAGEMENT AND BUDGET SERVICES</b>		
14	Full-time equated unclassified positions.....	6.0	
15	Full-time equated classified positions.....	669.5	
16	Unclassified positions--6.0 FTE positions.....	\$	636,400
17	Executive operations--10.5 FTE positions.....		1,502,200
18	Administrative services--56.5 FTE positions.....		5,313,400
19	Budget and financial management--163.5 FTE positions .		16,749,400
20	Office of the state employer--23.0 FTE positions .....		2,798,000
21	Design and construction services--40.0 FTE positions .		5,357,400
22	Business support services--80.0 FTE positions.....		7,958,800
23	Building operation services--250.0 FTE positions .....		88,854,600
24	Building occupancy charges, rent, and utilities .....		4,262,100
25	Internal audit services.....		989,000
26	Motor vehicle fleet--46.0 FTE positions .....		<u>56,920,400</u>
27	GROSS APPROPRIATION.....	\$	191,341,700

1	Appropriated from:	
2	Interdepartmental grant revenues:	
3	IDG from MDOT, comprehensive transportation fund.....	49,200
4	IDG from MDOT, state aeronautics fund.....	31,200
5	IDG from MDOT, state trunkline fund.....	1,397,800
6	IDG from building occupancy and parking charges.....	91,094,100
7	IDG from department of labor and economic growth.....	100,000
8	IDG from motor transport fund.....	56,920,400
9	IDG from MDCH.....	434,300
10	IDG from MDHS.....	171,400
11	IDG from internal audit services.....	5,870,400
12	IDG from user fees.....	5,325,200
13	Special revenue funds:	
14	Game and fish protection fund.....	225,500
15	Health management funds.....	1,735,600
16	Marine safety fund.....	21,300
17	Special revenue, internal service, and pension trust	
18	funds .....	9,424,700
19	State building authority revenue.....	620,600
20	State lottery fund.....	137,500
21	State services fee fund.....	89,400
22	Waterways fund.....	51,800
23	State general fund/general purpose.....	\$ 17,641,300
24	<b>(3) STATEWIDE APPROPRIATIONS</b>	
25	Professional development fund - MPE, SEIU,	
26	scientific and engineering unit.....	\$ 125,000
27	Professional development fund - MPE, SEIU, technical	

1	unit .....	50,000
2	Professional development fund - AFSCME .....	25,000
3	Professional development fund - NERES .....	50,000
4	Professional development fund - MSCs .....	<u>150,000</u>
5	GROSS APPROPRIATION .....	\$ 400,000
6	Appropriated from:	
7	Interdepartmental grant revenues:	
8	IDG from employer contributions .....	400,000
9	State general fund/general purpose .....	\$ 0
10	<b>(4) SPECIAL PROGRAMS</b>	
11	Full-time equated classified positions .....	176.0
12	Building occupancy charges - property management	
13	services for executive/legislative building	
14	occupancy .....	\$ 1,275,600
15	Retirement services--164.0 FTE positions .....	16,969,100
16	Office of children's ombudsman--12.0 FTE positions ...	<u>1,489,400</u>
17	GROSS APPROPRIATION .....	\$ 19,734,100
18	Appropriated from:	
19	Special revenue funds:	
20	Deferred compensation .....	1,542,400
21	Pension trust funds .....	15,426,700
22	State general fund/general purpose .....	\$ 2,765,000
23	<b>(5) STATE FAIR</b>	
24	Full-time equated unclassified positions .....	1.0
25	Full-time equated classified positions .....	9.0
26	Unclassified positions--1.0 FTE positions .....	\$ 101,000
27	Michigan state fair operations--9.0 FTE positions ....	6,415,500

1	Michigan state fair information technology .....	<u>88,800</u>
2	GROSS APPROPRIATION .....	\$ 6,605,300
3	Appropriated from:	
4	Special revenue funds:	
5	State exposition and fairgrounds fund .....	6,605,300
6	State general fund/general purpose .....	\$ 0
7	<b>(6) INFORMATION TECHNOLOGY</b>	
8	Information technology services and projects .....	<u>\$ 28,439,200</u>
9	GROSS APPROPRIATION .....	\$ 28,439,200
10	Appropriated from:	
11	Interdepartmental grant revenues:	
12	IDG from MDOT, comprehensive transportation fund .....	2,100
13	IDG from MDOT, state aeronautics fund .....	1,100
14	IDG from MDOT, state trunkline fund .....	47,500
15	IDG from building occupancy and parking charges .....	651,600
16	IDG from user fees .....	186,800
17	Special revenue funds:	
18	Deferred compensation .....	2,600
19	Game and fish protection fund .....	9,800
20	Health management funds .....	41,700
21	Marine safety fund .....	900
22	MAIN user charges .....	4,345,600
23	Pension trust funds .....	6,679,000
24	Special revenue, internal service, and pension trust	
25	funds .....	2,635,000
26	State building authority revenue .....	9,700
27	State lottery fund .....	4,600

1	Waterways fund.....		2,000
2	State general fund/general purpose.....	\$	13,819,200
3	<b>(7) STATE BUILDING AUTHORITY RENT</b>		
4	State building authority rent - state agencies.....	\$	58,616,800
5	State building authority rent - department of		
6	corrections .....		46,867,600
7	State building authority rent - universities.....		106,281,000
8	State building authority rent - community colleges ...		<u>20,056,700</u>
9	GROSS APPROPRIATION.....	\$	231,822,100
10	Appropriated from:		
11	Special revenue funds:		
12	State lottery fund.....		1,520,000
13	State general fund/general purpose.....	\$	230,302,100
14	<b>(8) CIVIL SERVICE OPERATIONS</b>		
15	Full-time equated classified positions.....		563.5
16	Agency services--118.5 FTE positions.....	\$	13,264,500
17	Executive direction--25.0 FTE positions.....		7,986,500
18	Employee benefits--31.0 FTE positions.....		5,885,700
19	Audit and compliance--15.0 FTE positions.....		2,044,100
20	Internal audit services.....		121,400
21	Training.....		1,300,000
22	Human resources operations--374.0 FTE positions.....		35,207,200
23	Information technology services and projects.....		<u>4,289,100</u>
24	GROSS APPROPRIATION.....	\$	70,098,500
25	Appropriated from:		
26	Interdepartmental grant revenues:		
27	IDG, training charges.....		1,300,000

1	IDG, 1% special funds.....	1,334,900
2	Federal revenues:	
3	Federal funds 1%.....	6,000,900
4	Federal indirect funds.....	4,669,000
5	Special revenue funds:	
6	Local funds 1%.....	1,992,900
7	Private funds 1%.....	150,000
8	Freedom of information fees.....	1,100
9	State restricted funds 1%.....	17,885,200
10	State sponsored group insurance.....	2,650,000
11	State sponsored group insurance, flexible spending	
12	accounts and COBRA .....	6,026,100
13	State general fund/general purpose.....	\$ 28,088,400
14	<b>Sec. 109. DEPARTMENT OF STATE</b>	
15	<b>(1) APPROPRIATION SUMMARY</b>	
16	Full-time equated unclassified positions..... 6.0	
17	Full-time equated classified positions..... 1,809.0	
18	GROSS APPROPRIATION.....	\$ 211,021,800
19	Interdepartmental grant revenues:	
20	Total interdepartmental grants and intradepartmental	
21	transfers .....	20,000,000
22	ADJUSTED GROSS APPROPRIATION.....	\$ 191,021,800
23	Federal revenues:	
24	Total federal revenues.....	1,460,000
25	Special revenue funds:	
26	Total local revenues.....	0

1	Total private revenues.....	100
2	Total other state restricted revenues.....	162,673,800
3	State general fund/general purpose.....	\$ 26,887,900
4	<b>(2) EXECUTIVE DIRECTION</b>	
5	Full-time equated unclassified positions.....	6.0
6	Full-time equated classified positions.....	30.0
7	Secretary of state.....	\$ 125,000
8	Unclassified positions--5.0 FTE positions.....	459,100
9	Operations--30.0 FTE positions.....	<u>2,972,900</u>
10	GROSS APPROPRIATION.....	\$ 3,557,000
11	Appropriated from:	
12	Special revenue funds:	
13	Auto repair facilities fees.....	60,500
14	Driver fees.....	137,600
15	Expedient service fees.....	57,100
16	Parking ticket court fines.....	8,300
17	Personal identification card fees.....	13,400
18	Reinstatement fees - operator licenses.....	146,600
19	Transportation administration collection fund.....	2,069,100
20	Vehicle theft prevention fees.....	35,600
21	State general fund/general purpose.....	\$ 1,028,800
22	<b>(3) DEPARTMENT SERVICES</b>	
23	Full-time equated classified positions.....	157.0
24	Operations--150.0 FTE positions.....	\$ 23,517,900
25	Assigned claims assessments--7.0 FTE positions.....	<u>893,700</u>
26	GROSS APPROPRIATION.....	\$ 24,411,600
27	Appropriated from:	

1	Federal revenues:		
2	Special revenue funds:		
3	Abandoned vehicle fees.....	468,600	
4	Assigned claims assessments.....	893,700	
5	Auto repair facilities fees.....	415,000	
6	Child support clearance fees.....	34,300	
7	Driver fees.....	430,100	
8	Expedient service fees.....	253,600	
9	Marine safety fund.....	76,200	
10	Off-road vehicle title fees.....	7,800	
11	Parking ticket court fines.....	52,700	
12	Personal identification card fees.....	84,800	
13	Reinstatement fees - operator licenses.....	549,200	
14	Scrap tire fund.....	70,000	
15	Snowmobile registration fee revenue.....	18,100	
16	Transportation administration collection fund.....	19,138,400	
17	Vehicle theft prevention fees.....	243,400	
18	State general fund/general purpose.....	\$ 1,675,700	
19	<b>(4) REGULATORY SERVICES</b>		
20	Full-time equated classified positions.....	211.0	
21	Operations--209.0 FTE positions.....	\$ 21,904,000	
22	Motorcycle safety education administration--2.0 FTE		
23	positions .....	362,400	
24	Motorcycle safety grants.....	1,430,000	
25	County clerk education and training fund.....	100,000	
26	Internal audit services.....	<u>148,600</u>	
27	GROSS APPROPRIATION.....	\$ 23,945,000	

1	Appropriated from:		
2	Federal revenues:		
3	Special revenue funds:		
4	Auto repair facilities fees.....		4,144,800
5	Driver education provider and instructor fund.....		72,900
6	Driver fees.....		1,988,500
7	Expedient service fees.....		34,500
8	Motorcycle safety fund.....		1,792,400
9	Notary education and training fund.....		100,000
10	Notary fee fund.....		314,000
11	Parking ticket court fines.....		20,700
12	Personal identification card fees.....		49,500
13	Reinstatement fees - operator licenses.....		1,771,200
14	Transportation administration collection fund.....		11,024,300
15	Vehicle theft prevention fees.....		1,330,900
16	State general fund/general purpose.....	\$	1,301,300
17	<b>(5) CUSTOMER DELIVERY SERVICES</b>		
18	Full-time equated classified positions.....	1,375.0	
19	Branch operations--931.0 FTE positions.....	\$	75,570,200
20	Central operations--417.0 FTE positions.....		39,215,200
21	Commemorative license plates--24.0 FTE positions.....		2,147,300
22	Specialty license plates--3.0 FTE positions.....		1,922,000
23	Olympic center plate.....		75,700
24	Organ donor program.....		<u>104,000</u>
25	GROSS APPROPRIATION.....	\$	119,034,400
26	Appropriated from:		
27	Interdepartmental grant revenues:		

1	IDG from MDOT, Michigan transportation fund.....	20,000,000
2	Federal revenues:	
3	Federal funds.....	1,460,000
4	Special revenue funds:	
5	Private funds.....	100
6	Abandoned vehicle fees.....	197,600
7	Auto repair facilities fees.....	93,100
8	Child support clearance fees.....	295,500
9	Driver fees.....	15,771,700
10	Expedient service fees.....	2,423,800
11	Enhanced driver license and enhanced official state	
12	personal identification card fund.....	4,150,000
13	Marine safety fund.....	1,188,700
14	Michigan state police auto theft fund.....	118,900
15	Mobile home commission fees.....	476,000
16	Off-road vehicle title fees.....	127,500
17	Parking ticket court fines.....	1,490,500
18	Personal identification card fees.....	1,585,400
19	Reinstatement fees - operator licenses.....	1,188,300
20	Snowmobile registration fee revenue.....	348,100
21	Transportation administration collection fund.....	57,848,200
22	Vehicle theft prevention fees.....	209,500
23	State general fund/general purpose.....	\$ 10,061,500
24	<b>(6) ELECTION REGULATION</b>	
25	Full-time equated classified positions.....	36.0
26	Election administration and services--36.0 FTE	
27	positions .....	\$ 4,798,500

1	Fees to local units.....		<u>109,700</u>
2	GROSS APPROPRIATION.....	\$	4,908,200
3	Appropriated from:		
4	State general fund/general purpose.....	\$	4,908,200
5	<b>(7) DEPARTMENTWIDE APPROPRIATIONS</b>		
6	Building occupancy charges/rent.....	\$	10,242,800
7	Worker's compensation.....		<u>381,900</u>
8	GROSS APPROPRIATION.....	\$	10,624,700
9	Appropriated from:		
10	Special revenue funds:		
11	Auto repair facilities fees.....		137,700
12	Driver fees.....		454,600
13	Expedient service fees.....		26,300
14	Parking ticket court fines.....		455,100
15	Transportation administration collection fund.....		5,978,200
16	State general fund/general purpose.....	\$	3,572,800
17	<b>(8) INFORMATION TECHNOLOGY</b>		
18	Information technology services and projects.....	\$	<u>24,540,900</u>
19	GROSS APPROPRIATION.....	\$	24,540,900
20	Appropriated from:		
21	Special revenue funds:		
22	Administrative order processing fee.....		11,100
23	Auto repair facilities fees.....		179,300
24	Child support clearance fees.....		16,200
25	Driver fees.....		1,348,900
26	Expedient service fees.....		960,800
27	Parking ticket court fines.....		82,600

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1	Personal identification card fees .....	882,400
2	Reinstatement fees - operator licenses .....	472,500
3	Transportation administration collection fund .....	16,076,700
4	Vehicle theft prevention fees .....	170,800
5	State general fund/general purpose .....	\$ 4,339,600
6	<b>Sec. 109. DEPARTMENT OF TREASURY</b>	
7	<b>(1) APPROPRIATION SUMMARY</b>	
8	Full-time equated unclassified positions .....	9.0
9	Full-time equated classified positions .....	1,835.5
10	GROSS APPROPRIATION .....	\$ 1,729,284,900
11	Interdepartmental grant revenues:	
12	Total interdepartmental grants and intradepartmental	
13	transfers .....	10,894,700
14	ADJUSTED GROSS APPROPRIATION .....	\$ 1,718,390,200
15	Federal revenues:	
16	Total federal revenues .....	92,307,700
17	Special revenue funds:	
18	Total local revenues .....	1,105,100
19	Total private revenues .....	715,600
20	Total other state restricted revenues .....	<<1,449,949,300>>
21	State general fund/general purpose .....	\$ <<174,312,500>>
22	<b>(2) EXECUTIVE DIRECTION</b>	
23	Full-time equated unclassified positions .....	9.0
24	Full-time equated classified positions .....	5.0
25	Unclassified positions--9.0 FTE positions .....	\$ 829,600
26	Office of the director--5.0 FTE positions .....	<u>819,300</u>

1	GROSS APPROPRIATION.....	\$	1,648,900
2	Appropriated from:		
3	Special revenue funds:		
4	State lottery fund.....		185,300
5	State services fee fund.....		210,500
6	State general fund/general purpose.....	\$	1,253,100
7	<b>(3) DEPARTMENTWIDE APPROPRIATIONS</b>		
8	Travel.....	\$	1,415,800
9	Rent and building occupancy charges - property		
10	management services .....		5,233,400
11	Worker's compensation insurance premium.....		<u>287,000</u>
12	GROSS APPROPRIATION.....	\$	6,936,200
13	Appropriated from:		
14	Special revenue funds:		
15	Delinquent tax collection revenue.....		3,559,900
16	State general fund/general purpose.....	\$	3,376,300
17	<b>(4) LOCAL GOVERNMENT PROGRAMS</b>		
18	Full-time equated classified positions.....	81.0	
19	Supervision of the general property tax law--	54.0	
20	FTE positions .....	\$	10,969,100
21	Property tax assessor training--4.0 FTE positions ....		424,100
22	Local finance--23.0 FTE positions.....		2,444,400
23	Telephone/telegraph re-appraisals.....		100
24	Blackstone settlement.....		<u>2,000,000</u>
25	GROSS APPROPRIATION.....	\$	15,837,700
26	Appropriated from:		
27	Special revenue funds:		

1	Local - assessor training fees .....		424,100
2	Local - audit charges .....		591,000
3	Local - equalization study charge-backs .....		40,000
4	Local - revenue from local government .....		50,000
5	Delinquent tax collection revenue .....		400,200
6	Land reutilization fund .....		3,985,800
7	Municipal finance fees .....		480,200
8	State education tax collections .....		50,000
9	State general fund/general purpose .....	\$	9,816,400
10	<b>(5) TAX PROGRAMS</b>		
11	Full-time equated classified positions .....	756.0	
12	Customer contact--137.0 FTE positions .....	\$	11,508,700
13	Tax compliance--318.0 FTE positions .....		32,303,500
14	Tax and economic policy--78.0 FTE positions .....		8,377,500
15	Revenue enhancement program--34.0 FTE positions .....		4,808,800
16	Tax processing--151.0 FTE positions .....		13,928,000
17	Michigan business tax implementation .....		11,813,700
18	Property tax appeal program .....		1,000,000
19	Home heating assistance .....		2,559,800
20	Bottle bill implementation .....		250,000
21	Tobacco tax collection--10.0 FTE positions .....		349,700
22	GROSS APPROPRIATION .....	\$	86,899,700
23	Appropriated from:		
24	Interdepartmental grant revenues:		
25	IDG, data/collection services fees .....		50,900
26	IDG from MDOT, Michigan transportation fund .....		6,795,900
27	IDG from MDOT, state aeronautics fund .....		68,000

1	Federal revenues:	
2	HHS-SSA, low-income energy assistance .....	2,559,800
3	Special revenue funds:	
4	Bottle deposit fund.....	250,000
5	Delinquent tax collection revenue .....	57,242,800
6	Tobacco tax collection and enforcement .....	349,700
7	Tobacco tax revenue.....	391,000
8	Waterways fund.....	79,700
9	State general fund/general purpose .....	\$ 19,111,900
10	<b>(6) BANKING AND MANAGEMENT SERVICES</b>	
11	Full-time equated classified positions.....	334.0
12	Program management--15.0 FTE positions .....	\$ 1,620,400
13	Departmental services--13.0 FTE positions .....	1,197,900
14	Mail operations--28.0 FTE positions .....	1,999,400
15	Unclaimed property--21.0 FTE positions .....	3,501,900
16	Collections--200.0 FTE positions .....	19,888,700
17	Finance and accounting--17.0 FTE positions .....	1,100,700
18	Receipts processing--40.0 FTE positions .....	<u>3,103,700</u>
19	GROSS APPROPRIATION.....	\$ 32,412,700
20	Appropriated from:	
21	Interdepartmental grant revenues:	
22	IDG from MDHS, title IV-D.....	619,800
23	IDG, levy/warrant cost assessment fees .....	1,857,800
24	IDG, state agency collection fees .....	591,200
25	IDG, data/collection services fees .....	206,400
26	Special revenue funds:	
27	Delinquent tax collection revenue .....	19,691,400

1	Escheats revenue.....	3,501,900
2	Garnishment fees.....	535,900
3	Justice system fund.....	644,500
4	Treasury fees.....	43,100
5	State general fund/general purpose.....	\$ 4,720,700
6	<b>(7) FINANCIAL PROGRAMS</b>	
7	Investments--80.0 FTE positions.....	\$ 16,151,300
8	Michigan merit award administration--6.0 FTE positions	1,453,000
9	Michigan education savings program.....	800,000
10	Common cash and debt management--22.5 FTE positions ..	1,241,900
11	Public private partnership investment.....	100
12	Student financial assistance programs--113.0 FTE	
13	positions .....	<u>35,742,300</u>
14	GROSS APPROPRIATION.....	\$ 55,388,600
15	Appropriated from:	
16	Interdepartmental grant revenues:	
17	IDG, fiscal agent service fees.....	169,400
18	Federal revenues:	
19	DED-OPSE, federal lenders allowance.....	10,460,100
20	DED-OPSE, higher education act of 1965, insured loans	23,304,100
21	Special revenue funds:	
22	Defined contribution administrative fee revenue .....	100,000
23	College work study.....	46,700
24	Michigan merit award trust fund.....	2,679,700
25	Public private partnership investment fund.....	100
26	Retirement funds.....	15,176,100
27	School bond fees.....	613,800

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1	Treasury fees.....	1,038,600
2	State general fund/general purpose.....	\$ 1,800,000
3	<b>(8) DEBT SERVICE</b>	
4	Water pollution control bond and interest redemption.	\$ 2,323,000
5	Quality of life bond.....	38,000,000
6	Clean Michigan initiative.....	26,400,000
7	Great Lakes water quality bond.....	<u>16,400,000</u>
8	GROSS APPROPRIATION.....	\$ 83,123,000
9	Appropriated from:	
10	Special revenue funds:	
11	Refined petroleum fund.....	15,514,500
12	State general fund/general purpose.....	\$ 67,608,500
13	<b>(9) GRANTS</b>	
14	Grants to counties in lieu of taxes.....	\$ 5,000
15	Convention facility development distribution.....	58,850,000
16	Senior citizen cooperative housing tax exemption	
17	program .....	16,999,900
18	Commercial mobile radio service payments.....	11,100,000
19	Health and safety fund grants.....	25,000,000
20	Renaissance zone reimbursement.....	3,800,000
21	<<City-university partnership grants.....	<u>100&gt;&gt;</u>
21	GROSS APPROPRIATION.....	\$ <<115,755,000>>
22	Appropriated from:	
23	Special revenue funds:	
24	Commercial mobile radio service fees.....	11,100,000
25	Convention facility development fund.....	58,850,000
26	Health and safety fund.....	25,000,000
27	State general fund/general purpose.....	\$ <<20,805,000>>

1       **(10) STATE LOTTERY**

2	Full-time equated classified positions.....	171.0	
3	Lottery operations--171.0 FTE positions.....		\$ 19,819,400
4	Internal audit services.....		132,700
5	Promotion and advertising.....		16,759,800
6	Lottery information technology services and projects .		<u>4,550,500</u>
7	GROSS APPROPRIATION.....		\$ 41,262,400
8	Appropriated from:		
9	Special revenue funds:		
10	State lottery fund.....		41,262,400
11	State general fund/general purpose.....		\$ 0

12       **(11) CASINO GAMING**

13	Full-time equated classified positions.....	114.0	
14	Michigan gaming control board.....		\$ 50,000
15	Casino gaming control administration--114.0 FTE		
16	positions .....		19,369,500
17	Casino gaming information technology services and		
18	projects .....		<u>1,324,000</u>
19	GROSS APPROPRIATION.....		\$ 20,743,500
20	Appropriated from:		
21	Casino gambling agreements.....		451,100
22	State services fee fund.....		20,292,400
23	State general fund/general purpose.....		\$ 0

24       **(12) PAYMENTS IN LIEU OF TAXES**

25	Commercial forest reserve.....		\$ 2,662,600
26	Purchased lands.....		4,450,100
27	Swamp and tax reverted lands.....		7,076,500

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1	Administration.....	100
2	GROSS APPROPRIATION.....	\$ 14,189,300
3	Appropriated from:	
4	Interdepartmental grant revenues:	
5	IDG from department of natural resources.....	100
6	Special revenue funds:	
7	Game and fish protection fund.....	1,715,000
8	Michigan natural resources trust fund.....	500,000
9	Michigan state waterways fund.....	135,000
10	State general fund/general purpose.....	\$ 11,839,200
11	<b>(13) MICHIGAN STRATEGIC FUND</b>	
12	Full-time equated classified positions.....	153.0
13	Administration--22.0 FTE positions.....	\$ 2,555,000
14	Job creation services--125.0 FTE positions.....	17,068,900
15	Michigan film office--6.0 FTE positions.....	731,600
16	Michigan promotion program.....	5,717,600
17	Economic development job training grants.....	7,440,900
18	Community development block grants.....	53,000,000
19	Jobs for Michigan investment program: 21st century	
20	jobs fund .....	<<74,999,900>>
21	Business incubator - Macomb County.....	100
22	Business incubator - Washtenaw County.....	100
23	GROSS APPROPRIATION.....	\$ <<161,514,100>>
24	Appropriated from:	
25	Interdepartmental grant revenues:	
26	IDG, MDEQ, air quality fees.....	80,300
27	Federal revenues:	

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1	HUD-CPD, community development block grant .....	55,438,800
2	Special revenue funds:	
3	Private - special project advances .....	715,600
4	Industry support fees .....	5,200
5	Michigan film promotion fund .....	550,000
6	21st century jobs trust fund .....	<<74,999,900>>
7	State general fund/general purpose .....	\$ 29,724,300
8	<b>(14) REVENUE SHARING</b>	
9	Constitutional state general revenue sharing grants ..	\$ 667,564,000
10	Statutory state general revenue sharing grants .....	405,101,000
11	County revenue sharing .....	2,394,500
12	Special grants .....	<u>314,000</u>
13	GROSS APPROPRIATION .....	\$ 1,075,373,500
14	Appropriated from:	
15	Sales tax .....	1,075,059,500
16	State general fund/general purpose .....	\$ 314,000
17	<b>(15) INFORMATION TECHNOLOGY</b>	
18	Treasury operations information technology services	
19	and projects .....	\$ <u>18,200,300</u>
20	GROSS APPROPRIATION .....	\$ 18,200,300
21	Appropriated from:	
22	Interdepartmental grant revenues:	
23	IDG from MDOT, Michigan transportation fund .....	454,900
24	Federal revenues:	
25	DED-OPSE, federal lenders allowance .....	544,900
26	Special revenue funds:	
27	Delinquent tax collection revenue .....	12,081,300

1	Tobacco tax revenue.....	100,000
2	Michigan merit award trust fund.....	415,900
3	Retirement funds.....	660,200
4	State general fund/general purpose.....	\$ 3,943,100

5 PART 2

6 PROVISIONS CONCERNING APPROPRIATIONS

7 GENERAL SECTIONS

8 Sec. 201. (1) Pursuant to section 30 of article IX of the  
 9 state constitution of 1963, total state spending from state  
 10 resources under part 1 for fiscal year 2008-2009 is  
 11 \$2,373,548,600.00 and state spending from state resources to be  
 12 paid to local units of government for fiscal year 2008-2009 is  
 13 \$1,227,025,200.00. The itemized statement below identifies  
 14 appropriations from which spending to local units of government  
 15 will occur:

16 DEPARTMENT OF STATE

17	Fees to local units.....	\$ 109,700
18	Motorcycle safety grants.....	<u>1,144,000</u>
19	Subtotal.....	\$ 1,253,700

20 DEPARTMENT OF TREASURY

21	Senior citizen cooperative housing tax exemption.....	\$ 16,999,900
22	Grants to counties in lieu of taxes.....	5,000
23	Health and safety fund grants.....	25,000,000
24	Property tax appeal program.....	1,000,000
25	Constitutional state general revenue sharing grants..	667,564,000

1	Statutory state general revenue sharing grants .....	405,101,000
2	Convention facility development fund distribution ....	58,850,000
3	Commercial mobile radio service payments .....	10,100,000
4	Renaissance zone reimbursements .....	3,800,000
5	Special grants .....	314,000
6	County revenue sharing payment .....	2,394,500
7	Airport parking distribution pursuant to section 909 .	18,654,000
8	Economic development job training grants .....	1,800,000
9	Payments in lieu of taxes .....	<u>14,189,100</u>
10	Subtotal .....	\$ <u>1,225,771,500</u>
11	TOTAL GENERAL GOVERNMENT .....	\$ 1,227,025,200

12       (2) Pursuant to section 30 of article IX of the state  
 13 constitution of 1963, total state spending from state sources for  
 14 fiscal year 2008-2009 is estimated at \$28,760,438,000.00 in the  
 15 2008-2009 appropriations acts and total state spending from state  
 16 sources paid to local units of government for fiscal year 2008-2009  
 17 is estimated at \$16,262,672,800.00. The state-local proportion is  
 18 estimated at 56.5% of total state spending from state resources.

19       (3) If payments to local units of government and state  
 20 spending from state sources for fiscal year 2008-2009 are different  
 21 than the amounts estimated in subsection (2), the state budget  
 22 director shall report the payments to local units of government and  
 23 state spending from state sources that were made for fiscal year  
 24 2008-2009 to the senate and house of representatives standing  
 25 committees on appropriations within 30 days after the final book-  
 26 closing for fiscal year 2008-2009.

27       Sec. 202. The appropriations authorized under this act are

1 subject to the management and budget act, 1984 PA 431, MCL 18.1101  
2 to 18.1594.

3 Sec. 203. As used in this act:

4 (a) "AFSCME" means American federation of state, county, and  
5 municipal employees.

6 (b) "CDBG" means community development block grants.

7 (c) "COBRA" means the consolidated omnibus budget  
8 reconciliation act of 1985, Public Law 99-272, 100 Stat. 82.

9 (d) "CPI" means consumer price index.

10 (e) "DAG" means the United States department of agriculture.

11 (f) "DED-OPSE" means the United States department of  
12 education, office of postsecondary education.

13 (g) "DOL-ETA" means the United States department of labor,  
14 employment and training administration.

15 (h) "DOL-OSHA" means the United States department of labor,  
16 occupational safety and health administration.

17 (i) "EEOC" means the United States equal employment  
18 opportunity commission.

19 (j) "EPA" means the United States environmental protection  
20 agency.

21 (k) "FTE" means full-time equated.

22 (l) "Fund" means the Michigan strategic fund.

23 (m) "GF/GP" means general fund/general purpose.

24 (n) "HHS" means the United States department of health and  
25 human services.

26 (o) "HHS-OS" means the HHS office of the secretary.

27 (p) "HHS-SSA" means the HHS social security administration.

1           (q) "HUD" means the United States department of housing and  
2 urban development.

3           (r) "HUD-CPD" means the United States department of housing  
4 and urban development - community planning and development.

5           (s) "IDG" means interdepartmental grant.

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

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

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

10          (w) "MDCH" means the Michigan department of community health.

11          (x) "MDEQ" means the Michigan department of environmental  
12 quality.

13          (y) "MDHS" means the Michigan department of human services.

14          (z) "MDLEG" means the Michigan department of labor and  
15 economic growth.

16          (aa) "MDMB" means the Michigan department of management and  
17 budget.

18          (bb) "MDOT" means the Michigan department of transportation.

19          (cc) "MDSP" means the Michigan department of state police.

20          (dd) "MEDC" means the Michigan economic development  
21 corporation, which is the public body corporate created under  
22 section 28 of article VII of the state constitution of 1963 and the  
23 urban cooperation act of 1967, 1967 (Ex Sess) PA 7, MCL 124.501 to  
24 124.512, by contractual interlocal agreement effective April 5,  
25 1999, between local participating economic development corporations  
26 formed under the economic development corporations act, 1974 PA  
27 338, MCL 125.1601 to 125.1636, and the Michigan strategic fund.

1 (ee) "MPE" means the Michigan public employees.

2 (ff) "MSC" means managerial, supervisory and confidential.

3 (gg) "NERE" means nonexclusively represented employees.

4 (hh) "PA" means public act.

5 (ii) "PACC" means the prosecuting attorneys coordinating  
6 council.

7 (jj) "SEIU" means service employees international union.

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

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

20 (2) The attorney general and secretary of state may grant  
21 exceptions to the hiring freeze for their respective departments  
22 pursuant to the same criteria that the state budget director is  
23 able to grant exceptions under this subsection. The state budget  
24 director may grant exceptions to this hiring freeze when the state  
25 budget director believes that the hiring freeze will result in  
26 rendering a state department or agency unable to deliver basic  
27 services, cause loss of revenue to the state, result in the

1 inability of the state to receive federal funds, or necessitate  
2 additional expenditures that exceed any savings from maintaining a  
3 vacancy. The state budget director shall report quarterly to the  
4 chairpersons of the senate and house of representatives standing  
5 committees on appropriations the number of exceptions to the hiring  
6 freeze approved during the previous quarter and the reasons to  
7 justify the exception.

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

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

24       Sec. 210. The director of each department receiving  
25 appropriations in part 1 shall take all reasonable steps to ensure  
26 businesses in deprived and depressed communities compete for and  
27 perform contracts to provide services or supplies, or both. Each

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

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

	2007	2008
11 Michigan personal income (millions) .....	\$352,672	\$357,256
12 less: transfer payments .....	<u>58,276</u>	<u>61,656</u>
13 Subtotal .....	\$294,396	\$295,600
14 Divided by: Detroit CPI for 12 months		
15 ending June 30 .....	1.984	2.032
16 Equals: Real adjusted Michigan personal		
17 income .....	\$148,385	\$145,500
18 Percentage change .....		-1.9%
19 Percentage change in excess of 2% .....		0.0%
20 Multiplied by: estimated GF/GP revenue in		
21 FY 2007-2008 (millions) .....		9,246.5
22 Equals: countercyclical budget and		
23 economic stabilization fund calculation		
24 for the fiscal year ending September 30,		
25 2009 .....		\$0.0

26 Sec. 212. The departments and agencies receiving

1 appropriations in part 1 shall receive and retain copies of all  
2 reports funded from appropriations in part 1. Federal and state  
3 guidelines for short-term and long-term retention of records shall  
4 be followed.

5       Sec. 213. Funds appropriated in part 1 shall not be used by  
6 this state, a department, an agency, or an authority of this state  
7 to purchase an ownership interest in a casino enterprise or a  
8 gambling operation as those terms are defined in the Michigan  
9 gaming control and revenue act, the Initiated Law of 1996, MCL  
10 432.201 to 432.226.

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

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

20       Sec. 216. (1) Due to the current budgetary problems in this  
21 state, out-of-state travel for the fiscal year ending September 30,  
22 2008 shall be limited to situations in which 1 or more of the  
23 following conditions apply:

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

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

1 circumstances.

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

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

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

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

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

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

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

1 (b) The destination of each travel occurrence.

2 (c) The dates of each travel occurrence.

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

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

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

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

15 Sec. 220. Funds appropriated in part 1 shall not be used to  
16 establish, operate, or administer a payroll deduction plan that  
17 enables classified state employees to make contributions to either  
18 a committee, as defined in section 3 of the Michigan campaign  
19 finance act, 1976 PA 388, MCL 169.203, or a political organization,  
20 as defined in section 527 of the internal revenue code, 26 USC 527.

21 Sec. 221. (1) Each department shall report no later than April  
22 1, 2009 on each specific policy change made to implement a public  
23 act affecting the department that took effect during the prior  
24 calendar year to the house and senate appropriations subcommittees  
25 on the budget for the department, the joint committee on  
26 administrative rules, and the senate and house fiscal agencies.

27 (2) Funds appropriated in part 1 shall not be used by a

1 department to adopt a rule that will apply to a small business and  
2 that will have a disproportionate economic impact on small  
3 businesses because of the size of those businesses if the  
4 department fails to reduce the disproportionate economic impact of  
5 the rule on small businesses as provided under section 40 of the  
6 administrative procedures act of 1969, 1969 PA 306, MCL 24.240.

7 (3) As used in this section:

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

10 (b) "Small business" means that term as defined under section  
11 7a of the administrative procedures act of 1969, 1969 PA 306, MCL  
12 24.207a.

13 Sec. 224. (1) Excluding the department of management and  
14 budget, the departments receiving appropriations in part 1 shall  
15 not approve the travel of more than 1 departmental employee to a  
16 specific professional development conference or training seminar  
17 that is located outside of this state. The only exception to this  
18 travel restriction is for a professional development conference or  
19 training seminar that is funded by a federal or private funding  
20 source and that requires more than 1 person from a department to  
21 attend.

22 (2) Unless approved by the director, the department of  
23 management and budget shall not approve the travel of more than 1  
24 departmental employee to a specific professional development  
25 conference or training seminar that is located outside of this  
26 state. The only exception to this travel restriction is for a  
27 professional development conference or training seminar that is

1 funded by a federal or private funding source and that requires  
2 more than 1 person from a department to attend.

3 Sec. 225. From the funds appropriated in part 1, the  
4 departments shall develop, post, and maintain, on a publicly  
5 accessible Internet site, all expenditures made by the departments  
6 within the fiscal year. This posting shall include the purpose for  
7 which each expenditure is made.

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

14 **DEPARTMENT OF ATTORNEY GENERAL**

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

21 (2) In addition to the funds appropriated in part 1, there is  
22 appropriated an amount not to exceed \$1,500,000.00 for state  
23 restricted contingency funds. These funds are not available for  
24 expenditure until they have been transferred to another line item  
25 in this act under section 393(2) of the management and budget act,  
26 1984 PA 431, MCL 18.1393.

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

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

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

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

25           (3) The attorney general shall perform the duties specified in  
26 1846 RS 12, MCL 14.28 to 14.35, and 1919 PA 232, MCL 14.101 to  
27 14.102, and as otherwise provided by law.

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

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

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

1 the prosecution of food stamp fraud cases according to the United  
2 States department of agriculture regulations and that, once earned  
3 by this state, the funds become state funds.

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

8 Sec. 307. In addition to the antitrust revenues in part 1,  
9 antitrust, securities fraud, consumer protection or class action  
10 enforcement revenues, or attorney fees recovered by the department,  
11 not to exceed \$250,000.00, are appropriated to the department for  
12 antitrust, securities fraud, and consumer protection or class  
13 action enforcement cases. Any unexpended funds from antitrust,  
14 securities fraud, or consumer protection or class action  
15 enforcement revenues at the end of the fiscal year, including  
16 antitrust funds in part 1, shall be carried forward for expenditure  
17 in the following fiscal year up to the maximum authorization of  
18 \$250,000.00.

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

22 (2) The funds may be expended for the payment of court  
23 judgments or settlements, attorney fees, and litigation expenses  
24 not including salaries and support costs, assessed against the  
25 office of the governor, the department of the attorney general, the  
26 governor, or the attorney general when acting in an official  
27 capacity as the named party in litigation against the state. The

1 funds may also be expended for the payment of state costs incurred  
2 under section 16 of chapter X of the code of criminal procedure,  
3 1927 PA 175, MCL 770.16.

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

7 Sec. 309. From the prisoner reimbursement funds appropriated  
8 in part 1, the department may spend up to \$463,000.00 on activities  
9 related to the state correctional facilities reimbursement act,  
10 1935 PA 253, MCL 800.401 to 800.406. In addition to the funds  
11 appropriated in part 1, if the department collects in excess of  
12 \$1,131,000.00 in gross annual prisoner reimbursement receipts  
13 provided to the general fund, the excess, up to a maximum of  
14 \$1,000,000.00, is appropriated to the department of attorney  
15 general and may be spent on the representation of the department of  
16 corrections and its officers, employees, and agents, including, but  
17 not limited to, the defense of litigation against the state, its  
18 departments, officers, employees, or agents in civil actions filed  
19 by prisoners.

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

26 (2) The attorney general or his or her designee shall, to the  
27 extent allowable under federal law, have access to any information

1 used by the state to locate parents who fail to pay court-ordered  
2 child support.

3 Sec. 311. Funds collected by the department of attorney  
4 general under section 10b of the medicaid false claim act, 1977 PA  
5 72, MCL 400.610b, are appropriated to the department of attorney  
6 general for the purpose for which they were received. Any  
7 unexpended funds at the end of the fiscal year shall be carried  
8 forward for expenditure in subsequent fiscal years.

9 **DEPARTMENT OF CIVIL RIGHTS**

10 Sec. 401. In addition to the funds appropriated in part 1,  
11 there is appropriated an amount not to exceed \$2,000,000.00 for  
12 federal contingency funds. These funds are not available for  
13 expenditure until they have been transferred to another line item  
14 in this act under section 393(2) of the management and budget act,  
15 1984 PA 431, MCL 18.1393.

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

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

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

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

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

26 (e) Developing, presenting, and participating in mediation

1 processes for certain civil rights cases.

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

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

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

#### 15 **INFORMATION TECHNOLOGY**

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

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

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

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

22          Sec. 574. The department of information technology may enter  
23 into agreements to supply spatial information and technical  
24 services to other principal executive departments, state agencies,  
25 local units of government, and other organizations. The department  
26 of information technology may receive and expend funds in addition  
27 to those authorized in part 1 for providing information and

1 technical services, publications, maps, and other products. The  
2 department of information technology may expend amounts received  
3 for salaries, supplies, and equipment necessary to provide  
4 informational products and technical services. Prior to December 1  
5 of each year, the department shall provide a report to the senate  
6 and house of representatives standing committees on appropriations  
7 subcommittees on general government, detailing the sources of  
8 funding and expenditures made under this section.

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

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

- 17       (a) Application development and maintenance.
- 18       (b) Desktop computer support and management.
- 19       (c) Mainframe computer support and management.
- 20       (d) Server support and management.
- 21       (e) Local area network support and management.
- 22       (f) Information technology contract, project, and procurement  
23 management.
- 24       (g) Information technology planning and budget management.
- 25       (h) Telecommunication services, security, infrastructure, and  
26 support.
- 27       (i) Software and software licensing.

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

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

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

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

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

26       (a) The total amount of funding appropriated for information  
27 technology services and projects, by funding source, for all

1 principal executive departments and agencies.

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

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

12 Sec. 580. (1) From the funds appropriated in part 1 to general  
13 services, for the department of state, there is appropriated  
14 \$4,550,000.00 for the business application modernization project.  
15 Funds shall only be used for the development, implementation, and  
16 maintenance of the business application modernization project.

17 (2) The unexpended funds appropriated in part 1 for the  
18 business application modernization project are designated as work  
19 project appropriations and shall not lapse at the end of the fiscal  
20 year. Any unencumbered or unallotted funds shall be carried over  
21 into the succeeding fiscal year and shall continue to be available  
22 for expenditure until the project has been completed. The total  
23 cost is estimated at \$30,000,000.00, and the tentative completion  
24 date is September 30, 2010.

25 Sec. 581. From the funds appropriated in part 1, the  
26 department of information technology shall assess the state's  
27 information technology assets, including hardware, software, and

1 networks to determine any benefits and economies that can be  
2 achieved through, but not limited to, hardware and software  
3 consolidation and standardization, process improvements, project  
4 management improvements, and increased standards-based information  
5 sharing between agencies.

6       Sec. 582. The department shall provide a report by December 1  
7 of each fiscal year to the senate and house of representatives  
8 standing committees on appropriations and the senate and house  
9 fiscal agencies detailing the improvements made to Michigan.gov.

10       Sec. 583. By December 31, the department shall provide a  
11 report that lists all change orders and follow-on contracts,  
12 whether they are bid or no-bid, and the amount of each change order  
13 or follow-on contract entered into by the department since its  
14 inception to the senate and house of representatives standing  
15 committees on appropriations subcommittees on general government,  
16 the senate and house fiscal agencies, and the state budget  
17 director.

18       Sec. 584. The department of information technology shall  
19 determine how existing 2-1-1 capacities will be utilized by each  
20 state department with community resource information and referral  
21 service, including, but not limited to, toll-free help and  
22 information lines and comprehensive human service databases. The  
23 department of information technology shall report its findings in  
24 writing to the senate and house of representatives standing  
25 committees on appropriations by July 1, 2009. The report shall  
26 include a statement of how each state department has utilized 2-1-1  
27 in its coordination efforts, including any efficiencies, cost

1 savings, and improved service provided to Michigan residents. The  
2 report shall also contain recommendations for maintaining a  
3 statewide 2-1-1 system.

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

17       Sec. 586. (1) The state budget director, upon notification to  
18 the house and senate appropriations committees, may adjust spending  
19 authorization and user fees in the department of information  
20 technology budget in order to ensure that the appropriations for  
21 information technology in the department budget equal the  
22 appropriations for information technology in the budgets for all  
23 executive branch agencies.

24       (2) If during the course of the fiscal year a transfer or  
25 supplemental to or from the information technology line item within  
26 an agency budget is made under section 393 of the management and  
27 budget act, 1984 PA 431, MCL 18.1393, there is appropriated an

1 equal amount of user fees in the department of information  
2 technology budget to accommodate an increase or decrease in  
3 spending authorization.

#### 4 **LEGISLATURE**

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

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

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

24 Sec. 602. The senate may charge rent and assess charges for  
25 utility costs. The amounts received for rent charges and utility  
26 assessments are appropriated to the senate for the renovation,

1 operation, and maintenance of the Farnum building and other  
2 properties.

3 Sec. 603. The appropriation contained in part 1 for national  
4 association dues is to be distributed by the legislative council.  
5 From the funding appropriated, \$51,000.00 shall be paid as annual  
6 dues to the national conference of commissioners on uniform state  
7 laws.

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

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

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

23 Sec. 606. The appropriations in part 1 to the legislative  
24 branch, for property management, shall be used to purchase  
25 equipment and services for building maintenance in order to ensure  
26 a safe and productive work environment. These funds are designated  
27 as work project appropriations and shall not lapse at the end of

1 the fiscal year, and shall continue to be available for expenditure  
2 until the project has been completed. The total cost is estimated  
3 at \$500,000.00, and the tentative completion date is September 30,  
4 2011.

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

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

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

#### 24 **LEGISLATIVE AUDITOR GENERAL**

25 Sec. 620. Pursuant to section 53 of article IV of the state  
26 constitution of 1963, the auditor general shall conduct audits of

1 the judicial branch. The audits may include the supreme court and  
2 its administrative units, the court of appeals, and trial courts.

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

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

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

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

1 the senate minority leader.

2       Sec. 623. Any audits, reviews, or investigations requested of  
3 the auditor general by the legislature or by legislative  
4 leadership, legislative committees, or individual legislators shall  
5 include an estimate of the additional costs involved and, when  
6 those costs exceed \$50,000.00, should provide supplemental funding.  
7 The auditor general shall determine whether to perform those  
8 activities in keeping with Audit Directive No. 29, which describes  
9 the office of the auditor general's policy on responding to  
10 legislative requests.

11       Sec. 624. From the funds appropriated in part 1, \$63,000.00 is  
12 appropriated to transition the office of the auditor general's  
13 information technology network from the executive branch network to  
14 the legislative branch network.

15 **DEPARTMENT OF MANAGEMENT AND BUDGET**

16       Sec. 701. (1) In addition to the funds appropriated in part 1,  
17 there is appropriated an amount not to exceed \$2,000,000.00 for  
18 federal contingency funds. These funds are not available for  
19 expenditure until they have been transferred to another line item  
20 in this act under section 393(2) of the management and budget act,  
21 1984 PA 431, MCL 18.1393.

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

1 1984 PA 431, MCL 18.1393.

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

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

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

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

27 (3) The department of management and budget may receive and

1 expend funds in addition to those authorized in part 1 for mail  
2 pickup and delivery services provided specifically to other  
3 principal executive departments and state agencies, the legislative  
4 branch, or the judicial branch.

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

10 Sec. 705. (1) The source of financing in part 1 for statewide  
11 appropriations shall be funded by assessments against longevity and  
12 insurance appropriations throughout state government in a manner  
13 prescribed by the department of management and budget. Funds shall  
14 be used as specified in joint labor/management agreements or  
15 through the coordinated compensation hearings process. Any deposits  
16 made under this subsection and any unencumbered funds are  
17 restricted revenues, may be carried over into the succeeding fiscal  
18 years, and are appropriated.

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

25 Sec. 706. To the extent a specific appropriation is required  
26 for a detailed source of financing included in part 1 for the  
27 department of management and budget appropriations financed from

1 special revenue and internal service and pension trust funds, or  
2 MAIN user charges, the specific amounts are appropriated within the  
3 special revenue internal service and pension trust funds in  
4 portions not to exceed the aggregate amount appropriated in part 1.

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

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

24       Sec. 709. (1) Deposits against the interdepartmental grant  
25 from building occupancy and parking charges appropriated in part 1  
26 shall be collected, in part, from state agencies, the legislative  
27 branch, and the judicial branch based on estimated costs associated

1 with maintenance and operation of buildings managed by the  
2 department of management and budget. To the extent excess revenues  
3 are collected due to estimates of building occupancy charges  
4 exceeding actual costs, the excess revenues may be carried forward  
5 into succeeding fiscal years for the purpose of returning funds to  
6 state agencies.

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

11 Sec. 710. The department of management and budget shall notify  
12 the chairpersons of the senate and house of representatives  
13 standing committees on appropriations and the chairpersons of the  
14 senate and house of representatives standing committees on  
15 appropriations subcommittees on general government on any revisions  
16 that increase or decrease current contracts by more than  
17 \$500,000.00 for computer software development, hardware  
18 acquisition, or quality assurance at least 14 days before the  
19 department of management and budget finalizes the revisions.

20 Sec. 711. The department of management and budget shall  
21 maintain an Internet website that contains notice of all  
22 invitations for bids and requests for proposals over \$50,000.00  
23 issued by the department or by any state agency operating under  
24 delegated authority. The department shall not accept an invitation  
25 for bid or request for proposal in less than 14 days after the  
26 notice is made available on the Internet website, except in  
27 situations where it would be in the best interest of the state and

1 documented by the department. In addition to the requirements of  
2 this section, the department may advertise the invitations for bids  
3 and requests for proposals in any manner the department determines  
4 appropriate, in order to give the greatest number of individuals  
5 and businesses the opportunity to make bids or requests for  
6 proposals.

7       Sec. 712. The department of management and budget may receive  
8 and expend funds from the Vietnam veterans memorial monument fund  
9 as provided in the Michigan Vietnam veterans memorial act, 1988 PA  
10 234, MCL 35.1051 to 35.1057. Funds are appropriated and allocated  
11 when received and may be expended upon receipt.

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

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

25       (2) The appropriation in part 1 for motor vehicle fleet shall  
26 be funded by revenue from rates charged to principal executive  
27 departments and agencies for utilizing vehicle travel services

1 provided by the department. Revenue in excess of the amount  
2 appropriated in part 1 from the motor transport fund and any  
3 unencumbered funds are restricted revenues and may be carried over  
4 into the succeeding fiscal year.

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

11 (4) Pursuant to the department of management and budget's  
12 authority under sections 213 and 215 of the management and budget  
13 act, 1984 PA 431, MCL 18.1213 and 18.1215, the department shall  
14 maintain a plan regarding the operation of the motor vehicle fleet.  
15 The plan shall include the number of vehicles assigned to, or  
16 authorized for use by, state departments and agencies, efforts to  
17 reduce vehicle expenditures, the number of cars in the motor  
18 vehicle fleet, the number of miles driven by fleet vehicles, and  
19 the number of gallons of fuel consumed by fleet vehicles. The plan  
20 shall include a calculation of the amount of state motor vehicle  
21 fuel taxes that would have been incurred by fleet vehicles if fleet  
22 vehicles were required by law to pay motor fuel taxes. The plan  
23 shall include a description of fleet garage operations, the goods  
24 sold and services provided by the fleet garage, the cost to operate  
25 the fleet garage, the number of fleet garage locations, and the  
26 number of employees assigned to each fleet garage. The plan may be  
27 adjusted during the fiscal year based on needs and cost savings to

1 achieve the maximum value and efficiency from the state motor  
2 fleet. Within 60 days after the close of the fiscal year, the  
3 department shall provide a report to the senate and house of  
4 representatives standing committees on appropriations and the  
5 senate and house fiscal agencies detailing the current plan and  
6 changes made to the plan during the fiscal year.

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

13 Sec. 716. The department of management and budget shall adopt  
14 policies and procedures necessary for compliance by the department,  
15 other state departments and agencies, and state vendors and  
16 subcontractors, with the requirement under subsection (1) of  
17 section 261 of the management and budget act, 1984 PA 431, MCL  
18 18.1261, to provide a purchasing preference for products  
19 manufactured or services offered by Michigan-based firms.

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

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

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

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

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

1 Liechtenstein, the Principality of Monaco, and the Republic of the  
2 Seychelles.

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

8 (f) Whether a proposal by a vendor to provide services to this  
9 state from a location outside of this state or the United States  
10 would constitute undue risk under a risk management policy,  
11 practice, or procedure adopted by the department of management and  
12 budget under section 204 of the management and budget act, 1984 PA  
13 431, MCL 18.1204.

14 (g) Whether a proposal by a vendor to provide goods to this  
15 state produced outside of this state or the United States would  
16 constitute undue risk under a risk management policy, practice, or  
17 procedure adopted by the department of management and budget under  
18 section 204 of the management and budget act, 1984 PA 431, MCL  
19 18.1204.

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

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

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

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

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

12 Sec. 720. The source of financing in part 1 for internal audit  
13 charges shall fund internal audit services provided by the office  
14 of the state budget within the department of management and budget.  
15 Internal audit charges shall be funded by assessments against state  
16 agencies in a manner prescribed by the department.

17 Sec. 721. In addition to the funds appropriated in part 1, the  
18 department of management and budget may receive and expend money  
19 from the Michigan law enforcement officers memorial monument fund  
20 as provided in the Michigan law enforcement officers memorial act,  
21 2004 PA 177, MCL 28.781 to 28.787.

22 Sec. 722. In addition to the funds appropriated in part 1, the  
23 department of management and budget may receive and expend money  
24 from the Ronald Wilson Reagan memorial monument fund as provided in  
25 the Ronald Wilson Reagan memorial monument fund commission act,  
26 2004 PA 489, MCL 399.261 to 399.266.

27 Sec. 723. The department shall make available to the public a

1 list of all parcels of real property owned by the state that are  
2 available for purchase. The list shall be posted on the Internet  
3 through the department's website.

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

#### 10 **STATE BUILDING AUTHORITY**

11 Sec. 725. (1) Subject to section 242 of the management and  
12 budget act, 1984 PA 431, MCL 18.1242, and upon the approval of the  
13 state building authority, the department may expend from the  
14 general fund of the state during the fiscal year ending September  
15 30, 2009 an amount to meet the cash flow requirements of those  
16 state building authority projects solely for lease to a state  
17 agency identified in both part 1 and this section, and for which  
18 state building authority bonds or notes have not been issued, and  
19 for the sole acquisition by the state building authority of  
20 equipment and furnishings for lease to a state agency as permitted  
21 by 1964 PA 183, MCL 830.411 to 830.425, for which the issuance of  
22 bonds or notes is authorized by a legislative concurrent resolution  
23 that is effective for the fiscal year ending September 30, 2009.  
24 Any general fund advances for which state building authority bonds  
25 have not been issued shall bear an interest cost to the state  
26 building authority at a rate not to exceed that earned by the state

1 treasurer's common cash fund during the period in which the  
2 advances are outstanding and are repaid to the general fund of the  
3 state.

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

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

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

22 Sec. 726. (1) State building authority funding to finance  
23 construction or renovation of a facility that collects revenue in  
24 excess of money required for the operation of that facility shall  
25 not be released to a university or community college unless the  
26 institution agrees to reimburse that excess revenue to the state  
27 building authority. The excess revenue shall be credited to the

1 general fund to offset rent obligations associated with the  
2 retirement of bonds issued for that facility. The auditor general  
3 shall annually identify and present an audit of those facilities  
4 that are subject to this section. Costs associated with the  
5 administration of the audit shall be charged against money  
6 recovered pursuant to this section.

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

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

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

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

1 is not limited to, the following:

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

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

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

12 **CIVIL SERVICE**

13 Sec. 750. (1) In addition to the funds appropriated in part 1,  
14 there is appropriated an amount not to exceed \$2,000,000.00 for  
15 federal contingency funds. These funds are not available for  
16 expenditure until they have been transferred to another line item  
17 in this act under section 393(2) of the management and budget act,  
18 1984 PA 431, MCL 18.1393.

19 (2) In addition to the funds appropriated in part 1, there is  
20 appropriated an amount not to exceed \$5,000,000.00 for state  
21 restricted contingency funds. These funds are not available for  
22 expenditure until they have been transferred to another line item  
23 in this act under section 393(2) of the management and budget act,  
24 1984 PA 431, MCL 18.1393.

25 (3) In addition to the funds appropriated in part 1, there is  
26 appropriated an amount not to exceed \$100,000.00 for local

1 contingency funds. These funds are not available for expenditure  
2 until they have been transferred to another line item in this act  
3 under section 393(2) of the management and budget act, 1984 PA 431,  
4 MCL 18.1393.

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

11 Sec. 751. (1) All restricted funds shall be assessed a sum not  
12 less than 1% of the total aggregate payroll paid from those funds  
13 for financing the civil service commission on the basis of actual  
14 1% restricted sources total aggregate payroll of the classified  
15 service for fiscal year 2008 in accordance with section 5 of  
16 article XI of the state constitution of 1963. This includes, but is  
17 not limited to, restricted funds appropriated in part 1 of any  
18 appropriations act. Unexpended 1% appropriated funds shall be  
19 returned to each 1% fund source at the end of the fiscal year.

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

26 (3) The financing from restricted sources shall be credited to  
27 the civil service commission by the end of the second fiscal

1 quarter.

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

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

1     **DEPARTMENT OF STATE**

2           Sec. 801. (1) In addition to the funds appropriated in part 1,  
3     there is appropriated an amount not to exceed \$2,000,000.00 for  
4     federal contingency funds. These funds are not available for  
5     expenditure until they have been transferred to another line item  
6     in this act under section 393(2) of the management and budget act,  
7     1984 PA 431, MCL 18.1393.

8           (2) In addition to the funds appropriated in part 1, there is  
9     appropriated an amount not to exceed \$7,500,000.00 for state  
10    restricted contingency funds. These funds are not available for  
11    expenditure until they have been transferred to another line item  
12    in this act under section 393(2) of the management and budget act,  
13    1984 PA 431, MCL 18.1393.

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

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

26          Sec. 802. All funds made available by section 3171 of the  
27    insurance code of 1956, 1956 PA 218, MCL 500.3171, are appropriated

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1 and made available to the department of state to be expended only  
2 for the uses and purposes for which the funds are received as  
3 provided by sections 3171 to 3177 of the insurance code of 1956,  
4 1956 PA 218, MCL 500.3171 to 500.3177.

5 Sec. 803. From the funds appropriated in part 1, the  
6 department of state shall sell copies of records including, but not  
7 limited to, records of motor vehicles, off-road vehicles,  
8 snowmobiles, watercraft, mobile homes, personal identification  
9 cardholders, drivers, and boat operators and shall charge \$7.00 per  
10 record sold only as authorized in section 208b of the Michigan  
11 vehicle code, 1949 PA 300, MCL 257.208b, section 7 of 1972 PA 222,  
12 MCL 28.297, and sections 80130, 80315, 81114, and 82156 of the  
13 natural resources and environmental protection act, 1994 PA 451,  
14 MCL 324.80130, 324.80315, 324.81114, and 324.82156. The revenue  
15 received from the sale of records shall be credited to the  
16 transportation administration collection fund created under section  
17 810b of the Michigan vehicle code, 1949 PA 300, MCL 257.810b.

18 <<Sec. 803a. (1) In accordance with section 9 of article IX of the  
19 state constitution of 1963 and sections 814 and 815 of the Michigan  
20 vehicle code, 1949 PA 300, MCL 257.814 and 257.815, the secretary of  
21 state shall conduct a cost study that identifies the actual cost of the  
22 work performed for the administration and collection of transportation  
23 fees and taxes pursuant to sections 801 through 810 of the Michigan  
24 vehicle code and, when the actual cost cannot be identified, allocates  
25 combined costs that cannot be separately identified for the purpose of  
26 determining the necessary costs to collect all of the following:

27 (a) Vehicle title and registration fees.

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1 (b) The costs of collecting all taxes on fuels used to propel  
2 vehicles upon state highways.

3 (c) The department of state's costs for collecting sales and use  
4 taxes.

5 (d) Any other specific taxes on motor vehicles driven upon state  
6 highways and on all registered motor vehicles.

7 (2) The study under subsection (1) shall be performed by an  
8 independent consulting firm with experience in cost allocation. Upon  
9 commencement of the study, the study components and methodology may be  
10 reviewed by the following:

11 (a) The department of transportation or its representative.

12 (b) The department of management and budget or its representative.

13 (c) The department of treasury or its representative.

14 (d) County road commissions or their representatives.

15 (e) Municipalities or their representatives.

16 (3) The final cost study shall be submitted to the senate and house  
17 of representatives standing committees on appropriations subcommittees on  
18 general government and transportation, the senate and house fiscal  
19 agencies, and the state budget director by April 1, 2009.

20 (4) Effective April 1, 2009, the study shall be used in determining  
21 the annual appropriation from restricted transportation funds. The cost  
22 study will be updated annually to reflect changes in efficiency and  
23 technology.

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

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

(2) The department of state may sell and accept paid advertising for placement in a departmental publication that is prepared and disseminated under the Michigan vehicle code, 1949 PA 300, MCL 257.1 to 257.923. The department may charge and receive a

1 fee for any advertisement appearing in a departmental publication  
2 and shall review and approve the content of each advertisement. The  
3 department may refuse to accept advertising from any person or  
4 organization. The department may furnish a reasonable number of  
5 copies of a publication to an advertiser at no charge.

6 (3) Pending expenditure, the funds received under this section  
7 shall be deposited in the Michigan department of state publications  
8 fund created by section 211 of the Michigan vehicle code, 1949 PA  
9 300, MCL 257.211. Funds given, donated, or contributed to the  
10 department from a private source are appropriated and allocated for  
11 the purpose for which the revenue is furnished. Funds granted to  
12 the department from a public source are allocated and may be  
13 expended upon receipt. The department shall not accept a gift,  
14 donation, contribution, or grant if receipt is conditioned upon a  
15 commitment of state funding at a future date. Revenue received from  
16 the sale of advertising is appropriated and may be expended upon  
17 receipt.

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

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

26 (a) The amount of gifts, contributions, donations, and grants  
27 of money received by the department under this section for the

1 prior fiscal year.

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

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

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

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

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

26 Sec. 807. From the funds appropriated in part 1, the  
27 department of state shall use available balances at the end of the

1 state fiscal year to provide payment to the department of state  
2 police in the amount of \$332,000.00 for the services provided by  
3 the traffic accident records program as first appropriated in 1990  
4 PA 196 and 1990 PA 208.

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

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

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

22 Sec. 810. (1) Collector plate and fund-raising registration  
23 plate revenues collected by the department of state are  
24 appropriated and allotted for distribution to the recipient  
25 university or public or private agency overseeing a state-sponsored  
26 goal when received. Distributions shall occur on a quarterly basis  
27 or as otherwise authorized by law. Any revenues remaining at the

1 end of the fiscal year shall not lapse to the general fund but  
2 shall remain available for distribution to the university or agency  
3 in the next fiscal year.

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

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

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

22 (2) The department may solicit funds from any private or  
23 public source to underwrite, in whole or in part, the public  
24 information campaign authorized by this section. The department may  
25 accept gifts, donations, contributions, and grants of money and  
26 other property from private and public sources for this purpose. A  
27 private or public funding source underwriting the public

1 information campaign, in whole or in substantial part, shall  
2 receive sponsorship credit for its financial backing.

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

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

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

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

21 Sec. 815. At least 180 days before closing or consolidating a  
22 branch office and at least 60 days before relocating a branch  
23 office, the department of state shall inform members of the senate  
24 and house of representatives standing committees on appropriations  
25 and legislators who represent affected areas regarding the details  
26 of the proposal. The information provided shall be in written form  
27 and include all analyses done regarding criteria for changes in the

1 location of branch offices, including, but not limited to, branch  
2 transactions, revenue, and the impact on citizens of the affected  
3 area. The impact on citizens shall include information regarding  
4 additional distance to branch office locations resulting from the  
5 plan. The written notice provided by the department of state shall  
6 also include detailed estimates of costs and savings that will  
7 result from the overall changes made to the branch office structure  
8 and the same level of detail regarding costs for new leased  
9 facilities and expansions of current leased space.

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

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

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

1 for a service assessment which exceeds the costs billable to the  
2 department for service assessments.

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

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

11 Sec. 818. (1) Funds in part 1 for motorcycle safety education  
12 grants and administration are appropriated to the department of  
13 state for operation of the motorcycle safety education program  
14 previously operated by the department of education under section  
15 811a of the Michigan vehicle code, 1949 PA 300, MCL 257.811a.

16 (2) Funds in part 1 for motorcycle safety education grants and  
17 administration shall be derived from original and renewal  
18 motorcycle license endorsements, annual motorcycle registration  
19 fees, and motorcycle operator driving test fees.

20 (3) Funds in part 1 for motorcycle safety education grants and  
21 administration shall be used to provide grants to colleges,  
22 universities, intermediate school districts, local school  
23 districts, law enforcement agencies, or other governmental agencies  
24 located in the state, to help subsidize safety training courses for  
25 individuals interested in operating motorcycles.

26 (4) Funds in part 1 for motorcycle safety education grants and  
27 administration may be used by the department of state for

1 administration costs of the motorcycle safety education program, to  
2 include, but not be limited to, review and approval or disapproval  
3 of grant applications, monitoring eligibility of motorcycle safety  
4 instructors, conducting program evaluation, certifying third-party  
5 testers, and inspecting training sites.

6 Sec. 819. (1) From the funds appropriated in part 1 to the  
7 department of state for information technology services and  
8 projects, there is appropriated \$4,550,000.00 for the business  
9 application modernization project. Funds shall only be used for the  
10 development, implementation, and maintenance of the business  
11 application modernization project.

12 (2) The unexpended funds appropriated in part 1 for the  
13 business application modernization project are designated as work  
14 project appropriations and shall not lapse at the end of the fiscal  
15 year. Any unencumbered or unallotted funds shall be carried over  
16 into the succeeding fiscal year and shall continue to be available  
17 for expenditure until the project has been completed. The total  
18 cost is estimated at \$30,000,000.00, and the tentative completion  
19 date is September 30, 2010.

20 Sec. 821. (1) The department of state may accept nonmonetary  
21 gifts, donations, or contributions of property from any private or  
22 public source to support, in whole or in part, the operation of a  
23 departmental function relating to licensing, regulation, or safety.  
24 The department may recognize a private or public contributor for  
25 making the contribution. The department may reject a gift,  
26 donation, or contribution.

27 (2) The department of state shall not accept a gift, donation,

1 or contribution under subsection (1) if receipt of the gift,  
2 donation, or contribution is conditioned upon a commitment of  
3 future state funding.

4 (3) On March 1 of each year, the department of state shall  
5 file a report with the senate and house of representatives standing  
6 committees on appropriations, the senate and house fiscal agencies,  
7 and the state budget director. The report shall list any gift,  
8 donation, or contribution received by the department under  
9 subsection (1) for the prior calendar year.

10 Sec. 824. From the funds appropriated in part 1 to the  
11 department of state, branch operations, the department shall  
12 maintain a full service secretary of state branch office in Buena  
13 Vista Township.

14 Sec. 825. From the funds appropriated in part 1 to the  
15 department of state, branch operations, the department shall  
16 maintain a full service secretary of state branch office in Ann  
17 Arbor.

18 Sec. 827. The funds appropriated in part 1 for department of  
19 state, branch operations, are contingent upon the department  
20 complying with the following guidelines for branch office  
21 placement:

22 (a) The department of state shall, whenever possible, avoid  
23 leasing space for branch offices on greenfield sites or other  
24 noncentral locations that require the construction of new  
25 infrastructure to service the office or facility, except in limited  
26 circumstances when the constituency served or programs supported  
27 require the use of a noncentral or open space location.

1 (b) The department shall encourage public investment in this  
2 state's urban areas by locating branch offices and facilities in  
3 urban areas. As used in this section, "urban areas" means a  
4 downtown area, town centers, or central business districts.

5 (c) The department shall, whenever possible, locate branch  
6 offices at locations consistent with local planning and zoning and  
7 compatible with existing land uses.

8 (d) In selecting a site for a branch office, the department  
9 shall give priority to locations in urban areas, whenever  
10 reasonably possible and consistent with state law. In making  
11 location decisions, the department shall also give consideration to  
12 the following:

13 (i) Use of existing space in state-owned facilities in urban  
14 areas.

15 (ii) Adaptive use or rehabilitation of historic buildings or  
16 reuse of other buildings within an urban area.

17 (iii) Use of vacant buildings in an urban area.

18 (iv) Use of vacant land in an urban area.

19 (v) Use and rehabilitation of brownfield areas.

20 **DEPARTMENT OF TREASURY**

21 **OPERATIONS**

22 Sec. 901. (1) In addition to the funds appropriated in part 1,  
23 there is appropriated an amount not to exceed \$1,000,000.00 for  
24 federal contingency funds. These funds are not available for  
25 expenditure until they have been transferred to another line item  
26 in this act under section 393(2) of the management and budget act,

1 1984 PA 431, MCL 18.1393.

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

8 (3) In addition to the funds appropriated in part 1, there is  
9 appropriated an amount not to exceed \$200,000.00 for local  
10 contingency funds. These funds are not available for expenditure  
11 until they have been transferred to another line item in this act  
12 under section 393(2) of the management and budget act, 1984 PA 431,  
13 MCL 18.1393.

14 (4) In addition to the funds appropriated in part 1, there is  
15 appropriated an amount not to exceed \$40,000.00 for private  
16 contingency funds. These funds are not available for expenditure  
17 until they have been transferred to another line item in this act  
18 under section 393(2) of the management and budget act, 1984 PA 431,  
19 MCL 18.1393.

20 Sec. 902. (1) Amounts needed to pay for interest, fees,  
21 principal, mandatory and optional redemptions, arbitrage rebates as  
22 required by federal law, and costs associated with the payment,  
23 registration, trustee services, credit enhancements, and issuing  
24 costs in excess of the amount appropriated to the department of  
25 treasury in part 1 for debt service on notes and bonds that are  
26 issued by the state under sections 14, 15, and 16 of article IX of  
27 the state constitution of 1963 as implemented by 1967 PA 266, MCL

1 17.451 to 17.455, are appropriated.

2 (2) In addition to the amount appropriated to the department  
3 of treasury for debt service in part 1, there is appropriated an  
4 amount for fiscal year cash-flow borrowing costs to pay for  
5 interest on interfund borrowing made under 1967 PA 55, MCL 12.51 to  
6 12.53.

7 (3) In addition to the amount appropriated to the department  
8 of treasury for debt service in part 1, there is appropriated all  
9 repayments received by the state on loans made from the school bond  
10 loan fund not required to be deposited in the school loan revolving  
11 fund by or pursuant to MCL 388.984, to the extent determined by the  
12 state treasurer, for the payment of debt service, including without  
13 limitation, optional and mandatory redemptions, on bonds, notes or  
14 commercial paper issued by the state pursuant to 1961 PA 112.

15 Sec. 903. (1) From the funds appropriated in part 1, the  
16 department of treasury may contract with private collection  
17 agencies and law firms to collect taxes and other accounts due this  
18 state. In addition to the amounts appropriated in part 1 to the  
19 department of treasury, there are appropriated amounts necessary to  
20 fund collection costs and fees not to exceed 25% of the collections  
21 or 2.5% plus operating costs, whichever amount is prescribed by  
22 each contract. The appropriation to fund collection costs and fees  
23 for the collection of taxes or other accounts due this state are  
24 from the fund or account to which the revenues being collected are  
25 recorded or dedicated. However, if the taxes collected are  
26 constitutionally dedicated for a specific purpose, the  
27 appropriation of collection costs and fees are from the general

1 purpose account of the general fund.

2 (2) From the funds appropriated in part 1, the department of  
3 treasury may contract with private collections agencies and law  
4 firms to collect defaulted student loans and other accounts due the  
5 Michigan guaranty agency. In addition to the amounts appropriated  
6 in part 1 to the department of treasury, there are appropriated  
7 amounts necessary to fund collection costs and fees not to exceed  
8 22% of the collection or a lesser amount as prescribed by the  
9 contract. The appropriation to fund collection costs and fees for  
10 the auditing and collection of defaulted student loans due the  
11 Michigan guaranty agency is from the fund or account to which the  
12 revenues being collected are recorded or dedicated.

13 (3) The department of treasury shall submit a report for the  
14 immediately preceding fiscal year ending September 30 to the state  
15 budget director and the senate and house of representatives  
16 standing committees on appropriations not later than November 30  
17 stating the agencies or law firms employed, the amount of  
18 collections for each, the costs of collection, and other pertinent  
19 information relating to determining whether this authority should  
20 be continued.

21 Sec. 904. (1) The department of treasury, through its bureau  
22 of investments, may charge an investment service fee against the  
23 applicable retirement funds. The fees may be expended for necessary  
24 salaries, wages, contractual services, supplies, materials,  
25 equipment, travel, worker's compensation insurance premiums, and  
26 grants to the civil service commission and state employees'  
27 retirement funds. Service fees shall not exceed the aggregate

1 amount appropriated in part 1. The department of treasury shall  
2 maintain accounting records in sufficient detail to enable the  
3 retirement funds to be reimbursed periodically for fee revenue that  
4 is determined by the department of treasury to be surplus.

5 (2) In addition to the funds appropriated in part 1 from the  
6 retirement funds to the department of treasury, there is  
7 appropriated from retirement funds an amount sufficient to pay for  
8 the services of money managers, investment advisors, investment  
9 consultants, custodians, and other outside professionals, the state  
10 treasurer considers necessary to prudently manage the retirement  
11 funds' investment portfolios. The state treasurer shall report  
12 annually to the senate and house of representatives standing  
13 committees on appropriations and the state budget office concerning  
14 the performance of each portfolio by investment advisor.

15 Sec. 904a. (1) There is appropriated an amount sufficient to  
16 recognize and pay expenditures for financial services provided by  
17 financial institutions as provided under section 1 of 1861 PA 111,  
18 MCL 21.181.

19 (2) The appropriations under subsection (1) shall be funded by  
20 restricting revenues from common cash interest earnings and  
21 investment earnings in an amount sufficient to record these  
22 expenditures.

23 Sec. 905. (1) The department of treasury shall provide copies  
24 of the state tax manual via the department's web site or provide  
25 for sale copies of the tax manuals on a compact disc or an  
26 electronically transmitted format. The revenue received from the  
27 sale of preparation and local government assistance manuals shall

1 revert to the department of treasury and be placed in the local  
2 government assistance manual revolving fund.

3 (2) In addition to the funds appropriated in part 1, revenue  
4 received from the sale of those manuals is appropriated.

5 Sec. 906. (1) The department of treasury shall charge for  
6 audits as permitted by state or federal law or under contractual  
7 arrangements with local units of government, other principal  
8 executive departments, or state agencies. A report detailing audits  
9 performed and audit charges for the immediately preceding fiscal  
10 year shall be submitted to the state budget director and the senate  
11 and house fiscal agencies not later than November 30.

12 (2) The appropriation in part 1 to the department of treasury,  
13 for state compliance audits, shall be used to cover the cost of the  
14 state audits performed by independent certified public accountants  
15 or department of treasury auditors. The scope of the state audit  
16 shall be defined by the state treasurer. The state audits shall be  
17 performed by independent certified public accountants contracted  
18 with by the state treasurer or by department of treasury auditors,  
19 if the county has agreed to contract with and pay the department  
20 for their financial single audit.

21 (3) The state audits shall be performed for the most current  
22 county fiscal year in conjunction with the financial single audit.  
23 The state audit may be performed either by certified public  
24 accountants contracted by the state treasurer or department of  
25 treasury staff, independent of the financial single audit, if a  
26 state audit has not been performed within the last 3 years.

27 Sec. 907. A revolving fund known as the assessor certification

1 and training fund is created in the department of treasury. The  
2 assessor certification and training fund shall be used to organize  
3 and operate a property assessor certification and training program.  
4 Each participant certified and trained shall pay to the department  
5 of treasury an examination fee of \$50.00, an initial certification  
6 fee of \$50.00, an annual renewal fee of \$75.00 for levels 1 and 2,  
7 and \$125.00 for levels 3 and 4 to offset the cost of administering  
8 the certification and training program. Training courses shall be  
9 offered in assessment administration. Each participant shall pay a  
10 fee to cover the expenses incurred in offering the optional  
11 programs to certified assessing personnel and other individuals  
12 interested in an assessment career opportunity. The fees collected  
13 shall be credited to the assessor certification and training fund.

14 Sec. 908. The amount appropriated in part 1 to the department  
15 of treasury, home heating assistance program, is to cover the  
16 costs, including data processing, of administering federal home  
17 heating credits to eligible claimants and to administer the  
18 supplemental fuel cost payment program for eligible tax credit and  
19 welfare recipients.

20 Sec. 909. Revenue from the airport parking tax act, 1987 PA  
21 248, MCL 207.371 to 207.383, is appropriated and shall be  
22 distributed under section 7a of the airport parking tax act, 1987  
23 PA 248, MCL 207.377a.

24 Sec. 910. The disbursement by the department of treasury from  
25 the bottle deposit fund to dealers as required by section 3c(2) of  
26 the Initiated Law of 1976, MCL 445.573c, is appropriated.

27 Sec. 911. (1) There is appropriated an amount sufficient to

1 recognize and pay refundable income tax credits as provided by the  
2 management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

3 (2) The appropriations under subsection (1) shall be funded by  
4 restricting income tax revenue in an amount sufficient to record  
5 these expenditures.

6 Sec. 912. A plaintiff in a garnishment action involving this  
7 state shall pay to the state treasurer 1 of the following:

8 (a) A fee of \$6.00 at the time a writ of garnishment of  
9 periodic payments is served upon the state treasurer, as provided  
10 in section 4012 of the revised judicature act of 1961, 1961 PA 236,  
11 MCL 600.4012.

12 (b) A fee of \$6.00 at the time any other writ of garnishment  
13 is served upon the state treasurer, except that the fee shall be  
14 reduced to \$5.00 for each writ of garnishment for individual income  
15 tax refunds or credits filed by magnetic media.

16 Sec. 913. (1) The department of treasury may contract with  
17 private firms to appraise and, if necessary, appeal the assessments  
18 of senior citizen cooperative housing units. Payment for this  
19 service shall be from savings resulting from the appraisal or  
20 appeal process.

21 (2) Of the funds appropriated in part 1 to the department of  
22 treasury for the senior citizens' cooperative housing tax exemption  
23 program, a portion is to be utilized for a program audit of the  
24 program. The department of treasury shall forward copies of the  
25 audit report to the senate and house of representatives standing  
26 committees on appropriations subcommittees on general government  
27 and to the state budget office. The department of treasury may

1 utilize up to 1% of the funds for program administration and  
2 auditing.

3       Sec. 914. The department of treasury may provide a \$200.00  
4 annual prize from the Ehlers internship award account in the gifts,  
5 bequests, and deposit fund to the runner-up of the Rosenthal prize  
6 for interns. The Ehlers internship award account is interest  
7 bearing.

8       Sec. 915. Pursuant to section 61 of the Michigan campaign  
9 finance act, 1976 PA 388, MCL 169.261, there is appropriated from  
10 the general fund to the state campaign fund an amount equal to the  
11 amounts designated for tax year 2007. Except as otherwise provided  
12 in this section, the amount appropriated shall not revert to the  
13 general fund and shall remain in the state campaign fund. Any  
14 amounts remaining in the state campaign fund in excess of  
15 \$10,000,000.00 on December 31, 2008 shall revert to the general  
16 fund.

17       Sec. 916. The department of treasury may make available to  
18 interested entities otherwise unavailable customized unclaimed  
19 property listings of nonconfidential information in its possession.  
20 The charge for this information is as follows: 1 to 100,000 records  
21 at 2.5 cents per record and 100,001 or more records at .5 cents per  
22 record. The revenue received from this service shall be deposited  
23 to the appropriate revenue account or fund. The department shall  
24 submit an annual report on or before June 1 to the state budget  
25 director and the senate and house of representatives standing  
26 committees on appropriations that states the amount of revenue  
27 received from the sale of information.

1       Sec. 917. (1) There is appropriated for write-offs and  
2 advances an amount equal to total write-offs and advances for  
3 departmental programs, but not to exceed current year  
4 authorizations that would otherwise lapse to the general fund.

5       (2) The department of treasury shall submit a report for the  
6 immediately preceding fiscal year to the state budget director and  
7 the senate and house fiscal agencies not later than November 30,  
8 stating the amounts appropriated for write-offs and advances under  
9 subsection (1).

10       Sec. 918. In addition to funds appropriated in part 1, the  
11 department of treasury may receive and expend funds for conducting  
12 tax orientation workshops and seminars. Funds received may not  
13 exceed costs incurred in conducting the workshops and seminars.

14       Sec. 919. (1) From funds appropriated in part 1, the  
15 department of treasury may contract with private auditing firms to  
16 audit for and collect unclaimed property due this state in  
17 accordance with the Michigan uniform unclaimed property act. In  
18 addition to the amounts appropriated in part 1 to the department of  
19 treasury, there are appropriated amounts necessary to fund auditing  
20 and collection costs and fees not to exceed 12% of the collections,  
21 or a lesser amount as prescribed by the contract. The appropriation  
22 to fund collection costs and fees for the auditing and collection  
23 of unclaimed property due this state is from the fund or account to  
24 which the revenues being collected are recorded or dedicated.

25       (2) The department of treasury shall submit a report for the  
26 immediately preceding fiscal year ending September 30 to the state  
27 budget director and the senate and house of representatives

1 standing committees on appropriations not later than November 30  
2 stating the auditing firms employed, the amount of collections for  
3 each, the costs of collection, and other pertinent information  
4 relating to determining whether this authority should be continued.

5 Sec. 920. Payments from the appropriation in part 1 to the  
6 department of treasury for grants to counties in lieu of taxes for  
7 lands transferred to the federal government include a payment for  
8 Sleeping Bear Dunes national lakeshore under 1974 PA 359, MCL 3.901  
9 to 3.910.

10 Sec. 921. The state general fund/general purpose appropriation  
11 in part 1 for renaissance zone reimbursement is allocated to  
12 reimburse public libraries as provided by section 12 of the  
13 Michigan renaissance zone act, 1996 PA 376, MCL 125.2692, for  
14 property taxes levied in 2008. Reimbursements shall be made in  
15 amounts to each eligible recipient not later than 60 days after the  
16 department of treasury has received all necessary information to  
17 properly determine the amounts due each eligible recipient under  
18 section 12(4) of the Michigan renaissance zone act, 1996 PA 376,  
19 MCL 125.2692. Any excess allocations shall lapse to the general  
20 fund.

21 Sec. 922. The department of treasury shall submit a report for  
22 the immediately preceding fiscal year ending September 30 to the  
23 senate and house of representatives standing committees on  
24 appropriations subcommittees on general government, the senate and  
25 house fiscal agencies, and the state budget director by November 30  
26 stating the amount of Michigan transportation fund revenue  
27 collected and the cost of collection.

<<Sec. 923. (1) From the funds appropriated in part 1 to the  
department of treasury for the city-university partnership plan, \$100.00  
shall be allocated to the Michigan State University, center for community  
and economic development to create and administer a partnership with

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Michigan's urban core mayors in collaboration with Wayne State University and the University of Michigan.

(2) The funds appropriated in part 1 for the city-university partnership plan shall be used for the following activities:

(a) The analysis of existing, proposed, or potential public policy initiatives that impact the vitality of Michigan's urban core cities.

(b) The collection and dissemination of information regarding effective local responses to common problems confronting urban core cities.

(c) Student practicum projects on specific urban policy summit meetings involving local governmental officials, state policy makers, and university-based scholars to review key policy issues affecting the social and economic development of Michigan's core communities.

(d) To facilitate communication among mayors of urban core cities, their staff, and university scholars in order to identify priority issues, mobilize scholarly activities, and disseminate empirical findings.>>

1       Sec. 924. (1) In addition to the funds appropriated in part 1,  
2 the department of treasury may receive and expend principal  
3 residence audit fund revenue for administration of principal  
4 residence audits under the general property tax act, 1893 PA 206,  
5 MCL 211.1 to 211.155.

6       (2) The department of treasury shall submit a report for the  
7 immediately preceding fiscal year to the state budget director and  
8 the senate and house fiscal agencies not later than December 31,  
9 stating the amount of revenue appropriated for principal residence  
10 audits under subsection (1).

11       Sec. 928. The department of treasury may provide receipt,  
12 warrant and cash processing, data, collection, investment, fiscal  
13 agent, levy and warrant cost assessment, writ of garnishment, and  
14 other user services on a contractual basis for other principal  
15 executive departments and state agencies. Funds for the services  
16 provided are appropriated and shall be expended for salaries and  
17 wages, fees, supplies, and equipment necessary to provide the  
18 services. Any unobligated balance of the funds received shall  
19 revert to the general fund of this state as of September 30.

20       Sec. 929. The department of treasury may enter into agreements  
21 to supply data or collection services to other executive principal  
22 departments or state agencies, the United States department of  
23 treasury, or local units of government within this state. The  
24 department of treasury shall charge for this tax data service and  
25 amounts received are appropriated and shall be expended for  
26 salaries and wages, fees, supplies, and equipment necessary to  
27 provide the service. Any unobligated balance of the fund shall

1 revert to the general fund of this state as of September 30.

2       Sec. 930. (1) The department of treasury shall provide  
3 accounts receivable collections services to other principal  
4 executive departments and state agencies under 1927 PA 375, MCL  
5 14.131 to 14.134. The department of treasury shall deduct a fee  
6 equal to the cost of collections from all receipts except  
7 unrestricted general fund collections. Fees shall be credited to a  
8 restricted revenue account and appropriated to the department of  
9 treasury to pay for the cost of collections. The department of  
10 treasury shall maintain accounting records in sufficient detail to  
11 enable the respective accounts to be reimbursed periodically for  
12 fees deducted that are determined by the department of treasury to  
13 be surplus to the actual cost of collections.

14       (2) The department of treasury shall submit a report for the  
15 immediately preceding fiscal year to the state budget director and  
16 the senate and house fiscal agencies not later than November 30,  
17 stating the principal executive departments and state agencies  
18 served, funds collected, and costs of collection under subsection  
19 (1).

20       Sec. 930a. The department shall select a private collection  
21 agency to perform secondary collection activities in an effort to  
22 benchmark primary agency performance for all individual tax,  
23 discontinued business tax, and state agency accounts, and all  
24 active business tax accounts older than 36 months. Consistent with  
25 sound collection practices and to maximize the effectiveness of  
26 those collection activities, the department shall not select a  
27 collection agency, or related entity, that has already attempted to

1 collect the debt in question. The department shall report its  
2 progress on second placement collection activities on a quarterly  
3 basis during the fiscal year.

4       Sec. 931. (1) The appropriation in part 1 to the department of  
5 treasury for treasury fees shall be assessed against all restricted  
6 funds that receive common cash earnings or other investment income.  
7 Treasury fees include all costs, including administrative overhead,  
8 relating to the investment of each restricted fund. The fee  
9 assessed against each restricted fund will be based on the size of  
10 the restricted fund (the absolute value of the average daily cash  
11 balance plus the market value of investments in the prior fiscal  
12 year) and the level of effort necessary to maintain the restricted  
13 fund as required by each department. The department of treasury  
14 shall provide a report to the state budget director, the senate and  
15 house of representatives standing committees on appropriations  
16 subcommittees on general government, and the senate and house  
17 fiscal agencies by November 30 of each year identifying the fees  
18 assessed against each restricted fund and the methodology used for  
19 assessment.

20       (2) In addition to the funds appropriated in part 1, the  
21 department of treasury may receive and expend investment fees  
22 relating to new restricted funding sources that participate in  
23 common cash earnings or other investment income during the current  
24 fiscal year. When a new restricted fund is created starting on or  
25 after October 1, that restricted fund shall be assessed a fee using  
26 the same criteria identified in subsection (1).

27       Sec. 932. Revenue received under the Michigan education trust

1 act, 1986 PA 316, MCL 390.1421 to 390.1442, may be expended by the  
2 board of directors of the Michigan education trust for necessary  
3 salaries, wages, supplies, contractual services, equipment,  
4 worker's compensation insurance premiums, and grants to the civil  
5 service commission and state employees' retirement fund.

6 Sec. 933. (1) The \$800,000.00 appropriated in part 1 for the  
7 Michigan education savings program is from the Michigan merit award  
8 trust fund to fund an incentive program for the Michigan education  
9 savings program created under the Michigan education savings  
10 program act, 2000 PA 161, MCL 390.1471 to 390.1486.

11 (2) The funds appropriated for the Michigan education savings  
12 program shall be used to provide a state match to dollars invested  
13 on behalf of each child named as a designated beneficiary in the  
14 Michigan education savings program who is 6 years of age or less,  
15 who is a Michigan resident, and whose family's income is \$80,000.00  
16 or less.

17 (3) During the current fiscal year, the state shall provide  
18 \$1.00 of matching funds for each \$3.00 of individual contributions  
19 to the educational savings accounts. The maximum state match for  
20 each designated beneficiary shall be \$200.00.

21 (4) The state match shall be available only in the first year  
22 the child is enrolled in the Michigan education savings program.

23 Sec. 934. The department of treasury may expend revenues  
24 received under the hospital finance authority act, 1969 PA 38, MCL  
25 331.31 to 331.84, for necessary salaries, wages, supplies,  
26 contractual services, equipment, worker's compensation insurance  
27 premiums, and grants to the civil service commission and state

1 employees' retirement fund. The department of treasury shall  
2 maintain accounting records in sufficient detail to enable the  
3 hospital clients to be reimbursed periodically for fees that are  
4 determined by the department of treasury to be surplus to needs.

5       Sec. 935. The department of treasury may expend revenue  
6 received under the shared credit rating act, 1985 PA 227, MCL  
7 141.1051 to 141.1076, for necessary salaries, wages, supplies,  
8 contractual services, equipment, worker's compensation insurance  
9 premiums, and grants to the civil service commission and state  
10 employees' retirement fund.

11       Sec. 936. The department of treasury shall establish a  
12 separate account for the funds related to the Michigan higher  
13 education facilities authority. The department of treasury may  
14 expend revenue received under the higher education facilities  
15 authority act, 1969 PA 295, MCL 390.921 to 390.934, for necessary  
16 salaries, wages, supplies, contractual services, equipment,  
17 worker's compensation insurance premiums, and grants to the civil  
18 service commission and state employees' retirement fund. The  
19 department of treasury shall maintain accounting records in  
20 sufficient detail to enable the educational institution clients to  
21 be reimbursed periodically for fees that are determined by the  
22 department to be surplus to needs.

23       Sec. 937. The department of treasury may expend revenues  
24 received under the Michigan public educational facilities  
25 authority, Executive Order No. 2002-3, for necessary salaries,  
26 wages, supplies, contractual services, equipment, worker's  
27 compensation insurance premiums, and grants to the civil service

1 commission and state employees' retirement fund.

2       Sec. 939. It is the intent of the legislature that the state  
3 treasurer, acting within his or her capacity as the investment  
4 fiduciary for public employee pension funds and consistent with  
5 1965 PA 314, MCL 38.1132 to 38.1140m, give appropriate  
6 consideration to investments in early stage, university derived  
7 life science companies located in Michigan, or investments in  
8 venture capital funds that invest in those companies to the extent  
9 those investments offer the safety and rate of return comparable to  
10 other investments permitted and available at the time the  
11 investment decision is made.

12       Sec. 940. The department of treasury may expend revenue  
13 received under the Michigan tobacco settlement finance authority  
14 act, 2005 PA 226, MCL 129.261 to 129.279, for necessary salaries  
15 and wages, supplies, contractual services equipment, worker's  
16 compensation insurance premiums, and grants to the civil service  
17 commission and state employee retirement funds.

18       Sec. 941. From the funds appropriated in part 1, the  
19 department will analyze the opportunity of using a dynamic  
20 algorithm-based product to utilize insurance products as a means of  
21 addressing the medical pension liability for state employee  
22 retirees, the possibility of initial implementation of such a  
23 program or pilot program in the fiscal year 2010 budget, and  
24 possible Michigan vendors available to manage the program. The  
25 department shall provide a report of its findings to the  
26 appropriations committees in each chamber and the appropriate  
27 appropriations subcommittees not later than March 31, 2009. The

1 department shall consult with qualified vendors and provide  
2 necessary data information, including, but not limited to, date of  
3 birth and gender data, to complete the analysis and compile the  
4 report.

5       Sec. 942. The funds appropriated in part 1 for the property  
6 tax appeal program shall be used by the department to assist local  
7 units of government and school districts in defending appeals of  
8 property tax assessments on property classified as utility personal  
9 property under section 34c(3)(e) of the general property tax act,  
10 1893 PA 206, MCL 211.34c, with a taxable value greater than  
11 \$50,000,000.00.

12       Sec. 943. The department of treasury shall not include  
13 complete social security numbers in form 1099-G mailings to  
14 taxpayers.

15       Sec. 944. If the department hires a pension plan consultant  
16 using any of the funds appropriated in part 1, the department shall  
17 forward any report provided to the department by that consultant to  
18 the senate and house of representatives standing committees on  
19 appropriations subcommittees on general government, the senate and  
20 house fiscal agencies, and the state budget director.

21       Sec. 945. The assessment and certification division of the  
22 department of treasury may conduct a review of local unit  
23 assessment administration practices, procedures, and records, also  
24 known as the 14-point review, in at least 1 assessment jurisdiction  
25 per county.

26       Sec. 946. Members of the state tax commission and management  
27 level staff of the assessment and certification division may meet

1 with statewide assessment organizations on a quarterly basis for  
2 the purpose of coordinating assessment and training activities.  
3 Recertification and training activities may be conducted at  
4 regional locations chosen to maximize participation of local  
5 officials.

6 Sec. 947. (1) Of the \$4,808,800.00 included in part 1 for the  
7 revenue enhancement program, \$4,308,800.00 shall be used for  
8 revenue collection enhancement activities including auditing  
9 functions.

10 (2) The department of treasury shall submit quarterly progress  
11 reports to the senate and house of representatives standing  
12 committees on appropriations subcommittees on general government  
13 and the senate and house fiscal agencies, regarding personal  
14 property tax audits funded under subsection (1). The report shall  
15 include the number of audits, revenue generated, and number of  
16 complaints received by the department related to the audits.

17 (3) The \$500,000.00 balance of the \$4,808,800.00 shall be used  
18 for the principal residence exemption compliance program. Along  
19 with other program costs, expenditures shall include the  
20 development and maintenance of a statewide web-based database  
21 created for the purpose of enforcing the principal residence  
22 exemption compliance program. The department shall submit quarterly  
23 progress reports that include the number of exemptions denied and  
24 the revenue received under this program. The legislative auditor  
25 general shall complete a performance audit of the principal  
26 residence exemption compliance program prior to April 1, 2009.  
27 Revenue generated to the state from the principal residence

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1 exemption compliance program shall be used to reimburse the state  
2 general fund for the \$500,000.00 appropriation prior to any other  
3 allocation. Additional funds from the revenue enhancement program  
4 and carryforward appropriations may be used to support costs in  
5 excess of \$500,000.00.

6 (4) Unexpended appropriations of the revenue enhancement  
7 program are designated as work project appropriations and shall not  
8 lapse at the end of the fiscal year and shall continue to be  
9 available for expenditure until the project has been completed. The  
10 following is in compliance with section 451a of the management and  
11 budget act, 1984 PA 431, MCL 18.1451a:

12 (a) The purpose of the project is to enhance revenue  
13 collection activities.

14 (b) The project will be accomplished by contract.

15 (c) The total estimated cost of the project is \$24,600,000.00.

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

17 Sec. 948. By December 15, the department of treasury shall  
18 report to the senate and house of representatives standing  
19 committees on appropriations subcommittees on general government  
20 and the senate and house fiscal agencies the number of tax returns,  
21 to include state income tax returns, single business tax returns,  
22 and Michigan business tax returns filed online by Michigan  
23 residents in the immediately preceding fiscal year.

24 <<Sec. 949. (1) In accordance with section 9 of article IX of the  
25 state constitution of 1963 and sections 814 and 815 of the Michigan  
26 vehicle code, 1949 PA 300, MCL 257.814 and 257.815, the secretary of  
27 state shall conduct a cost study that identifies the actual cost of the

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1 work performed for the administration and collection of transportation  
2 fees and taxes pursuant to sections 801 through 810 of the Michigan  
3 vehicle code and, when the actual cost cannot be identified, allocates  
4 combined costs that cannot be separately identified for the purpose of  
5 determining the necessary costs to collect all of the following:

6 (a) Vehicle title and registration fees.

7 (b) The costs of collecting all taxes on fuels used to propel  
8 vehicles upon state highways.

9 (c) The department of state's costs for collecting sales and use  
10 taxes.

11 (d) Any other specific taxes on motor vehicles driven upon state  
12 highways and on all registered motor vehicles.

13 (2) The study under subsection (1) shall be performed by an  
14 independent consulting firm with experience in cost allocation. Upon  
15 commencement of the study, the study components and methodology may be  
16 reviewed by the following:

17 (a) The department of transportation or its representative.

18 (b) The department of management and budget or its representative.

19 (c) The department of treasury or its representative.

20 (d) County road commissions or their representatives.

21 (e) Municipalities or their representatives.

22 (3) The final cost study shall be submitted to the senate and house  
23 of representatives standing committees on appropriations subcommittees on  
24 general government and transportation, the senate and house fiscal  
25 agencies, and the state budget director by April 1, 2009.

26 (4) Effective April 1, 2009, the study shall be used in determining  
27 the annual appropriation from restricted transportation funds. The cost

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1 study will be updated annually to reflect changes in efficiency and  
2 technology.

3  
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5 >>

6 **REVENUE SHARING**

7 Sec. 950. (1) The funds appropriated in part 1 for  
8 constitutional revenue sharing shall be distributed by the  
9 department to cities, villages, and townships, as required under  
10 section 10 of article IX of the state constitution of 1963. Revenue  
11 collected in accordance with section 10 of article IX of the state  
12 constitution of 1963 in excess of the amount appropriated in part 1  
13 for constitutional revenue sharing is appropriated for distribution  
14 to cities, villages, and townships, on a population basis as  
15 required under section 10 of article IX of the state constitution  
16 of 1963.

17 (2) The funds appropriated in part 1 for statutory revenue  
18 sharing shall be distributed so that each city, village, and  
19 township shall receive a combined total 2009 state fiscal year  
20 constitutional distribution, under section 10 of article IX of the  
21 state constitution of 1963, and statutory distribution, under this  
22 subsection, that is equal to the total distribution the city,  
23 village, or township received in the 2008 state fiscal year under  
24 section 10 of article IX of the state constitution of 1963 and the  
25 statutory distribution received under section 950(2) of PA 127 of  
26 2007.

27 (3) If the amount appropriated in part 1 for statutory revenue

1 sharing is insufficient to fund the distributions calculated in  
2 subsection (2), additional statutory revenue sharing shall be  
3 automatically appropriated.

4       Sec. 952. (1) Of the funds appropriated in part 1 for special  
5 grants to cities, \$212,000.00 shall be used to restore revenue  
6 sharing reductions contained in Executive Order No. 2003-23 to a  
7 city that had an emergency financial manager appointed under the  
8 local government fiscal responsibility act, 1990 PA 72, MCL  
9 141.1201 to 141.1291, continuously from December 10, 2003 through  
10 September 30, 2009.

11       (2) Of the funds appropriated in part 1 for special grants,  
12 \$102,000.00 shall be appropriated to Shiawassee County upon the  
13 enactment of an amendment to section 10 of the state convention  
14 facility act, 1985 PA 106, MCL 207.630, that reduces Shiawassee's  
15 final distribution in fiscal year 2015-2016 from the convention  
16 facility fund by \$102,000.00 and repays the general fund that  
17 amount.

18       Sec. 955. (1) There is appropriated to each county an amount  
19 equal to the amount distributed to each county for the fiscal year  
20 ending September 30, 2004, pursuant to the Glenn Steil state  
21 revenue sharing act of 1971, 1971 PA 140, MCL 141.901 to 141.921,  
22 adjusted by the inflation rate as defined in section 34d of the  
23 general property tax act, 1893 PA 206, MCL 211.34d, and reduced by  
24 the amount each county is authorized to annually expend in that  
25 county's fiscal year beginning after September 30, 2004, from its  
26 revenue sharing reserve fund pursuant to section 44a of the general  
27 property tax act, 1893 PA 206, MCL 211.44a.

1           (2) The department of treasury shall annually certify to the  
2 state budget director the amount each county is authorized to  
3 expend from its revenue sharing reserve fund.

4       **LOTTERY**

5           Sec. 960. In addition to the funds appropriated in part 1 to  
6 the bureau of state lottery, there is appropriated from lottery  
7 revenues the amount necessary for, and directly related to,  
8 implementing and operating lottery games. Appropriations under this  
9 section shall only be expended for contractually mandated payments  
10 for vendor commissions, contractually mandated payments for instant  
11 tickets intended for resale, the contractual costs of providing and  
12 maintaining the on-line system communications network, and  
13 incentive and bonus payments to lottery retailers.

14          Sec. 961. The funds appropriated in part 1 to the bureau of  
15 state lottery shall not be used for any promotional efforts  
16 directed towards individuals who are less than 18 years of age.

17          Sec. 963. The bureau of state lottery shall inform all lottery  
18 retailers that the cash side of department of human services bridge  
19 cards cannot be used to purchase lottery tickets.

20       **CASINO GAMING**

21          Sec. 971. From the revenue collected by the Michigan gaming  
22 control board regarding the total annual assessment of each casino  
23 licensee, \$2,000,000.00 is appropriated and shall be deposited in  
24 the compulsive gaming prevention fund as described in section  
25 12a(5) of the Michigan gaming control and revenue act, the  
26 Initiated Law of 1996, MCL 432.212a.

27          Sec. 972. In addition to the funds appropriated in part 1,

1 funds distributed by the Michigan gaming control board to the  
2 department of treasury for oversight of casino gaming are  
3 appropriated upon receipt. These funds may be used to pay for costs  
4 incurred for casino gaming oversight activities.

5 Sec. 973. (1) Funds appropriated in part 1 for local  
6 government programs may be used to provide assistance to a local  
7 revenue sharing board referenced in an agreement authorized by the  
8 Indian gaming regulatory act, Public Law 100-497.

9 (2) A local revenue sharing board described in subsection (1)  
10 shall comply with the open meetings act, 1976 PA 267, MCL 15.261 to  
11 15.275, and the freedom of information act, 1976 PA 442, MCL 15.231  
12 to 15.246.

13 (3) A county treasurer is authorized to receive and administer  
14 funds received for and on behalf of a local revenue sharing board.  
15 Funds appropriated in part 1 for local government programs may be  
16 used to audit local revenue sharing board funds held by a county  
17 treasurer. This section does not limit the ability of local units  
18 of government to enter into agreements with federally recognized  
19 Indian tribes to provide financial assistance to local units of  
20 government or to jointly provide public services.

21 (4) The director of the department of state police and the  
22 executive director of the Michigan gaming control board are  
23 authorized to assist the local revenue sharing boards in  
24 determining allocations to be made to local public safety  
25 organizations.

26 (5) The department of treasury shall submit a report by  
27 September 30 to the senate and house of representatives standing

1 committees on appropriations and the state budget director on the  
2 receipts and distribution of revenues by local revenue sharing  
3 boards.

4       Sec. 974. If revenues collected in the state services fee fund  
5 are less than the amounts appropriated from the fund, available  
6 revenues shall be used to fully fund the appropriation in part 1  
7 for casino gaming regulation activities before distributions are  
8 made to other state departments and agencies. If the remaining  
9 revenue in the fund is insufficient to fully fund appropriations to  
10 other state departments or agencies, the shortfall shall be  
11 distributed proportionally among those departments and agencies.

12 **MICHIGAN STRATEGIC FUND**

13       Sec. 1001. (1) In addition to the funds appropriated in part  
14 1, there is appropriated an amount not to exceed \$10,000,000.00 for  
15 federal contingency funds. These funds are not available for  
16 expenditure until they have been transferred to another line item  
17 in this act under section 393(2) of the management and budget act,  
18 1984 PA 431, MCL 18.1393.

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

25       (3) In addition to the funds appropriated in part 1, there is  
26 appropriated an amount not to exceed \$700,000.00 for private  
27 contingency funds. These funds are not available for expenditure

1 until they have been transferred to another line item in this act  
2 under section 393(2) of the management and budget act, 1984 PA 431,  
3 MCL 18.1393.

4       Sec. 1002. (1) The appropriation in part 1 to the fund for the  
5 economic development job training program is focused on skills  
6 businesses need to compete in the twenty-first century. The purpose  
7 of this program is to develop a specific skill, for Michigan  
8 residents identified for a particular Michigan business that  
9 assists that company to compete in the global economy and to create  
10 or retain high-paying jobs for Michigan residents.

11       (2) Not more than \$800,000.00 of the total appropriation in  
12 part 1 may be expended for administrative costs by the fund. Not  
13 more than 10% of the total grant award may be expended by a  
14 recipient for administration costs.

15       (3) No funds appropriated in part 1 to the fund for the  
16 economic development job training program grants may be expended  
17 for the training of permanent striker replacement workers, unless a  
18 strike exceeds 3 years and good faith negotiations are ongoing.

19       (4) An applicant may be a school district, intermediate school  
20 district, community college, public or private nonprofit college or  
21 university, nonprofit organization whose primary purpose is to  
22 provide education programs or employment and training services or  
23 vocational rehabilitation programs or school-to-work transition  
24 programs, local workforce development board, the headquarters of a  
25 federal and state-sponsored manufacturing technology center, or a  
26 consortium consisting of any combination of school districts,  
27 intermediate school districts, community colleges, nonprofit

1 organizations described in this subsection, or public or private  
2 nonprofit colleges or universities described in this subsection or  
3 a business which creates at least 100 new jobs at a single location  
4 in a period not to exceed 2 years from the date of the grant award,  
5 or a business with less than 50 employees and an individual grant  
6 award of less than \$20,000.00, or a consortium consisting of any  
7 combination of any of the applicants listed.

8 (5) On or before October 1, the fund shall publish proposed  
9 application criteria, instructions, and forms for use by eligible  
10 applicants. The fund shall provide at least a 2-week period for  
11 public comment prior to finalization of the application criteria,  
12 instructions, and forms.

13 (6) The award process will include a simple notice of intent  
14 to be reviewed to see if the application merits further  
15 consideration. If so, a full application may be submitted.  
16 Applications for all grants shall be submitted to the fund, and  
17 each application shall contain at least all of the following:

18 (a) The name, address, and total number of employees of each  
19 business organization whose employees are receiving job training.

20 (b) A description of the specific job skills that will be  
21 taught.

22 (c) A clear statement of the project's scope of activities and  
23 number of participants to be involved.

24 (d) A commitment to maintain participant records in a form and  
25 manner required by the fund.

26 (e) A budget which relates to the proposed activities and  
27 various program components.

1 (7) Priority in the fund's awarding of grants shall be based  
2 on the following criteria:

3 (a) Demonstrated need for the type of training offered.

4 (b) Creation or retention of high wage and high skilled level  
5 jobs within a predetermined time period. If the employer does not  
6 create or retain the number of jobs specified within the  
7 predetermined time period, the employer shall reimburse the state  
8 for the entire direct grant awarded under this program, prorated to  
9 the number of actual jobs created or trained compared to the number  
10 in the original jobs identified in the grant application. The  
11 number of jobs created and retained will be verified by the  
12 employer via audit after the training is completed.

13 (c) Other criteria determined by the fund to be important.

14 (8) Participants in the economic development job training  
15 program shall be 16 years or older and not enrolled and counted in  
16 membership in a school district, intermediate school district, or  
17 community college, or any other program funded with state funding.  
18 Any training provider that receives state appropriated funds shall  
19 not include in the enrollment data reported for determining state  
20 aid any student credit hours or student contact hours for a student  
21 who is a participant in the economic development job training  
22 program. Exclusions of these students is intended to avoid payment  
23 of state aid for the same individuals for whom training costs are  
24 paid for through the economic development job training program.

25 (9) A recipient of a grant under this section shall not charge  
26 tuition or fees to participants in the program funded by the  
27 economic development job training program grant. However, a

1 nonprofit organization may charge tuition or fees if the tuition  
2 plan or fees are recognized by the state and the nonprofit  
3 organization receives additional funding from other governmental or  
4 private funding sources for its programs.

5 (10) For training delivered to incumbent workers, the employer  
6 receiving the benefit of the training shall provide a minimum of  
7 30% of the program costs in matching funds as necessitated by the  
8 program.

9 (11) Grant funds shall be expended on a cost reimbursement  
10 basis.

11 (12) A recipient of a grant under this section shall allow the  
12 fund or the agency's designee to audit all records related to the  
13 grant for all entities that receive money, either directly or  
14 indirectly through a contract, from the grant funds. A grant  
15 recipient or contractor shall reimburse the state for all  
16 disallowances found in the audit. Costs disallowed under subsection  
17 (7)(b) based on the employer job creation and retention  
18 requirements are not the same as the training costs that are  
19 disallowed in this subsection.

20 (13) The fund shall provide to the state budget director and  
21 the fiscal agencies by November 1 of each year a report on the  
22 economic development job training program grants. The report shall  
23 provide this information for each grant or contract awarded during  
24 the preceding full fiscal year. The report shall contain all of the  
25 following:

26 (a) The amount and recipient of each grant or contract.

27 (b) The number of participants under each grant or contract

1 and the number of new hires who are in training under the grant.

2 (c) The names, addresses, and total number of employees of all  
3 business organizations for whom training is or will be provided.

4 (d) The matching funds, if any, to be provided by a business  
5 organization.

6 (e) The number of jobs created as a result of the grant.

7 (14) As a condition of receiving funds under part 1 of this  
8 act, the fund shall not expend any of the economic development job  
9 training program funds to train any employee who is an officer of a  
10 corporation in a corporation employing more than 250 employees.

11 (15) The Michigan strategic fund shall allocate \$500,000.00  
12 for aerospace certification grants as described in this subsection.  
13 The grants shall be funded from the appropriation in part 1 for  
14 economic development job training grants or work project funds  
15 available for the defense contract coordination center, or both.  
16 The Michigan strategic fund shall report to the senate and house  
17 subcommittees on general government, the fiscal agencies, and the  
18 state budget office by January 15, 2009 on the sources of funding  
19 for this program. \$500,000.00 shall be allocated for the following  
20 purposes:

21 (a) \$250,000.00 shall be allocated for aerospace certification  
22 grants to assist manufacturers in becoming certified for aerospace  
23 manufacturing. Priority shall be given to ISO or TS certified  
24 companies that are members of a state of Michigan nonprofit, tax-  
25 exempt aerospace manufacturers association and have received a  
26 request for quotes or request for proposal from an aerospace  
27 company. Grant awards of up to \$10,000.00 shall be given to a

1 qualifying company seeking such certification. As used in this  
2 section, "ISO" means international organization for standardization  
3 and "TS" means technical specification.

4 (b) \$250,000.00 shall be provided to the Michigan aerospace  
5 manufacturers association, a nonprofit, tax-exempt, aerospace-based  
6 manufacturing association. Funding shall be used for organizational  
7 assistance and to advance and promote the aerospace manufacturing  
8 community in the state of Michigan within the global economy.

9 Sec. 1003. The Michigan growth capital fund shall be used to  
10 develop the technology business sector in Michigan. The Michigan  
11 growth capital fund will be used to encourage private and public  
12 investment in the technology business sector, and all of the  
13 following apply:

14 (a) An applicant must match state funds on a 1:1 basis.

15 (b) Eligible uses of the Michigan growth capital fund include  
16 investments in organizations and programs that promote the  
17 development of new industry sectors in Michigan; inducements to  
18 attract additional venture capital funds to finance technology  
19 development; support organizations, initiatives, or events that  
20 promote entrepreneurship; provide match for university federal  
21 research grants; and support technology transfer and  
22 commercialization programs with universities and the private  
23 sector.

24 (c) The Michigan economic development corporation shall  
25 administer the Michigan growth capital fund.

26 (d) All funds received from repayment of loans, unused grants,  
27 revenues received from sales or cash flow participation agreements,

1 guarantees, or any combination thereof or interest thereon,  
2 originally distributed as part of the Michigan growth capital fund,  
3 shall be received, held, and applied by the fund for the purposes  
4 described in this section.

5 (e) The Michigan economic development corporation shall  
6 provide an annual report on the status of the Michigan growth  
7 capital fund to the senate appropriations committee subcommittee on  
8 economic development, the house appropriations committee  
9 subcommittee on general government, the senate and house fiscal  
10 agencies, and the state budget office by January 31.

11 Sec. 1004. Travel Michigan may establish and collect a fee to  
12 cover the cost of materials and processing of photographic prints,  
13 slides, videotapes, and travel product database information that  
14 are requested by the media and other segments of the public and  
15 private sectors. The fees collected shall be appropriated for all  
16 expenses necessary to purchase and distribute these photographic  
17 prints, slides, videotapes, and travel product database  
18 information. The funds are available for expenditure when they are  
19 received by the department of treasury.

20 Sec. 1005. Travel Michigan may receive and expend private  
21 revenue related to the use of the "Michigan Great Lakes. Great  
22 Times.", "The Upper Hand", and "Pure Michigan" copyrighted slogans  
23 and images. This revenue may come from the direct licensing of the  
24 name and image or from the royalty payments from various  
25 merchandise sales. Revenue collected is appropriated for the  
26 marketing of the state as a travel destination. The funds are  
27 available for expenditure when they are received by the department

1 of treasury.

2       Sec. 1006. The fund shall submit on February 15 to the  
3 subcommittees, the state budget office, and the fiscal agencies a  
4 listing of all grants which have been awarded by the fund or by the  
5 Michigan economic development corporation from the funds  
6 appropriated in part 1. The list shall include all of the  
7 following:

8       (a) The name of the recipient.

9       (b) The amount awarded to the recipient.

10       (c) The purpose of the grant.

11       Sec. 1007. (1) The fund shall provide reports to the relevant  
12 subcommittees, the state budget director, and the fiscal agencies  
13 concerning the activities of the Michigan economic development  
14 corporation grants and investment programs financed from the fund  
15 using investment or Indian gaming revenues. The report shall  
16 provide a list of individual grants and loans made from the fund.  
17 The report shall include, but not be limited to, the following  
18 programs funded in part 1:

19       (a) Travel Michigan, including any expenditures authorized  
20 under section 89b of the Michigan strategic fund act, 1984 PA 270,  
21 MCL 125.2089b, to supplement the Michigan promotion program. The  
22 report shall include the number of commercials produced, the  
23 markets in which media buys have been made, and any web-based  
24 products that were created with these funds.

25       (b) Business attraction, retention, and growth, including any  
26 expenditures authorized under section 89b of the Michigan strategic  
27 fund act, 1984 PA 270, MCL 125.2089b, to supplement the Michigan

1 business marketing program. The report shall include the number of  
2 commercials produced, the markets in which media buys have been  
3 made, and any web-based products that were created as a result of  
4 this appropriation.

5 (c) Business services.

6 (d) Community development block grants.

7 (e) Strategic fund administration.

8 (f) Renaissance zones.

9 (g) 21st century investment program.

10 (h) Business and clean air ombudsman.

11 (i) Economic development job training program grants.

12 (j) Any other programs of the fund.

13 (2) The reports in subsection (1) shall be submitted by  
14 January 15. The report for each program in subsection (1)(a)  
15 through (j) shall include details on all revenue sources, actual  
16 expenditures, and number of FTEs for that program for the previous  
17 fiscal year.

18 (3) The fund shall also provide as part of this report a  
19 listing of all economic development projects in the state for the  
20 previous 3 fiscal years where tax or financial incentives have been  
21 provided. The list shall also include the number of direct jobs  
22 that were initially estimated to be created and the number of  
23 direct jobs that have actually been created as a result of those  
24 incentives.

25 Sec. 1008. As a condition of receiving funds under part 1, any  
26 interlocal agreement entered into by the fund shall include  
27 language which states that if a local unit of government has a

1 contract or memorandum of understanding with a private economic  
2 development agency, the Michigan economic development corporation  
3 will work cooperatively with that private organization in that  
4 local area.

5 Sec. 1009. (1) Of the funds appropriated to the fund or  
6 through grants to the Michigan economic development corporation, no  
7 funds shall be expended for the purchase of options on land or the  
8 purchase of land unless at least 1 of the following conditions  
9 applies:

10 (a) The land is located in an economically distressed area.

11 (b) The land is obtained through a purchase or exercise of an  
12 option at the invitation of the local unit of government and local  
13 economic development agency.

14 (2) Consideration may be given to purchases where the proposed  
15 use of the land is consistent with a regional land use plan, will  
16 result in the redevelopment of an economically distressed area, can  
17 be supported by existing infrastructure, and will not cause shifts  
18 in population away from the area's population centers.

19 (3) As used in this section, "economically distressed area"  
20 means an area in a city, village, or township that has been  
21 designated as blighted; a city, village, or township that shows  
22 negative population change from 1970 and a poverty rate and  
23 unemployment rate greater than the statewide average; or an area  
24 certified as a neighborhood enterprise zone.

25 Sec. 1010. The money appropriated in part 1 to the fund is  
26 subject to the condition that none is spent for premiums or  
27 advertising material involving personal effects or apparel

1 including, but not limited to, T-shirts, hats, coffee mugs, or  
2 other promotional items, except travel Michigan.

3       Sec. 1011. (1) From the general fund/general purpose  
4 appropriations in part 1 to the fund and granted or transferred to  
5 the Michigan economic development corporation, any unexpended or  
6 unencumbered balance shall be disposed of in accordance with the  
7 requirements in the management and budget act, 1984 PA 431, MCL  
8 18.1101 to 18.1594, unless carryforward authorization has been  
9 otherwise provided for.

10       (2) Any encumbered funds shall be used for the same purposes  
11 for which funding was originally appropriated in this act.

12       Sec. 1012. (1) As a condition of receiving funds under part 1,  
13 the fund shall ensure that the MEDC and the fund comply with all of  
14 the following:

15       (a) The freedom of information act, 1976 PA 442, MCL 15.231 to  
16 15.246.

17       (b) The open meetings act, 1976 PA 267, MCL 15.261 to 15.275.

18       (c) Annual audits of all financial records by the auditor  
19 general or his or her designee.

20       (d) All reports required by law to be submitted to the  
21 legislature.

22       (2) If the MEDC is unable for any reason to perform duties  
23 under this act, the fund may exercise those duties.

24       Sec. 1013. As a condition for receiving the appropriations in  
25 part 1, any staff of the Michigan economic development corporation  
26 involved in private fund-raising activities shall not be party to  
27 any decisions regarding the awarding of grants or tax abatements

1 from the fund, the Michigan economic development corporation, or  
2 the Michigan economic growth authority.

3 Sec. 1014. (1) The funding appropriated in part 1 of 2000 PA  
4 291 for the Michigan core communities fund may be used to create an  
5 urban revitalization infrastructure program in the fund for  
6 economic development awards to create new jobs or contribute to  
7 redevelopment and encourage private investment in core communities.

8 (2) Awards may be provided to qualified local governmental  
9 units as defined in the obsolete property rehabilitation act, 2000  
10 PA 146, MCL 125.2781 to 125.2797, or certified technology parks, as  
11 defined in the local development financing act, 1986 PA 281, MCL  
12 125.2151 to 125.2174.

13 (3) Awards can be used for land and property acquisition and  
14 assembly, demolition, site development, utility modifications and  
15 improvements, street and road improvements, telecommunication  
16 infrastructure, site location and relocation, infrastructure  
17 improvements, and any other costs related to the successful  
18 development and implementation of core community or certified  
19 technology park projects, at the discretion of the Michigan  
20 economic development corporation.

21 (4) Funding may be provided in the form of loans, grants,  
22 sales or cash flow participation agreements, guarantees, or any  
23 combination of these. A cash match of at least 10%, or local  
24 repayment guarantee with a dedicated funding source, is required.  
25 Priority shall be given to projects which are integrated with  
26 existing economic development programs and to projects in  
27 proportion to the amount that local matching rates exceed 10%.

1           (5) The Michigan economic development corporation shall have  
2 all administrative responsibility for the Michigan core communities  
3 fund and shall establish application and application scoring  
4 criteria and approve awards. The Michigan economic development  
5 corporation may utilize up to 1/2 of 1% of the fund for  
6 administrative purposes.

7           (6) Funds will be awarded through an open competitive process  
8 based on criteria including the following: project impact, project  
9 marketability, lack of adequate infrastructure or land assembly  
10 financing sources, local administrative capacity, and the level of  
11 local matching funds. Awardees shall agree to expedite the local  
12 development process, such as fast-track permitting procedures,  
13 streamlined regulatory requirements, standardized construction and  
14 building codes, and the use of competitive construction permitting  
15 fees.

16           (7) No single applicant shall be awarded more than  
17 \$10,000,000.00 per project.

18           (8) Fifteen days prior to the award of the funds, notification  
19 shall be provided to the speaker of the house of representatives,  
20 the senate majority leader, the members of the house and senate  
21 appropriations committees, the fiscal agencies, and the state  
22 budget director.

23           (9) Funds shall not be awarded for any of the following  
24 purposes:

- 25           (a) Land sited for use as, or support for, a gaming facility.  
26           (b) Land or other facilities owned or operated by a gaming  
27 facility.

1 (c) Publicly owned land or facilities which may directly or  
2 indirectly support a gaming facility.

3 (10) All funds received from repayment of loans, unused  
4 grants, revenues received from sales or cash flow participation  
5 agreements, guarantees, or any combination thereof or interest  
6 thereon, originally distributed as part of the core communities  
7 fund, shall be received, held, and applied by the fund for the  
8 purposes described in this part.

9 (11) The fund shall provide an annual report on the status of  
10 this fund. The report shall be provided to the subcommittees, the  
11 fiscal agencies, and the state budget office by January 31.

12 Sec. 1015. The fund shall continue to contract with regional  
13 planning commissions for technical assistance to member  
14 municipalities. The contracts shall be awarded at the fiscal year  
15 2007-2008 level.

16 Sec. 1016. The Michigan economic development corporation shall  
17 implement procedures to annually audit the number of jobs claimed  
18 to be created by firms receiving Michigan economic growth authority  
19 credits, and all other claims of job creation for which MEDC has  
20 provided tax credits or other economic incentives.

21 Sec. 1017. The Michigan economic development corporation shall  
22 report on the number of individuals it employs with an annual  
23 salary of \$79,499.00 or more to the subcommittees, the fiscal  
24 agencies, and the state budget office by October 31, 2008. The  
25 report shall include the name, the job title, and a description of  
26 the duties and responsibilities of all such employees.

27 Sec. 1019. In accordance with chapter 8B of 1984 PA 270, MCL

1 125.2089 to 125.2089d, it is the intent of the legislature that the  
2 Michigan strategic fund, its employees, contract employees, and  
3 individuals working on its behalf collaborate with the Michigan  
4 department of agriculture to promote business development of  
5 Michigan agricultural products to achieve outcomes that include,  
6 but are not limited to, increases in export sales, increases in the  
7 number of retailers carrying Michigan commodities both within and  
8 outside of this state, and increased sales of Michigan products at  
9 chain grocers.

10 Sec. 1020. Federal pass-through funds to local institutions  
11 and governments that are received in amounts in addition to those  
12 included in part 1 and that do not require additional state  
13 matching funds are appropriated for the purposes intended. The fund  
14 may carry forward into the succeeding fiscal year unexpended  
15 federal pass-through funds to local institutions and governments  
16 that do not require additional state matching funds. The fund shall  
17 report the amount and source of the funds to the senate  
18 appropriation subcommittee on economic development, the house  
19 appropriation subcommittee on general government, the senate and  
20 house fiscal agencies, and the state budget office within 10  
21 business days after receiving any additional pass-through funds.

22 Sec. 1021. There is \$50,000,000.00 general fund/general  
23 purpose revenue appropriated in 2008 PA 98 available for tourism  
24 promotion and business marketing in accordance with that act.

25 Sec. 1023. Tourism promotion shall include, but is not limited  
26 to, the Mackinac Island state park, Michigan state historic parks,  
27 cultural, vacation, recreational, leisure, hunting-related, motor

1 sports entertainment-related, and agriculture-related travel across  
2 this state that includes activities that promote tourism in all 4  
3 seasons.

4 Sec. 1024. From the funds appropriated in part 1 for the jobs  
5 for Michigan investment program: 21st century jobs fund,  
6 \$1,400,000.00 shall be granted by the Michigan strategic fund board  
7 to the Michigan small business and technology development centers  
8 to be used for the SBIR or STTR grant or loan matching program.  
9 These funds shall only be used to provide the required match.  
10 Grants or loans under this section shall not exceed 25% of the  
11 federal funds and must leverage third-party commercialization  
12 funding at both the phase I and phase II levels.

13 Sec. 1025. The MEDC shall separately report the number of  
14 actual direct jobs and the number of indirect jobs that are  
15 projected to be created as a result of any financial or tax  
16 incentive package that is offered to a business. Additionally,  
17 information regarding total salaries and employer sponsored  
18 benefits shall be included if available. This includes all  
19 publications issued by the agency for marketing and public  
20 information purposes.

21 Sec. 1027. Of the funds appropriated in part 1 for the jobs  
22 for Michigan investment program: 21st century jobs fund,  
23 \$3,000,000.00 shall be allocated to Lakeshore Advantage for the  
24 same purposes as the fiscal year 2007-2008 allocation.

25 Sec. 1029. It is the intent of the legislature that the fund  
26 only award tax breaks or other economic development incentives to  
27 companies that give preference to Michigan workers.

1       Sec. 1032. The Michigan film office shall report to the  
 2 subcommittees and the fiscal agencies by September 30 on the status  
 3 of the new film tax credit program. The report shall include all of  
 4 the following information:

5       (a) The number of contracts signed.

6       (b) The number of films that have completed shooting.

7       (c) The total amount of the tax credits provided.

8       (d) The counties where the films were made.

9       (e) The number of temporary and permanent jobs created.

10       Sec. 1033. The fund shall publish the proposed minutes of the  
 11 Michigan film office advisory council on the Internet within 8  
 12 business days after the meeting to which the minutes refer.  
 13 Approved minutes of the Michigan film office advisory council shall  
 14 be posted on the Internet within 8 business days after their  
 15 approval.

#### 16   REVENUE STATEMENT

17       Sec. 1101. Pursuant to section 18 of article V of the state  
 18 constitution of 1963, fund balances and estimates are presented in  
 19 the following statement:

#### 20                   BUDGET RECOMMENDATIONS BY OPERATING FUNDS

21                               (Amounts in millions)

22                               Fiscal Year 2008-2009

23   Beginning

24   Fund   Unreserved

25   Fund               Estimated       Ending

		Balance	Revenue	Balance
1				
2	OPERATING FUNDS			
3	General fund/general purpose	0110 125.5	9,734.7	10.9
4	General fund/special purpose	448.0	16,309.7	473.4
5	Special Revenue Funds:			
6	Countercyclical budget and			
7	economic stabilization	0111 102.2	4.3	106.5
8	Game and fish protection	0112 5.1	61.0	4.0
9	Michigan employment security act			
10	administration	0113 8.1	13.5	3.5
11	State aeronautics	0114 5.8	177.7	4.8
12	Michigan veterans' benefit			
13	trust	0115 0.0	4.3	0.0
14	State trunkline	0116 0.0	2,181.8	0.0
15	Michigan state waterways	0117 1.1	29.7	0.1
16	Blue Water Bridge	0118 0.0	14.5	0.0
17	Michigan transportation	0119 0.0	1,929.4	0.0
18	Comprehensive transportation	0120 0.0	312.6	0.0
19	School aid	0122 0.0	13,475.6	0.0
20	Game and fish protection trust	0124 6.0	12.8	6.0
21	State park improvement	0125 1.6	39.4	0.0
22	Forest development	0126 0.0	24.0	0.0
23	Michigan civilian conservation			
24	corps endowment	0128 0.3	0.0	0.3
25	Michigan natural resources			
26	trust	0129 33.5	52.5	37.4
27	Michigan state parks endowment	0130 7.6	16.7	5.0

1	Safety education and training	0131	2.8	9.0	2.8
2	Bottle deposit	0136	0.0	16.9	0.0
3	State construction code	0138	0.2	9.5	(2.8)
4	Children's trust	0139	1.3	10.1	1.0
5	State casino gaming	0140	1.6	34.3	1.6
6	Homeowner construction lien				
7	recovery	0141	3.0	1.4	2.4
8	Michigan nongame fish and				
9	wildlife	0143	0.2	0.6	0.1
10	Michigan merit award trust	0154	15.0	203.1	0.0
11	Outdoor recreation legacy	0162	0.0	2.3	0.0
12	Off-road vehicle account	0163	2.5	3.5	1.0
13	Snowmobile account	0164	2.2	9.6	0.2
14	Silicosis dust disease				
15	and logging	0870	3.2	1.3	2.5
16	Utility consumer representation	0893	3.5	1.3	3.6
17	TOTALS		\$780.3	\$44,697.1	\$664.3