

FIRST CONFERENCE REPORT

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

Senate Bill No. 177, entitled

A bill to make, supplement, and adjust appropriations for the departments of attorney general, civil rights, state, technology, management, and budget, and treasury, the executive office, and the legislative branch for the fiscal year ending September 30, 2012; to provide for the expenditure of these appropriations; to provide anticipated appropriations for the fiscal year ending September 30, 2013; to provide for the funding of certain work projects; to provide for the imposition of certain fees; to establish or continue certain funds, programs, and categories; to transfer certain funds; to prescribe certain requirements for bidding on state contracts; to provide for disposition of year-end balances; to prescribe the powers and duties of certain principal executive departments and state agencies, officials, and employees; and to provide for the disposition of fees and other income received by the various principal executive departments and state agencies.

Recommends:

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

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

(attached)

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

A bill to make, supplement, and adjust appropriations for the departments of attorney general, civil rights, state, technology, management, and budget, and treasury, the executive office, and the legislative branch for the fiscal year ending September 30, 2012; to provide for the expenditure of these appropriations; to provide anticipated appropriations for the fiscal year ending September 30, 2013; to provide for the funding of certain work projects; to provide for the imposition of certain fees; to establish or continue certain funds, programs, and categories; to transfer certain funds; to prescribe certain requirements for bidding on state contracts; to provide for disposition of year-end balances; to prescribe the powers and duties of certain principal executive departments and state agencies, officials, and employees; and to

provide for the disposition of fees and other income received by the various principal executive departments and state agencies.

John Pappageorge

Earl Poleski

Roger Kahn

Matt Lori

Bert Johnson

Fred Durhal, Jr.

Conferees for the Senate

Conferees for the House

SUBSTITUTE FOR
SENATE BILL NO. 177

A bill to make, supplement, and adjust appropriations for the departments of attorney general, civil rights, state, technology, management, and budget, and treasury, the executive office, and the legislative branch for the fiscal year ending September 30, 2012; to provide for the expenditure of these appropriations; to provide anticipated appropriations for the fiscal year ending September 30, 2013; to provide for the funding of certain work projects; to provide for the imposition of certain fees; to establish or continue certain funds, programs, and categories; to transfer certain funds; to prescribe certain requirements for bidding on state contracts; to provide for disposition of year-end balances; to prescribe the powers and duties of certain principal executive departments and state agencies, officials, and employees; and to provide for the disposition of fees and other income received by

the various principal executive departments and state agencies.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

PART 1

LINE-ITEM APPROPRIATIONS

FOR FISCAL YEAR 2011-2012

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, state, technology, management, and budget, and treasury, the executive office, the legislative branch, and certain other state purposes, for the fiscal year ending September 30, 2012, 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 43.0

Full-time equated classified positions 8,116.2

GROSS APPROPRIATION \$ 3,897,242,100

Interdepartmental grant revenues:

Total interdepartmental grants and intradepartmental

transfers 669,027,400

ADJUSTED GROSS APPROPRIATION \$ 3,228,214,700

Federal revenues:

Total federal revenues 768,099,400

Special revenue funds:

Total local revenues 7,989,300

Total private revenues 979,400

Total other state restricted revenues 1,726,410,300

1	State general fund/general purpose	\$	724,736,300
2	Sec. 102. DEPARTMENT OF ATTORNEY GENERAL		
3	(1) APPROPRIATION SUMMARY		
4	Full-time equated unclassified positions.....	6.0	
5	Full-time equated classified positions.....	514.0	
6	GROSS APPROPRIATION.....	\$	74,590,900
7	Interdepartmental grant revenues:		
8	Total interdepartmental grants and intradepartmental		
9	transfers		21,885,400
10	ADJUSTED GROSS APPROPRIATION.....	\$	52,705,500
11	Federal revenues:		
12	Total federal revenues.....		8,848,800
13	Special revenue funds:		
14	Total local revenues.....		0
15	Total private revenues.....		0
16	Total other state restricted revenues.....		15,489,100
17	State general fund/general purpose	\$	28,367,600
18	(2) ATTORNEY GENERAL OPERATIONS		
19	Full-time equated unclassified positions.....	6.0	
20	Full-time equated classified positions.....	514.0	
21	Attorney general.....	\$	112,500
22	Unclassified positions--5.0 FTE positions		476,300
23	Attorney general operations--477.0 FTE positions		68,330,700
24	Child support enforcement--25.0 FTE positions		3,008,000
25	Prosecuting attorneys coordinating council--12.0 FTE		
26	positions		<u>1,881,800</u>

1	GROSS APPROPRIATION.....	\$	73,809,300
2	Appropriated from:		
3	Interdepartmental grant revenues:		
4	IDG from MDCH, health services.....		2,062,400
5	IDG from MDCH, WIC.....		77,000
6	IDG from department of corrections.....		527,700
7	IDG from MDE.....		317,000
8	IDG from MDEQ.....		1,917,700
9	IDG from MDHS.....		3,617,000
10	IDG from Michigan state housing development authority		540,200
11	IDG from MDLARA, children's protection registry.....		39,100
12	IDG from MDLARA, financial and insurance regulation..		1,154,400
13	IDG from MDLARA, licensing and regulation fees.....		197,800
14	IDG from MDLARA, Michigan occupational safety and		
15	health administration		100,800
16	IDG from MDLARA, remonumentation fees.....		85,000
17	IDG from MDMVA.....		131,500
18	IDG from MDOT, comprehensive transportation fund.....		177,200
19	IDG from MDOT, state aeronautics fund.....		165,900
20	IDG from MDOT, state trunkline fund.....		2,817,500
21	IDG from MDSP.....		322,300
22	IDG from MDSP, Michigan justice training fund.....		139,000
23	IDG from MDTMB.....		208,000
24	IDG from MDTMB, civil service commission.....		300,600
25	IDG from MDTMB, risk management revolving fund.....		1,419,300
26	IDG from MSF, workforce development agency.....		205,400
27	IDG from treasury.....		5,220,000

1	IDG from treasury, Michigan strategic fund.....	142,600
2	Federal revenues:	
3	DAG, state administrative match grant/food stamps	413,300
4	Federal funds.....	2,645,200
5	HHS, medical assistance, medigrant.....	645,100
6	HHS-OS, state Medicaid fraud control units.....	5,045,200
7	National criminal history improvement program.....	100,000
8	Special revenue funds:	
9	Antitrust enforcement collections.....	656,600
10	Assigned claims assessments.....	132,800
11	Attorney general's operations fund.....	985,600
12	Auto repair facilities fees.....	261,300
13	Franchise fees.....	331,700
14	Game and fish protection fund.....	797,100
15	Liquor purchase revolving fund.....	1,165,700
16	Manufactured housing fees.....	217,200
17	Merit award trust fund.....	408,600
18	Michigan employment security act - administrative fund	1,785,800
19	Prisoner reimbursement.....	515,200
20	Prosecuting attorneys training fees.....	375,000
21	Public utility assessments.....	1,888,800
22	Real estate enforcement fund.....	549,100
23	Reinstatement fees.....	175,400
24	Retirement funds.....	832,100
25	Second injury fund.....	913,600
26	Self-insurers security fund.....	640,800
27	Silicosis and dust disease fund.....	210,900

1	State building authority revenue.....	104,200
2	State casino gaming fund.....	1,235,200
3	State lottery fund.....	275,600
4	Utility consumers fund.....	623,700
5	Waterways fund.....	111,800
6	Worker's compensation administrative revolving fund..	295,300
7	State general fund/general purpose.....	\$ 27,586,000
8	(3) INFORMATION TECHNOLOGY	
9	Information technology services and projects.....	\$ <u>781,600</u>
10	GROSS APPROPRIATION.....	\$ 781,600
11	Appropriated from:	
12	State general fund/general purpose.....	\$ 781,600
13	Sec. 103. DEPARTMENT OF CIVIL RIGHTS	
14	(1) APPROPRIATION SUMMARY	
15	Full-time equated unclassified positions.....	5.0
16	Full-time equated classified positions.....	121.0
17	GROSS APPROPRIATION.....	\$ 13,730,200
18	Interdepartmental grant revenues:	
19	Total interdepartmental grants and intradepartmental	
20	transfers	0
21	ADJUSTED GROSS APPROPRIATION.....	\$ 13,730,200
22	Federal revenues:	
23	Total federal revenues.....	2,880,600
24	Special revenue funds:	
25	Total local revenues.....	0
26	Total private revenues.....	18,700

1	Total other state restricted revenues	151,900
2	State general fund/general purpose	\$ 10,679,000
3	(2) CIVIL RIGHTS OPERATIONS	
4	Full-time equated unclassified positions.....	5.0
5	Full-time equated classified positions.....	121.0
6	Unclassified positions--5.0 FTE positions	\$ 267,100
7	Civil rights operations--113.0 FTE positions	11,454,100
8	Commission on disability concerns--7.0 FTE positions .	1,186,100
9	Hispanic/Latino commission of Michigan--1.0 FTE	
10	positions	<u>206,700</u>
11	GROSS APPROPRIATION.....	\$ 13,114,000
12	Appropriated from:	
13	Federal revenues:	
14	EEOC, state and local antidiscrimination agency	
15	contracts	885,000
16	HUD, grant.....	1,313,200
17	Federal revenues.....	667,400
18	Special revenue funds:	
19	Private revenues.....	18,700
20	Division on deafness fund.....	93,400
21	State restricted indirect funds.....	58,500
22	State general fund/general purpose.....	\$ 10,077,800
23	(3) INFORMATION TECHNOLOGY	
24	Information technology services and projects	\$ <u>616,200</u>
25	GROSS APPROPRIATION.....	\$ 616,200
26	Appropriated from:	
27	Federal revenues:	

1	EEOC, state and local antidiscrimination agency		
2	contracts		15,000
3	State general fund/general purpose	\$	601,200
4	Sec. 104. EXECUTIVE OFFICE		
5	(1) APPROPRIATION SUMMARY		
6	Full-time equated unclassified positions.....	10.0	
7	Full-time equated classified positions.....	74.2	
8	GROSS APPROPRIATION.....	\$	4,399,200
9	Interdepartmental grant revenues:		
10	Total interdepartmental grants and intradepartmental		
11	transfers		0
12	ADJUSTED GROSS APPROPRIATION.....	\$	4,399,200
13	Federal revenues:		
14	Total federal revenues.....		0
15	Special revenue funds:		
16	Total local revenues.....		0
17	Total private revenues.....		0
18	Total other state restricted revenues.....		0
19	State general fund/general purpose	\$	4,399,200
20	(2) EXECUTIVE OFFICE OPERATIONS		
21	Full-time equated unclassified positions.....	10.0	
22	Full-time equated classified positions.....	74.2	
23	Governor.....	\$	159,300
24	Lieutenant governor.....		111,600
25	Executive office--74.2 FTE positions.....		3,278,500
26	Unclassified positions--8.0 FTE positions.....		<u>849,800</u>

1	GROSS APPROPRIATION.....	\$	4,399,200
2	Appropriated from:		
3	State general fund/general purpose.....	\$	4,399,200
4	Sec. 105. LEGISLATURE		
5	(1) APPROPRIATION SUMMARY		
6	GROSS APPROPRIATION.....	\$	115,971,600
7	Interdepartmental grant revenues:		
8	Total interdepartmental grants and intradepartmental		
9	transfers		3,751,500
10	ADJUSTED GROSS APPROPRIATION.....	\$	112,220,100
11	Federal revenues:		
12	Total federal revenues.....		0
13	Special revenue funds:		
14	Total local revenues.....		0
15	Total private revenues.....		400,000
16	Total other state restricted revenues.....		2,649,700
17	State general fund/general purpose.....	\$	109,170,400
18	(2) LEGISLATURE		
19	Senate.....	\$	24,598,800
20	Senate automated data processing.....		2,156,800
21	Senate fiscal agency.....		2,687,800
22	House of representatives.....		39,087,800
23	House automated data processing.....		1,712,300
24	House fiscal agency.....		<u>2,687,800</u>
25	GROSS APPROPRIATION.....	\$	72,931,300
26	Appropriated from:		

1	State general fund/general purpose	\$	72,931,300
2	(3) LEGISLATIVE COUNCIL		
3	Legislative council	\$	8,446,700
4	Legislative service bureau automated data processing .		1,163,600
5	Worker's compensation		126,300
6	National association dues		141,500
7	Legislative corrections ombudsman		<u>606,200</u>
8	GROSS APPROPRIATION	\$	10,484,300
9	Appropriated from:		
10	Interdepartmental grant revenues:		
11	IDG from Michigan department of corrections		250,000
12	Special revenue funds:		
13	Private - gifts and bequests revenues		400,000
14	State general fund/general purpose	\$	9,834,300
15	(4) LEGISLATIVE RETIREMENT SYSTEM		
16	General nonretirement expenses	\$	<u>4,233,300</u>
17	GROSS APPROPRIATION	\$	4,233,300
18	Appropriated from:		
19	Special revenue funds:		
20	Court fees		1,109,800
21	State general fund/general purpose	\$	3,123,500
22	(5) PROPERTY MANAGEMENT		
23	Capitol building	\$	2,552,800
24	Cora Anderson building		8,315,800
25	Farnum building and other properties		<u>1,815,700</u>
26	GROSS APPROPRIATION	\$	12,684,300
27	Appropriated from:		

1	State general fund/general purpose.....	\$	12,684,300
2	(6) OFFICE OF THE AUDITOR GENERAL		
3	Unclassified positions.....	\$	313,500
4	Field operations.....		<u>15,324,900</u>
5	GROSS APPROPRIATION.....	\$	15,638,400
6	Appropriated from:		
7	Interdepartmental grant revenues:		
8	IDG from MDLARA, liquor purchase revolving fund.....		11,300
9	IDG from MDOT, comprehensive transportation fund.....		25,200
10	IDG from MDOT, Michigan transportation fund.....		204,300
11	IDG from MDOT, state aeronautics fund.....		19,600
12	IDG from MDTMB, civil service commission.....		107,900
13	IDG from MDOT, state trunkline fund.....		474,600
14	IDG, single audit act.....		2,658,600
15	Special revenue funds:		
16	21st century jobs trust fund.....		50,000
17	Clean Michigan initiative implementation bond fund...		38,300
18	Commercial mobile radio system emergency telephone		
19	fund		38,300
20	Contract audit administration fees.....		53,900
21	Correctional industries revolving fund.....		32,000
22	Fee adequacy, air quality delegated authority.....		9,600
23	Game and fish protection fund.....		22,000
24	Legislative retirement system.....		19,100
25	Michigan economic development corporation.....		54,400
26	Michigan education trust fund.....		30,700
27	Michigan justice training commission fund.....		28,700

1	Michigan state housing development authority fees	22,600
2	Michigan strategic fund.....	89,000
3	Michigan tobacco settlement authority.....	27,000
4	Michigan veterans' trust fund.....	24,900
5	Motor transport revolving fund.....	5,200
6	Office services revolving fund.....	6,900
7	State disbursement unit, office of child support	27,600
8	State services fee fund.....	952,100
9	Waterways fund.....	7,600
10	State general fund/general purpose.....	\$ 10,597,000

11 **Sec. 106. DEPARTMENT OF STATE**

12 **(1) APPROPRIATION SUMMARY**

13	Full-time equated unclassified positions.....	6.0
14	Full-time equated classified positions.....	1,809.0
15	GROSS APPROPRIATION.....	\$ 211,885,000
16	Interdepartmental grant revenues:	
17	Total interdepartmental grants and intradepartmental	
18	transfers	20,000,000
19	ADJUSTED GROSS APPROPRIATION.....	\$ 191,885,000
20	Federal revenues:	
21	Total federal revenues.....	1,810,000
22	Special revenue funds:	
23	Total local revenues.....	0
24	Total private revenues.....	100
25	Total other state restricted revenues.....	178,788,700
26	State general fund/general purpose.....	\$ 11,286,200

1 **(2) EXECUTIVE DIRECTION**

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

3 Full-time equated classified positions..... 30.0

4 Secretary of state..... \$ 112,500

5 Unclassified positions--5.0 FTE positions..... 453,200

6 Operations--30.0 FTE positions..... 3,224,100

7 GROSS APPROPRIATION..... \$ 3,789,800

8 Appropriated from:

9 Auto repair facilities fees..... 60,300

10 Driver fees..... 221,600

11 Expedient service fees..... 58,300

12 Parking ticket court fines..... 8,300

13 Personal identification card fees..... 26,100

14 Reinstatement fees - operator licenses..... 204,000

15 Transportation administration collection fund..... 2,061,500

16 Vehicle theft prevention fees..... 35,500

17 State general fund/general purpose..... \$ 1,114,200

18 **(3) DEPARTMENT SERVICES**

19 Full-time equated classified positions..... 159.0

20 Operations--152.0 FTE positions..... \$ 22,600,800

21 Assigned claims assessments--7.0 FTE positions..... 1,031,800

22 GROSS APPROPRIATION..... \$ 23,632,600

23 Appropriated from:

24 Special revenue funds:

25 Abandoned vehicle fees..... 467,400

26 Assigned claims assessments..... 1,031,800

27 Auto repair facilities fees..... 414,000

1	Child support clearance fees.....		34,200
2	Driver fees.....		917,200
3	Driver improvement course fund.....		300,000
4	Expedient service fees.....		256,200
5	Marine safety fund.....		79,400
6	Off-road vehicle title fees.....		8,000
7	Parking ticket court fines.....		52,600
8	Personal identification card fees.....		118,900
9	Reinstatement fees - operator licenses.....		684,700
10	Scrap tire fund.....		72,800
11	Snowmobile registration fee revenue.....		18,100
12	Transportation administration collection fund.....		18,758,400
13	Vehicle theft prevention fees.....		242,800
14	State general fund/general purpose.....	\$	176,100
15	(4) REGULATORY SERVICES		
16	Full-time equated classified positions.....	210.5	
17	Operations--208.5 FTE positions.....	\$	21,819,900
18	County clerk education and training.....		100,000
19	Motorcycle safety education administration--2.0 FTE		
20	positions		323,600
21	Motorcycle safety education grants.....		<u>1,500,000</u>
22	GROSS APPROPRIATION.....	\$	23,743,500
23	Appropriated from:		
24	Special revenue funds:		
25	Auto repair facilities fees.....		4,129,600
26	Driver education provider and instructor fund.....		72,700
27	Driver fees.....		2,677,400

1	Expedient service fees.....		35,100
2	Motorcycle safety fund.....		1,823,600
3	Notary education and training fund.....		100,000
4	Notary fee fund.....		313,800
5	Parking ticket court fines.....		20,600
6	Personal identification card fees.....		104,700
7	Reinstatement fees - operator licenses.....		2,041,400
8	Transportation administration collection fund.....		10,881,700
9	Vehicle theft prevention fees.....		1,326,000
10	State general fund/general purpose.....	\$	216,900
11	(5) CUSTOMER DELIVERY SERVICES		
12	Full-time equated classified positions.....		1,373.5
13	Branch operations--931.5 FTE positions.....	\$	75,703,600
14	Central operations--415.0 FTE positions.....		43,684,500
15	Commemorative license plates--24.0 FTE positions.....		2,147,300
16	Specialty license plates--3.0 FTE positions.....		1,922,000
17	Credit and debit assessment service fees.....		1,000,000
18	Olympic center plate.....		75,700
19	Organ donor program.....		<u>79,100</u>
20	GROSS APPROPRIATION.....	\$	124,612,200
21	Appropriated from:		
22	Interdepartmental grant revenues:		
23	IDG from MDOT, Michigan transportation fund.....		20,000,000
24	Federal revenues:		
25	Federal funds.....		1,460,000
26	Special revenue funds:		
27	Private funds.....		100

1	Abandoned vehicle fees.....	196,900
2	Auto repair facilities fees.....	92,500
3	Child support clearance fees.....	294,000
4	Credit and debit assessment service fees.....	1,000,000
5	Driver fees.....	23,788,700
6	Driver improvement course fund.....	1,200,000
7	Enhanced driver license and enhanced official state	
8	personal identification card fund.....	4,849,900
9	Expedient service fees.....	2,456,400
10	Marine safety fund.....	1,261,600
11	Michigan state police auto theft fund.....	118,900
12	Mobile home commission fees.....	472,900
13	Off-road vehicle title fees.....	141,600
14	Parking ticket court fines.....	1,485,200
15	Personal identification card fees.....	2,057,400
16	Recreation passport fee revenue.....	1,037,800
17	Reinstatement fees - operator licenses.....	1,406,400
18	Snowmobile registration fee revenue.....	345,800
19	Transportation administration collection fund.....	60,478,900
20	Vehicle theft prevention fees.....	208,600
21	State general fund/general purpose.....	\$ 258,600
22	(6) ELECTION REGULATION	
23	Full-time equated classified positions.....	36.0
24	Election administration and services--36.0 FTE	
25	positions	\$ 5,140,600
26	Fees to local units.....	109,800
27	Help America Vote Act.....	<u>350,000</u>

1	GROSS APPROPRIATION.....	\$	5,600,400
2	Appropriated from:		
3	Federal revenues:		
4	Federal Funds - HAVA HHS.....		350,000
5	State general fund/general purpose.....	\$	5,250,400
6	(7) DEPARTMENTWIDE APPROPRIATIONS		
7	Building occupancy charges/rent.....	\$	9,772,000
8	Worker's compensation.....		<u>292,500</u>
9	GROSS APPROPRIATION.....	\$	10,064,500
10	Appropriated from:		
11	Special revenue funds:		
12	Auto repair facilities fees.....		135,300
13	Driver fees.....		738,200
14	Expedient service fees.....		26,000
15	Parking ticket court fines.....		447,800
16	Transportation administration collection fund.....		5,925,000
17	State general fund/general purpose.....	\$	2,792,200
18	(8) INFORMATION TECHNOLOGY		
19	Information technology services and projects.....	\$	<u>20,442,000</u>
20	GROSS APPROPRIATION.....	\$	20,442,000
21	Appropriated from:		
22	Special revenue funds:		
23	Administrative order processing fee.....		11,100
24	Auto repair facilities fees.....		179,000
25	Child support clearance fees.....		16,200
26	Driver fees.....		741,700
27	Expedient service fees.....		1,022,700

1	Parking ticket court fines.....	82,500
2	Personal identification card fees.....	159,900
3	Reinstatement fees - operator licenses.....	558,500
4	Transportation administration collection fund.....	16,022,100
5	Vehicle theft prevention fees.....	170,500
6	State general fund/general purpose.....	\$ 1,477,800

7 **Sec. 107. DEPARTMENT OF TECHNOLOGY, MANAGEMENT, AND**

8 **BUDGET**

9 **(1) APPROPRIATION SUMMARY**

10	Full-time equated unclassified positions.....	6.0
11	Full-time equated classified positions.....	3,032.5
12	GROSS APPROPRIATION.....	\$ 1,017,184,300
13	Interdepartmental grant revenues:	
14	Total interdepartmental grants and intradepartmental	
15	transfers	608,968,900
16	ADJUSTED GROSS APPROPRIATION.....	\$ 408,215,400
17	Federal revenues:	
18	Total federal revenues.....	10,346,000
19	Special revenue funds:	
20	Total local revenues.....	1,456,600
21	Total private revenues.....	180,600
22	Total other state restricted revenues.....	85,374,400
23	State general fund/general purpose.....	\$ 310,857,800

24 **(2) EXECUTIVE DIRECTION**

25	Full-time equated unclassified positions.....	6.0
26	Full-time equated classified positions.....	11.0

1	Unclassified positions--6.0 FTE positions	\$	796,500
2	Executive operations--11.0 FTE positions		<u>1,410,000</u>
3	GROSS APPROPRIATION.....	\$	2,206,500
4	Appropriated from:		
5	Interdepartmental grant revenues:		
6	IDG from building occupancy and parking charges		74,400
7	IDG from technology user fees		1,394,500
8	Special revenue funds:		
9	Special revenue, internal service, and pension trust		
10	funds		140,800
11	State general fund/general purpose	\$	596,800
12	(3) DEPARTMENT SERVICES		
13	Full-time equated classified positions.....		778.5
14	Administrative services--132.5 FTE positions	\$	15,411,100
15	Budget and financial management--158.5 FTE positions .		15,726,700
16	Office of the state employer--23.0 FTE positions		2,980,800
17	Design and construction services--40.0 FTE positions .		5,772,800
18	Business support services--105.5 FTE positions		9,584,200
19	Building operation services--221.0 FTE positions		87,962,100
20	Building occupancy charges, rent, and utilities		5,129,400
21	Motor vehicle fleet--46.0 FTE positions		57,349,700
22	Information technology services and projects		26,482,900
23	Bureau of labor market information and strategies--		
24	52.0 FTE positions		<u>6,676,900</u>
25	GROSS APPROPRIATION.....	\$	233,076,600
26	Appropriated from:		
27	Interdepartmental grant revenues:		

1	IDG from accounting service centers user charges	2,471,200
2	IDG from building occupancy and parking charges	90,446,400
3	IDG from MDCH.....	453,000
4	IDG from MDHS.....	187,800
5	IDG from MDLARA.....	100,000
6	IDG from MDOT, comprehensive transportation fund.....	41,900
7	IDG from MDOT, state aeronautics fund.....	38,100
8	IDG from MDOT, state trunkline fund.....	1,308,100
9	IDG from motor transport fund.....	57,349,700
10	IDG from technology user fees.....	7,960,500
11	IDG from user fees.....	5,833,200
12	Federal revenues:	
13	Federal funds.....	100
14	Federal revenues.....	7,542,600
15	Special revenue funds:	
16	Deferred compensation.....	2,600
17	Game and fish protection fund.....	408,500
18	Health management funds.....	1,969,700
19	MAIN user charges.....	5,143,000
20	Pension trust funds.....	6,726,900
21	Special revenue, internal service, and pension trust	
22	funds	13,529,200
23	State building authority revenue.....	675,400
24	State lottery fund.....	225,000
25	State restricted indirect funds.....	1,857,800
26	State services fee fund.....	117,900
27	Waterways fund.....	106,000

1	State general fund/general purpose	\$	28,582,000
2	(4) TECHNOLOGY SERVICES		
3	Full-time equated classified positions		1,559.5
4	Education services--31.0 FTE positions	\$	3,262,600
5	Health and human services--659.5 FTE positions		255,628,900
6	Public protection--271.5 FTE positions		54,819,100
7	Resources services--156.5 FTE positions		18,305,400
8	Transportation services--95.5 FTE positions		27,737,500
9	General services--345.5 FTE positions		<u>75,363,100</u>
10	GROSS APPROPRIATION	\$	435,116,600
11	Appropriated from:		
12	Interdepartmental grant revenues:		
13	IDG from technology user fees		435,116,600
14	State general fund/general purpose	\$	0
15	(5) SPECIAL PROGRAMS		
16	Full-time equated classified positions		177.0
17	Building occupancy charges - property management		
18	services for executive/legislative building		
19	occupancy	\$	1,188,200
20	Retirement services--166.0 FTE positions		18,402,900
21	Office of children's ombudsman--11.0 FTE positions ...		1,028,900
22	Information technology innovation fund		<u>2,500,000</u>
23	GROSS APPROPRIATION	\$	23,120,000
24	Appropriated from:		
25	Special revenue funds:		
26	Deferred compensation		1,542,400
27	Pension trust funds		16,860,500

1	State general fund/general purpose	\$	4,717,100
2	(6) STATE BUILDING AUTHORITY RENT		
3	State building authority rent - state agencies	\$	68,305,800
4	State building authority rent - department of		
5	corrections		47,379,900
6	State building authority rent - universities		117,225,300
7	State building authority rent - community colleges ...		<u>23,959,600</u>
8	GROSS APPROPRIATION	\$	256,870,600
9	Appropriated from:		
10	State general fund/general purpose	\$	256,870,600
11	(7) CIVIL SERVICE COMMISSION		
12	Full-time equated classified positions		506.5
13	Agency services--102.5 FTE positions	\$	12,371,700
14	Executive direction--33.0 FTE positions		8,773,400
15	Employee benefits--31.0 FTE positions		6,078,100
16	Training		1,300,000
17	Human resources operations--340.0 FTE positions		32,275,600
18	Information technology services and projects		<u>3,995,200</u>
19	GROSS APPROPRIATION	\$	64,794,000
20	Appropriated from:		
21	Interdepartmental grant revenues:		
22	IDG, training charges		1,300,000
23	IDG, 1% special funds		2,893,500
24	Federal revenues:		
25	Federal funds 1%		2,803,300
26	Special revenue funds:		
27	Local funds 1%		1,456,600

1	Private funds 1%.....	180,600
2	State restricted funds 1%.....	21,241,300
3	State restricted indirect funds.....	5,956,600
4	State sponsored group insurance.....	2,650,000
5	State sponsored group insurance, flexible spending	
6	accounts, and COBRA	6,220,800
7	State general fund/general purpose.....	\$ 20,091,300
8	(8) CAPITAL OUTLAY	
9	Major special maintenance, remodeling and addition for	
10	state agencies	\$ <u>2,000,000</u>
11	GROSS APPROPRIATION.....	\$ 2,000,000
12	Appropriated from:	
13	Interdepartmental grant revenues:	
14	IDG from building occupancy charges.....	2,000,000
15	State general fund/general purpose.....	\$ 0
16	Sec. 108. DEPARTMENT OF TREASURY	
17	(1) APPROPRIATION SUMMARY	
18	Full-time equated unclassified positions.....	10.0
19	Full-time equated classified positions.....	2,565.5
20	GROSS APPROPRIATION.....	\$ 2,459,480,900
21	Interdepartmental grant revenues:	
22	Total interdepartmental grants and intradepartmental	
23	transfers	14,421,600
24	ADJUSTED GROSS APPROPRIATION.....	\$ 2,445,059,300
25	Federal revenues:	
26	Total federal revenues.....	744,214,000

1	Special revenue funds:	
2	Total local revenues.....	6,532,700
3	Total private revenues.....	380,000
4	Total other state restricted revenues.....	1,443,956,500
5	State general fund/general purpose.....	\$ 249,976,100
6	(2) EXECUTIVE DIRECTION	
7	Full-time equated unclassified positions.....	10.0
8	Full-time equated classified positions.....	5.0
9	Unclassified positions--10.0 FTE positions.....	\$ 923,000
10	Office of the director--5.0 FTE positions.....	<u>1,013,700</u>
11	GROSS APPROPRIATION.....	\$ 1,936,700
12	Appropriated from:	
13	Federal revenues:	
14	DED-OPSE, federal lenders allowance.....	20,000
15	DED-OPSE, higher education act of 1965 insured loans .	45,000
16	Special revenue funds:	
17	State lottery fund.....	196,200
18	State services fee fund.....	357,900
19	State general fund/general purpose.....	\$ 1,317,600
20	(3) DEPARTMENTWIDE APPROPRIATIONS	
21	Travel.....	\$ 1,209,500
22	Rent and building occupancy charges - property	
23	management services	5,357,600
24	Worker's compensation insurance premium.....	<u>168,000</u>
25	GROSS APPROPRIATION.....	\$ 6,735,100
26	Appropriated from:	
27	Special revenue funds:	

1	Delinquent tax collection revenue.....		3,843,800
2	State general fund/general purpose.....	\$	2,891,300
3	(4) LOCAL GOVERNMENT PROGRAMS		
4	Full-time equated classified positions.....	93.0	
5	Supervision of the general property tax law--59.0 FTE		
6	positions	\$	12,730,300
7	Property tax assessor training--4.0 FTE positions		457,100
8	Local finance--23.0 FTE positions		2,450,300
9	Business property tax appeal--7.0 FTE positions		<u>402,400</u>
10	GROSS APPROPRIATION.....	\$	16,040,100
11	Appropriated from:		
12	Federal revenues:		
13	Special revenue funds:		
14	Local - assessor training fees.....		1,292,100
15	Local - audit charges.....		667,100
16	Local - equalization study charge-backs.....		40,000
17	Local - revenue from local government.....		100,000
18	Land reutilization fund.....		4,528,400
19	Municipal finance fees.....		535,200
20	Delinquent tax collection revenue.....		1,440,500
21	State general fund/general purpose.....	\$	7,436,800
22	(5) TAX PROGRAMS		
23	Full-time equated classified positions.....	762.0	
24	Customer contact--112.0 FTE positions.....	\$	9,980,900
25	Tax compliance--345.0 FTE positions.....		38,456,900
26	Tax and economic policy--121.0 FTE positions		13,848,700
27	Tax processing--156.0 FTE positions.....		15,630,400

1	Home heating assistance.....	2,834,800
2	Bottle act implementation.....	250,000
3	Tobacco tax enforcement.....	3,000,000
4	Tax plan implementation--28.0 FTE positions.....	<u>10,537,000</u>
5	GROSS APPROPRIATION.....	\$ 94,538,700
6	Appropriated from:	
7	Interdepartmental grant revenues:	
8	IDG, data/collection services fees.....	50,900
9	IDG from MDOT, Michigan transportation fund.....	7,901,600
10	IDG from MDOT, state aeronautics fund.....	68,700
11	Federal revenues:	
12	HHS-SSA, low-income energy assistance.....	2,834,800
13	Special revenue funds:	
14	Bottle deposit fund.....	250,000
15	Delinquent tax collection revenue.....	65,102,000
16	Emergency 911 fund.....	150,000
17	Tobacco tax revenue.....	3,980,400
18	Waterways fund.....	80,500
19	State general fund/general purpose.....	\$ 14,119,800
20	(6) BANKING AND MANAGEMENT SERVICES	
21	Full-time equated classified positions.....	343.0
22	Departmental and budget services--48.0 FTE positions .	\$ 4,218,300
23	Unclaimed property--26.0 FTE positions.....	4,356,600
24	Collections--209.0 FTE positions.....	24,492,100
25	Finance and accounting--21.0 FTE positions.....	1,997,500
26	Receipts processing--39.0 FTE positions.....	<u>3,923,400</u>
27	GROSS APPROPRIATION.....	\$ 38,987,900

1	Appropriated from:		
2	Interdepartmental grant revenues:		
3	IDG, levy/warrant cost assessment fees	2,000,000	
4	IDG, state agency collection fees	2,426,800	
5	IDG from MDHS, title IV-D	662,500	
6	IDG data/collection service fees	229,600	
7	IDG from accounting service center user charges	389,400	
8	Special revenue funds:		
9	Delinquent tax collection revenue	20,920,300	
10	Escheats revenue	4,356,600	
11	Justice system fund	696,100	
12	Garnishment fees	2,342,200	
13	State restricted indirect funds	258,500	
14	Treasury fees	43,900	
15	State general fund/general purpose	\$ 4,662,000	
16	(7) FINANCIAL PROGRAMS		
17	Full-time equated classified positions	237.5	
18	Investments--82.0 FTE positions	\$ 17,614,500	
19	Common cash and debt management--22.5 FTE positions ..	1,365,700	
20	Student financial assistance programs--46.5 FTE		
21	positions	3,564,000	
22	Michigan finance authority - bond finance--84.5 FTE		
23	positions	36,943,200	
24	Public private partnership investment--2.0 FTE		
25	positions	1,487,900	
26	John R. Justice grant program	<u>282,100</u>	
27	GROSS APPROPRIATION	\$ 61,257,400	

1	Appropriated from:		
2	Interdepartmental grant revenues:		
3	IDG, fiscal agent service fees.....	177,100	
4	Federal revenues:		
5	DED-OPSE, federal lenders allowance.....	10,908,900	
6	DED-OPSE, higher education act of 1965, insured loans	24,203,900	
7	Federal - John R. Justice grant.....	282,100	
8	Special revenue funds:		
9	Defined contribution administrative fee revenue.....	100,000	
10	Michigan finance authority bond and loan program		
11	revenue	3,068,100	
12	Michigan merit award trust fund.....	996,400	
13	Public private partnership investment fund.....	1,487,900	
14	Retirement funds.....	16,430,200	
15	School bond fees.....	688,100	
16	Treasury fees.....	1,277,000	
17	State general fund/general purpose.....	\$ 1,637,700	
18	(8) DEBT SERVICE		
19	Water pollution control bond and interest redemption.	\$ 2,125,500	
20	Quality of life bond.....	75,278,500	
21	Clean Michigan initiative.....	59,373,100	
22	Great Lakes water quality bond.....	<u>4,150,900</u>	
23	GROSS APPROPRIATION.....	\$ 140,928,000	
24	Appropriated from:		
25	Special revenue funds:		
26	Refined petroleum fund.....	15,514,500	
27	State general fund/general purpose.....	\$ 125,413,500	

1	(9) GRANTS		
2	Convention facility development distribution.....	\$	74,850,000
3	Presidential primary.....		10,000,000
4	Senior citizen cooperative housing tax exemption		
5	program		12,020,000
6	Emergency 911 payments.....		27,000,000
7	Health and safety fund grants.....		<u>9,000,000</u>
8	GROSS APPROPRIATION.....	\$	132,870,000
9	Appropriated from:		
10	Special revenue funds:		
11	Emergency 911 fund.....		27,000,000
12	Convention facility development fund.....		74,850,000
13	Health and safety fund.....		9,000,000
14	State general fund/general purpose.....	\$	22,020,000
15	(10) BUREAU OF STATE LOTTERY		
16	Full-time equated classified positions.....	179.0	
17	Lottery operations--179.0 FTE positions.....	\$	21,657,900
18	Promotion and advertising.....		17,690,900
19	Lottery information technology services and projects .		<u>4,837,800</u>
20	GROSS APPROPRIATION.....	\$	44,186,600
21	Appropriated from:		
22	Special revenue funds:		
23	State lottery fund.....		44,186,600
24	State general fund/general purpose.....	\$	0
25	(11) CASINO GAMING		
26	Full-time equated classified positions.....	126.0	
27	Michigan gaming control board.....	\$	50,000

1	Casino gaming control operations--116.0 FTE positions	22,418,800
2	Casino gaming information technology services and	
3	projects	1,647,700
4	Racing commission--10.0 FTE positions	<u>2,193,300</u>
5	GROSS APPROPRIATION.....	\$ 26,309,800
6	Appropriated from:	
7	Special revenue funds:	
8	Casino gambling agreements.....	719,300
9	Equine development fund.....	2,316,300
10	Laboratory fees.....	700,000
11	State services fee fund.....	22,574,200
12	State general fund/general purpose.....	\$ 0
13	(12) PAYMENTS IN LIEU OF TAXES	
14	Commercial forest reserve.....	\$ 1,991,600
15	Purchased lands.....	3,292,200
16	Swamp and tax reverted lands.....	<u>5,293,200</u>
17	GROSS APPROPRIATION.....	\$ 10,577,000
18	Appropriated from:	
19	Special revenue funds:	
20	Game and fish protection fund.....	1,201,500
21	Michigan natural resources trust fund.....	350,400
22	Michigan state waterways fund.....	94,700
23	State general fund/general purpose.....	\$ 8,930,400
24	(13) MICHIGAN STRATEGIC FUND	
25	Full-time equated classified positions..... 531.0	
26	Administration--22.0 FTE positions	\$ 2,786,200
27	Job creation services--139.0 FTE positions	17,205,200

1	Pure Michigan.....	25,000,000
2	Innovation and entrepreneurship.....	25,000,000
3	Business attraction and economic gardening.....	50,000,000
4	Community development block grants.....	47,000,000
5	Arts and cultural program.....	2,567,400
6	Michigan film office--6.0 FTE positions.....	766,900
7	GEAR-UP program grants.....	3,000,000
8	Carl D. Perkins grants.....	19,000,000
9	Adult basic education.....	20,000,000
10	Adult education--16.0 FTE positions.....	2,599,100
11	Bureau of energy systems.....	4,610,900
12	Postsecondary education--9.0 FTE positions.....	2,411,300
13	Employment services--246.0 FTE positions.....	49,586,000
14	Wage and hour division--1.0 FTE positions.....	115,000
15	Workforce development agency administrative services--	
16	-25.0 FTE positions	2,059,400
17	Workforce program administration--61.0 FTE positions .	12,904,800
18	Workforce training programs.....	296,478,600
19	Welfare-to-work programs.....	93,158,800
20	Worker's compensation.....	17,900
21	Workforce development agency rent and property	
22	management	1,483,500
23	Land bank fast track authority - bond finance--6.0 FTE	
24	positions	2,823,500
25	Information technology services and projects.....	<u>2,951,400</u>
26	GROSS APPROPRIATION.....	\$ 683,525,900
27	Appropriated from:	

1	Interdepartmental grant revenues:	
2	IDG-MDEQ, air quality fees.....	37,600
3	Federal revenues:	
4	DAG, employment and training.....	7,290,000
5	DED-OESE, GEAR-UP.....	3,000,000
6	DED-OSERS, rehabilitation services, vocational	
7	rehabilitation state grants	1,458,600
8	DED-OVAE, adult education.....	20,000,000
9	DED-OVAE, basic grants to states.....	19,000,000
10	DOE-OEERE, multiple grants.....	4,737,300
11	DOL, federal funds.....	125,868,000
12	DOL-ETA, workforce investment act.....	234,008,400
13	Federal funds.....	6,808,400
14	HHS, temporary assistance for needy families.....	64,669,000
15	HUD-CPD, community development block grants.....	49,602,800
16	US-EPA, revolving loan fund.....	1,000,000
17	NFAH-NEA, promotion of the arts, partnership	
18	agreements	1,050,000
19	Special revenue funds:	
20	Local revenues.....	4,433,500
21	Private - special project advances.....	250,000
22	Private - Michigan council for the arts fund.....	100,000
23	Private - oil overcharge.....	30,000
24	Contingent fund, penalty and interest account.....	2,725,400
25	Defaulted loan collection fees.....	100,000
26	Industry support fees.....	5,500
27	Land bank fast track fund.....	1,981,000

1	21st century jobs trust fund.....	75,000,000
2	Michigan film promotion fund.....	563,100
3	Public utility assessments.....	843,600
4	State general fund/general purpose.....	\$ 58,963,700
5	(14) REVENUE SHARING	
6	Constitutional state general revenue sharing grants ..	\$ 658,979,300
7	County revenue sharing payments.....	100,000,000
8	Economic vitality incentive program.....	<u>200,000,000</u>
9	GROSS APPROPRIATION.....	\$ 958,979,300
10	Appropriated from:	
11	Special revenue funds:	
12	Sales tax.....	958,979,300
13	State general fund/general purpose.....	\$ 0
14	(15) MICHIGAN STRATEGIC FUND - MICHIGAN STATE	
15	HOUSING DEVELOPMENT AUTHORITY	
16	Full-time equated classified positions.....	289.0
17	Payments on behalf of tenants.....	\$ 166,860,000
18	Housing and rental assistance--266.0 FTE positions ...	48,562,500
19	State historic preservation program--23.0 FTE	
20	positions	3,105,700
21	Lighthouse preservation program.....	307,500
22	Rent and administrative support.....	3,846,100
23	Michigan state housing development authority	
24	technology services and projects.....	<u>3,291,300</u>
25	GROSS APPROPRIATION.....	\$ 225,973,100
26	Appropriated from:	
27	Federal revenues:	

1	HUD, lower income housing assistance	166,860,000
2	Special revenue funds:	
3	Michigan state housing development authority fees and	
4	charges	58,805,600
5	Michigan lighthouse preservation fund	307,500
6	State general fund/general purpose	\$ 0
7	(16) INFORMATION TECHNOLOGY	
8	Treasury operations information technology services	
9	and projects	\$ <u>16,635,300</u>
10	GROSS APPROPRIATION	\$ 16,635,300
11	Appropriated from:	
12	Interdepartmental grant revenues:	
13	IDG from MDOT, Michigan transportation fund	477,400
14	Federal revenues:	
15	DED-OPSE, federal lender allowance	566,800
16	Special revenue funds:	
17	Delinquent tax collection revenue	12,201,100
18	Retirement funds	690,600
19	Tobacco tax revenue	116,100
20	State general fund/general purpose	\$ 2,583,300

21 PART 2

22 PROVISIONS CONCERNING APPROPRIATIONS

23 FOR FISCAL YEAR 2011-2012

24 **GENERAL SECTIONS**

25 Sec. 201. (1) Pursuant to section 30 of article IX of the

state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2011-2012 is \$2,451,146,600.00 and state spending from state resources to be paid to local units of government for fiscal year 2011-2012 is \$1,129,558,400.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF STATE

Fees to local units.....	\$	109,800
Motorcycle safety grants.....		<u>1,251,000</u>
Subtotal.....	\$	1,360,800

DEPARTMENT OF TREASURY

Senior citizen cooperative housing tax exemption.....	\$	12,020,000
Health and safety fund grants.....		9,000,000
Constitutional state general revenue sharing grants..		658,979,300
Economic vitality incentive program.....		200,000,000
Convention facility development fund distribution....		74,850,000
Emergency 9-1-1 payments.....		24,600,000
County revenue sharing payments.....		100,000,000
Airport parking distribution pursuant to section 909 .		12,946,500
Presidential primary.....		10,000,000
Payments in lieu of taxes.....		10,577,000
Welfare-to-work programs.....		<u>15,224,800</u>
Subtotal.....	\$	1,128,197,600
TOTAL GENERAL GOVERNMENT.....	\$	1,129,558,400

(2) Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state sources for

1 fiscal year 2011-2012 is estimated at \$26,336,775,800.00 in the
2 2011-2012 appropriations acts and total state spending from state
3 sources paid to local units of government for fiscal year 2011-2012
4 is estimated at \$14,717,752,700.00. The state-local proportion is
5 estimated at 55.9% of total state spending from state resources.

6 (3) If payments to local units of government and state
7 spending from state sources for fiscal year 2011-2012 are different
8 than the amounts estimated in subsection (2), the state budget
9 director shall report the payments to local units of government and
10 state spending from state sources that were made for fiscal year
11 2011-2012 to the senate and house of representatives standing
12 committees on appropriations within 30 days after the final book-
13 closing for fiscal year 2011-2012.

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

17 Sec. 203. As used in this article:

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

20 (b) "ATM" means automated teller machine.

21 (c) "CDBG" means community development block grants.

22 (d) "COBRA" means the consolidated omnibus budget
23 reconciliation act of 1985, Public Law 99-272, 100 Stat. 82.

24 (e) "CPI" means consumer price index.

25 (f) "DAG" means the United States department of agriculture.

26 (g) "DED" means the United States department of education.

27 (h) "DED-OESE" means the DED office of elementary and

1 secondary education.

2 (i) "DED-OPSE" means the DED, office of postsecondary
3 education.

4 (j) "DED-OSERS" means the DED office of special education
5 rehabilitation services.

6 (k) "DED-OVAE" means the DED office of vocational and adult
7 education.

8 (l) "DOE-OEERE" means the United States department of energy,
9 office of energy efficiency and renewable energy.

10 (m) "DOI-NPS" means the United State department of interior,
11 national park service.

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

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

16 (p) "EEOC" means the United States equal employment
17 opportunity commission.

18 (q) "EPA" means the United States environmental protection
19 agency.

20 (r) "FTE" means full-time equated.

21 (s) "Fund" means the Michigan strategic fund.

22 (t) "GEAR-UP" means gaining early awareness and readiness for
23 undergraduate programs.

24 (u) "GF/GP" means general fund/general purpose.

25 (v) "HAVA" means help America vote act.

26 (w) "HHS" means the United States department of health and
27 human services.

1 (x) "HHS-OS" means the HHS office of the secretary.

2 (y) "HHS-SSA" means the HHS social security administration.

3 (z) "HUD" means the United States department of housing and
4 urban development.

5 (aa) "HUD-CPD" means the United States department of housing
6 and urban development - community planning and development.

7 (bb) "IDG" means interdepartmental grant.

8 (cc) "IDT" means intradepartmental transfer.

9 (dd) "JCOS" means the joint capital outlay subcommittee.

10 (ee) "MAIN" means the Michigan administrative information
11 network.

12 (ff) "MCL" means the Michigan Compiled Laws.

13 (gg) "MDCH" means the Michigan department of community health.

14 (hh) "MDE" means the Michigan department of education.

15 (ii) "MDELEG" means the Michigan department of energy, labor,
16 and economic growth or its successor.

17 (jj) "MDEQ" means the Michigan department of environmental
18 quality.

19 (kk) "MDHS" means the Michigan department of human services.

20 (ll) "MDMVA" means the Michigan department of military and
21 veterans affairs.

22 (mm) "MDOC" means the Michigan department of corrections.

23 (nn) "MDOT" means the Michigan department of transportation.

24 (oo) "MDSP" means the Michigan department of state police.

25 (pp) "MDTMB" means the Michigan department of technology,
26 management, and budget.

27 (qq) "MEDC" means the Michigan economic development

1 corporation, which is the public body corporate created under
2 section 28 of article VII of the state constitution of 1963 and the
3 urban cooperation act of 1967, 1967 (Ex Sess) PA 7, MCL 124.501 to
4 124.512, by contractual interlocal agreement effective April 5,
5 1999, between local participating economic development corporations
6 formed under the economic development corporations act, 1974 PA
7 338, MCL 125.1601 to 125.1636, and the Michigan strategic fund.

8 (rr) "MFA" means the Michigan finance authority.

9 (ss) "MPE" means the Michigan public employees.

10 (tt) "MSC" means managerial, supervisory, and confidential.

11 (uu) "MSHDA" means Michigan state housing development
12 authority.

13 (vv) "NERE" means nonexclusively represented employees.

14 (ww) "NFAH-NEA" means the national foundation of the arts and
15 the humanities - national endowment for the arts.

16 (xx) "PA" means public act.

17 (yy) "PACC" means the prosecuting attorneys coordinating
18 council.

19 (zz) "SEIU" means service employees international union.

20 Sec. 206. (1) The departments and agencies receiving
21 appropriations in this act shall maintain a searchable website
22 accessible by the public at no cost that includes, but is not
23 limited to, all of the following:

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

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

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

1 payment description.

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

4 (e) Job specifications and wage rates.

5 (2) Departments and agencies may develop and operate their own
6 websites to provide this information or may reference the state's
7 central transparency website as the source for this information.

8 Sec. 207. Amounts appropriated in part 1 for information
9 technology may be designated as work project accounts and carried
10 forward to support technology projects under the direction of the
11 department of technology, management, and budget. Funds designated
12 in this manner are not available for expenditure until approved as
13 work projects under section 451a of the management and budget act,
14 1984 PA 431, MCL 18.1451a.

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

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

services, or both, that are manufactured or provided by Michigan businesses owned and operated by veterans, if they are competitively priced and of comparable quality.

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

Sec. 211. Pursuant to section 352 of the management and budget act, 1984 PA 431, MCL 18.1352, which provides for a transfer of state general funds into or out of the countercyclical budget and economic stabilization fund, there is appropriated for the fiscal year ending September 30, 2012, from general fund/general purpose revenue for deposit into the countercyclical budget and economic stabilization fund the sum of \$255,800,000.00. The calculation required by section 352 of the management and budget act, 1984 PA 431, MCL 18.1352, is determined as follows:

	2010	2011
Michigan personal income (millions)	\$351,830	\$369,070
less: transfer payments	<u>81,535</u>	<u>81,943</u>
Subtotal	\$270,295	\$287,127
Divided by: Detroit CPI for 12 months		
ending June 30	2.045	2.062
Equals: real adjusted Michigan personal		
income	\$132,157	\$139,273

1	Percentage change	5.4%
2	Percentage change greater than 2%	3.4%

3	Multiplied by: estimated GF/GP revenue in	
4	fiscal year 2010-2011 (millions)	7,524.1

5	Equals: countercyclical budget and	
6	economic stabilization fund payin	
7	calculation for the fiscal year ending	
8	September 30, 2012 (millions)	\$255.8

9 Sec. 212. The departments and agencies receiving
10 appropriations in part 1 shall receive and retain copies of all
11 reports funded from appropriations in part 1. Federal and state
12 guidelines for short-term and long-term retention of records shall
13 be followed. The department may electronically retain copies of
14 reports unless otherwise required by federal and state guidelines.

15 Sec. 213. Funds appropriated in part 1 shall not be used by
16 this state, a department, an agency, or an authority of this state
17 to purchase an ownership interest in a casino enterprise or a
18 gambling operation as those terms are defined in the Michigan
19 gaming control and revenue act, 1996 IL 1, MCL 432.201 to 432.226.

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

27 Sec. 215. A department or state agency shall not take

1 disciplinary action against an employee for communicating with a
2 member of the legislature or his or her staff.

3 Sec. 216. (1) Due to the current budgetary problems in this
4 state, out-of-state travel shall be limited to situations in which
5 1 or more of the following conditions apply:

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

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

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

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

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

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

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

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

1 the same expenditures.

2 Sec. 220. Funds appropriated in this act shall not be used to
3 administer a committee or to solicit or obtain contributions for a
4 committee. As used in this section, "committee" means that term as
5 defined in section 3 of the Michigan campaign finance act, 1976 PA
6 388, MCL 169.203.

7 Sec. 221. (1) Each department shall report no later than April
8 1 on each specific policy change made to implement a public act
9 affecting the department that took effect during the prior calendar
10 year to the senate and house of representatives standing committees
11 on appropriations subcommittees on general government, the joint
12 committee on administrative rules, and the senate and house fiscal
13 agencies.

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

21 (3) As used in this section:

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

24 (b) "Small business" means that term as defined under section
25 7a of the administrative procedures act of 1969, 1969 PA 306, MCL
26 24.207a.

27 Sec. 226. Funds appropriated in part 1 shall not be used by a

1 principal executive department, state agency, or authority to hire
2 a person to provide legal services that are the responsibility of
3 the attorney general. This prohibition does not apply to legal
4 services for bonding activities and for those activities that the
5 attorney general authorizes.

6 Sec. 227. Within 14 days after the release of the executive
7 budget recommendation, the departments and agencies receiving
8 appropriations in this act shall provide the state budget director,
9 the chairs of the senate and house of representatives standing
10 committees on appropriations, the senate and house of
11 representatives standing committees on appropriations subcommittees
12 on general government, and the senate and house fiscal agencies
13 with an annual report on estimated state restricted fund balances,
14 state restricted fund projected revenues, and state restricted fund
15 expenditures for the fiscal years ending September 30, 2011 and
16 September 30, 2012.

17 Sec. 228. Not later than November 15, each department or
18 agency receiving appropriations in part 1 shall prepare and
19 transmit a report that provides for estimates of the total general
20 fund/general purpose appropriation lapses at the close of the
21 fiscal year. This report shall summarize the projected year-end
22 general fund/general purpose appropriation lapses by major
23 departmental program or program areas. The report shall be
24 transmitted to the office of the state budget, the chairpersons of
25 the senate and house of representatives standing committees on
26 appropriations, and the senate and house fiscal agencies.

27 Sec. 229. If the office of the auditor general has identified

1 an initiative or made a recommendation that is related to savings
2 and efficiencies in an audit report for an executive branch
3 department or agency, the department or agency shall report within
4 6 months of the release of the audit on their efforts and progress
5 made toward achieving the savings and efficiencies identified in
6 the audit report. The report shall be submitted to the chairs of
7 the senate and house of representatives standing committees on
8 appropriations, the chairs of the senate and house of
9 representatives standing committees with jurisdiction over matters
10 relating to the department that is audited, and the senate and
11 house fiscal agencies.

12 **DEPARTMENT OF ATTORNEY GENERAL**

13 Sec. 301. (1) In addition to the funds appropriated in part 1,
14 there is appropriated an amount not to exceed \$1,500,000.00 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 \$1,500,000.00 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. 302. (1) The attorney general shall perform all legal
12 services, including representation before courts and administrative
13 agencies rendering legal opinions and providing legal advice to a
14 principal executive department or state agency. A principal
15 executive department or state agency shall not employ or enter into
16 a contract with any other person for services described in this
17 section.

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

23 (3) The attorney general shall perform the duties specified in
24 1846 RS 12, MCL 14.28 to 14.35, and 1919 PA 232, MCL 14.101 to
25 14.102, and as otherwise provided by law.

26 Sec. 303. The attorney general may sell copies of the biennial
27 report in excess of the 350 copies that the attorney general may

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

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

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

1 by this state, the funds become state funds.

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

6 Sec. 307. (1) In addition to the antitrust revenues in part 1,
7 antitrust, securities fraud, consumer protection or class action
8 enforcement revenues, or attorney fees recovered by the department,
9 not to exceed \$250,000.00, are appropriated to the department for
10 antitrust, securities fraud, and consumer protection or class
11 action enforcement cases.

12 (2) Any unexpended funds from antitrust, securities fraud, or
13 consumer protection or class action enforcement revenues at the end
14 of the fiscal year, including antitrust funds in part 1, may be
15 carried forward for expenditure in the following fiscal year up to
16 the maximum authorization of \$250,000.00.

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

20 (2) The funds may be expended for the payment of court
21 judgments or settlements, attorney fees, and litigation expenses
22 not including salaries and support costs, assessed against the
23 office of the governor, the department of the attorney general, the
24 governor, or the attorney general when acting in an official
25 capacity as the named party in litigation against the state. The
26 funds may also be expended for the payment of state costs incurred
27 under section 16 of chapter X of the code of criminal procedure,

1 1927 PA 175, MCL 770.16.

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

5 Sec. 309. From the prisoner reimbursement funds appropriated
6 in part 1, the department may spend up to \$497,900.00 on activities
7 related to the state correctional facilities reimbursement act,
8 1935 PA 253, MCL 800.401 to 800.406. In addition to the funds
9 appropriated in part 1, if the department collects in excess of
10 \$1,131,000.00 in gross annual prisoner reimbursement receipts
11 provided to the general fund, the excess, up to a maximum of
12 \$1,000,000.00, is appropriated to the department of attorney
13 general and may be spent on the representation of the department of
14 corrections and its officers, employees, and agents, including, but
15 not limited to, the defense of litigation against the state, its
16 departments, officers, employees, or agents in civil actions filed
17 by prisoners.

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

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

1 Sec. 312. The department of attorney general shall not receive
2 and expend funds in addition to those authorized in part 1 for
3 legal services provided specifically to other state departments or
4 agencies except for costs for expert witnesses, court costs, or
5 other nonsalary litigation expenses associated with a pending legal
6 action.

7 DEPARTMENT OF CIVIL RIGHTS

8 Sec. 401. (1) In addition to the funds appropriated in part 1,
9 there is appropriated an amount not to exceed \$2,000,000.00 for
10 federal 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 (2) In addition to the funds appropriated in part 1, there is
15 appropriated an amount not to exceed \$500,000.00 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. 402. (1) In addition to the appropriations contained in
21 part 1, the department of civil rights may receive and expend funds
22 from local or private sources for all of the following purposes:

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

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

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

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

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

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

9 (g) Staffing costs for all activities included in this
10 subsection.

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

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

21 LEGISLATURE

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

25 Sec. 601. (1) Funds appropriated in part 1 to an entity within
26 the legislative branch shall not be expended or transferred to

1 another account without written approval of the authorized agent of
2 the legislative entity. If the authorized agent of the legislative
3 entity notifies the state budget director of its approval of an
4 expenditure or transfer before the year-end book-closing date for
5 that legislative entity, the state budget director shall
6 immediately make the expenditure or transfer. The authorized
7 legislative entity agency shall be designated by the speaker of the
8 house of representatives for house entities, the senate majority
9 leader for senate entities, and the legislative council for
10 legislative council entities.

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

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

20 Sec. 603. The appropriation contained in part 1 for national
21 association dues is to be distributed by the legislative council.
22 If the funding is available, \$51,000.00 shall be paid as annual
23 dues to the national conference of commissioners on uniform state
24 laws.

25 Sec. 604. (1) The appropriation in part 1 to the legislative
26 council includes funds to operate the legislative parking
27 facilities in the capitol area. The legislative council shall

1 establish rules regarding the operation of the legislative parking
2 facilities.

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

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

13 Sec. 606. The appropriations in part 1 to the legislative
14 branch, for property management, shall be used to purchase
15 equipment and services for building maintenance in order to ensure
16 a safe and productive work environment. These funds are designated
17 as work project appropriations and shall not lapse at the end of
18 the fiscal year, and shall continue to be available for expenditure
19 until the project has been completed. The total cost is estimated
20 at \$500,000.00, and the tentative completion date is September 30,
21 2016.

22 Sec. 607. The appropriations in part 1 to the legislative
23 branch, for automated data processing, shall be used to purchase
24 equipment, software, and services in order to support and implement
25 data processing requirements and technology improvements. These
26 funds are designated as work project appropriations and shall not
27 lapse at the end of the fiscal year, and shall continue to be

1 available for expenditure until the project has been completed. The
2 total cost is estimated at \$500,000.00, and the tentative
3 completion date is September 30, 2016.

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

11 **LEGISLATIVE AUDITOR GENERAL**

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

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

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

1 disabilities.

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

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

16 Sec. 623. Any audits, reviews, or investigations requested of
17 the auditor general by the legislature or by legislative
18 leadership, legislative committees, or individual legislators shall
19 include an estimate of the additional costs involved and, when
20 those costs exceed \$50,000.00, should provide supplemental funding.
21 The auditor general shall determine whether to perform those
22 activities in keeping with Audit Directive No. 29, which describes
23 the office of the auditor general's policy on responding to
24 legislative requests.

25 Sec. 624. Not later than December 31, 2011, the auditor
26 general, in conjunction with the office of the state budget, shall
27 submit a report regarding the feasibility of converting to a

1 statewide single audit. The report shall be submitted to the senate
2 and the house of representatives appropriation subcommittees on
3 general government and the senate and house fiscal agencies. The
4 report shall include an estimate of the cost savings or increase
5 that would result from converting to a statewide single audit, an
6 analysis of required statutory changes, the impact on legislative
7 oversight, organizational changes necessary to provide centralized
8 coordination, billing and funding structure changes, corrective
9 action for known internal control weaknesses and prior single audit
10 findings, and a recommendation regarding implementation of a
11 statewide single audit.

12 Sec. 625. (1) In addition to amounts appropriated in part 1
13 for auditor general operations, there is appropriated for the
14 fiscal year ending September 30, 2012 an amount not to exceed
15 \$905,000.00 from the unexpended and unencumbered balance of fiscal
16 year 2010-2011 appropriations for the office of the auditor
17 general.

18 (2) The funds appropriated in subsection (1) shall be made
19 immediately available in fiscal year 2011-2012 and shall only be
20 expended for the payment of the net economic cost increases of the
21 legislative auditor general for fiscal year 2011-2012 as computed
22 by the state budget office.

23 (3) Funds appropriated in subsection (1) that exceed the net
24 economic cost increases of the legislative auditor general for
25 fiscal year 2011-2012 as computed by the state budget office shall
26 lapse to the general fund.

27 (4) Any unexpended and unencumbered balances at the end of

1 fiscal year 2010-2011 that resulted from the legislative auditor
2 general not completing mandated financial audits during fiscal year
3 2010-2011 shall not be appropriated in subsection (1).

4 **DEPARTMENT OF STATE**

5 Sec. 701. (1) In addition to the funds appropriated in part 1,
6 there is appropriated an amount not to exceed \$2,000,000.00 for
7 federal contingency funds. These funds are not available for
8 expenditure until they have been transferred to another line item
9 in this act under section 393(2) of the management and budget act,
10 1984 PA 431, MCL 18.1393.

11 (2) In addition to the funds appropriated in part 1, there is
12 appropriated an amount not to exceed \$7,500,000.00 for state
13 restricted contingency funds. These funds are not available for
14 expenditure until they have been transferred to another line item
15 in this act under section 393(2) of the management and budget act,
16 1984 PA 431, MCL 18.1393.

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

23 (4) In addition to the funds appropriated in part 1, there is
24 appropriated an amount not to exceed \$100,000.00 for private
25 contingency funds. These funds are not available for expenditure
26 until they have been transferred to another line item in this act

1 under section 393(2) of the management and budget act, 1984 PA 431,
2 MCL 18.1393.

3 Sec. 702. All funds made available by section 3171 of the
4 insurance code of 1956, 1956 PA 218, MCL 500.3171, are appropriated
5 and made available to the department of state to be expended only
6 for the uses and purposes for which the funds are received as
7 provided by sections 3171 to 3177 of the insurance code of 1956,
8 1956 PA 218, MCL 500.3171 to 500.3177.

9 Sec. 703. From the funds appropriated in part 1, the
10 department of state shall sell copies of records including, but not
11 limited to, records of motor vehicles, off-road vehicles,
12 snowmobiles, watercraft, mobile homes, personal identification
13 cardholders, drivers, and boat operators and shall charge \$7.00 per
14 record sold only as authorized in section 208b of the Michigan
15 vehicle code, 1949 PA 300, MCL 257.208b, section 7 of 1972 PA 222,
16 MCL 28.297, and sections 80130, 80315, 81114, and 82156 of the
17 natural resources and environmental protection act, 1994 PA 451,
18 MCL 324.80130, 324.80315, 324.81114, and 324.82156. The revenue
19 received from the sale of records shall be credited to the
20 transportation administration collection fund created under section
21 810b of the Michigan vehicle code, 1949 PA 300, MCL 257.810b.

22 Sec. 704. From the funds appropriated in part 1, the secretary
23 of state may enter into agreements with the department of
24 corrections for the manufacture of vehicle registration plates 15
25 months before the registration year in which the registration
26 plates will be used.

27 Sec. 705. (1) The department of state may accept gifts,

1 donations, contributions, and grants of money and other property
2 from any private or public source to underwrite, in whole or in
3 part, the cost of a departmental publication that is prepared and
4 disseminated under the Michigan vehicle code, 1949 PA 300, MCL
5 257.1 to 257.923. A private or public funding source may receive
6 written recognition in the publication and may furnish a traffic
7 safety message, subject to departmental approval, for inclusion in
8 the publication. The department may reject a gift, donation,
9 contribution, or grant. The department may furnish copies of a
10 publication underwritten, in whole or in part, by a private source
11 to the underwriter at no charge.

12 (2) The department of state may sell and accept paid
13 advertising for placement in a departmental publication that is
14 prepared and disseminated under the Michigan vehicle code, 1949 PA
15 300, MCL 257.1 to 257.923. The department may charge and receive a
16 fee for any advertisement appearing in a departmental publication
17 and shall review and approve the content of each advertisement. The
18 department may refuse to accept advertising from any person or
19 organization. The department may furnish a reasonable number of
20 copies of a publication to an advertiser at no charge.

21 (3) Pending expenditure, the funds received under this section
22 shall be deposited in the Michigan department of state publications
23 fund created by section 211 of the Michigan vehicle code, 1949 PA
24 300, MCL 257.211. Funds given, donated, or contributed to the
25 department from a private source are appropriated and allocated for
26 the purpose for which the revenue is furnished. Funds granted to
27 the department from a public source are allocated and may be

1 expended upon receipt. The department shall not accept a gift,
2 donation, contribution, or grant if receipt is conditioned upon a
3 commitment of state funding at a future date. Revenue received from
4 the sale of advertising is appropriated and may be expended upon
5 receipt.

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

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

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

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

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

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

25 (6) In addition to copies delivered without charge as the
26 secretary of state considers necessary, the department of state may
27 sell copies of manuals and other publications regarding the sale,

1 ownership, or operation or regulation of motor vehicles, with
2 amendments, at prices to be established by the secretary of state.
3 As used in this subsection, the term "manuals and other
4 publications" includes videos and proprietary electronic
5 publications. All funds received from sales of these manuals and
6 other publications shall be credited to the Michigan department of
7 state publications fund.

8 Sec. 707. Funds collected by the department of state under
9 section 211 of the Michigan vehicle code, 1949 PA 300, MCL 257.211,
10 are appropriated for all expenses necessary to provide for the
11 costs of the publication. Funds are allotted for expenditure when
12 they are received by the department of treasury and shall not lapse
13 to the general fund at the end of the fiscal year.

14 Sec. 708. From the funds appropriated in part 1, the
15 department of state shall use available balances at the end of the
16 state fiscal year to provide payment to the department of state
17 police in the amount of \$332,000.00 for the services provided by
18 the traffic accident records program as first appropriated in 1990
19 PA 196 and 1990 PA 208.

20 Sec. 709. From the funds appropriated in part 1, the
21 department of state may restrict funds from miscellaneous revenue
22 to cover cash shortages created from normal branch office
23 operations. This amount shall not exceed \$50,000.00 of the total
24 funds available in miscellaneous revenue.

25 Sec. 710. (1) Commemorative and specialty license plate fee
26 revenue collected by the department of state and deposited into the
27 transportation administration collection fund is authorized for

1 expenditure up to the amount of revenue collected but not to exceed
2 the amount appropriated to the department of state in part 1 to
3 administer commemorative and specialty license plate programs.

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

10 Sec. 711. (1) Collector plate and fund-raising registration
11 plate revenues collected by the department of state are
12 appropriated and allotted for distribution to the recipient
13 university or public or private agency overseeing a state-sponsored
14 goal when received. Distributions shall occur on a quarterly basis
15 or as otherwise authorized by law. Any revenues remaining at the
16 end of the fiscal year shall not lapse to the general fund but
17 shall remain available for distribution to the university or agency
18 in the next fiscal year.

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

25 Sec. 712. The department of state may produce and sell copies
26 of a training video designed to inform registered automotive repair
27 facilities of their obligations under Michigan law. The price shall

1 not exceed the cost of production and distribution. The money
2 received from the sale of training videos shall revert to the
3 department of state and be placed in the auto repair facility
4 account.

5 Sec. 713. (1) The department of state, in collaboration with
6 the gift of life transplantation society or its successor federally
7 designated organ procurement organization, may develop and
8 administer a public information campaign concerning the Michigan
9 organ donor program.

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

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

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

1 identification card applications.

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

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

9 Sec. 714. At least 180 days before closing or consolidating a
10 branch office and at least 60 days before relocating a branch
11 office, the department of state shall inform members of the senate
12 and house of representatives standing committees on appropriations
13 and legislators who represent affected areas regarding the details
14 of the proposal. The information provided shall be in written form
15 and include all analyses done regarding criteria for changes in the
16 location of branch offices, including, but not limited to, branch
17 transactions, revenue, and the impact on citizens of the affected
18 area. The impact on citizens shall include information regarding
19 additional distance to branch office locations resulting from the
20 plan. The written notice provided by the department of state shall
21 also include detailed estimates of costs and savings that will
22 result from the overall changes made to the branch office structure
23 and the same level of detail regarding costs for new leased
24 facilities and expansions of current leased space.

25 Sec. 715. (1) Any service assessment collected by the
26 department of state from the user of a credit or debit card under
27 section 3 of 1995 PA 144, MCL 11.23, may be used by the department

1 for necessary expenses related to that service and may be remitted
2 to a credit or debit card company, bank, or other financial
3 institution.

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

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

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

19 Sec. 716b. The department of state shall provide a report that
20 calculates the total amount of funds expended for the business
21 application modernization project to date from the inception of the
22 program. The report shall contain information on the original start
23 and completion dates for the project, the original cost to complete
24 the project, and a listing of all revisions to project completion
25 dates and costs. The report shall include the total amount of funds
26 paid to the state by the contract provider for penalties. The
27 report shall be submitted to the senate and house of

1 representatives standing committees on appropriations, the senate
2 and house fiscal agencies, and the state budget director by January
3 1.

4 Sec. 717. (1) The department of state may accept nonmonetary
5 gifts, donations, or contributions of property from any private or
6 public source to support, in whole or in part, the operation of a
7 departmental function relating to licensing, regulation, or safety.
8 The department may recognize a private or public contributor for
9 making the contribution. The department may reject a gift,
10 donation, or contribution.

11 (2) The department of state shall not accept a gift, donation,
12 or contribution under subsection (1) if receipt of the gift,
13 donation, or contribution is conditioned upon a commitment of
14 future state funding.

15 (3) On March 1 of each year, the department of state shall
16 file a report with the senate and house of representatives standing
17 committees on appropriations, the senate and house fiscal agencies,
18 and the state budget director. The report shall list any gift,
19 donation, or contribution received by the department under
20 subsection (1) for the prior calendar year.

21 Sec. 718. From the funds appropriated in part 1 to the
22 department of state, branch operations, the department shall
23 maintain a full service secretary of state branch office in Buena
24 Vista Township.

25 Sec. 719. From the funds appropriated in part 1 for the
26 department of state, the department shall first use restricted
27 funding for expenditures, when available for that purpose, before

1 using general fund dollars.

2 Sec. 721. From the funds appropriated in part 1, the
3 department of state may collect ATM commission fees from companies
4 that have ATMs located in secretary of state branch offices. The
5 commission received from the use of these ATMs shall be credited to
6 the transportation administration collection fund created under
7 section 810b of the Michigan vehicle code, 1949 PA 300, MCL
8 257.810b.

9 **DEPARTMENT OF TECHNOLOGY, MANAGEMENT, AND BUDGET**

10 Sec. 801. (1) In addition to the funds appropriated in part 1,
11 there is appropriated an amount not to exceed \$4,000,000.00 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 (2) In addition to the funds appropriated in part 1, there is
17 appropriated an amount not to exceed \$8,000,000.00 for state
18 restricted 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 (3) In addition to the funds appropriated in part 1, there is
23 appropriated an amount not to exceed \$150,000.00 for local
24 contingency funds. These funds are not available for expenditure
25 until they have been transferred to another line item in this act
26 under section 393(2) of the management and budget act, 1984 PA 431,

1 MCL 18.1393.

2 (4) In addition to the funds appropriated in part 1, there is
3 appropriated an amount not to exceed \$100,000.00 for private
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. 802. 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 technology, management, and budget to offset costs
13 incurred in the acquisition and distribution of federal surplus
14 property. The department of technology, management, and budget
15 shall provide consolidated internet auction services through the
16 state's contractors for all local units of government.

17 Sec. 803. (1) The department of technology, management, and
18 budget may receive and expend funds in addition to those authorized
19 by part 1 for maintenance and operation services provided
20 specifically to other principal executive departments or state
21 agencies, the legislative branch, the judicial branch, or private
22 tenants, or provided in connection with facilities transferred to
23 the operational jurisdiction of the department of technology,
24 management, and budget.

25 (2) The department of technology, management, and budget may
26 receive and expend funds in addition to those authorized by part 1
27 for real estate, architectural, design, and engineering services

1 provided specifically to other principal executive departments or
2 state agencies, the legislative branch, or the judicial branch.

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

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

13 (5) The department of technology, management, and budget may
14 not expend funds for the purchase of new office furniture for
15 principal executive departments and state agencies, the legislative
16 branch, or the judicial branch without first examining the
17 possibility of using existing inventory that can be reused or
18 refurbished. The department of technology, management, and budget
19 may utilize its existing refurbished open space office furniture,
20 lateral files, design and installation services statewide contract
21 to work with a vendor that specializes in inventory management and
22 product reutilization and that is not a seller of new furniture to
23 the state of Michigan to supplement any additional office furniture
24 needs.

25 Sec. 804. (1) The source of financing in part 1 for statewide
26 appropriations shall be funded by assessments against longevity and
27 insurance appropriations throughout state government in a manner

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

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

13 Sec. 805. To the extent a specific appropriation is required
14 for a detailed source of financing included in part 1 for the
15 department of technology, management, and budget appropriations
16 financed from special revenue and internal service and pension
17 trust funds, or MAIN user charges, the specific amounts are
18 appropriated within the special revenue internal service and
19 pension trust funds in portions not to exceed the aggregate amount
20 appropriated in part 1.

21 Sec. 806. In addition to the funds appropriated in part 1 to
22 the department of technology, management, and budget, the
23 department may receive and expend funds from other principal
24 executive departments and state agencies to implement
25 administrative leave bank transfer provisions as may be specified
26 in joint labor/management agreements. The amounts may also be
27 transferred to other principal executive departments and state

1 agencies under the joint agreement and any amounts transferred
2 under the joint agreement are authorized for receipt and
3 expenditure by the receiving principal executive department or
4 state agency. Any amounts received by the department of technology,
5 management, and budget under this section and intended, under the
6 joint labor/management agreements, to be available for use beyond
7 the close of the fiscal year and any unencumbered funds may be
8 carried over into the succeeding fiscal year.

9 Sec. 807. The source of financing in part 1 for the Michigan
10 administrative information network shall be funded by proportionate
11 charges assessed against the respective state funds benefiting from
12 this project in the amounts determined by the department.

13 Sec. 808. (1) Deposits against the interdepartmental grant
14 from building occupancy and parking charges appropriated in part 1
15 shall be collected, in part, from state agencies, the legislative
16 branch, and the judicial branch based on estimated costs associated
17 with maintenance and operation of buildings managed by the
18 department of technology, management, and budget. To the extent
19 excess revenues are collected due to estimates of building
20 occupancy charges exceeding actual costs, the excess revenues may
21 be carried forward into succeeding fiscal years for the purpose of
22 returning funds to state agencies.

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

27 Sec. 809. The department of technology, management, and budget

1 shall notify the chairpersons of the senate and house of
2 representatives standing committees on appropriations and the
3 chairpersons of the senate and house of representatives standing
4 committees on appropriations subcommittees on general government on
5 any revisions that increase or decrease current contracts by more
6 than \$500,000.00 for computer software development, hardware
7 acquisition, or quality assurance at least 14 days before the
8 department of technology, management, and budget finalizes the
9 revisions.

10 Sec. 810. The department of technology, management, and budget
11 shall maintain an Internet website that contains notice of all
12 invitations for bids and requests for proposals over \$50,000.00
13 issued by the department or by any state agency operating under
14 delegated authority. The department shall not accept an invitation
15 for bid or request for proposal in less than 14 days after the
16 notice is made available on the Internet website, except in
17 situations where it would be in the best interest of the state and
18 documented by the department. In addition to the requirements of
19 this section, the department may advertise the invitations for bids
20 and requests for proposals in any manner the department determines
21 appropriate, in order to give the greatest number of individuals
22 and businesses the opportunity to make bids or requests for
23 proposals.

24 Sec. 811. The department of technology, management, and budget
25 may receive and expend funds from the Vietnam veterans memorial
26 monument fund as provided in the Michigan Vietnam veterans memorial
27 act, 1988 PA 234, MCL 35.1051 to 35.1057. Funds are appropriated

1 and allocated when received and may be expended upon receipt.

2 Sec. 812. The Michigan veterans' memorial park commission may
3 receive and expend money from any source, public or private,
4 including, but not limited to, gifts, grants, donations of money,
5 and government appropriations, for the purposes described in
6 Executive Order No. 2001-10. Funds are appropriated and allocated
7 when received and may be expended upon receipt. Any deposits made
8 under this section and unencumbered funds are restricted revenues
9 and may be carried over into succeeding fiscal years.

10 Sec. 813. (1) Funds in part 1 for motor vehicle fleet are
11 appropriated to the department of technology, management, and
12 budget for administration and for the acquisition, lease,
13 operation, maintenance, repair, replacement, and disposal of state
14 motor vehicles.

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

22 (3) Pursuant to the department of technology, management, and
23 budget's authority under sections 213 and 215 of the management and
24 budget act, 1984 PA 431, MCL 18.1213 and 18.1215, the department
25 shall maintain a plan regarding the operation of the motor vehicle
26 fleet. The plan shall include the number of vehicles assigned to,
27 or authorized for use by, state departments and agencies, efforts

1 to reduce vehicle expenditures, the number of cars in the motor
2 vehicle fleet, the number of miles driven by fleet vehicles, and
3 the number of gallons of fuel consumed by fleet vehicles. The plan
4 shall include a calculation of the amount of state motor vehicle
5 fuel taxes that would have been incurred by fleet vehicles if fleet
6 vehicles were required by law to pay motor fuel taxes. The plan
7 shall include a description of fleet garage operations, the goods
8 sold and services provided by the fleet garage, the cost to operate
9 the fleet garage, the number of fleet garage locations, and the
10 number of employees assigned to each fleet garage. The plan may be
11 adjusted during the fiscal year based on needs and cost savings to
12 achieve the maximum value and efficiency from the state motor
13 fleet. Within 60 days after the close of the fiscal year, the
14 department shall provide a report to the senate and house of
15 representatives standing committees on appropriations and the
16 senate and house fiscal agencies detailing the current plan and
17 changes made to the plan during the fiscal year.

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

24 (5) In order to reduce costs and maintain quality, it is the
25 intent of the legislature that, excluding the fleet of motor
26 vehicles for the department of state police, when economically
27 feasible, the department of technology, management, and budget will

1 prioritize the utilization of remanufactured parts as the primary
2 means of maintenance and repair for the state of Michigan's fleet
3 of motor vehicles.

4 Sec. 817. The department of technology, management, and budget
5 may require that any vendor or subcontractor providing call or
6 contact center services to the state of Michigan disclose to
7 inbound callers the location from which the call or contact center
8 services are being provided.

9 Sec. 818. In addition to the funds appropriated in part 1, the
10 department of technology, management, and budget may receive and
11 expend money from the Michigan law enforcement officers memorial
12 monument fund as provided in the Michigan law enforcement officers
13 memorial act, 2004 PA 177, MCL 28.781 to 28.787.

14 Sec. 819. In addition to the funds appropriated in part 1, the
15 department of technology, management, and budget may receive and
16 expend money from the Ronald Wilson Reagan memorial monument fund
17 as provided in the Ronald Wilson Reagan memorial monument fund
18 commission act, 2004 PA 489, MCL 399.261 to 399.266.

19 Sec. 820. The department shall make available to the public a
20 list of all parcels of real property owned by the state that are
21 available for purchase. The list shall be posted on the Internet
22 through the department's website.

23 Sec. 822. The department of technology, management, and budget
24 shall compile a report by January 1 pertaining to the salaries of
25 unclassified employees, as well as gubernatorial appointees, within
26 all state departments and agencies. The report shall enumerate each
27 unclassified employee and gubernatorial appointee and his or her

1 annual salary individually. The report shall be distributed to the
2 chairs of the senate and house of representatives standing
3 committees on appropriations subcommittees on general government,
4 as well as the senate and house fiscal agencies.

5 Sec. 822a. The department shall submit a report regarding the
6 feasibility of privatizing the administration of the state lottery.
7 The report shall include an estimate of the cost savings or
8 increase that would result from privatizing the administration of
9 the state lottery, an analysis of required statutory changes, and
10 any other issues that need to be addressed. The report shall be
11 submitted to the senate and house of representatives appropriations
12 subcommittees on general government, the senate and house fiscal
13 agencies, and the state budget office. The report shall be
14 submitted not later than April 1.

15 **INFORMATION TECHNOLOGY**

16 Sec. 823. (1) The department of technology, management, and
17 budget may sell and accept paid advertising for placement on any
18 state website under its jurisdiction. The department shall review
19 and approve the content of each advertisement. The department may
20 refuse to accept advertising from any person or organization or
21 require modification to advertisements based upon criteria
22 determined by the department. Revenue received under this
23 subsection shall be used for operating costs of the department and
24 for future technology enhancements to state of Michigan e-
25 government initiatives. Funds received under this subsection shall
26 be limited to \$250,000.00. Any funds in excess of \$250,000.00 shall

1 be deposited in the state general fund.

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

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

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

25 Sec. 824. The department of technology, management, and budget
26 may enter into agreements to supply spatial information and
27 technical services to other principal executive departments, state

1 agencies, local units of government, and other organizations. The
2 department of technology, management, and budget may receive and
3 expend funds in addition to those authorized in part 1 for
4 providing information and technical services, publications, maps,
5 and other products. The department of technology, management, and
6 budget may expend amounts received for salaries, supplies, and
7 equipment necessary to provide informational products and technical
8 services. Prior to December 1 of each year, the department shall
9 provide a report to the senate and house of representatives
10 standing committees on appropriations subcommittees on general
11 government, detailing the sources of funding and expenditures made
12 under this section.

13 Sec. 825. The legislature shall have access to all historical
14 and current data contained within MAIN pertaining to state
15 departments. State departments shall have access to all historical
16 and current data contained within MAIN.

17 Sec. 826. When used in this act, "information technology
18 services" means services involving all aspects of managing and
19 processing information, including, but not limited to, all of the
20 following:

- 21 (a) Application development and maintenance.
- 22 (b) Desktop computer support and management.
- 23 (c) Mainframe computer support and management.
- 24 (d) Server support and management.
- 25 (e) Local area network support and management, including, but
26 not limited to, wireless networking.
- 27 (f) Information technology project management.

1 (g) Information technology planning and budget management.

2 (h) Telecommunication services, security, infrastructure, and
3 support.

4 Sec. 827. (1) Funds appropriated in part 1 for the Michigan
5 public safety communications system shall be expended upon approval
6 of an expenditure plan by the state budget director.

7 (2) The department of technology, management, and budget shall
8 assess all subscribers of the Michigan public safety communications
9 system reasonable access and maintenance fees.

10 (3) All money received by the department of technology,
11 management, and budget under this section shall be expended for the
12 support and maintenance of the Michigan public safety
13 communications system.

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

24 Sec. 828. The department of technology, management, and budget
25 shall submit a report for the immediately preceding fiscal year
26 ending September 30 to the senate and house of representatives
27 standing committees on appropriations subcommittees on general

1 government and the senate and house fiscal agencies by March 1. The
2 report shall include the following:

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

6 (b) A listing of the expenditures made from the amounts
7 received by the department of technology, management, and budget as
8 reported in subdivision (a).

9 Sec. 829. The department of technology, management, and budget
10 shall provide a report that analyzes and makes recommendations on
11 the life-cycle of information technology hardware and software. The
12 report shall be submitted to the senate and house of
13 representatives standing committees on appropriations subcommittees
14 on general government and the senate and house fiscal agencies by
15 March 1.

16 Sec. 830. By December 31, the department shall provide a
17 report that lists all information technology-related change orders
18 and follow-on contracts, greater than \$50,000.00, whether they are
19 bid, exercise options, or no-bid, and the amount of each change
20 order or contract extension contract entered into by the department
21 to the senate and house of representatives standing committees on
22 appropriations subcommittees on general government, the senate and
23 house fiscal agencies, and the state budget director.

24 Sec. 832. The department shall provide a report that
25 calculates the total amount of funds expended for the child support
26 enforcement system to date from the inception of the program. The
27 report shall contain information on the original start and

1 completion dates for the project, the original cost to complete the
2 project, and a listing of all revisions to project completion dates
3 and costs. The report shall include the total amount of funds paid
4 to the federal government for penalties. The report shall be
5 submitted to the senate and house of representatives standing
6 committees on government operations, the senate and house of
7 representatives standing committees on appropriations subcommittees
8 on general government, and the senate and house fiscal agencies by
9 January 1.

10 Sec. 833. (1) The state budget director, upon notification to
11 the senate and house of representatives standing committees on
12 appropriations, may adjust spending authorization and user fees in
13 the department of technology, management, and budget budget in
14 order to ensure that the appropriations for information technology
15 in the department budget equal the appropriations for information
16 technology in the budgets for all executive branch agencies.

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

24 Sec. 834. (1) Revenue collected from licenses issued under the
25 antenna site management project shall be deposited into the antenna
26 site management revolving fund created for this purpose in the
27 department of technology, management, and budget. The department

1 may receive and expend money from the fund for costs associated
2 with the antenna site management project, including the cost of a
3 third-party site manager. Any excess revenue remaining in the fund
4 at the close of the fiscal year shall be proportionately
5 transferred to the appropriate state restricted funds as designated
6 in statute or by constitution.

7 (2) An antenna shall not be placed on any site pursuant to
8 this section without complying with the respective local zoning
9 codes and local unit of government processes.

10 Sec. 835. In addition to the funds appropriated in part 1, the
11 funds collected by the department for supplying census-related
12 information and technical services, publications, statistical
13 studies, population projections and estimates, and other
14 demographic products area appropriated for all expenses necessary
15 to provide the required services. These funds are available for
16 expenditure when they are received and may be carried forward into
17 the next succeeding fiscal year.

18 **STATE BUILDING AUTHORITY**

19 Sec. 840. (1) Subject to section 242 of the management and
20 budget act, 1984 PA 431, MCL 18.1242, and upon the approval of the
21 state building authority, the department may expend from the
22 general fund of the state during the fiscal year an amount to meet
23 the cash flow requirements of those state building authority
24 projects solely for lease to a state agency identified in both part
25 1 and this section, and for which state building authority bonds or
26 notes have not been issued, and for the sole acquisition by the

1 state building authority of equipment and furnishings for lease to
2 a state agency as permitted by 1964 PA 183, MCL 830.411 to 830.425,
3 for which the issuance of bonds or notes is authorized by a
4 legislative concurrent resolution that is effective for the fiscal
5 year ending September 30, 2012. Any general fund advances for which
6 state building authority bonds have not been issued shall bear an
7 interest cost to the state building authority at a rate not to
8 exceed that earned by the state treasurer's common cash fund during
9 the period in which the advances are outstanding and are repaid to
10 the general fund of the state.

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

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

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

1 director and approved by the JCOS.

2 Sec. 841. (1) State building authority funding to finance
3 construction or renovation of a facility that collects revenue in
4 excess of money required for the operation of that facility shall
5 not be released to a university or community college unless the
6 institution agrees to reimburse that excess revenue to the state
7 building authority. The excess revenue shall be credited to the
8 general fund to offset rent obligations associated with the
9 retirement of bonds issued for that facility. The auditor general
10 shall annually identify and present an audit of those facilities
11 that are subject to this section. Costs associated with the
12 administration of the audit shall be charged against money
13 recovered pursuant to this section.

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

18 Sec. 842. (1) The state building authority rent appropriations
19 in part 1 may also be expended for the payment of required premiums
20 for insurance on facilities owned by the state building authority
21 or payment of costs that may be incurred as the result of any
22 deductible provisions in such insurance policies.

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

1 obligations.

2 Sec. 843. The state building authority shall provide to the
3 JCOS, state budget director, and senate and house fiscal agencies a
4 report relative to the status of construction projects associated
5 with state building authority bonds as of September 30 of each
6 year, on or before October 15, or not more than 30 days after a
7 refinancing or restructuring bond issue is sold. The report shall
8 include, but is not limited to, the following:

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

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

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

19 **CIVIL SERVICE**

20 Sec. 850. (1) In accordance with section 5 of article XI of
21 the state constitution of 1963, all restricted funds shall be
22 assessed a sum not less than 1% of the total aggregate payroll paid
23 from those funds for financing the civil service commission on the
24 basis of actual 1% restricted sources total aggregate payroll of
25 the classified service for the fiscal year 2011. This includes, but
26 is not limited to, restricted funds appropriated in part 1 of any

1 appropriations act. Unexpended 1% appropriated funds shall be
2 returned to each 1% fund source at the end of the fiscal year.

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

9 (3) The financing from restricted sources shall be credited to
10 the civil service commission by the end of the second fiscal
11 quarter.

12 Sec. 851. Except where specifically appropriated for this
13 purpose, financing from restricted sources shall be credited to the
14 civil service commission. For restricted sources of funding within
15 the general fund that have the legislative authority for carryover,
16 if current spending authorization or revenues are insufficient to
17 accept the charge, the shortage shall be taken from carryforward
18 balances of that funding source. Restricted revenue sources that do
19 not have carryforward authority shall be utilized to satisfy
20 commission operating deducts first and civil service obligations
21 second. General fund dollars are appropriated for any shortfall,
22 pursuant to approval by the state budget director.

23 Sec. 852. The appropriation in part 1 to the civil service
24 commission, for state-sponsored group insurance, flexible spending
25 accounts, and COBRA, represents amounts, in part, included within
26 the various appropriations throughout state government for the
27 current fiscal year to fund the flexible spending account program

1 included within the civil service commission. Deposits against
2 state-sponsored group insurance, flexible spending accounts, and
3 COBRA for the flexible spending account program shall be made from
4 assessments levied during the current fiscal year in a manner
5 prescribed by the civil service commission. Unspent employee
6 contributions to the flexible spending accounts may be used to
7 offset administrative costs for the flexible spending account
8 program, with any remaining balance of unspent employee
9 contributions to be lapsed to the general fund.

10 **CAPITAL OUTLAY**

11 Sec. 860. As used in sections 861 through 865:

12 (a) "Board" means the state administrative board.

13 (b) "Community college" does not include a state agency or
14 university.

15 (c) "Department" means the department of technology,
16 management, and budget.

17 (d) "Director" means the director of the department of
18 technology, management, and budget.

19 (e) "Fiscal agencies" means the senate fiscal agency and the
20 house fiscal agency.

21 (f) "State agency" means an agency of state government. State
22 agency does not include a community college or university.

23 (g) "State building authority" means the authority created
24 under 1964 PA 183, MCL 830.411 to 830.425.

25 (h) "University" means a 4-year university supported by the
26 state. University does not include a community college or a state

1 agency.

2 Sec. 861. Each capital outlay project authorized in this
3 article or any previous capital outlay act shall comply with the
4 procedures required by the management and budget act, 1984 PA 431,
5 MCL 18.1101 to 18.1594.

6 Sec. 862. (1) The department shall provide the JCOS, state
7 budget director, and the senate and house fiscal agencies with
8 reports as considered necessary relative to the status of each
9 planning or construction project financed by the state building
10 authority, by this article, or by previous acts.

11 (2) Before the end of each fiscal year, the department shall
12 report to the JCOS, state budget director, and the senate and house
13 fiscal agencies for each capital outlay project other than lump
14 sums all of the following:

15 (a) The account number and name of each construction project.

16 (b) The balance remaining in each account.

17 (c) The date of the last expenditure from the account.

18 (d) The anticipated date of occupancy if the project is under
19 construction.

20 (e) The appropriations history for the project.

21 (f) The professional service contractor.

22 (g) The amount of the project financed with federal funds.

23 (h) The amount of the project financed through the state
24 building authority.

25 (i) The total authorized cost for the project and the state
26 authorized share if different than the total.

27 (3) Before the end of each fiscal year, the department shall

1 report the following for each project by a state agency,
2 university, or community college that is authorized for planning
3 but is not yet authorized for construction:

4 (a) The name of the project and account number.

5 (b) Whether a program statement is approved.

6 (c) Whether schematics are approved by the department.

7 (d) Whether preliminary plans are approved by the department.

8 (e) The name of the professional service contractor.

9 (4) As used in this section, "project" includes appropriation
10 line items made for purchase of real estate.

11 Sec. 863. (1) The director of the department of technology,
12 management, and budget shall allocate lump-sum appropriations made
13 in this act consistent with statutory provisions and the purposes
14 for which funds were appropriated. Lump-sum allocations shall
15 address priority program or facility needs and may include, but are
16 not limited to, design, construction, remodeling and addition,
17 special maintenance, major special maintenance, energy
18 conservation, and demolition.

19 (2) The state budget director may authorize that funds
20 appropriated for lump-sum appropriations shall be available for no
21 more than 3 fiscal years following the fiscal year in which the
22 original appropriation was made. Any remaining balance from
23 allocations made in this section shall lapse to the fund from which
24 it was appropriated pursuant to the lapsing of funds as provided in
25 the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

26 Sec. 864. The appropriations in part 1 for capital outlay
27 shall be carried forward at the end of the fiscal year consistent

1 with the provisions of section 248 of the management and budget
2 act, 1984 PA 431, MCL 18.1248.

3 Sec. 865. (1) A site preparation economic development fund is
4 created in the department of technology, management, and budget. As
5 used in this section, "economic development sites" means those
6 state-owned sites declared as surplus property pursuant to section
7 251 of the management and budget act, 1984 PA 431, MCL 18.1251,
8 that would provide economic benefit to the area or to the state.
9 The Michigan economic development corporation board and the state
10 budget director shall determine whether or not a specific state-
11 owned site qualifies for inclusion in the fund created under this
12 subsection.

13 (2) Proceeds from the sale of any sites designated in
14 subsection (1) shall be deposited into the fund created in
15 subsection (1) and shall be available for site preparation
16 expenditures, unless otherwise provided by law. The economic
17 development sites authorized in subsection (1) are authorized for
18 sale consistent with state law. Expenditures from the fund are
19 authorized for site preparation activities that enhance the
20 marketable sale value of the sites. Site preparation activities
21 include, but are not limited to, demolition, environmental studies
22 and abatement, utility enhancement, and site excavation.

23 (3) A cash advance in an amount of not more than
24 \$25,000,000.00 is authorized from the general fund to the site
25 preparation economic development fund.

26 (4) An annual report shall be transmitted to the senate and
27 house of representatives standing committees on appropriations not

1 later than December 31 of each year. This report shall detail both
2 of the following:

3 (a) The revenue and expenditure activity in the fund for the
4 preceding fiscal year.

5 (b) The sites identified as economic development sites under
6 subsection (1).

7 **CAPITAL OUTLAY - UNIVERSITIES AND COMMUNITY COLLEGES**

8 Sec. 870. A statement of a proposed facility's operating cost
9 shall be included with the facility's program statement and
10 planning documents when the plans are presented to JCOS for
11 approval.

12 Sec. 871. (1) Before proceeding with final planning and
13 construction for projects at community colleges and universities
14 included in an appropriations act, the community college or
15 university shall sign an agreement with the department that
16 includes the following provisions:

17 (a) The university or community college agrees to construct
18 the project within the total authorized cost established by the
19 legislature pursuant to the management and budget act, 1984 PA 431,
20 MCL 18.1101 to 18.1594, and an appropriations act.

21 (b) The design and program scope of the project shall not
22 deviate from the design and program scope represented in the
23 program statement and preliminary planning documents approved by
24 the department.

25 (c) Any other items as identified by the department that are
26 necessary to complete the project.

1 (2) The department retains the authority and responsibility
2 normally associated with the prudent maintenance of the public's
3 financial and policy interests relative to the state-financed
4 construction projects managed by a community college or university.

5 Sec. 872. A state agency, community college, or university
6 shall take steps necessary to make available federal and other
7 money indicated in this act, to make available federal or other
8 money that may become available for the purposes for which
9 appropriations are made in this act, and to use any part or all of
10 the appropriations to meet matching requirements that are
11 considered to be in the best interest of this state. However, the
12 purpose, scope, and total estimated cost of a project shall not be
13 altered to meet the matching requirements. Any federal matching
14 revenues received to support the construction of the project shall
15 be applied to the total authorized project cost, with the state and
16 community college or university financing shares proportionately
17 adjusted.

18 Sec. 873. (1) This section applies only to projects for
19 community colleges.

20 (2) State support is directed towards the remodeling and
21 additions, special maintenance, or construction of certain
22 community college buildings. The community college shall obtain or
23 provide for site acquisition and initial main utility installation
24 to operate the facility. Funding shall be composed of local and
25 state shares and not more than 50% of a capital outlay project, not
26 including a lump-sum special maintenance project or remodeling and
27 addition project, for a community college shall be appropriated

1 from state and federal funds, unless otherwise appropriated by the
2 legislature.

3 (3) An expenditure under this act is authorized when the
4 release of the appropriation is approved by the board upon the
5 recommendation of the director. The director may recommend to the
6 board the release of any appropriation in part 1 only after the
7 director is assured that the legal entity operating the community
8 college to which the appropriation is made has complied with this
9 act and has matched the amounts appropriated as required by this
10 act. A release of funds in part 1 shall not exceed 50% of the total
11 cost of planning and construction of any project, not including
12 lump-sum remodeling and additions and special maintenance, unless
13 otherwise appropriated by the legislature. Further planning and
14 construction of a project authorized by this act or applicable
15 sections of the management and budget act, 1984 PA 431, MCL 18.1101
16 to 18.1594, shall be in accordance with the purpose and scope as
17 defined and delineated in the approved program statements and
18 planning documents. This act is applicable to all projects for
19 which planning appropriations were made in previous acts.

20 (4) The community college shall take the steps necessary to
21 secure available federal construction and equipment money for
22 projects funded for construction in this act if an application was
23 not previously made. If there is a reasonable expectation that a
24 prior year unfunded application may receive federal money in a
25 subsequent year, the college shall take whatever action necessary
26 to keep the application active.

27 Sec. 874. If university and community college matching

1 revenues are received in an amount less than the appropriations for
2 capital projects contained in this act, the state funds shall be
3 reduced in proportion to the amount of matching revenue received.

4 Sec. 875. (1) The director may require that community colleges
5 and universities that have an authorized project listed in part 1
6 submit documentation regarding the project match and governing
7 board approval of the authorized project not more than 60 days
8 after the beginning of the fiscal year.

9 (2) If the documentation required by the director under
10 subsection (1) is not submitted, or does not adequately
11 authenticate the availability of the project match or board
12 approval of the authorized project, the authorization may
13 terminate. The authorization terminates 30 days after the director
14 notifies the JCOS of the intent to terminate the project unless the
15 JCOS convenes to extend the authorization.

16 **DEPARTMENT OF TREASURY**

17 **OPERATIONS**

18 Sec. 901. (1) In addition to the funds appropriated in part 1,
19 there is appropriated an amount not to exceed \$1,000,000.00 for
20 federal contingency funds. These funds are not available for
21 expenditure until they have been transferred to another line item
22 in this act under section 393(2) of the management and budget act,
23 1984 PA 431, MCL 18.1393.

24 (2) In addition to the funds appropriated in part 1, there is
25 appropriated an amount not to exceed \$10,000,000.00 for state
26 restricted contingency funds. These funds are not available for

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

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

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

16 Sec. 902. (1) Amounts needed to pay for interest, fees,
17 principal, mandatory and optional redemptions, arbitrage rebates as
18 required by federal law, and costs associated with the payment,
19 registration, trustee services, credit enhancements, and issuing
20 costs in excess of the amount appropriated to the department of
21 treasury in part 1 for debt service on notes and bonds that are
22 issued by the state under sections 14, 15, and 16 of article IX of
23 the state constitution of 1963 as implemented by 1967 PA 266, MCL
24 17.451 to 17.455, are appropriated.

25 (2) In addition to the amount appropriated to the department
26 of treasury for debt service in part 1, there is appropriated an
27 amount for fiscal year cash-flow borrowing costs to pay for

1 interest on interfund borrowing made under 1967 PA 55, MCL 12.51 to
2 12.53.

3 (3) In addition to the amount appropriated to the department
4 of treasury for debt service in part 1, there is appropriated all
5 repayments received by the state on loans made from the school bond
6 loan fund not required to be deposited in the school loan revolving
7 fund by or pursuant to section 4 of 1961 PA 112, MCL 388.984, to
8 the extent determined by the state treasurer, for the payment of
9 debt service, including, without limitation, optional and mandatory
10 redemptions, on bonds, notes or commercial paper issued by the
11 state pursuant to 1961 PA 112, MCL 388.981 to 388.985.

12 Sec. 902a. The department of treasury shall notify the senate
13 and house of representatives standing committees on appropriations,
14 the senate and house fiscal agencies, and the state budget office
15 not more than 30 days after a refunding or restructuring bond issue
16 is sold. The notification shall compare the annual debt service
17 prior to the refinancing or restructuring, the annual debt service
18 after the refinancing or restructuring, the change in the principal
19 and interest over the duration of the debt, and the projected
20 change in the present value of the debt service due to the
21 refinancing and restructuring.

22 Sec. 903. (1) From the funds appropriated in part 1, the
23 department of treasury may contract with private collection
24 agencies and law firms to collect taxes and other accounts due this
25 state. In addition to the amounts appropriated in part 1 to the
26 department of treasury, there are appropriated amounts necessary to
27 fund collection costs and fees not to exceed 25% of the collections

1 or 2.5% plus operating costs, whichever amount is prescribed by
2 each contract. The appropriation to fund collection costs and fees
3 for the collection of taxes or other accounts due this state are
4 from the fund or account to which the revenues being collected are
5 recorded or dedicated. However, if the taxes collected are
6 constitutionally dedicated for a specific purpose, the
7 appropriation of collection costs and fees are from the general
8 purpose account of the general fund.

9 (2) From the funds appropriated in part 1, the department of
10 treasury may contract with private collections agencies and law
11 firms to collect defaulted student loans and other accounts due the
12 Michigan guaranty agency. In addition to the amounts appropriated
13 in part 1 to the department of treasury, there are appropriated
14 amounts necessary to fund collection costs and fees not to exceed
15 24.34% of the collection or a lesser amount as prescribed by the
16 contract. The appropriation to fund collection costs and fees for
17 the auditing and collection of defaulted student loans due the
18 Michigan guaranty agency is from the fund or account to which the
19 revenues being collected are recorded or dedicated.

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

1 Sec. 904. (1) The department of treasury, through its bureau
2 of investments, may charge an investment service fee against the
3 applicable retirement funds. The fees may be expended for necessary
4 salaries, wages, contractual services, supplies, materials,
5 equipment, travel, worker's compensation insurance premiums, and
6 grants to the civil service commission and state employees'
7 retirement funds. Service fees shall not exceed the aggregate
8 amount appropriated in part 1. The department of treasury shall
9 maintain accounting records in sufficient detail to enable the
10 retirement funds to be reimbursed periodically for fee revenue that
11 is determined by the department of treasury to be surplus.

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

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

26 (2) The appropriations under subsection (1) shall be funded by
27 restricting revenues from common cash interest earnings and

1 investment earnings in an amount sufficient to record these
2 expenditures.

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

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

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

25 Sec. 907. A revolving fund known as the assessor certification
26 and training fund is created in the department of treasury. The
27 assessor certification and training fund shall be used to organize

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

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

18 Sec. 909. Revenue from the airport parking tax act, 1987 PA
19 248, MCL 207.371 to 207.383, is appropriated and shall be
20 distributed under section 7a of the airport parking tax act, 1987
21 PA 248, MCL 207.377a.

22 Sec. 910. The disbursement by the department of treasury from
23 the bottle deposit fund to dealers as required by section 3c(2) of
24 1976 IL 1, MCL 445.573c, is appropriated.

25 Sec. 911. (1) There is appropriated an amount sufficient to
26 recognize and pay refundable income tax credits as provided by the
27 management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

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

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

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

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

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

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

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

6 Sec. 915. Pursuant to section 61 of the Michigan campaign
7 finance act, 1976 PA 388, MCL 169.261, there is appropriated from
8 the general fund to the state campaign fund an amount equal to the
9 amounts designated for tax year 2010. Except as otherwise provided
10 in this section, the amount appropriated shall not revert to the
11 general fund and shall remain in the state campaign fund. Any
12 amounts remaining in the state campaign fund in excess of
13 \$10,000,000.00 on December 31 shall revert to the general fund.

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

25 Sec. 917. (1) There is appropriated for write-offs and
26 advances an amount equal to total write-offs and advances for
27 departmental programs, but not to exceed current year

1 authorizations that would otherwise lapse to the general fund.

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

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

11 Sec. 919. (1) From funds appropriated in part 1, the
12 department of treasury may contract with private auditing firms to
13 audit for and collect unclaimed property due this state in
14 accordance with the uniform unclaimed property act, 1995 PA 29, MCL
15 567.221 to 567.265. In addition to the amounts appropriated in part
16 1 to the department of treasury, there are appropriated amounts
17 necessary to fund auditing and collection costs and fees not to
18 exceed 12% of the collections, or a lesser amount as prescribed by
19 the contract. The appropriation to fund collection costs and fees
20 for the auditing and collection of unclaimed property due this
21 state is from the fund or account to which the revenues being
22 collected are recorded or dedicated.

23 (2) The department of treasury shall submit a report for the
24 immediately preceding fiscal year ending September 30 to the state
25 budget director and the senate and house of representatives
26 standing committees on appropriations not later than November 30
27 stating the auditing firms employed, the amount of collections for

1 each, the costs of collection, and other pertinent information
2 relating to determining whether this authority should be continued.

3 Sec. 922. The department of treasury shall submit a report for
4 the immediately preceding fiscal year ending September 30 to the
5 senate and house of representatives standing committees on
6 appropriations subcommittees on general government, the senate and
7 house fiscal agencies, and the state budget director by November 30
8 stating the amount of Michigan transportation fund revenue
9 collected and the cost of collection. The cost of collection may be
10 determined by proration of costs in fiscal year 2011-2012 only. Not
11 later than April 1, 2012, the department of treasury shall provide
12 an analysis of the actual costs of tax administration in order to
13 justify continuation of the proration approach.

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

19 (2) The department of treasury shall submit a report for the
20 immediately preceding fiscal year to the state budget director and
21 the senate and house fiscal agencies not later than December 31
22 stating the amount of exemptions denied and the revenue received
23 under the program.

24 Sec. 925. (1) A public-private partnership investment fund is
25 created in the department of treasury. Subject to subsections (2)
26 and (3), public-private partnership investments shall include, but
27 are not limited to, all of the following:

1 (a) Capital asset improvements including buildings, land, or
2 structures.

3 (b) Energy resource exploration, extraction, generation, and
4 sales.

5 (c) Financial and investment incentive opportunities.

6 (d) Infrastructure construction, maintenance, and operation.

7 (e) Public-private sector joint ventures that provide economic
8 benefit to an area or to the state.

9 (2) Public-private investments shall not include projects,
10 consultant expenses, staff effort, or any other activity related to
11 the development, financing, construction, operation, or
12 implementation of the Detroit River International Crossing or any
13 successor project unless the project is approved by the legislature
14 and signed into law.

15 (3) The state treasurer and the state budget director shall
16 determine whether or not a specific public-private partnership
17 investment opportunity qualifies for funding under subsection (1).

18 (4) Investment development revenue, including a portion of the
19 proceeds from the sale of any public-private partnership investment
20 designated in subsection (1), shall be deposited into the fund
21 created in subsection (1) and shall be available for
22 administration, development, financing, marketing, and operating
23 expenditures associated with public-private partnerships, unless
24 otherwise provided by law. Public-private partnership investments
25 authorized in subsection (1) are authorized for public or private
26 operation or sale consistent with state law. Expenditures from the
27 fund are authorized for investment purposes as designated in

1 subsection (1) to enhance the marketable value of each investment.
2 The unencumbered balance remaining in the fund at the end of the
3 fiscal year may be carried forward for appropriation in future
4 years.

5 (5) An annual report shall be transmitted to the senate and
6 house of representatives standing committees on appropriations, the
7 senate and house fiscal agencies, and the state budget office not
8 later than December 31 of each year. This report shall detail both
9 of the following:

10 (a) The revenue and expenditure activity in the fund for the
11 preceding fiscal year.

12 (b) Public-private partnership investments as identified under
13 subsection (1).

14 (6) The department of treasury shall monitor the revenue
15 deposited in the public-private partnership investment fund created
16 in (1). If the revenue in the fund is insufficient to pay the
17 amount appropriated in part 1 for public-private partnership
18 investment, then treasury shall propose a legislative transfer to
19 fund the line from the appropriations in part 1.

20 Sec. 925a. The funds appropriated in part 1 shall not be used
21 to support any staff effort, projects, consultant expenses, or any
22 other activity related to the development, financing, construction,
23 operation, or implementation of the Detroit River International
24 Crossing or any successor project unless the project is approved by
25 the legislature and signed into law.

26 Sec. 926. Unexpended appropriations of the John R. Justice
27 grant program are designated as work project appropriations and

1 shall not lapse at the end of the fiscal year and shall continue to
2 be available for expenditure until the project has been completed.
3 The following is in compliance with section 451a of the management
4 and budget act, 1984 PA 431, MCL 18.1451a:

5 (a) The purpose of the project is to provide student loan
6 forgiveness to qualified public defenders and prosecutors.

7 (b) The project will be accomplished by utilizing state
8 employees or contracts with private vendors, or both.

9 (c) The total estimated cost of the project is \$282,100.00.

10 (d) The tentative completion date is September 30, 2013.

11 Sec. 927. The department of treasury shall submit annual
12 progress reports to the senate and house of representatives
13 standing committees on appropriations subcommittees on general
14 government and the senate and house fiscal agencies, regarding
15 personal property tax audits. The report shall include the number
16 of audits, revenue generated, and number of complaints received by
17 the department related to the audits.

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

27 Sec. 930. (1) The department of treasury shall provide

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

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

18 Sec. 931. (1) The appropriation in part 1 to the department of
19 treasury for treasury fees shall be assessed against all restricted
20 funds that receive common cash earnings or other investment income.
21 Treasury fees include all costs, including administrative overhead,
22 relating to the investment of each restricted fund. The fee
23 assessed against each restricted fund will be based on the size of
24 the restricted fund (the absolute value of the average daily cash
25 balance plus the market value of investments in the prior fiscal
26 year) and the level of effort necessary to maintain the restricted
27 fund as required by each department. The department of treasury

1 shall provide a report to the state budget director, the senate and
2 house of representatives standing committees on appropriations
3 subcommittees on general government, and the senate and house
4 fiscal agencies by November 30 of each year identifying the fees
5 assessed against each restricted fund and the methodology used for
6 assessment.

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

14 Sec. 932. Revenue received under the Michigan education trust
15 act, 1986 PA 316, MCL 390.1421 to 390.1442, may be expended by the
16 board of directors of the Michigan education trust for necessary
17 salaries, wages, supplies, contractual services, equipment,
18 worker's compensation insurance premiums, and grants to the civil
19 service commission and state employees' retirement fund.

20 Sec. 934. (1) The department of treasury may expend revenues
21 received under the hospital finance authority act, 1969 PA 38, MCL
22 331.31 to 331.84, the shared credit rating act, 1985 PA 227, MCL
23 141.1051 to 141.1076, the higher education facilities authority
24 act, 1969 PA 295, MCL 390.921 to 390.934, the Michigan public
25 educational facilities authority, Executive Reorganization Order
26 No. 2002-3, MCL 12.192, the Michigan tobacco settlement finance
27 authority act, 2005 PA 226, MCL 129.261 to 129.279, the land bank

1 fast track act, 2003 PA 258, MCL 124.751 to 124.774, part 505 of
2 the natural resources and environmental protection act, 1994 PA
3 451, MCL 324.50501 to 324.50522, the state housing development
4 authority act of 1966, 1966 PA 346, MCL 125.1401 to 125.1499c, and
5 the Michigan finance authority, Executive Reorganization Order No.
6 2010-2, MCL 12.194, for necessary salaries, wages, supplies,
7 contractual services, equipment, worker's compensation insurance
8 premiums, grants to the civil service commission and state
9 employees' retirement fund, and other expenses as allowed under
10 those acts.

11 (2) The department of treasury shall report by January 31,
12 2012 to the senate and house appropriations subcommittees, the
13 senate and house fiscal agencies, and the state budget director on
14 the amount and purpose of expenditures made under subsection (1)
15 from funds received in addition to those appropriated in part 1.
16 The report also shall include a listing of reimbursement of
17 revenue, if any. The report shall cover the 2010-2011 fiscal year.

18 Sec. 943. (1) The appropriation in part 1 for tobacco tax
19 enforcement shall be used for, but not limited to, the following:

20 (a) Costs associated with a new stamp indicia.

21 (b) Reimbursement to licensed cigarette stamping agents for
22 costs associated with the new stamp, to include machines acceptable
23 to licensed cigarette stamping agents and to the department of
24 treasury.

25 (c) Scanners.

26 (2) The department of treasury shall work cooperatively with
27 the Michigan state police to improve tobacco tax enforcement.

1 (3) The department of treasury shall submit a report on the
2 proposed use of the funds appropriated in part 1 for tobacco tax
3 enforcement. The report shall be submitted by November 1 to the
4 senate and house of representatives standing committees on
5 appropriations subcommittees on general government, the senate and
6 house fiscal agencies, and the state budget director.

7 Sec. 944. If the department hires a pension plan consultant
8 using any of the funds appropriated in part 1, the department shall
9 annually forward any report provided to the department by that
10 consultant to the senate and house of representatives standing
11 committees on appropriations subcommittees on general government,
12 the senate and house fiscal agencies, and the state budget
13 director.

14 Sec. 945. The assessment and certification division of the
15 department of treasury shall conduct a review of local unit
16 assessment administration practices, procedures, and records, also
17 known as the 14-point review, in at least 1 assessment jurisdiction
18 per county.

19 **REVENUE SHARING**

20 Sec. 950. The funds appropriated in part 1 for constitutional
21 revenue sharing shall be distributed by the department to cities,
22 villages, and townships, as required under section 10 of article IX
23 of the state constitution of 1963. Revenue collected in accordance
24 with section 10 of article IX of the state constitution of 1963 in
25 excess of the amount appropriated in part 1 for constitutional
26 revenue sharing is appropriated for distribution to cities,
27 villages, and townships, on a population basis as required under

1 section 10 of article IX of the state constitution of 1963.

2 Sec. 951. (1) From the funds appropriated in part 1 and in
3 section 1201(2) to the economic vitality incentive program,
4 \$5,000,000.00 is to be used for assistance grants to cities,
5 villages, townships, and counties to offset the costs associated
6 with mergers, interlocal agreements, and cooperative efforts for
7 those cities, villages, townships, and counties that elect to
8 combine government operations. Grant funding shall be available for
9 mergers, interlocal agreements, and cooperative efforts that occur
10 on or after October 1, 2011. The department of treasury shall
11 develop an application process and method of grant distribution.

12 (2) From the funds appropriated in part 1 and in section
13 1201(2) to the economic vitality incentive program, \$210,000,000.00
14 is to be used for grants to cities, villages, and townships such
15 that, subject to fulfilling the requirements under subsection (3)
16 (a), (b), or (c), each city, village, or township that received a
17 payment under section 950(2), 2009 PA 128, greater than \$4,500.00
18 will be eligible to receive a maximum of 67.837363% of its total
19 payment received under section 950(2), 2009 PA 128, rounded to the
20 nearest dollar. For the purposes of this subsection, any city or
21 village that according to the 2010 federal decennial census is
22 determined to have population in more than 1 county will be treated
23 as a single entity when determining the payment received under
24 section 950(2), 2009 PA 128.

25 (3) Cities, villages, and townships eligible to receive a
26 potential payment from the allocation under subsection (2) may
27 qualify to receive economic vitality incentive program payments

1 under 1 or more of the following 3 categories:

2 (a) Category 1, accountability and transparency, requires each
3 eligible city, village, or township to certify that by October 1,
4 2011, it has produced, and has made readily available to the
5 public, a citizen's guide and a performance dashboard of its local
6 finances, including a recognition of its unfunded liabilities. Each
7 city, village, and township applying for a payment under this
8 category shall submit a copy of the citizen's guide and a copy of
9 the performance dashboard to the department of treasury by October
10 1, 2011.

11 (b) Category 2, consolidation of services, requires each
12 eligible city, village, or township to certify that by January 1,
13 2012, it has a plan with 1 or more proposals to increase its
14 existing level of cooperation, collaboration, and consolidation,
15 either within the jurisdiction or with other jurisdictions. A plan
16 shall include a listing of any previous services consolidated with
17 the cost savings realized from each consolidation and an estimate
18 of the potential savings for any new service consolidations being
19 planned. A plan shall be made readily available to the public. Each
20 city, village, and township applying for a payment under this
21 subdivision shall submit a copy of the cooperation, collaboration,
22 and consolidation plan to the department of treasury by January 1,
23 2012.

24 (c) Category 3, employee compensation, requires each eligible
25 city, village, or township to certify that by May 1, 2012, it has
26 developed and publicized an employee compensation plan that the
27 city, village, or township intends to implement with any new,

1 modified, or extended contract or employment agreements for
2 employees not covered under contract or employment agreement. The
3 employee compensation plan that each city, village, or township
4 plans to achieve shall be made available for public viewing in the
5 city, village, or township clerk's office or posted on a publicly
6 accessible Internet site and must be submitted to the department of
7 treasury by May 1, 2012. At a minimum, the employee compensation
8 plan shall include the following:

9 (i) New hires who are eligible for retirement plans are placed
10 on retirement plans that cap annual employer contributions at 10%
11 of base salary for employees who are eligible for social security
12 benefits. For employees who are not eligible for social security
13 benefits, the annual employer contribution is capped at 16.2% of
14 base salary.

15 (ii) For defined benefit pension plans, a maximum multiplier of
16 1.5% for all employees who are eligible for social security
17 benefits, except, where postemployment health care is not provided,
18 the maximum multiplier shall be 2.25%. For all employees who are
19 not eligible for social security benefits, a maximum multiplier of
20 2.25%, except, where postemployment health care is not provided,
21 the maximum multiplier shall be 3.0%.

22 (iii) For defined benefit pension plans, final average
23 compensation for all employees is calculated using a minimum of 3
24 years of compensation and shall not include more than a total of
25 240 hours of paid leave. Overtime hours shall not be used in
26 computing the final average compensation for an employee.

27 (iv) Health care premium costs for new hires shall include a

1 minimum employee share of 20%; or, an employer's share of the local
2 health care plan costs shall be cost competitive with the new state
3 preferred provider organization health plan, on a per-employee
4 basis.

5 (4) Economic vitality incentive program payments are subject
6 to the following conditions:

7 (a) In order for a city, village, or township to qualify for a
8 category under subsection (3)(a), (b), or (c), the city, village,
9 or township shall meet every criteria for that category including a
10 certification to the department that it has met the required
11 criteria for that category and submission of the required citizen's
12 guide and performance dashboard; cooperation, collaboration, and
13 consolidation plan; or the employee compensation plan as required
14 by subsection (3)(a), (b), or (c), respectively. A department of
15 treasury review of the citizen's guide, dashboard, or plan is not
16 required in order for a city, village, or township to receive a
17 payment under subsection (2). The department shall develop a
18 certification process and method for cities, villages, and
19 townships to follow.

20 (b) For each category that a city, village, or township
21 qualifies for in subsection (3), the city, village, or township
22 shall receive 1/3 of its potential economic vitality incentive
23 program payment amount calculated in subsection (2).

24 (c) Payments under this section shall be issued to cities,
25 villages, and townships for each category in subsection (3) until
26 the specified due date for the category. After the specified due
27 date for the category, payments shall be made to a city, village,

1 or township only if that city, village, or township has complied
2 with subdivision (a).

3 (d) If a city, village, or township does not provide the
4 required certification or fails to submit the required citizen's
5 guide and performance dashboard; cooperation, collaboration, and
6 consolidation plan; and the employee compensation plan by the first
7 day of a payment month, the city, village, or township shall
8 forfeit the payment in that payment month for the uncertified
9 category in subsection (3).

10 (e) Any local unit that falsifies certification documents
11 shall forfeit any future economic vitality incentive program
12 payments and shall repay this state all economic vitality incentive
13 program payments it has received.

14 (f) Payments under this section shall be distributed on the
15 last business day of October, December, February, April, June, and
16 August.

17 (g) Payments distributed under this section may be withheld
18 pursuant to sections 17a and 21 of the Glenn Steil state revenue
19 sharing act of 1971, 1971 PA 140, MCL 141.917a and 141.921.

20 (5) The unexpended funds appropriated in this section for the
21 economic vitality incentive program are designated as work project
22 appropriations and any unencumbered or unallotted funds shall not
23 lapse at the end of the fiscal year and shall continue to be
24 available for expenditure for projects under subsection (1) until
25 the projects have been completed. The following is in compliance
26 with section 451a of the management and budget act, 1984 PA 431,
27 MCL 18.1451a:

1 (a) The purpose of the projects is to provide incentive-based
2 grants to recipients under subsection (1).

3 (b) The projects will be accomplished by grants to qualified
4 governmental units.

5 (c) The total estimated cost of all projects is
6 \$215,000,000.00.

7 (d) The tentative completion date is September 30, 2016.

8 Sec. 955. (1) The funds appropriated in part 1 and section
9 1201(2) for county revenue sharing shall be distributed by the
10 department to eligible counties pursuant to the Glenn Steil state
11 revenue sharing act of 1971, 1971 PA 140, MCL 141.901 to 141.921.

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

15 **LOTTERY**

16 Sec. 960. In addition to the funds appropriated in part 1 to
17 the bureau of state lottery, there is appropriated from lottery
18 revenues the amount necessary for, and directly related to,
19 implementing and operating lottery games. Appropriations under this
20 section shall only be expended for contractually mandated payments
21 for vendor commissions, contractually mandated payments for instant
22 tickets intended for resale, the contractual costs of providing and
23 maintaining the online system communications network, and incentive
24 and bonus payments to lottery retailers.

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

CASINO GAMING

Sec. 971. From the revenue collected by the Michigan gaming control board regarding the total annual assessment of each casino licensee, \$2,000,000.00 is appropriated and shall be deposited in the compulsive gaming prevention fund as described in section 12a(5) of the Michigan gaming control and revenue act, 1996 IL 1, MCL 432.212a.

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

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

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

(4) A local revenue sharing board described in subsection (1) shall comply with all applicable provisions of any agreement authorized by the Indian gaming regulatory act, Public Law 100-497, in which the local revenue sharing board is referenced, including,

1 but not limited to, the disbursal of tribal casino payments
2 received under applicable provisions of the tribal-state class III
3 gaming compact in which those funds are received.

4 (5) The director of the department of state police and the
5 executive director of the Michigan gaming control board are
6 authorized to assist the local revenue sharing boards in
7 determining allocations to be made to local public safety
8 organizations.

9 (6) The department of treasury shall submit a report by
10 September 30 to the senate and house of representatives standing
11 committees on appropriations and the state budget director on the
12 receipts and distribution of revenues by local revenue sharing
13 boards.

14 Sec. 974. If revenues collected in the state services fee fund
15 are less than the amounts appropriated from the fund, available
16 revenues shall be used to fully fund the appropriation in part 1
17 for casino gaming regulation activities before distributions are
18 made to other state departments and agencies. If the remaining
19 revenue in the fund is insufficient to fully fund appropriations to
20 other state departments or agencies, the shortfall shall be
21 distributed proportionally among those departments and agencies.

22 Sec. 976. The executive director of the Michigan gaming
23 control board may pay rewards of not more than \$5,000.00 to a
24 person who provides information that results in the arrest and
25 conviction on a felony or misdemeanor charge for a crime that
26 involves the horse racing industry. A reward paid pursuant to this
27 section shall be paid out of the appropriation in part 1 for the

1 racing commission.

2 Sec. 977. All appropriations from the Michigan agriculture
3 equine industry development fund, except for the racing commission
4 and laboratory analysis program appropriations, shall be reduced
5 proportionately if revenues to the Michigan agriculture equine
6 industry development fund decline during the fiscal year ending
7 September 30, 2012 to a level lower than the amount appropriated in
8 part 1.

9 Sec. 978. The Michigan gaming control board shall use actual
10 expenditure data in determining the actual regulatory costs of
11 conducting racing dates and shall provide that data to the senate
12 and house appropriations subcommittees on agriculture and general
13 government and the senate and house fiscal agencies. The Michigan
14 gaming control board shall not be reimbursed for more than the
15 actual regulatory cost of conducting race dates. If a certified
16 horsemen's organization funds more than the actual regulatory cost,
17 the balance shall remain in the agriculture equine industry
18 development fund to be used to fund subsequent race dates conducted
19 by race meeting licensees with which the certified horsemen's
20 organization has contracts. If a certified horsemen's organization
21 funds less than the actual regulatory costs of the additional horse
22 racing dates, the Michigan gaming control board shall reduce the
23 number of future race dates conducted by race meeting licensees
24 with which the certified horsemen's organization has contracts.
25 Prior to the reduction in the number of authorized race dates due
26 to budget deficits, the executive director of the Michigan gaming
27 control board shall provide notice to the certified horsemen's

1 organizations with an opportunity to respond with alternatives. In
2 determining actual costs, the Michigan gaming control board shall
3 take into account that each specific breed may require different
4 regulatory mechanisms.

5 **MICHIGAN STRATEGIC FUND - HOUSING AND COMMUNITY DEVELOPMENT**

6 Sec. 980. MSHDA shall annually present a report to the state
7 budget office and the subcommittees on the status of the
8 authority's housing production goals under all financing programs
9 established or administered by the authority. The report shall give
10 special attention to efforts to raise affordable multifamily
11 housing production goals.

12 Sec. 981. MSHDA shall report to the subcommittees, the state
13 budget director, and the fiscal agencies by December 1 on the
14 status of the loans entered into by the Michigan broadband
15 development authority.

16 Sec. 983. In addition to the amounts appropriated in part 1
17 for the administration of the land bank fast track authority, the
18 authority may expend revenues received under the land bank fast
19 track act, 2003 PA 258, MCL 124.751 to 124.774, for the purposes
20 authorized by the act including, but not limited to, the
21 acquisition, lease, management, demolition, maintenance, or
22 rehabilitation of real or personal property, payment of debt
23 service for notes or bonds issued by the authority, and other
24 expenses to clear or quiet title property held by the authority.

25 Sec. 984. In addition to the funds appropriated in part 1, the
26 funds collected by state historic preservation programs for
27 document reproduction and services and application fees are

1 appropriated for all expenses necessary to provide the required
2 services. These funds are available for expenditure when they are
3 received and may be carried forward into the succeeding fiscal
4 year.

5 **MICHIGAN STRATEGIC FUND**

6 Sec. 1001. (1) In addition to the funds appropriated in part
7 1, there is appropriated an amount not to exceed \$10,000,000.00 for
8 federal contingency funds. These funds are not available for
9 expenditure until they have been transferred to another line item
10 in this act under section 393(2) of the management and budget act,
11 1984 PA 431, MCL 18.1393.

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

18 (3) In addition to the funds appropriated in part 1, there is
19 appropriated an amount not to exceed \$700,000.00 for private
20 contingency funds. These funds are not available for expenditure
21 until they have been transferred to another line item in this act
22 under section 393(2) of the management and budget act, 1984 PA 431,
23 MCL 18.1393.

24 Sec. 1005. In addition to the appropriations in part 1, Travel
25 Michigan may receive and expend private revenue related to the use
26 of "Pure Michigan" and all other copyrighted slogans and images.
27 This revenue may come from the direct licensing of the name and

1 image or from the royalty payments from various merchandise sales.
2 Revenue collected is appropriated for the marketing of the state as
3 a travel destination. The funds are available for expenditure when
4 they are received by the department of treasury.

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

11 (a) The name of the recipient.

12 (b) The amount awarded to the recipient.

13 (c) The purpose of the grant.

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

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

1 (b) Business attraction, retention, and growth, including any
2 expenditures authorized under section 89b of the Michigan strategic
3 fund act, 1984 PA 270, MCL 125.2089b, to supplement the Michigan
4 business marketing program. The report shall include the number of
5 commercials produced, the markets in which media buys have been
6 made, and any web-based products that were created as a result of
7 this appropriation.

8 (c) Business services.

9 (d) Community development block grants.

10 (e) Strategic fund administration.

11 (f) Renaissance zones.

12 (g) 21st century investment program.

13 (h) Business and clean air ombudsman.

14 (i) Any other programs of the fund.

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

20 Sec. 1008. As a condition of receiving funds under part 1, any
21 interlocal agreement entered into by the fund shall include
22 language which states that if a local unit of government has a
23 contract or memorandum of understanding with a private economic
24 development agency, the Michigan economic development corporation
25 will work cooperatively with that private organization in that
26 local area.

27 Sec. 1009. (1) Of the funds appropriated to the fund or

1 through grants to the Michigan economic development corporation, no
2 funds shall be expended for the purchase of options on land or the
3 purchase of land unless at least 1 of the following conditions
4 applies:

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

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

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

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

20 Sec. 1011. (1) From the general fund/general purpose
21 appropriations in part 1 to the fund and granted or transferred to
22 the Michigan economic development corporation, any unexpended or
23 unencumbered balance shall be disposed of in accordance with the
24 requirements in the management and budget act, 1984 PA 431, MCL
25 18.1101 to 18.1594, unless carryforward authorization has been
26 otherwise provided for.

27 (2) Any encumbered funds shall be used for the same purposes

1 for which funding was originally appropriated in this act.

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

5 (a) The freedom of information act, 1976 PA 442, MCL 15.231 to
6 15.246.

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

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

10 (d) All reports required by law to be submitted to the
11 legislature.

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

14 Sec. 1013. As a condition for receiving the appropriations in
15 part 1, any staff of the Michigan economic development corporation
16 involved in private fund-raising activities shall not be party to
17 any decisions regarding the awarding of grants or tax abatements
18 from the fund, the Michigan economic development corporation, or
19 the Michigan economic growth authority.

20 Sec. 1014. (1) All funds received from repayment of loans,
21 unused grants, revenues received from sales or cash flow
22 participation agreements, guarantees, or any combination of these
23 or accrued interest originally distributed as part of the core
24 communities fund, created by 2000 PA 291, shall be received, held,
25 and applied by the fund for the purposes described in 2000 PA 291.

26 (2) The fund shall provide an annual report on the status of
27 this fund which includes information that details the awards made.

1 The report shall be provided to the appropriations subcommittees on
2 general government, the fiscal agencies, and the state budget
3 office by January 31.

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

16 Sec. 1021. The unexpended portion of funds appropriated in
17 2007 PA 127 for the jobs for Michigan investment program 21st
18 century jobs fund is appropriated for the same purposes as
19 originally appropriated and is available until September 30, 2016.
20 The project shall be completed through the use of staff, awards,
21 and contracts and shall not exceed \$5,500,000.00.

22 Sec. 1023. The fund shall coordinate tourism promotion with
23 the tourism industry. The fund shall submit a report by July 1 to
24 the senate and house of representatives standing committees on
25 appropriations subcommittees on general government and the senate
26 and house fiscal agencies on the geographical locations and
27 recreational activities used in Michigan tourism promotional

1 material.

2 Sec. 1024. From the funds appropriated in part 1 and in
3 section 1201(1) for business attraction and economic gardening, not
4 less than \$20,000,000.00 shall be granted by the Michigan strategic
5 fund board for brownfield redevelopment incentives and historic
6 preservation incentives.

7 Sec. 1031. The Michigan strategic fund shall report to the
8 senate and house of representatives appropriations subcommittees on
9 general government, the senate and house fiscal agencies, and the
10 state budget office by April 15, 2012 on the spending plan for the
11 line items for innovation and entrepreneurship and business
12 attraction and economic gardening.

13 Sec. 1032. (1) The Michigan film office shall report to the
14 subcommittees and the fiscal agencies on the status of the film
15 incentives at the same time as it submits the annual report
16 required under section 455 of the Michigan business tax act, 2007
17 PA 36, MCL 208.1455. The department of treasury and the Michigan
18 strategic fund shall provide the Michigan film office with the data
19 necessary to prepare the report. Incentives included in the report
20 shall include all of the following:

21 (a) The tax credit provided under section 455 of the Michigan
22 business tax act, 2007 PA 36, MCL 208.1455.

23 (b) The tax credit provided under section 457 of the Michigan
24 business tax act, 2007 PA 36, MCL 208.1457.

25 (c) The tax credit provided under section 459 of the Michigan
26 business tax act, 2007 PA 36, MCL 208.1459.

27 (d) The amount of any tax credit claimed under section 367 of

1 the income tax act of 1967, 1967 PA 281, MCL 206.367.

2 (e) Any tax credits provided for film and digital media
3 production under the Michigan economic growth authority act, 1995
4 PA 24, MCL 207.801 to 207.810.

5 (f) Loans to an eligible production company or film and
6 digital media private equity fund authorized under section 88d(3),
7 (4), and (5) of the Michigan strategic fund act, 2005 PA 225, MCL
8 125.2088d.

9 (2) The report shall include all of the following information:

10 (a) For each tax credit, the number of contracts signed, the
11 projected expenditures qualifying for the credit, and the estimated
12 value of the credits. For loans, the number of loans made under
13 each section, the interest rate of those loans, the loan amount,
14 the percent of the projected budget of each production financed by
15 those loans, and the estimated interest earnings from the loan.

16 (b) For credits authorized under section 455 of the Michigan
17 business tax act, 2007 PA 36, MCL 208.1455, for productions
18 completed by December 31, the expenditures of each production
19 eligible for the credit that has filed a request for certificate of
20 completion with the film office, broken down into expenditures for
21 goods, services, or salaries and wages and showing separately
22 expenditures in each local unit of government, including
23 expenditures for personnel, whether or not they were made to a
24 Michigan entity, and whether or not they were taxable under the
25 laws of this state. For loans, the report shall include the number
26 of loans that have been fully repaid, with principal and interest
27 shown separately, and the number of loans that are delinquent or in

1 default, and the amount of principal that is delinquent or is in
2 default.

3 (c) For each of the tax credit incentives and loan incentives
4 listed in subsection (1), a breakdown for each project or
5 production showing each of the following:

6 (i) The number of temporary jobs created.

7 (ii) The number of permanent jobs created.

8 (iii) The number of persons employed in Michigan as a result of
9 the incentive, on a full-time equated basis.

10 (3) For any information not included in the report due to the
11 provisions of sections 455(6), 457(6), or 459(6) of the Michigan
12 business tax act, 2007 PA 36, MCL 208.1455, 208.1457, and 208.1459,
13 the report shall do all of the following:

14 (a) Indicate how the information would describe the commercial
15 and financial operations or intellectual property of the company.

16 (b) Attest that the information has not been publicly
17 disseminated at any time.

18 (c) Describe how disclosure of the information may put the
19 company at a competitive disadvantage.

20 (4) Any information not disclosed due to the provisions of
21 sections 455(6), 457(6), or 459(6) of the Michigan business tax
22 act, 2007 PA 36, MCL 208.1455, 208.1457, and 208.1459, shall be
23 presented at the lowest level of aggregation that would no longer
24 describe the commercial and financial operations or intellectual
25 property of the company.

26 Sec. 1034. (1) A portion of the funds appropriated in part 1
27 for innovation and entrepreneurship shall be used to fund business

1 incubators and accelerators. The Michigan strategic fund shall
2 award a grant to 1 high-performance business incubator or
3 accelerator in each of the following governmental units:

4 (a) Houghton County.

5 (b) Kent County.

6 (c) Macomb County.

7 (d) Oakland County.

8 (e) Washtenaw County.

9 (f) A city with a population greater than 650,000.

10 (g) A Midland County satellite site of an incubator located in
11 Isabella County.

12 (2) Grant funding awarded under this section may be used to
13 fund satellite locations, as determined by the Michigan strategic
14 fund.

15 (3) Eligible recipients for these awards must have been
16 operational on October 1, 2010 and operating continuously since
17 that date.

18 (4) Awards shall not be less than \$500,000.00 per selected
19 business incubator or accelerator. No recipient shall receive more
20 than \$2,000,000.00 under this section. No unit of local government
21 listed in subsection (1) shall receive more than 1 award.

22 (5) Applicants shall submit a comprehensive business plan to
23 the Michigan strategic fund that demonstrates the sustainability of
24 the organization.

25 (6) Awards shall be announced by December 31, 2011.

26 (7) Each recipient business incubator or accelerator shall
27 develop a dashboard of indicators to measure the effectiveness of

1 the business incubator and accelerator programs. Indicators shall
2 include the direct jobs created, new companies launched as a direct
3 result of business incubator or accelerator involvement, businesses
4 expanded as a direct result of business incubator or accelerator
5 involvement, direct investment in client companies, private equity
6 financing obtained by client companies, grant funding obtained by
7 client companies, and other measures developed by the recipient
8 business incubators and accelerators in conjunction with the
9 Michigan economic development corporation. Dashboard indicators
10 shall be reported for the prior fiscal year and cumulatively, if
11 available. Each recipient shall submit a copy of their dashboard
12 indicators to the Michigan strategic fund by March 1. The Michigan
13 strategic fund shall transmit the local reports to the senate and
14 house of representatives appropriations subcommittees on general
15 government, the senate and house fiscal agencies, and the state
16 budget office by March 15.

17 Sec. 1035. (1) From the appropriation in part 1, the Michigan
18 council for arts and cultural affairs shall administer an arts and
19 cultural grant program that maintains an equitable geographic
20 distribution of funding and utilizes past arts and cultural grant
21 programs as a guideline for administering this program. The council
22 shall do all of the following:

23 (a) On or before October 1, the fund shall publish proposed
24 application criteria, instructions, and forms for use by eligible
25 applicants. The fund shall provide at least a 2-week period for
26 public comment before finalizing the application criteria,
27 instructions, and forms.

1 (b) A nonrefundable application fee may be assessed for each
2 application. Application fees shall be deposited in the council for
3 the arts fund and are appropriated for expenses necessary to
4 administer the programs. These funds are available for expenditure
5 when they are received and may be carried forward to the following
6 fiscal year.

7 (c) Grants are to be made to public and private arts and
8 cultural entities.

9 (d) Within 1 business day after the award announcements, the
10 council shall provide to each member of the legislature and the
11 fiscal agencies a list of all grant recipients and the total award
12 given to each recipient, sorted by county.

13 (2) Up to \$100,000.00 from the appropriation in part 1 for
14 arts and cultural program may be used for the administration of
15 this grant program.

16 **MICHIGAN STRATEGIC FUND - CAREER EDUCATION**

17 Sec. 1050. The fund shall publish the "activities
18 classification structure data book" for Michigan community colleges
19 on or before March 1.

20 Sec. 1051. The fund shall compile information received from
21 community colleges on North American Indian tuition waivers granted
22 pursuant to 1976 PA 174, MCL 390.1251 to 390.1253, and shall submit
23 this compilation to the house and senate appropriations
24 subcommittees on community colleges, the fiscal agencies, and the
25 state budget director by February 15.

26 Sec. 1052. The fund shall compile information received from
27 community colleges on the number and types of associate degrees and

1 other certificates awarded during the previous fiscal year and
2 shall submit this compilation to the house and senate
3 appropriations subcommittees on community colleges, the fiscal
4 agencies, and the state budget director by January 15.

5 Sec. 1053. From the funds appropriated in part 1, the fund
6 shall allocate an amount not to exceed \$680,100.00 for the Detroit
7 precollege engineering program and the Grand Rapids area precollege
8 engineering program, which were appropriated funds under 2005 PA
9 156.

10 Sec. 1054. From the funds appropriated in part 1 for workforce
11 programs subgrantees, the fund may allocate funding for grants to
12 nonprofit organizations that offer programs to workforce investment
13 act-eligible youth focusing on entrepreneurship, work-readiness
14 skills, job shadowing, and financial literacy. Organizations
15 eligible for funding under this section must have the capacity to
16 provide similar programs in urban areas, as determined by the
17 United States bureau of the census according to the most recent
18 federal decennial census. Additionally, programs eligible for
19 funding under this section must include the participation of local
20 business partners. The fund shall develop other appropriate
21 eligibility requirements to ensure compliance with applicable
22 federal rules and regulations.

23 **MICHIGAN STRATEGIC FUND - WORKFORCE DEVELOPMENT**

24 Sec. 1060. The fund shall administer the jobs, education, and
25 training program in accordance with the requirements of section
26 407(d) of title IV of the social security act, 42 USC 607, the
27 state social welfare act, 1939 PA 280, MCL 400.1 to 400.119b, and

1 all other applicable laws and regulations.

2 Sec. 1061. State and federal funds allocated to local
3 workforce development boards for disbursement shall not be expended
4 unless the local workforce development boards maintain a
5 partnership with governmental agencies, public school districts,
6 and public colleges located within the local service delivery area.
7 Each board shall appoint an education advisory group made up of
8 high-level administrators within local educational institutions,
9 workforce development board members, other employers, labor,
10 academic educators, parents of public school pupils, and, at the
11 board's discretion, representatives of organizations that provide
12 school-based curriculum and youth programs focusing on
13 entrepreneurship, work-readiness skills, and financial literacy.

14 Sec. 1062. The fund shall make available, in person or by
15 telephone, 1 disabled veterans outreach program specialist or local
16 veterans employment representative to Michigan works! service
17 centers, as resources permit, during hours of operation, and shall
18 continue to make the appropriate placement of veterans and disabled
19 veterans a priority.

20 Sec. 1063. (1) In addition to the funds appropriated in part
21 1, any unencumbered and unrestricted federal workforce investment
22 act or trade adjustment assistance funds available from prior
23 fiscal years are appropriated for the purposes originally intended.

24 (2) The fund shall report by January 15 to the subcommittees,
25 the fiscal agencies, and the state budget office on the amount by
26 fiscal year of federal workforce investment act funds appropriated
27 under this section.

1 Sec. 1064. Of the funds appropriated in part 1 for workforce
2 training programs, up to \$200,000.00 shall be allocated for grants
3 to 2 work force development programs, meeting the following
4 criteria:

5 (a) Up to \$100,000.00 shall be allocated to 1 nonprofit
6 organization to expand an existing innovative, employer-led,
7 public/private workforce development program. Grant funds may be
8 used for program operating expenses such as staffing, rent,
9 equipment, and other expenses. To be eligible for funding under
10 this subdivision, a program must meet the following criteria:

11 (i) Provide program participants with early intervention
12 services that promote employment stabilization and alleviate
13 barriers to job attainment, retention, or advancement, including
14 assistance with transportation, language barriers, childcare,
15 housing, and facilitating access to services available through
16 public agencies and community-based organizations.

17 (ii) Provide program participants with training in basic job
18 skills, basic life skills, and career exploration.

19 (iii) Provide program participants with opportunities for
20 advancement within the network of partnering employers by
21 facilitating incumbent worker training programs.

22 (iv) Demonstrate a quantifiable return on investment for
23 participating employers, as evidenced by costs savings achieved
24 through pooled training/workforce development activities, and
25 increases in employee retention, attendance, satisfaction, and
26 productivity.

27 (v) Have a regional impact across more than 3 counties.

1 (b) Up to \$100,000.00 shall be allocated to 1 nonprofit
2 organization to expand an existing workforce development program
3 operated collaboratively with local businesses and educational
4 institutions to link unemployed and dislocated workers with new
5 market industries and to spur the development of small businesses.
6 To be eligible for funding under this subdivision, a program must
7 meet the following criteria:

8 (i) Provide low-wage, unemployed, and dislocated workers
9 assistance in developing career pathways that provide education and
10 career options for program participants to meet the workforce needs
11 of new markets and in-demand occupations.

12 (ii) Provide educational programs and seminars that provide an
13 introduction to the values and basic entrepreneurial skills
14 necessary to successfully start a new business.

15 (iii) Provide programs that provide business incubation and
16 support services, including entrepreneurial education and access to
17 capital.

18 (iv) Provide program participants with job placement
19 assistance, including on-the-job training, apprenticeships, and
20 internships.

21 Sec. 1065. Local Michigan works! agencies shall utilize a
22 portion of the funds received under part 1 for services provided by
23 local libraries that serve as access points, service centers, or
24 local partners serving high-demand service areas or underserved
25 areas.

26 Sec. 1066. It is the intent of the legislature that a portion
27 of the workforce investment act, statewide activities funds be

1 allocated to support coordinated efforts between local Michigan
2 works! agencies and police and sheriff departments to create
3 programs that offer gang diversion activities and support services
4 to at-risk youth in Wyoming, Benton Harbor, Saginaw, Mt. Morris
5 Charter Township, and Detroit.

6 Sec. 1068. (1) Of the funds appropriated in part 1 for the
7 workforce training programs, the fund shall provide a report by
8 December 15 to the house and senate chairs of the subcommittees,
9 the state budget director, and the fiscal agencies on the status of
10 the no-worker-left-behind program. The report shall include the
11 following:

12 (a) The amount of funding allocated to each Michigan works!
13 agency and the total funding allocated to the no-worker-left-behind
14 program statewide by fund source.

15 (b) The number of participants enrolled in the program by each
16 Michigan works! agency.

17 (c) The average duration of training for program participants
18 by each Michigan works! agency.

19 (d) The number of participants enrolled in remedial education
20 programs and the number of participants enrolled in literacy
21 programs.

22 (e) The number of participants enrolled in programs at 2-year
23 institutions.

24 (f) The number of participants enrolled in 4-year
25 institutions.

26 (g) The number of participants enrolled in proprietary schools
27 or other technical training programs.

(h) The number of participants that have completed education or training programs.

(i) The number of participants who secured employment in Michigan within 1 year of completing a no-worker-left-behind training program.

(j) The number of participants who completed a no-worker-left-behind training program and secured employment in a field related to their training.

(k) The average wage earned by participants who completed a no-worker-left-behind training program and secured employment within 1 year.

(2) Data collection for the report shall be for the period October 1, 2011 through September 30, 2012.

REVENUE STATEMENT

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

BUDGET RECOMMENDATIONS BY OPERATING FUNDS

(Amounts in millions)

Fiscal Year 2011-2012

	Beginning			
	Fund	Unreserved		
	Fund	Estimated	Ending	
	Balance	Revenue	Balance	
OPERATING FUNDS				

1	General fund/general purpose	0110	313.6	8,802.0	473.4
2	General fund/special purpose		972.1	20,529.7	321.1
3	Special Revenue Funds:				
4	Countercyclical budget and				
5	economic stabilization	0111	2.2	0.0	2.2
6	Game and fish protection	0112	3.9	63.9	1.8
7	Michigan employment security act				
8	administration	0113	11.8	8.4	15.0
9	State aeronautics	0114	19.4	119.8	31.5
10	Michigan veterans' benefit				
11	trust	0115	0.0	5.2	0.0
12	State trunkline	0116	5.7	1,905.8	(20.5)
13	Michigan state waterways	0117	1.4	27.4	0.1
14	Blue Water Bridge	0118	19.3	21.3	20.6
15	Michigan transportation	0119	0.0	1,853.4	0.0
16	Comprehensive transportation	0120	0.1	315.4	(66.0)
17	School aid	0122	0.0	12,711.3	0.0
18	Game and fish protection trust	0124	6.0	8.7	6.0
19	State park improvement	0125	6.0	48.6	14.1
20	Forest development	0126	3.8	29.2	0.0
21	Michigan civilian conservation				
22	corps endowment	0128	0.0	0.0	0.0
23	Michigan natural resources				
24	trust	0129	35.8	0.7	24.7
25	Michigan state parks endowment	0130	4.9	43.8	20.6
26	Safety education and training	0131	6.1	8.7	6.4
27	Bottle deposit	0136	0.0	11.7	0.0

1	State construction code	0138	2.6	7.3	0.0
2	Children's trust	0139	0.9	2.9	0.7
3	State casino gaming	0140	0.0	34.3	(2.0)
4	Michigan nongame fish and				
5	wildlife	0143	0.1	0.3	0.0
6	Michigan merit award trust	0154	0.0	136.0	0.0
7	Outdoor recreation legacy	0162	0.4	2.9	0.7
8	Off-road vehicle account	0163	0.2	3.6	0.1
9	Snowmobile account	0164	0.7	12.1	0.7
10	Silicosis dust disease				
11	and logging	0870	2.1	1.7	2.1
12	Utility consumer representation	0893	3.6	1.1	3.6
13	TOTALS		\$1,422.7	\$46,717.2	\$857.0

14 ONE-TIME BASIS ONLY

15 Sec. 1201. (1) For the state fiscal year ending September 30,
 16 2012, there is appropriated from general fund/general purpose
 17 revenue, on a 1-time basis only, \$136,250,000.00 for the following
 18 purposes:

19	DTMB - asbestos abatement, former state police	
20	headquarters.....	\$ 1,250,000
21	DTMB - other postemployment benefits.....	60,000,000
22	Michigan strategic fund - film incentive funding.....	25,000,000
23	Michigan strategic fund - business attraction and economic	
24	gardening.....	50,000,000

25 (2) For the state fiscal year ending September 30, 2012, there

1 is appropriated from sales tax revenue, on a 1-time basis only,
 2 \$30,000,000.00 for the following purposes:

3	Treasury - county revenue sharing.....	\$	15,000,000
4	Treasury - economic vitality incentive program.....		15,000,000

5 PART 2A
 6 PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS
 7 FOR FISCAL YEAR 2012-2013

8 **GENERAL SECTIONS**

9 Sec. 1301. It is the intent of the legislature to provide
 10 appropriations for the fiscal year ending on September 30, 2013 for
 11 the line items listed in part 1. The fiscal year 2012-2013
 12 appropriations are anticipated to be the same as those for fiscal
 13 year 2011-2012, except that the line items will be adjusted for
 14 changes in caseload and related costs, federal fund match rates,
 15 economic factors, and available revenue. These adjustments will be
 16 determined after the January 2012 consensus revenue estimating
 17 conference.