

SENATE SUBSTITUTE FOR
HOUSE BILL NO. 5014
(As amended November 8, 2011)

A bill to make, supplement, and adjust appropriations for various state departments and agencies for the fiscal year ending September 30, 2012; to provide for the expenditure of the appropriations; and to repeal acts and parts of acts.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

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PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the various state departments and agencies to supplement appropriations for the fiscal year ending September 30, 2012, from the following funds:

APPROPRIATION SUMMARY

Full-time equated classified positions..... 4.5

GROSS APPROPRIATION..... \$<396,963,400>

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1	Total interdepartmental grants and intradepartmental	
2	transfers	30,613,800
3	ADJUSTED GROSS APPROPRIATION.....	\$ <<366,349,600>>
4	Total federal revenues.....	279,326,500
5	Total local revenues.....	0
6	Total private revenues.....	<<114,000>>
7	Total other state restricted revenues.....	(93,455,800)
8	State general fund/general purpose.....	\$ <<180,364,900>>

9 **Sec. 102. DEPARTMENT OF AGRICULTURE AND RURAL**
10 **DEVELOPMENT**

11 **(1) APPROPRIATION SUMMARY**

12	GROSS APPROPRIATION.....	\$	200,000
13	Interdepartmental grant revenues:		
14	Total interdepartmental grants and intradepartmental		
15	transfers		0
16	ADJUSTED GROSS APPROPRIATION.....	\$	200,000
17	Federal revenues:		
18	Total federal revenues.....		0
19	Special revenue funds:		
20	Total local revenues.....		0
21	Total private revenues.....		0
22	Total other state restricted revenues.....		200,000
23	State general fund/general purpose.....	\$	0

24 **(2) ENVIRONMENTAL STEWARDSHIP**

25	Forest development.....	\$	<u>200,000</u>
26	GROSS APPROPRIATION.....	\$	200,000

1 Appropriated from:

2 Special revenue funds:

3 Forest development fund..... 200,000

4 State general fund/general purpose..... \$ 0

5 **Sec. 103. DEPARTMENT OF CIVIL RIGHTS**

6 **(1) APPROPRIATION SUMMARY**

7 GROSS APPROPRIATION..... \$ 206,700

8 Interdepartmental grant revenues:

9 Total interdepartmental grants and intradepartmental
10 transfers 0

11 ADJUSTED GROSS APPROPRIATION..... \$ 206,700

12 Federal revenues:

13 Total federal revenues..... 0

14 Special revenue funds:

15 Total local revenues..... 0

16 Total private revenues..... 0

17 Total other state restricted revenues..... 0

18 State general fund/general purpose..... \$ 206,700

19 **(2) CIVIL RIGHTS OPERATIONS**

20 Asian Pacific American affairs commission..... \$ 206,700

21 GROSS APPROPRIATION..... \$ 206,700

22 Appropriated from:

23 State general fund/general purpose..... \$ 206,700

24 **Sec. 104. DEPARTMENT OF COMMUNITY HEALTH**

25 **(1) APPROPRIATION SUMMARY**

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1	GROSS APPROPRIATION.....	\$	348,502,000
2	Interdepartmental grant revenues:		
3	Total interdepartmental grants and intradepartmental		
4	transfers		0
5	ADJUSTED GROSS APPROPRIATION.....	\$	348,502,000
6	Federal revenues:		
7	Total federal revenues.....		269,476,500
8	Special revenue funds:		
9	Total local revenues.....		0
10	Total private revenues.....		0
11	Total other state restricted revenues.....		(96,329,000)
12	State general fund/general purpose.....	\$	175,354,500
13	(2) COMMUNITY MENTAL HEALTH/SUBSTANCE ABUSE		
14	SERVICES PROGRAMS		
15	Medicaid mental health services.....	\$	68,369,300
16	Medicaid adult benefits waiver.....		1,019,400
17	Medicaid substance abuse services.....		1,485,400
18	Community substance abuse prevention, education, and		
19	treatment <<program>>		(81,737,500)
20	Community substance abuse prevention, education, and		
21	treatment <<program>>		<u>81,737,500</u>
22	GROSS APPROPRIATION.....	\$	70,874,100
23	Appropriated from:		
24	Federal revenues:		
25	Total federal revenues.....		46,876,100
26	State general fund/general purpose.....	\$	23,998,000
27	(3) CHRONIC DISEASE AND INJURY PREVENTION AND		

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1	HEALTH PROMOTION		
2	Injury control intervention project	\$	<u>200,000</u>
3	GROSS APPROPRIATION	\$	200,000
4	Appropriated from:		
5	Federal revenues:		
6	Total federal revenues		100,000
7	State general fund/general purpose	\$	100,000
8	(4) FAMILY, MATERNAL, AND CHILDREN'S HEALTH		
9	SERVICES		
10	Dental programs	\$	<u>25,000</u>
11	GROSS APPROPRIATION	\$	25,000
12	Appropriated from:		
13	State general fund/general purpose	\$	25,000
14	(5) MEDICAL SERVICES ADMINISTRATION		
15	Electronic health record incentive program	\$	<u>119,388,800</u>
16	GROSS APPROPRIATION	\$	119,388,800
17	Appropriated from:		
18	Federal revenues:		
19	Total federal revenues		117,989,900
20	State general fund/general purpose	\$	1,398,900
21	(6) MEDICAL SERVICES		
22	Hospital services and therapy	\$	18,860,000
23	Hospital disproportionate share payments		<<8,520,900>>
24	Auxiliary medical services		450,000
25	Health plan services		130,183,200
26	Subtotal basic medical services program		<u>158,014,100</u>
27	GROSS APPROPRIATION	\$	158,014,100

1	Appropriated from:	
2	Federal revenues:	
3	Total federal revenues	104,510,500
4	Special revenue funds:	
5	Total other state restricted revenues	(96,329,000)
6	State general fund/general purpose	\$ 149,832,600
7	Sec. 105. DEPARTMENT OF CORRECTIONS	
8	(1) APPROPRIATION SUMMARY	
9	GROSS APPROPRIATION	\$ 400,000
10	Interdepartmental grant revenues:	
11	Total interdepartmental grants and intradepartmental	
12	transfers	0
13	ADJUSTED GROSS APPROPRIATION	\$ 400,000
14	Federal revenues:	
15	Total federal revenues	0
16	Special revenue funds:	
17	Total local revenues	0
18	Total private revenues	0
19	Total other state restricted revenues	0
20	State general fund/general purpose	\$ 400,000
21	(2) SOUTHERN REGION CORRECTIONAL FACILITIES	
22	Camp Brighton correctional facility - Pinckney	\$ <u>400,000</u>
23	GROSS APPROPRIATION	\$ 400,000
24	Appropriated from:	
25	State general fund/general purpose	\$ 400,000

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1 **Sec. 106. DEPARTMENT OF EDUCATION**

2 **(1) APPROPRIATION SUMMARY**

3 Full-time equated classified positions..... 36.0

4 GROSS APPROPRIATION..... \$ <<206,360,800>>

5 Interdepartmental grant revenues:

6 Total interdepartmental grants and intradepartmental

7 transfers 0

8 ADJUSTED GROSS APPROPRIATION..... \$ <<206,360,800>>

9 Federal revenues:

10 Total federal revenues..... 164,151,700

11 Special revenue funds:

12 Total local revenues..... 0

13 Total private revenues..... 89,000

14 Total other state restricted revenues..... 0

15 State general fund/general purpose..... \$ <<42,120,100>>

16 **(2) STATE BOARD OF EDUCATION/OFFICE OF THE**

17 **SUPERINTENDENT**

18 Unclassified positions..... \$ 89,000

19 GROSS APPROPRIATION..... \$ 89,000

20 Appropriated from:

21 Special revenue funds:

22 Private revenues..... 89,000

23 State general fund/general purpose..... \$ 0

24 **(3) EARLY CHILDHOOD EDUCATION AND FAMILY SERVICES**

25 Full-time equated classified positions..... (26.0)

26 Early childhood education and family services

27 operations--(26.0) FTE positions..... \$ (4,295,700)

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1	GROSS APPROPRIATION.....	\$	(4,295,700)
2	Appropriated from:		
3	Federal revenues:		
4	Federal revenues.....		(3,388,300)
5	Special revenue funds:		
6	Certification fees.....		(59,100)
7	State general fund/general purpose.....	\$	(848,300)
8	(4) MICHIGAN OFFICE OF GREAT START		
9	Full-time equated classified positions..... 62.0		
10	Office of great start operations--61.0 FTE positions .	\$	<<20,516,700>>
11	Child development and care external support		30,613,800
12	Head start collaboration office--1.0 FTE position		281,300
13	Child development care public assistance		<u>159,155,700</u>
14	GROSS APPROPRIATION.....	\$	<<210,567,500>>
15	Appropriated from:		
16	Federal revenues:		
17	Federal revenues.....		167,540,000
18	Special revenue funds:		
19	Certification fees.....		59,100
20	State general fund/general purpose	\$	<<42,968,400>>
21	Sec. 107. EXECUTIVE OFFICE		
22	(1) APPROPRIATION SUMMARY		
23	GROSS APPROPRIATION.....	\$	200,000
24	Interdepartmental grant revenues:		
25	Total interdepartmental grants and intradepartmental		
26	transfers		0

1	ADJUSTED GROSS APPROPRIATION	\$	200,000
2	Federal revenues:		
3	Total federal revenues		0
4	Special revenue funds:		
5	Total local revenues		0
6	Total private revenues		0
7	Total other state restricted revenues		0
8	State general fund/general purpose	\$	200,000
9	(2) GOVERNOR'S COUNCIL ON EDUCATOR EFFECTIVENESS		
10	Governor's council on educator effectiveness		
11	operations	\$	<u>200,000</u>
12	GROSS APPROPRIATION	\$	200,000
13	Appropriated from:		
14	State general fund/general purpose	\$	200,000
15	Sec. 108. DEPARTMENT OF HUMAN SERVICES		
16	(1) APPROPRIATION SUMMARY		
17	Full-time equated classified positions..... (36.0)		
18	GROSS APPROPRIATION	\$	(175,558,000)
19	Interdepartmental grant revenues:		
20	Total interdepartmental grants and intradepartmental		
21	transfers		30,613,800
22	ADJUSTED GROSS APPROPRIATION	\$	(206,171,800)
23	Federal revenues:		
24	Total federal revenues		(164,151,700)
25	Special revenue funds:		
26	Total local revenues		0

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1	Total private revenues.....	<<25,000>>
2	Total other state restricted revenues.....	0
3	State general fund/general purpose	\$ < (42,045,100) >>
4	(2) EXECUTIVE OPERATIONS	
5	Full-time equated classified positions..... (10.0)	
6	Salaries and wages--(9.0) FTE positions.....	\$ (498,500)
7	Contractual services, supplies, and materials.....	19,600
8	AFC, children's welfare and day care licensure.....	0
9	Demonstration projects--(1.0) FTE position.....	(281,300)
10	State office of administrative hearings and rules....	<u>0</u>
11	GROSS APPROPRIATION.....	\$ (760,200)
12	Appropriated from:	
13	Interdepartmental grant revenues:	
14	Interdepartmental grant from the department of	
15	education	14,694,200
16	Federal revenues:	
17	Total other federal revenues.....	(15,423,100)
	<<Special revenue funds:	
	Total private revenues.....	25,000>>
18	State general fund/general purpose.....	\$ < (56,300) >>
19	(3) ADULT AND FAMILY SERVICES	
20	Office of program policy.....	\$ <u>0</u>
21	GROSS APPROPRIATION.....	\$ 0
22	Appropriated from:	
23	Interdepartmental grant revenues:	
24	Interdepartmental grant from the department of	
25	education	25,000
26	Federal revenues:	
27	Total other federal revenues.....	(25,000)

1	State general fund/general purpose	\$	0
2	(4) CHILDREN'S SERVICES		
3	ECIC, early childhood investment corporation	\$	<u>(12,723,000)</u>
4	GROSS APPROPRIATION	\$	(12,723,000)
5	Appropriated from:		
6	Federal revenues:		
7	Total other federal revenues		(12,723,000)
8	State general fund/general purpose	\$	0
9	(5) CHILD WELFARE SERVICES		
10	Foster care payments	\$	(615,000)
11	Tribal foster care payments		615,000
12	Contractual services, supplies, and materials		0
13	Administrative support workers		0
14	Second line supervisors and technical staff		<u>0</u>
15	GROSS APPROPRIATION	\$	0
16	Appropriated from:		
17	Interdepartmental grant revenues:		
18	Interdepartmental grant from the department of		
19	education		235,000
20	Federal revenues:		
21	Total other federal revenues		(235,000)
22	State general fund/general purpose	\$	0
23	(6) LOCAL OFFICE STAFF AND OPERATIONS		
24	Field staff salaries and wages	\$	0
25	Donated funds positions		0
26	Contractual services, supplies, and materials		<u>0</u>
27	GROSS APPROPRIATION	\$	0

1	Appropriated from:	
2	Interdepartmental grant revenues:	
3	Interdepartmental grant from the department of	
4	education	7,716,000
5	Federal revenues:	
6	Total other federal revenues	(7,716,000)
7	State general fund/general purpose	\$ 0
8	(7) CENTRAL SUPPORT ACCOUNTS	
9	Travel	\$ (1,800)
10	Occupancy charge	0
11	Rent	0
12	Payroll taxes and fringe benefits	<u>(268,900)</u>
13	GROSS APPROPRIATION	\$ (270,700)
14	Appropriated from:	
15	Interdepartmental grant revenues:	
16	Interdepartmental grant from the department of	
17	education	6,000,000
18	Federal revenues:	
19	Total other federal revenues	(6,270,700)
20	State general fund/general purpose	\$ 0
21	(8) PUBLIC ASSISTANCE	
22	Full-time equated classified positions..... (26.0)	
23	Family independence program	\$ 0
24	Licensed and registered child development and care ...	(99,312,900)
25	Enrolled child development and care	(59,842,800)
26	Day care technology and oversight--(26.0) FTE	
27	positions	<u>(2,618,400)</u>

1	GROSS APPROPRIATION.....	\$	(161,774,100)
2	Appropriated from:		
3	Federal revenues:		
4	Total other federal revenues.....		(119,785,300)
5	State general fund/general purpose.....	\$	(41,988,800)
6	(9) INFORMATION TECHNOLOGY		
7	Information technology services and projects.....	\$	<u>(30,000)</u>
8	GROSS APPROPRIATION.....	\$	(30,000)
9	Appropriated from:		
10	Interdepartmental grant revenues:		
11	Interdepartmental grant from the department of		
12	education		1,943,600
13	Federal revenues:		
14	Total other federal revenues.....		(1,973,600)
15	State general fund/general purpose.....	\$	0
16	Sec. 109. LEGISLATURE		
17	(1) APPROPRIATION SUMMARY		
18	GROSS APPROPRIATION.....	\$	523,000
19	Interdepartmental grant revenues:		
20	Total interdepartmental grants and intradepartmental		
21	transfers		0
22	ADJUSTED GROSS APPROPRIATION.....	\$	523,000
23	Federal revenues:		
24	Total federal revenues.....		0
25	Special revenue funds:		
26	Total local revenues.....		0

1	Total private revenues.....		0
2	Total other state restricted revenues.....		0
3	State general fund/general purpose.....	\$	523,000
4	(2) LEGISLATIVE COUNCIL		
5	Legislative council.....	\$	470,000
6	National association dues.....		<u>53,000</u>
7	GROSS APPROPRIATION.....	\$	523,000
8	Appropriated from:		
9	State general fund/general purpose.....	\$	523,000
10	Sec. 110. DEPARTMENT OF LICENSING AND REGULATORY		
11	AFFAIRS		
12	(1) APPROPRIATION SUMMARY		
13	Full-time equated classified positions.....	2.5	
14	GROSS APPROPRIATION.....	\$	12,850,000
15	Interdepartmental grant revenues:		
16	Total interdepartmental grants and intradepartmental		
17	transfers		0
18	ADJUSTED GROSS APPROPRIATION.....	\$	12,850,000
19	Federal revenues:		
20	Total federal revenues.....		9,850,000
21	Special revenue funds:		
22	Total local revenues.....		0
23	Total private revenues.....		0
24	Total other state restricted revenues.....		1,500,000
25	State general fund/general purpose.....	\$	1,500,000
26	(2) MICHIGAN ADMINISTRATIVE HEARING SYSTEM		

1	Michigan administrative hearing system.....	\$	<u>1,500,000</u>
2	GROSS APPROPRIATION.....	\$	1,500,000
3	Appropriated from:		
4	Special revenue funds:		
5	Tax tribunal fund.....		1,500,000
6	State general fund/general purpose.....	\$	0
7	(3) MIHEALTH MARKETPLACE		
8	Full-time equated classified positions.....		2.5
9	MIHealth marketplace project--2.5 FTE positions.....	\$	<u>9,850,000</u>
10	GROSS APPROPRIATION.....	\$	9,850,000
11	Appropriated from:		
12	Federal revenues:		
13	HHS-level 1 planning grant for health care exchange ..		9,850,000
14	State general fund/general purpose.....	\$	0
15	(4) DEPARTMENT GRANTS		
16	Independent living.....	\$	<u>1,500,000</u>
17	GROSS APPROPRIATION.....	\$	1,500,000
18	Appropriated from:		
19	State general fund/general purpose.....	\$	1,500,000
20	Sec. 111. DEPARTMENT OF TRANSPORTATION		
21	(1) APPROPRIATION SUMMARY		
22	Full-time equated classified positions.....		2.0
23	GROSS APPROPRIATION.....	\$	200,000
24	Interdepartmental grant revenues:		
25	Total interdepartmental grants and intradepartmental		
26	transfers		0

1	ADJUSTED GROSS APPROPRIATION.....	\$	200,000
2	Federal revenues:		
3	Total federal revenues.....		0
4	Special revenue funds:		
5	Total local revenues.....		0
6	Total private revenues.....		0
7	Total other state restricted revenues.....		0
8	State general fund/general purpose.....	\$	200,000
9	(2) FINANCE, CONTRACTS, AND SUPPORT SERVICES		
10	Full-time equated classified positions.....	2.0	
11	Welcome center operations--2.0 FTE positions.....	\$	<u>200,000</u>
12	GROSS APPROPRIATION.....	\$	200,000
13	Appropriated from:		
14	State general fund/general purpose.....	\$	200,000
15	Sec. 112. DEPARTMENT OF TREASURY		
16	(1) APPROPRIATION SUMMARY		
17	GROSS APPROPRIATION.....	\$	3,078,900
18	Interdepartmental grant revenues:		
19	Total interdepartmental grants and intradepartmental		
20	transfers		0
21	ADJUSTED GROSS APPROPRIATION.....	\$	3,078,900
22	Federal revenues:		
23	Total federal revenues.....		0
24	Special revenue funds:		
25	Total local revenues.....		0
26	Total private revenues.....		0

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1	Total other state restricted revenues	1,173,200
2	State general fund/general purpose	\$ 1,905,700
3	(2) MICHIGAN STRATEGIC FUND	
4	Precollege engineering programs	\$ 680,100
5	GROSS APPROPRIATION	\$ 680,100
6	Appropriated from:	
7	State general fund/general purpose	\$ 680,100
8	(3) PAYMENTS IN LIEU OF TAXES	
9	Commercial forest reserve	\$ 351,500
10	Purchased lands	1,113,200
11	Swamp and tax reverted funds	934,100
12	GROSS APPROPRIATION	\$ 2,398,800
13	Appropriated from:	
14	Special revenue funds:	
15	Game and fish protection fund	212,000
16	Michigan natural resources trust fund	944,500
17	Michigan state waterways fund	16,700
18	State general fund/general purpose	\$ 1,225,600
	<<(4) REVENUE SHARING	
	Economic vitality incentive program	\$ (200,000,000)
	Economic vitality incentive program	200,000,000
	Economic vitality incentive program, one-time basis only	(15,000,000)
	Economic vitality incentive program, one-time basis only	15,000,000
	GROSS APPROPRIATION	\$ 0
	Appropriated from:	
	Special revenue funds:	
	Sales tax revenue	0
	State general fund/general purpose	\$ 0>>

19 PART 2

20 PROVISIONS CONCERNING APPROPRIATIONS

21 GENERAL SECTIONS

22 Sec. 201. In accordance with the provisions of section 30 of
 23 article IX of the state constitution of 1963, total state spending
 24 from state resources in this appropriation act for the fiscal year
 25 ending September 30, 2012 is <<\$96,909,100.00>> and state

1 appropriations paid to local units of government are
 2 \$26,396,800.00. The itemized statement below identifies
 3 appropriations from which spending to local units of government
 4 will occur:

5 DEPARTMENT OF COMMUNITY HEALTH

6	Medicaid mental health services.....	\$	23,149,800
7	Medicaid adult benefits waiver.....		345,200
8	Medicaid substance abuse services.....	\$	503,000

9 DEPARTMENT OF TREASURY

10	Commercial forest reserve.....	\$	351,500
11	Purchased lands.....		1,113,200
12	Swamp and tax reverted funds.....	\$	<u>934,100</u>
13	TOTAL.....	\$	26,396,800

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

19 DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT

20 Sec. 231. The funds appropriated in part 1 for forest
 21 development shall be used for the support of forestry on private
 22 lands by conservation districts. All expenditures shall be made in
 23 accordance with section 50507 of the natural resources and
 24 environmental protection act, 1994 PA 451, MCL 324.50507.

25 DEPARTMENT OF COMMUNITY HEALTH

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1 Sec. 251. (1) From the funds appropriated in part 1 for
2 hospital services and therapy, \$10,000,000.00 shall be allocated to
3 make payments to hospitals and hospital systems meeting the
4 criteria outlined in subsection (2).

5 (2) Hospitals and hospital systems eligible for the funding in
6 subsection (1) shall receive their Medicaid reimbursements via
7 diagnosis related group payments, shall meet the medical services
8 administration disproportionate share hospital requirements for
9 obstetrical services, shall have received less than \$1,400,000.00
10 in disproportionate share hospital payments in fiscal year 2010-
11 2011, and shall have at least <<10.0%>> indigent volume as defined in
12 subsection (3).

13 (3) For the purposes of this section, "indigent volume" means
14 the indigent volume reported by hospitals in their cost reports
15 provided to the department for reporting periods ending during
16 fiscal year 2009-2010.

17 (4) The funding allocated in subsection (1) shall be
18 distributed based on each eligible hospital's share of the total
19 indigent volume for eligible hospitals.

20 Sec. 252. From the funds appropriated in part 1 for hospital
21 services and therapy, \$8,860,000.00 shall be allocated for an
22 across-the-board rate increase in graduate medical education
23 payments to hospitals and hospital systems receiving such payments
24 in fiscal year 2011-2012.

25 Sec. 253. The department shall, subject to approval by the
26 centers for Medicare and Medicaid services, implement the Michigan
27 patient care transformation program only through direct agreements

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1 with eligible physicians and physician organizations and shall not
2 include funding through Medicaid health plan rates. Medicaid health
3 plans shall not be required to participate in this program.

4 Sec. 254. The funding reduction in the community substance
5 abuse prevention, education, and treatment <<program>> line made in
6 fiscal year

6 2011-2012 shall be implemented through an across-the-board
7 percentage reduction for each entity receiving funding from the
8 department.

9 Sec. 255. From the funds appropriated in part 1 for auxiliary
10 medical services, the department shall restore coverage for
11 Medicaid chiropractic services, effective January 1, 2012. The
12 coverage, payment rates, and limits shall be not less than the
13 level that was in effect on October 1, 2002.

14 Sec. 256. (1) From the funds appropriated in part 1 for the
15 injury control intervention project, \$200,000.00 shall be used to
16 continue 2 incentive-based pilot programs for level I and level II
17 trauma hospitals to ensure greater state utilization of an
18 interactive, evidence-based treatment guideline model for traumatic
19 brain injury.

20 (2) One pilot program shall be placed in a county with a
21 population of less than 225,000. The other pilot program shall be
22 placed in a county with a population over 1,000,000.

23 DEPARTMENT OF EDUCATION

24 <<Sec. 271. (1) From the amount appropriated in part 1 for
25 office of great start operations, there is allocated \$75,000.00
26 to the department to contract for a report that updates the

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1 information and data in the previously completed analysis published
 2 by the W.K. Kellogg Foundation entitled "Building a Sustainable
 3 Future - Analysis of the Fiscal Resources Supporting Children from
 4 Birth Through Age 8 in Michigan."

5 (2) The report identified in (1) shall include at least the
 6 following:

7 (a) Each source and amount of early childhood funding.

8 (b) The agency responsible for distributing the funding
 9 identified in subdivision (a).

10 (c) The recipients of each type of funding identified in
 11 subdivision (a).

12 (d) For each recipient identified in (c), the dollar amount
 13 and percentage of funding spent for administrative purposes.

14 (e) A fiscal map of federal, state, and private expenditures
 15 on programs and services for children, from birth through age 8
 16 and their families.

17 <<(f) An analysis of the effectiveness of early childhood
 programs in ensuring funding is used to provide services for
 children and families and the efficiency of any funding spent on
 administration, highlighting the diversification and adequacy of
 existing funding, the stability and flexibility of available
 programs and funding sources, and the coordination of funding from
 multiple public and private sources.>>

(3) The updated information and data shall be included in a
 report to the legislature along with any related recommendations
 the department may have to ensure children are developmentally
 ready to succeed in school at the time of school entry.

(4) The report shall be completed not later than May 15, 2012
 and, upon completion, the report shall be transmitted to the state
 budget director, the chairpersons of the senate and house of
 representatives committees on appropriations and the appropriations
 subcommittees responsible for the department of education budget,
 and the senate and house fiscal agencies.>>

18 DEPARTMENT OF HUMAN SERVICES

19 Sec. 301. From the funds appropriated in part 1 for tribal
 20 foster care payments, the department shall provide 50%
 21 reimbursement to Indian tribal governments for foster care
 22 expenditures for children who are under the jurisdiction of Indian
 23 tribal courts and who are not otherwise eligible for federal foster
 24 care cost sharing.

25 <<Sec. 303. (1) If private funds become available, the
 26 department shall enter into a contract with a state university or

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1 outside research entity to conduct a behavioral health study of
2 juvenile justice facilities operated or contracted for by the
3 state. The study shall utilize diagnostic clinical interviews with
4 and records reviews for a representative random sample of juvenile
5 justice system detainees to develop a report on each of the
6 following:

7 (a) The proportion of juvenile justice detainees with a
8 primary diagnosis of emotional disorder, the percentage of
9 those detainees considered to currently require mental health
10 treatment, and the proportion of those detainees currently
11 receiving mental health services, including a description and
12 breakdown, encompassing, at a minimum, the categories of inpatient,
13 residential, and outpatient care, of the type of mental health
14 services provided to those detainees.

15 (b) The proportion of juvenile justice detainees with a
16 primary diagnosis of addiction disorder, the percentage of
17 those detainees considered to currently require substance abuse
18 treatment, and the proportion of those detainees currently
19 receiving substance abuse services, including a description and
20 breakdown, encompassing, at a minimum, the categories of
21 residential and outpatient care, of the type of substance abuse
22 services provided to those detainees.

23 (c) The proportion of juvenile justice detainees with a dual
24 diagnosis of emotional disorder and addiction disorder, the
25 percentage of those detainees considered to currently require
26 treatment for their condition, and the proportion of those
27 detainees currently receiving that treatment, including a

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1 description and breakdown, encompassing, at a minimum, the
2 categories of mental health inpatient, mental health residential,
3 mental health outpatient, substance abuse residential, and
4 substance abuse outpatient, of the type of treatment provided to
5 those detainees.

6 (d) Data indicating whether juvenile justice detainees with a
7 primary diagnosis of emotional disorder, a primary
8 diagnosis of addiction disorder, and a dual diagnosis of emotional
9 disorder and addiction disorder were previously hospitalized in a
10 state psychiatric hospital for persons with mental illness. These
11 data shall be broken down according to each of these 3 respective
12 categories.

13 (e) Data indicating whether and with what frequency juvenile
14 justice detainees with a primary diagnosis of emotional disorder, a
15 primary diagnosis of addiction disorder, and a dual diagnosis of
16 emotional disorder and addiction disorder have been detained
17 previously. These data shall be broken down according to each of
18 these 3 respective categories.

19 (f) Data classifying the types of offenses historically
20 committed by juvenile justice detainees with a primary diagnosis of
21 emotional disorder, a primary diagnosis of addiction disorder, and
22 a dual diagnosis of emotional disorder and addiction disorder.

23 These data shall be broken down according to each of these 3
24 respective categories.

25 (g) Data indicating whether juvenile justice detainees have
26 previously received services managed by a community
27 mental health program or substance abuse coordinating agency. These

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1 data shall be broken down according to the respective categories of
 2 detainees with a primary diagnosis of emotional disorder, a primary
 3 diagnosis of addiction disorder, and a dual diagnosis of emotional
 4 disorder and addiction disorder.

5 (2) The report referenced under subsection (1) would be
 6 provided not later than June 30 of the current fiscal year
 7 to the senate and house appropriations subcommittees on human
 8 services, the senate and house fiscal agencies and
 policy offices, and the state budget director.>>

9 DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS

10 Sec. 351. It is the intent of the legislature that acceptance
 11 of the level 1 planning grant to support the state-operated health
 12 benefit exchange in the MIHealth marketplace project line item does
 13 not commit the state of Michigan to further implementation of the
 14 provisions of the patient protection and affordable care act,
 15 Public Law 111-148, and the health care and education
 16 reconciliation act of 2010, Public Law 111-152.

<<DEPARTMENT OF TRANSPORTATION

Sec. 371. The funds appropriated in part 1 for welcome center
 operations shall be used first to maintain a minimum of 8 hours of
 operation, seven days per week, at the Mackinaw City, St. Ignace,
 and Sault Ste. Marie welcome centers. Any remaining funds shall be
 distributed equally among the remaining welcome centers across the
 state.>>

17 DEPARTMENT OF TREASURY

18 Sec. 401. From the funds appropriated in part 1 for pre-
 19 college engineering programs, an amount not to exceed \$680,100.00
 20 shall be allocated to the Michigan strategic fund for grants to the
 21 Detroit precollege engineering program and the Grand Rapids area
 22 precollege engineering program, which were appropriated funds under
 23 2005 PA 156.

24 Sec. 402. (1) From the funds appropriated in fiscal year 2011-
 25 2012 for the economic vitality incentive program, \$5,000,000.00 is

1 to be used for assistance grants to cities, villages, townships,
2 and counties to offset the costs associated with mergers,
3 interlocal agreements, and cooperative efforts for those cities,
4 villages, townships, and counties that elect to combine government
5 operations. Grant funding shall be available for mergers,
6 interlocal agreements, and cooperative efforts that occur on or
7 after October 1, 2011. The department of treasury shall develop an
8 application process and method of grant distribution.

9 (2) From the funds appropriated in fiscal year 2011-2012 for
10 the economic vitality incentive program, \$210,000,000.00 is to be
11 used for grants to cities, villages, and townships such that,
12 subject to fulfilling the requirements under subsection (3)(a),
13 (b), or (c), each city, village, or township that received a
14 payment under section 950(2) of 2009 PA 128 greater than \$4,500.00
15 will be eligible to receive a maximum of 67.837363% of its total
16 payment received under section 950(2) of 2009 PA 128, rounded to
17 the nearest dollar. For the purposes of this subsection, any city
18 or village that according to the 2010 federal decennial census is
19 determined to have population in more than 1 county will be treated
20 as a single entity when determining the payment received under
21 section 950(2) of 2009 PA 128.

22 (3) Cities, villages, and townships eligible to receive a
23 potential payment from the allocation under subsection (2) may
24 qualify to receive economic vitality incentive program payments
25 under 1 or more of the following 3 categories:

26 (a) Category 1, accountability and transparency, requires each
27 eligible city, village, or township to certify that by October 1,

1 2011, it has produced, and has made readily available to the
2 public, a citizen's guide and a performance dashboard of its local
3 finances, including a recognition of its unfunded liabilities. Each
4 city, village, and township applying for a payment under this
5 category shall submit a copy of the citizen's guide and a copy of
6 the performance dashboard to the department of treasury.

7 (b) Category 2, consolidation of services, requires each
8 eligible city, village, or township to certify that by January 1,
9 2012, it has a plan with 1 or more proposals to increase its
10 existing level of cooperation, collaboration, and consolidation,
11 either within the jurisdiction or with other jurisdictions. A plan
12 shall include a listing of any previous services consolidated with
13 the cost savings realized from each consolidation and an estimate
14 of the potential savings for any new service consolidations being
15 planned. A plan shall be made readily available to the public. Each
16 city, village, and township applying for a payment under this
17 subdivision shall submit a copy of the cooperation, collaboration,
18 and consolidation plan to the department of treasury.

19 (c) Category 3, employee compensation, requires each eligible
20 city, village, or township to certify that by May 1, 2012, it has
21 developed and publicized an employee compensation plan that the
22 city, village, or township intends to implement with any new,
23 modified, or extended contract or employment agreements for
24 employees not covered under contract or employment agreements. The
25 employee compensation plan that each city, village, or township
26 plans to achieve shall be made available for public viewing in the
27 city, village, or township clerk's office or posted on a publicly

1 accessible Internet site and must be submitted to the department of
2 treasury. At a minimum, the employee compensation plan shall
3 include the following:

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

10 (ii) For defined benefit pension plans, a maximum multiplier of
11 1.5% for all employees who are eligible for social security
12 benefits, except, where postemployment health care is not provided,
13 the maximum multiplier shall be 2.25%. For all employees who are
14 not eligible for social security benefits, a maximum multiplier of
15 2.25%, except, where postemployment health care is not provided,
16 the maximum multiplier shall be 3.0%.

17 (iii) For defined benefit pension plans, final average
18 compensation for all employees is calculated using a minimum of 3
19 years of compensation and shall not include more than a total of
20 240 hours of paid leave. Overtime hours shall not be used in
21 computing the final average compensation for an employee.

22 (iv) Health care premium costs for new hires shall include a
23 minimum employee share of 20%; or an employer's share of the local
24 health care plan costs shall be cost competitive with the new state
25 preferred provider organization health plan, on a per-employee
26 basis.

27 (4) Economic vitality incentive program payments are subject

1 to the following conditions:

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

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

20 (c) Payments under this section shall be issued to cities,
21 villages, and townships for each category in subsection (3) until
22 the specified due date for the category. After the specified due
23 date for the category, payments shall be made to a city, village,
24 or township only if that city, village, or township has complied
25 with subdivision (a).

26 (d) If a city, village, or township does not provide the
27 required certification or fails to submit the required citizen's

1 guide and performance dashboard; cooperation, collaboration, and
2 consolidation plan; and the employee compensation plan by the first
3 day of a payment month, the city, village, or township shall
4 forfeit the payment in that payment month for the uncertified
5 category in subsection (3), except that a city, village, or
6 township that has met every criteria in subsection (3)(a) by
7 October 1, 2011, other than certification and submission of the
8 required citizen's guide and performance dashboard, shall not
9 forfeit any payments if the required certification and submission
10 are made to the department of treasury by October 31, 2011.

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

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

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

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

1 MCL 18.1451a:

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

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

6 (c) The total estimated cost of all projects is
7 \$215,000,000.00.

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

9 **REPEALERS**

10 Enacting section 1. The following acts and parts of acts are
11 repealed:

12 (a) Section 951 of article VIII of 2011 PA 63.

13 (b) Sections 292, 614, 670, 673, and 680 of article X of 2011
14 PA 63.

15 **ENACTING SECTION**

16 Enacting section 2. This act does not take effect unless House
17 Bill No. 4445 of the 96th Legislature is enacted into law.