

**SENATE SUBSTITUTE FOR
HOUSE BILL NO. 5015**

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

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 PART 1

2 LINE-ITEM APPROPRIATIONS

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

6 **APPROPRIATION SUMMARY**

7 Full-time equated classified positions..... 9.0

1	GROSS APPROPRIATION.....	\$	88,831,100
2	Total interdepartmental grants and intradepartmental		
3	transfers		0
4	ADJUSTED GROSS APPROPRIATION.....	\$	88,831,100
5	Total federal revenues.....		702,100
6	Total local revenues.....		0
7	Total private revenues.....		0
8	Total other state restricted revenues.....		87,259,500
9	State general fund/general purpose.....	\$	869,500
10	Sec. 102. ATTORNEY GENERAL		
11	(1) APPROPRIATION SUMMARY		
12	Full-time equated classified positions.....	9.0	
13	GROSS APPROPRIATION.....	\$	6,000,000
14	Interdepartmental grant revenues:		
15	Total interdepartmental grants and intradepartmental		
16	transfers		0
17	ADJUSTED GROSS APPROPRIATION.....	\$	6,000,000
18	Federal revenues:		
19	Total federal revenues.....		0
20	Special revenue funds:		
21	Total local revenues.....		0
22	Total private revenues.....		0
23	Total other state restricted revenues.....		6,000,000
24	State general fund/general purpose.....	\$	0
25	(2) ATTORNEY GENERAL OPERATIONS		
26	Home protection unit--9.0 FTE positions.....	\$	<u>6,000,000</u>

1	GROSS APPROPRIATION.....	\$	6,000,000
2	Appropriated from:		
3	Special revenue funds:		
4	Homeowner protection fund.....		6,000,000
5	State general fund/general purpose.....	\$	0
6	Sec. 103. DEPARTMENT OF COMMUNITY HEALTH		
7	(1) APPROPRIATION SUMMARY		
8	GROSS APPROPRIATION.....	\$	0
9	Interdepartmental grant revenues:		
10	Total interdepartmental grants and intradepartmental		
11	transfers		0
12	ADJUSTED GROSS APPROPRIATION.....	\$	0
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.....		(10,000,000)
19	State general fund/general purpose.....	\$	10,000,000
20	(2) MEDICAL SERVICES		
21	Health plan services.....	\$	0
22	Subtotal basic medical services program.....		<u>0</u>
23	GROSS APPROPRIATION.....	\$	0
24	Appropriated from:		
25	Special revenue funds:		
26	Total other state restricted revenues.....		(10,000,000)

1	State general fund/general purpose	\$	10,000,000
2	Sec. 104. DEPARTMENT OF EDUCATION		
3	(1) APPROPRIATION SUMMARY		
4	GROSS APPROPRIATION	\$	0
5	Interdepartmental grant revenues:		
6	Total interdepartmental grants and intradepartmental		
7	transfers		0
8	ADJUSTED GROSS APPROPRIATION	\$	0
9	Federal revenues:		
10	Total federal revenues		0
11	Special revenue funds:		
12	Total local revenues		0
13	Total private revenues		0
14	Total other state restricted revenues		10,000,000
15	State general fund/general purpose	\$	(10,000,000)
16	(2) EDUCATION ACHIEVEMENT AUTHORITY		
17	Education achievement authority	\$	<u>0</u>
18	GROSS APPROPRIATION	\$	0
19	Appropriated from:		
20	Special revenue funds:		
21	Homeowner protection fund		10,000,000
22	State general fund/general purpose	\$	(10,000,000)
23	Sec. 105. DEPARTMENT OF HUMAN SERVICES		
24	(1) APPROPRIATION SUMMARY		
25	GROSS APPROPRIATION	\$	877,600

1	Interdepartmental grant revenues:		
2	Total interdepartmental grants and intradepartmental		
3	transfers		0
4	ADJUSTED GROSS APPROPRIATION	\$	877,600
5	Federal revenues:		
6	Total federal revenues		702,100
7	Special revenue funds:		
8	Total local revenues		0
9	Total private revenues		0
10	Total other state restricted revenues		0
11	State general fund/general purpose	\$	175,500
12	(2) CHILD WELFARE SERVICES		
13	Foster care payments	\$	<u>877,600</u>
14	GROSS APPROPRIATION	\$	877,600
15	Appropriated from:		
16	Federal revenues:		
17	Total federal revenues		702,100
18	State general fund/general purpose	\$	175,500
19	Sec. 107. DEPARTMENT OF MILITARY AND VETERANS AFFAIRS		
20	(1) APPROPRIATION SUMMARY		
21	GROSS APPROPRIATION	\$	5,000,000
22	Interdepartmental grant revenues:		
23	Total interdepartmental grants and intradepartmental		
24	transfers		0
25	ADJUSTED GROSS APPROPRIATION	\$	5,000,000
26	Federal revenues:		

1	Total federal revenues.....		0
2	Special revenue funds:		
3	Total local revenues.....		0
4	Total private revenues.....		0
5	Total other state restricted revenues.....	5,000,000	
6	State general fund/general purpose.....	\$	0
7	(2) VETERANS AND COMMUNITY OUTREACH		
8	Veterans and community outreach.....	\$	<u>5,000,000</u>
9	GROSS APPROPRIATION.....	\$	5,000,000
10	Appropriated from:		
11	Special revenue funds:		
12	Homeowner protection fund.....	5,000,000	
13	State general fund/general purpose.....	\$	0
14	Sec. 108. DEPARTMENT OF STATE POLICE		
15	(1) APPROPRIATION SUMMARY		
16	GROSS APPROPRIATION.....	\$	600,000
17	Interdepartmental grant revenues:		
18	Total interdepartmental grants and intradepartmental		
19	transfers		0
20	ADJUSTED GROSS APPROPRIATION.....	\$	600,000
21	Federal revenues:		
22	Total federal revenues.....		0
23	Special revenue funds:		
24	Total local revenues.....		0
25	Total private revenues.....		0
26	Total other state restricted revenues.....		0

1	State general fund/general purpose	\$	600,000
2	(2) SUPPORT SERVICES		
3	Support services	\$	<u>600,000</u>
4	GROSS APPROPRIATION	\$	600,000
5	Appropriated from:		
6	State general fund/general purpose	\$	600,000
7	Schedule of programs:		
8	Secondary road patrol program		600,000
9	Sec. 109. DEPARTMENT OF TRANSPORTATION		
10	(1) APPROPRIATION SUMMARY		
11	GROSS APPROPRIATION	\$	50,000
12	Interdepartmental grant revenues:		
13	Total interdepartmental grants and intradepartmental		
14	transfers		0
15	ADJUSTED GROSS APPROPRIATION	\$	50,000
16	Federal revenues:		
17	Total federal revenues		0
18	Special revenue funds:		
19	Total local revenues		0
20	Total private revenues		0
21	Total other state restricted revenues		50,000
22	State general fund/general purpose	\$	0
23	(2) INTERCITY PASSENGER AND FREIGHT		
24	Detroit/Wayne County port authority	\$	<u>50,000</u>
25	GROSS APPROPRIATION	\$	50,000
26	Appropriated from:		

1	Special revenue funds:		
2	Comprehensive transportation fund.....		50,000
3	State general fund/general purpose.....	\$	0
4	Sec. 110. DEPARTMENT OF TREASURY		
5	(1) APPROPRIATION SUMMARY		
6	GROSS APPROPRIATION.....	\$	76,303,500
7	Interdepartmental grant revenues:		
8	Total interdepartmental grants and intradepartmental		
9	transfers		0
10	ADJUSTED GROSS APPROPRIATION.....	\$	76,303,500
11	Federal revenues:		
12	Total federal revenues.....		0
13	Special revenue funds:		
14	Total local revenues.....		0
15	Total private revenues.....		0
16	Total other state restricted revenues.....		76,209,500
17	State general fund/general purpose.....	\$	94,000
18	(2) GRANTS		
19	Foreclosure rescue scam victim restitution.....	\$	7,500,000
20	Escanaba industrial park.....		<u>94,000</u>
21	GROSS APPROPRIATION.....	\$	7,594,000
22	Appropriated from:		
23	Special revenue funds:		
24	Homeowner protection fund.....		7,500,000
25	State general fund/general purpose.....	\$	94,000
26	(3) MICHIGAN STRATEGIC FUND - MICHIGAN STATE		

1 **HOUSING DEVELOPMENT AUTHORITY**

2	Foreclosure counseling and legal aid for homeowners ..	\$	15,000,000
3	Blight elimination.....		25,000,000
4	Michigan housing and community development program...		3,709,500
5	Home affordable refinance program grants		5,000,000
6	Assistance to homebuyers.....		15,000,000
7	Michigan State University extension foreclosure		
8	counseling		<u>5,000,000</u>
9	GROSS APPROPRIATION.....	\$	68,709,500
10	Appropriated from:		
11	Special revenue funds:		
12	Homeowner protection fund.....		68,709,500
13	State general fund/general purpose	\$	0

14 **PART 2**

15 **PROVISIONS CONCERNING APPROPRIATIONS**

16 **GENERAL SECTIONS**

17 Sec. 201. In accordance with the provisions of section 30 of
 18 article IX of the state constitution of 1963, total state spending
 19 from state resources in this appropriation act for the fiscal year
 20 ending September 30, 2012 is \$88,129,000.00 and state
 21 appropriations paid to local units of government is \$0.00.

22 Sec. 202. The appropriations made and expenditures authorized
 23 under this act and the departments, commissions, boards, offices,
 24 and programs for which appropriations are made under this act are
 25 subject to the management and budget act, 1984 PA 431, MCL 18.1101

1 to 18.1594.

2 Sec. 203. (1) Any unexpended amounts appropriated in sections
3 102, 107, and 110, and any unencumbered or unallotted funds, are
4 considered work project appropriations and are available for
5 expenditure in the succeeding fiscal year. The following is in
6 compliance with section 451a(1) of the management and budget act,
7 1984 PA 431, MCL 18.1451a:

8 (a) The purpose of the projects to be carried forward is to
9 support individuals and communities impacted by the foreclosure
10 crisis.

11 (b) The projects will be accomplished by state employees and
12 by contract.

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

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

16 (2) All amounts appropriated in part 1 financed by the
17 homeowner protection fund that have not been expended by September
18 30, 2016 shall be expended for blight elimination activities
19 overseen by the Michigan state housing development authority.

20 Sec. 204. The department of attorney general, the department
21 of education, the department of military and veterans affairs, the
22 department of treasury, and the Michigan state housing development
23 authority shall submit reports to the legislature and house and
24 senate fiscal agencies by December 31, 2012 and by July 1, 2013.
25 The reports shall include all expenditures funded from the
26 homeowner protection fund, including the number of purchasers,
27 including service members and nonservice members, served by the

1 programs.

2 **DEPARTMENT OF HUMAN SERVICES**

3 Sec. 401. From the funds appropriated in part 1, the
4 department shall reinstate the specialized independent living
5 services administrative rate to fiscal year 2010-2011 levels.

6 **DEPARTMENT OF MILITARY AND VETERANS AFFAIRS**

7 Sec. 502. From the amounts appropriated in part 1 for veterans
8 and community outreach, the department of military and veterans
9 affairs shall assist military service members who have been
10 affected by the foreclosure crisis. Eligible service members shall
11 include active and veteran members of the United States armed
12 forces and active and veteran members of the United States national
13 guard and reserve.

14 **DEPARTMENT OF TRANSPORTATION**

15 Sec. 551. The \$50,000.00 state grant appropriated in part 1 to
16 the Detroit/Wayne County port authority shall be repaid by the
17 authority to the comprehensive transportation fund when Wayne
18 County and the city of Detroit make their 2012 payments to the
19 authority.

20 **DEPARTMENT OF TREASURY**

21 Sec. 601. From the amounts appropriated in part 1 for
22 foreclosure rescue scam victim restitution payments, the department
23 of treasury shall assist victims of foreclosure-related crimes as

1 approved by the attorney general.

2 Sec. 602. From the funds appropriated in part 1 to the
3 Michigan housing and community development program, a total of
4 \$3,709,500.00 is hereby appropriated to the Michigan state housing
5 development authority for the purpose of sections 58a, 58b, 58c,
6 and 58d of the state housing and development authority act of 1966,
7 1966 PA 346, MCL 125.1458a, 125.1458b, 125.1458c, and 125.1458d.

8 Sec. 603. (1) From the funds appropriated in part 1,
9 \$25,000,000.00 shall be allocated to the Michigan state housing
10 development authority for demolition.

11 (2) Of the funds appropriated to the Michigan state housing
12 development authority, \$10,000,000.00 shall be expended on
13 demolition projects in cities with a population greater than
14 500,000.

15 (3) Of the funds appropriated to the Michigan state housing
16 development authority, \$15,000,000.00 shall be expended on
17 demolition projects in all counties of the state excluding portions
18 of counties with cities with a population greater than 500,000.

19 (4) The Michigan state housing development authority shall
20 ensure that county level grant programs be established. The
21 Michigan state housing development authority shall ensure that
22 awardees of these funds are spread equitably throughout the state.
23 County proposals shall include the cost of the program, how costs
24 are allocated, number of employees assisting in the program
25 implementation, number of employees the county plans to hire, and a
26 timeline for expenditure of the funds.

27 (5) The demolition project areas shall be determined according

1 to the following criteria: stabilizing neighborhood property
2 values, promoting public safety, and enhancing economic development
3 opportunities. The Michigan state housing development authority
4 shall work with the director of the department of human services in
5 determining project areas. The Michigan state housing development
6 authority in cooperation with the department of human services
7 shall report to the legislature on the demolition projects no later
8 than September 1 of the current fiscal year and quarterly
9 thereafter until the funds have been exhausted. The report shall
10 include, at a minimum, a description of the project areas selected
11 and a complete accounting of all expenditures made pursuant to this
12 section.

13 Sec. 604. From the amounts appropriated in part 1 for
14 foreclosure counseling and legal aid for homeowners, the Michigan
15 state housing development authority shall support foreclosure
16 counseling and legal aid services under a plan approved by the
17 attorney general.

18 Sec. 607. From the funds appropriated in part 1, the Michigan
19 state housing development authority may use not more than 5% for
20 administration of the funds.

21 Sec. 609. (1) Funds appropriated in part 1 for the assistance
22 to homebuyers program shall be administered by the Michigan state
23 housing development authority. The program shall support both
24 nonservice member and service member homebuyers with grants to
25 offset the purchase price of the home. Grant awards shall not
26 exceed 25% of the purchase price of the home or \$3,000.00,
27 whichever is less, for nonservice members, and 25% of the purchase

1 price of the home or \$5,000.00, whichever is less, for service
2 members. A homebuyer shall be defined as a person who has not
3 purchased or financed a principal residence during the 3-year
4 period ending on the date of purchase of the home in Michigan. The
5 home shall be a single-family home, a principal residence, and
6 owner occupied. Eligible service members shall include active and
7 veteran members of the United States armed forces and active and
8 veteran members of the United States national guard and reserve.
9 The Michigan state housing development authority shall determine
10 the administrative process regarding the forms, documentation, and
11 reimbursement process.

12 (2) It is the intent of the legislature that disabled veterans
13 be given preference for the services provided by the program
14 described in subsection (1).

15 Sec. 611. When awarding funds appropriated in part 1 for home
16 affordable refinance program grants, the Michigan state housing
17 development authority shall use the criteria from the federal home
18 affordable refinance program II detailed by the United States
19 department of treasury and the United States department of housing
20 and urban development. Grants shall support single-family homes
21 that are a principal residence and owner occupied. The borrower
22 shall apply for home affordable refinance program refinancing grant
23 funding through a lender for a home in Michigan. The Michigan state
24 housing development authority shall provide guidance to borrowers
25 and lenders on the grant application process for reimbursement of
26 up to \$500.00 of borrower closing costs. The Michigan state housing
27 development authority shall determine the administrative process

1 regarding the forms, documentation, and reimbursement process.