

**SUBSTITUTE FOR
SENATE BILL NO. 181**

A bill to make appropriations for the department of military and veterans affairs for the fiscal year ending September 30, 2012; to provide for the expenditure of the appropriations; to provide anticipated appropriations for the fiscal year ending September 30, 2013; to provide for certain powers and duties of the department of military and veterans affairs, other state agencies, and local units of government related to the appropriations; and to provide for the preparation of certain reports related to the appropriations.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

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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 for the department of military and veterans affairs are appropriated 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:

DEPARTMENT OF MILITARY AND VETERANS AFFAIRS

APPROPRIATION SUMMARY

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

Full-time equated classified positions..... 819.0

GROSS APPROPRIATION..... \$ 152,383,500

Total interdepartmental grants and intradepartmental

transfers 1,152,800

ADJUSTED GROSS APPROPRIATION..... \$ 151,230,700

Total federal revenues..... 87,678,000

Total local revenues..... 644,800

Total private revenues..... 1,423,300

Total other state restricted revenues..... 28,439,700

State general fund/general purpose..... \$ 33,044,900

Sec. 102. MILITARY

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

Full-time equated classified positions..... 285.0

Military..... \$ 54,119,800

GROSS APPROPRIATION..... \$ 54,119,800

Appropriated from:

Interdepartmental grant revenues..... 1,000,000

Federal revenues..... 38,523,900

State restricted revenues..... 884,500

State general fund/general purpose..... \$ 13,711,400

1	Sec. 103. VETERANS AND COMMUNITY OUTREACH		
2	Full-time equated classified positions.....	33.0	
3	Veterans and community outreach.....		\$ <u>15,302,100</u>
4	GROSS APPROPRIATION.....		\$ 15,302,100
5	Appropriated from:		
6	Interdepartmental grant revenues.....		152,800
7	Federal revenues.....		4,728,000
8	Local revenues.....		644,800
9	Private revenues.....		883,300
10	State restricted revenues.....		5,653,300
11	State general fund/general purpose.....		\$ 3,239,900
12	Sec. 104. HOMES		
13	Full-time equated classified positions.....	501.0	
14	Homes.....		\$ <u>66,261,600</u>
15	GROSS APPROPRIATION.....		\$ 66,261,600
16	Appropriated from:		
17	Federal revenues.....		27,726,100
18	Private revenues.....		540,000
19	State restricted revenues.....		21,901,900
20	State general fund/general purpose.....		\$ 16,093,600
21	Sec. 105. CAPITAL OUTLAY		
22	Capital outlay.....		\$ <u>16,700,000</u>
23	GROSS APPROPRIATION.....		\$ 16,700,000
24	Appropriated from:		
25	Federal revenues.....		16,700,000
26	State general fund/general purpose.....		\$ 0

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FOR FISCAL YEAR 2011-2012

GENERAL SECTIONS

Sec. 201. 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 \$61,484,600.00 and state spending from state resources to be paid to local units of government for fiscal year 2011-2012 is \$120,000.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF MILITARY AND VETERANS AFFAIRS

Military.....	\$	70,000
Veterans and community outreach.....	\$	<u>50,000</u>
TOTAL	\$	120,000

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

Sec. 203. As used in this act:

(a) "Department" means the department of military and veterans affairs.

(b) "DTMB" means the department of technology, management, and budget.

(c) "Work project" means a group of activities featuring a fixed duration, budget, and scope that is expected to cause a measurable change in the delivery, efficiency, or effectiveness of

1 1 or more operations.

2 Sec. 204. (1) In addition to the funds appropriated in part 1,
3 there is appropriated an amount not to exceed \$10,000,000.00 for
4 federal contingency funds. These funds are not available for
5 expenditure until they have been transferred to another line item
6 in this act under section 393(2) of the management and budget act,
7 1984 PA 431, MCL 18.1393.

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

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

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

26 Sec. 205. It is the intent of the legislature that, of the
27 appropriations in part 1, the following shall constitute the

1 appropriations for interdepartmental grant funds received by the
2 department from sources outside the department: \$152,800.00 from
3 challenge grant; \$100,000.00 from the department of community
4 health; \$900,000.00 from the department of state police.

5 Sec. 206. The department shall improve its budgetary
6 efficiency pertaining to the delivery of core services delineated
7 in section 211 by doing all of the following:

8 (a) Prioritizing personnel over buildings in budgetary
9 efficiency considerations.

10 (b) Pursuing the physical or virtual consolidation of support
11 service functions such as information technology, human resources,
12 and accounting as a means of improving standardization and
13 efficiency.

14 (c) Seeking expenditure reductions whenever possible through
15 the streamlining of existing service delivery activities

16 (d) Identifying efficiencies that can be gained via the
17 reduction or elimination of programs, policies, and practices which
18 have outlived their usefulness.

19 Sec. 207. Any fiscal year 2011-2012 unused general
20 fund/general purpose funds created through efficiencies and
21 identified by the department as potential lapsed funds shall be
22 designated as follows: 10% of unused funds shall be allocated to a
23 workforce investment fund to be used in a manner that provides
24 direct benefit to department employees or their families, 40% of
25 unused funds shall be allocated as work project funds to be used at
26 the discretion of the department for projects designed to improve
27 service delivery, and the remaining 50% of the unused funds shall

1 be lapsed to the GF/GP fund.

2 Sec. 208. (1) The department shall be available to meet on a
3 quarterly basis before the appropriate senate and house
4 appropriations subcommittee.

5 (2) The department shall provide all information necessary to
6 validate that the service metrics required in this part have been
7 achieved.

8 (3) The department shall provide a corrective action plan for
9 any service metrics that do not meet requirements. Status of
10 correction action plans shall be provided at the next quarterly
11 review.

12 (4) The department shall provide the following data to the
13 senate and house appropriations subcommittees:

14 (a) A list of all major work projects, including a status
15 report of each project.

16 (b) The department's financial status, featuring a report of
17 budgeted versus actual expenditures by part 1 line item including a
18 year-end projection of budget requirements. If projected department
19 budget requirements exceed the allocated budget, the report shall
20 include a plan to reduce overall expenses while still satisfying
21 specified service level requirements.

22 (c) Evidence of efficiencies and management of funds within
23 established appropriations, documented through the DTMB monthly
24 expenditure report as described in section 301(4) of this part.

25 (d) A list of projected armory closings from section 302(6) of
26 this part.

27 (e) A list of property sales as described in section 212 of

1 this part.

2 (5) The department shall provide a corrective action plan for
3 any service metrics that do not meet requirements. The department
4 shall provide a status of correction action plans at the next
5 quarterly review.

6 (6) The Grand Rapids and D.J. Jacobetti veterans' homes shall
7 provide to the appropriate house and senate appropriations
8 subcommittees the results of the veterans' homes annual veterans'
9 affairs inspection and their corrective action plans.

10 Sec. 209. The department shall provide the following data to
11 the appropriate senate and house appropriations subcommittees on an
12 annual basis:

13 (a) Using information received from the grant recipients in
14 section 401(3) of this part, a progress report on metric
15 requirements, copies of certified financial audits and tax reports
16 of grant recipients, a listing from grant recipients of
17 expenditures by spending category, including a listing of
18 individual salaries of each officer and administrative staff, a
19 listing of volunteer hours including the hours, series, and
20 donations provided to residents of the Grand Rapids veterans' home
21 and the D.J. Jacobetti veterans' home. The department shall provide
22 within the report a specific notification whether any veterans
23 grant recipients failed to comply with established reporting
24 requirements.

25 (b) The Grand Rapids veterans' home and the D.J. Jacobetti
26 veterans' home shall produce a report including an accounting of
27 member populations and bed space available, a description and

1 accounting of services and activities provided to members,
2 financial information, and current state nursing home licensure
3 status.

4 (c) A detailed report of the Michigan veteran's trust fund
5 that includes information on grants provided from the emergency
6 grant program, including details concerning the methodology of
7 allocations, the selection of emergency grant program authorized
8 agents, and a detailed breakdown of trust fund expenditures for
9 that year. The report shall also provide an update on the
10 department's efforts to reduce program administrative costs and
11 maintain the Michigan veterans' trust fund corpus to its original
12 amount of at least \$50,000,000.00.

13 Sec. 210. Grant recipients in section 401 of this part shall
14 submit a report to the department on the number of claims filed for
15 veterans in this state with the United States department of
16 veterans affairs and the number of actual claims awarded.

17 Sec. 211. The appropriations in part 1 are for the core
18 services, support services, and work projects of the department,
19 including, but not limited to, the following core services:
20 armories and joint forces readiness, maintenance and operation of
21 army national guard training facilities, operation and maintenance
22 of air national guard air bases, veterans affairs directorate and
23 administration of the veterans trust fund, administration and
24 oversight of veterans advice, advocacy, and assistance grants,
25 training support for county veterans counselors, administration of
26 the military family relief fund, the Michigan youth challenge
27 academy program, and the administration of the Grand Rapids

1 veterans' home and the D.J. Jacobetti veterans' home.

2 Sec. 212. Funds appropriated in part 1 shall not be used for
3 the purchase of foreign goods or services, or both, if
4 competitively priced and of comparable quality American goods or
5 services, or both, are available. Preference should be given to
6 goods or services, or both, manufactured or provided by Michigan
7 businesses, if they are competitively priced and of comparable
8 quality. In addition, preference should be given to goods or
9 services, or both, that are manufactured or provided by Michigan
10 businesses owned and operated by veterans, if they are
11 competitively priced and of comparable quality.

12 Sec. 213. The director of each department receiving
13 appropriations in part 1 shall take all reasonable steps to ensure
14 businesses in deprived and depressed communities compete for and
15 perform contracts to provide services or supplies, or both. Each
16 director shall strongly encourage firms with which the department
17 contracts to subcontract with certified businesses in depressed and
18 deprived communities for services, supplies, or both.

19 Sec. 214. The department shall not take disciplinary action
20 against an employee for communicating with a member of the
21 legislature or his or her staff.

22 Sec. 215. Sixty days prior to the public announcement of the
23 intention to sell any department property, the department shall
24 submit notification of that intent to the appropriate senate and
25 house appropriations subcommittees and the senate and house fiscal
26 agencies.

27 Sec. 216. 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 the
3 attorney general. This prohibition does not apply to legal services
4 for bonding activities and for those activities that the attorney
5 general authorizes.

6 Sec. 218. Bids for contract services shall not exclude public
7 employee unions from the bid process.

8 **MILITARY**

9 Sec. 301. (1) The department shall provide administrative
10 support for department operations.

11 (2) The department shall maintain the staffing and resources
12 necessary to ensure proper accountability of state funds.

13 (3) The department shall maintain the staffing and resources
14 necessary to adhere to the state of Michigan financial management
15 guide for accounting, contracting, purchasing, budgeting, and
16 financial reporting and the administrative guide to state
17 government.

18 (4) The department shall ensure fiscal controls relating to
19 procurement of goods and services and other expenditures.

20 Sec. 302. (1) The department shall operate and maintain
21 national guard armories.

22 (2) The department shall provide resources necessary to ensure
23 that armories are maintained in accordance with army regulation
24 210-4.

25 (3) The department shall evaluate armories for consolidation,
26 energy, and utility efficiency and identify work projects that

1 would improve this efficiency.

2 (4) The department shall provide armory equipment maintenance
3 by maintaining equipment and tracking and monitoring trends in
4 repair maintenance to determine whether a piece of equipment is to
5 be retired or kept.

6 (5) The department shall provide security for national guard
7 armories by ensuring that a passive electronic security system is
8 in place at all armories.

9 (6) The department shall consult with the house and senate
10 appropriations subcommittees on state police and military and
11 veterans affairs regarding the projected closing or consolidation
12 of any national guard armories.

13 (7) Using individual facility assessments, the department
14 shall improve the adequacy of utilities and infrastructure of the
15 armories. The department shall improve quality rating at the armory
16 facilities based on the number of faults corrected and dollars
17 available (spent) during the fiscal year.

18 Sec. 303. (1) The department shall provide army national guard
19 forces, when directed, for state and local emergencies and in
20 support of national military requirements.

21 (2) The department shall provide resources necessary to train
22 and equip military forces to standards set by the United States
23 armed forces.

24 Sec. 304. (1) The department shall operate and maintain Army
25 national guard training facilities, including Fort Custer and Camp
26 Grayling.

27 (2) The department shall provide resources necessary to meet

1 building maintenance requirements per performance specifications
2 established in master cooperative agreement appendix 1, section
3 104, national guard bureau regulations.

4 (3) Army national guard training facilities security
5 management shall secure all locations, monitor alarm equipment, and
6 adhere to state laws, statutes, and army regulation 190-56 and
7 master cooperative agreement appendix 3, section 308, national
8 guard bureau regulations.

9 (4) Using individual facility assessments, the department
10 shall improve the adequacy of utilities and infrastructure of the
11 air bases. The department shall improve quality rating at the air
12 base facilities based on the number of faults corrected and dollars
13 available (spent) during the fiscal year.

14 Sec. 305. (1) The department shall provide air national guard
15 forces when directed, for state and local emergencies and in
16 support of national military requirements.

17 (2) The department shall provide resources necessary to train
18 and equip military forces to standards set by the United States
19 armed forces.

20 (3) Using individual facility assessments, the department
21 shall improve the adequacy of utilities and infrastructure of the
22 military training sites and support facilities. The department
23 shall improve quality rating at the facilities based on the number
24 of faults corrected and dollars available (spent) during the fiscal
25 year.

26 Sec. 306. (1) The department shall operate and maintain air
27 national guard air bases, including Selfridge air national guard

1 base, Battle Creek air national guard base, and Alpena combat
2 readiness training center.

3 (2) The department shall provide resources necessary to meet
4 facility maintenance at air national guard bases, including
5 maintenance and preventive maintenance of authorized building and
6 systems at no less than the minimum standards required by
7 applicable federal, state, and local agencies.

8 (3) The department shall maintain the staffing and resources
9 necessary to provide security services at air national guard bases,
10 including the security of the location and the monitoring of alarm
11 equipment, in accordance with air force instruction 31-101 and
12 master cooperative agreement appendix 23, section 2308, national
13 guard bureau regulations.

14 **VETERANS AND COMMUNITY OUTREACH**

15 Sec. 401. (1) The department shall provide advice, advocacy,
16 and assistance services to Michigan veterans.

17 (2) The department shall maintain the staffing and resources
18 necessary to develop and operate a program that will provide
19 benefits counseling and representation to veterans of this state
20 for the purpose of assisting veterans to obtain United States
21 department of veteran affairs health, financial, and memorial
22 benefits for which they are eligible.

23 (3) The department shall distribute grants, as appropriated in
24 part 1 to be used for salaries, wages, related personnel costs, in-
25 state training, and equipment for accredited veteran service
26 advocacy officers and necessary support and managerial staff.

1 (4) The department shall work to maximize the coordination
2 between all organizations that assist veterans and identify areas
3 of redundancy in services to consolidate.

4 (5) The department shall work with grant recipients to
5 increase the percentage of veterans in this state who become aware
6 of their eligibility for service-connected disability or pension
7 benefits from the United States department of veterans affairs.

8 (6) The department shall work with the grant recipients to
9 improve national standing with regard to veterans affairs benefits
10 granted per veteran.

11 (7) The department shall work with veteran service
12 organizations to expand training opportunities for veteran service
13 organization service officers.

14 (8) The department shall work with grant recipients to
15 increase the percentage of veterans in this state who become aware
16 of their eligibility for enrollment in the veterans affairs health
17 care system.

18 (9) The department shall define a prioritized list of services
19 needed by the veterans. All of the following apply to the list
20 defined under this subsection:

21 (a) Each service shall be accompanied by a current performance
22 rating and desired performance rating.

23 (b) Each service shall define what service organization is
24 currently responsible for providing the service.

25 (c) The prioritization criteria used shall be defined.

26 Sec. 402. (1) The Michigan trust fund board together with the
27 department shall provide emergency grants for disbursement from the

1 Michigan veterans trust fund.

2 (2) The Michigan trust fund board together with the department
3 shall maintain the staffing and resources necessary to provide
4 outreach to veterans who may need and qualify for veterans trust
5 fund emergency grants.

6 (3) The Michigan trust fund board shall work to increase the
7 percentage of grant applications that are approved and received by
8 eligible families by 5% over those approved and received by
9 eligible families in fiscal year 2009-2010.

10 Sec. 403. (1) The department shall provide grants for
11 disbursement from the military family relief fund.

12 (2) The department shall maintain the staffing and resources
13 necessary to provide outreach to the Michigan families of active
14 members of the armed forces.

15 (3) The department shall work to increase the percentage of
16 military family relief grant applications that are approved and
17 received by eligible families by 5% over those approved and
18 received by eligible families in fiscal year 2009-2010.

19 Sec. 404. (1) The department shall provide training support
20 for county veterans counselors.

21 (2) The department shall provide resources necessary to
22 provide county veterans counselors with training to ensure quality
23 services to veterans.

24 (3) The department shall work with counties towards the goal
25 of having at least 1 county veterans counselor in every county in
26 this state.

27 (4) The Michigan veterans' affairs directorate administration

1 and the Michigan veterans' trust fund administration shall take
2 steps to assist the county veterans counselors of this state to
3 obtain training necessary for the execution of their duties.

4 Sec. 405. (1) The department shall maintain the Michigan youth
5 challenge academy to provide values, skills, education, and self-
6 discipline instruction for at-risk youth.

7 (2) The department shall maintain the staffing and resources
8 necessary to recruit and train a starting class size of 144 cadets.

9 (3) The department shall provide food services for cadets
10 enrolled in the Michigan youth challenge academy which shall
11 include 3 balanced meals a day in accordance with current dietary
12 guidelines for Americans and the daily food guide of the United
13 States department of agriculture.

14 (4) The department shall ensure that at least 65% of the
15 cadets who enroll in the Michigan youth challenge academy meet the
16 requirement for graduation from the academy.

17 (5) The department shall ensure that at least 65% of the
18 cadets who enroll in Michigan youth challenge academy take the
19 general educational development exam and that at least 70% of those
20 taking the exam earn a passing grade.

21 (6) The department shall ensure that less than 3% of cadets
22 who enroll in the Michigan youth challenge academy enter the
23 correctional system within 5 years of graduation from the academy.

24 (7) The department shall take steps to recruit candidates to
25 the challenge program from economically disadvantaged areas,
26 including those with low-income and high-unemployment backgrounds.

27 (8) The department shall partner with the department of human

1 services to identify youth who may be eligible for the challenge
2 program from those youth served by department of human services
3 programs. These eligible youth shall be given priority for
4 enrollment in the program.

5 (9) The funds appropriated in this act for private donations
6 to the Michigan youth challenge program shall be considered state
7 restricted revenue, and unexpended funds remaining at the close of
8 the fiscal year shall not lapse to the general fund but shall be
9 carried forward to the subsequent fiscal year.

10 HOMES

11 Sec. 501. (1) The department shall provide compassionate,
12 quality interdisciplinary care at the state's Grand Rapids and D.J.
13 Jacobetti veterans' homes so that members can achieve their highest
14 potential of wellness, independence, self-worth, and dignity.

15 (2) The department shall provide resources necessary to
16 provide adequate nursing care services to veterans in accordance
17 with federal standards, including the following:

18 (a) A licensed maximum capacity of skilled nursing beds of 618
19 at the Grand Rapids veterans' home.

20 (b) A licensed maximum capacity of domiciliary beds of 140 at
21 the Grand Rapids veterans' home.

22 (c) A licensed maximum capacity of skilled nursing beds of 182
23 at the D.J. Jacobetti veterans' home.

24 (d) A licensed maximum capacity of domiciliary beds of 59 at
25 the D.J. Jacobetti veterans' home.

26 (3) The Grand Rapids and D.J. Jacobetti veterans' homes shall

1 ensure that their medical staffing is in accordance with United
2 States department of veterans administration standards.

3 (4) The Grand Rapids and D.J. Jacobetti veterans' homes shall
4 ensure that transportation is assured for each resident for every
5 medical appointment outside the veterans' home.

6 (5) The Grand Rapids and D.J. Jacobetti veterans' homes shall
7 ensure that each member resident receives daily laundry service.

8 (6) The Grand Rapids and D.J. Jacobetti veterans' homes shall
9 ensure that maintenance and custodial services are provided for
10 each home in accordance with applicable local, state, and federal
11 standards.

12 (7) The Grand Rapids and D.J. Jacobetti veterans' homes shall
13 ensure that each resident receives a medical and care assessment
14 including a dietary plan upon admission to the home, with meals and
15 snacks provided in accordance with the plan and the United States
16 department of veterans administration requirement that there should
17 be no period longer than 14 hours between meals or snacks for any
18 resident.

19 (8) The money appropriated in this act for the boards of
20 managers may be expended for facility improvements, the purchase
21 and repair of equipment and furnishings, member services, and other
22 purposes that benefit the Grand Rapids and D.J. Jacobetti veterans'
23 homes.

24 (9) Appropriations in this act for the Grand Rapids and D.J.
25 Jacobetti veterans' homes shall not be used for any purpose other
26 than for veterans and veterans' families.

27 (10) The department shall, prior to altering the spending plan

1 by the board of managers of post and posthumous funds, report to
2 the appropriate senate and house appropriations subcommittees 30
3 days prior to that action and shall indicate the rationale for that
4 decision.

5 (11) Any contractor providing competency evaluated nursing
6 assistants (CENA) to the Grand Rapids and D.J. Jacobetti veterans'
7 homes shall ensure that each CENA has at least 8 hours of training
8 on information provided by the veterans' home.

9 (12) Any contractor providing competency evaluated nursing
10 assistants to the Grand Rapids and D.J. Jacobetti veterans' homes
11 shall ensure that each CENA has at least 1 eight-hour shift of
12 shadowing at the veterans' home.

13 (13) Any contractor providing competency evaluated nursing
14 assistants to the Grand Rapids and D.J. Jacobetti veterans' homes
15 shall ensure that each CENA is competent in the basic skills needed
16 to perform his or her assigned duties at the veterans' home.

17 (14) Any contractor providing competency evaluated nursing
18 assistants to the Grand Rapids and D.J. Jacobetti veteran's homes
19 shall ensure that each CENA has at least 1 year of experience in
20 long-term care.

21 (15) The Grand Rapids and D.J. Jacobetti veterans' homes shall
22 provide each CENA at least 12 hours of in-service training once
23 that individual has been assigned to the veterans' home.

24 (16) The Grand Rapids and D.J. Jacobetti veterans' homes shall
25 ensure that care services are provided to each resident of the
26 veterans' homes in accordance with standards set by the United
27 States department of veterans' affairs.

1 **CAPITAL OUTLAY**

2 Sec. 601. (1) The director shall allocate lump-sum
3 appropriations made in this act consistent with statutory
4 provisions and the purposes for which funds were appropriated.
5 Lump-sum allocations shall address priority program or facility
6 needs and may include, but are not limited to, design,
7 construction, remodeling and addition, special maintenance, major
8 special maintenance, energy conservation, and demolition.

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

16 Sec. 602. The appropriations in part 1 for capital outlay
17 shall be carried forward at the end of the fiscal year consistent
18 with section 248 of the management and budget act, 1984 PA 431, MCL
19 18.1248.

20 PART 2A

21 PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS
22 FOR FISCAL YEAR 2012-2013

23 **GENERAL SECTIONS**

24 Sec. 1201. It is the intent of the legislature to provide

1 appropriations for the fiscal year ending on September 30, 2013 for
2 the line items listed in part 1. The fiscal year 2012-2013
3 appropriations are anticipated to be the same as those for fiscal
4 year 2011-2012, except that the line items will be adjusted for
5 changes in caseload and related costs, federal fund match rates,
6 economic factors, and available revenue. These adjustments will be
7 determined after the January 2012 consensus revenue estimating
8 conference. The January 2012 consensus revenue estimating
9 conference shall include estimates for fiscal year 2011-2012,
10 fiscal year 2012-2013, and fiscal year 2013-2014 for the following:

- 11 (a) State revenue.
- 12 (b) Prison population and correction expenditures.
- 13 (c) Annual percentage growth in the school aid basic
14 foundation allowance.
- 15 (d) Medicaid expenditures.
- 16 (e) Human service caseloads and expenditures.