STATE OF MICHIGAN
99TH LEGISLATURE
REGULAR SESSION OF 2018

Introduced by Senator Hildenbrand

ENROLLED SENATE BILL No. 848

AN ACT to make, supplement, adjust, and consolidate appropriations for various state departments and agencies, capital outlay, the judicial branch, and the legislative branch for the fiscal years ending September 30, 2018 and September 30, 2019 and for other fiscal years; to provide for certain conditions on appropriations; to provide for the expenditure of the appropriations; and to repeal acts and parts of acts.

The People of the State of Michigan enact:

ARTICLE I

DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of agriculture and rural development for the fiscal year ending September 30, 2019, from the following funds:

DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT

APPROPRIATION SUMMARY		
Full-time equated unclassified positions	6.0	
Full-time equated classified positions	500.5	
GROSS APPROPRIATION		$ 107,948,100
Interdepartmental grant revenues:		
IDG from department of licensing and regulatory affairs, liquor quality testing fees		223,700
IDG from department of environmental quality, biosolids		90,200
Total interdepartmental grants and intradepartmental transfers		313,900
ADJUSTED GROSS APPROPRIATION		$ 107,634,200
Federal revenues:		
USDA, multiple grants		6,118,600
EPA, multiple grants		1,277,300
HHS-FDA		4,140,500
Department of interior		238,800
Total federal revenues		11,775,200
Special revenue funds:		
Total local revenues		0

		For Fiscal Year Ending Sept. 30, 2019
Private - slow-the-spread foundation	$	21,300
Private - commodity group revenue		80,500
Total private revenues		101,800
Agricultural preservation fund		1,442,500
Agriculture equine industry development fund		3,667,200
Agriculture licensing and inspection fees		4,110,200
Animal welfare fund		150,000
Commodity inspection fees		650,000
Consumer and industry food safety education fund		356,500
Dairy and food safety fund		5,978,900
Feed control fund		1,305,400
Fertilizer control fund		1,095,600
Freshwater protection fund		7,940,700
Gasoline inspection and testing fund		1,444,400
Grain dealers fee fund		589,800
Horticulture fund		40,000
Industry support funds		486,100
Michigan craft beverage council fund		917,200
Migratory labor housing fund		169,100
Private forestland enhancement fund		581,500
Refined petroleum fund		3,316,800
Rural development fund		2,004,600
Testing fees		200,000
Weights and measures regulation fees		725,500
Total other state restricted revenues		37,172,000
State general fund/general purpose	$	58,585,200
State general fund/general purpose schedule:		
Ongoing state general fund/general purpose $55,430,200		
One-time state general fund/general purpose $3,155,000		
Sec. 102. DEPARTMENTAL ADMINISTRATION AND SUPPORT		
Full-time equated unclassified positions 6.0		
Full-time equated classified positions 24.0		
Unclassified salaries—6.0 FTE positions	$	573,500
Accounting service center		1,164,200
Commissions and boards		23,800
Emergency management—4.0 FTE positions		1,093,300
Executive direction—20.0 FTE positions		2,561,900
Property management		705,700
GROSS APPROPRIATION	$	6,122,400
Appropriated from:		
Federal revenues:		
HHS-FDA		438,100
Special revenue funds:		
Agricultural preservation fund		16,600
Agriculture licensing and inspection fees		127,500
Freshwater protection fund		24,500
Industry support funds		54,300
Michigan craft beverage council fund		31,000
State general fund/general purpose	$	5,430,400
Sec. 103. INFORMATION AND TECHNOLOGY		
Information technology services and projects	$	1,794,500
GROSS APPROPRIATION	$	1,794,500
Appropriated from:		
Interdepartmental grant revenues:		
IDG from department of licensing and regulatory affairs, liquor quality testing fees		3,200

		For Fiscal Year Ending Sept. 30, 2019
Special revenue funds:		
Agricultural preservation fund	$	200
Agriculture licensing and inspection fees		93,800
Dairy and food safety fund		61,200
Freshwater protection fund		100
Gasoline inspection testing fund		31,800
Michigan craft beverage council fund		500
State general fund/general purpose	$	1,603,700

Sec. 104. FOOD AND DAIRY

Full-time equated classified positions 132.0		
Food safety and quality assurance—96.0 FTE positions	$	16,602,900
Milk safety and quality assurance—36.0 FTE positions		5,439,900
GROSS APPROPRIATION	$	22,042,800
Appropriated from:		
Federal revenues:		
HHS-FDA		2,398,600
USDA, multiple grants		137,100
Special revenue funds:		
Consumer and industry food safety education fund		356,500
Dairy and food safety fund		5,421,500
State general fund/general purpose	$	13,729,100

Sec. 105. ANIMAL INDUSTRY

Full-time equated classified positions 61.0		
Animal disease prevention and response—61.0 FTE positions	$	9,356,900
Indemnification—livestock depredation		50,000
GROSS APPROPRIATION	$	9,406,900
Appropriated from:		
Federal revenues:		
Department of interior		40,800
HHS-FDA		46,600
USDA, multiple grants		530,600
Special revenue funds:		
Private - commodity group revenue		30,500
Agriculture licensing and inspection fees		70,300
Animal welfare fund		150,000
State general fund/general purpose	$	8,538,100

Sec. 106. PESTICIDE AND PLANT PEST MANAGEMENT

Full-time equated classified positions 93.0		
Pesticide and plant pest management—87.0 FTE positions	$	14,172,700
Producer security/grain dealers—6.0 FTE positions		628,200
GROSS APPROPRIATION	$	14,800,900
Appropriated from:		
Federal revenues:		
Department of interior		101,700
EPA, multiple grants		543,000
HHS-FDA		325,300
USDA, multiple grants		716,900
Special revenue funds:		
Private - slow-the-spread foundation		21,300
Agriculture licensing and inspection fees		3,481,900
Commodity inspection fees		648,900
Feed control fund		1,116,200
Fertilizer control fund		1,071,600
Freshwater protection fund		156,200
Grain dealers fee fund		581,800

		For Fiscal Year Ending Sept. 30, 2019
Horticulture fund	$	40,000
Industry support funds		251,400
State general fund/general purpose	$	5,744,700

Sec. 107. ENVIRONMENTAL STEWARDSHIP

Full-time equated classified positions 65.5		
Environmental stewardship - MAEAP—25.0 FTE positions	$	10,191,300
Farmland and open space preservation—10.0 FTE positions		1,545,000
Intercounty drain—6.0 FTE positions		811,900
Migrant labor housing—9.0 FTE positions		1,231,100
Qualified forest program—9.0 FTE positions		2,590,000
Right-to-farm—6.5 FTE positions		964,000
GROSS APPROPRIATION	$	17,333,300
Appropriated from:		
Interdepartmental grant revenues:		
IDG from department of environmental quality, biosolids		90,200
Federal revenues:		
Department of interior		96,300
EPA, multiple grants		560,500
USDA, multiple grants		822,300
Special revenue funds:		
Agricultural preservation fund		1,425,700
Freshwater protection fund		7,714,900
Migratory labor housing fund		140,100
Private forestland enhancement fund		581,500
State general fund/general purpose	$	5,901,800

Sec. 108. LABORATORY SERVICES

Full-time equated classified positions 108.0		
Central licensing and customer service call center—12.0 FTE positions	$	1,338,200
Consumer protection program—41.0 FTE positions		6,790,600
Laboratory services—42.0 FTE positions		7,141,500
USDA monitoring—13.0 FTE positions		1,637,300
GROSS APPROPRIATION	$	16,907,600
Appropriated from:		
Interdepartmental grant revenues:		
IDG from department of licensing and regulatory affairs, liquor quality testing fees		220,500
Federal revenues:		
EPA, multiple grants		173,800
HHS-FDA		931,900
USDA, multiple grants		1,638,500
Special revenue funds:		
Agriculture licensing and inspection fees		336,700
Commodity inspection fees		1,100
Dairy and food safety fund		496,200
Feed control fund		189,200
Fertilizer control fund		24,000
Freshwater protection fund		45,000
Gasoline inspection and testing fund		1,412,600
Grain dealers fee fund		8,000
Migratory labor housing fund		29,000
Refined petroleum fund		3,316,800
Testing fees		200,000
Weights and measures regulation fees		725,500
State general fund/general purpose	$	7,158,800

Sec. 109. AGRICULTURAL DEVELOPMENT

Full-time equated classified positions 17.0

		For Fiscal Year Ending Sept. 30, 2019
Agricultural development—13.0 FTE positions	$	4,253,100
Food and agriculture investment program		5,125,000
Michigan craft beverage council—3.0 FTE positions		934,800
Rural development fund grant program—1.0 FTE position		2,004,600
GROSS APPROPRIATION	$	12,317,500
Appropriated from:		
Federal revenues:		
USDA, multiple grants		2,273,200
Special revenue funds:		
Private - commodity group revenue		50,000
Industry support funds		180,400
Michigan craft beverage council fund		885,700
Rural development fund		2,004,600
State general fund/general purpose	$	6,923,600

Sec. 110. FAIRS AND EXPOSITIONS

County fairs, shows, and expositions grants	$	400,000
Fairs and racing		256,600
Licensed tracks - light horse racing		40,300
Light horse racing - breeders' awards		20,000
Purses and supplements - fairs/licensed tracks		708,300
Standardbred breeders' awards		345,900
Standardbred purses and supplements - licensed tracks		671,800
Standardbred sire stakes		275,000
Thoroughbred breeders' awards		368,600
Thoroughbred sire stakes		378,800
Thoroughbred supplements - licensed tracks		601,900
GROSS APPROPRIATION	$	4,067,200
Appropriated from:		
Special revenue funds:		
Agriculture equine industry development fund		3,667,200
State general fund/general purpose	$	400,000

Sec. 111. ONE-TIME APPROPRIATIONS

Animal agriculture initiative	$	2,000,000
County fairs, shows, and expositions		775,000
ACRE agriculture incubator		260,000
ODC network - project clarity		120,000
GROSS APPROPRIATION	$	3,155,000
Appropriated from:		
Special revenue funds:		
State general fund/general purpose	$	3,155,000

PART 2

PROVISIONS CONCERNING APPROPRIATIONS
FOR FISCAL YEAR 2018-2019

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state sources under part 1 for fiscal year 2018-2019 is $95,757,200.00 and state spending from state sources to be paid to local units of government for fiscal year 2018-2019 is $6,350,000.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT

Environmental stewardship/MAEAP	$	4,250,000

Qualified forest program		1,500,000
Rural development fund grant program		600,000
TOTAL	$	6,350,000

Sec. 202. The appropriations authorized under part 1 and this part are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

Sec. 203. As used in part 1 and this part:

(a) "Department" means the department of agriculture and rural development.

(b) "Director" means the director of the department.

(c) "EPA" means the United States Environmental Protection Agency.

(d) "FDA" means the United States Food and Drug Administration.

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

(f) "FTE" means full-time equated.

(g) "HHS" means the United States Department of Health and Human Services.

(h) "IDG" means interdepartmental grant.

(i) "LARA" means the Michigan department of licensing and regulatory affairs.

(j) "LCC" means the Michigan liquor control commission.

(k) "MAEAP" means the Michigan agriculture environmental assurance program.

(*l*) "MDEQ" means the Michigan department of environmental quality.

(m) "MDNR" means the Michigan department of natural resources.

(n) "MOU" means memorandum of understanding.

(o) "Subcommittees" means all members of the subcommittees of the house and senate appropriations committees with jurisdiction over the budget for the department.

(p) "TB" means tuberculosis.

(q) "USDA" means the United States Department of Agriculture.

Sec. 204. The departments and agencies receiving appropriations in part 1 shall use the internet to fulfill the reporting requirements of this part. This requirement may include transmission of reports via electronic mail to the recipients identified for each reporting requirement, or it may include placement of reports on an internet or intranet site.

Sec. 205. Funds appropriated in part 1 shall not be used for the purchase of foreign goods or services, or both, if competitively priced and of comparable quality American goods or services, or both, are available. Preference shall be given to goods or services, or both, manufactured or provided by Michigan businesses, if they are competitively priced and of comparable quality. In addition, preference shall 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. 206. The director 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 or supplies, or both.

Sec. 207. The departments and agencies receiving appropriations in part 1 shall prepare a report on out-of-state travel expenses not later than January 1 of each year. The travel report shall be a listing of all travel by classified and unclassified employees outside this state in the immediately preceding fiscal year that was funded in whole or in part with funds appropriated in the department's budget. The report shall be submitted to the house and senate appropriations committees, the house and senate fiscal agencies, and the state budget director. The report shall include the following information:

(a) The dates of each travel occurrence.

(b) The transportation and related costs of each travel occurrence, including the proportion funded with state general fund/general purpose revenues, the proportion funded with state restricted revenues, the proportion funded with federal revenues, and the proportion funded with other revenues.

Sec. 208. Funds appropriated in part 1 shall not be used by a principal executive department, state agency, or authority to hire a person to provide legal services that are the responsibility of the attorney general. This prohibition does not apply to legal services for bonding activities and for those outside services that the attorney general authorizes.

Sec. 209. Not later than November 30, the state budget office shall prepare and transmit a report that provides for estimates of the total general fund/general purpose appropriation lapses at the close of the prior fiscal year. This report shall summarize the projected year-end general fund/general purpose appropriation lapses by major departmental program or program areas. The report shall be transmitted to the chairpersons of the senate and house of representatives standing committees on appropriations and the senate and house fiscal agencies.

Sec. 210. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $5,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

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

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

Sec. 211. The department shall cooperate with the department of technology, management, and budget to maintain a searchable website accessible by the public at no cost that includes, but is not limited to, all of the following for each department or agency:

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

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

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

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

(e) Job specifications and wage rates.

Sec. 212. Within 14 days after the release of the executive budget recommendation, the department shall cooperate with the state budget office to provide the senate and house appropriations chairs, the subcommittees, respectively, and the senate and house fiscal agencies with an annual report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures for the fiscal years ending September 30, 2018 and September 30, 2019.

Sec. 213. The department shall maintain, on a publicly accessible website, a department scorecard that identifies, tracks, and regularly updates key metrics that are used to monitor and improve the agency's performance.

Sec. 214. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2019 is $12,428,400.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at $5,729,700.00. Total agency appropriations for retiree health care legacy costs are estimated at $6,698,700.00.

Sec. 215. The department shall not take disciplinary action against an employee for communicating with a member of the legislature or his or her staff.

Sec. 234. The department and agencies receiving appropriations in part 1 shall receive and retain copies of all reports funded from appropriations in part 1. Federal and state guidelines for short-term and long-term retention of records shall be followed. The department may electronically retain copies of reports unless otherwise required by federal and state guidelines.

DEPARTMENTAL ADMINISTRATION AND SUPPORT

Sec. 301. (1) The department may establish a fee schedule and collect fees for the following work activities and services:

(a) Pesticide and plant pest management propagation and certification of virus-free foundation stock.

(b) Fruit and vegetable inspection and grading services at shipping and termination points and processing plants.

(c) Laboratory support analyses of food, livestock, and agricultural products for disease, foreign products for disease, toxic materials, foreign substances, and quality standards.

(d) Laboratory support test samples for other state and local agencies and public or private organizations.

(2) The department may receive and expend revenue from the fees authorized under subsection (1), subject to appropriation, for the purpose of recovering expenses associated with the work activities and services described in subsection (1). Fee revenue collected by the department under subsection (1) shall not lapse to the state general fund at the end of the fiscal year but shall carry forward for appropriation by the legislature in the subsequent fiscal year.

(3) The department shall notify the subcommittees, the fiscal agencies, and the state budget office 30 days prior to proposing changes in fees authorized under this section or under section 5 of 1915 PA 91, MCL 285.35.

(4) On or before February 1 of each year, the department shall provide a report to the subcommittees, the fiscal agencies, and the state budget office detailing all the fees charged by the department under the authorization provided in this section, including, but not limited to, rates, number of individuals paying each fee, and the revenue generated by each fee in the previous fiscal year.

Sec. 302. (1) The department may contract with or provide grants to local units of government, institutions of higher education, or nonprofit organizations to support activities authorized by appropriations in part 1. As used in this section, contracts and grants include, but are not limited to, contracts for delivery of groundwater/freshwater programs, MAEAP technical assistance, forest management, invasive species monitoring, wildlife risk mitigation, grants promoting proper pesticide disposal, and research grants for the purpose of enhancing the agricultural industries in this state.

(2) The department shall provide notice of contracts or grants authorized under this section to the subcommittees, the fiscal agencies, and the state budget office not later than 7 days before the department notifies contract or grant recipients.

FOOD AND DAIRY

Sec. 401. (1) The department shall report on the previous fiscal year's activities of the food and dairy division. The report shall include information on activities and outcomes of the dairy safety and inspection program, the food safety inspection program, the foodborne illness and emergency response program, and the food service program.

(2) The report shall include information on significant foodborne outbreaks and emergencies, including any significant enforcement actions taken related to food safety during the prior calendar year.

(3) The report shall be transmitted to the subcommittees, the fiscal agencies, and the state budget office and posted to the department's website on or before April 1 of each year.

ANIMAL INDUSTRY

Sec. 451. From the funds appropriated in part 1 for bovine tuberculosis, the department shall pay for all whole herd testing costs and individual animal testing costs in the modified accredited zone to maintain split-state status requirements. These costs include indemnity and compensation for injury causing death or downer to animals.

Sec. 452. (1) The department shall report on the previous calendar year's activities of the animal industry division. The report shall be transmitted to the subcommittees, the fiscal agencies, and the state budget office and posted to the department's website on or before April 1 of each year.

(2) The department shall include in the report all indemnification payments for livestock depredation made in the previous calendar year and shall include all of the following:

(a) The reason for the indemnification.

(b) The amount of the indemnification.

(c) The person for whom the indemnification was paid.

Sec. 454. The department shall use its resources to collaborate with the USDA to monitor bovine TB, consistent with the May 2016 memorandum of understanding between the department and the USDA.

Sec. 457. (1) On or before October 15, 2018, the department shall provide to the subcommittees, the fiscal agencies, and the state budget office a report on bovine TB status and department activities.

(2) For each fiscal quarter following the report required in subsection (1), the department shall provide an update to the subcommittees, the fiscal agencies, and the state budget office. The quarterly update reports shall identify significant impacts to the program, including new incidence of bovine TB in this state, department activity associated with specific new incidence of bovine TB, any changes in USDA requirements or movement orders, and information and data on wildlife risk mitigation plan implementation in the modified accredited zone; implementation of a movement certificate process; progress toward annual surveillance test requirements; efforts to work with slaughter facilities in this state, as well as those that slaughter a significant number of animals from this state; educational programs and information for this state's livestock community; and any other item the legislature should be aware of that will promote or hinder efforts to achieve bovine TB-free status for this state.

Sec. 459. It is the intent of the legislature that the department shall not conduct whole herd bovine TB testing on any 1 herd in a TB-free zone more often than every 4 years or re-test until all other herds in their county have been tested, unless involved in an epidemiological investigation, there is an outbreak within a 10-radius-mile area, or is not on a verified wildlife risk mitigated premises. If there is an outbreak within a 10-radius-mile area, protocols outlined by the current memorandum of understanding with the USDA shall be used.

Sec. 462. From the funds appropriated in part 1, not to exceed $20,000.00, the department shall establish a grant program to assist in the construction of protective systems for apiaries. The department may make grants under this program to reimburse apiary owners for costs of projects designed to protect apiaries from damage by wildlife, subject to all of the following:

(a) Grants may not exceed $250.00 per apiary site.

(b) Grants under this subsection may be made only for projects identified and approved by the department prior to the start of project activity.

PESTICIDE AND PLANT PEST MANAGEMENT

Sec. 501. The department shall report on the previous calendar year's activities of the pesticide and plant pest management division. The report shall be transmitted to the subcommittees, the fiscal agencies, and the state budget office and posted to the department's website on or before April 1 of each year.

ENVIRONMENTAL STEWARDSHIP

Sec. 601. The funds appropriated in part 1 for environmental stewardship/MAEAP shall be used to support department agriculture pollution prevention programs, including groundwater and freshwater protection programs under part 87 of the Michigan natural resources and environmental protection act, 1994 PA 451, MCL 324.8701 to 324.8717, and technical assistance in implementing conservation grants available under the federal farm bill of 2014.

Sec. 602. The department shall report on the previous calendar year's activities of the environmental stewardship division. The report shall be transmitted to the subcommittees, the fiscal agencies, and the state budget office and posted to the department's website on or before April 1 of each year.

Sec. 604. The department may receive and expend federal revenues in excess of the federal revenue appropriated in section 107 of part 1 for environmental stewardship and MAEAP activities. The department shall notify the subcommittees, the fiscal agencies, and the state budget office prior to expending federal revenues authorized under this section.

Sec. 608. (1) The appropriations in part 1 for the qualified forest affidavit program are for the purpose of increasing the knowledge of nonindustrial private forestland owners of sound forest management practices and increasing the amount of commercial timber production from those lands.

(2) The department shall work in partnership with stakeholder groups and other state and federal agencies to increase the active management of nonindustrial private forestland to foster the growth of Michigan's timber product industry.

LABORATORY PROGRAM

Sec. 651. The department shall report on the previous calendar year's activities of the laboratory division. The report shall be transmitted to the subcommittees, the fiscal agencies, and the state budget office and posted to the department's website on or before April 1 of each year.

AGRICULTURE DEVELOPMENT

Sec. 701. (1) From the funds appropriated in part 1 for the food and agriculture investment program, the department shall establish and administer a food and agriculture investment program.

(2) The food and agriculture investment program shall expand the Michigan food and agriculture sector, grow Michigan exports, promote the development of value-added agricultural production, food hubs, food incubators, and community-based processing facilities, and the expansion of farm markets and urban agriculture, and increase food processing activities within the state by accelerating projects and infrastructure development that support growth in the food and agriculture processing industry.

(3) In addition to the funds appropriated in part 1, the department may receive and expend funds received from outside sources for the food and agriculture investment program.

(4) Before the allocation of funding, all projects shall receive approval from the Michigan commission of agriculture and rural development, except for projects selected through a competitive process by a joint evaluation committee selected by the director and consisting of representatives that have agriculture, business, and economic development expertise. Projects funded through the food and agriculture investment program will be required to have a grant agreement that outlines milestones and activities that must be met in order to receive a disbursement of funds. Projects must also identify measurable project outcomes.

(5) The department shall include in the agriculture development annual report a report on the food and agriculture investment program for the previous fiscal year that includes a listing of the grantees, award amounts, match funding, project locations, and project outcomes.

(6) The food and agriculture investment program shall be administered by the department and provide support for food and agriculture projects that will enable growth in the industry and this state's economy.

(7) The unexpended funds appropriated in part 1 for the food and agriculture investment program are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for projects under this section until the projects have been completed. The following is in compliance with section 451a(1) of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to promote and expand the Michigan food and agriculture sector, grow Michigan exports, and increase food processing activities within the state.

(b) The project will be funded in accordance with this section and the project guidelines approved by the Michigan agriculture commission prior to an award.

(c) The estimated cost of this project is identified in the appropriation line item.

(d) The tentative completion date for the work project is September 30, 2021.

(8) The department may expend money from the funds appropriated in part 1 for the food and agriculture investment program, including all of the following activities:

(a) Grants.

(b) Loans or loan guarantees.

(c) Infrastructure development.

(d) Other economic assistance.

(e) Program administration.

(f) Export assistance.

(9) The department shall expend no more than 10% from the funds appropriated in part 1 for the food and agriculture investment program for administrative purposes.

Sec. 706. (1) The department shall report on the previous calendar year's activities of the agriculture development division. The report shall be transmitted to the subcommittees, the fiscal agencies, and the state budget office and posted to the department's website on or before April 1 of each year.

(2) The report shall include the following information on any grants awarded during the prior fiscal year:

(a) The name of the grantee.

(b) The amount of the grant.

(c) The purpose of the grant, including measurable outcomes.

(d) Additional state, federal, private, or local funds contributed to the grant project.

(e) The completion date of grant-funded activities.

(3) The report shall include the following information on the Michigan craft beverage council established under section 303 of the Michigan liquor control code of 1998, 1998 PA 58, MCL 436.1303:

(a) Council activities and accomplishments for the previous fiscal year.

(b) Council expenditures for the previous fiscal year by category of administration, industry support, research and education grants, and promotion and consumer education.

(c) Grants awarded during the previous fiscal year and the results of research grant projects completed during the previous fiscal year.

FAIRS AND EXPOSITIONS

Sec. 801. All appropriations from the agriculture equine industry development fund shall be spent on equine-related purposes. No funds from the agriculture equine industry development fund shall be expended for nonequine-related purposes without prior approval of the legislature.

Sec. 802. From the funds appropriated in part 1 from agriculture equine industry development funds, available revenue shall be allocated in the following priority order:

(a) To support all administrative, contractual, and regulatory costs incurred by the department and the Michigan gaming control board.

(b) Up to $395,000.00 shall be allocated to the purses and supplements - fairs/licensed tracks line item.

(c) Any remaining funds collected through September 30, 2019, after the obligations in subdivisions (a) and (b) have been met, shall be prorated equally among the supplements, breeders' awards, and sire stakes awards to eligible race meeting licensees in accordance with section 20 of the horse racing law of 1995, 1995 PA 279, MCL 431.320.

Sec. 805. (1) The department shall establish and administer a county fairs, shows, and expositions grant program. The program shall have the following objectives:

(a) Assist in the promotion of building improvements or other capital improvements at county fairgrounds of the state.

(b) Provide financial support, promotion, prizes, and premiums of equine, livestock, and other agricultural commodity expositions in the state.

(2) The department shall award grants on a competitive basis to county fairs or other organizations from the funds appropriated in part 1 for county fairs, shows, and expositions grants. Grantees will be required to provide a dollar-for-dollar cash match with grant awards and identify measurable project outcomes. A county fair organization that received a county fair capital improvement grant in the prior fiscal year shall not receive a grant from the appropriation in part 1.

(3) From the amount appropriated in part 1 for county fairs, shows, and expositions, up to $25,000.00 shall be expended for the purpose of financial support, promotion, prizes, and premiums of equine, livestock, and other agricultural commodity expositions in this state, and festivals.

(4) All fairs receiving grants under this section shall provide a report to the department on the financial impact resulting from the capital improvement project on both fair and nonfair events. These reports are due for 3 years immediately following the completion of the capital improvement project.

(5) The department shall identify criteria, evaluate applications, and provide recommendations to the director for final approval of grant awards.

(6) The department may expend money from the funds appropriated in part 1 for the county fairs, shows, and expositions grants for administering the program.

(7) From the funds appropriated in part 1 for county fairs, shows, and expositions grants, $25,000.00 shall be used for renovations to the Tuscola County fair grandstand, and $250,000.00 shall be used for the construction and furnishing of a community center at the Tuscola County fair.

(8) The unexpended portion of the county fairs, shows, and expositions grants is considered a work project appropriation in accordance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a. The following apply to the project:

(a) The purpose of the project is to support building improvements or other capital improvements at county fairgrounds of the state.

(b) All grants will be distributed in accordance with this section and the grant guidelines published prior to the request for proposals.

(c) The estimated cost of the project is identified in the appropriation line item.

(d) The tentative completion date for the work project is September 30, 2021.

(9) The department shall provide a year-end report on the county fairs, shows, and expositions grants no later than December 1, 2019 to the subcommittees, the fiscal agencies, and the state budget director that includes a listing of the grantees, award amounts, match funding, and project outcomes.

ARTICLE V

DEPARTMENT OF CORRECTIONS

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of corrections for the fiscal year ending September 30, 2019, from the following funds:

DEPARTMENT OF CORRECTIONS

APPROPRIATION SUMMARY		
Average population	38,815	
Full-time equated unclassified positions	16.0	
Full-time equated classified positions	13,963.2	
GROSS APPROPRIATION		$ 2,017,056,200
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		0
ADJUSTED GROSS APPROPRIATION		$ 2,017,056,200
Federal revenues:		
Total federal revenues		5,315,200
Special revenue funds:		
Total local revenues		8,960,100
Total private revenues		0
Total other state restricted revenues		40,939,600
State general fund/general purpose		$ 1,961,841,300

Sec. 102. DEPARTMENTAL ADMINISTRATION AND SUPPORT

Full-time equated unclassified positions	16.0	
Full-time equated classified positions	322.0	
Unclassified salaries—16.0 FTE positions		$ 1,884,600
Administrative hearings officers		3,266,100
Budget and operations administration—240.0 FTE positions		32,971,300
Compensatory buyout and union leave bank		100
County jail reimbursement program		15,064,600
Equipment and special maintenance		1,559,700
Executive direction—20.0 FTE positions		4,298,200
Judicial data warehouse user fees		50,600
New custody staff training		9,527,600
Prison industries operations—62.0 FTE positions		9,989,700
Property management		2,413,100

		For Fiscal Year Ending Sept. 30, 2019
Prosecutorial and detainer expenses	$	4,901,000
Sheriffs' coordinating and training office		100,000
Worker's compensation		10,613,000
GROSS APPROPRIATION	$	96,639,600
Appropriated from:		
Federal revenues:		
DOJ, prison rape elimination act grant		674,700
Special revenue funds:		
Correctional industries revolving fund		9,989,700
Correctional industries revolving fund 110		616,700
Jail reimbursement program fund		5,900,000
Local corrections officer training fund		100,000
Program and special equipment fund		100
State general fund/general purpose	$	79,358,400

Sec. 103. OFFENDER SUCCESS ADMINISTRATION

Full-time equated classified positions 351.4		
Community corrections comprehensive plans and services	$	12,058,000
Education/skilled trades/career readiness programs—270.4 FTE positions		39,009,700
Enhanced food technology program—12.0 FTE positions		2,000,000
Federally qualified health center pilot		250,000
Felony drunk driver jail reduction and community treatment program		1,440,100
Goodwill Flip the Script		1,500,000
Offender success federal grants		751,000
Offender success community partners		14,500,000
Offender success programming		11,772,800
Public safety initiative		4,000,000
Offender success services—69.0 FTE positions		15,145,700
Residential probation diversions		17,825,500
GROSS APPROPRIATION	$	120,252,800
Appropriated from:		
Federal revenues:		
DOJ, prisoner reintegration		751,000
Federal education funding		1,536,300
Special revenue funds:		
Program and special equipment fund		10,213,200
State general fund/general purpose	$	107,752,300

Sec. 104. FIELD OPERATIONS ADMINISTRATION

Full-time equated classified positions 2,182.6		
Criminal justice reinvestment	$	5,498,400
Detroit Detention Center—66.1 FTE positions		8,685,100
Detroit Reentry Center—236.0 FTE positions		29,989,600
Field operations—1,849.5 FTE positions		215,083,300
Parole board operations—31.0 FTE positions		3,727,300
Parole/probation services		940,000
Residential alternative to prison program		1,500,000
Substance abuse parole certain sanction program		1,440,000
Supervising region incentive program		1,000,000
GROSS APPROPRIATION	$	267,863,700
Appropriated from:		
Special revenue funds:		
Local - community tether program reimbursement		275,000
Local revenues		8,685,100
Parole and probation oversight fees		4,000,000
Parole and probation oversight fees set-aside		940,000
Reentry center offender reimbursements		10,000
Tether program participant contributions		2,630,500
State general fund/general purpose	$	251,323,100

		For Fiscal Year Ending Sept. 30, 2019
Sec. 105. CORRECTIONAL FACILITIES ADMINISTRATION		
Full-time equated classified positions 654.0		
Central records—38.0 FTE positions	$	4,446,300
Correctional facilities administration—24.0 FTE positions		5,010,700
Housing inmates in federal institutions		611,000
Inmate housing fund		100
Inmate legal services		490,900
Leased beds and alternatives to leased beds		100
Prison food service—352.0 FTE positions		70,342,800
Prison kitchen inspections		50,000
Prison store operations—33.0 FTE positions		3,282,600
Public works programs		1,000,000
Transportation—207.0 FTE positions		26,768,000
GROSS APPROPRIATION	$	112,002,500
Appropriated from:		
Federal revenues:		
DOJ-BOP, federal prisoner reimbursement		411,000
SSA-SSI, incentive payment		272,000
Special revenue funds:		
Correctional industries revolving fund 110		573,900
Public works user fees		1,000,000
Resident stores		3,282,600
State general fund/general purpose	$	106,463,000
Sec. 106. HEALTH CARE		
Full-time equated classified positions 1,461.1		
Clinical complexes—1,047.1 FTE positions	$	146,066,300
Health care administration—20.0 FTE positions		3,775,800
Healthy Michigan plan administration—12.0 FTE positions		1,124,700
Hepatitis C treatment		6,735,500
Interdepartmental grant to health and human services, eligibility specialists		119,700
Mental health services and support—376.0 FTE positions		45,981,100
Prisoner health care services		86,717,900
Substance abuse testing and treatment services—6.0 FTE positions		21,386,600
Vaccination program		691,200
GROSS APPROPRIATION	$	312,598,800
Appropriated from:		
Federal revenues:		
DOJ, Office of Justice programs, RSAT		250,200
Federal revenues and reimbursements		385,200
Special revenue funds:		
Prisoner health care copayments		257,200
State general fund/general purpose	$	311,706,200
Sec. 107. CORRECTIONAL FACILITIES		
Average population 38,815		
Full-time equated classified positions 8,992.1		
Alger Correctional Facility - Munising—259.0 FTE positions	$	31,189,400
Baraga Correctional Facility - Baraga—293.8 FTE positions		36,021,600
Bellamy Creek Correctional Facility - Ionia—391.2 FTE positions		45,003,600
Carson City Correctional Facility - Carson City—424.4 FTE positions		49,613,500
Central Michigan Correctional Facility - St. Louis—387.6 FTE positions		47,009,300
Charles E. Egeler Correctional Facility - Jackson—387.6 FTE positions		46,801,100
Chippewa Correctional Facility - Kincheloe—445.6 FTE positions		52,230,000
Cooper Street Correctional Facility - Jackson—262.1 FTE positions		30,325,000
Earnest C. Brooks Correctional Facility - Muskegon—245.2 FTE positions		30,604,700
G. Robert Cotton Correctional Facility - Jackson—393.0 FTE positions		45,634,700
Gus Harrison Correctional Facility - Adrian—443.6 FTE positions		50,857,600

		For Fiscal Year Ending Sept. 30, 2019
Ionia Correctional Facility - Ionia—287.3 FTE positions	$	34,886,000
Kinross Correctional Facility - Kincheloe—256.6 FTE positions		33,008,100
Lakeland Correctional Facility - Coldwater—276.4 FTE positions		33,619,700
Macomb Correctional Facility - New Haven—292.8 FTE positions		35,285,600
Marquette Branch Prison - Marquette—319.7 FTE positions		38,697,200
Michigan Reformatory - Ionia—318.7 FTE positions		36,034,000
Muskegon Correctional Facility - Muskegon—206.0 FTE positions		26,109,600
Newberry Correctional Facility - Newberry—198.1 FTE positions		24,673,000
Oaks Correctional Facility - Eastlake—289.4 FTE positions		34,862,600
Ojibway Correctional Facility - Marenisco—201.1 FTE positions		23,747,300
Parnall Correctional Facility - Jackson—264.1 FTE positions		29,475,600
Richard A. Handlon Correctional Facility - Ionia—252.7 FTE positions		30,762,400
Saginaw Correctional Facility - Freeland—275.9 FTE positions		33,835,800
Special Alternative Incarceration Program - Cassidy Lake—120.0 FTE positions		14,179,300
St. Louis Correctional Facility - St. Louis—302.6 FTE positions		37,907,700
Thumb Correctional Facility - Lapeer—283.6 FTE positions		33,809,700
Womens Huron Valley Correctional Complex - Ypsilanti—504.1 FTE positions		60,568,400
Woodland Correctional Facility - Whitmore Lake—277.9 FTE positions		33,169,100
Northern region administration and support—43.0 FTE positions		4,336,300
Southern region administration and support—89.0 FTE positions		20,430,900
Facility closure		(19,201,100)
GROSS APPROPRIATION	$	1,065,487,700
Appropriated from:		
Federal revenues:		
DOJ, state criminal assistance program		1,034,800
Special revenue funds:		
State restricted fees, revenues, and reimbursements		102,100
State general fund/general purpose	$	1,064,350,800

Sec. 108. INFORMATION TECHNOLOGY

Information technology services and projects	$	30,583,400
GROSS APPROPRIATION	$	30,583,400
Appropriated from:		
Special revenue funds:		
Correctional industries revolving fund 110		178,600
Parole and probation oversight fees set-aside		701,000
Program and special equipment fund		444,000
State general fund/general purpose	$	29,259,800

Sec. 109. ONE-TIME APPROPRIATIONS

Higher custody level programming	$	2,400,000
New custody staff training		9,227,700
GROSS APPROPRIATION	$	11,627,700
Appropriated from:		
State general fund/general purpose	$	11,627,700

PART 2

PROVISIONS CONCERNING APPROPRIATIONS
FOR FISCAL YEAR 2018-2019

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state sources under part 1 for fiscal year 2018-2019 is $2,002,780,900.00 and state spending from state sources to be paid to local units

of government for fiscal year 2018-2019 is $122,169,600.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF CORRECTIONS

County jail reimbursement program	$	15,064,600
Community corrections comprehensive plans and services		12,058,000
Felony drunk driver jail reduction and community treatment program		1,440,100
Field operations		65,380,300
Leased beds and alternatives to leased beds		100
Prosecutorial and detainer expenses		4,901,000
Public safety initiative		4,000,000
Residential alternative to prison program		1,500,000
Residential probation diversions		17,825,500
TOTAL	$	122,169,600

Sec. 202. The appropriations authorized under this part and part 1 are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

Sec. 203. As used in this part and part 1:

(a) "Administrative segregation" means confinement for maintenance of order or discipline to a cell or room apart from accommodations provided for inmates who are participating in programs of the facility.

(b) "Cost per prisoner" means the sum total of the funds appropriated under part 1 for the following, divided by the projected prisoner population in fiscal year 2018-2019:

(*i*) New custody staff training.

(*ii*) Education/skilled trades/career readiness programs.

(*iii*) Offender success programming.

(*iv*) Central records.

(*v*) Correctional facilities administration.

(*vi*) Inmate legal services.

(*vii*) Prison food service.

(*viii*) Prison store operations.

(*ix*) Transportation.

(*x*) Clinical complexes.

(*xi*) Hepatitis C treatment.

(*xii*) Mental health services and support.

(*xiii*) Prisoner health care services.

(*xiv*) Vaccination program.

(*xv*) Correctional facilities.

(*xvi*) Northern and southern region administration and support.

(*xvii*) Higher custody level programming.

(c) "Department" or "MDOC" means the Michigan department of corrections.

(d) "DOJ" means the United States Department of Justice.

(e) "DOJ-BOP" means the DOJ Bureau of Prisons.

(f) "EPIC program" means the department's effective process improvement and communications program.

(g) "Evidence-based" means a decision-making process that integrates the best available research, clinician expertise, and client characteristics.

(h) "Federally qualified health center" means that term as defined in section 1396d(*l*)(2)(B) of the social security act, 42 USC 1396d.

(i) "FTE" means full-time equated.

(j) "Goal" means the intended or projected result of a comprehensive corrections plan or community corrections program to reduce repeat offending, criminogenic and high-risk behaviors, prison commitment rates, the length of stay in a jail, or to improve the utilization of a jail.

(k) "Jail" means a facility operated by a local unit of government for the physical detention and correction of persons charged with or convicted of criminal offenses.

(*l*) "MDHHS" means the Michigan department of health and human services.

(m) "Medicaid benefit" means a benefit paid or payable under a program for medical assistance under the social welfare act, 1939 PA 280, MCL 400.1 to 400.119b.

(n) "Objective risk and needs assessment" means an evaluation of an offender's criminal history; the offender's noncriminal history; and any other factors relevant to the risk the offender would present to the public safety, including, but not limited to, having demonstrated a pattern of violent behavior, and a criminal record that indicates a pattern of violent offenses.

(o) "OCC" means the office of community corrections.

(p) "Offender eligibility criteria" means particular criminal violations, state felony sentencing guidelines descriptors, and offender characteristics developed by advisory boards and approved by local units of government that identify the offenders suitable for community corrections programs funded through the office of community corrections.

(q) "Offender success" means that an offender has, with the support of the community, intervention of the field agent, and benefit of any participation in programs and treatment, made an adjustment while at liberty in the community such that he or she has not been sentenced to or returned to prison for the conviction of a new crime or the revocation of probation or parole.

(r) "Offender target populations" means felons or misdemeanants who would likely be sentenced to imprisonment in a state correctional facility or jail, who would not likely increase the risk to the public safety based on an objective risk and needs assessment that indicates that the offender can be safely treated and supervised in the community.

(s) "Offender who would likely be sentenced to imprisonment" means either of the following:

(*i*) A felon or misdemeanant who receives a sentencing disposition that appears to be in place of incarceration in a state correctional facility or jail, according to historical local sentencing patterns.

(*ii*) A currently incarcerated felon or misdemeanant who is granted early release from incarceration to a community corrections program or who is granted early release from incarceration as a result of a community corrections program.

(t) "Programmatic success" means that the department program or initiative has ensured that the offender has accomplished all of the following:

(*i*) Obtained employment, has enrolled or participated in a program of education or job training, or has investigated all bona fide employment opportunities.

(*ii*) Obtained housing.

(*iii*) Obtained a state identification card.

(u) "Recidivism" means that term as defined in section 1 of 2017 PA 5, MCL 798.31.

(v) "RSAT" means residential substance abuse treatment.

(w) "Serious emotional disturbance" means that term as defined in section 100d(2) of the mental health code, 1974 PA 258, MCL 330.1100d.

(x) "Serious mental illness" means that term as defined in section 100d(3) of the mental health code, 1974 PA 258, MCL 330.1100d.

(y) "SSA" means the United States Social Security Administration.

(z) "SSA-SSI" means SSA supplemental security income.

Sec. 204. The department shall use the internet to fulfill the reporting requirements of this part. This requirement may include transmission of reports via electronic mail to the recipients identified for each reporting requirement or it may include placement of reports on an internet or intranet site.

Sec. 205. Funds appropriated in part 1 shall not be used for the purchase of foreign goods or services, or both, if competitively priced and of comparable quality American goods or services, or both, are available. Preference shall be given to goods or services, or both, manufactured or provided by Michigan businesses, if they are competitively priced and of comparable quality. In addition, preference shall 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. 206. The department shall not take disciplinary action against an employee or a prisoner for communicating with a member of the legislature or his or her staff.

Sec. 207. The department shall prepare a report on out-of-state travel expenses not later than January 1 of each year. The travel report shall be a listing of all travel by classified and unclassified employees outside this state in the immediately preceding fiscal year that was funded in whole or in part with funds appropriated in the department's

budget. The report shall be submitted to the senate and house appropriations committees, the senate and house fiscal agencies, and the state budget office. The report shall include the following information:

(a) The dates of each travel occurrence.

(b) The total transportation and related costs of each travel occurrence, including the proportion funded with state general fund/general purpose revenues, the proportion funded with state restricted revenues, the proportion funded with federal revenues, and the proportion funded with other revenues.

Sec. 208. Funds appropriated in part 1 shall not be used by the department to hire a person to provide legal services that are the responsibility of the attorney general. This prohibition does not apply to legal services for bonding activities and for those outside services that the attorney general authorizes.

Sec. 209. Not later than November 30, the state budget office shall prepare and transmit a report that provides for estimates of the total general fund/general purpose appropriation lapses at the close of the prior fiscal year. This report shall summarize the projected year-end general fund/general purpose appropriation lapses by major departmental program or program areas. The report shall be transmitted to the chairpersons of the senate and house appropriations committees and the senate and house fiscal agencies.

Sec. 210. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $10,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

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

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

Sec. 211. The department shall cooperate with the department of technology, management, and budget to maintain a searchable website accessible by the public at no cost that includes, but is not limited to, all of the following for the department:

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

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

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

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

(e) Job specifications and wage rates.

Sec. 212. Within 14 days after the release of the executive budget recommendation, the department shall cooperate with the state budget office to provide the chairpersons of the senate and house appropriations committees, the chairpersons of the senate and house appropriations subcommittees on corrections, and the senate and house fiscal agencies with an annual report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures for the prior 2 fiscal years.

Sec. 213. The department shall maintain, on a publicly accessible website, a department scorecard that identifies, tracks, and regularly updates key metrics that are used to monitor and improve the department's performance.

Sec. 214. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2019 are estimated at $319,141,800.00. From this amount, total department appropriations for pension-related legacy costs are estimated at $147,129,800.00. Total department appropriations for retiree health care legacy costs are estimated at $172,012,000.00.

Sec. 216. On a quarterly basis, the department shall report on the number of full-time equated positions in pay status by civil service classification to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, the legislative corrections ombudsman, and the state budget office. This report shall include a detailed

accounting of the long-term vacancies that exist within the department. As used in this section, "long-term vacancy" means any full-time equated position that has not been filled at any time during the past 24 calendar months.

Sec. 217. The department shall receive and retain copies of all reports funded from appropriations in part 1. Federal and state guidelines for short-term and long-term retention of records shall be followed. The department may electronically retain copies of reports unless otherwise required by federal and state guidelines.

Sec. 219. (1) Any contract for prisoner telephone services entered into after the effective date of this section shall include a condition that fee schedules for prisoner telephone calls, including rates and any surcharges other than those necessary to meet program and special equipment costs, be the same as fee schedules for calls placed from outside of correctional facilities.

(2) Revenues appropriated and collected for program and special equipment funds shall be considered state restricted revenue. Funding shall be used for prisoner programming, special equipment, and security projects. Unexpended funds remaining at the close of the fiscal year shall not lapse to the general fund but shall be carried forward and be available for appropriation in subsequent fiscal years.

(3) The department shall submit a report to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, the legislative corrections ombudsman, and the state budget office by February 1 outlining revenues and expenditures from program and special equipment funds. The report shall include all of the following:

(a) A list of all individual projects and purchases financed with program and special equipment funds in the immediately preceding fiscal year, the amounts expended on each project or purchase, and the name of each vendor from which the products or services were purchased.

(b) A list of planned projects and purchases to be financed with program and special equipment funds during the current fiscal year, the amounts to be expended on each project or purchase, and the name of each vendor from which the products or services will be purchased.

(c) A review of projects and purchases planned for future fiscal years from program and special equipment funds.

Sec. 220. The department may charge fees and collect revenues in excess of appropriations in part 1 not to exceed the cost of offender services and programming, employee meals, parolee loans, academic/vocational services, custody escorts, compassionate visits, union steward activities, and public works programs and services provided to local units of government or private nonprofit organizations. The revenues and fees collected are appropriated for all expenses associated with these services and activities.

Sec. 239. It is the intent of the legislature that the department establish and maintain a management-to-staff ratio of not more than 1 supervisor for each 8 employees at the department's central office in Lansing and at both the northern and southern region administration offices.

Sec. 247. In cooperation with the state court administrative office, the department shall assist with the data compilation for the swift and sure sanctions program.

Sec. 248. At the May 2019 consensus revenue estimating conference, the senate and house fiscal agencies and the state budget director, or state treasurer, shall establish a projected prisoner population for fiscal year 2019-2020, and a projected number of available beds based on the population projection.

DEPARTMENTAL ADMINISTRATION AND SUPPORT

Sec. 301. For 3 years after a felony offender is released from the department's jurisdiction, the department shall maintain the offender's file on the offender tracking information system and make it publicly accessible in the same manner as the file of the current offender. However, the department shall immediately remove the offender's file from the offender tracking information system upon determination that the offender was wrongfully convicted and the offender's file is not otherwise required to be maintained on the offender tracking information system.

Sec. 304. The department shall maintain a staff savings initiative program in conjunction with the EPIC program for employees to submit suggestions for efficiencies for the department. The department shall consider each suggestion in a timely manner. By March 1, the department shall report to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, the legislative corrections ombudsman, and the state budget office on process improvements that were implemented based on suggestions that were recommended for implementation from the staff savings initiative and EPIC programs.

Sec. 305. From the funds appropriated in part 1 for prosecutorial and detainer expenses, the department shall reimburse counties for housing and custody of parole violators and offenders being returned by the department from community placement who are available for return to institutional status and for prisoners who volunteer for placement in a county jail.

Sec. 306. Funds included in part 1 for the sheriffs' coordinating and training office are appropriated for and may be expended to defray costs of continuing education, certification, recertification, decertification, and training of local corrections officers, the personnel and administrative costs of the sheriffs' coordinating and training office, the local corrections officers advisory board, and the sheriffs' coordinating and training council under the local corrections officers training act, 2003 PA 125, MCL 791.531 to 791.546.

Sec. 307. The department shall issue a biannual report for all vendor contracts to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, the legislative corrections ombudsman, and the state budget office. The report shall cover service contracts with a value of $500,000.00 or more and include all of the following:

(a) The original start date and the current expiration date of each contract.

(b) The number, if any, of contract compliance monitoring site visits completed by the department for each vendor.

(c) The number and amount of fines, if any, for service-level agreement noncompliance for each vendor broken down by area of noncompliance.

Sec. 308. The department shall provide for the training of all custody staff in effective and safe ways of handling prisoners with mental illness and referring prisoners to mental health treatment programs. Mental health awareness training shall be incorporated into the training of new custody staff.

Sec. 309. The department shall issue a report for all correctional facilities to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, the legislative corrections ombudsman, and the state budget office by January 1 setting forth the following information for each facility: its name, street address, and date of construction; its current maintenance costs; any maintenance planned; its current utility costs; its expected future capital improvement costs; the current unspent balance of any authorized capital outlay projects, including the original authorized amount; and its expected future useful life.

Sec. 310. (1) By February 1, the department shall provide a report to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, the legislative corrections ombudsman, and the state budget office which details the strategic plan of the department. The report shall contain strategies to decrease the overall recidivism rate, measurable plans to increase the rehabilitative function of correctional facilities, metrics to track and ensure prisoner readiness to reenter society, and constructive actions for providing prisoners with life skills development.

(2) The intent of this report is to express that the mission of the department is to provide an action plan before reentry to society that ensures prisoners' readiness for meeting parole requirements and ensures a reduction in the total number of released inmates who reenter the criminal justice system.

Sec. 311. By December 1, the department shall provide a report on the Michigan state industries program to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, the legislative corrections ombudsman, and the state budget office. The report shall include, but not be limited to, the locations of the programs, the total number of participants at each location, a description of job duties and typical inmate schedules, the products that are produced, and how the program provides marketable skills that lead to employable outcomes after release from a department facility.

Sec. 312. (1) From the funds appropriated in part 1 for budget and operations administration, $50,000.00 shall be used to conduct a comprehensive study of the prevalence of post-traumatic stress disorder and other psychological issues among correctional officers that are exacerbated by the corrections environment and exposure to highly stressful situations.

(2) By July 15, the department shall submit a report on the results of the study to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, the legislative corrections ombudsman, and the state budget office.

OFFENDER SUCCESS ADMINISTRATION

Sec. 401. The department shall submit 3-year and 5-year prison population projection updates concurrent with submission of the executive budget recommendation to the senate and house appropriations subcommittees on

corrections, the senate and house fiscal agencies, the legislative corrections ombudsman, and the state budget office. The report shall include explanations of the methodology and assumptions used in developing the projection updates.

Sec. 402. By March 1, the department shall provide a report on offender success expenditures and allocations to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, the legislative corrections ombudsman, and the state budget office. At a minimum, the report shall include information on both of the following:

(a) Details on prior-year expenditures, including amounts spent on each project funded, itemized by service provided and service provider.

(b) Allocations and planned expenditures for each project funded and for each project to be funded, itemized by service to be provided and service provider. The department shall provide an amended report quarterly, if any revisions to allocations or planned expenditures occurred during that quarter.

Sec. 403. The department shall partner with nonprofit faith-based, business and professional, civic, and community organizations for the purpose of providing inmate offender success services. Offender success services include, but are not limited to, counseling, providing information on housing and job placement, and money management assistance.

Sec. 404. From the funds appropriated in part 1 for offender success services, the department, when reasonably possible, shall ensure that inmates have potential employer matches in the communities to which they will return prior to each inmate's initial parole hearing.

Sec. 405. By March 1, the department shall report to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, the legislative corrections ombudsman, and the state budget office on substance abuse testing and treatment program objectives, outcome measures, and results, including program impact on offender success and programmatic success.

Sec. 406. The department will work with the organization representing federally qualified health centers (FQHCs) to implement a pilot project to ensure that behavioral and physical health needs among parolees and probationers are addressed. The pilot project will position FQHCs to ensure that parolees and probationers are enrolled in and maintain access to benefits for which they qualify, are linked to the health care services they need, follow up with providers, stay on their medications, are engaged in services, and have barriers to care addressed. The department will make necessary accommodations to perform the transition planning to allow for a direct referral to the FQHC organization to patients in relevant areas. The pilot project shall operate in at least Berrien, Kent, and Macomb Counties. The FQHC organization shall submit annual reports detailing these outcomes to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, the legislative corrections ombudsman, and the state budget office. The report shall include, but not be limited to, the number of offenders served by the pilot project in each county, the number of individual contacts with each offender, the federally reimbursable expenditures leveraged by the pilot project by county, and the state expenditures within the pilot project by county.

Sec. 407. By June 30, the department shall place the statistical report from the immediately preceding calendar year on an internet site. The statistical report shall include, but not be limited to, the information as provided in the 2004 statistical report.

Sec. 408. The department shall measure the recidivism rates of offenders.

Sec. 409. (1) The department shall engage with the talent investment agency within the department of talent and economic development and local entities to design services and shall use appropriations provided in part 1 for offender success and vocational education programs. The department shall ensure that the collaboration provides relevant professional development opportunities to prisoners to ensure that the programs are high quality, demand driven, locally receptive, and responsive to the needs of communities where the prisoners are expected to reside after their release from correctional facilities. The programs shall begin upon the intake of the prisoner into a department facility.

(2) The department shall continue to offer workforce development programming through the entire duration of the prisoner's incarceration to encourage employment upon release.

(3) By March 1, the department shall provide a report to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, the legislative corrections ombudsman, and the state budget office detailing the results of the workforce development program.

Sec. 410. (1) The funds included in part 1 for community corrections comprehensive plans and services are to encourage the development through technical assistance grants, implementation, and operation of community corrections programs that enhance offender success and that also may serve as an alternative to incarceration in a state facility or

jail. The comprehensive corrections plans shall include an explanation of how the public safety will be maintained, the goals for the local jurisdiction, offender target populations intended to be affected, offender eligibility criteria for purposes outlined in the plan, and how the plans will meet the following objectives, consistent with section 8(4) of the community corrections act, 1988 PA 511, MCL 791.408:

(a) Reduce admissions to prison of offenders who would likely be sentenced to imprisonment, including probation violators.

(b) Improve the appropriate utilization of jail facilities, the first priority of which is to open jail beds intended to house otherwise prison-bound felons, and the second priority being to appropriately utilize jail beds so that jail crowding does not occur.

(c) Open jail beds through the increase of pretrial release options.

(d) Reduce the readmission to prison of parole violators.

(e) Reduce the admission or readmission to prison of offenders, including probation violators and parole violators, for substance abuse violations.

(f) Contribute to offender success.

(2) The award of community corrections comprehensive plans and residential services funds shall be based on criteria that include, but are not limited to, the prison commitment rate by category of offenders, trends in prison commitment rates and jail utilization, historical trends in community corrections program capacity and program utilization, and the projected impact and outcome of annual policies and procedures of programs on offender success, prison commitment rates, and jail utilization.

(3) Funds awarded for residential probation diversions in part 1 shall provide for a per diem reimbursement of not more than $52.50.

Sec. 411. The comprehensive corrections plans shall also include, where appropriate, descriptive information on the full range of sanctions and services that are available and utilized within the local jurisdiction and an explanation of how jail beds, residential services, the special alternative incarceration program, probation detention centers, the electronic monitoring program for probationers, and treatment and rehabilitative services will be utilized to support the objectives and priorities of the comprehensive corrections plans and the purposes and priorities of section 8(4) of the community corrections act, 1988 PA 511, MCL 791.408, that contribute to the success of offenders. The plans shall also include, where appropriate, provisions that detail how the local communities plan to respond to sentencing guidelines found in chapter XVII of the code of criminal procedure, 1927 PA 175, MCL 777.1 to 777.69, and use the county jail reimbursement program under section 414 of this part. The state community corrections board shall encourage local community corrections advisory boards to include in their comprehensive corrections plans strategies to collaborate with local alcohol and drug treatment agencies of the MDHHS for the provision of alcohol and drug screening, assessment, case management planning, and delivery of treatment to alcohol- and drug-involved offenders.

Sec. 412. (1) As part of the March biannual report specified in section 12(2) of the community corrections act, 1988 PA 511, MCL 791.412, that requires an analysis of the impact of that act on prison admissions and jail utilization, the department shall submit to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, the legislative corrections ombudsman, and the state budget office the following information for each county and counties consolidated for comprehensive corrections plans:

(a) Approved technical assistance grants and comprehensive corrections plans including each program and level of funding, the utilization level of each program, and profile information of enrolled offenders.

(b) If federal funds are made available, the number of participants funded, the number served, the number successfully completing the program, and a summary of the program activity.

(c) Status of the community corrections information system and the jail population information system.

(d) Data on residential services, including participant data, participant sentencing guideline scores, program expenditures, average length of stay, and bed utilization data.

(e) Offender disposition data by sentencing guideline range, by disposition type, by prior record variable score, by number and percent statewide and by county, current year, and comparisons to the previous 3 years.

(f) Data on the use of funding made available under the felony drunk driver jail reduction and community treatment program.

(2) The report required under subsection (1) shall include the total funding allocated, program expenditures, required program data, and year-to-date totals.

Sec. 414. (1) The department shall administer a county jail reimbursement program from the funds appropriated in part 1 for the purpose of reimbursing counties for housing in jails certain felons who otherwise would have been sentenced to prison.

(2) The county jail reimbursement program shall reimburse counties for convicted felons in the custody of the sheriff if the conviction was for a crime committed on or after January 1, 1999 and 1 of the following applies:

(a) The felon's sentencing guidelines recommended range upper limit is more than 18 months, the felon's sentencing guidelines recommended range lower limit is 12 months or less, the felon's prior record variable score is 35 or more points, and the felon's sentence is not for commission of a crime in crime class G or crime class H or a nonperson crime in crime class F under chapter XVII of the code of criminal procedure, 1927 PA 175, MCL 777.1 to 777.69.

(b) The felon's minimum sentencing guidelines range minimum is more than 12 months under the sentencing guidelines described in subdivision (a).

(c) The felon was sentenced to jail for a felony committed while he or she was on parole and under the jurisdiction of the parole board and for which the sentencing guidelines recommended range for the minimum sentence has an upper limit of more than 18 months.

(3) State reimbursement under this subsection shall be $65.00 per diem per diverted offender for offenders with a presumptive prison guideline score, $55.00 per diem per diverted offender for offenders with a straddle cell guideline for a group 1 crime, and $40.00 per diem per diverted offender for offenders with a straddle cell guideline for a group 2 crime. Reimbursements shall be paid for sentences up to a 1-year total.

(4) As used in this section:

(a) "Group 1 crime" means a crime in 1 or more of the following offense categories: arson, assault, assaultive other, burglary, criminal sexual conduct, homicide or resulting in death, other sex offenses, robbery, and weapon possession as determined by the department based on specific crimes for which counties received reimbursement under the county jail reimbursement program in fiscal year 2007 and fiscal year 2008, and listed in the county jail reimbursement program document titled "FY 2007 and FY 2008 Group One Crimes Reimbursed", dated March 31, 2009.

(b) "Group 2 crime" means a crime that is not a group 1 crime, including larceny, fraud, forgery, embezzlement, motor vehicle, malicious destruction of property, controlled substance offense, felony drunk driving, and other nonassaultive offenses.

(c) "In the custody of the sheriff" means that the convicted felon has been sentenced to the county jail and is either housed in a county jail, is in custody but is being housed at a hospital or medical facility for a medical or mental health purpose, or has been released from jail and is being monitored through the use of the sheriff's electronic monitoring system.

(5) County jail reimbursement program expenditures shall not exceed the amount appropriated in part 1 for the county jail reimbursement program. Payments to counties under the county jail reimbursement program shall be made in the order in which properly documented requests for reimbursements are received. A request shall be considered to be properly documented if it meets MDOC requirements for documentation. By October 15, the department shall distribute the documentation requirements to all counties.

(6) Any county that receives funding under this section for the purpose of housing in jails certain felons who otherwise would have been sentenced to prison shall, as a condition of receiving the funding, report by September 30 an annual average jail capacity and annual average jail occupancy for the immediately preceding fiscal year.

(7) Not later than February 1, the department shall report to the senate and house appropriations subcommittees on corrections all of the following information:

(a) The number of inmates sentenced to the custody of the sheriff and eligible for the county jail reimbursement program.

(b) The total amount paid to counties under the county jail reimbursement program.

(c) The total number of days inmates were in the custody of the sheriff and eligible for the county jail reimbursement program.

(d) The number of inmates sentenced to the custody of the sheriff under each of the 3 categories: presumptive prison, group 1 crime, and group 2 crime in subsection (3).

(e) The total amount paid to counties under each of the 3 categories: presumptive prison, group 1 crime, and group 2 crime in subsection (3).

(f) The total number of days inmates were in the custody of the sheriff under each of the 3 categories: presumptive prison, group 1 crime, and group 2 crime in subsection (3).

(g) The estimated cost of housing inmates sentenced to the custody of the sheriff and eligible for the county jail reimbursement program as inmates of a state prison.

Sec. 416. Allowable uses of felony drunk driver jail reduction and community treatment program funding shall include reimbursing counties for transportation, treatment costs, and housing felony drunk drivers during a period of assessment for treatment and case planning. Reimbursements for housing during the assessment process shall be at the rate of $43.50 per day per offender, up to a maximum of 5 days per offender.

Sec. 417. (1) By March 1, the department shall report to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, the legislative corrections ombudsman, and the state budget office on both of the following programs from the previous fiscal year:

(a) The felony drunk driver jail reduction and community treatment program.

(b) Any new initiatives to control prison population growth funded or proposed to be funded under part 1.

(2) For each program listed under subsection (1), the report shall include information on each of the following:

(a) Program objectives and outcome measures, including, but not limited to, the number of offenders who successfully completed the program, and the number of offenders who successfully remained in the community during the 3 years following termination from the program.

(b) Expenditures by location.

(c) The impact on jail utilization.

(d) The impact on prison admissions.

(e) Other information relevant to an evaluation of the program.

Sec. 418. (1) The department shall collaborate with the state court administrative office on facilitating changes to Michigan court rules that would require the court to collect at the time of sentencing the state operator's license, state identification card, or other documentation used to establish the identity of the individual to be admitted to the department. The department shall maintain those documents in the prisoner's personal file.

(2) The department shall cooperate with MDHHS to create and maintain a process by which prisoners can obtain their Michigan birth certificates if necessary. The department shall describe a process for obtaining birth certificates from other states, and in situations where the prisoner's effort fails, the department shall assist in obtaining the birth certificate.

(3) The department shall collaborate with the department of military and veterans affairs to create and maintain a process by which prisoners can obtain a copy of their DD Form 214 or other military discharge documentation if necessary.

Sec. 419. (1) The department shall provide weekly electronic mail reports to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, the legislative corrections ombudsman, and the state budget office on prisoner populations by security levels by facility, prison facility capacities, and parolee and probationer populations.

(2) The department shall provide monthly electronic mail reports to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, the legislative corrections ombudsman, and the state budget office. The reports shall include information on end-of-month prisoner populations in county jails, the net operating capacity according to the most recent certification report, identified by date, the number of beds in currently closed housing units by facility, and end-of-month data, year-to-date data, and comparisons to the prior year for the following:

(a) Community residential program populations, separated by centers and electronic monitoring.

(b) Parole populations.

(c) Probation populations, with identification of the number in special alternative incarceration.

(d) Prison and camp populations, with separate identification of the number in special alternative incarceration and the number of lifers.

(e) Prisoners classified as past their earliest release date.

(f) Parole board activity, including the numbers and percentages of parole grants and parole denials.

(g) Prisoner exits, identifying transfers to community placement, paroles from prisons and camps, paroles from community placement, total movements to parole, prison intake, prisoner deaths, prisoners discharging on the maximum sentence, and other prisoner exits.

(h) Prison intake and returns, including probation violators, new court commitments, violators with new sentences, escaper new sentences, total prison intake, returns from court with additional sentences, community placement returns, technical parole violator returns, and total returns to prison and camp.

Sec. 421. (1) Funds appropriated in part 1 for the substance abuse parole certain sanction program shall be distributed to an American Correctional Association accredited rehabilitation organization operating in any of the following counties: Berrien, Calhoun, Genesee, Kalamazoo, Kent, Macomb, Muskegon, Oakland, Saginaw, and Wayne for operations and administration of the program. The program may be utilized as a condition of parole for technical parole violators to ensure public safety and justice through a program based on evidence-based tactics and programs.

(2) The program or programs selected shall report by March 30 to the department, the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, the legislative corrections ombudsman, and the state budget office. The report shall include program performance measurements, the number of individuals who participate in the program, the number of individuals who return to prison after participating, and outcomes of participants who complete the program.

Sec. 422. On a quarterly basis, the department shall issue a report to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, the legislative corrections ombudsman, and the state budget office, for the previous 4 quarters detailing the outcomes of prisoners who have been reviewed for parole. The report shall include all of the following:

(a) How many prisoners in each quarter were reviewed.

(b) How many prisoners were granted parole.

(c) How many prisoners were denied parole.

(d) How many parole decisions were deferred.

(e) The distribution of the total number of prisoners reviewed during that quarter grouped by whether the prisoner had been interviewed for the first, second, third, fourth, fifth, sixth, or more than sixth time.

(f) The number of paroles granted, denied, or deferred for each of the parole guideline scores of low, average, and high.

(g) The reason for denying or deferring parole.

Sec. 423. From the funds appropriated in part 1 for offender success administration, the department shall collaborate with the Michigan Restaurant Association for job placement for individuals on probation and parole.

Sec. 425. (1) From the funds appropriated in part 1 for offender success programming, $1,000,000.00 shall be used by the department to establish medication-assisted treatment offender success pilot programs to provide prerelease treatment and postrelease referral for opioid-addicted and alcohol-addicted offenders who voluntarily participate in the medication-assisted treatment offender success pilot programs. The department shall collaborate with residential and nonresidential substance abuse treatment providers and with community-based clinics to provide postrelease treatment. The programs shall employ a multifaceted approach to treatment, including a long-acting nonaddictive medication approved by the Food and Drug Administration for the treatment of opioid and alcohol dependence, counseling, and postrelease referral to community-based providers.

(2) The manufacturer of a long-acting nonaddictive medication approved by the Food and Drug Administration for opioid and alcohol dependence shall provide the department with samples of the medication, at no cost to the department, during the duration of the medication-assisted treatment offender success pilot programs. Offenders shall receive 1 injection prior to being released from custody and shall be connected with an aftercare plan and assistance with obtaining insurance to cover subsequent injections.

(3) Participants of the programs shall be required to attend substance abuse treatment programming as directed by their agent, including coordination of both direct or indirect services through federally qualified health centers in Wayne, Washtenaw, Genesee, Berrien, Van Buren, and Allegan Counties, but not limited to only those counties, shall be subject to routine drug and alcohol testing, shall not be allowed to consume drugs or alcohol, and shall possess a strong will to overcome addiction.

(4) The department shall submit a report by September 30 to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, the legislative corrections ombudsman, and the state budget office on the number of offenders who received injections upon release, the number of offenders who received injections and tested positive for drugs or alcohol, the number of offenders who received injections in the community for a duration of at least 3 months, and the number of offenders who received injections and were subsequently returned to prison.

Sec. 426. From the funds appropriated in part 1, the department shall ensure that any inmate with a diagnosed mental illness is referred to a local mental health care provider that is able and willing to treat the inmate upon parole or discharge. The department shall ensure that the provider is informed of the inmate's current treatment plan including any medications that are currently prescribed to the inmate.

Sec. 437. (1) Funds appropriated in part 1 for Goodwill Flip the Script shall be distributed to a Michigan-chartered 501(c)(3) nonprofit corporation operating in a county with greater than 1,500,000 people for administration and expansion of a program which serves a population of persons aged 16 to 39. The program shall target those who are entering the criminal justice system for the first or second time and shall assist those individuals through the following program types:

(a) Alternative sentencing programs in partnership with a local district or circuit court.

(b) Educational recovery for special adult populations with high rates of illiteracy.

(c) Career development and continuing education for women.

(2) The program selected shall report by March 30 to the department, the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, the legislative corrections ombudsman, and the state budget office. The report shall include program performance measurements, the number of individuals diverted from incarceration, the number of individuals served, and outcomes of participants who complete the program.

FIELD OPERATIONS ADMINISTRATION

Sec. 602. The funds appropriated in part 1 for the supervising region incentive program shall be used only to fund an incentive program for field operations administration regions in accordance with the supervising region incentive act, 2017 PA 11, MCL 791.131 to 791.137.

Sec. 603. (1) All prisoners, probationers, and parolees involved with the curfew monitoring program shall reimburse the department for costs associated with their participation in the program. The department may require community service work reimbursement as a means of payment for those able-bodied individuals unable to pay for the costs of the equipment.

(2) Program participant contributions and local program reimbursement for the curfew monitoring program appropriated in part 1 are related to program expenditures and may be used to offset expenditures for this purpose.

(3) Included in the appropriation in part 1 is adequate funding to implement the curfew monitoring program to be administered by the department. The curfew monitoring program is intended to provide sentencing judges and county sheriffs in coordination with local community corrections advisory boards access to the state's curfew monitoring program to reduce prison admissions and improve local jail utilization. The department shall determine the appropriate distribution of the curfew monitor units throughout the state based upon locally developed comprehensive corrections plans under the community corrections act, 1988 PA 511, MCL 791.401 to 791.414.

(4) For a fee determined by the department, the department shall provide counties with the curfew monitor equipment, replacement parts, administrative oversight of the equipment's operation, notification of violators, and periodic reports regarding county program participants. Counties are responsible for curfew monitor equipment installation and service. For an additional fee as determined by the department, the department shall provide staff to install and service the equipment. Counties are responsible for the coordination and apprehension of program violators.

(5) Any county with curfew monitor charges outstanding over 60 days shall be considered in violation of the community curfew monitor program agreement and lose access to the program.

Sec. 604. (1) The funds appropriated in part 1 for criminal justice reinvestment shall be used only to fund data collection and evidence-based programs designed to reduce recidivism among probationers and parolees.

(2) Of the funds appropriated in part 1 for criminal justice reinvestment, at least $600,000.00 shall be allocated to an organization that has received a United States Department of Labor training to work 2-adult reentry grant to provide county jail inmates with programming and services to prepare them to get and keep jobs. Examples of eligible programs and services are, but are not limited to: adult education, tutoring, manufacturing skills training, participation in a simulated work environment, mentoring, cognitive therapy groups, life skills classes, substance abuse recovery groups, fatherhood programs, classes in understanding the legal system, family literacy, health and wellness, finance management, employer presentations, and classes on job retention. Programming and support services should begin before release and continue after release from the county jail. To be eligible for funding, an organization must show at least 2 years' worth of data that demonstrate program success.

Sec. 611. The department shall prepare by March 1 individual reports for the residential reentry program, the electronic monitoring program, and the special alternative to incarceration program. The reports shall be submitted to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, the legislative corrections ombudsman, and the state budget office. Each program's report shall include information on all of the following:

(a) Monthly new participants by type of offender. Residential reentry program participants shall be categorized by reason for placement. For technical rule violators, the report shall sort offenders by length of time since release from prison, by the most recent violation, and by the number of violations occurring since release from prison.

(b) Monthly participant unsuccessful terminations, including cause.

(c) Number of successful terminations.

(d) End month population by facility/program.

(e) Average length of placement.

(f) Return to prison statistics.

(g) Description of each program location or locations, capacity, and staffing.

(h) Sentencing guideline scores and actual sentence statistics for participants, if applicable.

(i) Comparison with prior year statistics.

(j) Analysis of the impact on prison admissions and jail utilization and the cost effectiveness of the program.

Sec. 612. (1) The department shall review and revise as necessary policy proposals that provide alternatives to prison for offenders being sentenced to prison as a result of technical probation violations and technical parole violations. To the extent the department has insufficient policies or resources to affect the continued increase in prison commitments among these offender populations, the department shall explore other policy options to allow for program alternatives, including department or OCC-funded programs, local level programs, and programs available through private agencies that may be used as prison alternatives for these offenders.

(2) By April 1, the department shall provide a report to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, the legislative corrections ombudsman, and the state budget office on the number of all parolees returned to prison and probationers sentenced to prison for either a technical violation or new sentence during the preceding fiscal year. The report shall include the following information for probationers, for parolees after their first parole, and for parolees who have been paroled more than once:

(a) The numbers of parole and probation violators returned to or sent to prison for a new crime with a comparison of original versus new offenses by major offense type: assaultive, nonassaultive, drug, and sex.

(b) The numbers of parole and probation violators returned to or sent to prison for a technical violation and the type of violation, including, but not limited to, zero gun tolerance and substance abuse violations. For parole technical rule violators, the report shall list violations by type, by length of time since release from prison, by the most recent violation, and by the number of violations occurring since release from prison.

(c) The educational history of those offenders, including how many had a high school equivalency or high school diploma prior to incarceration in prison, how many received a high school equivalency while in prison, and how many received a vocational certificate while in prison.

(d) The number of offenders who participated in the reentry program versus the number of those who did not.

(e) The unduplicated number of offenders who participated in substance abuse treatment programs, mental health treatment programs, or both, while in prison, itemized by diagnosis.

Sec. 615. (1) The department shall submit a report detailing the number of prisoners who have received life imprisonment sentences with the possibility of parole and who are currently eligible for parole to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, the legislative corrections ombudsman, and the state budget office by April 30.

(2) The report shall include the following information on parolable lifers who have served more than 25 years: prisoner name, MDOC identification number, prefix, offense for which life term is being served, county of conviction, age at time offense was committed, current age, race, gender, true security classification, dates of parole board file reviews, dates of parole board interviews, parole guideline scores, and reason for decision not to release.

Sec. 617. From the funds appropriated in part 1 for the residential alternative to prison program, the department shall provide vocational, educational, and cognitive programming in a secure environment to enhance existing alternative sentencing options, increase employment readiness and successful placement rates, and reduce new criminal behavior for the west Michigan probation violator population. The department shall measure and set the following metric goals:

(a) 85% of participants successfully complete the program.

(b) Of the participants that complete the program, 75% will earn a nationally recognized credential for career and vocational programs.

(c) Of the participants that complete the program, 100% will earn a certificate of completion for cognitive programming.

(d) The prison commitment rate for probation violators will be reduced by 5% within the impacted geographical area after the first year of program operation.

HEALTH CARE

Sec. 802. As a condition of expenditure of the funds appropriated in part 1, the department shall provide the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, the legislative corrections ombudsman, and the state budget office with quarterly reports on physical and mental health care detailing quarterly

and fiscal year-to-date expenditures itemized by vendor, allocations, status of payments from contractors to vendors, and projected year-end expenditures from accounts for prisoner health care, mental health care, pharmaceutical services, and durable medical equipment. These reports shall include a breakdown of all payments to the integrated care provider itemized by physical health care, mental health care, and pharmacy expenditures.

Sec. 803. (1) The department shall assure that all prisoners, upon any health care treatment, are given the opportunity to sign a release of information form designating a family member or other individual to whom the department shall release records information regarding a prisoner. A release of information form signed by a prisoner shall remain in effect for 1 year, and the prisoner may elect to withdraw or amend the release form at any time.

(2) The department shall assure that any such signed release forms follow a prisoner upon transfer to another department facility or to the supervision of a parole officer.

(3) The form shall be placed online, on a public website managed by the department.

Sec. 804. The department shall report quarterly to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, the legislative corrections ombudsman, and the state budget office on prisoner health care utilization. The report shall include the number of inpatient hospital days, outpatient visits, emergency room visits, and prisoners receiving off-site inpatient medical care in the previous quarter, by facility.

Sec. 807. The funds appropriated in part 1 for Hepatitis C treatment shall be used only to purchase specialty medication for Hepatitis C treatment in the prison population. In addition to the above appropriation, any rebates received from the medications used shall be used only to purchase specialty medication for Hepatitis C treatment. On a quarterly basis, the department shall issue a report to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, the legislative corrections ombudsman, and the state budget office, showing for the previous 4 quarters the total amount spent on specialty medication for the treatment of Hepatitis C, the number of prisoners that were treated, the amount of any rebates that were received from the purchase of specialty medication, and what outstanding rebates are expected to be received.

Sec. 812. (1) The department shall provide the department of health and human services with a monthly list of prisoners newly committed to the department of corrections. The department and the department of health and human services shall enter into an interagency agreement under which the department of health and human services provides the department of corrections with monthly lists of newly committed prisoners who are eligible for Medicaid benefits in order to maintain the process by which Medicaid benefits are suspended rather than terminated. The department shall assist prisoners who may be eligible for Medicaid benefits after release from prison with the Medicaid enrollment process prior to release from prison.

(2) The department shall provide the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, the legislative corrections ombudsman, and the state budget office with quarterly updates on the utilization of Medicaid benefits for prisoners.

Sec. 816. By April 1, the department shall provide the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, the legislative corrections ombudsman, and the state budget office with a report on pharmaceutical expenditures and prescribing practices. In particular, the report shall provide the following information:

(a) A detailed accounting of expenditures on antipsychotic medications.

(b) Any changes that have been made to the prescription drug formularies.

CORRECTIONAL FACILITIES ADMINISTRATION

Sec. 901. From the funds appropriated in part 1 for the enhanced food technology program, the department shall expand the existing food technology education program to at least 700 inmates annually. A participant in the food technology program shall complete 408 hours of on-the-job training in a prison kitchen as a part of the program.

Sec. 902. All inmates working in prison kitchens shall complete the minimum requirements for a ServSafe Food Handler certificate before being allowed to work in the kitchens. Requirements shall be met by using online materials unless the department determines the program would be best served by using other materials. Current prison kitchen workers shall complete the requirements for a ServSafe Food Handler certificate on or before April 1, to maintain eligibility to work in a prison kitchen.

Sec. 903. (1) All department-operated prisoner food service operations shall be annually inspected to ensure they meet food safety standards established for food service establishments under the food law, 2000 PA 92, MCL 289.1101 to 289.8111, or for food service establishments under the 2001 food code published by the Food and Drug Administration of the Public Health Service of the Department of Health and Human Services. Funds appropriated in part 1 for prison kitchen inspections shall be used for costs to implement this section and for inspecting prison food service operations.

(2) Nothing in this section shall be construed to remove the exemption under section 1107(p) of the food law, 2000 PA 92, MCL 289.1107.

Sec. 903a. From the funds appropriated in part 1 for prison food service, the department shall report biannually to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, the legislative corrections ombudsman, and the state budget office on the following:

(a) Average per-meal cost for prisoner food service. Per-meal cost shall include all costs directly related to the provision of food for the prisoner population, and shall include, but not be limited to, actual food costs, total compensation for all food service workers, including benefits and legacy costs, and inspection and compliance costs for food service.

(b) Food service-related contracts, including goods or services to be provided and the vendor.

(c) Major sanitation violations.

Sec. 904. The department shall calculate the per prisoner/per day cost for each prisoner security custody level. This calculation shall include all actual direct and indirect costs for the previous fiscal year, including, but not limited to, the value of services provided to the department by other state agencies and the allocation of statewide legacy costs. To calculate the per prisoner/per day costs, the department shall divide these direct and indirect costs by the average daily population for each custody level. For multilevel facilities, the indirect costs that cannot be accurately allocated to each custody level can be included in the calculation on a per-prisoner basis for each facility. A report summarizing these calculations and the direct and indirect costs included in them shall be submitted to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, the legislative corrections ombudsman, and the state budget office not later than December 15.

Sec. 905. (1) From the funds appropriated in part 1 for leased beds and alternatives to leased beds, the department may implement a county jail bed program to house eligible prisoners sentenced to the custody of the department in county jails rather than in state correctional facilities.

(2) A county may volunteer to participate in the county jail bed program and house eligible prisoners sentenced to the custody of the department in its county jails.

(3) If a county participating in the county jail bed program has available bed space in its county jail and the department has prisoners in its custody meeting the eligibility requirements under this section, the department may place the eligible prisoners in the county jail.

(4) A prisoner shall meet all of the following eligibility requirements to be placed in a county jail under this section:

(a) The prisoner has been given a level I classification by a department classification committee on a scale of 6 levels in which level I is the least restrictive level.

(b) The prisoner is not serving a sentence for conviction of a violation or attempted violation of section 520b, 520c, 520d, 520e, or 520g of the Michigan penal code, 1931 PA 328, MCL 750.520b, 750.520c, 750.520d, 750.520e, and 750.520g.

(c) The prisoner is serving a fixed sentence with a determined discharge date.

Sec. 906. Any local unit of government or private nonprofit organization that contracts with the department for public works services shall be responsible for financing the entire cost of such an agreement.

Sec. 907. The department shall report by March 1 to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, the legislative corrections ombudsman, and the state budget office on academic and vocational programs. The report shall provide information relevant to an assessment of the department's academic and vocational programs, including, but not limited to, all of the following:

(a) The number of instructors and the number of instructor vacancies, by program and facility.

(b) The number of prisoners enrolled in each program, the number of prisoners completing each program, the number of prisoners who do not complete each program and are not subsequently reenrolled, and the reason for not completing the program, the number of prisoners transferred to another facility while enrolled in a program and not subsequently reenrolled, the number of prisoners enrolled who are repeating the program, and the number of prisoners on waiting lists for each program, all itemized by facility.

(c) The steps the department has undertaken to improve programs, track records, accommodate transfers and prisoners with health care needs, and reduce waiting lists.

(d) The number of prisoners paroled without a high school diploma and the number of prisoners paroled without a high school equivalency.

(e) An explanation of the value and purpose of each program, for example, to improve employability, reduce recidivism, reduce prisoner idleness, or some combination of these and other factors.

(f) An identification of program outcomes for each academic and vocational program.

(g) The number of prisoners not paroled at their earliest release date due to lack of a high school equivalency, and the reason those prisoners have not obtained a high school equivalency.

Sec. 908. From the funds appropriated in part 1, the department shall establish a pilot online career high school education program to serve up to 400 inmates through a regionally accredited public or private school district that offers career-based online high school diplomas designed to prepare adult inmates for transition into the workplace. The department may use federal funds provided to educate inmates to expand this pilot beyond 400 inmates. Funds for the pilot may also be used for certification programs related to the enhanced food technology program. The department shall provide an initial report no later than June 1 regarding the progress of the inmates in the online high school diploma and career certificate programs to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, the legislative corrections ombudsman, and the state budget office.

Sec. 910. The department shall allow the Michigan Braille transcribing fund program to operate at its current location. The donation of the building by the Michigan Braille transcribing fund at the G. Robert Cotton Correctional Facility in Jackson is acknowledged and appreciated. The department shall continue to encourage the Michigan Braille transcribing fund program to produce high-quality materials for use by the visually impaired.

Sec. 911. By March 1, the department shall report to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, the legislative corrections ombudsman, and the state budget office the number of critical incidents occurring each month by type and the number and severity of assaults, escape attempts, suicides, and attempted suicides occurring each month at each facility during the immediately preceding calendar year.

Sec. 912. The department shall report monthly to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, the legislative corrections ombudsman, and the state budget office on the ratio of correctional officers to prisoners for each correctional institution, the ratio of shift command staff to line custody staff, and the ratio of noncustody institutional staff to prisoners for each correctional institution.

Sec. 913. (1) From the funds appropriated in part 1, the department shall focus on providing required programming to prisoners who are past their earliest release date because of not having received the required programming. Programming includes, but is not limited to, violence prevention programming, assaultive offender programming, sexual offender programming, substance abuse treatment programming, thinking for a change programming, and any other programming that is required as a condition of parole.

(2) It is the intent of the legislature that any prisoner required to complete a violence prevention program, sexual offender program, or other program as a condition of parole shall be placed on a waiting list for the appropriate programming upon entrance to prison and transferred to a facility where that program is available in order to accomplish timely completion of that program prior to the expiration of his or her minimum sentence and eligibility for parole. Nothing in this section should be deemed to make parole denial appealable in court.

(3) The department shall submit a quarterly report to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, the legislative corrections ombudsman, and the state budget office detailing enrollment in sex offender programming, assaultive offender programming, violent offender programming, and thinking for a change programming. At a minimum, the report shall include the following:

(a) A full accounting, from the date of entrance to prison, of the number of individuals who are required to complete the programming, but have not yet done so.

(b) The number of individuals who have reached their earliest release date, but who have not completed required programming.

(c) A plan of action for addressing any waiting lists or backlogs for programming that may exist.

Sec. 924. The department shall evaluate all prisoners at intake for substance abuse disorders, serious developmental disorders, serious mental illness, and other mental health disorders. Prisoners with serious mental illness or serious developmental disorders shall not be removed from the general population as a punitive response to behavior caused by their serious mental illness or serious developmental disorder. Due to persistent high violence risk or severe disruptive behavior that is unresponsive to treatment, prisoners with serious mental illness or serious developmental disorders may be placed in secure residential housing programs that will facilitate access to institutional programming and ongoing mental health services. A prisoner with serious mental illness or serious developmental disorder who is confined

in these specialized housing programs shall be evaluated or monitored by a medical professional at a frequency of not less than every 12 hours.

Sec. 925. By March 1, the department shall report to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, the legislative corrections ombudsman, and the state budget office on the annual number of prisoners in administrative segregation between October 1, 2017 and September 30, 2018, and the annual number of prisoners in administrative segregation between October 1, 2017 and September 30, 2018 who at any time during the current or prior prison term were diagnosed with serious mental illness or have a developmental disorder and the number of days each of the prisoners with serious mental illness or a developmental disorder have been confined to administrative segregation.

Sec. 929. From the funds appropriated in part 1, the department shall do all of the following:

(a) Ensure that any inmate care and control staff in contact with prisoners less than 18 years of age are adequately trained with regard to the developmental and mental health needs of prisoners less than 18 years of age. By April 1, the department shall report to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, the legislative corrections ombudsman, and the state budget office on the training curriculum used and the number and types of staff receiving annual training under that curriculum.

(b) Provide appropriate placement for prisoners less than 18 years of age who have serious mental illness, serious emotional disturbance, or a serious developmental disorder and need to be housed separately from the general population. Prisoners less than 18 years of age who have serious mental illness, serious emotional disturbance, or a serious developmental disorder shall not be removed from an existing placement as a punitive response to behavior caused by their serious mental illness, serious emotional disturbance, or a serious developmental disorder. Due to persistent high violence risk or severe disruptive behavior that is unresponsive to treatment, prisoners less than 18 years of age with serious emotional disturbance, serious mental illness, or serious developmental disorders may be placed in secure residential housing programs that will facilitate access to institutional programming and ongoing mental health services. A prisoner less than 18 years of age with serious mental illness, serious emotional disturbance, or a serious developmental disorder who is confined in these specialized housing programs shall be evaluated or monitored by a medical professional at a frequency of not less than every 12 hours.

(c) Implement a specialized offender success program that recognizes the needs of prisoners less than 18 years old for supervised offender success.

Sec. 930. The department shall submit a quarterly report to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, the legislative corrections ombudsman, and the state budget office on the number of youth in prison. The report shall include, but not be limited to, the following information:

(a) The total number of inmates under age 18 who are not on Holmes youthful trainee act status.

(b) The total number of inmates under age 18 who are on Holmes youthful trainee act status.

(c) The total number of inmates aged 18 to 23 who are on Holmes youthful trainee act status.

Sec. 940. (1) Any lease, rental, contract, or other legal agreement that includes a provision allowing a private person or entity to use state-owned facilities or other property to conduct a for-profit business enterprise shall require the lessee to pay fair market value for the use of the state-owned property.

(2) The lease, rental, contract, or other legal agreement shall also require the party using the property to make a payment in lieu of taxes to the local jurisdictions that would otherwise receive property tax revenue, as if the property were not owned by the state.

Sec. 942. The department shall ensure that any contract with a public or private party to operate a facility to house state prisoners includes a provision to allow access by both the office of the legislative auditor general and the office of the legislative corrections ombudsman to the facility and to appropriate records and documents related to the operation of the facility. These access rights for both offices shall be the same for the contracted facility as for a general state-operated correctional facility.

Sec. 943. The department shall submit a report by May 1 to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, the legislative corrections ombudsman, and the state budget office on the actual and projected savings achieved by closing correctional facilities. Savings amounts shall be itemized by facility. Information required by this section shall start with the closure of the Pugsley Correctional Facility, which closed in September of 2016.

Sec. 944. When the department is planning to close a correctional facility, the department shall fully consider the potential economic impact of the prison closure on the community where the facility is located. The department, when

weighing all factors related to the closure of a facility, shall also consider the impact on the local community where the facility to be closed is located.

MISCELLANEOUS

Sec. 1009. The department shall make an information packet for the families of incoming prisoners available on the department's website. The information packet shall be updated by February 1. The packet shall provide information on topics including, but not limited to: how to put money into prisoner accounts, how to make phone calls or create Jpay electronic mail accounts, how to visit in person, proper procedures for filing complaints or grievances, the rights of prisoners to physical and mental health care, how to utilize the offender tracking information system (OTIS), truth-in-sentencing and how it applies to minimum sentences, the parole process, and guidance on the importance of the role of families in the reentry process. The department is encouraged to partner with external advocacy groups and actual families of prisoners in the packet-writing process to ensure that the information is useful and complete.

Sec. 1011. The department may accept in-kind services and equipment donations to facilitate the addition of a cable network that provides programming that will address the religious needs of incarcerated individuals. This network may be a cable television network that presently reaches the majority of households in the United States. A bilingual channel affiliated with this network may also be added to department programming to assist the religious needs of Spanish-speaking inmates. The addition of these channels shall be at no additional cost to this state.

Sec. 1013. From the funds appropriated in part 1, priority may be given to funding reentry or rehabilitation programs that have been demonstrated to reduce prison violence and recidivism, including faith-based initiatives.

ONE-TIME APPROPRIATIONS

Sec. 1100. From the funds appropriated in part 1 for new custody staff training, the department shall increase the training capacity for new custody staff. The purpose of additional academies is to address higher than normal attrition of correction officers and to decrease overtime costs.

PART 2A

PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS
FOR FISCAL YEAR 2019-2020

GENERAL SECTIONS

Sec. 1201. It is the intent of the legislature to provide appropriations for the fiscal year ending on September 30, 2020 for the line items listed in part 1. Fiscal year 2019-2020 appropriations are anticipated to be the same as those for fiscal year 2018-2019, except that the line items will be adjusted for changes in caseload and related costs, federal fund match rates, economic factors, and available revenue. These adjustments will be determined after the January 2019 consensus revenue estimating conference.

ARTICLE VI

DEPARTMENT OF EDUCATION

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of education for the fiscal year ending September 30, 2019, from the following funds:

DEPARTMENT OF EDUCATION

APPROPRIATION SUMMARY		
Full-time equated unclassified positions	6.0	
Full-time equated classified positions	614.5	
GROSS APPROPRIATION		$ 400,815,000

		For Fiscal Year Ending Sept. 30, 2019
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers	$	0
ADJUSTED GROSS APPROPRIATION	$	400,815,000
Federal revenues:		
Total federal revenues		298,074,500
Special revenue funds:		
Total local revenues		5,852,800
Total private revenues		2,035,800
Total local and private revenues		7,888,600
Total other state restricted revenues		8,668,200
State general fund/general purpose	$	86,183,700

Sec. 102. STATE BOARD OF EDUCATION/OFFICE OF THE SUPERINTENDENT

Full-time equated unclassified positions 6.0		
Full-time equated classified positions 13.0		
Unclassified positions—6.0 FTE positions	$	868,900
Education commission of the states		120,800
State board of education, per diem payments		24,400
State board/superintendent operations—13.0 FTE positions		2,634,000
GROSS APPROPRIATION	$	3,648,100
Appropriated from:		
Federal revenues:		
Federal revenues		238,400
Special revenue funds:		
Private foundations		28,100
Certification fees		783,800
State general fund/general purpose	$	2,597,800

Sec. 103. DEPARTMENTAL ADMINISTRATION AND SUPPORT

Full-time equated classified positions 23.6		
Central support operations—23.6 FTE positions	$	3,761,500
Federal and private grants		3,000,000
Property management		3,362,100
Terminal leave payments		353,300
Training and orientation workshops		150,000
Worker's compensation		28,200
GROSS APPROPRIATION	$	10,655,100
Appropriated from:		
Federal revenues:		
Federal indirect funds		2,480,200
Federal revenues		3,688,600
Special revenue funds:		
Private foundations		1,000,000
Certification fees		411,500
Teacher testing fees		4,200
Training and orientation workshop fees		150,000
State general fund/general purpose	$	2,920,600

Sec. 104. INFORMATION TECHNOLOGY

Information technology services and projects	$	4,287,500
GROSS APPROPRIATION	$	4,287,500
Appropriated from:		
Federal revenues:		
Federal indirect funds		1,865,600
Federal revenues		630,900
Special revenue funds:		
Certification fees		406,500
State general fund/general purpose	$	1,384,500

		For Fiscal Year Ending Sept. 30, 2019
Sec. 105. SPECIAL EDUCATION SERVICES		
Full-time equated classified positions 47.0		
Special education operations—47.0 FTE positions	$	9,263,800
GROSS APPROPRIATION	$	9,263,800
Appropriated from:		
Federal revenues:		
Federal revenues		8,678,800
Special revenue funds:		
Private foundations		110,100
Certification fees		45,300
State general fund/general purpose	$	429,600
Sec. 106. MICHIGAN SCHOOLS FOR THE DEAF AND BLIND		
Full-time equated classified positions 82.0		
Camp Tuhsmeheta—1.0 FTE position	$	297,600
Low incidence outreach program		750,000
Michigan schools for the deaf and blind operations—81.0 FTE positions		13,430,700
Private gifts - blind		200,000
Private gifts - deaf		150,000
GROSS APPROPRIATION	$	14,828,300
Appropriated from:		
Federal revenues:		
Federal revenues		7,484,600
Special revenue funds:		
Local cost sharing (schools for deaf/blind)		5,852,800
Gifts, bequests, and donations		647,600
Low incidence outreach fund		750,000
Student insurance revenue		93,300
State general fund/general purpose	$	0
Sec. 107. PROFESSIONAL PREPARATION SERVICES		
Full-time equated classified positions 33.0		
Professional preparation operations—33.0 FTE positions	$	5,569,700
GROSS APPROPRIATION	$	5,569,700
Appropriated from:		
Federal revenues:		
Federal revenues		1,471,600
Special revenue funds:		
Certification fees		3,678,000
Teacher testing fees		193,300
State general fund/general purpose	$	226,800
Sec. 108. MICHIGAN OFFICE OF GREAT START		
Full-time equated classified positions 66.0		
Child development and care contracted services	$	11,500,000
Child development and care external support		28,749,600
Child development and care public assistance		202,000,000
Head start collaboration office—1.0 FTE position		313,700
Office of great start operations—65.0 FTE positions		12,350,000
TEACH scholarship program		5,000,000
GROSS APPROPRIATION	$	259,913,300
Appropriated from:		
Federal revenues:		
Federal revenues		218,266,100
Special revenue funds:		
Private foundations		250,000
Certification fees		64,600
State general fund/general purpose	$	41,332,600

		For Fiscal Year Ending Sept. 30, 2019
Sec. 109. STATE AID AND SCHOOL FINANCE SERVICES		
Full-time equated classified positions 11.5		
State aid and school finance operations—11.5 FTE positions	$	1,671,500
GROSS APPROPRIATION	$	1,671,500
Appropriated from:		
State general fund/general purpose	$	1,671,500
Sec. 110. AUDIT SERVICES		
Full-time equated classified positions 4.5		
Audit operations—4.5 FTE positions	$	624,700
GROSS APPROPRIATION	$	624,700
Appropriated from:		
Federal revenues:		
Federal indirect funds		496,600
Special revenue funds:		
Certification fees		62,900
State general fund/general purpose	$	65,200
Sec. 111. ADMINISTRATIVE LAW SERVICES		
Full-time equated classified positions 2.0		
Administrative law operations—2.0 FTE positions	$	1,392,900
GROSS APPROPRIATION	$	1,392,900
Appropriated from:		
Federal revenues:		
Federal revenues		573,800
Special revenue funds:		
Certification fees		717,400
State general fund/general purpose	$	101,700
Sec. 112. ACCOUNTABILITY SERVICES		
Full-time equated classified positions 64.6		
Accountability services operations—64.6 FTE positions	$	14,828,600
GROSS APPROPRIATION	$	14,828,600
Appropriated from:		
Federal revenues:		
Federal revenues		12,652,400
State general fund/general purpose	$	2,176,200
Sec. 113. SCHOOL SUPPORT SERVICES		
Full-time equated classified positions 83.6		
Adolescent and school health	$	100
School support services operations—83.6 FTE positions		17,238,700
GROSS APPROPRIATION	$	17,238,800
Appropriated from:		
Federal revenues:		
Federal revenues		14,690,300
Special revenue funds:		
Certification fees		87,600
Commodity distribution fees		71,700
State general fund/general purpose	$	2,389,200
Sec. 114. FIELD SERVICES		
Full-time equated classified positions 47.0		
Field services operations—47.0 FTE positions	$	9,494,900
GROSS APPROPRIATION	$	9,494,900
Appropriated from:		
Federal revenues:		
Federal revenues		8,722,200

		For Fiscal Year Ending Sept. 30, 2019
Special revenue funds:		
Certification fees	$	37,300
State general fund/general purpose	$	735,400

Sec. 115. EDUCATIONAL IMPROVEMENT AND INNOVATION SERVICES

Full-time equated classified positions 44.7		
Educational improvement and innovation operations—44.7 FTE positions	$	9,090,000
GROSS APPROPRIATION	$	9,090,000
Appropriated from:		
Federal revenues:		
Federal revenues		5,942,100
Special revenue funds:		
Certification fees		565,100
State general fund/general purpose	$	2,582,800

Sec. 116. CAREER AND TECHNICAL EDUCATION

Full-time equated classified positions 29.0		
Career and technical education operations—29.0 FTE positions	$	5,312,900
GROSS APPROPRIATION	$	5,312,900
Appropriated from:		
Federal revenues:		
Federal revenues		3,944,400
State general fund/general purpose	$	1,368,500

Sec. 117. LIBRARY OF MICHIGAN

Full-time equated classified positions 33.0		
Library of Michigan operations—31.0 FTE positions	$	4,900,200
Library services and technology program—1.0 FTE position		5,611,400
Michigan eLibrary—1.0 FTE position		1,757,900
Renaissance zone reimbursements		2,500,000
State aid to libraries		12,067,700
GROSS APPROPRIATION	$	26,837,200
Appropriated from:		
Federal revenues:		
Federal revenues		5,611,400
Special revenue funds:		
Library fees		300,000
State general fund/general purpose	$	20,925,800

Sec. 118. EDUCATOR TALENT AND POLICY COORDINATION

Full-time equated classified positions 17.0		
Educator talent and policy coordination operations—17.0 FTE positions	$	2,652,700
GROSS APPROPRIATION	$	2,652,700
Appropriated from:		
Federal revenues:		
Federal revenues		636,500
Special revenue funds:		
Certification fees		245,600
State general fund/general purpose	$	1,770,600

Sec. 119. PARTNERSHIP DISTRICT SUPPORT

Full-time equated classified positions 13.0		
Partnership district support operations—13.0 FTE positions	$	3,504,900
GROSS APPROPRIATION	$	3,504,900
Appropriated from:		
State general fund/general purpose	$	3,504,900

		For Fiscal Year Ending Sept. 30, 2019
Sec. 120. ONE-TIME APPROPRIATIONS		
Drinking water declaration of emergency	$	100
GROSS APPROPRIATION	$	100
Appropriated from:		
Special revenue funds:		
Drinking water declaration of emergency reserve fund		100
State general fund/general purpose	$	0

PART 2

PROVISIONS CONCERNING APPROPRIATIONS
FOR FISCAL YEAR 2018-2019

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state sources under part 1 for fiscal year 2018-2019 is $94,851,900.00 and state spending from state sources to be paid to local units of government for fiscal year 2018-2019 is $14,567,700.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF EDUCATION		
State aid to libraries..	$	12,067,700
Renaissance zone reimbursements..		2,500,000
Total department of education	$	14,567,700

Sec. 202. The appropriations authorized under this part and part 1 are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

Sec. 203. As used in this part and part 1:

(a) "Department" means the Michigan department of education.

(b) "District" means a local school district as that term is defined in section 6 of the revised school code, 1976 PA 451, MCL 380.6, or a public school academy as that term is defined in section 5 of the revised school code, 1976 PA 451, MCL 380.5.

(c) "FTE" means full-time equated.

(d) "IDG" means interdepartmental grant.

Sec. 204. The departments and agencies receiving appropriations in part 1 shall use the internet to fulfill the reporting requirements of this part. This requirement may include transmission of reports via electronic mail to the recipients identified for each reporting requirement, or it may include placement of reports on an internet or intranet site.

Sec. 205. Funds appropriated in part 1 shall not be used for the purchase of foreign goods or services, or both, if competitively priced and of comparable quality American goods or services, or both, are available. Preference shall be given to goods or services, or both, manufactured or provided by Michigan businesses, if they are competitively priced and of comparable 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. 206. The state superintendent of public instruction 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. The state superintendent of public instruction 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. 207. The departments and agencies receiving appropriations in part 1 shall prepare a report on out-of-state travel expenses not later than January 1 of each year. The travel report shall be a listing of all travel by classified and

unclassified employees outside this state in the immediately preceding fiscal year that was funded in whole or in part with funds appropriated in the department's budget. The report shall be submitted to the senate and house appropriations committees, the house and senate fiscal agencies, and the state budget director. The report must include the following information:

(a) The dates of each travel occurrence.

(b) The transportation and related costs of each travel occurrence, including the proportion funded with state general fund/general purpose revenues, the proportion funded with state restricted revenues, the proportion funded with federal revenues, and the proportion funded with other revenues.

Sec. 208. Funds appropriated in part 1 shall not be used by a principal executive department, state agency, or authority to hire a person to provide legal services that are the responsibility of the attorney general. This prohibition does not apply to legal services for bonding activities and for those outside services that the attorney general authorizes.

Sec. 209. Not later than November 30, the state budget office shall prepare and transmit a report that provides for estimates of the total general fund/general purpose appropriation lapses at the close of the prior fiscal year. This report shall summarize the projected year-end general fund/general purpose appropriation lapses by major departmental program or program areas. The report shall be transmitted to the chairpersons of the senate and house appropriations committees and the senate and house fiscal agencies.

Sec. 210. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $10,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

(3) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $250,000.00 for local contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

Sec. 211. The department shall cooperate with the department of technology, management, and budget to maintain a searchable website accessible by the public at no cost that includes, but is not limited to, all of the following for each department or agency:

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

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

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

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

(e) Job specifications and wage rates.

Sec. 212. Within 14 days after the release of the executive budget recommendation, the department shall cooperate with the state budget office to provide the senate and house appropriations chairs, the chairs of the senate and house appropriations subcommittees responsible for the department budget, and the senate and house fiscal agencies with an annual report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures for the fiscal years ending September 30, 2018 and September 30, 2019.

Sec. 213. The department shall maintain, on a publicly accessible website, a department scorecard that identifies, tracks, and regularly updates key metrics that are used to monitor and improve the department's performance.

Sec. 214. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2019 are estimated at $15,595,300.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at $7,189,700.00. Total agency appropriations for retiree health care legacy costs are estimated at $8,405,600.00.

Sec. 215. The department shall provide through the internet the state board of education agenda and all supporting documents, and shall notify the state budget director and the senate and house fiscal agencies that the agenda and

supporting documents are available on the internet, at the time the agenda and supporting documents are provided to state board of education members.

Sec. 217. The department may assist the department of health and human services, other departments, and local school districts to secure reimbursement for eligible services provided in Michigan schools from the federal Medicaid program. The department may submit reports of direct expenses related to this effort to the department of health and human services for reimbursement.

Sec. 219. From the funds appropriated in part 1, the department shall ensure that kindergarten benchmark data include a method for information to be provided regarding a child's participation in the great start readiness program.

Sec. 220. The department shall post on its website a link to the federal Institute of Education Sciences' What Works Clearinghouse. The department also shall work to disseminate knowledge about the What Works Clearinghouse to districts and intermediate districts so that it may be used to improve reading proficiency for pupils in grades K to 3.

Sec. 221. The department shall require all districts and intermediate school districts to maintain complete records within the personnel file of a teacher or school employee of any disciplinary actions taken by the governing board against the teacher or employee for sexual misconduct. The records shall not be destroyed or removed from the teacher's or employee's personnel file except as required by a court order.

Sec. 222. The department shall not take disciplinary action against an employee who communicates truthfully and factually with a member of the legislature or his or her staff.

Sec. 223. The department and agencies receiving appropriations in part 1 shall receive and retain copies of all reports funded from appropriations in part 1. Federal and state guidelines for short-term and long-term retention of records shall be followed. The department may electronically retain copies of reports unless otherwise required by federal and state guidelines.

Sec. 225. (1) From the funds appropriated in part 1, the department must comply with section 17c of the state school aid act of 1979, 1979 PA 94, MCL 388.1617c.

(2) If the department fails to comply with subsection (1), the state funds appropriated in part 1 for unclassified positions, state board/superintendent operations, school support services operations, and field services operations shall each be reduced by 2.5%.

Sec. 226. From the funds appropriated in part 1, the department shall coordinate with the other departments to streamline state services and resources, reduce duplication, and increase efficiency. This includes, but is not limited to, working with the department of treasury to coordinate with the financial independence team and overseeing deficit districts and working with the department of health and human services and department of licensing and regulatory affairs to coordinate with early childhood programs and overseeing child care providers.

Sec. 227. (1) The department shall provide data requested by a member of the legislature, his or her staff, or the house and senate fiscal agencies in a timely manner. If the department fails to provide reasonably requested data within 30 days after the request, the state money appropriated in part 1 for state board/superintendent operations shall be reduced by 1%.

(2) If the department fails to provide to the legislature reports and other data required by boilerplate or statute within 30 days after the date the information is due, the state money appropriated in part 1 for state board/superintendent operations shall be reduced by 1%.

Sec. 229. The department shall not enter into a contract funded under part 1 that exceeds $1,000,000.00, submit federal accountability plans, or request amendments to federal accountability plans until after notification of the content to both the house and senate appropriations committees and the state budget director.

Sec. 230. From the funds appropriated in part 1, the department shall compile a report that identifies any new, or lack thereof, mandates required of nonpublic schools. In compiling the report, the department may consult with relevant statewide education associations in Michigan. The report compiled by the department shall indicate the type of mandate, including, but not limited to, student health, student or building safety, accountability, and educational requirements, and shall indicate whether a school has to report on the specified mandates. The report required under this section shall be completed by April 1, 2019 and transmitted to the state budget director, the house and senate appropriations subcommittees responsible for the department of education, and the senate and house fiscal agencies not later than April 15, 2019.

Sec. 231. (1) From the funds appropriated in part 1, the department shall submit to intermediate school districts, school districts, and public school academies information from the final report containing task force recommendations for reducing child sexual abuse in this state as required by section 12b of the child protection law, 1975 PA 238, MCL 722.632b. The information provided shall include the policy recommendations and guidelines for schools and other youth-serving organizations.

(2) The department shall collect information from all school districts, intermediate school districts, and public school academies that have adopted policies that were specified by section 12b of the child protection law, 1975 PA 238, MCL 722.632b. The information collected shall be reported to the house and senate appropriations committees, the house and senate fiscal agencies, and the state budget office. The report shall include a list of each school district, intermediate school district, and public school academy that has adopted each policy specified by section 12b of the child protection law, 1975 PA 238, MCL 722.632b.

Sec. 232. From the funds appropriated in part 1, the department shall ensure that the most recently issued report of regional in-demand occupations issued by the department of technology, management, and budget is distributed in electronic or paper form to all high schools in each school district, intermediate school district, and public school academy.

Sec. 233. (1) From the funds appropriated in part 1, the department shall develop and implement a training program to provide resources and programming to pupils in grades 9 to 12 who are interested in a career in teaching and who are members of groups that are underrepresented in the teaching profession in this state.

(2) The department shall do all of the following with respect to the training program developed and implemented under subsection (1):

(a) Create a process for nomination and admission of pupils to the program.

(b) Advertise the program.

(c) Invite postsecondary institutions in this state that operate a teacher preparation program to participate in the training program.

(d) Connect pupils participating in the program to representatives of teacher preparation programs at postsecondary institutions in this state.

(e) At least once, conduct conferences for pupils participating in the program in locations that are geographically convenient for the majority of pupils attending each conference.

(f) Provide all available research and resources to pupils and postsecondary institutions participating in the training program on at least all of the following:

(*i*) Successful activities and programs for recruiting and retaining pupils who are members of groups that are underrepresented in the teaching profession for participation in postsecondary teacher preparation programs.

(*ii*) Teacher certification.

(*iii*) Employment as a teacher.

Sec. 234. (1) Except as otherwise provided in this section, after the effective date of this act and during the tenure of an appointed interim state superintendent, the department shall not use funds appropriated in part 1 for the development of, staffing of, or activities promoting the promulgation of new, revised, or rescinded administrative rules until a permanent state superintendent of public instruction is appointed by the state board of education.

(2) An administrative rules change for which a request for rule-making has been submitted to the office of regulatory affairs before the effective date of this act may continue to proceed pursuant to the administrative rules process under the administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to 24.328.

STATE BOARD OF EDUCATION/OFFICE OF THE SUPERINTENDENT

Sec. 301. (1) The appropriations in part 1 may be used for per diem payments to the state board for meetings at which a quorum is present or for performing official business authorized by the state board. The per diem payments shall be at a rate as follows:

(a) State board of education - president - $110.00 per day.

(b) State board of education - member other than president - $100.00 per day.

(2) A state board of education member shall not be paid a per diem for more than 30 days per year.

Sec. 302. From the amount appropriated in part 1 to the state board of education, not more than $35,000.00 shall be expended in the current fiscal year for in-state travel and out-of-state travel directly related to the duties of the state board of education.

CENTRAL SUPPORT

Sec. 325. Within 10 days of the receipt of a grant appropriated in the federal and private grants line item in part 1, the department shall notify the house and senate chairpersons of the appropriations subcommittees responsible for the department budget, the house and senate fiscal agencies, and the state budget director of the receipt of the grant, including the funding source, purpose, and amount of the grant.

SPECIAL EDUCATION SERVICES

Sec. 350. From the funds in part 1 for special education operations, the department shall use $100,000.00 to design and distribute to all parents and legal guardians of a student with a disability information about federal and state mandates regarding the rights and protections of students with disabilities, including, but not limited to, individualized education programs to ensure that parents and legal guardians are fully informed about laws, rules, procedural safeguards, problem-solving options, and any other information the department determines is necessary so that parents and legal guardians may be able to provide meaningful input in collaboration with districts to develop and implement an individualized education program.

MICHIGAN SCHOOLS FOR THE DEAF AND BLIND

Sec. 401. The employees at the Michigan Schools for the Deaf and Blind who work on a school-year basis are considered annual employees for purposes of service credits, retirement, and insurance benefits.

Sec. 402. For each student enrolled at the Michigan Schools for the Deaf and Blind, the department shall assess the intermediate school district of residence 100% of the cost of operating the student's instructional program. The amount shall exclude room and board related costs and the cost of weekend transportation between the school and the student's home.

Sec. 406. (1) The Michigan Schools for the Deaf and Blind may promote its residential program as a possible appropriate option for children who are deaf or hard of hearing or who are blind or visually impaired. The Michigan Schools for the Deaf and Blind shall distribute information detailing its services to all intermediate school districts in this state.

(2) Upon knowledge of or recognition by an intermediate school district that a child in the district is deaf or hard of hearing or blind or visually impaired, the intermediate school district shall provide to the parents of the child the literature distributed by the Michigan Schools for the Deaf and Blind to intermediate school districts under subsection (1).

(3) Parents will continue to have a choice regarding the educational placement of their deaf or hard-of-hearing children.

Sec. 407. Revenue received by the Michigan Schools for the Deaf and Blind from gifts, bequests, and donations that is unexpended at the end of the state fiscal year may be carried over to the succeeding fiscal year and shall not revert to the general fund.

Sec. 408. (1) The funds appropriated in part 1 for the low incidence outreach fund are appropriated from money collected by the Michigan Schools for the Deaf and Blind and the low incidence outreach program for providing qualified services and may be used for any expenses necessary to provide the qualified services. Any money that is unexpended at the end of the current fiscal year may be carried forward into the succeeding fiscal year.

(2) As used in this section, "qualified services" means document reproduction and services; conducting conferences, workshops, and training classes; and providing specialized equipment, facilities, and software.

Sec. 409. When conducting a due process hearing resulting from a parent's appeal of his or her child's individualized education program team's decision on the child's educational placement, a state administrative law judge shall consider

designating the Michigan Schools for the Deaf and Blind as the least restrictive environment under federal law for the parent's child who is deaf, deafblind, or hard of hearing.

PROFESSIONAL PREPARATION SERVICES

Sec. 501. From the funds appropriated in part 1 for professional preparation services, the department shall maintain certificate revocation/felony conviction files of educational personnel.

Sec. 502. The department shall authorize teacher preparation institutions to provide an alternative program by which up to 1/2 of the required student internship or student teaching credits may be earned through substitute teaching. The department shall require that teacher preparation institutions collaborate with school districts to ensure that the quality of instruction provided to student teachers is comparable to that required in a traditional student teaching program.

Sec. 503. From the funds appropriated in part 1, the department shall, upon request, consult with the Michigan Virtual Research Institute and external stakeholders in connection with the department's implementation and administration of professional development training described in section 35a of the state school aid act of 1979, 1979 PA 94, MCL 388.1635a, including, but not limited to, the online training of educators of pupils in grades K to 3 described in that section.

Sec. 506. Revenue received from teacher testing fees that is unexpended at the end of the current fiscal year may be carried over to the succeeding fiscal year and shall not revert to the general fund.

Sec. 507. From the funds appropriated in part 1, the department shall adopt a teacher certification test that ensures that all newly certified elementary teachers have the skills to deliver evidence-based literacy instruction. The department may use teacher certification or teacher testing fee revenue to the extent allowable under law to implement this section, or may pass along increased testing fees to teachers as allowable and appropriate.

SCHOOL SUPPORT SERVICES

Sec. 601. From the funds appropriated in part 1, there is appropriated an amount not to exceed $1,000,000.00 for implementation costs associated with programs for early childhood literacy funded under section 35a of the state school aid act of 1979, 1979 PA 94, MCL 388.1635a.

Sec. 602. From the funds appropriated in part 1 for adolescent and school health, there is appropriated $100.00 to replace federal funding reductions from the HHS - Centers for Disease Control and Prevention to the department and section 39a(2)(a) of the state school aid act of 1979, 1979 PA 94, MCL 388.1639a.

FIELD SERVICES

Sec. 701. (1) From the funds appropriated in part 1 for field services operations, the department shall produce a report detailing the progress made by districts with grades K to 12 receiving at-risk funding under section 31a of the state school aid act of 1979, 1979 PA 94, MCL 388.1631a, in implementing multitiered systems of supports in the prior school fiscal year for grades K to 12, and in providing reading intervention services described in section 1280f of the revised school code, 1976 PA 451, MCL 380.1280f, for pupils in grades K to 12.

(2) The report described in subsection (1) shall include, at a minimum:

(a) A description of the training, coaching, and technical assistance offered by the department to districts to support the implementation of effective multitiered systems of supports and reading intervention programs.

(b) A list of districts determined by the department to have successfully implemented multitiered systems of supports and reading intervention programs.

(c) A list of best practices that the department has identified that may be used by districts to implement multitiered systems of supports and reading intervention programs.

(d) Other information the department determines would be useful to understanding the status of districts' implementation of effective multitiered systems of supports and reading intervention programs.

(3) The department shall provide the report described in subsection (1) to the state budget director, the house and senate subcommittees that oversee the department of education and school aid budgets, and the house and senate fiscal agencies by September 30, 2019.

LIBRARY OF MICHIGAN

Sec. 801. (1) The funds appropriated in part 1 for library fees are appropriated from money collected by the Library of Michigan for providing qualified services and may be used for any expenses necessary to provide the qualified services. Any money that is unexpended at the end of the current fiscal year may be carried forward into the succeeding fiscal year.

(2) As used in this section, "qualified services" means document reproduction and services; conducting conferences, workshops, and training classes; and providing specialized equipment, facilities, and software.

Sec. 803. It is the intent of the legislature that the Library of Michigan and the component programs currently within the Library of Michigan with the exception of the genealogical collections shall be kept together in a state department.

Sec. 804. (1) The funds appropriated in part 1 for renaissance zone reimbursements shall be used to reimburse public libraries under section 12 of the Michigan renaissance zone act, 1996 PA 376, MCL 125.2692, for taxes levied in 2018. The allocations shall be made not later than 60 days after the department of treasury certifies to the department and to the state budget director that the department of treasury has received all necessary information to properly determine the amounts due to each eligible recipient.

(2) If the amount appropriated under this section is not sufficient to fully pay obligations under this section, payments shall be prorated on an equal basis among all eligible public libraries.

MICHIGAN OFFICE OF GREAT START

Sec. 1002. (1) From the funds appropriated in part 1 for child development and care public assistance, provider reimbursement rates are as follows:

(a) The reimbursement rates for child care center providers for children 0 to 2-1/2 years are as follows:

(*i*) The reimbursement rate for child care center providers with an empty star rating is $4.00 per hour for each child.

(*ii*) The reimbursement rate for child care center providers with a 1-star rating is $4.00 per hour for each child.

(*iii*) The reimbursement rate for child care center providers with a 2-star rating is $4.25 per hour for each child.

(*iv*) The reimbursement rate for child care center providers with a 3-star rating is $4.75 per hour for each child.

(*v*) The reimbursement rate for child care center providers with a 4-star rating is $5.00 per hour for each child.

(*vi*) The reimbursement rate for child care center providers with a 5-star rating is $5.50 per hour for each child.

(b) The reimbursement rates for child care center providers for children over 2-1/2 years are as follows:

(*i*) The reimbursement rate for child care center providers with an empty star rating is $2.75 per hour for each child.

(*ii*) The reimbursement rate for child care center providers with a 1-star rating is $2.75 per hour for each child.

(*iii*) The reimbursement rate for child care center providers with a 2-star rating is $3.00 per hour for each child.

(*iv*) The reimbursement rate for child care center providers with a 3-star rating is $3.50 per hour for each child.

(*v*) The reimbursement rate for child care center providers with a 4-star rating is $3.75 per hour for each child.

(*vi*) The reimbursement rate for child care center providers with a 5-star rating is $4.25 per hour for each child.

(c) The reimbursement rates for group home providers for children 0 to 2-1/2 years are as follows:

(*i*) The reimbursement rate for group home providers with an empty star rating is $3.15 per hour for each child.

(*ii*) The reimbursement rate for group home providers with a 1-star rating is $3.15 per hour for each child.

(*iii*) The reimbursement rate for group home providers with a 2-star rating is $3.40 per hour for each child.

(*iv*) The reimbursement rate for group home providers with a 3-star rating is $3.90 per hour for each child.

(*v*) The reimbursement rate for group home providers with a 4-star rating is $4.15 per hour for each child.

(*vi*) The reimbursement rate for group home providers with a 5-star rating is $4.65 per hour for each child.

(d) The reimbursement rates for group home providers for children over 2-1/2 years are as follows:

(*i*) The reimbursement rate for group home providers with an empty star rating is $2.65 per hour for each child.

(*ii*) The reimbursement rate for group home providers with a 1-star rating is $2.65 per hour for each child.

(*iii*) The reimbursement rate for group home providers with a 2-star rating is $2.90 per hour for each child.

(*iv*) The reimbursement rate for group home providers with a 3-star rating is $3.40 per hour for each child.

(*v*) The reimbursement rate for group home providers with a 4-star rating is $3.65 per hour for each child.

(*vi*) The reimbursement rate for group home providers with a 5-star rating is $4.15 per hour for each child.

(e) The reimbursement rates for registered family home providers for children 0 to 2-1/2 years are as follows:

(*i*) The reimbursement rate for registered family home providers with an empty star rating is $3.15 per hour for each child.

(*ii*) The reimbursement rate for registered family home providers with a 1-star rating is $3.15 per hour for each child.

(*iii*) The reimbursement rate for registered family home providers with a 2-star rating is $3.40 per hour for each child.

(*iv*) The reimbursement rate for registered family home providers with a 3-star rating is $3.90 per hour for each child.

(*v*) The reimbursement rate for registered family home providers with a 4-star rating is $4.15 per hour for each child.

(*vi*) The reimbursement rate for registered family home providers with a 5-star rating is $4.65 per hour for each child.

(f) The reimbursement rates for registered family home providers for children over 2-1/2 years are as follows:

(*i*) The reimbursement rate for registered family home providers with an empty star rating is $2.65 per hour for each child.

(*ii*) The reimbursement rate for registered family home providers with a 1-star rating is $2.65 per hour for each child.

(*iii*) The reimbursement rate for registered family home providers with a 2-star rating is $2.90 per hour for each child.

(*iv*) The reimbursement rate for registered family home providers with a 3-star rating is $3.40 per hour for each child.

(*v*) The reimbursement rate for registered family home providers with a 4-star rating is $3.65 per hour for each child.

(*vi*) The reimbursement rate for registered family home providers with a 5-star rating is $4.15 per hour for each child.

(g) The reimbursement rates for unlicensed providers for children 0 to age 2-1/2 years are as follows:

(*i*) The reimbursement rate for unlicensed providers with a tier 1 rating is $1.60 per hour for each child.

(*ii*) The reimbursement rate for unlicensed providers with a tier 2 rating is $2.95 per hour for each child.

(h) The reimbursement rates for unlicensed providers for children over 2-1/2 years are as follows:

(*i*) The reimbursement rate for unlicensed providers with a tier 1 rating is $1.60 per hour for each child.

(*ii*) The reimbursement rate for unlicensed providers with a tier 2 rating is $2.60 per hour for each child.

(2) The department shall ensure that the final provider reimbursement rates determined under this section are published on the department and great start to quality webpages.

Sec. 1003. (1) The department shall provide the house and senate appropriations subcommittees on the department budget with an annual report on all funding appropriated to the Early Childhood Investment Corporation by this state during the previous fiscal year. The report is due by February 15 and must contain at least the following information:

(a) Total funding appropriated to the Early Childhood Investment Corporation by the state during the previous fiscal year.

(b) The amount of funding for each grant awarded.

(c) The grant recipients.

(d) The activities funded by each grant.

(e) An analysis of each grant recipient's success in addressing the development of a comprehensive system of early childhood services and supports.

(2) All department contracts for early childhood comprehensive systems planning shall be bid out through a statewide request-for-proposal process.

Sec. 1004. From the funds appropriated in part 1 for the TEACH scholarship program, the department shall ensure that $5,000,000.00 is appropriated to the TEACH scholarship program. The program shall give preference to the following providers:

(a) Providers that currently have a great start to quality star rating or are in the process to receive a star rating.

(b) Providers that are seeking to increase their great start to quality star rating and are only restricted from receiving the increased rating because they lack employees with the proper education level.

Sec. 1005. From the funds appropriated in part 1 for the child development and care external support, the department shall work with the department of licensing and regulatory affairs to provide fingerprinting services and background checks of employees of child care providers as required under the terms of the federal child care and development block grant.

Sec. 1007. (1) From the funds appropriated in part 1 for child development and care - external support, the department shall create progress reports that shall include, but are not limited to, the following:

(a) Both the on-site and off-site activities that are intended to improve child care provider quality and the number of times those activities are performed by the licensing consultants.

(b) How many on-site visits a single licensing consultant has made since the start of the current fiscal year.

(c) The types of on-site visits and the number of visits for each type that a single consultant has made since the start of the current fiscal year.

(d) The number of providers that have improved their quality rating since the start of the current fiscal year compared to the same time period in the preceding fiscal year, reported as the number of providers in each regional prosperity zone.

(e) The types of activities that are intended to improve licensing consultant performance and child care provider quality and the number of times those activities are performed by the managers and administrators.

(2) The progress reports shall be sent to the state budget director, the house and senate subcommittees that oversee the department of education, and the house and senate fiscal agencies by April 1, 2019 and September 30, 2019.

Sec. 1008. From the amount appropriated in part 1 for office of great start operations, the department shall work with the department of health and human services to coordinate services provided to families for home visits, reduce duplication of state services and spending, and increase efficiencies including the home visits funded under section 32p of the state school aid act of 1979, 1979 PA 94, MCL 388.1632p.

Sec. 1009. From the funds appropriated in part 1 for child development and care public assistance, the income entrance threshold for the child development and care program is set to 130% of the federal poverty guidelines.

Sec. 1010. Within 10 days of the receipt of changes to the federal child care and development program, the department shall notify the house and senate chairpersons of the appropriations subcommittees responsible for the department budget, the house and senate fiscal agencies, and the state budget director. The notification shall include, but is not limited to:

(a) Changes to the federal matching award amount, including the amount of state resources necessary to draw down the total matching award.

(b) Changes to the amount of child care and development block grant that is awarded to this state.

(c) Any significant changes to the federal requirements on the child development and care program, indicating any new requirements that would require the appropriation of additional dollars.

Sec. 1011. (1) From the funds appropriated in part 1 for child development and care public assistance, there is, subject to subsection (4), allocated $15,000,000.00 to implement a biweekly block reimbursement rate schedule by December 1, 2018 through the following block segments:

(a) The block segment for a biweekly block reimbursement rate schedule for child care centers, group homes, and registered family homes, for paid hours between 1 to 30 hours, shall be reimbursed at the hourly reimbursement rate.

(b) The block segment for a biweekly block reimbursement rate schedule for child care centers, group homes, and registered family homes, for paid hours between 31 to 60 hours, shall be reimbursed as 60 hours.

(c) The block segment for a biweekly block reimbursement rate schedule for child care centers, group homes, and registered family homes, for paid hours between 61 to 80 hours, shall be reimbursed as 80 hours.

(d) The block segment for a biweekly block reimbursement rate schedule for child care centers, group homes, and registered family homes, for paid hours between 81 to 90 hours, shall be reimbursed as 90 hours.

(e) The block segment for a biweekly block reimbursement rate schedule for unlicensed providers shall be reimbursed at their current hourly reimbursement rates.

(2) It is the intent of the legislature that the new biweekly block reimbursement system reimburses providers based on the block segment that is closest to the number of hours actually paid to the provider.

(3) The department shall implement a biweekly block reimbursement rate schedule for the child development and care program and, before implementation, the department shall create a detailed spending report for the biweekly block reimbursement rate schedule that includes, but is not limited to, all of the following:

(a) How the biweekly block reimbursement rate schedule will be implemented throughout the state.

(b) The precise rates charged for the biweekly block reimbursement rate schedule to each provider type and any differentiation of rates charged by age groups.

(c) The overall projected costs for the biweekly block reimbursement rate schedule for the fiscal years ending September 30, 2019, and September 30, 2020.

(4) Before funds described in this section may be expended, the detailed spending report implemented by the department under subsection (3) must be sent to the state budget director, the house and senate subcommittees that oversee the department of education, and the house and senate fiscal agencies.

ONE-TIME APPROPRIATIONS

Sec. 1101. (1) From the funds appropriated in part 1 for drinking water declaration of emergency, the department shall allocate funding to address the child care needs in a city in which a declaration of emergency was issued because of drinking water contamination. Funds shall be used to support the following activities in the city:

(a) Pilot the expansion of the child development and care eligibility to children ages 0 to 3 for 1/2-day child care services by increasing the household income entrance threshold to 300% of the federal poverty guidelines.

(b) Provide information to child care providers on identification and intervention services for children demonstrating potential developmental delays associated with exposure to lead.

(2) The department shall amend definitions and eligibility requirements in the child care and development fund state plan as necessary to implement this section.

(3) Each month, the department shall create a report concerning each city where there is a drinking water declaration of emergency or where a drinking water declaration of emergency has been lifted and the department continues to spend funds under this section. The report shall include, but is not limited to, all of the following:

(a) The number of children ages 0 to 3 in the city.

(b) The number of children ages 0 to 3 in the city served by the child development and care program before the implementation of the increase to the entrance threshold to 300% of the federal poverty guidelines.

(c) The number of children ages 0 to 3 in the city served by the child development and care program after the implementation of the increase to the entrance threshold to 300% of the federal poverty guidelines.

(d) The number of cases including a child aged 0 to 3 in the city being served by the child development and care program.

(e) The number of children receiving referrals for additional screenings, assessments, or services that are ages 0 to 3 in the city served by the child development and care program.

(f) The number of children ages 0 to 3 identified with developmental delays in the city served by the child development and care program.

(g) The number of children ages 0 to 3 who are in 1-parent households in the city served by the child development and care program.

(h) The number of children ages 0 to 3 who are in 2-parent households in the city served by the child development and care program.

(i) The number of child care providers that were provided training on identifying the impacts of lead exposure, as well as related developmental delays that are serving children ages 0 to 3 in the city participating in the child development and care program.

(j) The types and number of communications with parents or caretakers on the impact of developmental delays and available services for children ages 0 to 3 in the city being served by the child development and care program. The

department shall create a list of communication types that includes, but is not limited to, all of the following: in person, telephone, letter, and electronic mail.

(4) The report created under subsection (3) shall be sent to the state budget director, the house and senate appropriations subcommittees that oversee the department's budget, and the house and senate fiscal agencies by the first of every month until the department has spent all of the money appropriated in part 1 for a drinking water declaration of emergency.

ARTICLE VII

DEPARTMENT OF ENVIRONMENTAL QUALITY

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of environmental quality for the fiscal year ending September 30, 2019, from the following funds:

DEPARTMENT OF ENVIRONMENTAL QUALITY

APPROPRIATION SUMMARY		
Full-time equated unclassified positions	6.0	
Full-time equated classified positions	1,231.0	
GROSS APPROPRIATION	$	447,502,600
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		3,143,700
ADJUSTED GROSS APPROPRIATION	$	444,358,900
Federal revenues:		
Total federal revenues		160,225,400
Special revenue funds:		
Total private revenues		1,061,700
Total other state restricted revenues		209,325,300
State general fund/general purpose	$	73,746,500
FUND SOURCE SUMMARY		
Full-time equated unclassified positions	6.0	
Full-time equated classified positions	1,231.0	
GROSS APPROPRIATION	$	447,502,600
Interdepartmental grant revenues:		
IDG from department of state police		1,776,100
IDG from state transportation department		1,367,600
Total interdepartmental grants and intradepartmental transfers		3,143,700
ADJUSTED GROSS APPROPRIATION	$	444,358,900
Federal revenues:		
Federal funds		160,225,400
Total federal revenues		160,225,400
Special revenue funds:		
Private funds		1,061,700
Total private revenues		1,061,700
Air emissions fees		12,427,300
Aquatic nuisance control fund		931,400
Aquifer protection revolving fund		524,000
Campground fund		326,000
Clean Michigan initiative - clean water fund		3,417,100
Clean Michigan initiative - nonpoint source		2,000,000
Cleanup and redevelopment fund		19,939,400
Community pollution prevention fund		250,000
Drinking water declaration of emergency reserve fund		100
Electronic waste recycling fund		334,500
Environmental education fund		171,300
Environmental pollution prevention fund		6,779,300

	For Fiscal Year Ending Sept. 30, 2019
Environmental protection fund	$ 2,476,700
Environmental response fund	3,782,600
Fees and collections	393,900
Financial instruments	9,489,100
Groundwater discharge permit fees	1,779,800
Infrastructure construction fund	51,400
Laboratory services fees	4,294,900
Land and water permit fees	3,306,700
Landfill maintenance trust fund	31,000
Lawsuit settlement proceeds fund	3,000,000
Medical waste emergency response fund	339,700
Metallic mining surveillance fee revenue	101,000
Mineral well regulatory fee revenue	223,100
Native copper mine fund	50,000
Nonferrous metallic mineral surveillance	367,300
NPDES fees	4,627,700
Oil and gas regulatory fund	5,242,400
Orphan well fund	2,424,600
Public swimming pool fund	662,600
Public utility assessments	417,000
Public water supply fees	5,012,000
Refined petroleum fund	42,085,200
Revitalization revolving loan fund	103,100
Revolving loan revenue bonds	15,000,000
Sand extraction fee revenue	92,900
Scrap tire regulatory fund	5,109,900
Septage waste contingency fund	3,400
Septage waste program fund	530,300
Settlement funds	426,100
Sewage sludge land application fees	1,006,800
Small business pollution prevention revolving loan fund	167,100
Soil erosion and sedimentation control training fund	175,100
Solid waste management fund - staff account	5,208,300
Stormwater permit fees	3,078,000
Strategic water quality initiatives fund	17,211,900
Underground storage tank cleanup fund	20,028,700
Wastewater operator training fees	601,900
Water analysis fees	2,275,200
Water pollution control revolving fund	656,100
Water quality protection fund	100,000
Water use reporting fees	291,400
Total other state restricted revenues	209,325,300
State general fund/general purpose	$ 73,746,500

Sec. 102. DEPARTMENTAL ADMINISTRATION AND SUPPORT

Full-time equated unclassified positions	6.0
Full-time equated classified positions	83.0
Unclassified salaries—6.0 FTE positions	$ 792,200
Accounting service center	1,419,700
Administrative hearings officers	388,000
Central support services—39.0 FTE positions	8,159,000
Communications and community outreach—31.0 FTE positions	4,585,900
Environmental support projects	5,000,000
Executive direction—13.0 FTE positions	2,142,600
Facilities management	1,000,000
Property management	7,458,300
GROSS APPROPRIATION	$ 30,945,700

		For Fiscal Year Ending Sept. 30, 2019
Appropriated from:		
Interdepartmental grant revenues:		
IDG from department of state police	$	61,100
Federal revenues:		
Federal funds		29,400
Special revenue funds:		
Private funds		364,000
Air emissions fees		1,508,500
Campground fund		15,600
Cleanup and redevelopment fund		1,589,500
Electronic waste recycling fund		15,300
Environmental education fund		171,300
Environmental pollution prevention fund		1,710,600
Environmental protection fund		323,800
Environmental response fund		529,800
Fees and collections		150,200
Financial instruments		7,326,100
Groundwater discharge permit fees		211,700
Laboratory services fees		157,800
Land and water permit fees		612,500
Lawsuit settlement proceeds fund		3,000,000
Medical waste emergency response fund		18,000
Metallic mining surveillance fee revenue		5,100
Mineral well regulatory fee revenue		9,000
Nonferrous metallic mineral surveillance		800
NPDES fees		276,100
Oil and gas regulatory fund		1,014,800
Orphan well fund		52,900
Public swimming pool fund		27,500
Public utility assessments		20,400
Public water supply fees		288,900
Refined petroleum fund		2,583,900
Sand extraction fee revenue		4,200
Scrap tire regulatory fund		158,800
Septage waste program fund		20,200
Settlement funds		426,100
Sewage sludge land application fees		121,600
Small business pollution prevention revolving loan fund		19,400
Soil erosion and sedimentation control training fund		18,900
Solid waste management fund - staff account		331,800
Stormwater permit fees		264,700
Wastewater operator training fees		34,600
Water analysis fees		148,400
Water use reporting fees		24,700
State general fund/general purpose	$	7,297,700

Sec. 103. GREAT LAKES RESTORATION INITIATIVE

Great Lakes restoration initiative	$	6,714,100
GROSS APPROPRIATION	$	6,714,100
Appropriated from:		
Federal revenues:		
Federal funds		6,714,100
Special revenue funds:		
State general fund/general purpose	$	0

Sec. 104. WATER RESOURCES DIVISION

Full-time equated classified positions 317.0		
Aquatic nuisance control program—6.0 FTE positions	$	931,400

		For Fiscal Year Ending Sept. 30, 2019
Expedited water/wastewater permits—1.0 FTE position	$	51,400
Federal - Great Lakes remedial action plan grants		583,800
Federal - nonpoint source water pollution grants		4,083,300
Fish contaminant monitoring		316,100
Groundwater discharge permit program—22.0 FTE positions		3,253,500
Land and water interface permit programs—82.0 FTE positions		11,848,200
Nonpoint source pollution prevention and control project program		2,000,000
NPDES nonstormwater program—83.0 FTE positions		13,245,000
Program direction and project assistance—27.0 FTE positions		3,113,700
Surface water—86.0 FTE positions		16,291,600
Technology advancements for water monitoring		500,000
Water quality and use initiative/general—5.0 FTE positions		1,498,300
Water quality protection grants		100,000
Water withdrawal assessment program—5.0 FTE positions		1,618,400
Wetland mitigation banking grants and loans		1,000,000
Wetlands program		1,000,000
GROSS APPROPRIATION	$	61,434,700
Appropriated from:		
Interdepartmental grant revenues:		
IDG from state transportation department		1,281,500
Federal revenues:		
Federal funds		20,490,200
Special revenue funds:		
Aquatic nuisance control fund		931,400
Aquifer protection revolving fund		524,000
Clean Michigan initiative - clean water fund		3,417,100
Clean Michigan initiative - nonpoint source		2,000,000
Environmental response fund		204,800
Groundwater discharge permit fees		1,472,500
Infrastructure construction fund		51,400
Land and water permit fees		2,347,000
NPDES fees		4,176,800
Refined petroleum fund		445,900
Sewage sludge land application fees		850,000
Soil erosion and sedimentation control training fund		143,200
Stormwater permit fees		2,724,800
Strategic water quality initiatives fund		1,000,000
Wastewater operator training fees		288,700
Water pollution control revolving fund		143,500
Water quality protection fund		100,000
Water use reporting fees		250,300
State general fund/general purpose	$	18,591,600

Sec. 105. LAW ENFORCEMENT

Full-time equated classified positions 15.0		
Environmental investigations—15.0 FTE positions	$	3,004,900
GROSS APPROPRIATION	$	3,004,900
Appropriated from:		
Federal revenues:		
Federal funds		574,800
Special revenue funds:		
Air emissions fees		57,700
Campground fund		2,100
Cleanup and redevelopment fund		190,400
Electronic waste recycling fund		1,600
Environmental pollution prevention fund		261,300
Environmental response fund		41,600
Fees and collections		4,100

		For Fiscal Year Ending Sept. 30, 2019
Financial instruments	$	527,500
Groundwater discharge permit fees		18,900
Laboratory services fees		15,900
Land and water permit fees		78,800
Medical waste emergency response fund		2,400
Metallic mining surveillance fee revenue		700
Mineral well regulatory fee revenue		1,200
NPDES fees		32,400
Oil and gas regulatory fund		88,500
Orphan well fund		7,100
Public swimming pool fund		3,700
Public utility assessments		2,000
Public water supply fees		26,600
Refined petroleum fund		370,500
Sand extraction fee revenue		600
Scrap tire regulatory fund		29,500
Septage waste program fund		2,700
Sewage sludge land application fees		12,300
Small business pollution prevention revolving loan fund		2,600
Soil erosion and sedimentation control training fund		2,600
Solid waste management fund - staff account		42,100
Stormwater permit fees		17,600
Wastewater operator training fees		4,600
Water analysis fees		18,300
Water use reporting fees		3,100
State general fund/general purpose	$	559,100

Sec. 106. AIR QUALITY DIVISION

Full-time equated classified positions 187.0		
Air quality programs—187.0 FTE positions	$	27,493,200
GROSS APPROPRIATION	$	27,493,200
Appropriated from:		
Federal revenues:		
Federal funds		7,277,800
Special revenue funds:		
Air emissions fees		10,188,000
Fees and collections		205,100
Oil and gas regulatory fund		142,100
Public utility assessments		150,000
Refined petroleum fund		3,625,500
State general fund/general purpose	$	5,904,700

Sec. 107. RESOURCE MANAGEMENT DIVISION

Full-time equated classified positions 319.0		
Drinking water and environmental health—115.0 FTE positions	$	16,554,400
Drinking water program grants		830,000
Hazardous waste management program—45.0 FTE positions		6,600,700
Low-level radioactive waste authority—2.0 FTE positions		236,700
Medical waste program—2.0 FTE positions		309,300
Municipal assistance—29.0 FTE positions		4,881,200
Noncommunity water grants		1,905,700
Oil, gas and mineral services—57.0 FTE positions		10,804,700
Pollution prevention—7.0 FTE positions		2,095,700
Radiological protection program—12.0 FTE positions		2,000,600
Recycling initiative—3.0 FTE positions		2,020,300
Scrap tire grants		3,500,000
Scrap tire regulatory program—10.0 FTE positions		1,357,300
Septage waste compliance grants		275,000

		For Fiscal Year Ending Sept. 30, 2019
Solid waste management program—37.0 FTE positions	$	5,159,600
Water state revolving funds		120,000,000
GROSS APPROPRIATION	$	178,531,200
Appropriated from:		
Interdepartmental grant revenues:		
IDG from department of state police		1,689,200
Federal revenues:		
Federal funds		117,388,600
Special revenue funds:		
Private funds		506,600
Campground fund		299,900
Cleanup and redevelopment fund		1,000,000
Community pollution prevention fund		250,000
Electronic waste recycling fund		311,100
Environmental pollution prevention fund		4,343,400
Fees and collections		34,500
Medical waste emergency response fund		309,300
Metallic mining surveillance fee revenue		92,500
Mineral well regulatory fee revenue		208,000
Native copper mine fund		50,000
Nonferrous metallic mineral surveillance		366,200
Oil and gas regulatory fund		3,667,100
Orphan well fund		2,335,100
Public swimming pool fund		616,300
Public utility assessments		236,700
Public water supply fees		4,231,200
Refined petroleum fund		709,900
Revolving loan revenue bonds		15,000,000
Sand extraction fee revenue		85,800
Scrap tire regulatory fund		4,857,300
Septage waste contingency fund		3,400
Septage waste program fund		496,100
Small business pollution prevention revolving loan fund		134,400
Solid waste management fund - staff account		4,661,500
Strategic water quality initiatives fund		1,211,900
Wastewater operator training fees		254,800
Water pollution control revolving fund		505,200
State general fund/general purpose	$	12,675,200

Sec. 108. REMEDIATION AND REDEVELOPMENT DIVISION

Full-time equated classified positions 294.0		
Contaminated site investigations, cleanup and revitalization—130.0 FTE positions	$	15,674,100
Emergency cleanup actions		1,000,000
Environmental cleanup and redevelopment program		15,000,000
Environmental cleanup support		1,840,000
Federal cleanup project management—40.0 FTE positions		7,052,700
Laboratory services—39.0 FTE positions		6,406,400
Lead remediation grants		2,000,000
Refined petroleum product cleanup program—85.0 FTE positions		34,680,000
Superfund cleanup		1,000,000
GROSS APPROPRIATION	$	84,653,200
Appropriated from:		
Federal revenues:		
Federal funds		6,412,500
Special revenue funds:		
Private funds		191,100
Cleanup and redevelopment fund		16,359,400
Environmental protection fund		2,065,500

		For Fiscal Year Ending Sept. 30, 2019
Environmental response fund	$	2,839,100
Laboratory services fees		4,056,400
Landfill maintenance trust fund		31,000
Public water supply fees		315,800
Refined petroleum fund		32,619,700
Revitalization revolving loan fund		103,100
Strategic water quality initiatives fund		15,000,000
Water analysis fees		2,034,200
State general fund/general purpose	$	2,625,400

Sec. 109. UNDERGROUND STORAGE TANK AUTHORITY

Full-time equated classified positions 5.0		
Underground storage tank cleanup program—5.0 FTE positions	$	20,028,700
GROSS APPROPRIATION	$	20,028,700
Appropriated from:		
Special revenue funds:		
Underground storage tank cleanup fund		20,028,700
State general fund/general purpose	$	0

Sec. 110. INFORMATION TECHNOLOGY

Information technology services and projects	$	9,076,800
GROSS APPROPRIATION	$	9,076,800
Appropriated from:		
Interdepartmental grant revenues:		
IDG from department of state police		25,800
IDG from state transportation department		86,100
Federal revenues:		
Federal funds		1,338,000
Special revenue funds:		
Air emissions fees		673,100
Campground fund		8,400
Cleanup and redevelopment fund		800,100
Electronic waste recycling fund		6,500
Environmental pollution prevention fund		464,000
Environmental protection fund		87,400
Environmental response fund		167,300
Financial instruments		1,635,500
Groundwater discharge permit fees		76,700
Laboratory services fees		64,800
Land and water permit fees		268,400
Medical waste emergency response fund		10,000
Metallic mining surveillance fee revenue		2,700
Mineral well regulatory fee revenue		4,900
Nonferrous metallic mineral surveillance		300
NPDES fees		142,400
Oil and gas regulatory fund		329,900
Orphan well fund		29,500
Public swimming pool fund		15,100
Public utility assessments		7,900
Public water supply fees		149,500
Refined petroleum fund		1,729,800
Sand extraction fee revenue		2,300
Scrap tire regulatory fund		64,300
Septage waste program fund		11,300
Sewage sludge land application fees		22,900
Small business pollution prevention revolving loan fund		10,700
Soil erosion and sedimentation control training fund		10,400
Solid waste management fund - staff account		172,900

		For Fiscal Year Ending Sept. 30, 2019
Stormwater permit fees	$	70,900
Wastewater operator training fees		19,200
Water analysis fees		74,300
Water pollution control revolving fund		7,400
Water use reporting fees		13,300
State general fund/general purpose	$	472,800

Sec. 111. ONE-TIME APPROPRIATIONS

Full-time equated classified positions 11.0		
Drinking water declaration of emergency	$	100
Environmental cleanup and redevelopment program (one-time)—11.0 FTE positions		25,000,000
Landfill research, design, and demonstration project		120,000
Michigan geological survey		500,000
GROSS APPROPRIATION	$	25,620,100
Appropriated from:		
Special revenue funds:		
Drinking water declaration of emergency reserve fund		100
State general fund/general purpose	$	25,620,000

PART 2

PROVISIONS CONCERNING APPROPRIATIONS
FOR FISCAL YEAR 2018-2019

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state sources under part 1 for fiscal year 2018-2019 is $283,071,800.00 and state spending from state sources to be paid to local units of government for fiscal year 2018-2019 is $5,701,000.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF ENVIRONMENTAL QUALITY

Surface water	$	160,000
Technology advancements for water monitoring		500,000
Drinking water program grants		600,000
Medical waste program		65,000
Noncommunity water grants		1,800,000
Pollution prevention		250,000
Recycling initiative		1,500,000
Scrap tire grants		500,000
Septage waste compliance grants		100,000
Emergency cleanup actions		106,000
Landfill research, design, and demonstration project		120,000
TOTAL	$	5,701,000

Sec. 202. The appropriations authorized under this part and part 1 are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

Sec. 203. As used in this part and part 1:

(a) "Department" means the department of environmental quality.

(b) "Director" means the director of the department.

(c) "FTE" means full-time equated.

(d) "IDG" means interdepartmental grant.

(e) "NPDES" means national pollution discharge elimination system.

Sec. 204. The departments and agencies receiving appropriations in part 1 shall use the internet to fulfill the reporting requirements of this part. This requirement may include transmission of reports via electronic mail to the recipients identified for each reporting requirement, or it may include placement of reports on an internet or intranet site.

Sec. 205. Funds appropriated in part 1 shall not be used for the purchase of foreign goods or services, or both, if competitively priced and of comparable quality American goods or services, or both, are available. Preference shall be given to goods or services, or both, manufactured or provided by Michigan businesses if they are competitively priced and of comparable quality. In addition, preference shall 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. 206. The director 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. The 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. 207. The departments and agencies receiving appropriations in part 1 shall prepare a report on out-of-state travel expenses not later than January 1 of each year. The travel report shall be a listing of all travel by classified and unclassified employees outside this state in the immediately preceding fiscal year that was funded in whole or in part with funds appropriated in the department's budget. The report shall be submitted to the house and senate appropriations committees, the house and senate fiscal agencies, and the state budget director. The report shall include the following information:

(a) The dates of each travel occurrence.

(b) The total transportation and related costs of each travel occurrence, including the proportion funded with state general fund/general purpose revenues, the proportion funded with state restricted revenues, the proportion funded with federal revenues, and the proportion funded with other revenues.

Sec. 208. Funds appropriated in part 1 shall not be used by a principal executive department, state agency, or authority to hire a person to provide legal services that are the responsibility of the attorney general. This prohibition does not apply to legal services for bonding activities and for those activities that the attorney general authorizes.

Sec. 209. Not later than November 30, the state budget office shall prepare and transmit a report that provides for estimates of the total general fund/general purpose appropriation lapses at the close of the prior fiscal year. This report shall summarize the projected year-end general fund/general purpose appropriation lapses by major departmental program or program areas. The report shall be transmitted to the chairpersons of the senate and house appropriations committees and the senate and house fiscal agencies.

Sec. 210. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $30,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

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

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

Sec. 211. The department shall cooperate with the department of technology, management, and budget to maintain a searchable website accessible by the public at no cost that includes, but is not limited to, all of the following for each department or agency:

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

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

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

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

(e) Job specifications and wage rates.

Sec. 212. Within 14 days after the release of the executive budget recommendation, the department shall cooperate with the state budget office to provide the senate and house appropriations chairs, the senate and house appropriations subcommittee chairs, and the senate and house fiscal agencies with an annual report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures for the fiscal years ending September 30, 2018 and September 30, 2019.

Sec. 213. The department shall maintain, on a publicly accessible website, a department scorecard that identifies, tracks, and regularly updates key metrics that are used to monitor and improve the agency's performance.

Sec. 214. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2019 are estimated at $33,567,400.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at $15,475,100.00. Total agency appropriations for retiree health care legacy costs are estimated at $18,092,300.00.

Sec. 216. (1) The department shall report all of the following information relative to allocations made from appropriations for the environmental cleanup and redevelopment program, state cleanup, emergency actions, superfund cleanup, the revitalization revolving loan program, the brownfield grants and loans program, the leaking underground storage tank cleanup program, the contaminated lake and river sediments cleanup program, the refined petroleum product cleanup program, and the environmental protection bond projects under section 19508(7) of the natural resources and environmental protection act, 1994 PA 451, MCL 324.19508, to the state budget director, the senate and house appropriations subcommittees on environmental quality, and the senate and house fiscal agencies:

(a) The name and location of the site for which an allocation is made.

(b) The nature of the problem encountered at the site.

(c) A brief description of how the problem will be resolved if the allocation is made for a response activity.

(d) The estimated date that site closure activities will be completed.

(e) The amount of the allocation, or the anticipated financing for the site.

(f) A summary of the sites and the total amount of funds expended at the sites at the conclusion of the fiscal year.

(g) The number of brownfield projects that were successfully redeveloped.

(2) The report prepared under subsection (1) shall also include all of the following:

(a) The status of all state-owned facilities that are on the list compiled under part 201 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.20101 to 324.20142.

(b) The report shall include the total amount of funds expended during the fiscal year and the total amount of funds awaiting expenditure.

(c) The total amount of bonds issued for the environmental protection bond program pursuant to part 193 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.19301 to 324.19306, and bonds issued pursuant to the clean Michigan initiative act, 1998 PA 284, MCL 324.95101 to 324.95108.

(3) The report shall be made available by March 31 of each year.

Sec. 217. (1) The department may expend amounts remaining from the current and prior fiscal year appropriations to meet funding needs of legislatively approved sites for the environmental cleanup and redevelopment program, the refined petroleum product cleanup program, brownfield grants and loans, waterfront grants, and the environmental bond site reclamation program.

(2) Unexpended and unencumbered amounts remaining from appropriations from the environmental protection bond fund contained in 2003 PA 173, 2005 PA 109, 2006 PA 343, 2011 PA 63, and 2012 PA 236 are appropriated for expenditure for any site listed in this part and part 1 and any site listed in the public acts referenced in this section.

(3) Unexpended and unencumbered amounts remaining from appropriations from the clean Michigan initiative fund - response activities contained in 2000 PA 52, 2004 PA 309, 2005 PA 11, 2006 PA 343, 2007 PA 121, 2011 PA 63, 2013 PA 59, 2014 PA 252, 2015 PA 84, 2016 PA 268, and 2017 PA 107 are appropriated for expenditure for any site listed in this part and part 1 and any site listed in the public acts referenced in this section.

(4) Unexpended and unencumbered amounts remaining from appropriations from the refined petroleum fund activities contained in 2007 PA 121, 2008 PA 247, 2009 PA 118, 2010 PA 189, 2011 PA 63, 2012 PA 200, 2013 PA 59, 2014 PA 252, 2015 PA 84, 2016 PA 268, and 2017 PA 107 are appropriated for expenditure for any site listed in this part and part 1 and any site listed in the public acts referenced in this section.

(5) Unexpended and unencumbered amounts remaining from the appropriations from the strategic water quality initiatives fund contained in 2011 PA 50, 2011 PA 63, 2012 PA 200, 2013 PA 59, 2014 PA 252, 2015 PA 84, 2016 PA 268, and 2017 PA 107 are appropriated for expenditure for any site listed in this part and part 1 and any site listed in the public acts referenced in this section.

Sec. 219. Unexpended settlement revenues at the end of the fiscal year may be carried forward into the settlement fund in the succeeding fiscal year up to a maximum carryforward of $2,500,000.00.

Sec. 220. The department shall not take disciplinary action against an employee for communicating with a member of the legislature or his or her staff.

Sec. 221. (1) Funds appropriated in part 1 shall not be used by the department to promulgate a rule that will apply to a small business and that will have a disproportionate economic impact on small businesses because of the size of those businesses if the department fails to reduce the disproportionate economic impact of the rule on small businesses as provided under section 40 of the administrative procedures act of 1969, 1969 PA 306, MCL 24.240.

(2) As used in this section:

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

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

Sec. 235. The department shall prepare an annual report to the legislature by March 31 that details all of the following for each of the allocations from the clean Michigan initiative bond fund as described in section 19607(1)(a) to (i) of the natural resources and environmental protection act, 1994 PA 451, MCL 324.19607:

(a) The progress of projects funded in each category.

(b) The current cost to date of all projects funded in each category.

(c) The estimated remaining cost of all projects funded in each category.

(d) The remaining balance of money in the fund allocated for each category.

(e) The total debt obligation on all clean Michigan initiative bonds and the length of time remaining until full bond repayment is achieved.

Sec. 236. The department shall provide a report detailing the expenditure of departmental funds appropriated in 2015 PA 143, 2016 PA 3, 2016 PA 268, and 2016 PA 340. The report shall include the following:

(a) The names and locations of entities receiving funds.

(b) The purpose for each expenditure.

(c) The status of programs supported by this funding.

(d) A brief description of how related problems have been or will be resolved if expenditures are made for immediate response.

(e) The job titles and number of departmental FTEs engaged in the Flint declaration of emergency response effort.

Sec. 237. From the funds appropriated in part 1, the department shall be responsible for the necessary and reasonable attorney fees and costs incurred by private and independent legal counsel chosen by current and former classified and unclassified department employees in the defense of the department employees named as a party in any state or federal lawsuits or investigations related to the city of Flint municipal water system.

Sec. 238. From funds appropriated in part 1, the department shall post the following on the department's publicly accessible website:

(a) By November 1, a report listing each fee the department assessed during the previous fiscal year. The report shall include the dollar amount of each fee, the amount of revenue that was projected to be received from each fee at the beginning of the previous fiscal year, and the actual revenue received for each fee. If the actual revenue for a particular fee is not available by November 1, the department may use an unaudited or estimated figure, and indicate it as such in the report.

(b) By November 1, a report listing all fees currently assessed by the department. The report shall include the dollar amount of each fee, projected revenue for each fee, and the program areas within the department that each fee will support. The report shall also list the fund into which each fee is deposited. By May 1, the department shall update this report with year-to-date revenue for each fee.

(c) By November 1, a report listing all federal and state fund sources utilized by the department during the previous fiscal year. The report shall include the amount of revenue that was projected to be received from each fund source at the beginning of that fiscal year, the current balance of each fund source, and the actual revenue received for each fund source during that fiscal year. If actual revenue for a particular fund or the actual balance of a particular fund is not available by November 1, the department may use an unaudited or estimated figure, and indicate it as such in the report.

(d) By November 1, a report listing the federal and state fund sources that will be utilized by the department during the current fiscal year. The report shall contain the following for each fund source: an estimate of revenue that will be collected during the fiscal year, the balance of the fund source at the beginning of the fiscal year, and the program areas within the department that each fund source will support. If the actual fund balance is not available on November 1, the department may use an unaudited or estimated figure, and indicate it as such in the report. By May 1, the department shall update this report with year-to-date figures for each item in the report, and include year-to-date revenue for each fund source.

(e) Any audits conducted on department programs or funds.

REMEDIATION AND REDEVELOPMENT DIVISION

Sec. 301. Revenues remaining in the laboratory services fees fund at the end of the fiscal year shall carry forward into the succeeding fiscal year.

Sec. 302. The unexpended funds appropriated in part 1 for emergency cleanup actions are considered work project appropriations and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for projects under this section until the projects have been completed. The following is in compliance with section 451a(1) of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project to be carried forward is to provide contaminated site cleanup.

(b) The project will be accomplished by contract.

(c) The total estimated cost of the project is $3,000,000.00.

(d) The tentative completion date is September 30, 2023.

Sec. 303. Effective October 1, 2018, surplus funds not to exceed $1,000,000.00 in the cleanup and redevelopment trust fund are appropriated to the environmental protection fund created in section 503a of the natural resources and environmental protection act, 1994 PA 451, MCL 324.503a.

Sec. 304. Effective October 1, 2018, surplus funds not to exceed $1,000,000.00 in the community pollution prevention fund created in section 3f of 1976 IL 1, MCL 445.573f, are appropriated to the environmental protection fund created in section 503a of the natural resources and environmental protection act, 1994 PA 451, MCL 324.503a.

Sec. 305. It is the intent of the legislature to repay the refined petroleum fund for the $70,000,000.00 that was transferred to the environmental protection fund created in section 503a of the natural resources and environmental protection act, 1994 PA 451, MCL 324.503a, as part of the resolution for the fiscal year 2006-2007 budget.

Sec. 306. (1) Subject to section 314 of this part, the funds appropriated in part 1 for the refined petroleum cleanup program shall be used to fund corrective actions performed by the department pursuant to section 21320 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.21320.

(2) By January 1, the department shall provide a report to the house and senate subcommittees on environmental quality and the state budget director on the refined petroleum product cleanup program containing the following information:

(a) A list of sites the department intends to work on during the current fiscal year, including the fiscal year the project began.

(b) A list of sites at which the department performed corrective actions during the previous fiscal year.

(c) A list of sites the department closed during the previous fiscal year.

Sec. 307. The unexpended funds appropriated in part 1 for the environmental cleanup and redevelopment program are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for projects under this section until the projects have been

completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to provide contaminated site cleanup.

(b) The project will be accomplished by contract.

(c) The total estimated cost of the project is $15,000,000.00.

(d) The tentative completion date is September 30, 2023.

Sec. 308. The unexpended funds appropriated in part 1 for the refined petroleum product cleanup program are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for projects under this section until the projects have been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to provide contaminated site cleanup.

(b) The project will be accomplished by contract.

(c) The total estimated cost of the project is $34,680,000.00.

(d) The tentative completion date is September 30, 2023.

Sec. 310. (1) Upon approval by the state budget director, the department may expend from the general fund of the state an amount to meet the cash-flow requirements of projects funded under any of the following that are financed from bond proceeds and for which bonds have been authorized but not yet issued:

(a) Part 52 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.5201 to 324.5206.

(b) Part 193 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.19301 to 324.19306.

(c) Part 196 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.19601 to 324.19616.

(2) Upon the sale of bonds for projects described in subsection (1), the department shall credit the general fund of the state an amount equal to that expended from the general fund.

Sec. 313. From the funds appropriated in part 1 for the vapor intrusion program, the department shall investigate sites to determine whether chemical vapors have migrated from the original location of exposure. The purpose of this program is to evaluate, investigate, and mitigate sites statewide where vapor intrusion issues are or may be present.

Sec. 315. From the funds appropriated in part 1 for lead remediation grants, the department shall distribute grant awards for the remediation and redevelopment of sites contaminated by lead paint. The department shall prioritize sites affecting families with children.

Sec. 316. From the funds appropriated in part 1 for environmental cleanup and redevelopment program (one-time), the department shall perform remediation and redevelopment actions at contaminated sites in accordance with part 201 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.20101 to 324.20142.

WATER RESOURCES DIVISION

Sec. 405. If a certified health department does not exist in a city, county, or district or does not fulfill its responsibilities under part 117 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.11701 to 324.11720, then the department may spend funds appropriated in part 1 under the septage waste compliance program in accordance with section 11716 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.11716.

Sec. 410. From the funds appropriated in part 1, the department shall compile a report on the status of the implementation plan for the western Lake Erie basin collaborative agreement. In an effort to learn more about the presence and timing of harmful algal blooms, the report shall contain all of the following:

(a) An estimated cost of removal of total phosphorus per pound at the 4 major wastewater treatment plants.

(b) A description of the grants that have been awarded.

(c) A description of the work that has commenced on the issue of dissolved reactive phosphorus, the expected objectives and outcomes of that work, and a list of the parties involved in that effort.

(d) A description of the efforts and outcomes aimed at the total phosphorus reduction for the River Raisin watershed.

Sec. 412. The unexpended funds appropriated in part 1 for the aquifer protection program are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall

be available for expenditures for projects under this section until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to provide support for aquifer disputes and their resolution.

(b) The project will be accomplished by contract.

(c) The total estimated cost of the project is $524,000.00.

(d) The tentative completion date is September 30, 2023.

Sec. 413. From funds appropriated in part 1 for surface water, $150,000.00 is allocated to the continuation of the department's contract for the cooperative lakes monitoring program to ensure the continued operation of the program.

RESOURCE MANAGEMENT DIVISION

Sec. 604. From the funds appropriated in part 1, the department will host training sessions to public water supply owners and operators to provide technical assistance on the lead and copper rule (LCR) of the safe drinking water act and contact 100% of public water supplies that are subject to the lead and copper rule with information on current LCR requirements including any modifications to Michigan's LCR and associated guidance and policies. The purpose of the program is to ensure that water is in accordance with the safe drinking water act, 1976 PA 399, MCL 325.1001 to 325.1023.

UNDERGROUND STORAGE TANK AUTHORITY

Sec. 701. The unexpended funds appropriated in part 1 for the underground storage tank cleanup program are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for projects under this section until the projects have been completed. The following is in compliance with section 451a(1) of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to provide contaminated site cleanup.

(b) The project will be accomplished by contract.

(c) The total estimated cost of the project is $20,000,000.00.

(d) The tentative completion date is September 30, 2023.

ONE-TIME APPROPRIATIONS

Sec. 801. Funds in part 1 for the landfill research, design, and demonstration project shall be made available as a grant to a county with a population of over 140,000 that owns a landfill and has received a state revolving fund loan to install a septage bioreactor as part of a research, design, and demonstration project. The grant shall be for the purpose of continuing the research, design, and demonstration project at that landfill.

ARTICLE VIII

GENERAL GOVERNMENT

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the legislature, the executive, the department of attorney general, the department of state, the department of treasury, the department of technology, management, and budget, the department of civil rights, the department of talent and economic development, and certain state purposes related thereto for the fiscal year ending September 30, 2019, from the following funds:

TOTAL GENERAL GOVERNMENT

APPROPRIATION SUMMARY

Full-time equated unclassified positions 50.0

Full-time equated classified positions 8,734.7

		For Fiscal Year Ending Sept. 30, 2019
GROSS APPROPRIATION	$	5,003,361,400
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		821,066,200
ADJUSTED GROSS APPROPRIATION	$	4,182,295,200
Federal revenues:		
Total federal revenues		808,698,700
Special revenue funds:		
Total local revenues		15,977,300
Total private revenues		6,247,400
Total other state restricted revenues		2,276,925,900
State general fund/general purpose	$	1,074,445,900

Sec. 102. DEPARTMENT OF ATTORNEY GENERAL

(1) APPROPRIATION SUMMARY

Full-time equated unclassified positions ... 6.0		
Full-time equated classified positions ... 531.0		
GROSS APPROPRIATION	$	103,648,900
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		30,386,400
ADJUSTED GROSS APPROPRIATION	$	73,262,500
Federal revenues:		
Total federal revenues		9,628,500
Special revenue funds:		
Total local revenues		0
Total private revenues		0
Total other state restricted revenues		22,427,200
State general fund/general purpose	$	41,206,800

(2) ATTORNEY GENERAL OPERATIONS

Full-time equated unclassified positions ... 6.0		
Full-time equated classified positions ... 531.0		
Attorney general	$	112,500
Unclassified positions—5.0 FTE positions		792,100
Attorney general operations—486.0 FTE positions		90,505,200
Child support enforcement—25.0 FTE positions		3,578,300
Prosecuting attorneys coordinating council—12.0 FTE positions		2,186,800
Public safety initiative—1.0 FTE position		906,200
Sexual assault law enforcement—5.0 FTE positions		1,720,200
Ok2Say—2.0 FTE positions		1,470,000
GROSS APPROPRIATION	$	101,271,300
Appropriated from:		
Interdepartmental grant revenues:		
IDG from MDOC		677,900
IDG from MDE		608,900
IDG from MDEQ		2,051,400
IDG from MDHHS, health policy		211,300
IDG from MDHHS, human services		6,069,800
IDG from MDHHS, medical services administration		705,000
IDG from MDHHS, WIC		156,700
IDG from MDIFS, financial and insurance services		1,230,700
IDG from MDLARA, fireworks safety fund		85,300
IDG from MDLARA, health professions		3,108,500
IDG from MDLARA, licensing and regulation fees		344,100
IDG from MDLARA, Michigan occupational safety and health administration		107,700
IDG from MDLARA, remonumentation fees		108,600
IDG from MDLARA, securities fees		193,500
IDG from MDLARA, unlicensed builders		1,087,100
IDG from MDMVA		169,100
IDG from MDOS, children's protection registry		45,000

		For Fiscal Year Ending Sept. 30, 2019
IDG from MDOT, comprehensive transportation fund	$	205,600
IDG from MDOT, state aeronautics fund		181,500
IDG from MDOT, state trunkline fund		2,476,400
IDG from MDSP		262,900
IDG from MDTED, workforce development agency		91,300
IDG from MDTMB		474,300
IDG from MDTMB, civil service commission		313,100
IDG from MDTMB, risk management revolving fund		1,499,700
IDG from Michigan state housing development authority		695,000
IDG from treasury		7,042,400
IDG from MDTED, Michigan strategic fund		183,600
Federal revenues:		
DAG, state administrative match grant/food stamps		137,000
Federal funds		3,209,700
HHS, medical assistance, medigrant		390,700
HHS-OS, state Medicaid fraud control units		5,769,900
National criminal history improvement program		121,200
Special revenue funds:		
Antitrust enforcement collections		778,600
Attorney general's operations fund		767,000
Auto repair facilities fees		335,800
Franchise fees		389,900
Game and fish protection fund		766,300
Human trafficking commission fund		390,000
Lawsuit settlement proceeds fund		2,602,700
Liquor purchase revolving fund		1,494,700
Marihuana regulatory fund		507,200
Michigan merit award trust fund		506,700
Michigan employment security act - administrative fund		2,298,000
Michigan state waterways fund		142,200
Mobile home code fund		255,400
Prisoner reimbursement		636,500
Prosecuting attorneys training fees		414,200
Public utility assessments		2,123,400
Real estate enforcement fund		100,700
Reinstatement fees		263,200
Retirement funds		1,073,100
Second injury fund		833,800
Self-insurers security fund		577,900
Silicosis and dust disease fund		228,200
State building authority revenue		124,300
State casino gaming fund		1,907,700
State lottery fund		353,500
Student safety fund		470,000
Utility consumer representation fund		1,009,100
Worker's compensation administrative revolving fund		377,100
State general fund/general purpose	$	39,529,200
(3) INFORMATION TECHNOLOGY		
Information technology services and projects	$	1,577,600
GROSS APPROPRIATION	$	1,577,600
Appropriated from:		
State general fund/general purpose	$	1,577,600
(4) ONE-TIME APPROPRIATIONS		
Prosecuting attorneys coordinating council - juvenile life without parole	$	700,000
Prosecuting attorneys coordinating council - forensic interviewing		100,000
GROSS APPROPRIATION	$	800,000
Appropriated from:		
Special revenue funds:		
Lawsuit settlement proceeds fund		700,000
State general fund/general purpose	$	100,000

		For Fiscal Year Ending Sept. 30, 2019
Sec. 103. DEPARTMENT OF CIVIL RIGHTS		
(1) APPROPRIATION SUMMARY		
Full-time equated unclassified positions 6.0		
Full-time equated classified positions 110.0		
GROSS APPROPRIATION	$	16,201,100
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		299,100
ADJUSTED GROSS APPROPRIATION	$	15,902,000
Federal revenues:		
Total federal revenues		2,802,700
Special revenue funds:		
Total local revenues		0
Total private revenues		18,700
Total other state restricted revenues		58,500
State general fund/general purpose	$	13,022,100
(2) CIVIL RIGHTS OPERATIONS		
Full-time equated unclassified positions 6.0		
Full-time equated classified positions 110.0		
Unclassified positions—6.0 FTE positions	$	693,700
Civil rights operations—104.0 FTE positions		14,068,600
Division on deaf, deafblind, and hard of hearing—6.0 FTE positions		715,600
GROSS APPROPRIATION	$	15,477,900
Appropriated from:		
Interdepartmental grant revenues:		
IDG from DTMB		299,100
Federal revenues:		
EEOC, state and local antidiscrimination agency contracts		1,228,500
HUD, grant		1,559,200
Special revenue funds:		
Private revenues		18,700
State restricted indirect funds		58,500
State general fund/general purpose	$	12,313,900
(3) INFORMATION TECHNOLOGY		
Information technology services and projects	$	723,200
GROSS APPROPRIATION	$	723,200
Appropriated from:		
Federal revenues:		
EEOC, state and local antidiscrimination agency contracts		15,000
State general fund/general purpose	$	708,200
Sec. 104. EXECUTIVE OFFICE		
(1) APPROPRIATION SUMMARY		
Full-time equated unclassified positions 10.0		
Full-time equated classified positions 79.2		
GROSS APPROPRIATION	$	6,980,100
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		0
ADJUSTED GROSS APPROPRIATION	$	6,980,100
Federal revenues:		
Total federal revenues		0
Special revenue funds:		
Total local revenues		0
Total private revenues		0
Total other state restricted revenues		0
State general fund/general purpose	$	6,980,100
(2) EXECUTIVE OFFICE OPERATIONS		
Full-time equated unclassified positions 10.0		
Full-time equated classified positions 79.2		

		For Fiscal Year Ending Sept. 30, 2019
Governor	$	159,300
Lieutenant governor		111,600
Unclassified positions—8.0 FTE positions		1,333,500
Executive office—79.2 FTE positions		5,375,700
GROSS APPROPRIATION	$	6,980,100
Appropriated from:		
State general fund/general purpose	$	6,980,100

Sec. 105. LEGISLATURE

(1) APPROPRIATION SUMMARY

GROSS APPROPRIATION	$	183,050,500
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		5,823,400
ADJUSTED GROSS APPROPRIATION	$	177,227,100
Federal revenues:		
Total federal revenues		0
Special revenue funds:		
Total local revenues		0
Total private revenues		400,000
Total other state restricted revenues		6,403,100
State general fund/general purpose	$	170,424,000

(2) LEGISLATURE

Senate	$	37,210,700
Senate automated data processing		2,678,000
Senate fiscal agency		3,971,000
House of representatives		57,066,900
House automated data processing		2,678,000
House fiscal agency		3,971,000
GROSS APPROPRIATION	$	107,575,600
Appropriated from:		
State general fund/general purpose	$	107,575,600

(3) LEGISLATIVE COUNCIL

Legislative corrections ombudsman	$	987,200
Legislative council		12,781,900
Legislative service bureau automated data processing		1,740,700
Michigan veterans facility ombudsman		309,000
National association dues		454,700
Worker's compensation		151,400
GROSS APPROPRIATION	$	16,424,900
Appropriated from:		
Special revenue funds:		
Private - gifts and bequests revenues		400,000
State general fund/general purpose	$	16,024,900

(4) LEGISLATIVE RETIREMENT SYSTEM

General nonretirement expenses	$	5,202,200
GROSS APPROPRIATION	$	5,202,200
Appropriated from:		
Special revenue funds:		
Court fees		1,201,300
State general fund/general purpose	$	4,000,900

(5) PROPERTY MANAGEMENT

Binsfeld Office Building	$	8,270,900
Cora Anderson Building		12,122,600
GROSS APPROPRIATION	$	20,393,500
Appropriated from:		
State general fund/general purpose	$	20,393,500

(6) STATE CAPITOL HISTORIC SITE

Bond/lease obligations	$	100
General operations		4,573,200

		For Fiscal Year Ending Sept. 30, 2019
Restoration, renewal, and maintenance	$	3,193,000
GROSS APPROPRIATION	$	7,766,300
Appropriated from:		
Special revenue funds:		
Capitol historic site fund		3,193,000
State general fund/general purpose	$	4,573,300
(7) OFFICE OF THE AUDITOR GENERAL		
Unclassified positions	$	346,000
Field operations		24,592,000
GROSS APPROPRIATION	$	24,938,000
Appropriated from:		
Interdepartmental grant revenues:		
IDG from MDHHS, human services		31,200
IDG from MDLARA, liquor purchase revolving fund		76,800
IDG from MDLARA, self-insurers security fund		81,600
IDG from MDMVA, Michigan veterans facility authority		50,000
IDG from MDOT, comprehensive transportation fund		39,800
IDG from MDOT, Michigan transportation fund		322,100
IDG from MDOT, state aeronautics fund		31,000
IDG from MDOT, state trunkline fund		748,200
IDG, legislative retirement system		29,800
IDG, single audit act		2,781,200
IDG, commercial mobile radio system emergency telephone fund		37,500
IDG, contract audit administration fees		51,000
IDG, deferred compensation funds		61,200
IDG, Michigan finance authority		337,400
IDG, Michigan economic development corporation		98,200
IDG, Michigan education trust fund		72,200
IDG, Michigan justice training commission fund		41,700
IDG, Michigan strategic fund		172,500
IDG, office of retirement services		700,000
IDG, other restricted funding sources		60,000
Special revenue funds:		
21st century jobs trust fund		98,200
Brownfield development fund		28,700
Clean Michigan initiative implementation bond fund		55,600
Game and fish protection fund		32,000
MDTMB, civil service commission		169,500
Michigan state housing development authority fees		115,800
Michigan veterans' trust fund		36,200
Motor transport revolving fund		7,500
Office services revolving fund		10,200
State disbursement unit, office of child support		58,500
State services fee fund		1,385,100
Waterways fund		11,500
State general fund/general purpose	$	17,105,800
(8) ONE-TIME APPROPRIATIONS		
Legislative information technology systems design project	$	750,000
GROSS APPROPRIATION	$	750,000
Appropriated from:		
State general fund/general purpose	$	750,000

Sec. 106. DEPARTMENT OF STATE

(1) APPROPRIATION SUMMARY

Full-time equated unclassified positions	6.0	
Full-time equated classified positions	1,586.0	
GROSS APPROPRIATION	$	246,662,800

		For Fiscal Year Ending Sept. 30, 2019
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers	$	20,000,000
ADJUSTED GROSS APPROPRIATION	$	226,662,800
Federal revenues:		
Total federal revenues		1,460,000
Special revenue funds:		
Total local revenues		0
Total private revenues		50,100
Total other state restricted revenues		206,686,400
State general fund/general purpose	$	18,466,300
(2) DEPARTMENTAL ADMINISTRATION AND SUPPORT		
Full-time equated unclassified positions 6.0		
Full-time equated classified positions 140.0		
Secretary of state	$	112,500
Unclassified positions—5.0 FTE positions		660,700
Executive direction—30.0 FTE positions		4,662,000
Operations—110.0 FTE positions		25,651,100
Property management		10,028,700
Worker's compensation		248,200
GROSS APPROPRIATION	$	41,363,200
Appropriated from:		
Special revenue funds:		
Abandoned vehicle fees		239,800
Auto repair facilities fees		133,000
Children's protection registry fund		270,700
Driver fees		2,497,000
Driver improvement course fund		308,200
Enhanced driver license and enhanced official state personal identification card fund		945,000
Parking ticket court fines		440,800
Personal identification card fees		289,800
Reinstatement fees - operator licenses		791,700
Scrap tire fund		78,600
Transportation administration collection fund		30,674,000
State general fund/general purpose	$	4,694,600
(3) LEGAL SERVICES		
Full-time equated classified positions 94.0		
Operations—94.0 FTE positions	$	15,132,600
GROSS APPROPRIATION	$	15,132,600
Appropriated from:		
Special revenue funds:		
Auto repair facilities fees		2,941,100
Driver fees		2,145,000
Enhanced driver license and enhanced official state personal identification card fund		544,700
Reinstatement fees - operator licenses		959,400
Transportation administration collection fund		5,518,700
Vehicle theft prevention fees		1,089,200
State general fund/general purpose	$	1,934,500
(4) CUSTOMER DELIVERY SERVICES		
Full-time equated classified positions 1,307.0		
Branch operations—925.0 FTE positions	$	89,279,000
Central operations—380.0 FTE positions		52,665,800
Motorcycle safety education administration—2.0 FTE positions		339,300
Motorcycle safety education grants		1,800,000
Organ donor program		129,100
GROSS APPROPRIATION	$	144,213,200
Appropriated from:		
Interdepartmental grant revenues:		
IDG from MDOT, Michigan transportation fund		20,000,000

		For Fiscal Year Ending Sept. 30, 2019
Federal revenues:		
DOT	$	860,000
OHSP		600,000
Special revenue funds:		
Private funds		100
Thomas Daley gift of life fund		50,000
Abandoned vehicle fees		450,900
Auto repair facilities fees		901,900
Child support clearance fees		363,600
Driver education provider and instructor fund		75,000
Driver fees		24,616,300
Driver improvement course fund		1,227,600
Enhanced driver license and enhanced official state personal identification card fund		9,513,500
Expedient service fees		2,943,500
Marine safety fund		1,548,300
Michigan state police auto theft fund		123,700
Mobile home commission fees		507,500
Motorcycle safety fund		1,839,300
Off-road vehicle title fees		170,700
Parking ticket court fines		1,639,600
Personal identification card fees		2,373,900
Recreation passport fee revenue		1,000,000
Reinstatement fees - operator licenses		2,357,300
Snowmobile registration fee revenue		390,000
State lottery fund		1,015,800
Transportation administration collection fund		65,684,600
Vehicle theft prevention fees		786,000
State general fund/general purpose	$	3,174,100
(5) ELECTION REGULATION		
Full-time equated classified positions 45.0		
County clerk education and training fund	$	100,000
Election administration and services—45.0 FTE positions		7,297,100
Fees to local units		109,800
GROSS APPROPRIATION	$	7,506,900
Appropriated from:		
Special revenue funds:		
Notary education and training fund		100,000
Notary fee fund		343,500
State general fund/general purpose	$	7,063,400
(6) INFORMATION TECHNOLOGY		
Information technology services and projects	$	38,446,900
GROSS APPROPRIATION	$	38,446,900
Appropriated from:		
Special revenue funds:		
Administrative order processing fee		11,700
Auto repair facilities fees		129,000
Driver fees		785,700
Enhanced driver license and enhanced official state personal identification card fund		344,300
Expedient service fees		1,082,800
Parking ticket court fines		88,800
Personal identification card fees		172,900
Reinstatement fees - operator licenses		591,000
Transportation administration collection fund		33,460,400
Vehicle theft prevention fees		180,600
State general fund/general purpose	$	1,599,700

Sec. 107. DEPARTMENT OF TECHNOLOGY, MANAGEMENT, AND BUDGET

(1) APPROPRIATION SUMMARY

Full-time equated unclassified positions 6.0

Full-time equated classified positions 3,116.0

		For Fiscal Year Ending Sept. 30, 2019
GROSS APPROPRIATION	$	1,347,108,600
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		751,777,000
ADJUSTED GROSS APPROPRIATION	$	595,331,600
Federal revenues:		
Total federal revenues		5,033,700
Special revenue funds:		
Total local revenues		2,341,600
Total private revenues		129,400
Total other state restricted revenues		114,037,400
State general fund/general purpose	$	473,789,500
(2) DEPARTMENTAL ADMINISTRATION AND SUPPORT		
Full-time equated unclassified positions 6.0		
Full-time equated classified positions 846.5		
Unclassified positions—6.0 FTE positions	$	905,100
Administrative services—139.5 FTE positions		18,368,400
Budget and financial management—203.0 FTE positions		39,361,600
Building operation services—255.0 FTE positions		93,090,500
Bureau of labor market information and strategies—44.0 FTE positions		5,837,500
Business support services—104.0 FTE positions		12,759,800
Design and construction services—40.0 FTE positions		6,603,300
Executive operations—12.0 FTE positions		2,427,700
Motor vehicle fleet—35.0 FTE positions		74,377,800
Office of the state employer—14.0 FTE positions		1,725,600
Property management		7,991,600
Legislative retirement		12,400,000
GROSS APPROPRIATION	$	275,848,900
Appropriated from:		
Interdepartmental grant revenues:		
IDG from accounting service centers user charges		3,969,800
IDG from building occupancy and parking charges		95,118,600
IDG from MDHHS, community health		494,200
IDG from MDHHS, human services		227,000
IDG from MDLARA		100,000
IDG from motor transport fund		74,377,800
IDG from technology user fees		9,999,800
IDG from user fees		6,697,300
Federal revenues:		
Federal funds		5,033,700
Special revenue funds:		
Local - MPSCS subscriber and maintenance fees		58,600
Local funds		35,000
Health management funds		412,700
MAIN user charges		2,176,000
Other agency charges		1,221,200
Private funds		129,400
Special revenue, internal service, and pension trust funds		16,479,400
State restricted indirect funds		2,866,300
State general fund/general purpose	$	56,452,100
(3) TECHNOLOGY SERVICES		
Full-time equated classified positions 1,629.5		
Education services—33.0 FTE positions	$	4,207,400
General services—354.5 FTE positions		116,405,200
Health and human services—656.5 FTE positions		318,723,300
Public protection—162.5 FTE positions		59,775,900
Resources services—154.5 FTE positions		20,934,300
Transportation services—99.5 FTE positions		35,113,500
Enterprise identity management—17.0 FTE positions		9,775,000

		For Fiscal Year Ending Sept. 30, 2019
Information technology investment fund	$	35,000,000
Homeland security initiative/cyber security—25.0 FTE positions		14,731,300
Michigan public safety communication system—127.0 FTE positions		40,404,100
GROSS APPROPRIATION	$	655,070,000
Appropriated from:		
Interdepartmental grant revenues:		
IDG from technology user fees		555,159,600
Special revenue funds:		
Local - MPSCS subscriber and maintenance fees		2,248,000
State general fund/general purpose	$	97,662,400
(4) STATEWIDE APPROPRIATIONS		
Professional development fund - NERE	$	200,000
Professional development fund - UAW		700,000
GROSS APPROPRIATION	$	900,000
Appropriated from:		
Interdepartmental grant revenues:		
IDG from employer contributions		900,000
State general fund/general purpose	$	0
(5) SPECIAL PROGRAMS		
Full-time equated classified positions 181.0		
Office of children's ombudsman—14.0 FTE positions	$	1,860,900
Property management executive/legislative		1,195,900
Public private partnership		1,500,000
Regional prosperity grants		4,000,000
Retirement services—167.0 FTE positions		29,529,300
GROSS APPROPRIATION	$	38,086,100
Appropriated from:		
Special revenue funds:		
Deferred compensation		2,800,000
Pension trust funds		21,412,500
Public private partnership investment fund		1,500,000
State general fund/general purpose	$	12,373,600
(6) STATE BUILDING AUTHORITY RENT		
State building authority rent - state agencies	$	49,665,800
State building authority rent - department of corrections		21,029,900
State building authority rent - universities		144,995,300
State building authority rent - community colleges		30,879,600
GROSS APPROPRIATION	$	246,570,600
Appropriated from:		
State general fund/general purpose	$	246,570,600
(7) CIVIL SERVICE COMMISSION		
Full-time equated classified positions 459.0		
Agency services—74.0 FTE positions	$	13,345,100
Employee benefits—25.0 FTE positions		7,683,200
Executive direction—40.0 FTE positions		9,518,800
Human resources operations—320.0 FTE positions		39,013,800
Information technology services and projects		3,484,700
GROSS APPROPRIATION	$	73,045,600
Appropriated from:		
Special revenue funds:		
State restricted funds 1%		29,510,400
State restricted indirect funds		8,839,600
State sponsored group insurance		10,742,800
State general fund/general purpose	$	23,952,800
(8) CAPITAL OUTLAY		
Major special maintenance, remodeling, and addition for state agencies	$	3,800,000
Enterprisewide special maintenance for state facilities		26,000,000
GROSS APPROPRIATION	$	29,800,000

		For Fiscal Year Ending Sept. 30, 2019
Appropriated from:		
Interdepartmental grant revenues:		
IDG from building occupancy charges	$	3,800,000
State general fund/general purpose	$	26,000,000
(9) INFORMATION TECHNOLOGY		
Information technology services and projects	$	27,777,200
GROSS APPROPRIATION	$	27,777,200
Appropriated from:		
Interdepartmental grant revenues:		
IDG from building occupancy and parking charges		723,200
IDG from user fees		209,700
Special revenue funds:		
Deferred compensation		2,600
MAIN user charges		2,516,700
Pension trust funds		10,266,700
Special revenue, internal service, and pension trust funds		2,706,500
State restricted indirect funds		583,900
State general fund/general purpose	$	10,767,900
(10) ONE-TIME APPROPRIATIONS		
Drinking water declaration of emergency	$	100
Census-related services		100
Office of retirement services actuarial analyses		10,000
GROSS APPROPRIATION	$	10,200
Appropriated from:		
Special revenue funds:		
Drinking water declaration of emergency reserve fund		100
State general fund/general purpose	$	10,100
Sec. 108. DEPARTMENT OF TREASURY		
(1) APPROPRIATION SUMMARY		
Full-time equated unclassified positions 10.0		
Full-time equated classified positions 1,862.5		
GROSS APPROPRIATION	$	1,984,413,800
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		12,780,300
ADJUSTED GROSS APPROPRIATION	$	1,971,633,500
Federal revenues:		
Total federal revenues		27,128,000
Special revenue funds:		
Total local revenues		13,135,700
Total private revenues		27,500
Total other state restricted revenues		1,721,881,000
State general fund/general purpose	$	209,461,300
(2) DEPARTMENTAL ADMINISTRATION AND SUPPORT		
Full-time equated unclassified positions 10.0		
Full-time equated classified positions 433.5		
Unclassified positions—10.0 FTE positions	$	1,045,800
Department services—75.0 FTE positions		9,142,500
Executive direction and operations—64.5 FTE positions		9,567,000
Office of accounting services—29.0 FTE positions		4,116,000
Office of collections—197.0 FTE positions		28,019,800
Office of financial services—40.0 FTE positions		4,883,200
Property management		7,019,700
Unclaimed property—28.0 FTE positions		4,898,100
Worker's compensation		144,500
GROSS APPROPRIATION	$	68,836,600
Appropriated from:		
IDG, data/collection services fees		336,600

		For Fiscal Year Ending Sept. 30, 2019
IDG from accounting service center user charges	$	537,500
IDG from MDHHS, title IV-D		791,400
IDG, levy/warrant cost assessment fees		3,663,600
IDG, state agency collection fees		4,421,700
Federal revenues:		
DED-OPSE, federal lenders allowance		21,000
DED-OPSE, higher education act of 1965 insured loans		47,300
Special revenue funds:		
Delinquent tax collection revenue		35,493,000
Escheats revenue		4,898,100
Garnishment fees		2,684,400
Justice system fund		433,100
Marihuana regulatory fund		190,000
State lottery fund		298,400
State restricted indirect funds		278,600
State services fee fund		339,300
Treasury fees		47,200
State general fund/general purpose	$	14,355,400
(3) LOCAL GOVERNMENT PROGRAMS		
Full-time equated classified positions 103.0		
Local finance—18.0 FTE positions	$	2,658,900
Property tax assessor training—1.0 FTE position		1,043,100
Supervision of the general property tax law—84.0 FTE positions		18,894,600
GROSS APPROPRIATION	$	22,596,600
Appropriated from:		
Special revenue funds:		
Local - assessor training fees		1,043,100
Local - audit charges		835,500
Local - equalization study chargebacks		40,000
Local - revenue from local government		100,000
Delinquent tax collection revenue		1,548,400
Land reutilization fund		2,052,000
Municipal finance fees		554,600
State general fund/general purpose	$	16,423,000
(4) TAX PROGRAMS		
Full-time equated classified positions 734.0		
Bottle act implementation	$	250,000
Health insurance claims fund program—13.0 FTE positions		2,110,500
Home heating assistance		3,093,900
Office of revenue and tax analysis—9.0 FTE positions		1,818,600
Tax and economic policy—43.0 FTE positions		7,948,900
Tax compliance—318.0 FTE positions		45,501,600
Tax processing—340.0 FTE positions		39,185,700
Tobacco tax enforcement—11.0 FTE positions		1,534,700
GROSS APPROPRIATION	$	101,443,900
Appropriated from:		
Interdepartmental grant revenues:		
IDG from MDOT, Michigan transportation fund		2,344,900
IDG from MDOT, state aeronautics fund		72,200
Federal revenues:		
HHS-SSA, low-income energy assistance		3,093,900
Special revenue funds:		
Bottle deposit fund		250,000
Brownfield development fund		214,300
Delinquent tax collection revenue		70,255,000
Health insurance claims fund		2,110,500
Marihuana regulatory fund		721,400
Michigan state waterways fund		107,100

		For Fiscal Year Ending Sept. 30, 2019
Tobacco tax revenue	$	4,137,800
State general fund/general purpose	$	18,136,800
(5) FINANCIAL PROGRAMS		
Full-time equated classified positions 178.0		
Common cash and debt management—11.0 FTE positions	$	1,701,600
Dual enrollment payments		2,007,600
Investments—81.0 FTE positions		21,180,600
John R. Justice grant program		288,100
Michigan finance authority - bond finance—64.0 FTE positions		26,097,700
Student financial assistance programs—22.0 FTE positions		2,742,800
GROSS APPROPRIATION	$	54,018,400
Appropriated from:		
Interdepartmental grant revenues:		
IDG, fiscal agent service fees		212,400
Federal revenues:		
DED-OPSE, federal lenders allowance		3,741,800
DED-OPSE, higher education act of 1965, insured loans		19,308,100
Federal - John R. Justice grant		288,100
Special revenue funds:		
Defined contribution administrative fee revenue		300,000
Michigan finance authority bond and loan program revenue		3,047,800
Michigan merit award trust fund		1,187,300
Retirement funds		18,644,700
School bond fees		872,600
Treasury fees		2,457,200
State general fund/general purpose	$	3,958,400
(6) DEBT SERVICE		
Clean Michigan initiative	$	62,251,000
Great Lakes water quality bond		22,865,000
Quality of life bond		21,964,000
GROSS APPROPRIATION	$	107,080,000
Appropriated from:		
State general fund/general purpose	$	107,080,000
(7) GRANTS		
Convention facility development distribution	$	105,356,300
Emergency 911 payments		48,800,000
Forensic science commission		100
Health and safety fund grants		1,500,000
Medical marihuana excise fund grants		10,890,000
Senior citizen cooperative housing tax exemption program		10,521,100
GROSS APPROPRIATION	$	177,067,500
Appropriated from:		
Special revenue funds:		
Convention facility development fund		105,356,300
Emergency 911 fund		48,800,000
Health and safety fund		1,500,000
Medical marihuana excise fund		10,890,000
State general fund/general purpose	$	10,521,200
(8) BUREAU OF STATE LOTTERY		
Full-time equated classified positions 196.0		
Lottery information technology services and projects	$	5,287,000
Lottery operations—196.0 FTE positions		26,678,200
GROSS APPROPRIATION	$	31,965,200
Appropriated from:		
Special revenue funds:		
State lottery fund		31,965,200
State general fund/general purpose	$	0
(9) CASINO GAMING		
Full-time equated classified positions 143.0		

		For Fiscal Year Ending Sept. 30, 2019
Casino gaming control operations—133.0 FTE positions	$	26,604,600
Gaming information technology services and projects		2,556,400
Horse racing—10.0 FTE positions		2,052,100
Michigan gaming control board		50,000
GROSS APPROPRIATION	$	31,263,100
Appropriated from:		
Special revenue funds:		
Casino gambling agreements		963,500
Equine development fund		2,176,300
Laboratory fees		705,400
State services fee fund		27,417,900
State general fund/general purpose	$	0
(10) PAYMENTS IN LIEU OF TAXES		
Commercial forest reserve	$	3,368,100
Purchased lands		8,677,900
Swamp and tax reverted lands		15,305,600
GROSS APPROPRIATION	$	27,351,600
Appropriated from:		
Special revenue funds:		
Private funds		27,500
Game and fish protection fund		3,007,400
Michigan natural resources trust fund		2,064,700
Michigan state waterways fund		260,800
State general fund/general purpose	$	21,991,200
(11) REVENUE SHARING		
City, village, and township revenue sharing	$	243,040,000
Constitutional state general revenue sharing grants		835,333,800
County incentive program		43,218,800
County revenue sharing payments		177,196,700
Financially distressed cities, villages, or townships		2,500,000
GROSS APPROPRIATION	$	1,301,289,300
Appropriated from:		
Special revenue funds:		
Sales tax		1,301,289,300
State general fund/general purpose	$	0
(12) STATE BUILDING AUTHORITY		
Full-time equated classified positions 3.0		
State building authority—3.0 FTE positions	$	740,000
GROSS APPROPRIATION	$	740,000
Appropriated from:		
Special revenue funds:		
State building authority revenue		740,000
State general fund/general purpose	$	0
(13) CITY INCOME TAX ADMINISTRATION PROGRAM		
Full-time equated classified positions 72.0		
City income tax administration program—72.0 FTE positions	$	9,887,900
GROSS APPROPRIATION	$	9,887,900
Appropriated from:		
Special revenue funds:		
Local - city income tax fund		9,887,900
State general fund/general purpose	$	0
(14) INFORMATION TECHNOLOGY		
Treasury operations information technology services and projects	$	36,207,600
GROSS APPROPRIATION	$	36,207,600
Appropriated from:		
Interdepartmental grant revenues:		
IDG from MDOT, Michigan transportation fund		400,000
Federal revenues:		
DED-OPSE, federal lender allowance		627,800

		For Fiscal Year Ending Sept. 30, 2019
Special revenue funds:		
Local - city income tax fund	$	1,229,200
Delinquent tax collection revenue		17,588,500
Retirement funds		787,400
Tobacco tax revenue		129,400
State general fund/general purpose	$	15,445,300
(15) ONE-TIME APPROPRIATIONS		
Beat the streets	$	100,000
City, village, and township revenue sharing		5,916,000
Supplemental county revenue sharing		1,000,000
Courageous cadets		50,000
Drinking water declaration of emergency		100
Financial data analytic tool reimbursement		500,000
Supplemental city, village, and township revenue sharing		6,200,000
Urban search and rescue		900,000
GROSS APPROPRIATION	$	14,666,100
Appropriated from:		
Special revenue funds:		
Drinking water declaration of emergency reserve fund		100
Sales tax		13,116,000
State general fund/general purpose	$	1,550,000

Sec. 109. DEPARTMENT OF TALENT AND ECONOMIC DEVELOPMENT

(1) APPROPRIATION SUMMARY		
Full-time equated unclassified positions 6.0		
Full-time equated classified positions 1,450.0		
GROSS APPROPRIATION	$	1,115,295,600
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		0
ADJUSTED GROSS APPROPRIATION	$	1,115,295,600
Federal revenues:		
Total federal revenues		762,645,800
Special revenue funds:		
Total local revenues		500,000
Total private revenues		5,621,700
Total other state restricted revenues		205,432,300
State general fund/general purpose	$	141,095,800
(2) DEPARTMENTAL ADMINISTRATION AND SUPPORT		
Full-time equated unclassified positions 6.0		
Full-time equated classified positions 15.0		
Unclassified positions—6.0 FTE positions	$	1,108,500
Executive direction and operations—15.0 FTE positions		3,903,500
GROSS APPROPRIATION	$	5,012,000
Appropriated from:		
Federal revenues:		
DOL-ETA, unemployment insurance		1,448,500
DOL, federal funds		369,100
Federal funds		2,500,000
Special revenue funds:		
Michigan state housing development authority fees and charges		495,900
State general fund/general purpose	$	198,500
(3) MICHIGAN STRATEGIC FUND		
Full-time equated classified positions 157.0		
Administrative services—37.0 FTE positions	$	6,418,300
Arts and cultural program		10,150,000
Business attraction and community revitalization		105,379,900
Community college skilled trades equipment program debt service		4,600,000
Community development block grants		47,000,000

		For Fiscal Year Ending Sept. 30, 2019
Entrepreneurship ecosystem	$	16,400,000
Facility for rare isotope beams		7,300,000
Job creation services—120.0 FTE positions		22,518,900
Pure Michigan		36,000,000
GROSS APPROPRIATION	$	255,767,100
Appropriated from:		
Federal revenues:		
DOL, federal funds		2,825,800
DOL-ETA, unemployment insurance		287,000
HUD-CPD community development block grant		49,773,300
NFAH-NEA, promotion of the arts, partnership agreements		1,050,000
Special revenue funds:		
Private - special project advances		250,000
Private - Michigan council for the arts fund		100,000
21st century jobs trust fund		75,000,000
Contingent fund, penalty and interest account		4,600,000
Land bank fast track fund		150,000
Michigan film promotion fund		402,200
Michigan state housing development authority fees and charges		4,699,100
State general fund/general purpose	$	116,629,700
(4) TALENT INVESTMENT AGENCY		
Full-time equated classified positions 979.0		
At-risk youth grants	$	3,000,000
Community ventures		4,000,000
Executive direction—14.0 FTE positions		3,498,500
Information technology services and projects - TIA		22,610,700
Going pro		27,918,800
Unemployment insurance agency—760.0 FTE positions		137,836,900
Workforce development programs		381,556,600
Workforce program administration—205.0 FTE positions		34,645,800
GROSS APPROPRIATION	$	615,067,300
Appropriated from:		
Federal revenues:		
DAG, employment and training		4,000,400
DED-OESE, GEAR-UP		4,730,700
DED-OVAE, adult education		20,000,000
DED-OVAE, basic grants to states		19,000,000
DOL, federal funds		108,732,800
DOL-ETA, unemployment insurance		138,940,600
DOL-ETA, workforce investment act		173,988,600
Federal funds		3,440,200
Social security act, temporary assistance to needy families		63,698,800
Special revenue funds:		
Local revenues		500,000
Private funds		5,271,700
Contingent fund, penalty and interest account		67,169,500
Defaulted loan collection fees		153,700
State general fund/general purpose	$	5,440,300
(5) LAND BANK FAST TRACK AUTHORITY		
Full-time equated classified positions 9.0		
Land bank fast track authority—9.0 FTE positions	$	4,125,700
GROSS APPROPRIATION	$	4,125,700
Appropriated from:		
Federal revenues:		
Federal revenues		1,000,000
Special revenue funds:		
Land bank fast track fund		148,400
State general fund/general purpose	$	2,977,300

		For Fiscal Year Ending Sept. 30, 2019
(6) MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY		
Full-time equated classified positions 290.0		
Housing and rental assistance—290.0 FTE positions	$	45,043,500
Lighthouse preservation program		307,500
Michigan state housing development authority technology services and projects		3,625,100
Payments on behalf of tenants		166,860,000
Property management		3,637,300
GROSS APPROPRIATION	$	219,473,400
Appropriated from:		
Federal revenues:		
HUD, lower income housing assistance		166,860,000
Special revenue funds:		
Michigan lighthouse preservation program		307,500
Michigan state housing development authority fees and charges		52,305,900
State general fund/general purpose	$	0
(7) ONE-TIME APPROPRIATIONS		
Arts and cultural program	$	1,000,000
Drinking water declaration of emergency		100
Entrepreneurship ecosystem		2,500,000
Going pro		10,000,000
MSF - grants		1,350,000
Project rising tide		1,000,000
GROSS APPROPRIATION	$	15,850,100
Appropriated from:		
Special revenue funds:		
Drinking water declaration of emergency reserve fund		100
State general fund/general purpose	$	15,850,000

PART 2

PROVISIONS CONCERNING APPROPRIATIONS
FOR FISCAL YEAR 2018-2019

GENERAL SECTIONS

Sec. 201. (1) Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state sources under part 1 for fiscal year 2018-2019 is $3,351,371,800.00 and state spending from state sources to be paid to local units of government for fiscal year 2018-2019 is $1,572,099,200.00. 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		1,019,200
Subtotal	$	1,129,000
DEPARTMENT OF TREASURY		
Airport parking distribution pursuant to section 909	$	24,601,900
City, village, and township revenue sharing		248,956,000
Constitutional state general revenue sharing grants		835,333,800
Convention facility development fund distribution		105,356,300
County incentive program		43,218,800
County revenue sharing payments		177,196,700
Emergency 9-1-1 payments		48,800,000
Financial data analytic tool reimbursement		500,000
Financially distressed cities, villages, or townships		2,500,000
Health and safety fund grants		1,500,000

Medical marihuana excise fund grants		6,534,000
Payments in lieu of taxes		27,351,600
Senior citizen cooperative housing tax exemption		10,521,100
Supplemental city, village, and township revenue sharing		6,200,000
Supplemental county revenue sharing		1,000,000
Subtotal	$	1,539,570,200
DEPARTMENT OF TALENT AND ECONOMIC DEVELOPMENT		
Going pro	$	20,100,000
Welfare-to-work programs		11,300,000
Subtotal	$	31,400,000
TOTAL GENERAL GOVERNMENT	$	1,572,099,200

(2) Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state sources for fiscal year 2018-2019 is estimated at $32,826,746,600.00 in the 2018-2019 appropriations acts and total state spending from state sources paid to local units of government for fiscal year 2018-2019 is estimated at $18,481,357,200.00. The state-local proportion is estimated at 56.3% of total state spending from state sources.

(3) If payments to local units of government and state spending from state sources for fiscal year 2018-2019 are different than the amounts estimated in subsection (2), the state budget director shall report the payments to local units of government and state spending from state sources that were made for fiscal year 2018-2019 to the senate and house of representatives standing committees on appropriations within 30 days after the final book-closing for fiscal year 2018-2019.

Sec. 202. The appropriations authorized under this part and part 1 are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

Sec. 203. As used in this part and part 1:

(a) "ATM" means automated teller machine.

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

(c) "DAG" means the United States Department of Agriculture.

(d) "DED" means the United States Department of Education.

(e) "DED-OESE" means the DED Office of Elementary and Secondary Education.

(f) "DED-OPSE" means the DED Office of Postsecondary Education.

(g) "DED-OVAE" means the DED Office of Vocational and Adult Education.

(h) "DOE-OEERE" means the United States Department of Energy, Office of Energy Efficiency and Renewable Energy.

(i) "DOL" means the United States Department of Labor.

(j) "DOL-ETA" means the United States Department of Labor, Employment and Training Administration.

(k) "EEOC" means the United States Equal Employment Opportunity Commission.

(*l*) "FTE" means full-time equated.

(m) "Fund" means the Michigan strategic fund.

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

(o) "GED" means a general educational development certificate.

(p) "GF/GP" means general fund/general purpose.

(q) "HHS" means the United States Department of Health and Human Services.

(r) "HHS-OS" means the HHS Office of the Secretary.

(s) "HHS-SSA" means the HHS Social Security Administration.

(t) "HUD" means the United States Department of Housing and Urban Development.

(u) "HUD-CPD" means the United States Department of Housing and Urban Development - Community Planning and Development.

(v) "IDG" means interdepartmental grant.

(w) "JCOS" means the joint capital outlay subcommittee.

(x) "MAIN" means the Michigan administrative information network.

(y) "MCL" means the Michigan Compiled Laws.

(z) "MDE" means the Michigan department of education.

(aa) “MDEQ” means the Michigan department of environmental quality.

(bb) “MDHHS” means the Michigan department of health and human services.

(cc) “MDLARA” means the Michigan department of licensing and regulatory affairs.

(dd) “MDMVA” means the Michigan department of military and veterans affairs.

(ee) “MDOT” means the Michigan department of transportation.

(ff) “MDSP” means the Michigan department of state police.

(gg) “MDTMB” means the Michigan department of technology, management, and budget.

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

(ii) “MEGA” means the Michigan economic growth authority.

(jj) “MFA” means the Michigan finance authority.

(kk) “MPE” means the Michigan public employees.

(*ll*) “MSF” means the Michigan strategic fund.

(mm) “MSHDA” means the Michigan state housing development authority.

(nn) “NERE” means nonexclusively represented employees.

(oo) “NFAH-NEA” means the National Foundation of the Arts and the Humanities - National Endowment for the Arts.

(pp) “PA” means public act.

(qq) “PATH” means Partnership. Accountability. Training. Hope.

(rr) “RFP” means a request for a proposal.

(ss) “SEIU” means Service Employees International Union.

(tt) “SIGMA” means statewide integrated governmental management applications.

(uu) “WDA” means the workforce development agency.

(vv) “WIC” means women, infants, and children.

Sec. 204. The departments and agencies receiving appropriations in part 1 shall use the internet to fulfill the reporting requirements of this part. This requirement may include transmission of reports via electronic mail to the recipients identified for each reporting requirement, or it may include placement of reports on an internet or intranet site.

Sec. 205. Funds appropriated in part 1 shall not be used for the purchase of foreign goods or services, or both, if competitively priced and of comparable quality American goods or services, or both, are available. Preference shall be given to goods or services, or both, manufactured or provided by Michigan businesses, if they are competitively priced and of comparable 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. 206. The director of each department and agency 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. 207. The departments and agencies receiving appropriations in part 1 shall prepare a report on out-of-state travel expenses not later than January 1 of each year. The travel report shall be a listing of all travel by classified and unclassified employees outside this state in the immediately preceding fiscal year that was funded in whole or in part with funds appropriated in the department’s budget. The report shall be submitted to the house and senate standing committees on appropriations, the chairpersons of the relevant appropriations subcommittees, the house and senate fiscal agencies, and the state budget director. The report shall include the following information:

(a) The dates of each travel occurrence.

(b) The total transportation and related costs of each travel occurrence, including the proportion funded with state GF/GP revenues, the proportion funded with state restricted revenues, the proportion funded with federal revenues, and the proportion funded with other revenues.

Sec. 208. Funds appropriated in part 1 shall not be used by a principal executive department, state agency, or authority to hire a person to provide legal services that are the responsibility of the attorney general. This prohibition does not apply to legal services for bonding activities and for those outside legal services that the attorney general authorizes.

Sec. 209. Not later than November 30, the state budget office shall prepare and transmit a report that provides for estimates of the total GF/GP appropriation lapses at the close of the prior fiscal year. This report shall summarize the projected year-end GF/GP appropriation lapses by major departmental program or program areas. The report shall be transmitted to the chairpersons of the senate and house appropriations committees and the senate and house fiscal agencies.

Sec. 210. (1) Pursuant to section 352 of the management and budget act, 1984 PA 431, MCL 18.1352, which provides for a transfer of state general fund revenue into or out of the countercyclical budget and economic stabilization fund, the calculations required by section 352 of the management and budget act, 1984 PA 431, MCL 18.1352, are determined as follows:

	2017	2018	2019
Michigan personal income (millions)	$450,847	$469,332	$489,982
less: transfer payments	94,836	97,871	101,966
Subtotal	$356,011	$371,461	$388,016
Divided by: Detroit Consumer Price Index for 12 months ending June 30	2.249	2.297	2.342
Equals: real adjusted Michigan personal income	$158,331	$161,706	$165,686
Percentage change	N/A	2.1%	2.5%
Growth rate in excess of 2%	N/A	0.1%	0.5%
Equals: countercyclical budget and economic stabilization fund pay-in calculation for the fiscal year ending September 30, 2019 (millions)	N/A	$13.6	$47.9
Growth rate less than 0%	N/A	NO	NO
Equals: countercyclical budget and economic stabilization fund pay-out calculation for the fiscal year ending September 30, 2018 (millions)	N/A	N/A	$0.0

(2) Notwithstanding subsection (1), there is appropriated for the fiscal year ending September 30, 2019, from GF/GP revenue for deposit into the countercyclical budget and economic stabilization fund the sum of $0.00.

Sec. 211. The departments and agencies receiving appropriations in part 1 shall cooperate with the department of technology, management, and budget to maintain a searchable website that is updated at least quarterly and that is accessible by the public at no cost that includes, but is not limited to, all of the following for each department or agency:

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

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

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

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

(e) Job specifications and wage rates.

Sec. 212. Within 14 days after the release of the executive budget recommendation, the departments and agencies receiving appropriations in part 1 shall cooperate with the state budget director to provide the chairs of the senate and house of representatives standing committees on appropriations, the chairs of the senate and house of representatives standing committees on appropriations subcommittees on general government, and the senate and house fiscal agencies with an annual report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures for the fiscal years ending September 30, 2018 and September 30, 2019.

Sec. 213. The departments and agencies receiving appropriations in part 1 shall maintain, on a publicly accessible website, a department or agency scorecard that identifies, tracks, and regularly updates key metrics that are used to monitor and improve the department's or agency's performance.

Sec. 215. Funds appropriated in part 1 shall not be used by this state, a department, an agency, or an authority of this state to purchase an ownership interest in a casino enterprise or a gambling operation as those terms are defined in the Michigan gaming control and revenue act, 1996 IL 1, MCL 432.201 to 432.226.

Sec. 216. The departments and agencies receiving appropriations in part 1 shall receive and retain copies of all reports funded from appropriations in part 1. Federal and state guidelines for short-term and long-term retention of

records shall be followed. The department may electronically retain copies of reports unless otherwise required by federal and state guidelines.

Sec. 217. General fund appropriations in part 1 shall not be expended for items in cases where federal funding or private grant funding is available for the same expenditures.

Sec. 218. A department or state agency shall not take disciplinary action against an employee for communicating with a member of the legislature or his or her staff.

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

Sec. 229. (1) If the office of the auditor general has identified an initiative or made a recommendation that is related to savings and efficiencies in an audit report for an executive branch department or agency, the department or agency shall report within 6 months of the release of the audit on their efforts and progress made toward achieving the savings and efficiencies identified in the audit report. The report shall be submitted to the chairs of the senate and house of representatives standing committees on appropriations, the chairs of the senate and house of representatives standing committees with jurisdiction over matters relating to the department that is audited, and the senate and house fiscal agencies.

(2) If the office of the auditor general does not receive the required report regarding initiatives related to savings and efficiencies within the 6-month time frame, the office of the auditor general may charge noncompliant executive branch departments and agencies for the cost of performing a subsequent audit to ensure that the initiatives related to savings and efficiencies have been implemented.

Sec. 235. By April 1, the state budget director shall submit a report to the senate and house appropriations committees, the chairpersons of the relevant appropriations subcommittees, and the senate and house fiscal agencies. The report shall recommend a contingency plan for each federal funding source included in the state budget of $10,000,000.00 or more in the event that the federal government reduces funding to the state through that source by 10% or greater.

Sec. 240. (1) Concurrently with the submission of the fiscal year 2019-2020 executive budget recommendations, the state budget office shall provide the senate and house appropriations committees, the chairpersons of the relevant appropriations subcommittees, the senate and house fiscal agencies, and the policy offices a report that lists each new program or program enhancement for which funds in excess of $500,000.00 are appropriated in part 1 of each departmental appropriation act.

(2) By July 1, 2019, the state budget director and the chairs of the senate and house appropriations committees shall identify new programs or program enhancements identified under subsection (1) for measurement using program-specific metrics, in addition to the metrics required under section 447 of the management and budget act, 1984 PA 431, MCL 18.1447.

(3) By September 30, 2020, the state budget office shall provide a report on the specific metrics and the progress in meeting the estimated performance for each program identified under subsection (2) to the senate and house appropriations committees, the senate and house appropriations subcommittees on each state department, and the senate and house fiscal agencies and policy offices. It is the intent of the legislature that the governor consider the estimated performance of the new program or program enhancement as the basis for any increase in funds appropriated from the prior year.

DEPARTMENT OF ATTORNEY GENERAL

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

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

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

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

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

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

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

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

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

Sec. 305. In addition to the funds appropriated in part 1, not more than $400,000.00 shall be reimbursed per fiscal year for food stamp fraud cases heard by the third circuit court of Wayne County that were initiated by the department of attorney general pursuant to the existing contract between the department of health and human services, the Prosecuting Attorneys Association of Michigan, and the department of attorney general. The source of this funding is money earned by the department of attorney general under the agreement after the allowance for reimbursement to the department of attorney general for costs associated with the prosecution of food stamp fraud cases. It is recognized that the federal funds are earned by the department of attorney general for its documented progress on the prosecution of food stamp fraud cases according to the United States Department of Agriculture regulations and that, once earned by this state, the funds become state funds.

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

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

(2) Any unexpended funds from antitrust, securities fraud, or consumer protection or class action enforcement revenues at the end of the fiscal year, including antitrust funds in part 1, may be carried forward for expenditure in the following fiscal year up to the maximum authorization of $250,000.00. The total amount of carry forward funds shall not exceed a total of $250,000.00.

(3) The attorney general's office shall make available upon request information detailing the amount of revenue from subsection (1) recovered by the attorney general, including a description of the source of the revenue and the carryforward amount.

Sec. 308. (1) In addition to the funds appropriated in part 1, there is appropriated up to $1,000,000.00 from litigation expense reimbursements awarded to the state.

(2) The funds may be expended for the payment of court judgments, settlements, arbitration awards or other administrative and litigation decisions, attorney fees, and litigation costs, assessed against the office of the governor, the department of the attorney general, the governor, or the attorney general when acting in an official capacity as the named party in litigation against the state. The funds may also be expended for the payment of state costs incurred under section 16 of chapter X of the code of criminal procedure, 1927 PA 175, MCL 770.16.

(3) Unexpended funds at the end of the fiscal year may be carried forward for expenditure in the following year, up to a maximum authorization of $250,000.00.

Sec. 309. (1) From the prisoner reimbursement funds appropriated in part 1, the department may spend up to $636,500.00 on activities related to the state correctional facility reimbursement act, 1935 PA 253, MCL 800.401 to 800.406. In addition to the funds appropriated in part 1, if the department collects in excess of $1,131,000.00 in gross annual prisoner reimbursement receipts provided to the general fund, the excess, up to a maximum of $1,000,000.00, is appropriated to the department of attorney general and may be spent on the representation of the department of corrections and its officers, employees, and agents, including, but not limited to, the defense of litigation against the state, its departments, officers, employees, or agents in civil actions filed by prisoners.

(2) The attorney general's office shall make available upon request information on the dollar amount of prisoner reimbursements collected from subsection (1) as well as descriptions of all expenditures made from the reimbursements, including what activities related to the state correctional facility reimbursement act, 1935 PA 253, MCL 800.401 to 800.406, funds were spent on.

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

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

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

Sec. 314. (1) From the lawsuit settlement proceeds fund appropriated in part 1, the department may spend the funds for the costs of all associated expenses related to the declaration of emergency due to drinking water contamination up to $2,600,000.00.

(2) The attorney general's office must submit a quarterly report to the house and senate standing committees on appropriations, the house and senate appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget director, detailing how funds in subsection (1) and all other currently and previously budgeted funds associated with legal costs pertaining to the Flint water declaration of emergency were expended. The report must itemize expenditures by case, purpose, hourly rate of retained attorney, and department involved.

(3) As a condition of receiving funds appropriated in part 1, the attorney general must not retain the services of an outside counsel associated with the declaration of emergency due to drinking water contamination at an hourly rate of more than $250.00 unless all reporting requirements under subsection (2) are satisfied.

Sec. 314a. (1) From the lawsuit settlement proceeds fund appropriated in part 1 for one-time appropriations for juvenile life without parole, the prosecuting attorneys coordinating council shall allocate $700,000.00 for investigations, crime victim rights, prosecutions, and appeals for retroactive juvenile life without parole cases.

(2) The prosecuting attorneys coordinating council shall submit a detailed expenditure report to the house and senate appropriations subcommittees on general government and the judiciary, the senate and house fiscal agencies, and the state budget director by September 30 detailing how the funds provided in subsection (1) were expended.

Sec. 315. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2019 are $18,049,500.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at $8,321,100.00. Total agency appropriations for retiree health care legacy costs are estimated at $9,728,400.00.

Sec. 316. (1) From the funds appropriated in part 1 for sexual assault law enforcement efforts, the department shall use the funds for testing of backlogged sexual assault kits across this state. The funding provided in part 1 shall be distributed in the following order of priority:

(a) To eliminate all county sexual assault kit backlogs across this state.

(b) To assist local prosecutors with investigations and prosecutions of viable cases.

(c) To provide victim services.

(2) The department of the attorney general shall provide a report by February 1. The report shall include the following information:

(a) The number of sexual assault kits across this state that remain untested as of January 31.

(b) A detailed work plan outlining the department's action plan to eliminate all outstanding sexual assault kits and the time frame for completion of testing of all untested sexual assault kits.

(c) A detailed work and spending plan outlining anticipated litigation action and expenditures resulting from findings of the sexual assault kit testing. The report shall be submitted to the state budget office, the senate and house fiscal agencies, and the senate and house of representatives standing committees on appropriations subcommittees on general government.

(3) Any funds remaining after the department has met the obligations required under subsection (1) may be used for the purpose of retesting any previously tested sexual assault kits across this state using currently available DNA testing. Funds only may be used for DNA testing on previously tested kits that were not tested for DNA. If there are remaining untested sexual assault kits on January 31, 2019, funds appropriated in part 1 shall only be used for the testing of those kits.

Sec. 316a. The department of attorney general shall develop the address confidentiality program within the department and allow an individual to participate if he or she is a victim of domestic violence, stalking, human trafficking, or sexual assault, or at risk of physical harm if his or her address is disclosed. This section does not take effect unless Senate Bill No. 655 of the 99th Legislature is enacted into law.

Sec. 317. (1) The department of attorney general shall report all legal costs and associated expenses related to the declaration of emergency due to drinking water contamination, and the investigations and any resulting prosecutions, for publication in the Flint water emergency-financial and activities tracking and reporting document that is posted by the state budget director on the public website, michigan.gov/flintwater. The tracking and reporting documents shall include the budget line item source for each expenditure.

(2) At the conclusion of all attorney general investigations related to the declaration of emergency due to drinking water contamination, all materials related to any investigations shall be preserved pursuant to applicable document retention policies.

Sec. 318. From the one-time funds appropriated in part 1 for forensic interviewing, the prosecuting attorneys coordinating council shall spend the funds to provide the necessary additional forensic interviewing trainings to meet the excess demand for the trainings. Funds shall be limited for use by child advocacy centers and local prosecutors to complete their trainings.

Sec. 319. From the funds appropriated in part 1, the attorney general shall provide a quarterly report on the wrongful imprisonment compensation fund to the chairpersons of the appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget director. The report shall include at least the following:

(a) All payments made from the wrongful imprisonment fund in the previous quarter, including if the payment is part of a new settlement or part of an installment plan.

(b) Any settlements that have been decided, but have yet to receive a payment.

(c) The number of known cases seeking a settlement, but do not have a final judgment, and the dollar amount of each potential payment for these known cases.

(d) The balance of the wrongful imprisonment fund at the end of the previous quarter.

DEPARTMENT OF CIVIL RIGHTS

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

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

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

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

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

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

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

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

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

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

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

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

Sec. 404. (1) The department of civil rights shall prepare and transmit a detailed report that includes, but is not limited to, the following information for the most recent fiscal year:

(a) A detailed description of the department operations.

(b) A detailed description of all subunits within the department, including FTE positions associated with each subunit, responsibilities of each subunit, and all revenues and expenditures for each subunit.

(c) The number of complaints by type of complaint.

(d) The average cost of, and time expended, investigating complaints.

(e) The percentage of complaints that are meritorious and worthy of investigation or settlement and the percentage of complaints that have no merit.

(f) A listing of amounts awarded to claimants.

(g) Expenditures associated with complaint investigation and enforcement.

(h) A listing of complaint investigations closed per FTE position for each of the past 5 years.

(i) A listing of complaint evaluations completed per FTE position for each of the past 5 years.

(j) Productivity projections for the current fiscal year, including investigations closed per FTE, complaint evaluations completed per FTE, and average time expended investigating complaints.

(k) Revenues and expenditures associated with section 403 of this part by local unit.

(2) The report required under subsection (1) shall be posted online and transmitted electronically not later than November 30 to the state budget director, the chairpersons of the senate and house of representatives standing committees on appropriations, the senate and house appropriations subcommittees on general government, and the senate and house fiscal agencies.

Sec. 405. The department of civil rights shall notify the office of the state budget, senate and house of representatives standing committees on appropriations, the chairpersons of the appropriations subcommittees on general government, and senate and house fiscal agencies prior to submitting a report or complaint to the United States Commission on Civil Rights or other federal departments.

Sec. 410. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2019 are $2,558,000.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at $1,179,300.00. Total agency appropriations for retiree health care legacy costs are estimated at $1,378,700.00.

LEGISLATURE

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

Sec. 601. (1) Funds appropriated in part 1 to an entity within the legislative branch shall not be expended or transferred to another account without written approval of the authorized agent of the legislative entity. If the authorized agent of the legislative entity notifies the state budget director of its approval of an expenditure or transfer before the

year-end book-closing date for that legislative entity, the state budget director shall immediately make the expenditure or transfer. The authorized legislative entity agency shall be designated by the speaker of the house of representatives for house entities, the senate majority leader for senate entities, and the legislative council for legislative council entities.

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

Sec. 602. The senate may charge rent and assess charges for utility costs. The amounts received for rent charges and utility assessments are appropriated to the senate for the renovation, operation, and maintenance of the Binsfeld Office Building.

Sec. 603. (1) From the appropriation contained in part 1 for national association dues, the first $34,800.00 shall be paid to the National Conference of Commissioners of Uniform State Laws. The remaining funds shall be distributed accordingly by the legislative council.

(2) If any funds remain after all required dues payments have been made as specified in subsection (1), the Legislative Council may approve the use of up to $10,000.00 to pay for the registration fees of any state employees who serve as board members to any of the national associations receiving state funds for annual dues to attend that national association's annual conference. If any of the $10,000.00 remains after national board member's registration fees are paid, the remaining funds may be used to pay for the registration fees for any other state employees to attend the annual conference of any of the national associations receiving state funds for annual dues as prescribed in subsection (1).

Sec. 604. (1) The appropriation in part 1 to the Michigan state capitol historic site includes funds to operate the legislative parking facilities in the capitol area. The Michigan state capitol commission shall establish rules regarding the operation of the legislative parking facilities.

(2) The Michigan state capitol commission shall collect a fee from state employees and the general public using certain legislative parking facilities. The revenues received from the parking fees are appropriated upon receipt and shall be allocated by the Michigan state capitol commission.

Sec. 605. The unexpended funds appropriated in part 1 for the legislative council are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for projects under this section until the projects have been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is publication of the Michigan manual.

(b) The project will be accomplished by utilizing state employees or contracts with service providers, or both.

(c) The total estimated cost of the project is $3,000,000.00.

(d) The tentative completion date is September 30, 2023.

Sec. 606. The unexpended funds appropriated in part 1 for property management are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for projects under this section until the projects have been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to purchase equipment and services for building maintenance in order to ensure a safe and productive work environment.

(b) The project will be accomplished by utilizing state employees or contracts with service providers, or both.

(c) The total estimated cost of the project is $2,000,000.00.

(d) The tentative completion date is September 30, 2023.

Sec. 607. The unexpended funds appropriated in part 1 for automated data processing are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for projects under this section until the projects have been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to purchase equipment, software, and services in order to support and implement data processing requirements and technology improvements.

(b) The project will be accomplished by utilizing state employees or contracts with service providers, or both.

(c) The total estimated cost of the project is $3,000,000.00.

(d) The tentative completion date is September 30, 2023.

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

Sec. 615. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2019 are $29,587,600.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at $13,640,400.00. Total agency appropriations for retiree health care legacy costs are estimated at $15,947,200.00.

Sec. 616. The unexpended funds appropriated in part 1 for the legislative IT design special project are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for projects under this section until the projects have been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is for the continued design, development, implementation, operation, and administration of the legislative computer system.

(b) The project will be accomplished by utilizing state employees or contracts with service providers, or both.

(c) The total estimated cost of the project is $12,750,000.00.

(d) The tentative completion date is September 30, 2023.

(e) Funds described in this section shall not be expended without written approval of the senate majority leader or his or her designee, the speaker of the house of representatives or his or her designee, and the legislative council administrator or his or her designee.

LEGISLATIVE AUDITOR GENERAL

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

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

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

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

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

Sec. 623. Any audits, reviews, or investigations requested of the auditor general by the legislature or by legislative leadership, legislative committees, or individual legislators shall include an estimate of the additional costs involved and, when those costs exceed $50,000.00, should provide supplemental funding. The auditor general shall determine whether to perform those activities in keeping with Operations Manual Policy No. 2-26, which describes the office of the auditor general's policy on responding to legislative requests.

Sec. 624. If the auditor general conducts a subsequent audit pursuant to section 229 of this part, the auditor general may charge fees and collect revenues in excess of appropriations in part 1 not to exceed the cost of any audit conducted pursuant to section 229 of this part. Any revenues and fees collected pursuant to this section are appropriated for expenditure for all expenses associated with an audit conducted pursuant to section 229 of this part.

DEPARTMENT OF STATE

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

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

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

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

Sec. 703. From the funds appropriated in part 1, the department of state shall sell copies of records including, but not limited to, records of motor vehicles, off-road vehicles, snowmobiles, watercraft, mobile homes, personal identification cardholders, drivers, and boat operators and shall charge $11.00 per record sold only as authorized in section 208b of the Michigan vehicle code, 1949 PA 300, MCL 257.208b, section 7 of 1972 PA 222, MCL 28.297, and sections 80130, 80315, 81114, and 82156 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.80130, 324.80315, 324.81114, and 324.82156. The revenue received from the sale of records shall be credited to the transportation administration collection fund created under section 810b of the Michigan vehicle code, 1949 PA 300, MCL 257.810b. The department of state shall provide quarterly reports to the legislature, the chairpersons of the relevant appropriations subcommittees, and the senate and house fiscal agencies. The report shall be provided within 15 days of the close of the quarter and shall include the number of records sold and the revenues collected.

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

Sec. 705. (1) The department of state may accept gifts, donations, contributions, and grants of money and other property from any private or public source to underwrite, in whole or in part, the cost of a departmental publication that is prepared and disseminated under the Michigan vehicle code, 1949 PA 300, MCL 257.1 to 257.923. A private or public funding source may receive written recognition in the publication and may furnish a traffic safety message, subject to departmental approval, for inclusion in the publication. The department may reject a gift, donation, contribution, or grant. The department may furnish copies of a publication underwritten, in whole or in part, by a private source to the underwriter at no charge.

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

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

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

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

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

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

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

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

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

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

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

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

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

Sec. 712. The department of state may produce and sell copies of a training video designed to inform registered automotive repair facilities of their obligations under Michigan law. The price shall not exceed the cost of production and distribution. The money received from the sale of training videos shall revert to the department of state and be placed in the auto repair facility account.

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

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

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

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

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

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

(7) The department must submit a report to the house and senate appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget director by March 1 that provides the amount of revenue collected by the department of state authorized under this section, the purpose of each expenditure, and the amount of revenue carried forward.

Sec. 714. (1) Except as otherwise provided under subsection (2), at least 180 days before closing a branch office or consolidating a branch office and at least 60 days before relocating a branch office, the department of state shall inform

members of the senate and house of representatives standing committees on appropriations and legislators who represent affected areas regarding the details of the proposal. The information provided shall be in written form and include all analyses done regarding criteria for changes in the location of branch offices, including, but not limited to, branch transactions, revenue, and the impact on citizens of the affected area. The impact on citizens shall include information regarding additional distance to branch office locations resulting from the plan. The written notice provided by the department of state shall also include detailed estimates of costs and savings that will result from the overall changes made to the branch office structure and the same level of detail regarding costs for new leased facilities and expansions of current leased space.

(2) If the consolidation of a branch office is with another branch office that is located within the same local unit of government or the relocation of a branch office is to another location that is located within the same local unit of government, the department of state is not required to provide the notification or written information described in subsection (1).

(3) As used in this section, "local unit of government" means a city, village, township, or county.

Sec. 715. (1) Any service assessment collected by the department of state from the user of a credit or debit card under section 3 of 1995 PA 144, MCL 11.23, may be used by the department for necessary expenses related to that service and may be remitted to a credit or debit card company, bank, or other financial institution.

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

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

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

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

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

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

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

Sec. 719. From the funds appropriated in part 1 for election administration and services, the department of state shall make available at least 1 voting machine to at least 1 high school per regional prosperity region for the purpose of allowing pupils to familiarize themselves with the voting procedure through a simulated election to be determined by the high schools receiving a voting machine. The voting machines shall be made available to the selected high schools at no cost to the high school or school district in which the high school is located.

Sec. 720. (1) The department of state must develop a plan to implement enhanced postelection audit procedures to ensure accurate reporting processes and accurate counting of cast election ballots. The plan shall recommend best practices for the conduct of postelection audits by the Michigan bureau of elections and county election offices. The recommendations shall include instructions for manual audits of paper ballots to verify tabulated results.

(2) The plan must be completed by July 1 and distributed to the house and senate appropriations subcommittees on general government and the house and senate fiscal agencies.

Sec. 722. (1) From the funds appropriated in part 1 for information technology services and projects, the department of state shall continue implementation of a legacy modernization project. The purpose of this project is modernization of the entire system and removal of existing programs from the legacy mainframes.

(2) The department of state shall provide a report on the status of the legacy modernization project that includes, but is not limited to, itemization of all expenditures made on behalf of the project, anticipated completion date of the project, time frame of each phase of the project, the cost of the project, the number of employees assigned to implement

each phase of the project, the contracts entered into for the project, anticipated overall cost of the project, and any other information the department considers necessary. The plan shall be distributed to the senate and house of representatives standing committees on appropriations subcommittees on general government, as well as the senate and house fiscal agencies, and the state budget director by January 1.

Sec. 725. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2019 are estimated at $30,655,900.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at $14,132,900.00. Total agency appropriations for retiree health care legacy costs are estimated at $16,523,000.00.

DEPARTMENT OF TECHNOLOGY, MANAGEMENT, AND BUDGET

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

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

(3) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $150,000.00 for local contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

Sec. 802. Proceeds in excess of necessary costs incurred in the conduct of transfers or auctions of state surplus, salvage, or scrap property made pursuant to section 267 of the management and budget act, 1984 PA 431, MCL 18.1267, are appropriated to the department to offset costs incurred in the acquisition and distribution of federal surplus property. The MDTMB shall provide consolidated internet auction services through the state's contractors for all local units of government.

Sec. 803. (1) The MDTMB may receive and expend funds in addition to those authorized by part 1 for maintenance and operation services provided specifically to other principal executive departments or state agencies, the legislative branch, the judicial branch, or private tenants, or provided in connection with facilities transferred to the operational jurisdiction of the department.

(2) The MDTMB may receive and expend funds in addition to those authorized by part 1 for real estate, architectural, design, and engineering services provided specifically to other principal executive departments or state agencies, the legislative branch, the judicial branch, or private tenants.

(3) The MDTMB may receive and expend funds in addition to those authorized in part 1 for mail pickup and delivery services provided specifically to other principal executive departments and state agencies, the legislative branch, or the judicial branch.

(4) The MDTMB may receive and expend funds in addition to those authorized in part 1 for purchasing services provided specifically to other principal executive departments and state agencies, the legislative branch, or the judicial branch.

Sec. 804. (1) Financing in part 1 for statewide appropriations shall be funded by assessments against longevity and insurance appropriations throughout state government in a manner prescribed by the department. Funds shall be used as specified in joint labor/management agreements or through the coordinated compensation hearings process. Any deposits made under this subsection and any unencumbered funds are restricted revenues, may be carried over into the succeeding fiscal years, and are appropriated.

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

Sec. 805. To the extent a specific appropriation is required for a detailed source of financing included in part 1 for the MDTMB appropriations financed from special revenue and internal service and pension trust funds, or SIGMA user charges, the specific amounts are appropriated within the special revenue internal service and pension trust funds in portions not to exceed the aggregate amount appropriated in part 1.

Sec. 806. In addition to the funds appropriated in part 1 to the MDTMB, the MDTMB may receive and expend funds from other principal executive departments and state agencies to implement administrative leave bank transfer provisions as may be specified in joint labor/management agreements. The amounts may also be transferred to other principal executive departments and state agencies under the joint agreement and any amounts transferred under the joint agreement are authorized for receipt and expenditure by the receiving principal executive department or state agency. Any amounts received by the MDTMB under this section and intended, under the joint labor/management agreements, to be available for use beyond the close of the fiscal year and any unencumbered funds may be carried over into the succeeding fiscal year.

Sec. 807. Financing in part 1 for SIGMA shall be funded by proportionate charges assessed against the respective state funds benefiting from this project in the amounts determined by the department.

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

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

Sec. 809. On a quarterly basis, the MDTMB shall notify the chairpersons of the senate and house of representatives standing committees on appropriations, the chairpersons of the senate and house of representatives standing committees on appropriations subcommittees on general government, the house and senate fiscal agencies, and the state budget director on any revisions either individually or in the aggregate that increase or decrease current contracts by more than $500,000.00 for computer software development, hardware acquisition, or quality assurance.

Sec. 810. The MDTMB shall maintain an internet website that contains notice of all invitations for bids and requests for proposals over $50,000.00 issued by the department or by any state agency operating under delegated authority. This information must appear on the first page of each department or state agency dashboard. The MDTMB shall not accept an invitation for bid or request for proposal in less than 14 days after the notice is made available on the internet website, except in situations where it would be in the best interest of the state and documented by the MDTMB. In addition to the requirements of this section, the MDTMB may advertise the invitations for bids and requests for proposals in any manner the MDTMB determines appropriate, in order to give the greatest number of individuals and businesses the opportunity to make bids or requests for proposals.

Sec. 811. The MDTMB may receive and expend funds from the Vietnam veterans memorial monument fund as provided in the Michigan Vietnam veterans memorial act, 1988 PA 234, MCL 35.1051 to 35.1057. Funds are appropriated and allocated when received and may be expended upon receipt.

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

Sec. 813. (1) Funds in part 1 for motor vehicle fleet are appropriated to the MDTMB for administration and for the acquisition, lease, operation, maintenance, repair, replacement, and disposal of state motor vehicles.

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

(3) Pursuant to the MDTMB's authority under sections 213 and 215 of the management and budget act, 1984 PA 431, MCL 18.1213 and 18.1215, the MDTMB shall maintain a plan regarding the operation of the motor vehicle fleet. The plan shall include the number of vehicles assigned to, or authorized for use by, state departments and agencies, efforts to reduce travel expenditures, the number of cars in the motor vehicle fleet, the number of miles driven by fleet vehicles, and the number of gallons of fuel consumed by fleet vehicles. The plan shall include a calculation of the amount

of state motor vehicle fuel taxes that would have been incurred by fleet vehicles if fleet vehicles were required by law to pay motor fuel taxes. The plan shall include a description of fleet garage operations, the goods sold and services provided by the fleet garage, the cost to operate the fleet garage, the number of fleet garage locations, and the number of employees assigned to each fleet garage. The plan may be adjusted during the fiscal year based on needs and cost savings to achieve the maximum value and efficiency from the state motor fleet. Within 60 days after the close of the fiscal year, the MDTMB shall provide a report to the senate and house of representatives standing committees on appropriations, the chairpersons of the relevant appropriations subcommittees, the senate and house fiscal agencies, and the state budget director detailing the current plan and changes made to the plan during the fiscal year. The plan shall also be posted on the department website.

(4) The MDTMB may charge state agencies for fuel cost increases that exceed $3.04 per gallon of unleaded gasoline. The MDTMB shall notify state agencies, in writing or by electronic mail, at least 30 days before implementing additional charges for fuel cost increases. Revenues received from these charges are appropriated upon receipt.

(5) The state budget director, upon notification to the senate and house of representatives standing committees on appropriations, may adjust spending authorization and the IDG from motor transport fund in the MDTMB in order to ensure that the appropriations for motor vehicle fleet in the MDTMB budget equal the expenditures for motor vehicle fleet in the budgets for all executive branch agencies.

Sec. 814. The MDTMB shall develop a plan regarding the use of the funds appropriated in part 1 for the information technology investment fund. The plan shall include, but not be limited to, a description of proposed information technology investment projects, the time frame for completion of the information technology investment projects, the proposed cost of the information technology investment projects, the number of employees assigned to implement each information technology investment project, the contracts entered into for each information technology investment project, and any other information the MDTMB deems necessary. The plan shall be distributed to the senate and house of representatives standing committees on appropriations subcommittees on general government, as well as the senate and house fiscal agencies, and the state budget director on a quarterly basis. The submitted plan shall also include anticipated spending reductions or overages for each of the proposed information technology investment projects. The MDTMB shall notify the senate and house of representatives standing committees on appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget director when a project funded under an information technology investment project line item in part 1 is expected to require a transfer of dollars from another project in excess of $500,000.00.

Sec. 814a. The funds appropriated in part 1 for information technology investment fund shall be used for the modernization of state information technology systems, improvement of the state's cyber security framework, and to achieve efficiencies.

Sec. 816. An RFP issued for the purpose of privatization shall include all factors used in evaluating and determining price.

Sec. 818. In addition to the funds appropriated in part 1, the MDTMB may receive and expend money from the Michigan law enforcement officers memorial monument fund as provided in the Michigan law enforcement officers memorial act, 2004 PA 177, MCL 28.781 to 28.787.

Sec. 820. The MDTMB shall make available to the public a list of all parcels of real property owned by the state that are available for purchase. The list shall be posted on the internet through the MDTMB's website.

Sec. 822. The MDTMB shall compile a report by January 1 pertaining to the salaries of unclassified employees, as well as gubernatorial appointees, within all state departments and agencies. The report shall enumerate each unclassified employee and gubernatorial appointee and his or her annual salary individually. The report shall be distributed to the chairs of the senate and house of representatives standing committees on appropriations subcommittees on general government, as well as the senate and house fiscal agencies and be made available electronically.

Sec. 822b. (1) A public-private partnership investment fund is created in the MDTMB. Subject to subsections (2) and (3), public-private partnership investments shall include, but are not limited to, all of the following:

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

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

(c) Financial and investment incentive opportunities.

(d) Infrastructure construction, maintenance, and operation.

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

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

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

(4) Investment development revenue, including a portion of the proceeds from the sale of any public-private partnership investment designated in subsection (1), shall be deposited into the fund created in subsection (1) and shall be available for administration, development, financing, marketing, and operating expenditures associated with public-private partnerships, unless otherwise provided by law. Public-private partnership investments authorized in subsection (1) are authorized for public or private operation or sale consistent with state law. Expenditures from the fund are authorized for investment purposes as designated in subsection (1) to enhance the marketable value of each investment. The unencumbered balance remaining in the fund at the end of the fiscal year may be carried forward for appropriation in future years.

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

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

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

(6) The MDTMB shall monitor the revenue deposited in the public-private partnership investment fund created in subsection (1). If the revenue in the fund is insufficient to pay the amount appropriated in part 1 for public-private partnership investment, then the MDTMB shall propose a legislative transfer to fund the line from the appropriations in part 1.

Sec. 822c. The funds appropriated in part 1 shall not be used to support any staff effort, projects, consultant expenses, or any other activity related to the development, financing, construction, operation, or implementation of the Detroit River International Crossing or any successor project unless the project is approved by the legislature and signed into law.

Sec. 822d. By December 31, the MDTMB shall provide a report to the senate and house appropriations subcommittees on general government and the senate and house fiscal agencies that identifies fee and rate schedules to be used by state departments and agencies for services, including information technology, provided by the MDTMB during fiscal year 2018-2019. The report shall also identify changes from fees and rates charged in fiscal year 2017-2018 and include an explanation of the factors that justify each fee and rate increase.

Sec. 822e. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2019 are estimated at $85,199,900.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at $39,278,600.00. Total agency appropriations for retiree health care legacy costs are estimated at $45,921,300.00.

Sec. 822f. (1) The funds appropriated in part 1 for the regional prosperity initiative are to be used as competitive grants to eligible regional planning organizations qualifying for funding as a regional prosperity collaborative, a regional prosperity council, or a regional prosperity board. A regional planning organization may not qualify for funding under more than 1 category in the same state fiscal year. As used in this section:

(a) "Eligible regional planning organization" means any of the following:

(*i*) An existing regional planning commission created pursuant to 1945 PA 281, MCL 125.11 to 125.25.

(*ii*) An existing regional economic development commission created pursuant to 1966 PA 46, MCL 125.1231 to 125.1237.

(*iii*) An existing metropolitan area council formed pursuant to the metropolitan councils act, 1989 PA 292, MCL 124.651 to 124.729.

(*iv*) A Michigan metropolitan planning organization established pursuant to the moving ahead for progress in the 21st century act, Public Law 112-141.

(b) "Freedom of Information Act" means the freedom of information act, 5 USC 552.

(c) "Open meetings act" means the open meetings act, 1976 PA 267, MCL 15.261 to 15.275.

(d) "Regional prosperity board" means a regional body that has a singular governing board with representation from private, public, and nonprofit entities engaged in joint decision-making practices for the purpose of creating or maintaining a phase three: regional prosperity plan.

(e) "Regional prosperity collaborative" means any committee developed by a regional planning organization or a metropolitan planning organization that serves to bring organizational representation together from private, public, and nonprofit entities within a region for the purpose of creating or maintaining a phase one: regional prosperity plan.

(f) "Regional prosperity council" means a regional body with representation from private, public, and nonprofit entities with shared administrative services and an executive governing entity, as demonstrated by a formal local agreement or agreements for the purpose of creating or maintaining a phase two: regional prosperity plan.

(2) Regional planning organizations may qualify to receive not more than $45,000.00 of incentive-based funding as a regional prosperity collaborative subject to meeting all of the following requirements:

(a) The regional prosperity collaborative has created a phase one: regional prosperity plan, as follows:

(*i*) The regional prosperity collaborative must include regional representatives from adult education, workforce development, community development, economic development, transportation, and higher education organizations.

(*ii*) The plan is required, at a minimum, to include a 5-year plan focused on economic growth and vitality for the region, as well as a performance dashboard and measurable annual goals to support the 5-year plan.

(*iii*) The 5-year plan shall address regional strategies related to adult education, workforce development, economic development, transportation, higher education, and business development.

(*iv*) The regional prosperity collaborative shall adopt the plan by a minimum 2/3 majority vote of its members.

(b) The regional prosperity collaborative adheres to accountability and transparency measures required in the open meetings act and the freedom of information act.

(c) The regional prosperity collaborative convenes monthly meetings, open to the public, to consider and discuss issues leading to a common vision of economic prosperity for the region, including, but not limited to, community development, economic development, talent, and infrastructure opportunities.

(d) The regional prosperity collaborative makes available on the grant recipient's publicly accessible internet site pertinent documents, including, but not limited to, monthly meeting agendas, minutes of monthly meetings, voting records, and the regional prosperity plan and performance dashboard.

(e) The regional prosperity collaborative keeps a status report detailing the spending associated with previous regional prosperity initiative grants. Organizations that have successfully received grant awards in previous fiscal years shall be required to make available to the MDTMB and on a publicly accessible internet site information regarding the use of those grant dollars.

(3) Regional planning organizations eligible to receive a payment as a regional prosperity collaborative under subsection (2) may qualify to receive a one-time grant of not more than $70,000.00 to produce a plan to transform the regional prosperity collaborative into a regional prosperity council or regional prosperity board, including necessary local formal agreements, to make recommendations that eliminate duplicative efforts and administrative functions, and to leverage resources through cooperation, collaboration, and consolidations of organizations or programs throughout the region. Plans produced to transform the regional prosperity collaborative into a regional prosperity council or regional prosperity board shall be made available on the grant recipient's publicly accessible internet site. The regional prosperity collaborative may apply instead to use up to $70,000.00 of the one-time grant for integrated asset management under guidance from the Michigan infrastructure council in the Michigan department of treasury. The regional prosperity collaborative may not apply for funds under both the transformation grant and the integrated asset management grant.

(4) Regional planning organizations may qualify to receive not more than $340,000.00 of incentive-based funding as a regional prosperity council subject to meeting all of the following requirements:

(a) A regional prosperity council has been formed and includes regional representatives from adult education, workforce development, community development, economic development, transportation, and higher education organizations.

(b) An eligible regional prosperity council will demonstrate shared administrative services between 2 public regional entities included in subdivision (a). In addition, the council must have and maintain an executive governing entity, as demonstrated by a formal local agreement or agreements.

(c) The regional prosperity council has created a phase two: regional prosperity plan, as follows:

(*i*) The regional prosperity council shall identify opportunities for shared administrative services and decision-making among the private, public, and nonprofit entities within the region and shall continue collaboration with regional prosperity council members, including, but not limited to, representatives from adult education providers, workforce development agencies, community development agencies, economic development agencies, transportation service providers, and higher education institutions.

(*ii*) The plan is required to include, but is not limited to, all of the following:

(A) A status report of the approved 5-year plan.

(B) The addition of a 10-year plan for the region which builds upon prior work and is focused on economic growth and vitality in the region.

(C) A prioritized list of regional projects.

(D) A performance dashboard with measurable annual goals.

(*iii*) The regional prosperity council shall adopt the plan by a minimum 2/3 vote of its members.

(d) The regional prosperity council adheres to accountability and transparency measures required in the open meetings act and the freedom of information act.

(e) The regional prosperity council convenes monthly meetings, open to the public, to consider and discuss issues leading to a common vision of economic prosperity for the region, including, but not limited to, community development, economic development, talent, and infrastructure opportunities.

(f) The regional prosperity council makes available on the grant recipient's publicly accessible internet site pertinent documents, including, but not limited to, monthly meeting agendas, minutes of monthly meetings, voting records, and the regional prosperity plan and performance dashboard.

(g) The regional prosperity council keeps a status report detailing the spending associated with previous regional prosperity initiative grants. Organizations that have successfully received grant awards in previous fiscal years shall be required to make available to the MDTMB and on a publicly accessible internet site information regarding the use of those grant dollars.

(5) Regional planning organizations eligible to receive a payment as a regional prosperity council under subsection (4) may qualify to receive a one-time grant of not more than $70,000.00 to produce a plan to transform the regional prosperity council into a regional prosperity board, including a singular private/public governance structure that comports with federal guidelines for governance under the workforce investment act, Public Law 105-220, the moving ahead for progress in the 21st century act, Public Law 112-141, the economic development administration and Appalachian regional development reform act of 1998, Public Law 105-393, and recommendations to eliminate duplicative efforts, administrative functions, and leverage resources through cooperation, collaboration, and consolidations of organizations or programs throughout the region. The regional prosperity council may apply instead to use up to $70,000.00 of the one-time grant for integrated asset management under guidance from the Michigan infrastructure council in the Michigan department of treasury. The regional prosperity council may not apply for funds under both the transformation grant and the integrated asset management grant.

(6) Regional planning organizations may qualify to receive not more than $445,000.00 of incentive-based funding as a regional prosperity board subject to meeting all of the following requirements:

(a) The regional prosperity board has been formed and, at a minimum, must demonstrate the consolidation of a regional metropolitan planning organization, where one exists, state designated regional planning agency boards, workforce development boards, and federally designated regional economic development districts within a region.

(b) The regional prosperity board has created a phase three: regional prosperity plan, as follows:

(*i*) The regional prosperity board shall create a regional services recommendations report prioritizing the list of state-funded services and programs provided to the region, and recommendations for state-regional partnerships to support the adopted regional prosperity plan.

(*ii*) The plan is required to include a status report of the approved 10-year plan for the creation of an updated regional prosperity plan.

(*iii*) The regional prosperity board shall adopt the plan by a minimum 2/3 vote of its members.

(c) The regional prosperity board adheres to accountability and transparency measures required in the open meetings act and the freedom of information act.

(d) The regional prosperity board convenes monthly meetings, open to the public, to consider and discuss issues leading to a common vision of economic prosperity for the region, including, but not limited to, community development, economic development, talent, and infrastructure opportunities.

(e) The regional prosperity board makes available on the grant recipient's publicly accessible internet site pertinent documents, including, but not limited to, monthly meeting agendas, minutes of monthly meetings, voting records, and the regional prosperity plan and performance dashboard. The regional prosperity board may apply instead to use up to $70,000.00 of the one-time grant for integrated asset management under guidance from the Michigan infrastructure council in the Michigan department of treasury. The regional prosperity board may not apply for funds under both the transformation grant and the integrated asset management grant.

(7) Regional planning organizations eligible to receive a payment as a regional prosperity board under subsection (6) may qualify to receive not more than $125,000.00, to implement the prioritized regional prosperity plan projects.

(8) Regional planning organizations eligible to receive a payment as a regional prosperity collaborative, board, or council may partner with other eligible regional planning organizations to submit joint applications. In the instance of a joint application, 1 regional planning organization shall be utilized as the overall applicant. The MDTMB may award a joint application award of no greater than the sum of potential application dollars which would have otherwise been available through individual applications.

(9) The MDTMB shall develop an application process and method of grant distribution for the regional prosperity initiative. Funding applications from regional planning organizations shall be due to the MDTMB by November 26, 2018. The MDTMB shall notify regional planning organizations of grant application status by December 31, 2018. The MDTMB shall ensure that processes are established to verify that qualifying regional planning organizations meet the requirements under subsections (2), (3), (4), (5), (6), and (7), as applicable.

(10) Unexpended funds appropriated in part 1 for the regional prosperity initiative are designated as work project appropriations, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditure for regional prosperity initiative projects under this section until the projects have been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the projects is to provide incentive-based grants to recipients under this section.

(b) The projects will be accomplished by grants to qualified regional planning organizations.

(c) The total estimated cost of all projects is $3,970,000.00.

(d) The estimated completion date is September 30, 2023.

(11) The department may dedicate 0.3 FTEs with $30,000.00 to manage the evaluation of the regional prosperity initiative, departmental implementation of the regional prosperity initiative, and grant management.

Sec. 822g. The MDTMB shall report quarterly to the senate and house of representatives standing committees on appropriations, the senate and house appropriations subcommittees on general government, and the senate and house fiscal agencies on legal service fund expenditures. The report shall itemize expenditures by case, purpose, and department involved and shall include expenditures related to all previously appropriated funds.

Sec. 822m. (1) From the funds appropriated in part 1, the MDTMB shall establish a system that collaborates with other departments to keep track of the performance of vendors in fulfilling contract obligations. The performance of these vendors shall be recorded and used as a factor to determine future contracts awarded in the procurement process.

(2) By March 15 the MDTMB shall provide a complete listing of all state departments and agencies that have not complied with the requirements of this section by March 1. The report listing noncompliant state departments and agencies shall be submitted no later than March 15 to the chairpersons of the subcommittees on general government, the senate and house fiscal agencies, and the state budget director.

Sec. 822n. From the funds appropriated in part 1, beginning on October 1, the MDTMB shall ensure that all new requests for proposals that are publicly displayed on the webpage include the proposal's corresponding department and agency for the purpose of searching for requests for proposals by department and agency.

Sec. 822o. By November 1, 2018, the MDTMB shall work cooperatively with the department of health and human services to identify a location for the new Northern Satellite Psychiatric Facility capital outlay project approved for planning authorization in article II of 2017 PA 107. If a location has not been identified by November 1, 2018, the department of technology, management, and budget shall provide a status report on potential locations, a reasoning why a location has not been identified, and the progress toward completing the new Northern Satellite Psychiatric Facility capital outlay project approved for planning authorization in article II of 2017 PA 107. The report shall be provided to the state budget office, the house and senate standing committees on appropriations, the joint capital outlay subcommittee, and the house and senate fiscal agencies.

INFORMATION TECHNOLOGY

Sec. 823. (1) The MDTMB may sell and accept paid advertising for placement on any state website under its jurisdiction. The MDTMB shall review and approve the content of each advertisement. The MDTMB may refuse to accept advertising from any person or organization or require modification to advertisements based upon criteria determined by the MDTMB. Revenue received under this subsection shall be used for operating costs of the MDTMB and for future technology enhancements to state of Michigan e-government initiatives. Funds received under this subsection shall be limited to $250,000.00. Any funds in excess of $250,000.00 shall be deposited in the state general fund.

(2) The MDTMB may accept gifts, donations, contributions, bequests, and grants of money from any public or private source to assist with the underwriting or sponsorship of state webpages or services offered on those webpages. A private or public funding source may receive recognition in the webpage. The MDTMB may reject any gift, donation, contribution, bequest, or grant.

(3) Funds accepted by the MDTMB under subsection (1) or (2) are appropriated and allotted when received and may be expended upon approval of the state budget director. The state budget office shall notify the senate and house of

representatives standing committees on appropriations subcommittees on general government and the senate and house fiscal agencies within 10 days after the approval is given. The MDTMB shall provide a report to the senate and house of representatives appropriations subcommittees on general government and senate and house fiscal agencies that details the funds accepted for the prior fiscal year by November 1.

Sec. 824. The MDTMB may enter into agreements to supply spatial information and technical services to other principal executive departments, state agencies, local units of government, and other organizations. The MDTMB may receive and expend funds in addition to those authorized in part 1 for providing information and technical services, publications, maps, and other products. The MDTMB may expend amounts received for salaries, supplies, and equipment necessary to provide informational products and technical services. Prior to December 1 of each year, the MDTMB shall provide a report to the senate and house of representatives standing committees on appropriations subcommittees on general government and the state budget office detailing the sources of funding and expenditures made under this section.

Sec. 825. The legislature shall have access to all historical and current data contained within SIGMA, or its predecessor, pertaining to state departments. State departments shall have access to all historical and current data contained within SIGMA or its predecessor.

Sec. 826. When used in this part and part 1, "information technology services" means services involving all aspects of managing and processing information, including, but not limited to, all of the following:

(a) Application and mobile development and maintenance.

(b) Desktop computer support and management.

(c) Cyber security.

(d) Social media.

(e) Mainframe computer support and management.

(f) Server support and management.

(g) Local area network support and management, including, but not limited to, wired and wireless network build-out, support, and management.

(h) Information technology project management.

(i) Information technology planning and budget management.

(j) Telecommunication services, infrastructure, and support.

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

(2) The MDTMB shall assess all subscribers of the Michigan public safety communications system reasonable access and maintenance fees and shall deposit the fees in the Michigan public safety communications systems fees fund.

(3) All money received by the MDTMB under this section shall be expended for the support and maintenance of the Michigan public safety communications system.

Sec. 827a. From the funds appropriated in part 1 for the Michigan public safety communications system, up to $2,000,000.00 of the funds shall be used to pay the outstanding unpaid invoices for local agencies billed by the Michigan public safety communications system that are dated at least 3 years prior to the current fiscal year. Any unpaid invoices for local agencies that are dated after September 30, 2015 are not eligible for payment under this section and must be paid in full by the local entity before receiving payments under this section.

Sec. 828. The MDTMB shall submit a report for the immediately preceding fiscal year ending September 30 to the senate and house of representatives standing committees on appropriations subcommittees on general government and the senate and house fiscal agencies by March 1. The report shall include the following:

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

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

Sec. 829. The MDTMB shall provide a report that analyzes and makes recommendations on the life-cycle of information technology hardware and software. The report shall be submitted to the senate and house of representatives standing committees on appropriations subcommittees on general government and the senate and house fiscal agencies by March 1.

Sec. 830. (1) The department of technology, management, and budget, enterprise portfolio management office (EPMO), must provide a report on a quarterly basis providing key information on all executive branch department and enterprisewide information technology projects. The report must be submitted to the senate and house appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget director as well as being posted online.

(2) The report must contain the following information, as applicable, for each active information technology project and each completed information technology project closed within the 2-year period immediately preceding the quarterly due date of the report:

(a) The client department, agency, or organization for which the project is being undertaken.

(b) The active or completed status.

(c) For active projects, the number of days the current approved completion date differs from the initial planned completion date.

(d) For active projects, the dollar amount the current approved budget differs from the initial planned budget.

(e) For completed projects, the number of days the actual completion date differed from the initial planned completion date.

(f) For completed projects, the dollar amount the actual cost differed from the initial planned budget.

(g) The project name.

(h) The purpose and high-level description.

(i) Whether the project is managed by EPMO.

(j) The initial planned budget.

(k) The revised budget if there is any increase or decrease to the project's initial budget.

(*l*) The actual cost to date.

(m) The planned start date.

(n) The actual start date.

(o) The initial planned completion date.

(p) The revised planned completion date if there is a change from the initial planned completion date.

(q) The actual completion date.

(r) A brief description of the benefit or justification of changes by project change request that impact a project's schedule or budget.

(s) Whether quality assurance services are assigned to the project.

(t) The project success score after project closure.

(u) The customer satisfaction rating after project closure.

(3) The report must include the total number of completed projects for which costs exceeded the initial budget, the total number of completed projects for which the completion date occurred after the initial planned completion date, the total number of completed projects that exceeded both the initial planned budget and schedule, and the corresponding percentages of each of these numbers of all completed projects.

Sec. 831. (1) From funds appropriated in part 1 for the office of retirement services actuarial analyses, up to $4,000.00 must be used to conduct an actuarial analysis to determine the costs incurred by the state employees retirement system as a result of implementing the provisions of House Bill No. 5411 of the 99th Legislature. Funds authorized under this subsection and the requirements of this subsection do not take effect unless House Bill No. 5411 of the 99th Legislature is enacted into law.

(2) From funds appropriated in part 1 for the office of retirement services actuarial analyses, up to $6,000.00 must be used to conduct an actuarial analysis to determine the costs incurred by the state employees retirement system as a result of implementing the provisions of Senate Bill No. 747 of the 99th Legislature. Funds authorized under this subsection and the requirements of this subsection do not take effect unless Senate Bill No. 747 of the 99th Legislature is enacted into law.

Sec. 832. (1) The MDTMB shall inform the senate and house appropriations subcommittees on general government and the senate and house fiscal agencies within 30 days of any potential or actual penalties assessed by the federal government for failure of the Michigan child support enforcement system to achieve certification by the federal government.

(2) If potential penalties are assessed by the federal government, the MDTMB shall submit a report to the senate and house appropriations subcommittees on general government and the senate and house fiscal agencies within 90 days

specifying the MDTMB's plans to avoid actual penalties and ensure federal certification of the Michigan child support enforcement system.

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

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

Sec. 834. (1) Revenue collected from licenses issued under the antenna site management project shall be deposited into the antenna site management revolving fund created for this purpose in the MDTMB. The MDTMB may receive and expend money from the fund for costs associated with the antenna site management project, including the cost of a third-party site manager. Any excess revenue remaining in the fund at the close of the fiscal year shall be proportionately transferred to the appropriate state restricted funds as designated in statute or by constitution.

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

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

(2) The MDTMB must submit a report to the house and senate appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget office by March 1 that provides the amount of revenue collected by the MDTMB from the authorization in subsection (1) and the amount of revenue carried forward.

Sec. 835a. (1) From the funds appropriated in part 1 for census-related services, for every $4.00 in private matching funds received, this state shall allocate $1.00, up to $500,000.00 in state contributions, to support census outreach and preparation for citizen participation in the upcoming 2020 federal census. The purpose of the funding is to prepare for the census to ensure an accurate citizen count. The funding shall be used to support a 2020 Michigan complete count committee, staffing related to census outreach, and implementation of outreach strategies, including, but not limited to, training for local officials, support of local complete count committees, and coordination with the Michigan nonprofit complete count committee.

(2) Unexpended and unencumbered funds up to a maximum $500,000.00 in general fund/general purpose revenue plus any contributions of private matching funds, up to $2,000,000.00 remaining in accounts appropriated in part 1 for census-related services, are designated as work project appropriations, and any unencumbered or unalloted funds shall not lapse at the end of the fiscal year and shall be available for expenditures to support census outreach and preparation for citizen participation in the 2020 federal census under this section until the work project has been completed. All of the following are in compliance with section 451a(1) of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the work project is to fund the cost of the Michigan Nonprofits Count Campaign to support census outreach and citizen participation preparation for the 2020 federal census.

(b) The work project will be accomplished by partnering with the Michigan Nonprofit Association.

(c) The total estimated completion cost of the work project is $2,500,000.00.

(d) The tentative completion date is September 30, 2022.

Sec. 836. From the increased funds appropriated in part 1 for the information technology investment fund, the MDTMB shall provide for the modernization of state information technology systems, and integrate state system interfaces to improve customer service.

Sec. 840. From the funds appropriated in part 1 for enterprise portfolio management, the MDTMB shall identify specific outcomes and performance measures including, but not limited to, the following:

(a) Implement enhanced IT project management service delivery through statewide application of best practice models and services.

(b) Collaborate with state agencies to bring all project management and project control office contracts under the enterprise portfolio management office.

(c) Initiate steps to improve the state unified information technology environment compliance rating.

STATE BUILDING AUTHORITY RENT

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

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

CIVIL SERVICE COMMISSION

Sec. 850. (1) In accordance with section 5 of article XI of the state constitution of 1963, all restricted funds shall be assessed a sum not less than 1% of the total aggregate payroll paid from those funds for financing the civil service commission on the basis of actual 1% restricted sources total aggregate payroll of the classified service for the preceding fiscal year. This includes, but is not limited to, restricted funds appropriated in part 1 of any appropriations act. Unexpended 1% appropriated funds shall be returned to each 1% fund source at the end of the fiscal year.

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

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

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

Sec. 852. The appropriation in part 1 to the civil service commission, for state-sponsored group insurance, flexible spending accounts, and COBRA, represents amounts, in part, included within the various appropriations throughout state government for the current fiscal year to fund the flexible spending account program included within the civil service commission. Deposits against state-sponsored group insurance, flexible spending accounts, and COBRA for the flexible spending account program shall be made from assessments levied during the current fiscal year in a manner prescribed by the civil service commission. Unspent employee contributions to the flexible spending accounts may be used to offset administrative costs for the flexible spending account program, with any remaining balance of unspent employee contributions to be lapsed to the general fund.

CAPITAL OUTLAY

Sec. 860. As used in sections 861 through 867 of this part:

(a) “Board” means the state administrative board.

(b) “Community college” means a community college organized under the community college act of 1966, 1966 PA 331, MCL 389.1 to 389.195, or under part 25 of the revised school code, 1976 PA 451, MCL 380.1601 to 380.1607, and does not include a state agency or university.

(c) “Department” means the department of technology, management, and budget.

(d) “Director” means the director of the department of technology, management, and budget.

(e) “Fiscal agencies” means the senate fiscal agency and the house fiscal agency.

(f) “State agency” means an agency of state government. State agency does not include a community college or university.

(g) “State building authority” means the authority created under 1964 PA 183, MCL 830.411 to 830.425.

(h) “University” means a 4-year university supported by the state. University does not include a community college or a state agency.

Sec. 861. Each capital outlay project authorized in this part and part 1 or any previous capital outlay act shall comply with the procedures required by the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

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

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

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

(b) The balance remaining in each account.

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

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

(e) The appropriations history for the project.

(f) The professional service contractor.

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

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

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

(3) Before the end of each fiscal year, the department shall report the following for each project by a state agency, university, or community college that is authorized for planning but is not yet authorized for construction:

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

(b) Whether a program statement is approved.

(c) Whether schematics are approved by the department.

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

(e) The name of the professional service contractor.

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

Sec. 864. The appropriations in part 1 for capital outlay shall be carried forward at the end of the fiscal year consistent with the provisions of section 248 of the management and budget act, 1984 PA 431, MCL 18.1248.

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

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

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

(4) An annual report shall be transmitted to the senate and house of representatives standing committees on appropriations not later than December 31 of each year. This report shall detail both of the following:

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

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

Sec. 867. Proceeds from the sale of the Farnum Building shall be subsequently appropriated to the department in accordance with any legislation enacted that authorizes the sale of that property. If the net proceeds from the sale of the Farnum Building are less than the $7,000,000.00 authorized for senate relocation costs in section 896 of article VIII of 2014 PA 252, an amount equal to the difference between the net sale proceeds and $7,000,000.00 shall be appropriated by the legislature to the department.

CAPITAL OUTLAY - UNIVERSITIES AND COMMUNITY COLLEGES

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

(2) State support is directed towards the remodeling and additions, special maintenance, or construction of certain community college buildings. The community college shall obtain or provide for site acquisition and initial main utility installation to operate the facility. Funding shall be composed of local and state shares and not more than 50% of a capital outlay project, not including a lump-sum special maintenance project or remodeling and addition project, for a community college shall be appropriated from state and federal funds, unless otherwise appropriated by the legislature.

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

(4) The community college shall take the steps necessary to secure available federal construction and equipment money for projects funded for construction in this part and part 1 if an application was not previously made. If there is a reasonable expectation that a prior year unfunded application may receive federal money in a subsequent year, the college shall take whatever action necessary to keep the application active.

Sec. 874. If university and community college matching revenues are received in an amount less than the appropriations for capital projects contained in this part and part 1, the state funds shall be reduced in proportion to the amount of matching revenue received.

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

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

ONE-TIME APPROPRIATIONS

Sec. 880. (1) The drinking water declaration of emergency reserve fund is created within the department of treasury.

(2) Any unexpended funds in the drinking water declaration of emergency reserve fund created in section 880 of article VIII of 2017 PA 107 shall be carried forward and available for expenditure under this section pursuant to section 880(5) of article VIII of 2017 PA 107.

(3) Funds may only be spent from the drinking water declaration of emergency reserve fund upon appropriation, or legislative transfer pursuant to section 393 of the management and budget act, 1984 PA 431, MCL 18.1393.

(4) Interest and earnings from the investment of funds deposited in the drinking water declaration of emergency reserve fund shall be deposited in the general fund.

(5) Funds in the drinking water declaration of emergency reserve fund at the close of a fiscal year shall remain in the drinking water declaration of emergency reserve fund and shall not lapse to the general fund.

DEPARTMENT OF TREASURY

OPERATIONS

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

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

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

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

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

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

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

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

Sec. 902b. As a condition of receiving funds appropriated in part 1, the department of treasury shall report by February 1 to the chairpersons of the senate and house of representatives appropriations subcommittees on general government, the house and senate fiscal agencies, and the state budget office on all funds that are controlled or administered by the department and not appropriated in part 1. This notification can be completed electronically and the department of treasury must notify the recipients when the report is publicly available. Both the current and any previous reports required under this section shall be saved and publicly available on the department of treasury public internet website and stored in a common location with all other statutory and boilerplate required reports. The link to the location of the reports shall be clearly indicated on the main page of the department of treasury internet website. The report shall include all of the following information:

(a) The starting balance for each fund from the previous fiscal year.

(b) Total revenue generated by both transfers in and investments for each fund in the previous fiscal year.

(c) Total expenditures for each fund in the previous fiscal year.

(d) The ending balance for each fund for the previous fiscal year.

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

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

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

(4) As a condition of receiving funds appropriated in part 1 for collection services, the department of treasury shall issue an RFP for secondary placement collection services when RFPs are issued for primary collection services. The RFP shall allow for a multiple collection contract approach. It shall also allow a bidder to bid on the entire contract, or for individual components of the contract. The department of treasury shall issue a request for competitive proposals from service providers interested in providing collection services, including secondary placement collections services. The competitive proposal for secondary placement services shall meet all of the following requirements when an RFP for primary collections services is issued:

(a) Be issued no later than November 30 with responses due by January 30.

(b) The department of treasury shall make a determination regarding the RFP by May 30.

(c) Establish criteria for when delinquent accounts will be referred to the secondary placement service.

(d) Provide information to the department of treasury necessary to evaluate the performance of the program.

(e) Demonstrate that the vendor has the ability to interface its technology systems with the existing technology framework of the department of treasury.

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

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

Sec. 904a. (1) There is appropriated an amount sufficient to recognize and pay expenditures for financial services provided by financial institutions or equivalent vendors that perform these services including treasury as provided under section 1 of 1861 PA 111, MCL 21.181.

(2) The appropriations under subsection (1) shall be funded by restricting revenues from common cash interest earnings and investment earnings in an amount sufficient to record these expenditures. If the amounts of common cash interest earnings are insufficient to cover these costs, then miscellaneous revenues shall be used to fund the remaining balance of these expenditures.

Sec. 905. A revolving fund known as the municipal finance fee fund is created in the department of treasury. Fees are established under the revised municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2821, and the fees collected shall be credited to the municipal finance fee fund and may be carried forward for future appropriation.

Sec. 906. (1) The department of treasury shall charge for audits as permitted by state or federal law or under contractual arrangements with local units of government, other principal executive departments, or state agencies. However, the charge shall not be more than the actual cost for performing the audit. A report detailing audits performed and audit charges for the immediately preceding fiscal year shall be submitted to the state budget director, the chairpersons of the relevant appropriations subcommittees, and the senate and house fiscal agencies not later than November 30.

(2) A revolving fund known as the audit charges fund is created in the department of treasury. The contractual charges collected shall be credited to the audit charges fund and may be carried forward for future appropriation.

Sec. 907. A revolving fund known as the assessor certification and training fund is created in the department of treasury. The assessor certification and training fund shall be used to organize and operate a property assessor certification and training program. Each participant certified and trained shall pay to the department of treasury examination fees not to exceed $50.00 per examination and certification fees not to exceed $175.00. Training courses shall be offered in assessment administration. Each participant shall pay a fee to cover the expenses incurred in offering

the optional programs to certified assessing personnel and other individuals interested in an assessment career opportunity. The fees collected shall be credited to the assessor certification and training fund.

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

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

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

Sec. 911. There is appropriated an amount sufficient to recognize and pay refundable income tax credits as provided by law.

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

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

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

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

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

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

Sec. 915. Pursuant to section 61 of the Michigan campaign finance act, 1976 PA 388, MCL 169.261, there is appropriated from the general fund to the state campaign fund an amount equal to the amounts designated for tax year 2016. Except as otherwise provided in this section, the amount appropriated shall not revert to the general fund and shall remain in the state campaign fund. Any amounts remaining in the state campaign fund in excess of $10,000,000.00 on December 31 shall revert to the general fund.

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

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

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

Sec. 919. (1) From funds appropriated in part 1, the department of treasury may contract with private auditing firms to audit for and collect unclaimed property due this state in accordance with the uniform unclaimed property act, 1995 PA 29, MCL 567.221 to 567.265. In addition to the amounts appropriated in part 1 to the department of treasury, there are appropriated amounts necessary to fund auditing and collection costs and fees not to exceed 12% of the collections, or a lesser amount as prescribed by the contract. The appropriation to fund collection costs and fees for the auditing

and collection of unclaimed property due this state is from the fund or account to which the revenues being collected are recorded or dedicated.

(2) The department of treasury shall submit a report for the immediately preceding fiscal year ending September 30 to the state budget director, the senate and house of representatives standing committees on appropriations, and the chairpersons of the relevant appropriations subcommittees not later than November 30 stating the auditing firms employed, the amount of collections for each, the costs of collection, and other pertinent information relating to determining whether this authority should be continued.

Sec. 920. (1) The department of treasury shall produce a listing of all personal property tax reimbursement payments to be distributed by the local community stabilization authority related to property taxes levied in the current calendar year and shall post the list of payments on the department website by September 30.

(2) The department of treasury shall prepare a written notice that describes the potential for adjustments in personal property tax reimbursement payments that will affect the subsequent payment. The department of treasury shall provide the notice to the local community stabilization authority by March 31.

(3) The local community stabilization authority shall distribute the notice prepared under subsection (2) to all municipalities by April 30. The notice may be distributed electronically.

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

(2) The department of treasury shall submit a report for the immediately preceding fiscal year to the state budget director, the chairpersons of the relevant appropriations subcommittees, and the senate and house fiscal agencies not later than December 31 stating the amount of exemptions denied and the revenue received under the program.

Sec. 926. Unexpended appropriations of the John R. Justice grant program are designated as work project appropriations and shall not lapse at the end of the fiscal year and shall continue to be available for expenditure until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

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

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

(c) The total estimated cost of the project is $287,700.00.

(d) The tentative completion date is September 30, 2020.

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

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

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

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

Sec. 931. (1) The appropriation in part 1 to the department of treasury for treasury fees shall be assessed against all restricted funds that receive common cash earnings or other investment income. Treasury fees include all costs, including administrative overhead, relating to the investment of each restricted fund. The fee assessed against each restricted

fund will be based on the size of the restricted fund (the absolute value of the average daily cash balance plus the market value of investments in the prior fiscal year) and the level of effort necessary to maintain the restricted fund as required by each department. The department of treasury shall provide a report to the state budget office, the senate and house of representatives standing committees on appropriations subcommittees on general government, and the senate and house fiscal agencies by November 30 of each year identifying the fees assessed against each restricted fund and the methodology used for assessment.

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

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

Sec. 934. (1) The department of treasury may expend revenues received under the hospital finance authority act, 1969 PA 38, MCL 331.31 to 331.84, the shared credit rating act, 1985 PA 227, MCL 141.1051 to 141.1076, the higher education facilities authority act, 1969 PA 295, MCL 390.921 to 390.934, the Michigan public educational facilities authority, Executive Reorganization Order No. 2002-3, MCL 12.192, the Michigan tobacco settlement finance authority act, 2005 PA 226, MCL 129.261 to 129.279, the land bank fast track act, 2003 PA 258, MCL 124.751 to 124.774, part 505 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.50501 to 324.50522, the state housing development authority act of 1966, 1966 PA 346, MCL 125.1401 to 125.1499c, and the Michigan finance authority, Executive Reorganization Order No. 2010-2, MCL 12.194, for necessary salaries, wages, supplies, contractual services, equipment, worker's compensation insurance premiums, grants to the civil service commission and state employees' retirement fund, and other expenses as allowed under those acts.

(2) The department of treasury shall report by January 31 to the senate and house appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget director on the amount and purpose of expenditures made under subsection (1) from funds received in addition to those appropriated in part 1. The report shall also include a listing of reimbursement of revenue, if any. The report shall cover the previous fiscal year.

Sec. 935. The funds appropriated in part 1 for dual enrollment payments for an eligible student enrolled in a state-approved nonpublic school shall be distributed as provided under the postsecondary enrollment options act, 1996 PA 160, MCL 388.511 to 388.524, and the career and technical preparation act, 2000 PA 258, MCL 388.1901 to 388.1913, in a form and manner as determined by the department of treasury.

Sec. 936. (1) From the funds appropriated in part 1 for financial data analytic tool reimbursement, there is allocated an amount not to exceed $500,000.00 for reimbursements to cities, villages, townships, counties, and regional councils of government for the licensing of data analytic tools as described under this section. Reimbursements are for cities, villages, townships, counties, and regional councils of governments that choose to use a data analytic tool with 1 of the 2 vendors approved by the MDTMB in 2017-2018. Funds allocated under this section are intended to provide cities, villages, townships, counties, and regional councils of government with financial forecasting and transparency reporting tools to improve the financial health of cities, villages, townships, counties, and regional councils of government and to improve communication with the public.

(2) The approved data analytic tool vendors from 2017-2018 must continue to do all of the following:

(a) Analyze financial data.

(b) Analyze pension and other postemployment benefit trends.

(c) Provide early warning indicators of financial stress.

(d) Provide peer community comparisons of financial data.

(e) Provide financial projections for at least 3 subsequent fiscal years.

(3) Funds from any financial data analytic tool reimbursement work projects shall be used prior to using funds appropriated in the current year. Funds allocated under this section shall be paid to cities, villages, townships, counties, and regional councils of government that execute an agreement on behalf of their geographic local units as a reimbursement for already having a licensing agreement or for entering into a licensing agreement not later than December 1, 2018 with a vendor approved under subsection (2) from the 2017-2018 appropriation, to implement a data analytic agreement. Reimbursement under this section shall be made as follows:

(a) All cities, villages, townships, counties, and regional councils of government seeking reimbursement shall submit requests not later than December 1, 2018 indicating the cost paid for the financial data analytic tool by virtue of providing an invoice, purchase order, or proof of payment.

(b) The department of treasury shall determine the sum of the funding requested by all cities, villages, townships, counties, and regional councils of government under subdivision (a) and, if there are sufficient funds, shall reimburse 1/2 of the costs submitted by each city, village, township, county, and regional council of government under subdivision (a). If there are insufficient funds to pay 1/2 of the costs submitted under subdivision (a), the reimbursement shall be made on an equal percentage basis using 2016 census population estimates from the United States Census Bureau.

(c) The reimbursement to a city, village, township, county, or regional council of government shall not be greater than the amount paid for a data analytic application.

(d) A city, village, township, county, or regional council of government shall not be reimbursed for the purchase of more than 1 software application.

(e) Any unexpended funds are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for projects under this section until the projects have been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a.

(*i*) The purpose of the project is for financial data analytic tool reimbursement.

(*ii*) The project will be accomplished by utilizing state employees, contracts with a vendor, or contracts with local units, or any combination of these.

(*iii*) The total estimated cost of the project is $500,000.00.

(*iv*) The tentative completion date is September 30, 2023.

(4) Payments under this section shall be made on a schedule determined by the department.

(5) Within 30 days after the department of treasury has made all payments under subsection (3), the department of treasury shall report the following to the senate and house of representatives standing committees on appropriations subcommittees on general government, the state budget office, and the fiscal agencies:

(a) The total amount of payments made.

(b) If the payments were prorated, the amount of proration.

(c) A list of each payment made to cities, villages, townships, counties, and regional councils of government.

Sec. 937. As a condition of receiving funds appropriated in part 1, the department of treasury shall submit a report to the state budget director, the senate and house standing committees on appropriations, the chairpersons of the relevant appropriations subcommittees, and the senate and house fiscal agencies not later than March 31 regarding the performance of the Michigan accounts receivable collections system. The report shall include, but is not limited to:

(a) Information regarding the effectiveness of the department's current collection strategies, including use of vendors or contractors.

(b) The amount of delinquent accounts and collection referrals to vendors and contractors.

(c) The liquidation rates for declining delinquent accounts.

(d) The profile of uncollected delinquent accounts, including specific uncollected amounts by category.

(e) The department of treasury's strategy to manage delinquent accounts once those accounts exceed the vendor's or contractor's contracted collectible period.

(f) A summary of the strategies used in other states, including, but not limited to, secondary placement services, and assessing the benefits of those strategies.

Sec. 940. The department of treasury shall study the feasibility of requiring homeowners to file principal residence exemption documents directly with the department of treasury. The feasibility study shall include information regarding additional staffing and administrative resources necessary and a comparison to the cost of existing third-party validation services to implement the change. The department of treasury shall provide a report of its findings to the chairpersons of the senate and house of representatives standing committees on appropriations, the chairpersons of the senate and house of representatives standing committees on appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget director by January 1.

Sec. 941. (1) The department of treasury, in conjunction with the Michigan strategic fund, shall report to the senate and house of representatives standing committees on appropriations, the senate and house of representatives appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget office by November 1 on the annual cost of the Michigan economic growth authority tax credits. The report shall include for each year the board-approved credit amount, adjusted for credit amendments where applicable, and the actual and projected value of tax credits for each year from 1995 to the expiration of the credit program. For years for which credit claims are complete, the report shall include the total of actual certificated credit amounts. For years for which claims are still pending or not yet submitted, the report shall include a combination of actual credits where available and

projected credits. Credit projections shall be based on updated estimates of employees, wages, and benefits for eligible companies.

(2) In addition to the report under subsection (1), the department of treasury, in conjunction with the Michigan strategic fund, shall report to the senate and house of representatives standing committees on appropriations, the senate and house of representatives appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget office by November 1 on the annual cost of all other certificated credits by program, for each year until the credits expire or can no longer be collected. The report shall include estimates on the brownfield redevelopment credit, film credits, MEGA photovoltaic technology credit, MEGA polycrystalline silicon manufacturing credit, MEGA vehicle battery credit, and other certificated credits.

Sec. 942. As a condition of receiving funds appropriated in part 1 for supervision of the general property tax law, the department of treasury shall prioritize maintaining existing contracts related to the property services division.

Sec. 943. From the funds appropriated in part 1, the department of treasury may establish a closed-loop payment processing and digital patient identification delivery and authentication system under which the department creates accounts to be used only by registered patients and caregivers at licensed dispensaries as well as by all license holders and licensed marihuana businesses, vendors, and other approved participants in the state program.

Sec. 944. If the department of treasury hires a pension plan consultant using any of the funds appropriated in part 1, the department shall retain any report provided to the department by that consultant, notify the senate and house of representatives appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget director, and shall make that report available upon request to the senate and house of representatives standing committees on appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget director. A rationale for retention of a pension plan consultant shall be included in the notification of retention.

Sec. 945. Reviews of local unit assessment administration practices, procedures, and records, also known as the audit of minimal assessing requirements, shall be conducted in each assessment jurisdiction a minimum of once every 5 years.

Sec. 946. Revenue collected in the convention facility development fund is appropriated and shall be distributed under sections 8, 9, and 10 of the state convention facility development act, 1985 PA 106, MCL 207.628 and 207.629.

Sec. 947. Financial independence teams shall cooperate with the financial responsibility section to coordinate and streamline efforts in identifying and addressing fiscal emergencies in school districts and intermediate school districts.

Sec. 948. Total authorized appropriations from all department of treasury sources under part 1 for legacy costs for the fiscal year ending September 30, 2019 are $44,037,800.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at $20,302,200.00. Total agency appropriations for retiree health care legacy costs are estimated at $23,735,600.00.

Sec. 949. (1) From the funds appropriated in part 1, the department of treasury may contract with private agencies to prevent the disbursement of fraudulent tax refunds. In addition to the amounts appropriated in part 1 to the department of treasury, there are appropriated amounts necessary to pay contract costs or fund operations designed to reduce fraudulent income tax refund payments not to exceed $1,200,000.00 of the refunds identified as potentially fraudulent and for which payment of the refund is denied. The appropriation to fund fraud prevention efforts is from the fund or account to which the revenues being collected are recorded or dedicated.

(2) The department of treasury shall submit a report for the immediately preceding fiscal year ending September 30 to the state budget director, the senate and house of representatives standing committees on appropriations, and the chairpersons of the relevant appropriations subcommittees not later than November 30 stating the number of refund claims denied due to the fraud prevention operations, the amount of refunds denied, the costs of the fraud prevention operations, and other pertinent information relating to determining whether this authority should be continued.

Sec. 949a. From the funds appropriated in part 1 for additional staff in city income tax administration, the department shall expand individual income tax return administration to 1 additional city to leverage the department's capabilities to assist cities with their taxation efforts.

Sec. 949d. (1) From the funds appropriated in part 1 for financial review commission, the department of treasury shall continue financial review commission efforts in the current fiscal year. The purpose of the funding is to cover ongoing costs associated with the operation of the commission.

(2) The department of treasury shall identify specific outcomes and performance measures for this initiative, including, but not limited to, the department of treasury's ability to perform a critical fiscal review to ensure the city of

Detroit does not reenter distress following its exit from bankruptcy and to ensure that the community district does not enter distress and maintains a balanced budget.

(3) The department of treasury must submit a report to the house and senate appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget office by March 15. The report must describe the specific outcomes and measures required in subsection (1) and provide the results and data related to these outcomes and measures.

Sec. 949e. From the funds appropriated in part 1 for the state essential services assessment program, the department of treasury shall administer the state essential services assessment program. The program will provide the department of treasury the ability to collect the state essential services assessment which is a phased-in replacement of locally collected personal property taxes on eligible manufacturing personal property.

Sec. 949f. Revenue from the tobacco products tax act, 1993 PA 327, MCL 205.421 to 205.436, related to counties with a 2000 population of more than 2,000,000 is appropriated and shall be distributed under section 12(4)(d) of the tobacco products tax act, 1993 PA 327, MCL 205.432.

Sec. 949g. From the one-time funds appropriated in part 1 for urban search and rescue task force, $900,000.00 shall be expended to support the urban search and rescue task force. In distributing funds under this section, the department of treasury shall require the task force to provide to the department the following information:

(a) A final year-end report providing information on all revenue received by source and expenditures by categories, with the funds distributed to the task force under section 949g of article VIII of 2017 PA 107 discretely presented.

(b) Detail on the proposed expenditure of the funds distributed under this section.

(c) A final year-end report providing information on all revenue received by source and expenditures by categories, with the funds distributed under this section discretely presented.

Sec. 949h. Revenue from part 6 of the medical marihuana facilities licensing act, 2016 PA 281, MCL 333.27601 to 333.27605, is appropriated and distributed pursuant to part 6 of the medical marihuana facilities licensing act, 2016 PA 281, MCL 333.27601 to 333.27605.

Sec. 949j. All funds in the wrongful imprisonment compensation fund created in the wrongful imprisonment compensation act, 2016 PA 343, MCL 691.1751 to 691.1757, are appropriated and available for expenditure. Expenditures are limited to support wrongful imprisonment compensation payments pursuant to section 6 of the wrongful imprisonment compensation act, 2016 PA 343, MCL 691.1756.

Sec. 949k. There is appropriated an amount equal to the tax captured revenues due under approved transformational brownfield plans created in the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2670.

Sec. 949*l*. From the funds appropriated in part 1, the department of treasury shall issue an RFP for program data analytics with a requirement that the vendor primarily specialize in data analytics. The scope of the data analytics RFP must include, but is not limited to, work related to the implementation of the protecting local government retirement and benefits act, 2017 PA 202, MCL 38.2801 to 38.2812, and the recodified tax increment financing act, 2018 PA 57, MCL 125.4101 to 125.4915. The RFP must be issued by December 15, 2018.

REVENUE SHARING

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

Sec. 952. (1) The funds appropriated in part 1 for city, village, and township revenue sharing are for grants to cities, villages, and townships such that, subject to fulfilling the requirements under subsection (3), each city, village, or township that received a payment under section 950(2) of 2009 PA 128 greater than $1,000.00 is eligible to receive a payment equal to 78.51044% of its total payment received under section 950(2) of 2009 PA 128 or for each city, village, or township with a population in excess of 7,500, notwithstanding whether it received a payment greater than $1,000.00 under section 950(2) of 2009 PA 128, a payment equal to the population of the city, village, or township multiplied by $2.648299, whichever is greater, rounded to the nearest dollar. Payments under this section to cities, villages, or

townships that did not receive a payment under section 950(2) of 2009 PA 128 greater than $4,500.00 are one-time payments for which eligibility is based on a presumed level of local services provided. For purposes of this subsection, any city, village, or township that completely merges with another city, village, or township will be treated as a single entity, such that when determining the eligible payment under section 950(2) of 2009 PA 128 for the combined single entity, the amount each of the merging local units was eligible to receive under section 950(2) of 2009 PA 128 is summed. For purposes of this subsection, population is determined in the same manner as under section 3 of the Glenn Steil state revenue sharing act of 1971, 1971 PA 140, MCL 141.903. In addition, any city or village that according to the 2010 federal decennial census is determined to have population in more than 1 county shall be treated as a single entity when determining the eligible payment under section 950(2) of 2009 PA 128.

(2) The funds appropriated in part 1 for the county incentive program are to be used for grants to counties such that each county is eligible to receive an amount equal to 20% of the amount determined pursuant to the Glenn Steil state revenue sharing act of 1971, 1971 PA 140, MCL 141.901 to 141.921. The amount calculated under this subsection shall be adjusted as necessary to reflect partial county fiscal years and prorated based on the total amount appropriated for distribution to all eligible counties. Except as otherwise provided under this subsection, payments under this subsection will be distributed to an eligible county subject to the county's fulfilling the requirements under subsection (3).

(3) For purposes of accountability and transparency, each eligible city, village, township, or county shall certify by December 1, or the first day of a payment month, that it has produced a citizen's guide of its most recent local finances, including a recognition of its unfunded liabilities; a performance dashboard; a debt service report containing a detailed listing of its debt service requirements, including, at a minimum, the issuance date, issuance amount, type of debt instrument, a listing of all revenues pledged to finance debt service by debt instrument, and a listing of the annual payment amounts until maturity; and a projected budget report, including, at a minimum, the current fiscal year and a projection for the immediately following fiscal year. The projected budget report shall include revenues and expenditures and an explanation of the assumptions used for the projections. Each eligible city, village, township, or county shall include in any mailing of general information to its citizens the internet website address location for its citizen's guide, performance dashboard, debt service report, and projected budget report or the physical location where these documents are available for public viewing in the city, village, township, or county clerk's office. Each city, village, township, and county applying for a payment under this subsection shall submit a copy of the performance dashboard, a copy of the debt service report, and a copy of the projected budget report to the department of treasury. In addition, each eligible city, village, township, or county applying for a payment under this subsection shall either submit a copy of the citizen's guide or certify that the city, village, township, or county will be utilizing treasury's online citizen's guide. The department of treasury shall develop detailed guidance for a city, village, township, or county to follow to meet the requirements of this subsection. The detailed guidance shall be posted on the department of treasury website and distributed to cities, villages, townships, and counties by October 1.

(4) City, village, and township revenue sharing payments and county incentive program payments are subject to the following conditions:

(a) The city, village, township, or county shall certify to the department that it has met the required criteria for subsection (3) and submitted the required citizen's guide, performance dashboard, debt service report, and projected budget report as required by subsection (3). A department of treasury review of the citizen's guide, dashboard, or reports is not required in order for a city, village, township, or county to receive a payment under subsection (1) or (2). The department shall develop a certification process and method for cities, villages, townships, and counties to follow.

(b) Subject to subdivisions (c), (d), and (e), if a city, village, township, or county meets the requirements of subsection (3), the city, village, township, or county shall receive its full potential payment under this section.

(c) Cities, villages, and townships eligible to receive a payment under subsection (1) shall receive 1/6 of their eligible payment on the last business day of October, December, February, April, June, and August. Payments under subsection (1) shall be issued to cities, villages, and townships until the specified due date for subsection (3). After the specified due date for subsection (3), payments shall be made to a city, village, or township only if that city, village, or township has complied with subdivision (a).

(d) Payments under subsection (2) shall be issued to counties until the specified due date for subsection (3). After the specified due date for subsection (3), payments shall be made to a county only if that county has complied with subdivision (a).

(e) If a city, village, township, or county does not submit the required certification, citizen's guide, performance dashboard, debt service report, and projected budget report by the first day of a payment month, the city, village, township, or county shall forfeit the payment in that payment month.

(f) Any city, village, township, or county that falsifies certification documents shall forfeit any future city, village, and township revenue sharing payments or county incentive program payments and shall repay to this state all payments it has received under this section.

(g) City, village, and township revenue sharing payments and county incentive program payments under this section shall be distributed on the last business day of October, December, February, April, June, and August.

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

(5) The unexpended funds appropriated in part 1 for city, village, and township revenue sharing and the county incentive program shall be available for expenditure under the program for financially distressed cities, villages, or townships after the approval of transfers by the legislature pursuant to section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

Sec. 955. (1) The funds appropriated in part 1 for county revenue sharing shall be distributed by the department of treasury so that each eligible county receives a payment equal to 102% of the amount determined pursuant to the Glenn Steil state revenue sharing act of 1971, 1971 PA 140, MCL 141.901 to 141.921, less the amount for which the county is eligible under section 952(2) of this part. The amount calculated under this subsection shall be adjusted as necessary to reflect partial county fiscal years and prorated based on the total amount appropriated for distribution to all eligible counties.

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

Sec. 956. (1) The funds appropriated in part 1 for financially distressed cities, villages, or townships shall be granted by the department of treasury to cities, villages, and townships that have 1 or more conditions that indicate probable financial distress, as determined by the department of treasury. A city, village, or township with 1 or more conditions that indicate probable financial distress may apply in a manner determined by the department of treasury for a grant to pay for specific projects or services that move the city, village, or township toward financial stability. Grants are to be used for specific projects or services that move the city, village, or township toward financial stability. The city, village, or township must use the grants under this section to make payments to reduce unfunded accrued liability; to repair or replace critical infrastructure and equipment owned or maintained by the city, village, or township; to reduce debt obligations; or for costs associated with a transition to shared services with another jurisdiction; or to administer other projects that move the city, village, or township toward financial stability. The department of treasury shall award no more than $2,000,000.00 to any city, village, or township under this section.

(2) The department of treasury shall provide a report to the senate and house of representatives appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget office by March 31. The report shall include a list by grant recipient of the date each grant was approved, the amount of the grant, and a description of the project or projects that will be paid by the grant.

(3) The unexpended funds appropriated in part 1 for financially distressed cities, villages, or townships are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditure for projects under this section until the projects have been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to provide assistance to financially distressed cities, villages, and townships under this section.

(b) The projects will be accomplished by grants to cities, villages, and townships approved by the department of treasury.

(c) The total estimated cost of all projects is $2,500,000.00.

(d) The tentative completion date is September 30, 2023.

Sec. 957. (1) From the one-time funds appropriated in part 1 for supplemental city, village, and township revenue sharing, a city, village, or township eligible for a payment under section 952 of this part shall receive a payment equal to the population of the city, village, or township multiplied by $0.807929, rounded to the nearest dollar. The amount calculated under this subsection shall be prorated based on the total amount appropriated for distribution to all eligible cities, villages, and townships. Payments under this section must be used to pay down debt, pension, or other postemployment benefit obligations, unless the local unit has no such obligations. For purposes of this section, population is determined in the same manner as under section 3 of the Glenn Steil state revenue sharing act of 1971, 1971 PA 140, MCL 141.903. In addition, any city or village that according to the 2010 federal decennial census is determined to have population in more than 1 county shall be treated as a single entity when determining the payment received under this section.

(2) Cities, villages, and townships eligible to receive a payment under subsection (1) shall receive 1/6 of their eligible payment on the last business day of October, December, February, April, June, and August.

Sec. 958. (1) The one-time funds appropriated in part 1 for supplemental county revenue sharing shall be distributed by the department of treasury so that each eligible county receives a payment equal to 0.4627% of the amount determined pursuant to the Glenn Steil state revenue sharing act of 1971, 1971 PA 140, MCL 141.901 to 141.921. Payments under this section must be used to pay down debt, pension, or other postemployment benefit obligations, unless the county

has no such obligations. The amount calculated under this subsection shall be adjusted as necessary to reflect partial county fiscal years and prorated based on the total amount appropriated for distribution to all eligible counties.

(2) Counties eligible to receive a payment under subsection (1) shall receive 1/6 of their eligible payment on the last business day of October, December, February, April, June, and August.

BUREAU OF STATE LOTTERY

Sec. 960. In addition to the funds appropriated in part 1 to the bureau of state lottery, there is appropriated from state lottery fund revenues the amount necessary for, and directly related to, implementing and operating lottery games under the McCauley-Traxler-Law-Bowman-McNeely lottery act, 1972 PA 239, MCL 432.1 to 432.47, and activities under the Traxler-McCauley-Law-Bowman bingo act, 1972 PA 382, MCL 432.101 to 432.120, including expenditures for contractually mandated payments for vendor commissions, contractually mandated payments for instant tickets intended for resale, the contractual costs of providing and maintaining the online system communications network, and incentive and bonus payments to lottery retailers.

Sec. 964. For the bureau of state lottery, there is appropriated 1% of the lottery's prior fiscal year's gross sales, for promotion and advertising.

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

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

(6) The Michigan gaming control board shall submit a report by September 30 to the senate and house of representatives standing committees on appropriations and the state budget director on the receipts and distribution of revenues by local revenue sharing boards.

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

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

Sec. 977. All appropriations from the Michigan agriculture equine industry development fund, except for the racing commission appropriations, shall be reduced proportionately if revenues to the Michigan agriculture equine industry development fund decline during the current fiscal year to a level lower than the amount appropriated in part 1.

Sec. 978. The Michigan gaming control board shall use actual expenditure data in determining the actual regulatory costs of conducting racing dates and shall provide that data to the senate and house appropriations subcommittees on agriculture and general government, the state budget office, and the senate and house fiscal agencies. The Michigan gaming control board shall not be reimbursed for more than the actual regulatory cost of conducting race dates. If a certified horsemen's organization funds more than the actual regulatory cost, the balance shall remain in the agriculture equine industry development fund to be used to fund subsequent race dates conducted by race meeting licensees with which the certified horsemen's organization has contracts. If a certified horsemen's organization funds less than the actual regulatory costs of the additional horse racing dates, the Michigan gaming control board shall reduce the number of future race dates conducted by race meeting licensees with which the certified horsemen's organization has contracts. Prior to the reduction in the number of authorized race dates due to budget deficits, the executive director of the Michigan gaming control board shall provide notice to the certified horsemen's organizations with an opportunity to respond with alternatives. In determining actual costs, the Michigan gaming control board shall take into account that each specific breed may require different regulatory mechanisms.

Sec. 979. In addition to the funds appropriated in part 1, the Michigan gaming control board may receive and expend state lottery fund revenue in an amount not to exceed $3,000,000.00 for necessary expenses incurred in the licensing and regulation of millionaire parties pursuant to Executive Order No. 2012-4. In accordance with section 8 of the Traxler-McCauley-Law-Bowman bingo act, 1972 PA 382, MCL 432.108, the amount of necessary expenses shall not exceed the amount of revenue received under that act. The Michigan gaming control board shall provide a report to the senate and house of representatives appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget office by March 1. The report shall include, but not be limited to, total expenditures related to the licensing and regulating of millionaire parties, steps taken to ensure charities are receiving revenue due to them, progress on promulgating rules to ensure compliance with the Traxler-McCauley-Law-Bowman bingo act, 1972 PA 382, MCL 432.101 to 432.120, and any enforcement actions taken.

DEPARTMENT OF TALENT AND ECONOMIC DEVELOPMENT

Sec. 980. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $30,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

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

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

Sec. 981. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2019 are $32,493,000.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at $14,979,800.00. Total agency appropriations for retiree health care legacy costs are estimated at $17,513,200.00.

Sec. 982. Federal pass-through funds to local institutions and governments that are received in amounts in addition to those included in part 1 and that do not require additional state matching funds are appropriated for the purposes intended. The department may carry forward into the succeeding fiscal year unexpended federal pass-through funds to local institutions and governments that do not require additional state matching funds. The department shall report the amount and source of the funds to the senate and house appropriation subcommittees on general government, the senate and house fiscal agencies, and the state budget office within 10 business days after receiving any additional pass-through funds.

Sec. 983. The department of talent and economic development, Michigan strategic fund, and Michigan state housing development authority shall not issue or refinance bonds for broadband construction, expansion, repairs, or upgrades.

Sec. 984. As a condition of receiving funds in part 1, the department of talent and economic development shall utilize SIGMA as an appropriation and expenditure reporting system to track all financial transactions with individual vendors, contractual partners, grantees, recipients of business incentives, and recipients of other economic assistance. Encumbrances and expenditures shall be reported in a timely manner.

MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY

Sec. 990. MSHDA shall annually present a report to the state budget office and the subcommittees on the status of the authority's housing production goals under all financing programs established or administered by the authority. The report shall give special attention to efforts to raise affordable multifamily housing production goals.

Sec. 994. In addition to the funds appropriated in part 1, the funds collected by state historic preservation programs for document reproduction and services and application fees are appropriated for all expenses necessary to provide the required services. These funds are available for expenditure when they are received and may be carried forward into the succeeding fiscal year.

Sec. 995. In addition to the amounts appropriated in part 1, the land bank fast track authority may expend revenues received under the land bank fast track act, 2003 PA 258, MCL 124.751 to 124.774, for the purposes authorized by the act, including, but not limited to, the acquisition, lease, management, demolition, maintenance, or rehabilitation of real or personal property, payment of debt service for notes or bonds issued by the authority, and other expenses to clear or quiet title property held by the authority.

MICHIGAN STRATEGIC FUND

Sec. 1004. As a condition of receiving funds appropriated in part 1, the MSF shall provide all information required to be transmitted in the activities report required under section 9 of the Michigan strategic fund act, 1984 PA 270, MCL 125.2009, to the chairpersons of the senate and house of representatives standing committees on appropriations, the chairpersons of the senate and house of representatives standing committees on appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget office by March 15.

Sec. 1005. In addition to the appropriations in part 1, Travel Michigan may receive and expend private revenue related to the use of "Pure Michigan" and all other copyrighted slogans and images. This revenue may come from the direct licensing of the name and image or from the royalty payments from various merchandise sales. Revenue collected is appropriated for the marketing of the state as a travel destination. The funds are available for expenditure when they are received by the department of treasury. If the fund receives revenues from the use of "Pure Michigan", the fund shall provide a report that lists the revenues by source received from the use of "Pure Michigan" and all other copyrighted slogans and images. The report shall provide a detailed list of expenditures of revenues received under this section. The report shall be provided to the chairpersons of the senate and house of representatives standing committees on appropriations, the house and senate appropriations subcommittees on general government, the house and senate fiscal agencies, and the state budget office by March 1.

Sec. 1006. (1) As a condition of receiving funds appropriated in part 1, the fund shall provide a report of all approved amendments to projects for the immediately preceding year under sections 88r and 90b of the Michigan strategic fund act, 1984 PA 270, MCL 125.2088r and 125.2090b. The report shall provide a description of each amendment, by award, which shall include, but is not limited to, the following:

(a) The amended award amount relative to the prior award amount.

(b) The amended number of committed jobs relative to the prior number of committed jobs.

(c) The amended amount of qualified investment committed relative to the prior amount of qualified investment committed.

(d) A description of any change in scope of the project.

(e) A description of any change in project benchmarks, deadlines, or completion dates.

(f) The reason or justification for the amendment approval.

(2) In addition to being posted online, the report shall be distributed to the chairpersons of the senate and house of representatives standing committees on appropriations, the chairpersons of the senate and house of representatives standing committees on appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget office by March 15.

Sec. 1007. (1) As a condition of receiving funds appropriated in part 1, the fund shall request the following information from the MEDC:

(a) Approved budget from the MEDC executive committee for the current fiscal year and actual budget expenditures for the preceding fiscal years.

(b) Expenditures and revenues as part of the current and preceding year budgets, including the available fund balance for the current and preceding fiscal years.

(c) The total number of FTEs, by state and corporate status.

(d) A reporting of activities, programs, and grants consistent with the preceding fiscal year budget.

(2) Information received by the MSF pursuant to this section shall be posted online and distributed to the chairpersons of the senate and house of representatives standing committees on appropriations, the chairpersons of the senate and house of representatives standing committees on appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget office by March 15.

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

Sec. 1009. (1) Of the funds appropriated to the fund or through grants to the MEDC, no funds shall be expended for the purchase of options on land or the purchase of land unless at least 1 of the following conditions applies:

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

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

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

(3) As used in this section, "economically distressed area" means an area in a city, village, or township that has been designated as blighted; a city, village, or township that shows negative population change from 1970 and a poverty rate and unemployment rate greater than the statewide average; or an area certified as a neighborhood enterprise zone under the neighborhood enterprise zone act, 1992 PA 147, MCL 207.771 to 207.786.

(4) If land or options on land are purchased under subsection (1), the fund shall provide a report to the senate and house of representatives standing committees on appropriations, the senate and house of representatives appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget office that provides a list of all properties purchased, all options on land purchased, the location of the land purchased, and the purchase price if the fund purchases options on land or land. The report must be submitted before March 15.

Sec. 1010. As a condition for receiving funds in part 1, not later than March 15, the fund shall provide a report for the immediately preceding fiscal year on the jobs for Michigan investment fund, created in section 88h of the Michigan strategic fund act, 1984 PA 270, MCL 125.2088h. The report shall be submitted to the chairpersons of the senate and house of representatives standing committees on appropriations, the chairpersons of the senate and house of representatives standing committees on appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget office. The report shall include, but is not limited to, all of the following:

(a) A detailed listing of revenues, by fund source, to the jobs for Michigan investment fund. The listing shall include the manner and reason for which the funds were appropriated to the jobs for Michigan investment fund.

(b) A detailed listing of expenditures, by project, from the jobs for Michigan investment fund.

(c) A fiscal year-end balance of the jobs for Michigan investment fund.

Sec. 1011. (1) From the appropriations in part 1 to the fund and granted or transferred to the MEDC, any unexpended or unencumbered balance shall be disposed of in accordance with the requirements in the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, unless carryforward authorization has been otherwise provided for.

(2) Any encumbered funds, including encumbered funds subsequently unobligated, shall be used for the same purposes for which funding was originally appropriated in this part and part 1.

(3) For funds appropriated in part 1 to the fund, any carryforward authorization subsequently created through a work project shall be preserved until a cash or accrued expenditure has been executed or the allowable work project time period has expired.

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

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

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

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

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

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

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

Sec. 1024. From the funds appropriated in part 1 for business attraction and community revitalization, not less than $20,000,000.00 shall be granted by the fund board for brownfield redevelopment and historic preservation projects under the community revitalization program authorized by chapter 8C of the Michigan strategic fund act, 1984 PA 270, MCL 125.2090 to 125.2090d.

Sec. 1032. (1) The fund shall report to the chairpersons of the senate and house of representatives standing committees on appropriations, the house and senate subcommittees on general government, the state budget office, and the senate and house fiscal agencies on the status of the film incentives at the same time as it submits the annual report required under section 455 of the Michigan business tax act, 2007 PA 36, MCL 208.1455. The department of treasury shall provide the fund with the data necessary to prepare the report. Incentives included in the report shall include all of the following:

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

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

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

(d) The amount of any tax credit claimed under former section 367 of the income tax act of 1967, 1967 PA 281.

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

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

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

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

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

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

(*i*) The number of temporary jobs created.

(*ii*) The number of permanent jobs created.

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

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

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

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

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

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

Sec. 1033. As a condition of receiving funds in part 1, not later than March 15, the fund shall provide a report on the activities of the Michigan film and digital media office for the immediately preceding fiscal year. The report shall be submitted to the chairpersons of the senate and house of representatives standing committees on appropriations, the chairpersons of the senate and house of representatives subcommittees on general government, the senate and house fiscal agencies, and the state budget office. The report shall include, but not be limited to, a listing of all projects the Michigan film and digital media office provided assistance on, a listing of the services provided for each project, and an estimate of investment leveraged.

Sec. 1034. Each business incubator or accelerator that received an award from the fund shall maintain and update a dashboard of indicators to measure the effectiveness of the business incubator and accelerator programs. Indicators shall include the direct jobs created, new companies launched as a direct result of business incubator or accelerator involvement, businesses expanded as a direct result of business incubator or accelerator involvement, direct investment in client companies, private equity financing obtained by client companies, grant funding obtained by client companies, and other measures developed by the recipient business incubators and accelerators in conjunction with the MEDC. Dashboard indicators shall be reported for the prior fiscal year and cumulatively, if available. Each recipient shall submit a copy of their dashboard indicators to the fund by March 1. The fund shall transmit the local reports to the chairpersons of the senate and house of representatives standing committees on appropriations, the senate and house of representatives appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget office by March 15.

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

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

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

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

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

(e) In addition to the information in subdivision (d), the council shall report on the number of applications received, number of grants awarded, total amount requested from applications received, and total amount of grants awarded.

(2) The appropriation in part 1 for arts and cultural program shall not be used for the administration of the grant program.

(3) From the increased funds appropriated in part 1 for the arts and cultural program, the council shall identify specific outcomes and performance measures, including, but not limited to, the following:

(a) Number of applications received during the fiscal year ending September 30, 2019.

(b) Number of grants awarded during the fiscal year ending September 30, 2019.

(c) Number of FTEs supported by grants during the fiscal year ending September 30, 2019.

Sec. 1036. (1) The general fund/general purpose funds appropriated in part 1 to the fund for business attraction and community revitalization shall be transferred to the 21st century jobs trust fund per section 90b(3) of the Michigan strategic fund act, 1984 PA 270, MCL 125.2090b.

(2) Funds transferred to the 21st century jobs trust fund under subsection (1) are appropriated and available for allocation as authorized in the Michigan strategic fund act, 1984 PA 270, MCL 125.2001 to 125.2094.

Sec. 1041. From the funds appropriated in part 1 for business attraction and community revitalization, the fund shall request the transfer by the state treasurer of not more than 60% of the funds prior to April 1.

Sec. 1042. For the funds appropriated in part 1 for business attraction and community revitalization, the fund shall report quarterly on the amount of funds considered appropriated, pre-encumbered, encumbered, and expended. The report shall also include a listing of all previous appropriations for business attraction and community revitalization, or a predecessor, that were considered appropriated, pre-encumbered, encumbered, or expended that have lapsed back to the fund for any purpose. The report shall be submitted to the chairpersons of the senate and house of representatives standing committees on appropriations, the chairpersons of the senate and house of representatives standing committees on appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget office.

Sec. 1043. (1) The fund, in conjunction with the department of treasury, shall report to the chairpersons of the senate and house of representatives standing committees on appropriations, the senate and house of representatives appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget office by November 1 on the annual cost of the Michigan economic growth authority tax credits. The report shall include for each year the board-approved credit amount, adjusted for credit amendments where applicable, and the actual and projected value of tax credits for each year from 1995 to the expiration of the credit program. For years for which credit claims are complete, the report shall include the total of actual certificated credit amounts. For years for which claims are still pending or not yet submitted, the report shall include a combination of actual credits where available and projected credits. Credit projections shall be based on updated estimates of employees, wages, and benefits for eligible companies.

(2) In addition to the report under subsection (1), the fund, in conjunction with the department of treasury, shall report to the senate and house of representatives appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget office by November 1 on the annual cost of all other certificated credits by program, for each year until the credits expire or can no longer be collected. The report shall include estimates on the brownfield redevelopment credit, film credits, MEGA photovoltaic technology credit, MEGA polycrystalline silicon manufacturing credit, MEGA vehicle battery credit, and other certificated credits.

Sec. 1044. As a condition of receiving appropriations in part 1, prior to authorizing the transfer of any previously authorized tax credit that would increase the liability to this state, the fund, on behalf of the Michigan strategic fund board, shall notify the chairpersons of the senate and house of representatives standing committees on appropriations, the chairpersons of the appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget office not fewer than 30 days prior to the authorization of the tax credit transfer.

Sec. 1047. (1) From the one-time funds appropriated in part 1 for MSF - grants, $1,000,000.00 shall be awarded to an independent biomedical research and science education organization in a county with a population between 600,000 and 610,000 and in a city with a population over 185,000 according to the most recent federal decennial census to be used for matching federal funds, private and nonprofit grants, and private contributions.

(2) From the one-time funds appropriated in part 1 for MSF - grants, $350,000.00 shall be awarded toward blight removal projects located in counties with populations under 50,000 with priority given to communities with the greatest population loss since 2000 and cap individual grants to no more than $50,000.

Sec. 1050. (1) From the funds appropriated in part 1 for business attraction and community revitalization, the fund shall identify specific outcomes and performance measures, including, but not limited to, the following:

(a) Total verified jobs created by the business attraction program during the fiscal year ending September 30, 2019.

(b) Total private investment obtained through the business attraction and community revitalization programs during the fiscal year ending September 30, 2019.

(c) Amount of private and public square footage created and reactivated through the community revitalization program during the fiscal year ending September 30, 2019.

(2) The fund must submit a report to the chairpersons of the senate and house of representatives standing committees on appropriations, the house and senate appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget office by March 15. The report must describe the specific outcomes and measures required in subsection (1) and provide the results and data related to these outcomes and measures for the prior fiscal year if related information is available for the prior fiscal year.

Sec. 1052. From the one-time funds appropriated in part 1 for project rising tide, the department of talent and economic development shall identify specific outcomes and performance measures, including, but not limited to, the following:

(a) Number of communities participating in and completing the redevelopment ready communities best practices evaluation during the fiscal year ending September 30, 2019.

(b) Number of technical assistance projects completed during the fiscal year ending September 30, 2019.

TALENT INVESTMENT AGENCY

Sec. 1060. The talent investment agency shall administer the PATH training program in accordance with the requirements of section 407(d) of title IV of the social security act, 42 USC 607, the state social welfare act, 1939 PA 280, MCL 400.1 to 400.119b, and all other applicable laws and regulations.

Sec. 1061. From the funds appropriated in part 1 for workforce programs subgrantees, the talent investment agency may allocate funding for grants to nonprofit organizations that offer programs pursuant to the workforce investment act of 1998, Public Law 105-220, or the workforce innovation and opportunity act, 29 USC 3101 to 3361, eligible youth focusing on apprenticeship readiness, pre-apprenticeship and apprenticeship activities, entrepreneurship, work-readiness skills, job shadowing, and financial literacy. Organizations eligible for funding under this section must have the capacity to provide similar programs in urban areas, as determined by the United States Bureau of the Census according to the most recent federal decennial census. Additionally, programs eligible for funding under this section must include the participation of local business partners. The talent investment agency shall develop other appropriate eligibility requirements to ensure compliance with applicable federal rules and regulations.

Sec. 1062. The talent investment agency shall make available, in person or by telephone, 1 disabled veterans outreach program specialist or local veterans employment representative to Michigan Works! service centers, as resources permit, during hours of operation, and shall continue to make the appropriate placement of veterans and disabled veterans a priority.

Sec. 1063. (1) In addition to the funds appropriated in part 1, any unencumbered and unrestricted federal workforce investment act of 1998, Public Law 105-220, workforce innovation and opportunity act, 29 USC 3101 to 3361, or trade adjustment assistance funds available from prior fiscal years are appropriated for the purposes originally intended.

(2) The talent investment agency shall report by February 15 to the senate and house subcommittees on general government, the fiscal agencies, and the state budget director on the amount by fiscal year of federal workforce investment act of 1998, Public Law 105-220, and workforce innovation and opportunity act, 29 USC 3101 to 3361, funds appropriated under this section.

Sec. 1064. As a condition of receiving funds appropriated in part 1 for Going pro, the talent investment agency shall provide a report on Going pro expenditures, by program or grant type, for the prior fiscal year. In addition, the report shall include projected expenditures, by program or grant type, for the current fiscal year. The report shall be posted online and distributed to the chairpersons of the senate and house of representatives standing committees on appropriations, the chairpersons of the senate and house of representatives standing committees on appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget office by March 15.

Sec. 1065. The talent investment agency shall publish data and reports on March 15 and September 30 on the agency website concerning the status of career technology and Going pro funded in part 1. The report shall include the following:

(a) The number of awardees participating in the program and the names of those awardees organized by major industry group.

(b) The amount of funding received by each awardee under the program.

(c) Amount of funding leveraged from each awardee.

(d) Training models established by each awardee.

(e) The number of individuals enrolled in classroom training, on-the-job training, or new USDOL registered apprentices.

(f) The number of individuals who completed the program and were hired by awardee.

(g) The number of applications received and the number of applications approved for each region.

(h) The talent investment agency shall expand workforce training and reemployment services to better connect workers to in-demand jobs and identify specific outcomes with performance metrics for this initiative, including, but not limited to, new apprenticeships, individuals to be hired and trained, current employees trained, training completed, and employment retention rate at 6 months, and hourly wage at 6 months.

Sec. 1066. As a condition of receiving funds in part 1 for Going pro, the talent investment agency shall administer the program as follows:

(a) The talent investment agency shall work cooperatively with grantees to maximize the amount of funds from part 1 that are available for direct training.

(b) The talent investment agency, workforce development partners, including regional Michigan Works! agencies, and employers shall collaborate and work cooperatively to prioritize and streamline the expenditure of the funds appropriated in part 1. The talent investment agency shall ensure that Going pro provides a collaborative statewide

network of workforce and employee skill development partners that addresses the employee talent needs throughout the state.

(c) The talent investment agency shall ensure that grants are utilized for individual skill enhancement and to address in-demand talent needs in Michigan.

(d) The talent investment agency shall develop program goals and detailed guidance for prospective participants to follow to qualify under the program. The program goals and detailed guidance shall be posted on the talent investment agency website and distributed to workforce development partners, including local Michigan Works! agencies, by October 1. Periodic assessments of employer and employee needs shall be evaluated on a regional basis, and the talent investment agency shall identify solutions and goals to be implemented to satisfy those needs. The talent investment agency shall notify the senate and house of representatives standing committees on appropriations, the senate and house of representatives standing committees on appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget office on any program goal, solution, or guidance changes not fewer than 14 days prior to the finalization and publication of the changes. Revenue received by the talent investment agency for Going pro may be expended for the purpose of those programs.

(e) Up to $5,000,000.00 of the funds may be expended to match federal funds. The intent of these funds will involve improving and increasing the skill level of employees in skilled trades in the automotive industry and the manufacturing processes within the changing manufacturing environment.

Sec. 1068. (1) Of the funds appropriated in part 1 for the workforce training programs, the talent investment agency shall provide a report by March 15 to the senate and house of representatives standing committees on appropriations subcommittees on general government, the state budget director, and the fiscal agencies on the status of the workforce training programs. The report shall include the following:

(a) The amount of funding allocated to each Michigan Works! agency and the total funding allocated to the workforce training programs statewide by fund source.

(b) The number of participants enrolled in education or training programs by each Michigan Works! agency.

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

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

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

(f) The number of participants enrolled in programs at 4-year institutions.

(g) The number of participants enrolled in proprietary schools 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 training program.

(j) The number of participants who completed a training program and secured employment in a field related to their training.

(k) The average wage earned by participants who completed a training program and secured employment within 1 year.

(*l*) The actual revenues received by the fund source and fund appropriated for each discrete workforce development program area.

(2) Data collection for the report shall be for the prior state fiscal year.

Sec. 1070. (1) From the one-time funds appropriated in part 1 for Going pro, $1,500,000.00 must be awarded for a program to assist adults over the age of 23 in obtaining high school diplomas and placement in career training programs.

(2) For purposes of this section, an eligible program provider may be a public, nonprofit, or private accredited diploma-granting institution, but must have at least 2 years of experience providing dropout recovery services in the state of Michigan.

(3) The talent investment agency shall issue a request for qualifications for eligible program providers to participate in the pilot program. To be considered a qualified program provider, the institution must possess all of the following:

(a) Experience providing dropout reengagement services.

(b) Ability to provide academic intake assessments.

(c) Capacity to provide an integrated learning plan.

(d) Course catalog that includes access to all graduation requirements.

(e) Capability to provide remediation coursework.

(f) Means to provide academic resilience assessment and intervention.

(g) Capacity to provide employability skills development.

(h) Ability to provide WorkKeys preparation.

(i) Ability to provide industry credentials.

(j) Capability to provide credit for on-the-job training.

(k) Access to a robust support framework, including technology, social support, and academic support accredited by a recognized accrediting body.

(4) The talent investment agency shall announce qualified program providers no later than January 1, 2019. Qualified program providers must start providing programming by February 1, 2019.

(5) The talent investment agency shall reimburse qualified program providers for each month of satisfactory monthly progress as described in section 23a of the state school aid act, 1979 PA 94, MCL 388.1623a, at a rate of $500.00 per month. A payment shall be made to a qualified program provider for the completion of the following by a pupil:

(a) $500.00 for the completion of an employability skills certification program equal to at least 1 Carnegie unit.

(b) $250.00 for the attainment of an industry-recognized credential requiring up to 50 hours of training.

(c) $500.00 for the attainment of an industry-recognized credential requiring 50 to 100 hours of training.

(d) $750.00 for the attainment of an industry-recognized credential requiring more than 100 hours of training.

(e) $1,000.00 for attainment of a high school diploma.

(f) $2,500.00 for placement in a job in an in-demand career pathway.

(6) The talent investment agency shall develop policies and guidelines to implement this section.

Sec. 1071. From the funds appropriated in part 1 for at-risk youth grants, $3,000,000.00 must be awarded to the Michigan franchise holder of the national Jobs for America's Graduates program.

Sec. 1076. The department of talent and economic development shall provide a quarterly report to the members of the senate and house committees on appropriations, the senate and house fiscal agencies, and the state budget director that includes, but is not limited to, the following:

(a) The number of new fraudulent and noncompliant cases that have been identified or issued by the unemployment insurance agency, classified by employer or claimant, during the quarter.

(b) The total amount of penalties and interest issued on fraudulent and noncompliant cases during the quarter.

(c) The total amount of penalties and interest dollars received during the quarter by employer or claimant.

(d) The total amount of penalties and interest still owed to the state by employer or claimant.

(e) The number of fraudulent and noncompliant cases that have been appealed by an employer or claimant during the quarter.

Sec. 1078. (1) From the funds appropriated in part 1 for the unemployment insurance agency, the talent investment agency shall maintain customer service standards for employers and claimants making use of the various means by which they can access the system.

(2) The talent investment agency shall identify specific outcomes and performance metrics for this initiative, including, but not limited to, the following:

(a) Unemployment benefit fund balance.

(b) Process improvement - fiscal integrity.

(c) Process improvement - determination timeliness.

(d) Process improvement - determination quality.

Sec. 1079. (1) The talent investment agency shall extend the interagency agreement with the department of health and human services for the duration of the current fiscal year, which concerns TANF funding to provide job readiness and welfare-to-work programming. The interagency agreement shall include specific outcome and performance reporting requirements as described in this section. TANF funding provided to the talent investment agency in the current fiscal year is contingent on compliance with the data and reporting requirements described in this section. The interagency agreement shall require the talent investment agency to provide all of the following items for the previous year to the senate and house appropriations committees by January 1 of the current fiscal year:

(a) An itemized spending report on TANF funding, including all of the following:

(*i*) Direct services to clients.

(*ii*) Administrative expenditures.

(b) The number of family independence program clients served through the TANF funding, including all of the following:

(*i*) The number and percentage who obtained employment through Michigan Works!.

(*ii*) The number and percentage who fulfilled their TANF work requirement through other job readiness programming.

(*iii*) Average TANF spending per client.

(*iv*) The number and percentage of clients who were referred to Michigan Works! but did not receive a job or job readiness placement and the reasons why.

(2) Not later than March 15 of the current fiscal year, the department shall provide to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the senate and house policy offices an annual report on the following matters itemized by Michigan Works! agency: the number of referrals to Michigan Works! job readiness programs, the number of referrals to Michigan Works! job readiness programs who became a participant in the Michigan Works! job readiness programs, the number of participants who obtained employment, and the cost per participant case.

Sec. 1080. (1) From the funds appropriated in part 1 for community ventures, the talent investment agency may expend not more than $2,000,000.00 of the funds as matching funds upon the commitment of matching dollars from private sources. For every $1.00 the talent investment agency elects to receive from a private source for the purposes of a community ventures program match, the talent investment agency shall expend $1.00 from the appropriation in part 1 up to $2,000,000.00. Funds received from private sources for a community ventures program match are appropriated upon receipt and shall be expended for the purposes of the community ventures program.

(2) The talent investment agency shall identify specific outcomes and performance measures for this initiative, including, but not limited to, the following:

(a) The number of commitments from private sources, including the dollar amount committed and source.

(b) Additional participants served with challenge funds.

(c) Jobs created and the average wage.

Sec. 1081. (1) The department of talent and economic development shall provide a status update on the statewide system for data integration that established new information technology systems to integrate data for talent and pipeline development to track and report workforce development activities and provide for sustained and expanded longitudinal data analysis between state departments.

(2) The department of talent and economic development shall provide a report by March 15 for the current and prior fiscal years on specific outcomes and performance metrics for this initiative, including, but not limited to, the following:

(a) Job placements and retention at 6 months.

(b) Apprenticeships completed.

(c) Average wage.

Sec. 1082. As a condition of receiving funds in part 1, the department of talent and economic development shall provide a status update by March 15 on the usage of the funds appropriated for the sustainable employment pilot program in 2016 PA 268 and 2016 PA 340. The status update shall include, but not be limited to, all of the following:

(a) A description of the sustainable employment initiatives supported with the funds appropriated, including the location of the initiatives.

(b) Number of individuals participating in the program supported with the funds appropriated.

(c) A listing of performance measures the department uses to measure program effectiveness.

(d) Specific outcomes related to the performance measures developed by the department.

Sec. 1084. From the funds appropriated in part 1 for Going pro, the department shall identify specific outcomes and performance measures, including, but not limited to, all of the following:

(a) Number of job training grants awarded to employers during the fiscal year ending September 30, 2019.

(b) Number of individuals enrolled in and completing training during the fiscal year ending September 30, 2019.

(c) Number of new jobs and apprenticeships created during the fiscal year ending September 30, 2019.

STATE BUILDING AUTHORITY

Sec. 1100. (1) Subject to section 242 of the management and budget act, 1984 PA 431, MCL 18.1242, and upon the approval of the state building authority, the department of treasury may expend from the general fund of the state during the fiscal year an amount to meet the cash flow requirements of those state building authority projects solely

for lease to a state agency identified in both part 1 and this section, and for which state building authority bonds or notes have not been issued, and for the sole acquisition by the state building authority of equipment and furnishings for lease to a state agency as permitted by 1964 PA 183, MCL 830.411 to 830.425, for which the issuance of bonds or notes is authorized by a legislative appropriation act that is effective for the immediately preceding fiscal year. Any general fund advances for which state building authority bonds have not been issued shall bear an interest cost to the state building authority at a rate not to exceed that earned by the state treasurer's common cash fund during the period in which the advances are outstanding and are repaid to the general fund of the state.

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

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

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

Sec. 1102. (1) State building authority funding to finance construction or renovation of a facility that collects revenue in excess of money required for the operation of that facility shall not be released to a university or community college unless the institution agrees to reimburse that excess revenue to the state building authority. The excess revenue shall be credited to the general fund to offset rent obligations associated with the retirement of bonds issued for that facility. The auditor general shall annually identify and present an audit of those facilities that are subject to this section. Costs associated with the administration of the audit shall be charged against money recovered pursuant to this section.

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

Sec. 1103. The state building authority shall provide to the JCOS and senate and house fiscal agencies a report relative to the status of construction projects associated with state building authority bonds as of September 30 of each year, on or before October 15, or not more than 30 days after a refinancing or restructuring bond issue is sold. The report shall include, but is not limited to, the following:

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

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

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

REVENUE STATEMENT

Sec. 1201. 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 2018-2019

	Beginning Balance	Estimated Revenue	Ending Balance
OPERATING FUNDS			
General fund/general purpose	102.9	9,936.8	7.3
School aid fund	247.6	15,446.0	6.1
Federal aid	0.0	20,650.0	0.0
Transportation funds	0.0	5,971.7	0.0
Special revenue funds	0.0	7,075.1	0.0
Countercyclical economic and budget stabilization fund	1,008.7	44.6	1,053.4
TOTALS	$1,359.2	$59,124.2	$1,066.8

ARTICLE X

DEPARTMENT OF HEALTH AND HUMAN SERVICES

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of health and human services for the fiscal year ending September 30, 2019, from the following funds:

DEPARTMENT OF HEALTH AND HUMAN SERVICES

APPROPRIATION SUMMARY		
Full-time equated unclassified positions	6.0	
Full-time equated classified positions	15,621.7	
Average population	770.0	
GROSS APPROPRIATION		$ 24,880,165,600
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		13,813,700
ADJUSTED GROSS APPROPRIATION		$ 24,866,351,900
Federal revenues:		
Social security act, temporary assistance for needy families		557,577,500
Capped federal revenues		594,034,900
Total other federal revenues		16,483,783,200
Special revenue funds:		
Total local revenues		121,612,600
Total private revenues		150,409,900
Michigan merit award trust fund		52,268,700
Total other state restricted revenues		2,446,577,800
State general fund/general purpose		$ 4,460,087,300

Sec. 102. DEPARTMENTAL ADMINISTRATION AND SUPPORT

Full-time equated unclassified positions	6.0	
Full-time equated classified positions	797.6	
Unclassified salaries—6.0 FTE positions		$ 1,176,100
Administrative hearings officers		11,340,000
Demonstration projects—7.0 FTE positions		7,358,400
Departmental administration and management—603.6 FTE positions		116,807,000
Developmental disabilities council and projects—10.0 FTE positions		3,090,000
Office of inspector general—177.0 FTE positions		22,204,500
Property management		65,966,100
Terminal leave payments		7,250,000
Worker's compensation		6,523,100
GROSS APPROPRIATION		$ 241,715,200
Appropriated from:		
Interdepartmental grant revenues:		
IDG from department of education		1,943,300
Federal revenues:		
Social security act, temporary assistance for needy families		23,489,700
Capped federal revenues		20,421,100
Total other federal revenues		90,699,000
Special revenue funds:		
Total local revenues		86,000
Total private revenues		3,843,200
Total other state restricted revenues		851,400
State general fund/general purpose		$ 100,381,500

Sec. 103. CHILD SUPPORT ENFORCEMENT

Full-time equated classified positions	185.7	
Child support enforcement operations—179.7 FTE positions		$ 22,940,500
Child support incentive payments		24,409,600

		For Fiscal Year Ending Sept. 30, 2019
Legal support contracts	$	113,607,100
State disbursement unit—6.0 FTE positions		8,127,500
GROSS APPROPRIATION	$	169,084,700
Appropriated from:		
Federal revenues:		
Capped federal revenues		1,735,000
Total other federal revenues		143,074,600
State general fund/general purpose	$	24,275,100

Sec. 104. COMMUNITY SERVICES AND OUTREACH

Full-time equated classified positions 75.6		
Bureau of community services and outreach—20.0 FTE positions	$	2,571,400
Child advocacy centers—0.5 FTE position		1,407,000
Community services and outreach administration—11.0 FTE positions		1,492,000
Community services block grant		25,840,000
Crime victim grants administration services—13.0 FTE positions		2,206,500
Crime victim justice assistance grants		59,279,300
Crime victim rights services grants		18,870,000
Domestic violence prevention and treatment—15.6 FTE positions		16,010,100
Homeless programs		20,642,700
Housing and support services		13,031,000
Michigan community service commission—15.0 FTE positions		11,650,300
Rape prevention and services—0.5 FTE position		5,097,300
School success partnership program		525,000
Uniform statewide sexual assault evidence kit tracking system		800,000
Weatherization assistance		16,340,000
GROSS APPROPRIATION	$	195,762,600
Appropriated from:		
Federal revenues:		
Social security act, temporary assistance for needy families		13,189,800
Capped federal revenues		67,894,400
Total other federal revenues		75,852,300
Special revenue funds:		
Private - collections		44,100
Compulsive gambling prevention fund		1,040,500
Sexual assault evidence tracking fund		800,000
Sexual assault victims' prevention and treatment fund		3,000,000
Child advocacy centers fund		1,407,000
Crime victim's rights fund		17,356,600
State general fund/general purpose	$	15,177,900

Sec. 105. CHILDREN'S SERVICES AGENCY - CHILD WELFARE

Full-time equated classified positions 3,850.2		
Adoption subsidies	$	204,890,400
Adoption support services—10.0 FTE positions		29,467,000
Attorney general contract		4,455,800
Child abuse and neglect - children's justice act—1.0 FTE position		624,700
Child care fund		199,743,800
Child protection		800,300
Child welfare administration travel		375,000
Child welfare field staff - caseload compliance—2,461.0 FTE positions		234,317,000
Child welfare field staff - noncaseload compliance—330.0 FTE positions		35,199,800
Child welfare first line supervisors—578.0 FTE positions		74,179,200
Child welfare institute—51.0 FTE positions		9,246,600
Child welfare licensing—59.0 FTE positions		7,025,400
Child welfare medical/psychiatric evaluations		10,435,500
Children's services administration—172.2 FTE positions		20,430,800
Children's trust fund—12.0 FTE positions		4,345,200

		For Fiscal Year Ending Sept. 30, 2019
Contractual services, supplies, and materials	$	9,300,000
Education planners—15.0 FTE positions		1,558,600
Family preservation and prevention services administration—9.0 FTE positions		1,322,100
Family preservation programs—13.0 FTE positions		38,900,900
Family support subsidy		15,730,300
Foster care payments		233,579,000
Guardianship assistance program		11,117,600
Interstate compact		179,600
Peer coaches—45.5 FTE positions		5,838,600
Performance based funding implementation—3.0 FTE positions		1,450,200
Permanency resource managers—28.0 FTE positions		3,254,600
Prosecuting attorney contracts		3,879,500
Second line supervisors and technical staff—54.0 FTE positions		9,078,000
Settlement monitor		1,885,800
Strong families/safe children		12,350,100
Title IV-E compliance and accountability office—4.0 FTE positions		432,200
Youth in transition—4.5 FTE positions		15,817,300
GROSS APPROPRIATION	$	1,201,210,900
Appropriated from:		
Interdepartmental grant revenues:		
IDG from department of education		90,300
Federal revenues:		
Social security act, temporary assistance for needy families		352,415,200
Capped federal revenues		110,246,900
Total other federal revenues		251,134,900
Special revenue funds:		
Private - collections		1,770,700
Local funds - county chargeback		17,183,500
Children's trust fund		2,895,300
State general fund/general purpose	$	465,474,100

Sec. 106. CHILDREN'S SERVICES AGENCY - JUVENILE JUSTICE

Full-time equated classified positions 120.5		
Bay Pines Center—47.0 FTE positions	$	5,695,600
Committee on juvenile justice administration—2.5 FTE positions		354,500
Committee on juvenile justice grants		3,000,000
Community support services—3.0 FTE positions		2,122,700
County juvenile officers		3,904,300
Juvenile justice, administration and maintenance—21.0 FTE positions		3,790,000
Shawono Center—47.0 FTE positions		5,723,700
W.J. Maxey Training School		250,000
GROSS APPROPRIATION	$	24,840,800
Appropriated from:		
Federal revenues:		
Capped federal revenues		8,555,800
Special revenue funds:		
Local funds - state share education funds		1,355,700
Local funds - county chargeback		5,117,400
State general fund/general purpose	$	9,811,900

Sec. 107. PUBLIC ASSISTANCE

Full-time equated classified positions 8.0		
Emergency services local office allocations	$	9,007,500
Family independence program		75,216,800
Food assistance program benefits		1,931,717,000
Food Bank Council of Michigan		2,045,000
Indigent burial		4,375,000
Low-income home energy assistance program		174,951,600
Michigan energy assistance program—1.0 FTE position		50,000,000

		For Fiscal Year Ending Sept. 30, 2019
Multicultural integration funding	$	15,303,800
Refugee assistance program—7.0 FTE positions		28,011,500
State disability assistance payments		8,041,800
State supplementation		60,109,200
State supplementation administration		1,681,100
GROSS APPROPRIATION	$	2,360,460,300
Appropriated from:		
Federal revenues:		
Social security act, temporary assistance for needy families		69,499,200
Capped federal revenues		203,147,600
Total other federal revenues		1,927,517,000
Special revenue funds:		
Child support collections		11,081,900
Supplemental security income recoveries		4,142,700
Public assistance recoupment revenue		5,000,000
Low-income energy assistance fund		50,000,000
State general fund/general purpose	$	90,071,900

Sec. 108. FIELD OPERATIONS AND SUPPORT SERVICES

Full-time equated classified positions 6,340.5		
Administrative support workers—221.0 FTE positions	$	13,110,500
Adult services field staff—520.0 FTE positions		57,183,700
Contractual services, supplies, and materials		16,737,400
Donated funds positions—238.0 FTE positions		27,273,300
Elder Law of Michigan MiCAFE contract		350,000
Electronic benefit transfer (EBT)		8,509,000
Employment and training support services		4,219,100
Field policy and administration—66.0 FTE positions		11,292,400
Field staff travel		8,111,400
Independent living		14,031,600
Medical/psychiatric evaluations		1,420,100
Michigan rehabilitation services—526.0 FTE positions		129,881,000
Nutrition education—2.0 FTE positions		33,047,400
Public assistance field staff—4,747.5 FTE positions		491,734,700
SSI advocacy legal services grant		250,000
Training and program support—20.0 FTE positions		2,472,200
Volunteer services and reimbursement		942,400
GROSS APPROPRIATION	$	820,566,200
Appropriated from:		
Interdepartmental grant revenues:		
IDG from department of corrections		119,700
IDG from department of education		7,851,700
IDG from department of licensing and regulatory affairs		38,300
Federal revenues:		
Social security act, temporary assistance for needy families		73,288,200
Capped federal revenues		158,672,500
Federal supplemental security income		8,588,600
Total other federal revenues		262,664,700
Special revenue funds:		
Local funds - donated funds		4,071,400
Local vocational rehabilitation match		5,300,000
Private funds - donated funds		9,285,700
Private funds - gifts, bequests, and donations		531,500
Rehabilitation service fees		150,000
State general fund/general purpose	$	290,003,900

Sec. 109. DISABILITY DETERMINATION SERVICES

Full-time equated classified positions 587.4

		For Fiscal Year Ending Sept. 30, 2019
Disability determination operations—583.3 FTE positions	$	113,054,600
Retirement disability determination—4.1 FTE positions		616,500
GROSS APPROPRIATION	$	113,671,100
Appropriated from:		
Interdepartmental grant revenues:		
IDG from DTMB - office of retirement services		793,600
Federal revenues:		
Total other federal revenues		108,563,700
State general fund/general purpose	$	4,313,800

Sec. 110. BEHAVIORAL HEALTH PROGRAM ADMINISTRATION AND SPECIAL PROJECTS

Full-time equated classified positions 102.0		
Behavioral health program administration—80.0 FTE positions	$	49,683,400
Federal and other special projects		2,535,600
Gambling addiction—1.0 FTE position		4,509,200
Office of recipient rights—21.0 FTE positions		2,763,000
Protection and advocacy services support		194,400
GROSS APPROPRIATION	$	59,685,600
Appropriated from:		
Federal revenues:		
Total other federal revenues		32,093,300
Special revenue funds:		
Total private revenues		1,004,700
Total other state restricted revenues		4,509,200
State general fund/general purpose	$	22,078,400

Sec. 111. BEHAVIORAL HEALTH SERVICES

Full-time equated classified positions 9.5		
Autism services	$	192,890,700
Children with serious emotional disturbance waiver		10,000,000
Children's waiver home care program		20,241,100
Civil service charges		399,300
Community mental health non-Medicaid services		125,578,200
Community substance use disorder prevention, education, and treatment		76,956,200
Court-appointed guardian and conservator reimbursement		1,500,000
Federal mental health block grant—2.5 FTE positions		17,465,400
Health homes		3,369,000
Healthy Michigan plan - behavioral health		299,439,000
Medicaid mental health services		2,319,029,300
Medicaid substance use disorder services		67,640,500
Nursing home PAS/ARR-OBRA—7.0 FTE positions		12,282,200
State disability assistance program substance use disorder services		2,018,800
GROSS APPROPRIATION	$	3,148,809,700
Appropriated from:		
Federal revenues:		
Total other federal revenues		2,064,994,400
Special revenue funds:		
Total local revenues		25,475,800
Total other state restricted revenues		24,369,300
State general fund/general purpose	$	1,033,970,200

Sec. 112. STATE PSYCHIATRIC HOSPITALS AND FORENSIC MENTAL HEALTH SERVICES

Total average population 770.0		
Full-time equated classified positions 2,290.6		
Caro Regional Mental Health Center - psychiatric hospital - adult—474.3 FTE positions	$	53,491,300
Average population 145.0		

		For Fiscal Year Ending Sept. 30, 2019
Center for forensic psychiatry—601.1 FTE positions	$	94,729,400
Average population.....240.0		
Gifts and bequests for patient living and treatment environment		1,000,000
Hawthorn Center - psychiatric hospital - children and adolescents—276.0 FTE positions		32,179,800
Average population.....55.0		
IDEA, federal special education		120,000
Kalamazoo Psychiatric Hospital - adult—533.8 FTE positions		69,457,400
Average population.....170.0		
Purchase of medical services for residents of hospitals and centers		445,600
Revenue recapture		750,000
Special maintenance		924,600
Walter P. Reuther Psychiatric Hospital - adult—405.4 FTE positions		57,673,400
Average population.....160.0		
GROSS APPROPRIATION	$	310,771,500
Appropriated from:		
Federal revenues:		
Total other federal revenues		40,231,600
Special revenue funds:		
Total local revenues		23,029,900
Total private revenues		1,000,000
Total other state restricted revenues		14,937,000
State general fund/general purpose	$	231,573,000
Sec. 113. HEALTH POLICY		
Full-time equated classified positions.....50.9		
Bone marrow transplant registry	$	250,000
Certificate of need program administration—11.8 FTE positions		2,741,600
Health policy administration—33.9 FTE positions		14,391,500
Human trafficking intervention services		200,000
Michigan essential health provider		3,591,300
Minority health grants and contracts		612,700
Nurse education and research program—3.0 FTE positions		791,300
Primary care services—1.2 FTE positions		4,744,200
Rural health services—1.0 FTE position		1,555,500
GROSS APPROPRIATION	$	28,878,100
Appropriated from:		
Interdepartmental grant revenues:		
IDG from the department of education		2,400
IDG from the department of licensing and regulatory affairs		791,300
IDG from the department of treasury, Michigan state hospital finance authority		117,700
Federal revenues:		
Social security act, temporary assistance for needy families		190,900
Capped federal revenues		63,400
Total other federal revenues		15,608,100
Special revenue funds:		
Total private revenues		865,000
Total other state restricted revenues		2,737,500
State general fund/general purpose	$	8,501,800
Sec. 114. LABORATORY SERVICES		
Full-time equated classified positions.....100.0		
Laboratory services—100.0 FTE positions	$	23,580,200
GROSS APPROPRIATION	$	23,580,200
Appropriated from:		
Interdepartmental grant revenues:		
IDG from the department of environmental quality		998,400
Federal revenues:		
Total other federal revenues		3,838,600

		For Fiscal Year Ending Sept. 30, 2019
Special revenue funds:		
Total other state restricted revenues	$	10,799,700
State general fund/general purpose	$	7,943,500

Sec. 115. DISEASE CONTROL, PREVENTION, AND EPIDEMIOLOGY

Full-time equated classified positions 137.9		
Childhood lead program—4.5 FTE positions	$	2,055,300
Epidemiology administration—75.1 FTE positions		21,179,800
Healthy homes program—12.0 FTE positions		27,754,200
Immunization program—12.8 FTE positions		16,838,100
Newborn screening follow-up and treatment services—10.5 FTE positions		7,535,600
PFAS and environmental contamination response—23.0 FTE positions		8,025,300
GROSS APPROPRIATION	$	83,388,300
Appropriated from:		
Federal revenues:		
Total other federal revenues		53,784,300
Special revenue funds:		
Total private revenues		342,700
Total other state restricted revenues		9,721,500
State general fund/general purpose	$	19,539,800

Sec. 116. LOCAL HEALTH AND ADMINISTRATIVE SERVICES

Full-time equated classified positions 230.2		
AIDS prevention, testing, and care programs—37.7 FTE positions	$	70,682,000
Cancer prevention and control program—15.0 FTE positions		15,101,500
Chronic disease control and health promotion administration—23.4 FTE positions		8,506,800
Dental programs—3.8 FTE positions		3,759,100
Diabetes and kidney program—8.0 FTE positions		3,262,400
Essential local public health services		45,419,300
Health and wellness initiatives—11.7 FTE positions		9,047,600
Implementation of 1993 PA 133, MCL 333.17015		20,000
Injury control intervention project		1,000,000
Local health services—3.3 FTE positions		6,707,500
Medicaid outreach cost reimbursement to local health departments		12,500,000
Public health administration—9.0 FTE positions		1,968,800
Sexually transmitted disease control program—20.0 FTE positions		6,333,400
Smoking prevention program—12.0 FTE positions		2,168,600
Violence prevention—4.9 FTE positions		3,310,400
Vital records and health statistics—81.4 FTE positions		10,167,700
GROSS APPROPRIATION	$	199,955,100
Appropriated from:		
Federal revenues:		
Capped federal revenues		81,100
Total other federal revenues		80,208,700
Special revenue funds:		
Total local revenues		5,150,000
Total private revenues		39,282,400
Total other state restricted revenues		18,478,000
State general fund/general purpose	$	56,754,900

Sec. 117. FAMILY, MATERNAL, AND CHILD HEALTH

Full-time equated classified positions 112.3		
Family, maternal, and child health administration—53.3 FTE positions	$	9,221,700
Family planning local agreements		8,310,700
Local MCH services		7,018,100
Pregnancy prevention program		602,100
Prenatal care outreach and service delivery support—14.0 FTE positions		20,647,000
Special projects		6,289,100

		For Fiscal Year Ending Sept. 30, 2019
Sudden and unexpected infant death and suffocation prevention program	$	321,300
Women, infants, and children program administration and special projects—45.0 FTE positions..		18,125,400
Women, infants, and children program local agreements and food costs		256,285,000
GROSS APPROPRIATION	$	326,820,400
Appropriated from:		
Federal revenues:		
Social security act, temporary assistance for needy families		650,000
Total other federal revenues		253,070,500
Special revenue funds:		
Total local revenues		75,000
Total private revenues		61,702,400
State general fund/general purpose	$	11,322,500

Sec. 118. EMERGENCY MEDICAL SERVICES, TRAUMA, AND PREPAREDNESS

Full-time equated classified positions 76.0		
Bioterrorism preparedness—53.0 FTE positions	$	30,491,300
Emergency medical services program—23.0 FTE positions		6,559,200
GROSS APPROPRIATION	$	37,050,500
Appropriated from:		
Federal revenues:		
Total other federal revenues		31,435,300
Special revenue funds:		
Total other state restricted revenues		4,004,900
State general fund/general purpose	$	1,610,300

Sec. 119. CHILDREN'S SPECIAL HEALTH CARE SERVICES

Full-time equated classified positions 46.8		
Bequests for care and services—2.8 FTE positions	$	1,837,800
Children's special health care services administration—44.0 FTE positions		6,101,400
Medical care and treatment		217,159,500
Nonemergency medical transportation		905,900
Outreach and advocacy		5,510,000
GROSS APPROPRIATION	$	231,514,600
Appropriated from:		
Federal revenues:		
Total other federal revenues		124,721,500
Special revenue funds:		
Total private revenues		1,016,200
Total other state restricted revenues		3,682,900
State general fund/general purpose	$	102,094,000

Sec. 120. AGING AND ADULT SERVICES AGENCY

Full-time equated classified positions 47.0		
Aging and adult services administration—47.0 FTE positions	$	8,828,300
Community services		46,067,300
Employment assistance		3,500,000
Nutrition services		42,254,200
Respite care program		6,468,700
Senior volunteer service programs		4,765,300
GROSS APPROPRIATION	$	111,883,800
Appropriated from:		
Federal revenues:		
Capped federal revenues		371,500
Total other federal revenues		59,094,200
Special revenue funds:		
Total private revenues		520,000
Michigan merit award trust fund		4,068,700
Total other state restricted revenues		2,000,000
State general fund/general purpose	$	45,829,400

		For Fiscal Year Ending Sept. 30, 2019
Sec. 121. MEDICAL SERVICES ADMINISTRATION		
Full-time equated classified positions 453.0		
Electronic health record incentive program—18.0 FTE positions	$	96,087,400
Healthy Michigan plan administration—30.0 FTE positions		47,578,400
Medical services administration—362.0 FTE positions		95,439,900
Technology supporting integrated service delivery—43.0 FTE positions		54,056,700
GROSS APPROPRIATION	$	293,162,400
Appropriated from:		
Federal revenues:		
Social security act, temporary assistance for needy families		749,600
Capped federal revenues		910,700
Total other federal revenues		246,315,600
Special revenue funds:		
Total local revenues		37,700
Total private revenues		101,300
Total other state restricted revenues		336,300
State general fund/general purpose	$	44,711,200
Sec. 122. MEDICAL SERVICES		
Adult home help services	$	328,368,100
Ambulance services		11,601,700
Auxiliary medical services		6,936,600
Dental clinic program		1,000,000
Dental services		311,017,200
Federal Medicare pharmaceutical program		277,511,900
Health plan services		4,894,990,000
Healthy Michigan plan		3,647,233,400
Home health services		5,525,900
Hospice services		125,764,200
Hospital disproportionate share payments		45,000,000
Hospital services and therapy		688,553,700
Integrated care organizations		220,150,000
Long-term care services		1,866,486,100
Maternal and child health		26,279,500
Medicaid home- and community-based services waiver		351,913,900
Medicare premium payments		608,352,900
Personal care services		10,138,000
Pharmaceutical services		332,217,000
Physician services		253,189,400
Program of all-inclusive care for the elderly		141,313,300
School-based services		109,937,200
Special Medicaid reimbursement		309,532,500
Transportation		22,633,800
GROSS APPROPRIATION	$	14,595,646,300
Appropriated from:		
Federal revenues:		
Total other federal revenues		10,480,078,800
Special revenue funds:		
Total local revenues		34,730,200
Total private revenues		2,100,000
Michigan merit award trust fund		48,200,000
Total other state restricted revenues		2,250,899,600
State general fund/general purpose	$	1,779,637,700
Sec. 123. INFORMATION TECHNOLOGY		
Child support automation	$	44,425,600
Information technology services and projects		161,975,100
Michigan Medicaid information system		75,634,400
GROSS APPROPRIATION	$	282,035,100

		For Fiscal Year Ending Sept. 30, 2019
Appropriated from:		
Interdepartmental grant revenues:		
IDG from department of education	$	1,067,000
Federal revenues:		
Social security act, temporary assistance for needy families		24,104,900
Capped federal revenues		21,934,900
Total other federal revenues		130,213,500
Special revenue funds:		
Total private revenues		25,000,000
Total other state restricted revenues		1,999,800
State general fund/general purpose	$	77,715,000

Sec. 124. ONE-TIME APPROPRIATIONS

Asian American health care and wellness initiative	$	150,000
Autism navigator		1,025,000
Autism train the trainer grant		55,000
Census related services		2,500,000
Child lead poisoning elimination board		1,250,000
Dental clinic program		1,000,000
Drinking water declaration of emergency		4,621,100
Employment first		500,000
Infant mortality program grant		100,000
Michigan medical resident loan repayment program		5,000,000
Multicultural integration funding		1,381,100
Opioid outreach coordinator		115,000
Primary care and dental health services		300,000
Refugee assistance grant		175,000
Western Michigan University clinics		1,500,000
GROSS APPROPRIATION	$	19,672,200
Appropriated from:		
Special revenue funds:		
Total private revenues		2,000,000
Total other state restricted revenues		376,700
State general fund/general purpose	$	17,295,500

PART 2

PROVISIONS CONCERNING APPROPRIATIONS
FOR FISCAL YEAR 2018-2019

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state sources under part 1 for fiscal year 2018-2019 is $6,958,933,800.00 and state spending from state sources to be paid to local units of government for fiscal year 2018-2019 is $1,468,359,900.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF HEALTH AND HUMAN SERVICES

COMMUNITY SERVICES AND OUTREACH

Crime victim rights services grants	$	9,474,800
Housing and support services		550,700

CHILDREN'S SERVICES AGENCY - CHILD WELFARE

Child care fund	$	163,968,700

PUBLIC ASSISTANCE		
Family independence program	$	4,200
Multicultural integration funding		1,193,300
State disability assistance payments		621,300
BEHAVIORAL HEALTH PROGRAM ADMINISTRATION AND SPECIAL PROJECTS		
Behavioral health program administration	$	2,388,700
BEHAVIORAL HEALTH SERVICES		
Autism services	$	66,413,100
Children with serious emotional disturbance waiver		3,555,000
Children's waiver home care program		7,195,700
Community mental health non-Medicaid services		125,578,200
Community substance use disorder prevention, education, and treatment		16,208,500
Court-appointed guardian and conservator reimbursement		1,500,000
Health homes		70,700
Healthy Michigan plan - behavioral health		20,212,200
Medicaid mental health services		787,894,000
Medicaid substance use disorder services		23,704,200
Nursing home PAS/ARR-OBRA		3,070,500
State disability assistance program substance use disorder services		2,018,400
STATE PSYCHIATRIC HOSPITALS AND FORENSIC MENTAL HEALTH SERVICES		
Caro Regional Mental Health Center - psychiatric hospital - adult	$	1,200
Center for forensic psychiatry		1,400
HEALTH POLICY		
Primary care services	$	88,900
DISEASE CONTROL, PREVENTION, AND EPIDEMIOLOGY		
Childhood lead program	$	72,700
Epidemiology administration		291,400
Healthy homes program		10,000
Immunization program		1,138,900
LOCAL HEALTH AND ADMINISTRATIVE SERVICES		
AIDS prevention, testing, and care programs	$	2,038,400
Cancer prevention and control program		121,400
Essential local public health services		40,269,300
Health and wellness initiatives		2,363,300
Local health services		4,500,000
Public health administration		19,800
Sexually transmitted disease control program		438,400
FAMILY, MATERNAL, AND CHILD HEALTH		
Family planning local agreements	$	225,400
Prenatal care outreach and service delivery support		3,941,500
EMERGENCY MEDICAL SERVICES, TRAUMA, AND PREPAREDNESS		
Emergency medical services program	$	71,000
CHILDREN'S SPECIAL HEALTH CARE SERVICES		
Medical care and treatment	$	797,200
Outreach and advocacy		2,598,100
AGING AND ADULT SERVICES AGENCY		
Aging and adult services administration	$	594,100
Community services		21,726,700
Nutrition services		11,086,900
Respite care program		5,224,500
Senior volunteer service programs		946,300

MEDICAL SERVICES ADMINISTRATION		
Medical services administration	$	282,000
MEDICAL SERVICES		
Adult home help services	$	486,300
Ambulance services		475,900
Auxiliary medical services		1,300
Dental services		1,265,400
Healthy Michigan plan-managed care		4,353,000
Home health services		8,200
Hospice services		38,100
Hospital services and therapy		1,313,400
Long-term care services		104,351,600
Medicaid home- and community-based services waiver		10,995,100
Personal care services		23,800
Pharmaceutical services		20,300
Physician services		4,690,100
Special Medicaid reimbursement		5,415,200
Transportation		23,200
ONE-TIME APPROPRIATIONS		
Drinking water declaration of emergency	$	428,000
TOTAL OF PAYMENTS TO LOCAL UNITS OF GOVERNMENT	$	1,468,359,900

Sec. 202. The appropriations authorized under this part and part 1 are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

Sec. 203. As used in this part and part 1:

(a) "AIDS" means acquired immunodeficiency syndrome.

(b) "CMHSP" means a community mental health services program as that term is defined in section 100a of the mental health code, 1974 PA 258, MCL 330.1100a.

(c) "CMS" means the Centers for Medicare and Medicaid Services.

(d) "Current fiscal year" means the fiscal year ending September 30, 2019.

(e) "Department" means the department of health and human services.

(f) "Director" means the director of the department.

(g) "DSH" means disproportionate share hospital.

(h) "EPSDT" means early and periodic screening, diagnosis, and treatment.

(i) "Federal poverty level" means the poverty guidelines published annually in the Federal Register by the United States Department of Health and Human Services under its authority to revise the poverty line under 42 USC 9902.

(j) "FTE" means full-time equated.

(k) "GME" means graduate medical education.

(*l*) "Health plan" means, at a minimum, an organization that meets the criteria for delivering the comprehensive package of services under the department's comprehensive health plan.

(m) "HEDIS" means healthcare effectiveness data and information set.

(n) "HMO" means health maintenance organization.

(o) "IDEA" means the individuals with disabilities education act, 20 USC 1400 to 1482.

(p) "IDG" means interdepartmental grant.

(q) "MCH" means maternal and child health.

(r) "Medicaid" means subchapter XIX of the social security act, 42 USC 1396 to 1396w-5.

(s) "Medicare" means subchapter XVIII of the social security act, 42 USC 1395 to 1395*lll*.

(t) "MiCAFE" means Michigan's coordinated access to food for the elderly.

(u) "MIChild" means the program described in section 1670 of this part.

(v) "MiSACWIS" means Michigan statewide automated child welfare information system.

(w) "PAS/ARR-OBRA" means the preadmission screening and annual resident review required under the omnibus budget reconciliation act of 1987, section 1919(e)(7) of the social security act, 42 USC 1396r.

(x) "PFAS" means perfluoroalkyl and polyfluoroalkyl substances.

(y) "PIHP" means an entity designated by the department as a regional entity or a specialty prepaid inpatient health plan for Medicaid mental health services, services to individuals with developmental disabilities, and substance use disorder services. Regional entities are described in section 204b of the mental health code, 1974 PA 258, MCL 330.1204b. Specialty prepaid inpatient health plans are described in section 232b of the mental health code, 1974 PA 258, MCL 330.1232b.

(z) "Previous fiscal year" means the fiscal year ending September 30, 2018.

(aa) "Quarterly reports" means 4 reports shall be submitted to the required recipients by the following dates: February 1, April 1, July 1, and September 30 of the current fiscal year.

(bb) "Semiannual basis" means March 1 and September 30 of the current fiscal year.

(cc) "Settlement" means the settlement agreement entered in the case of *Dwayne B. v Snyder*, docket no. 2:06-cv-13548 in the United States District Court for the Eastern District of Michigan.

(dd) "SSI" means supplemental security income.

(ee) "Temporary assistance for needy families" or "TANF" or "title IV-A" means part A of subchapter IV of the social security act, 42 USC 601 to 619.

(ff) "Title IV-B" means part B of title IV of the social security act, 42 USC 620 to 629m.

(gg) "Title IV-D" means part D of title IV of the social security act, 42 USC 651 to 669b.

(hh) "Title IV-E" means part E of title IV of the social security act, 42 USC 670 to 679c.

(ii) "Title X" means subchapter VIII of the public health service act, 42 USC 300 to 300a-8, which establishes grants to states for family planning services.

Sec. 204. Unless otherwise specified, the departments and agencies receiving appropriations in part 1 shall use the internet to fulfill the reporting requirements of this part and part 1. This requirement shall include transmission of reports via electronic mail to the recipients identified for each reporting requirement, and it shall include placement of reports on the internet.

Sec. 205. Funds appropriated in part 1 shall not be used for the purchase of foreign goods or services, or both, if competitively priced and of comparable quality American goods or services, or both, are available. Preference shall be given to goods or services, or both, manufactured or provided by Michigan businesses if they are competitively priced and of comparable quality. In addition, preference shall 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. 206. The director 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. 207. The departments and agencies receiving appropriations in part 1 shall prepare a report on out-of-state travel expenses not later than January 1 of each year. The travel report shall be a listing of all travel by classified and unclassified employees outside this state in the immediately preceding fiscal year that was funded in whole or in part with funds appropriated in the department's budget. The report shall be submitted to the senate and house appropriations committees, the house and senate fiscal agencies, and the state budget director. The report shall include the following information:

(a) The dates of each travel occurrence.

(b) The transportation and related costs of each travel occurrence, including the proportion funded with state general fund/general purpose revenues, the proportion funded with state restricted revenues, the proportion funded with federal revenues, and the proportion funded with other revenues.

Sec. 208. Funds appropriated in part 1 shall not be used by a principal executive department, state agency, or authority to hire a person to provide legal services that are the responsibility of the attorney general. This prohibition does not apply to legal services for bonding activities and for those outside services that the attorney general authorizes.

Sec. 209. Not later than November 30, the state budget office shall prepare and transmit a report that provides for estimates of the total general fund/general purpose appropriation lapses at the close of the prior fiscal year. This report shall summarize the projected year-end general fund/general purpose appropriation lapses by major departmental

program or program areas. The report shall be transmitted to the chairpersons of the senate and house appropriations committees, and the senate and house fiscal agencies.

Sec. 210. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $400,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393. These funds shall not be made available to increase TANF authorization.

(2) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $45,000,000.00 for state restricted contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(3) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $40,000,000.00 for local contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(4) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $60,000,000.00 for private contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

Sec. 211. The department shall cooperate with the department of technology, management, and budget to maintain a searchable website accessible by the public at no cost that includes, but is not limited to, all of the following for each department or agency:

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

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

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

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

(e) Job specifications and wage rates.

Sec. 212. Within 14 days after the release of the executive budget recommendation, the department shall cooperate with the state budget office to provide the senate and house appropriations chairs, the senate and house appropriations subcommittees chairs on the department budget, and the senate and house fiscal agencies with an annual report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures for the previous fiscal year and the current fiscal year.

Sec. 213. The department shall maintain, on a publicly accessible website, a department scorecard that identifies, tracks, and regularly updates key metrics that are used to monitor and improve the department's performance.

Sec. 214. Total authorized appropriations from all sources under part 1 for legacy costs for the current fiscal year are estimated at $365,234,500.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at $168,379,300.00. Total agency appropriations for retiree health care legacy costs are estimated at $196,855,200.00.

Sec. 215. If either of the following events occur, within 30 days the department shall notify the state budget director, the chairs of the house and senate appropriations subcommittees on the department budget, and the house and senate fiscal agencies and policy offices of that fact:

(a) A legislative objective of this part or of a bill or amendment to a bill to amend the social welfare act, 1939 PA 280, MCL 400.1 to 400.119b, cannot be implemented because implementation would conflict with or violate federal regulations.

(b) A federal grant, for which a notice of an award has been received, cannot be used, or will not be used.

Sec. 216. (1) In addition to funds appropriated in part 1 for all programs and services, there is appropriated for write-offs of accounts receivable, deferrals, and for prior year obligations in excess of applicable prior year appropriations, an amount equal to total write-offs and prior year obligations, but not to exceed amounts available in prior year revenues.

(2) The department's ability to satisfy appropriation fund sources in part 1 shall not be limited to collections and accruals pertaining to services provided in the current fiscal year, but shall also include reimbursements, refunds, adjustments, and settlements from prior years.

Sec. 217. (1) By February 1 of the current fiscal year, the department shall report to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the state budget

director on the detailed name and amounts of estimated federal, restricted, private, and local sources of revenue that support the appropriations in each of the line items in part 1.

(2) Upon the release of the next fiscal year executive budget recommendation, the department shall report to the same parties in subsection (1) on the amounts and detailed sources of federal, restricted, private, and local revenue proposed to support the total funds appropriated in each of the line items in part 1 of the next fiscal year executive budget proposal.

Sec. 218. The department shall include, but not be limited to, the following in its annual list of proposed basic health services as required in part 23 of the public health code, 1978 PA 368, MCL 333.2301 to 333.2321:

(a) Immunizations.

(b) Communicable disease control.

(c) Sexually transmitted disease control.

(d) Tuberculosis control.

(e) Prevention of gonorrhea eye infection in newborns.

(f) Screening newborns for the conditions listed in section 5431 of the public health code, 1978 PA 368, MCL 333.5431, or recommended by the newborn screening quality assurance advisory committee created under section 5430 of the public health code, 1978 PA 368, MCL 333.5430.

(g) Health and human services annex of the Michigan emergency management plan.

(h) Prenatal care.

Sec. 219. (1) The department may contract with the Michigan Public Health Institute for the design and implementation of projects and for other public health-related activities prescribed in section 2611 of the public health code, 1978 PA 368, MCL 333.2611. The department may develop a master agreement with the Michigan Public Health Institute to carry out these purposes for up to a 3-year period. The department shall report to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the state budget director on or before January 1 of the current fiscal year all of the following:

(a) A detailed description of each funded project.

(b) The amount allocated for each project, the appropriation line item from which the allocation is funded, and the source of financing for each project.

(c) The expected project duration.

(d) A detailed spending plan for each project, including a list of all subgrantees and the amount allocated to each subgrantee.

(2) On or before December 30 of the current fiscal year, the department shall provide to the same parties listed in subsection (1) a copy of all reports, studies, and publications produced by the Michigan Public Health Institute, its subcontractors, or the department with the funds appropriated in the department's budget in the previous fiscal year and allocated to the Michigan Public Health Institute.

Sec. 220. The department shall ensure that faith-based organizations are able to apply and compete for services, programs, or contracts that they are qualified and suitable to fulfill. The department shall not disqualify faith-based organizations solely on the basis of the religious nature of their organization or their guiding principles or statements of faith.

Sec. 221. According to section 1b of the social welfare act, 1939 PA 280, MCL 400.1b, the department shall treat part 1 and this part as a time-limited addendum to the social welfare act, 1939 PA 280, MCL 400.1 to 400.119b.

Sec. 222. (1) The department shall make the entire policy and procedures manual available and accessible to the public via the department website.

(2) The department shall report by April 1 of the current fiscal year on each specific policy change made to implement a public act affecting the department that took effect during the prior calendar year to the house and senate appropriations subcommittees on the budget for the department, the joint committee on administrative rules, the senate and house fiscal agencies, and policy offices. The department shall attach each policy bulletin issued during the prior calendar year to this report.

Sec. 223. The department may establish and collect fees for publications, videos and related materials, conferences, and workshops. Collected fees are appropriated when received and shall be used to offset expenditures to pay for printing and mailing costs of the publications, videos and related materials, and costs of the workshops and conferences. The department shall not collect fees under this section that exceed the cost of the expenditures. When collected fees

are appropriated under this section in an amount that exceeds the current fiscal year appropriation, within 30 days the department shall notify the chairs of the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies and policy offices, and the state budget director of that fact.

Sec. 224. The department may retain all of the state's share of food assistance overissuance collections as an offset to general fund/general purpose costs. Retained collections shall be applied against federal funds deductions in all appropriation units where department costs related to the investigation and recoupment of food assistance overissuances are incurred. Retained collections in excess of such costs shall be applied against the federal funds deducted in the departmental administration and support appropriation unit.

Sec. 225. (1) Sanctions, suspensions, conditions for provisional license status, and other penalties shall not be more stringent for private service providers than for public entities performing equivalent or similar services.

(2) Neither the department nor private service providers or licensees shall be granted preferential treatment or considered automatically to be in compliance with administrative rules based on whether they have collective bargaining agreements with direct care workers. Private service providers or licensees without collective bargaining agreements shall not be subjected to additional requirements or conditions of licensure based on their lack of collective bargaining agreements.

Sec. 226. If the revenue collected by the department from fees and collections exceeds the amount appropriated in part 1, the revenue may be carried forward with the approval of the state budget director into the subsequent fiscal year. The revenue carried forward under this section shall be used as the first source of funds in the subsequent fiscal year.

Sec. 227. The state departments, agencies, and commissions receiving tobacco tax funds and Healthy Michigan fund revenue from part 1 shall report by April 1 of the current fiscal year to the senate and house appropriations committees, the senate and house fiscal agencies, and the state budget director on the following:

(a) Detailed spending plan by appropriation line item including description of programs and a summary of organizations receiving these funds.

(b) Description of allocations or bid processes including need or demand indicators used to determine allocations.

(c) Eligibility criteria for program participation and maximum benefit levels where applicable.

(d) Outcome measures used to evaluate programs, including measures of the effectiveness of these programs in improving the health of Michigan residents.

Sec. 228. If the department is authorized under state or federal law to collect an overpayment owed to the department, the department may assess a penalty of 1% per month beginning 60 days after notification. If caused by department error, a penalty may not be assessed until 6 months after the initial notification date of the overpayment amount. The department shall not collect penalty interest in an amount that exceeds the amount of the original overpayment. The state share of any funds collected under this section shall be deposited in the state general fund.

Sec. 229. (1) The department shall extend the interagency agreement with the Michigan talent investment agency for the duration of the current fiscal year, which concerns TANF funding to provide job readiness and welfare-to-work programming. The interagency agreement shall include specific outcome and performance reporting requirements as described in this section. TANF funding provided to the Michigan talent investment agency in the current fiscal year is contingent on compliance with the data and reporting requirements described in this section. The interagency agreement must require the Michigan talent investment agency to provide all of the following items by January 1 of the current fiscal year for the previous fiscal year to the senate and house appropriations subcommittees on the department budget and the state budget office:

(a) An itemized spending report on TANF funding, including all of the following:

(*i*) Direct services to recipients.

(*ii*) Administrative expenditures.

(b) The number of family independence program (FIP) recipients served through the TANF funding, including all of the following:

(*i*) The number and percentage who obtained employment through Michigan Works!

(*ii*) The number and percentage who fulfilled their TANF work requirement through other job readiness programming.

(*iii*) Average TANF spending per recipient.

(*iv*) The number and percentage of recipients who were referred to Michigan Works! but did not receive a job or job readiness placement and the reasons why.

(2) By March 1 of the current fiscal year, the department shall provide to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office an annual report on the following matters itemized by Michigan Works! agency: the number of referrals to Michigan Works! job readiness programs, the number of referrals to Michigan Works! job readiness programs who became a participant in the Michigan Works! job readiness programs, the number of participants who obtained employment, and the cost per participant case.

Sec. 230. By December 31 of the current fiscal year, the department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies and policy offices, and the state budget office on the status of the implementation of any noninflationary, noncaseload, programmatic funding increases from the previous fiscal year. The report shall confirm the implementation of already implemented funding increases and provide explanations for any planned implementation of funding increases that have not yet occurred. For any planned implementation of funding increases that have not yet occurred, the department shall provide an expected implementation date and the reasons for delayed implementation.

Sec. 231. From the funds appropriated in part 1 for travel reimbursements to employees, the department shall allocate up to $100,000.00 toward reimbursing counties for the out-of-pocket travel costs of the local county department board members and county department directors to attend 1 meeting per year of the Michigan County Social Services Association.

Sec. 232. (1) The department shall provide the approved spending plan for each line item receiving an appropriation in the current fiscal year to the senate and house appropriations subcommittees on the department budget and the senate and house fiscal agencies within 60 days of approval by the department but not later than January 15 of the current fiscal year. The spending plan shall include the following information regarding planned expenditures for each category: allocation in the previous period, change in the allocation, and new allocation. The spending plan shall include the following information regarding each revenue source for the line item: category of the fund source indicated by general fund/general purpose, state restricted, local, private or federal. Figures included in the approved spending plan shall not be assumed to constitute the actual final expenditures, as line items may be updated on an as-needed basis to reflect changes in projected expenditures and projected revenue. The department shall supplement the spending plan information by providing a list of all active contracts and grants in the department's contract system. For amounts listed in the other contracts category of each spending plan, the department shall provide a list of all contracts and grants and amounts for the current fiscal year, and include the name of the line item and the name of the fund source related to each contract or grant and amount. For amounts listed in the all other costs category of each spending plan, the department shall provide a list detailing planned expenditures and amounts for the current fiscal year, and include the name of the line item and the name of the fund source related to each amount and expenditure.

(2) Notwithstanding any other appropriation authority granted in part 1, the department shall not appropriate any additional general fund/general purpose funds or any related federal and state restricted funds without providing a written 30-day notice to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the senate and house policy offices.

Sec. 252. The appropriations in part 1 for Healthy Michigan plan - behavioral health, Healthy Michigan plan administration, and Healthy Michigan plan are contingent on the provisions of the social welfare act, 1939 PA 280, MCL 400.1 to 400.119b, that were contained in 2013 PA 107 not being amended, repealed, or otherwise altered to eliminate the Healthy Michigan plan. If that occurs, then, upon the effective date of the amendatory act that amends, repeals, or otherwise alters those provisions, the remaining funds in the Healthy Michigan plan - behavioral health, Healthy Michigan plan administration, and Healthy Michigan plan line items shall only be used to pay previously incurred costs and any remaining appropriations shall not be allotted to support those line items.

Sec. 256. If funds become available, the department shall, in consultation with the Michigan department of education, the Michigan domestic and sexual violence prevention and treatment board, and the Michigan Coalition to End Domestic and Sexual Violence, redraft the curriculum for the "Growing Up & Staying Healthy" and "Healthy & Responsible Relationships" modules to include age-appropriate information about the importance of consent, setting and respecting personal boundaries, and the prevention of child sexual abuse as outlined in MCL 380.1505 and consistent with the recommendations and guidelines set by the task force on the prevention of sexual abuse of children created under section 12b of the child protection law, 1975 PA 238, MCL 722.632b, and the prevention of sexual assault and dating violence.

Sec. 263. (1) Except as otherwise provided in this subsection, before submission of a waiver, a state plan amendment, or a similar proposal to CMS or other federal agency, the department shall provide written notification of the planned submission to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies and policy offices, and the state budget office. This subsection does not apply to the submission of a

waiver, a state plan amendment, or similar proposal that does not propose a material change or is outside of the ordinary course of waiver, state plan amendment, or similar proposed submissions.

(2) The department shall provide written reports on a semiannual basis to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the state budget office summarizing the status of any new or ongoing discussions with CMS or the United States Department of Health and Human Services or other federal agency regarding potential or future waiver applications as well as the status of submitted waivers that have not yet received federal approval. If, at the time a semiannual report is due, there are no reportable items, then no report is required to be provided.

Sec. 264. The department shall not take disciplinary action against an employee for communicating with a member of the legislature or his or her staff.

Sec. 270. The department shall advise the legislature of the receipt of a notification from the attorney general's office of a legal action in which expenses had been recovered pursuant to section 106(4) of the social welfare act, 1939 PA 280, MCL 400.106. By February 1 of the current fiscal year, the department shall submit a written report to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the state budget office that includes, at a minimum, all of the following:

(a) The total amount recovered from the legal action.

(b) The program or service for which the money was originally expended.

(c) Details on the disposition of the funds recovered such as the appropriation or revenue account in which the money was deposited.

(d) A description of the facts involved in the legal action.

Sec. 274. (1) The department, in collaboration with the state budget office, shall submit to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the house and senate policy offices 1 week after the day the governor submits to the legislature the budget for the ensuing fiscal year a report on spending and revenue projections for each of the capped federal funds listed below. The report shall contain actual spending and revenue in the previous fiscal year, spending and revenue projections for the current fiscal year as enacted, and spending and revenue projections within the executive budget proposal for the fiscal year beginning October 1, 2019 for each individual line item for the department budget. The report shall also include federal funds transferred to other departments. The capped federal funds shall include, but not be limited to, all of the following:

(a) TANF.

(b) Title XX social services block grant.

(c) Title IV-B part I child welfare services block grant.

(d) Title IV-B part II promoting safe and stable families funds.

(e) Low-income home energy assistance program.

(2) It is the intent of the legislature that the department, in collaboration with the state budget office, not utilize capped federal funding for economics adjustments for FTEs or other economics costs that are included as part of the budget submitted to the legislature by the governor for the ensuing fiscal year, unless there is a reasonable expectation for increased federal funding to be available to the department from that capped revenue source in the ensuing fiscal year.

(3) By February 15 of the current fiscal year, the department shall prepare an annual report of its efforts to identify additional TANF maintenance of effort sources and rationale for any increases or decreases from all of the following, but not limited to:

(a) Other departments.

(b) Local units of government.

(c) Private sources.

Sec. 275. (1) As part of the year-end closing process, the department, with the approval of the state budget director, is authorized to realign sources between other federal, TANF, and capped federal financing authorizations in order to maximize federal revenues. This realignment of financing shall not produce a gross increase or decrease in the department's total individual line item authorizations, nor will it produce a net increase or decrease in total federal revenues, or a net increase in TANF authorization.

(2) Not later than November 30, the department shall submit to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the house and senate policy offices a report on the realignment of federal fund sources that took place as part of the year-end closing process for the previous fiscal year.

Sec. 279. (1) All master contracts relating to foster care and adoption services as funded by the appropriations in section 105 of part 1 shall be performance-based contracts that employ a client-centered results-oriented process that is based on measurable performance indicators and desired outcomes and includes the annual assessment of the quality of services provided.

(2) By February 1 of the current fiscal year, the department shall provide the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies and policy offices, and the state budget office a report detailing measurable performance indicators, desired outcomes, and an assessment of the quality of services provided by the department during the previous fiscal year.

Sec. 280. By March 1 of the current fiscal year, the department shall provide a report to the house and senate appropriations committees, the house and senate fiscal agencies, the house and senate policy offices, and the state budget director that provides all of the following for each line item in part 1 containing personnel-related costs, including the specific individual amounts for salaries and wages, payroll taxes, and fringe benefits:

(a) FTE authorization.

(b) Spending authorization for personnel-related costs, by fund source, under the spending plan.

(c) Actual year-to-date expenditures for personnel-related costs, by fund source, through the end of the prior month.

(d) The projected year-end balance or shortfall for personnel-related costs, by fund source, based on actual monthly spending levels through the end of the prior month.

(e) A specific plan for addressing any projected shortfall for personnel-related costs at either the gross or fund source level.

Sec. 288. (1) Beginning October 1 of the current fiscal year, no less than 90% of a new department contract supported solely from state restricted funds or general fund/general purpose funds and designated in this part or part 1 for a specific entity for the purpose of providing services to individuals shall be expended for such services after the first year of the contract.

(2) The department may allow a contract to exceed the limitation on administrative and services costs if it can be demonstrated that an exception should be made to the provision in subsection (1).

(3) By September 30 of the current fiscal year, the department shall report to the house and senate appropriations subcommittees on the department budget, house and senate fiscal agencies, and state budget office on the rationale for all exceptions made to the provision in subsection (1) and the number of contracts terminated due to violations of subsection (1).

Sec. 289. By March 1 of the current fiscal year, the department shall provide to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the senate and house policy offices an annual report on the supervisor-to-staff ratio by department divisions and subdivisions.

Sec. 290. Any public advertisement for public assistance shall also inform the public of the welfare fraud hotline operated by the department.

Sec. 295. (1) From the funds appropriated in part 1 to agencies providing physical and behavioral health services to multicultural populations, the department shall award grants in accordance with the requirements of subsection (2). The state is not liable for any spending above the contract amount. Funds shall not be released until reporting requirements under section 295 of article X of 2017 PA 107 are satisfied.

(2) The department shall require each contractor described in subsection (1) that receives greater than $1,000,000.00 in state grant funding to comply with performance-related metrics to maintain their eligibility for funding. The organizational metrics shall include, but not be limited to, all of the following:

(a) Each contractor or subcontractor shall have accreditations that attest to their competency and effectiveness as behavioral health and social service agencies.

(b) Each contractor or subcontractor shall have a mission that is consistent with the purpose of the multicultural agency.

(c) Each contractor shall validate that any subcontractors utilized within these appropriations share the same mission as the lead agency receiving funding.

(d) Each contractor or subcontractor shall demonstrate cost-effectiveness.

(e) Each contractor or subcontractor shall ensure their ability to leverage private dollars to strengthen and maximize service provision.

(f) Each contractor or subcontractor shall provide timely and accurate reports regarding the number of clients served, units of service provision, and ability to meet their stated goals.

(3) The department shall require an annual report from the contractors described in subsection (2). The annual report, due 60 days following the end of the contract period, shall include specific information on services and programs provided, the client base to which the services and programs were provided, information on any wraparound services provided, and the expenditures for those services. The department shall provide the annual reports to the senate and house appropriations subcommittees on health and human services, the senate and house fiscal agencies, and the state budget office.

Sec. 296. From the funds appropriated in part 1, the department is responsible for the necessary and reasonable attorney fees and costs incurred by private and independent legal counsel chosen by current and former classified and unclassified department employees in the defense of the employees in any state or federal lawsuit or investigation related to the water system in a city or community in which a declaration of emergency was issued because of drinking water contamination.

Sec. 297. On a semiannual basis, the department shall report on the number of FTEs in pay status by type of staff. The report shall include a comparison by line item of the number of FTEs authorized from funds appropriated in part 1 to the actual number of FTEs employed by the department at the end of the reporting period.

Sec. 298. (1) The department shall continue to work with a willing CMHSP in Kent County and all willing Medicaid health plans in the county to pilot a full physical and behavioral health integrated service demonstration model. The department shall ensure that the demonstration model described in this subsection is implemented in a manner that ensures at least all of the following:

(a) That any changes made to a Medicaid waiver or Medicaid state plan to implement the demonstration model described in this subsection must only be in effect for the duration of the demonstration model described in this subsection.

(b) That the demonstration model described in this subsection is consistent with the stated core values as identified in the final report of the workgroup established in section 298 of article X of 2016 PA 268.

(c) That updates are provided to the medical care advisory council, behavioral health advisory council, and developmental disabilities council.

(2) In addition to the pilot project described in subsection (1), the department shall continue to implement up to 3 pilot projects to achieve fully financially integrated Medicaid behavioral health and physical health benefit and financial integration demonstration models. These demonstration models shall use single contracts between the state and each licensed Medicaid health plan that is currently contracted to provide Medicaid services in the geographic area of the pilot project. The department shall ensure that the pilot projects described in this subsection are implemented in a manner that ensures at least all of the following:

(a) That allows the CMHSP in the geographic area of the pilot project to be a provider of behavioral health supports and services.

(b) That any changes made to a Medicaid waiver or Medicaid state plan to implement the pilot projects described in this subsection must only be in effect for the duration of the pilot programs established under section 298 of article X of 2016 PA 268.

(c) That the project is consistent with the stated core values as identified in the final report of the workgroup described in subsection (1).

(d) That updates are provided to the medical care advisory council, behavioral health advisory council, and developmental disabilities council.

(3) It is the intent of the legislature that each pilot project and demonstration model shall be designed to last at least 2 years.

(4) For the duration of any pilot projects and demonstration model, the department shall require that contracts between CMHSPs and the Medicaid health plans within their pilot region mandate that any and all realized benefits and cost savings of integrating the physical health and behavioral health systems shall be reinvested in services and supports for individuals having or at risk of having a mental illness, an intellectual or developmental disability, or a substance use disorder. Any and all realized benefits and cost savings shall be specifically reinvested in the counties where the savings occurred in accordance with the Medicaid state plan and any applicable Medicaid waiver.

(5) It is the intent of the legislature that the primary purpose of the pilot projects and demonstration model is to test how the state may better integrate behavioral and physical health delivery systems in order to improve behavioral and physical health outcomes, maximize efficiencies, minimize unnecessary costs, and achieve material increases in behavioral health services without increases in overall Medicaid spending.

(6) The department shall continue to partner with 1 of the state's research universities at least 6 months before the completion of each pilot project or demonstration model authorized under this section to evaluate the pilot project or demonstration model. The evaluation must include all of the following:

(a) Information on the pilot project's or demonstration model's success in meeting the performance metrics developed in this subsection and information on whether the pilot project could be replicated into other geographic areas with similar performance metric outcomes.

(b) Performance metrics, at a minimum, from each of the following categories:

(*i*) Improvement of the coordination between behavioral health and physical health.

(*ii*) Improvement of services available to individuals with mental illness, intellectual or developmental disabilities, or substance use disorders.

(*iii*) Benefits associated with full access to community-based services and supports.

(*iv*) Customer health status.

(*v*) Customer satisfaction.

(*vi*) Provider network stability.

(*vii*) Treatment and service efficacies before and after the pilot projects and demonstration model.

(*viii*) Use of best practices.

(*ix*) Financial efficiencies.

(*x*) Barriers to clinical data sharing with Medicaid health plans.

(*xi*) Any other relevant categories.

(c) A requirement that the evaluation shall be completed within 6 months after the end of each pilot project or demonstration model and will be provided to the department, the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, the house and senate policy offices, and the state budget office.

(7) By November 1 of the current fiscal year, the department shall report to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, the house and senate policy offices, and the state budget office on the progress toward implementation of the pilot projects and demonstration model described in this section, and a summary of all projects. The report shall also include information on policy changes and any other efforts made to improve the coordination of supports and services for individuals having or at risk of having a mental illness, an intellectual or developmental disability, a substance use disorder, or a physical health need.

(8) Upon completion of any pilot project or demonstration model advanced under this section, the managing entity of the pilot project or demonstration model shall submit a report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office within 30 days of completion of that pilot project or demonstration model detailing their experience, lessons learned, efficiencies and savings revealed, increases in investment on behavioral health services, and recommendations for extending pilot projects to full implementation or discontinuation.

Sec. 299. (1) No state department or agency shall issue a request for proposal (RFP) for a contract in excess of $5,000,000.00, unless the department or agency has first considered issuing a request for information (RFI) or a request for qualification (RFQ) relative to that contract to better enable the department or agency to learn more about the market for the products or services that are the subject of the RFP. The department or agency shall notify the department of technology, management, and budget of the evaluation process used to determine if an RFI or RFQ was not necessary prior to issuing the RFP.

(2) From funds appropriated in part 1, for all RFPs issued during the current fiscal year where an existing service received proposals by multiple vendors, the department shall notify all vendors within 30 days of the RFP decision. The notification to vendors shall include details on the RFP process, including the respective RFP scores and the respective cost for each vendor. If the highest scored RFP or lowest cost RFP does not receive the contract for an existing service offered by the department, the notification shall issue an explanation for the reasons that the highest scored RFP or lowest cost RFP did not receive the contract and detail the incremental cost target amount or service level required that was required to migrate the service to a new vendor. Additionally, the department shall include in the notification details as to why a cost or service difference is justifiable if the highest scored or lowest cost vendor does not receive the contract.

(3) The department shall submit to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office by September 30 of the current fiscal year a report that summarizes all RFPs during the current fiscal year where an existing service received proposals by multiple vendors. The report shall list all finalized RFPs where there was a divergence from awarding the contract to the lowest cost or highest scoring vendor. The report shall also include the cost or service

threshold required by department policy that must be satisfied in order for an existing contract to be received by a new vendor.

DEPARTMENTAL ADMINISTRATION AND SUPPORT

Sec. 307. (1) From the funds appropriated in part 1 for demonstration projects, $950,000.00 shall be distributed as provided in subsection (2). The amount distributed under this subsection shall not exceed 50% of the total operating expenses of the program described in subsection (2), with the remaining 50% paid by local United Way organizations and other nonprofit organizations and foundations.

(2) Funds distributed under subsection (1) shall be distributed to Michigan 2-1-1, a nonprofit corporation organized under the laws of this state that is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, and whose mission is to coordinate and support a statewide 2-1-1 system. Michigan 2-1-1 shall use the funds only to fulfill the Michigan 2-1-1 business plan adopted by Michigan 2-1-1 in January 2005.

(3) Michigan 2-1-1 shall refer to the department any calls received reporting fraud, waste, or abuse of state-administered public assistance.

(4) Michigan 2-1-1 shall report annually to the department and the house and senate standing committees with primary jurisdiction over matters relating to human services and telecommunications on 2-1-1 system performance, the senate and house appropriations subcommittees on the department budget, and the senate and house fiscal agencies, including, but not limited to, call volume by health and human service needs and unmet needs identified through caller data and customer satisfaction metrics.

Sec. 316. From the funds appropriated in part 1 for terminal leave payments, the department shall not spend in excess of its annual gross appropriation unless it identifies and requests a legislative transfer from another budgetary line item supporting administrative costs, as provided by section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

CHILD SUPPORT ENFORCEMENT

Sec. 401. (1) The appropriations in part 1 assume a total federal child support incentive payment of $26,500,000.00.

(2) From the federal money received for child support incentive payments, $12,000,000.00 shall be retained by the state and expended for child support program expenses.

(3) From the federal money received for child support incentive payments, $14,500,000.00 shall be paid to the counties based on each county's performance level for each of the federal performance measures as established in 45 CFR 305.2.

(4) If the child support incentive payment to the state from the federal government is greater than $26,500,000.00, then 100% of the excess shall be retained by the state and is appropriated until the total retained by the state reaches $15,397,400.00.

(5) If the child support incentive payment to the state from the federal government is greater than the amount needed to satisfy the provisions identified in subsections (1), (2), (3), and (4), the additional funds shall be subject to appropriation by the legislature.

(6) If the child support incentive payment to the state from the federal government is less than $26,500,000.00, then the state and county share shall each be reduced by 50% of the shortfall.

Sec. 409. (1) If statewide retained child support collections exceed $38,300,000.00, 75% of the amount in excess of $38,300,000.00 is appropriated to legal support contracts. This excess appropriation may be distributed to eligible counties to supplement and not supplant county title IV-D funding.

(2) Each county whose retained child support collections in the current fiscal year exceed its fiscal year 2004-2005 retained child support collections, excluding tax offset and financial institution data match collections in both the current fiscal year and fiscal year 2004-2005, shall receive its proportional share of the 75% excess.

Sec. 410. (1) If title IV-D-related child support collections are escheated, the state budget director is authorized to adjust the sources of financing for the funds appropriated in part 1 for legal support contracts to reduce federal authorization by 66% of the escheated amount and increase general fund/general purpose authorization by the same

amount. This budget adjustment is required to offset the loss of federal revenue due to the escheated amount being counted as title IV-D program income in accordance with federal regulations at 45 CFR 304.50.

(2) The department shall notify the chairs of the house and senate appropriations subcommittees on the department budget and the house and senate fiscal agencies within 15 days of the authorization adjustment in subsection (1).

COMMUNITY SERVICES AND OUTREACH

Sec. 450. (1) From the funds appropriated in part 1 for school success partnership program, the department shall allocate $525,000.00 by December 1 of the current fiscal year to support the Northeast Michigan Community Service Agency programming, which will take place in each county in the Governor's Prosperity Region 3. The department shall require the following performance objectives be measured and reported for the duration of the state funding for the school success partnership program:

(a) Increasing school attendance and decreasing chronic absenteeism.

(b) Increasing academic performance based on grades with emphasis on math and reading.

(c) Identifying barriers to attendance and success and connecting families with resources to reduce these barriers.

(d) Increasing parent involvement with the parent's child's school and community.

(2) On a semiannual basis, the Northeast Michigan Community Service Agency shall provide reports to the department on the number of children and families served and the services that were provided to families to meet the performance objectives identified in this section. The department shall distribute the reports within 1 week after receipt to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office.

Sec. 452. From the funds appropriated in part 1 for crime victim justice assistance grants, the department shall continue to support forensic nurse examiner programs to facilitate training for improved evidence collection for the prosecution of sexual assault. The funds shall be used for program coordination and training.

Sec. 453. From the funds appropriated in part 1 for homeless programs, the department shall maintain emergency shelter program per diem rates at $16.00 per bed night to support efforts of shelter providers to move homeless individuals and households into permanent housing as quickly as possible. Expected outcomes are increased shelter discharges to stable housing destinations, decreased recidivism rates for shelter clients, and a reduction in the average length of stay in emergency shelters.

Sec. 454. The department shall allocate the full amount of funds appropriated in part 1 for homeless programs to provide services for homeless individuals and families, including, but not limited to, third-party contracts for emergency shelter services.

Sec. 455. As a condition of receipt of federal TANF funds, homeless shelters and human services agencies shall collaborate with the department to obtain necessary TANF eligibility information on families as soon as possible after admitting a family to the homeless shelter. From the funds appropriated in part 1 for homeless programs, the department is authorized to make allocations of TANF funds only to the homeless shelters and human services agencies that report necessary data to the department for the purpose of meeting TANF eligibility reporting requirements. Homeless shelters or human services agencies that do not report necessary data to the department for the purpose of meeting TANF eligibility reporting requirements will not receive reimbursements that exceed the per diem amount they received in fiscal year 2000. The use of TANF funds under this section is not an ongoing commitment of funding.

Sec. 457. (1) From the funds appropriated in part 1 for the uniform statewide sexual assault evidence kit tracking system, in accordance with the final report of the Michigan sexual assault evidence kit tracking and reporting commission, $800,000.00 is allocated from the sexual assault evidence tracking fund to contract for development and implementation of a uniform statewide sexual assault evidence kit tracking system. The system shall include the following:

(a) A uniform statewide system to track the submission and status of sexual assault evidence kits.

(b) A uniform statewide system to audit untested kits that were collected on or before March 1, 2015 and were released by victims to law enforcement.

(c) Secure electronic access for victims.

(d) The ability to accommodate concurrent data entry with kit collection through various mechanisms, including web entry through computer or smartphone, and through scanning devices.

(2) By March 30 of the current fiscal year, the department shall submit to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office a status report on implementation and operation of the uniform statewide sexual assault evidence kit tracking system, including operational status and any known issues regarding implementation.

(3) The sexual assault evidence tracking fund established in section 1451 of 2017 PA 158 shall continue to be maintained in the department of treasury. Money in the sexual assault evidence tracking fund at the close of a fiscal year shall remain in the sexual assault evidence tracking fund and shall not revert to the general fund and shall be appropriated as provided by law for the development and implementation of a uniform statewide sexual assault evidence kit tracking system as described in subsection (1).

(4) By September 30 of the current fiscal year, the department shall submit to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office a report on the findings of the annual audit of the proper submission of sexual assault evidence kits as required by the sexual assault kit evidence submission act, 2014 PA 227, MCL 752.931 to 752.935. The report must include, but is not limited to, a detailed county-by-county compilation of the number of sexual assault evidence kits that were properly submitted and the number that met or did not meet deadlines established in the sexual assault kit evidence submission act, 2014 PA 227, MCL 752.931 to 752.935, the number of sexual assault evidence kits retrieved by law enforcement after analysis, and the physical location of all released sexual assault evidence kits collected by health care providers in that year, as of the date of the annual draft report for each reporting agency.

Sec. 458. From the funds appropriated in part 1 for crime victim rights services grants, the department shall allocate $2,000,000.00 of crime victim's rights fund to increase grant funding to support the further use of crime victim advocates in the criminal justice system. The purpose of the additional funding is to increase available grant funding for crime victim advocates to ensure that the advocates have the resources, training, and funding needed to respond to the physical and emotional needs of crime victims and to provide victims with the necessary services, information, and assistance in order to help them understand and participate in the criminal justice system and experience a measure of safety and security throughout the legal process.

Sec. 460. By October 1 of the current fiscal year, the department shall submit to the Michigan department of education the final report containing task force recommendations for reducing child sexual abuse in this state as required by 2012 PA 593, MCL 722.632b.

CHILDREN'S SERVICES AGENCY - CHILD WELFARE

Sec. 501. (1) A goal is established that not more than 25% of all children in foster care at any given time during the current fiscal year, if in the best interest of the child, will have been in foster care for 24 months or more.

(2) By March 1 of the current fiscal year, the department shall provide to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office a report describing the steps that will be taken to achieve the specific goal established in this section and on the percentage of children who currently are in foster care and who have been in foster care a total of 24 or more months.

Sec. 502. From the funds appropriated in part 1 for foster care, the department shall provide 50% reimbursement to Indian tribal governments for foster care expenditures for children who are under the jurisdiction of Indian tribal courts and who are not otherwise eligible for federal foster care cost sharing.

Sec. 503. (1) In accordance with the final report of the Michigan child welfare performance-based funding task force issued in response to section 503 of article X of 2013 PA 59, the department shall continue to develop actuarially sound case rates for necessary child welfare services that achieve permanency by the department and private child placing agencies in a prospective payment system under a performance-based funding model.

(2) From the funds appropriated in part 1 for adoption support services, the department shall allocate $50,000.00 by December 31 of the current fiscal year to conduct an actuarial study on rates paid to private child placing agencies for adoption incentive payments. The actuarial study shall include a full cost prospective rate payment system and shall identify and analyze contractual costs paid through the case rate developed by an independent actuary.

(3) By October 1 of the current fiscal year, from the funds appropriated in part 1 for adoption support services, the department shall allocate $950,000.00 of state general fund/general purpose and any eligible federal matching funds to increase rates paid to adoption service providers by up to 10% for adoption placement, adoption finalization, and adoption permanency in all rate categories.

(4) By March 1 of the current fiscal year, the department shall provide to the senate and house appropriations committees on the department budget, the senate and house fiscal agencies and policy offices, and the state budget office a report on the full cost analysis of the performance-based funding model. The report shall include background information on the project and give details about the contractual costs covered through the case rate.

(5) In accordance with the final report of the Michigan child welfare performance-based funding task force issued in response to section 503 of article X of 2013 PA 59, the department shall continue an independent, third-party evaluation of the performance-based funding model.

(6) The department shall only implement the performance-based funding model into additional counties where the department, private child welfare agencies, the county, and the court operating within that county have signed a memorandum of understanding that incorporates the intentions of the concerned parties in order to implement the performance-based funding model.

(7) The department, in conjunction with members from both the house of representatives and senate, private child placing agencies, the courts, and counties shall continue to implement the recommendations that are described in the workgroup report that was provided in section 503 of article X of 2013 PA 59 to establish a performance-based funding for public and private child welfare services providers. The department shall provide quarterly reports on the status of the performance-based contracting model to the senate and house appropriations subcommittees on the department budget, the senate and house standing committees on families and human services, and the senate and house fiscal agencies and policy offices.

(8) From the funds appropriated in part 1 for the performance-based funding model pilot, the department shall continue to work with the West Michigan Partnership for Children Consortium on the implementation of the performance-based funding model pilot. The consortium shall accept and comprehensively assess referred youth, assign cases to members of its continuum or leverage services from other entities, and make appropriate case management decisions during the duration of a case. The consortium shall operate an integrated continuum of care structure, with services provided by both private and public agencies, based on individual case needs. The consortium shall demonstrate significant organizational capacity and competencies, including experience with managing risk-based contracts, financial strength, experienced staff and leadership, and appropriate governance structure.

Sec. 504. (1) The department may continue a master agreement with the West Michigan Partnership for Children Consortium for a performance-based child welfare contracting pilot program. The consortium shall consist of a network of affiliated child welfare service providers that will accept and comprehensively assess referred youth, assign cases to members of its continuum or leverage services from other entities, and make appropriate case management decisions during the duration of a case.

(2) The consortium shall operate an integrated continuum of care structure, with services provided by private or public agencies, based on individual case needs.

(3) By March 1 of the current fiscal year, the consortium shall provide to the department and the house and senate appropriations subcommittees on the department budget a report on the consortium, including, but not limited to, actual expenditures, number of children placed by agencies in the consortium, fund balance of the consortium, and the status of the consortium evaluation.

Sec. 505. By March 1 of the current fiscal year, the department shall provide to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies and policy offices, and the state budget office a report for youth referred or committed to the department for care or supervision in the previous fiscal year and in the first quarter of the current fiscal year outlining the number of youth served by the department within the juvenile justice system, the type of setting for each youth, performance outcomes, and financial costs or savings.

Sec. 507. The department's ability to satisfy appropriation deducts in part 1 for foster care private collections shall not be limited to collections and accruals pertaining to services provided only in the current fiscal year but may include revenues collected during the current fiscal year for services provided in prior fiscal years.

Sec. 508. (1) In addition to the amount appropriated in part 1 for children's trust fund grants, money granted or money received as gifts or donations to the children's trust fund created by 1982 PA 249, MCL 21.171 to 21.172, is appropriated for expenditure.

(2) The department and the child abuse and neglect prevention board shall collaborate to ensure that administrative delays are avoided and the local grant recipients and direct service providers receive money in an expeditious manner. The department and board shall make available the children's trust fund contract funds to grantees within 31 days of the start date of the funded project.

(3) From the funds appropriated in part 1 for the children's trust fund, $500,000.00 shall be allocated to provide additional funding to children's trust fund designated local councils for increased substance use disorder programs. The $500,000.00 additional allocation shall be funded by $300,000.00 children's trust fund cash reserve balance and $200,000.00

state general fund/general purpose. The purpose of this additional funding is to increase the amount of services for substance use disorders that is provided by local councils over the amount provided in the previous fiscal year. None of the additional funding directed in this subsection shall be used for purposes other than for local grants and shall not be used for administrative or overhead activities.

Sec. 511. The department shall provide reports on a semiannual basis to the senate and house appropriations subcommittees on the department budget, the senate and house standing committees on families and human services, and the senate and house fiscal agencies and policy offices on the number and percentage of children who received timely physical and mental health examinations after entry into foster care. The goal of the program is that at least 85% of children receive timely physical and mental health examinations after entry into foster care.

Sec. 512. (1) As required by the settlement, by March 1 of the current fiscal year, the department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office on the following information for cases of child abuse or child neglect from the previous fiscal year:

(a) The total number of relative care placements.

(b) The total number of relatives with a placement who became licensed.

(c) The number of waivers of foster care licensure granted to relative care providers.

(d) The number of waivers of foster care denied to relative care providers.

(e) A list of the reasons from a sample of cases the department denied granting a waiver of foster care licensure for a relative care provider.

(f) A list of the reasons from a sample of cases where relatives were declined foster care licensure as documented by the department.

(2) The caseworker shall request a waiver of foster care licensure if both of the following apply:

(a) The caseworker has fully informed the relative of the benefits of licensure and the option of a licensure waiver.

(b) The caseworker has assessed the relative and the relative's home using the department's initial relative safety screen and the department's relative home assessment and has determined that the relative's home is safe and placement there is in the child's best interest.

Sec. 513. (1) The department shall not expend funds appropriated in part 1 to pay for the direct placement by the department of a child in an out-of-state facility unless all of the following conditions are met:

(a) There is no appropriate placement available in this state as determined by the department interstate compact office.

(b) An out-of-state placement exists that is nearer to the child's home than the closest appropriate in-state placement as determined by the department interstate compact office.

(c) The out-of-state facility meets all of the licensing standards of this state for a comparable facility.

(d) The out-of-state facility meets all of the applicable licensing standards of the state in which it is located.

(e) The department has done an on-site visit to the out-of-state facility, reviewed the facility records, reviewed licensing records and reports on the facility, and believes that the facility is an appropriate placement for the child.

(2) The department shall not expend money for a child placed in an out-of-state facility without approval of the executive director of the children's services agency.

(3) The department shall submit an annual report to the state court administrative office, the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, the house and senate policy offices, and the state budget office on the number of Michigan children residing in out-of-state facilities at the time of the report, the total cost and average per diem cost of these out-of-state placements to this state, and a list of each such placement arranged by the Michigan county of residence for each child.

Sec. 514. The department shall make a comprehensive report concerning children's protective services (CPS) to the legislature, including the senate and house policy offices and the state budget director, by March 1 of the current fiscal year, that shall include all of the following:

(a) Statistical information including, but not limited to, all of the following:

(*i*) The total number of reports of child abuse or child neglect investigated under the child protection law, 1975 PA 238, MCL 722.621 to 722.638, and the number of cases classified under category I or category II and the number of cases classified under category III, category IV, or category V.

(*ii*) Characteristics of perpetrators of child abuse or child neglect and the child victims, such as age, relationship, race, and ethnicity and whether the perpetrator exposed the child victim to drug activity, including the manufacture of illicit drugs, that exposed the child victim to substance abuse, a drug house, or methamphetamine.

(*iii*) The mandatory reporter category in which the individual who made the report fits, or other categorization if the individual is not within a group required to report under the child protection law, 1975 PA 238, MCL 722.621 to 722.638.

(*iv*) The number of cases that resulted in the separation of the child from the parent or guardian and the period of time of that separation, up to and including termination of parental rights.

(*v*) For the reported complaints of child abuse or child neglect by teachers, school administrators, and school counselors, the number of cases classified under category I or category II and the number of cases classified under category III, category IV, or category V.

(*vi*) For the reported complaints of child abuse or child neglect by teachers, school administrators, and school counselors, the number of cases that resulted in separation of the child from the parent or guardian and the period of time of that separation, up to and including termination of parental rights.

(b) New policies related to children's protective services including, but not limited to, major policy changes and court decisions affecting the children's protective services system during the immediately preceding 12-month period.

(c) Statistical information regarding families that were classified in category III, including, but not limited to, all of the following:

(*i*) The total number of cases classified in category III.

(*ii*) The number of cases in category III referred to voluntary community services and closed with no additional monitoring.

(*iii*) The number of cases in category III referred to voluntary community services and monitored for up to 90 days.

(*iv*) The number of cases in category III for which the department entered more than 1 determination that there was evidence of child abuse or child neglect.

(*v*) The number of cases in category III that the department reclassified from category III to category II.

(*vi*) The number of cases in category III that the department reclassified from category III to category I.

(*vii*) The number of cases in category III that the department reclassified from category III to category I that resulted in a removal.

(d) The department policy, or changes to the department policy, regarding children who have been exposed to the production or manufacture of methamphetamines.

Sec. 516. From funds appropriated in part 1 for county child care fund, the administrative or indirect cost payment equal to 10% of a county's total monthly gross expenditures shall be distributed to the county on a monthly basis and a county is not required to submit documentation to the department for any of the expenditures that are covered under the 10% payment as described in section 117a(4)(b)(*ii*) and (*iv*) of the social welfare act, 1939 PA 280, MCL 400.117a.

Sec. 517. The department shall retain the same title IV-E appeals policy in place as of the fiscal year ending September 30, 2017.

Sec. 519. The department shall permit any private agency that has an existing contract with this state to provide foster care services to be also eligible to provide treatment foster care services.

Sec. 520. To the extent that the data are available, the department shall submit a report to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, the house and senate policy offices, and the state budget office by February 15 of the current fiscal year on the number of days of care and expenditures by funding source for the previous fiscal year for out-of-home placements by specific placement programs for child abuse or child neglect and juvenile justice, including, but not limited to, paid relative placement, department direct family foster care, private agency supervised foster care, private child caring institutions, county-supervised facilities, court-supervised facilities, and independent living. The report shall also identify days of care for department-operated residential juvenile justice facilities by security classification.

Sec. 522. (1) From the funds appropriated in part 1 for youth in transition, the department shall allocate $750,000.00 for scholarships through the fostering futures scholarship program in the Michigan education trust to youths who were in foster care because of child abuse or child neglect and are attending a college or a career technical educational institution located in this state. Of the funds appropriated, 100% shall be used to fund scholarships for the youths described in this section.

(2) By March 1 of the current fiscal year, the department shall provide a report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office that includes the number of youths who received scholarships and the amount of each scholarship, and the total amount of funds spent or encumbered in the current fiscal year.

Sec. 523. (1) By February 15 of the current fiscal year, the department shall submit to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office a report on the families first, family reunification, and families together building solutions family preservation programs. The report shall provide population and outcome data based on contractually required follow-up evaluations for families who received family preservation services and shall include information for each program on any innovations that may increase child safety and risk reduction.

(2) From the funds appropriated in part 1 for youth in transition and domestic violence prevention and treatment, the department is authorized to make allocations of TANF funds only to agencies that report necessary data to the department for the purpose of meeting TANF eligibility reporting requirements.

Sec. 524. As a condition of receiving funds appropriated in part 1 for strong families/safe children, counties must submit the service spending plan to the department by October 1 of the current fiscal year for approval. The department shall approve the service spending plan within 30 calendar days after receipt of a properly completed service spending plan.

Sec. 525. The department shall implement the same on-site evaluation processes for privately operated child welfare and juvenile justice residential facilities as is used to evaluate state-operated facilities. Penalties for noncompliance shall be the same for privately operated child welfare and juvenile justice residential facilities and state-operated facilities.

Sec. 527. With the approval of the settlement monitor, for the purposes of calculating adoption worker caseloads for private child placing agencies, the department shall exclude the following case types:

(a) Cases in which there are multiple applicants as that term is defined in section 22(e) of chapter X of the probate code of 1939, 1939 PA 288, MCL 710.22, also known as a competing party case, in which the case has a consent motion pending from Michigan's children's institute or the court for more than 30 days.

(b) Cases in which a birth parent has an order or motion for a rehearing or an appeal as of right that has been pending for more than 15 days.

Sec. 528. The department shall provide private child placing agencies, the senate and house appropriations subcommittees on the department budget, and the senate and house fiscal agencies and policy offices the federal law, federal rule, or federal rationale or interpretation that requires fingerprinting of an individual as a requirement to become both a foster parent and an adoptive parent.

Sec. 531. The department shall notify the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the house and senate policy offices of any changes to a child welfare master contract template, including the adoption master contract template, the independent living plus master contract template, the child placing agency foster care master contract template, and the residential foster care juvenile justice master contract template, not less than 30 days before the change takes effect.

Sec. 532. The department, in collaboration with representatives of private child and family agencies, shall revise and improve the annual licensing review process and the annual contract compliance review process for child placing agencies and child caring institutions. The improvement goals shall be safety and care for children. Improvements to the review process shall be directed toward alleviating administrative burdens so that agency resources may be focused on children. The revision shall include identification of duplicative staff activities and information sought from child placing agencies and child caring institutions in the annual review process. The department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies and policy offices, and the state budget director on or before January 15 of the current fiscal year on the findings of the annual licensing review and include summaries of actions undertaken to revise, improve, and identify weaknesses in the current annual licensing process and annual contract compliance.

Sec. 533. The department shall make payments to child placing facilities for in-home and out-of-home care services and adoption services within 30 days of receiving all necessary documentation from those agencies. It is the intent of the legislature that the burden of ensuring that these payments are made in a timely manner and no payments are in arrears is upon the department.

Sec. 534. The department shall submit to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office by March 1

of the current fiscal year a report on the adoption subsidies expenditures from the previous fiscal year. The report shall include, but is not limited to, the range of annual adoption support subsidy amounts, for both title IV-E eligible cases and state-funded cases, paid to adoptive families, the number of title IV-E and state-funded cases, the number of cases in which the adoption support subsidy request of adoptive parents for assistance was denied by the department, and the number of adoptive parents who requested a redetermination of adoption support subsidy.

Sec. 537. (1) The department, in collaboration with child placing agencies, shall develop a strategy to implement section 115o of the social welfare act, 1939 PA 280, MCL 400.115o. The strategy shall include a requirement that a department caseworker responsible for preparing a recommendation to a court concerning a juvenile placement shall provide, as part of the recommendation, information regarding the requirements of section 115o of the social welfare act, 1939 PA 280, MCL 400.115o.

(2) By March 1 of the current fiscal year, the department shall provide to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office a report on the strategy described in subsection (1).

Sec. 540. If a physician or psychiatrist who is providing services to state or court wards placed in a residential facility submits a formal request to the department to change the psychotropic medication of a ward, the department shall, if the ward is a state ward, make a determination on the proposed change within 7 business days after the request or, if the ward is a temporary court ward, seek parental consent within 7 business days after the request. If parental consent is not provided within 7 business days, the department shall petition the court on the eighth business day.

Sec. 546. (1) From the funds appropriated in part 1 for foster care payments and from child care fund, the department shall pay providers of general foster care, independent living, and trial reunification services not less than a $37.00 administrative rate.

(2) From the funds appropriated in part 1, the department shall pay providers of independent living plus services statewide per diem rates for staff-supported housing and host-home housing based on proposals submitted in response to a solicitation for pricing. The independent living plus program provides staff-supported housing and services for foster youth ages 16 through 19 who, because of their individual needs and assessments, are not initially appropriate for general independent living foster care.

(3) From the funds appropriated in part 1, the department shall pay providers of foster care services an additional $9.20 administrative rate, if section 117a of the social welfare act, 1939 PA 280, MCL 400.117a, is amended to eliminate the county match rate for the additional administrative rate provided in this subsection. Payments under this subsection shall be made, not less than, on a monthly basis.

(4) If required by the federal government to meet title IV-E requirements, providers of foster care services shall submit quarterly reports on expenditures to the department to identify actual costs of providing foster care services.

(5) From the funds appropriated in part 1, the department shall provide an increase to each private provider of residential services, if section 117a of the social welfare act, 1939 PA 280, MCL 400.117a, is amended to eliminate the county match rate for the additional rate provided in this section.

Sec. 547. (1) From the funds appropriated in part 1 for the guardianship assistance program, the department shall pay a minimum rate that is not less than the approved age-appropriate payment rates for youth placed in family foster care.

(2) The department shall report quarterly to the state budget office, the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the senate and house policy offices on the number of children enrolled in the guardianship assistance and foster care - children with serious emotional disturbance waiver programs.

Sec. 550. (1) The department shall not offset against reimbursement payments to counties or seek reimbursement from counties for charges that were received by the department more than 12 months before the department seeks to offset against reimbursement. A county shall not request reimbursement for and reimbursement payments shall not be paid for a charge that is more than 12 months after the date of service or original status determination when initially submitted by the county.

(2) All service providers shall submit a request for payment within 12 months after the date of service. Any request for payment submitted 12 months or more after the date of service requires the provider to submit an exception request to the county or the department for approval or denial.

(3) The county is not subject to any offset, chargeback, or reimbursement liability for prior expenditures resulting from an error in foster care fund source determinations.

Sec. 551. The department shall respond to counties within 30 days regarding any request for a clarification requested through the department's child care fund management unit electronic mail address.

Sec. 552. Sixty days after a county's child care fund on-site review is completed, the department shall provide the results of the review to the county. The department shall not evaluate the relevancy, quality, effectiveness, efficiency, or impact of the services provided to youth of the county's child care fund programs in the review. Pursuant to state law, the department shall not release the results of the review to a third-party without the permission of the county being reviewed.

Sec. 558. (1) By January 1 of the current fiscal year, the department shall provide to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office a report that identifies the policies, procedures, and other relevant issues related to the modernization of the child welfare training program.

(2) Based on the results of the study of issues related to the modernization of the child welfare training program undertaken in the previous fiscal year, the department shall make a payment to private child placing agencies upon the completion of the child welfare caseworker training.

Sec. 559. (1) From the funds appropriated in part 1 for adoption support services, the department shall allocate $250,000.00 to the Adoptive Family Support Network by December 1 of the current fiscal year to operate and expand its adoptive parent mentor program to provide a listening ear, knowledgeable guidance, and community connections to adoptive parents and children who were adopted in this state or another state.

(2) The Adoptive Family Support Network shall submit to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office by March 1 of the current fiscal year a report on the program described in subsection (1), including, but not limited to, the number of cases served and the number of cases in which the program prevented an out-of-home placement.

Sec. 562. The department shall provide time and travel reimbursements for foster parents who transport a foster child to parent-child visitations. As part of the foster care parent contract, the department shall provide written confirmation to foster parents that states that the foster parents have the right to request these reimbursements for all parent-child visitations. The department shall provide these reimbursements within 60 days of receiving a request for eligible reimbursements from a foster parent.

Sec. 564. (1) The department shall develop a clear policy for parent-child visitations. The local county offices, caseworkers, and supervisors shall meet an 85% success rate, after accounting for factors outside of the caseworkers' control.

(2) Per the court-ordered number of required meetings between caseworkers and a parent, the caseworkers shall achieve a success rate of 85%, after accounting for factors outside of the caseworkers' control.

(3) By March 1 of the current fiscal year, the department shall provide to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office a report on the following:

(a) The percentage of success rate for parent-child visitations and court-ordered required meetings between caseworkers referenced in subsections (1) and (2) for the previous year.

(b) The barriers to achieve the success rates in subsections (1) and (2) and how this information is tracked.

Sec. 567. The department shall submit to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office by March 1 of the current fiscal year a report on transfer of medical passports for children in foster care, including the following:

(a) From the total medical passports transferred, the percentage that transferred within 2 weeks from the date of placement or return to the home.

(b) From the total school records, the percentage that transferred within 2 weeks from the date of placement or return to the home.

(c) The implementation steps that have been taken to improve the outcomes for the measures in subdivision (a).

Sec. 569. The department shall reimburse private child placing agencies that complete adoptions at the rate according to the date on which the petition for adoption and required support documentation was accepted by the court and not according to the date the court's order placing for adoption was entered.

Sec. 573. (1) The department may pay providers of foster care services a per diem daily administrative rate for every case on a caseworker's caseload for the duration of a case from referral acceptance to the discharge of wardship.

(2) The department shall participate in a workgroup to determine an equitable and fair method to compensate private child placing agencies for case management and services provided to children for which private child placing agencies are not paid an administrative rate. The members of the workgroup shall include, but not be limited to, the department, representatives from the Michigan Federation for Children and Families, representatives from the Association of Accredited Child and Family Agencies, representatives from contracted private child placing agencies, and members of the senate and the house of representatives. The workgroup shall, at a minimum, address the following possibilities and make recommendations to the department on the implementation of any of the following items that the workgroup considers feasible:

(a) Whether the department and other stakeholders can obtain a consensus agreement on the definition of an unpaid foster care case.

(b) Whether the department's current compensation is suitable for private child placing agencies for the case management of a child who, as described by department policy as of September 30 of the previous fiscal year, is not in foster care and for whom the private child placing agency does not receive an administrative rate, but, as of September 30 of the previous fiscal year, who was factored into the calculation of caseloads for a foster care worker as described by the settlement.

(c) Whether an indirect or administrative payment is feasible to compensate private child placing agencies for the case management of a child who, as described by department policy as of September 30 of the previous fiscal year, is not in foster care and does not receive an administrative rate, but, as of September 30 of the previous fiscal year, who was factored into the calculation of caseloads for a foster care worker as described by the settlement.

(3) The department and the participants in the workgroup described in subsection (2) shall complete the determination by March 1 of the current fiscal year.

Sec. 574. (1) From the funds appropriated in part 1 for foster care payments, $2,000,000.00 is allocated to support performance-based contracts with child placing agencies to facilitate the licensure of relative caregivers as foster parents. Agencies shall receive $4,500.00 for each facilitated licensure if completed within 180 days after case acceptance, or, if a waiver was previously approved, 180 days from the referral date. If the facilitated licensure, or approved waiver, is completed after 180 days, the agency shall receive up to $3,500.00. The agency facilitating the licensure would retain the placement and continue to provide case management services for the newly licensed cases for which the placement was appropriate to the agency.

(2) From the funds appropriated for foster care payments, $375,000.00 is allocated to support family incentive grants to private and community-based foster care service providers to assist with home improvements or payment for physical exams for applicants needed by foster families to accommodate foster children.

Sec. 583. By March 1 of the current fiscal year, the department shall provide to the senate and house appropriations subcommittees on the department budget, the senate and house standing committees on families and human services, the senate and house fiscal agencies and policy offices, and the state budget office a report that includes:

(a) The number and percentage of foster parents that dropped out of the program in the previous fiscal year and the reasons the foster parents left the program and how those figures compare to prior fiscal years.

(b) The number and percentage of foster parents successfully retained in the previous fiscal year and how those figures compare to prior fiscal years.

Sec. 585. The department shall make available at least 1 pre-service training class each month in which new caseworkers for private foster care and adoption agencies can enroll.

Sec. 588. Concurrently with public release, the department shall transmit all reports from the court-appointed settlement monitor, including, but not limited to, the needs assessment and period outcome reporting, to the state budget office, the senate and house appropriations subcommittees on the department budget, and the senate and house fiscal agencies and policy offices, without revision.

Sec. 589. (1) From the funds appropriated in part 1 for child care fund, the department shall pay 100% of the administrative rate for all new cases referred to providers of foster care services.

(2) On a monthly basis, the department shall report on the number of all foster care cases administered by the department and all foster care cases administered by private providers.

Sec. 590. From funds appropriated in part 1 for youth in transition, $280,000.00 shall be awarded to a charter high school for students ages 16 to 22 who have previously dropped out or are at risk of not graduating on time operating in a county with a population of greater than 172,000 but less than 175,000 according to the most recent federal decennial census. It is the intent of the legislature that this is the third year out of 3 years that funding is to be provided by the legislature for the charter high school described in this section.

Sec. 593. The department may allow residential service providers for child abuse and child neglect cases to implement a staff ratio during working hours of 1 staff to 5 children.

Sec. 594. From the funds appropriated in part 1 for foster care payments, the department shall support regional resource teams to provide for the recruitment, retention, and training of foster and adoptive parents and shall expand the Michigan youth opportunities initiative to all Michigan counties. The purpose of this funding is to increase the number of annual inquiries from prospective foster parents, increase the number of nonrelative foster homes that achieve licensure each year, increase the annual retention rate of nonrelative foster homes, reduce the number of older foster youth placed outside of family settings, and provide older youth with enhanced support in transitioning to adulthood.

Sec. 596. From the funds appropriated in part 1 for youth in transition, the department shall allocate $500,000.00 state general fund/general purpose revenue to increase funding to support the runaway and homeless youth services program. The purpose of the additional funding is to support current programs for contracted providers that provide emergency shelter and services to homeless and runaway youth.

Sec. 597. From the funds appropriated in part 1 for family support subsidy, the department shall make monthly payments of $229.31 to the parents or legal guardians of children approved for the family support subsidy by a CMHSP.

PUBLIC ASSISTANCE

Sec. 601. Whenever a client agrees to the release of his or her name and address to the local housing authority, the department shall request from the local housing authority information regarding whether the housing unit for which vendoring has been requested meets applicable local housing codes. Vendoring shall be terminated for those units that the local authority indicates in writing do not meet local housing codes until such time as the local authority indicates in writing that local housing codes have been met.

Sec. 602. The department shall conduct a full evaluation of an individual's assistance needs if the individual has applied for disability more than 1 time within a 1-year period.

Sec. 604. (1) The department shall operate a state disability assistance program. Except as provided in subsection (3), persons eligible for this program shall include needy citizens of the United States or aliens exempted from the supplemental security income citizenship requirement who are at least 18 years of age or emancipated minors meeting 1 or more of the following requirements:

(a) A recipient of supplemental security income, social security, or medical assistance due to disability or 65 years of age or older.

(b) A person with a physical or mental impairment that meets federal supplemental security income disability standards, except that the minimum duration of the disability shall be 90 days. Substance use disorder alone is not defined as a basis for eligibility.

(c) A resident of an adult foster care facility, a home for the aged, a county infirmary, or a substance use disorder treatment center.

(d) A person receiving 30-day postresidential substance use disorder treatment.

(e) A person diagnosed as having acquired immunodeficiency syndrome.

(f) A person receiving special education services through the local intermediate school district.

(g) A caretaker of a disabled person who meets the requirements specified in subdivision (a), (b), (e), or (f).

(2) Applicants for and recipients of the state disability assistance program shall be considered needy if they:

(a) Meet the same asset test as is applied for the family independence program.

(b) Have a monthly budgetable income that is less than the payment standards.

(3) Except for a person described in subsection (1)(c) or (d), a person is not disabled for purposes of this section if his or her drug addiction or alcoholism is a contributing factor material to the determination of disability. "Material to the determination of disability" means that, if the person stopped using drugs or alcohol, his or her remaining physical or mental limitations would not be disabling. If his or her remaining physical or mental limitations would be disabling, then the drug addiction or alcoholism is not material to the determination of disability and the person may receive state disability assistance. Such a person must actively participate in a substance abuse treatment program, and the assistance must be paid to a third party or through vendor payments. For purposes of this section, substance abuse treatment includes receipt of inpatient or outpatient services or participation in alcoholics anonymous or a similar program.

Sec. 605. The level of reimbursement provided to state disability assistance recipients in licensed adult foster care facilities shall be the same as the prevailing supplemental security income rate under the personal care category.

Sec. 606. County department offices shall require each recipient of family independence program and state disability assistance who has applied with the social security administration for supplemental security income to sign a contract to repay any assistance rendered through the family independence program or state disability assistance program upon receipt of retroactive supplemental security income benefits.

Sec. 607. (1) The department's ability to satisfy appropriation deductions in part 1 for state disability assistance/supplemental security income recoveries and public assistance recoupment revenues shall not be limited to recoveries and accruals pertaining to state disability assistance, or family independence assistance grant payments provided only in the current fiscal year, but may include revenues collected during the current year that are prior year related and not a part of the department's accrued entries.

(2) The department may use supplemental security income recoveries to satisfy the deduct in any line in which the revenues are appropriated, regardless of the source from which the revenue is recovered.

Sec. 608. Adult foster care facilities providing domiciliary care or personal care to residents receiving supplemental security income or homes for the aged serving residents receiving supplemental security income shall not require those residents to reimburse the home or facility for care at rates in excess of those legislatively authorized. To the extent permitted by federal law, adult foster care facilities and homes for the aged serving residents receiving supplemental security income shall not be prohibited from accepting third-party payments in addition to supplemental security income if the payments are not for food, clothing, shelter, or result in a reduction in the recipient's supplemental security income payment.

Sec. 609. The state supplementation level under the supplemental security income program for the personal care/adult foster care and home for the aged categories shall not be reduced during the current fiscal year. The legislature shall be notified not less than 30 days before any proposed reduction in the state supplementation level.

Sec. 610. (1) In developing good cause criteria for the state emergency relief program, the department shall grant exemptions if the emergency resulted from unexpected expenses related to maintaining or securing employment.

(2) For purposes of determining housing affordability eligibility for state emergency relief, a group is considered to have sufficient income to meet ongoing housing expenses if their total housing obligation does not exceed 75% of their total net income.

(3) State emergency relief payments shall not be made to individuals who have been found guilty of fraud in regard to obtaining public assistance.

(4) State emergency relief payments shall not be made available to persons who are out-of-state residents or illegal immigrants.

(5) State emergency relief payments for rent assistance shall be distributed directly to landlords and shall not be added to Michigan bridge cards.

Sec. 611. The state supplementation level under the supplemental security income program for the living independently or living in the household of another categories shall not exceed the minimum state supplementation level as required under federal law or regulations.

Sec. 613. (1) The department shall provide reimbursements for the final disposition of indigent persons. The reimbursements shall include the following:

(a) The maximum allowable reimbursement for the final disposition is $800.00.

(b) The adult burial with services allowance is $725.00.

(c) The adult burial without services allowance is $490.00.

(d) The infant burial allowance is $170.00.

(2) Reimbursement for a cremation permit fee of up to $75.00 and for mileage at the standard rate will be made available for an eligible cremation. The reimbursements under this section shall take into consideration religious preferences that prohibit cremation.

Sec. 614. The department shall report to the senate and house of representatives appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the senate and house policy offices by January 15 of the current fiscal year on the number and percentage of state disability assistance recipients who were determined to be eligible for federal supplemental security income benefits in the previous fiscal year.

Sec. 615. Except as required by federal law or regulations, funds appropriated in part 1 shall not be used to provide public assistance to a person who is an illegal alien. This section shall not prohibit the department from entering into contracts with food banks, emergency shelter providers, or other human services agencies who may, as a normal part of doing business, provide food or emergency shelter.

Sec. 616. The department shall require retailers that participate in the electronic benefits transfer program to charge no more than $2.50 in fees for cash back as a condition of participation.

Sec. 618. By March 1 of the current fiscal year, the department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office the quarterly number of supervised individuals who have absconded from supervision and whom a law enforcement agency, the department of corrections, or the department is actively seeking according to section 84 of the corrections code of 1953, 1953 PA 232, MCL 791.284.

Sec. 619. (1) Subject to subsection (2), the department shall not deny title IV-A assistance and food assistance benefits under 21 USC 862a to any individual who has been convicted of a single felony that included the possession, use, or distribution of a controlled substance, for which the act that resulted in the conviction occurred after August 22, 1996, if the individual is not in violation of his or her probation or parole requirements. Benefits shall be provided to an individual, if the individual is the grantee (head of household), as follows:

(a) Family independence program benefits must be paid in the form of restricted payments when the grantee has been convicted, for conduct occurring after August 22, 1996, of a felony for the use, possession, or distribution of a controlled substance.

(b) An authorized representative shall be required for food assistance receipt. If the individual with the conviction is not the grantee, the food assistance shall be provided to the grantee.

(2) Subject to federal approval, an individual is not entitled to the exemption in this section if the individual was convicted of 2 or more separate felony acts that included the possession, use, or distribution of a controlled substance and both acts occurred after August 22, 1996.

Sec. 620. (1) The department shall make a determination of Medicaid eligibility not later than 90 days if disability is an eligibility factor. For all other Medicaid applicants, including patients of a nursing home, the department shall make a determination of Medicaid eligibility within 45 days of application.

(2) The department shall provide quarterly reports to the senate and house appropriations subcommittees on the department budget, the senate and house standing committees on families and human services, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office on the average Medicaid eligibility standard of promptness for each of the required standards of promptness under subsection (1) and for medical review team reviews achieved statewide and at each local office.

Sec. 625. From the funds appropriated in part 1 for SSI advocacy legal services grant, the department shall allocate $250,000.00 as a grant to the Legal Services Association of Michigan (LSAM). The purpose of the grant is to assist current or potential recipients of state disability assistance who have applied for or wish to apply for SSI or other federal disability benefits. LSAM shall provide a list of new recipients to the department to verify services provided to department referrals. The department shall distribute informational materials or literature provided by LSAM to clients who have been referred to LSAM for assistance under this section. LSAM and the department shall develop release forms to share information in appropriate cases. LSAM shall provide quarterly reports indicating cases opened, cases closed, level of services provided on closed cases, and case outcomes on closed cases.

Sec. 645. An individual or family is considered homeless, for purposes of eligibility for state emergency relief, if living temporarily with others in order to escape domestic violence. For purposes of this section, domestic violence is defined and verified in the same manner as in the department's policies on good cause for not cooperating with child support and paternity requirements.

Sec. 650. An individual who is an able-bodied adult without dependents is subject to the time-limited food assistance and work requirement provisions of 7 CFR 273.24(a) to (d) regardless of the individual's county of residence, redetermination date, or federal waiver status effective October 1, 2018.

Sec. 653. From the funds appropriated in part 1 for food assistance, an individual who is the victim of domestic violence and does not qualify for any other exemption may be exempt from the 3-month in 36-month limit on receiving food assistance under 7 USC 2015. This exemption can be extended an additional 3 months upon demonstration of continuing need.

Sec. 654. The department shall notify recipients of food assistance program benefits that their benefits can be spent with their bridge cards at many farmers' markets in the state. The department shall also notify recipients about the Double Up Food Bucks program that is administered by the Fair Food Network. Recipients shall receive information about the Double Up Food Bucks program, including information that when the recipient spends $20.00 at participating farmers' markets through the program, the recipient can receive an additional $20.00 to buy Michigan produce.

Sec. 655. Within 14 days after the spending plan for low-income home energy assistance program is approved by the state budget office, the department shall provide the spending plan, including itemized projected expenditures, to the chairpersons of the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office.

Sec. 660. From the funds appropriated in part 1 for Food Bank Council of Michigan, the department is authorized to make allocations of TANF funds only to the agencies that report necessary data to the department for the purpose of meeting TANF eligibility reporting requirements. The agencies that do not report necessary data to the department for the purpose of meeting TANF eligibility reporting requirements will not receive allocations in excess of those received in fiscal year 2000. The use of TANF funds under this section is not an ongoing commitment of funding.

Sec. 669. The department shall allocate $7,230,000.00 for the annual clothing allowance. The allowance shall be granted to all eligible children in a family independence program group.

Sec. 672. (1) The department's office of inspector general shall report to the senate and house of representatives appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the senate and house policy offices by February 15 of the current fiscal year on department efforts to reduce inappropriate use of Michigan bridge cards. The department shall provide information on the number of recipients of services who used their electronic benefit transfer card inappropriately and the current status of each case, the number of recipients whose benefits were revoked, whether permanently or temporarily, as a result of inappropriate use, and the number of retailers that were fined or removed from the electronic benefit transfer program for permitting inappropriate use of the cards. The report shall distinguish between savings and cost avoidance. Savings include receivables established from instances of fraud committed. Cost avoidance includes expenditures avoided due to front-end eligibility investigations and other preemptive actions undertaken in the prevention of fraud.

(2) It shall be the policy of the department that the department shall require an explanation from a recipient if a bridge card is replaced more than 2 times over any 3-month period.

(3) As used in this section, "inappropriate use" means not used to meet a family's ongoing basic needs, including food, clothing, shelter, utilities, household goods, personal care items, and general incidentals.

Sec. 677. (1) The department shall establish a state goal for the percentage of family independence program cases involved in employment activities. The percentage established shall not be less than 50%. The goal for long-term employment shall be 15% of cases for 6 months or more.

(2) The department shall provide quarterly reports to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies and policy offices, and the state budget director on the number of cases referred to Partnership. Accountability. Training. Hope. (PATH), the current percentage of family independence program cases involved in PATH employment activities, an estimate of the current percentage of family independence program cases that meet federal work participation requirements on the whole, and an estimate of the current percentage of the family independence program cases that meet federal work participation requirements for those cases referred to PATH.

(3) The department shall submit to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office quarterly reports that include all of the following:

(a) The number and percentage of nonexempt family independence program recipients who are employed.

(b) The average and range of wages of employed family independence program recipients.

(c) The number and percentage of employed family independence program recipients who remain employed for 6 months or more.

Sec. 686. (1) The department shall ensure that program policy requires caseworkers to confirm that individuals presenting personal identification issued by another state seeking assistance through the family independence program, food assistance program, state disability assistance program, or medical assistance program are not receiving benefits from any other state.

(2) The department shall require caseworkers to confirm the address provided by any individual seeking family independence program benefits or state disability assistance benefits.

(3) The department shall prohibit individuals with property assets assessed at a value higher than $200,000.00 from accessing assistance through department-administered programs, unless such a prohibition would violate federal rules and guidelines.

(4) The department shall require caseworkers to obtain an up-to-date telephone number during the eligibility determination or redetermination process for individuals seeking medical assistance benefits.

Sec. 687. (1) The department shall, in quarterly reports, compile and make available on its website all of the following information about the family independence program, state disability assistance, the food assistance program, Medicaid, and state emergency relief:

(a) The number of applications received.

(b) The number of applications approved.

(c) The number of applications denied.

(d) The number of applications pending and neither approved nor denied.

(e) The number of cases opened.

(f) The number of cases closed.

(g) The number of cases at the beginning of the quarter and the number of cases at the end of the quarter.

(2) The information provided under subsection (1) shall be compiled and made available for the state as a whole and for each county and reported separately for each program listed in subsection (1).

(3) The department shall, in quarterly reports, compile and make available on its website the family independence program information listed as follows:

(a) The number of new applicants who successfully met the requirements of the 21-day assessment period for PATH.

(b) The number of new applicants who did not meet the requirements of the 21-day assessment period for PATH.

(c) The number of cases sanctioned because of the school truancy policy.

(d) The number of cases closed because of the 48-month and 60-month lifetime limits.

(e) The number of first-, second-, and third-time sanctions.

(f) The number of children ages 0-5 living in FIP-sanctioned households.

Sec. 688. From the funds appropriated in part 1 for the low-income home energy assistance program, the department shall make an additional $20.01 payment to each food assistance program case that is not currently eligible for the standard utility allowance to enable each case to receive expanded food assistance benefits through the program commonly known as the heat and eat program.

CHILDREN'S SERVICES AGENCY - JUVENILE JUSTICE

Sec. 701. Unless required from changes to federal or state law or at the request of a provider, the department shall not alter the terms of any signed contract with a private residential facility serving children under state or court supervision without written consent from a representative of the private residential facility.

Sec. 706. Counties shall be subject to 50% chargeback for the use of alternative regional detention services, if those detention services do not fall under the basic provision of section 117e of the social welfare act, 1939 PA 280, MCL 400.117e, or if a county operates those detention services programs primarily with professional rather than volunteer staff.

Sec. 707. In order to be reimbursed for child care fund expenditures, counties are required to submit department-developed reports to enable the department to document potential federally claimable expenditures. This requirement is in accordance with the reporting requirements specified in section 117a(11) of the social welfare act, 1939 PA 280, MCL 400.117a.

Sec. 708. (1) As a condition of receiving funds appropriated in part 1 for the child care fund line item, by October 15 of the current fiscal year, counties shall have an approved service spending plan for the current fiscal year. Counties must submit the service spending plan for the following fiscal year to the department by August 15 of the current fiscal year for approval. Upon submission of the county service spending plan, the department shall approve within 30 calendar days after receipt of a properly completed service plan that complies with the requirements of the social welfare act, 1939 PA 280, MCL 400.1 to 400.119b. The department shall notify and submit county service spending plan revisions to any county whose county service spending plan is not accepted upon initial submission. The department shall not request any additional revisions to a county service spending plan outside of the requested revision notification

submitted to the county by the department. The department shall notify a county within 30 days after approval that its service plan was approved.

(2) Counties must submit amendments to current fiscal year county service plans no later than August 30. Counties must submit current fiscal year payable estimates to the department no later than September 15.

(3) The department shall submit a report to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, the house and senate policy offices, and the state budget office by February 15 of the current fiscal year on the number of counties that fail to submit a service spending plan by August 15 of the previous fiscal year and the number of service spending plans not approved by October 15. The report shall include the number of county service spending plans that were not approved as first submitted by the counties, as well as the number of plans that were not approved by the department after being resubmitted by the county with the first revisions that were requested by the department.

Sec. 709. The department's master contract for juvenile justice residential foster care services shall prohibit contractors from denying a referral for placement of a youth, or terminating a youth's placement, if the youth's assessed treatment needs are in alignment with the facility's residential program type, as identified by the court or the department. In addition, the master contract shall require that youth placed in juvenile justice residential foster care facilities must have regularly scheduled treatment sessions with a licensed psychologist or psychiatrist, or both, and access to the licensed psychologist or psychiatrist as needed.

Sec. 721. If the demand for placements at state-operated juvenile justice residential facilities exceeds capacity, the department shall not increase the available occupancy or services at the facilities, and shall post a request for proposals for a contract with not less than 1 private provider of residential services for juvenile justice youth to be a residential facility of last resort.

FIELD OPERATIONS AND SUPPORT SERVICES

Sec. 801. (1) Funds appropriated in part 1 for independent living shall be used to support the general operations of centers for independent living in delivering mandated independent living services in compliance with federal rules and regulations for the centers, by existing centers for independent living to serve underserved areas, and for projects to build the capacity of centers for independent living to deliver independent living services. Applications for the funds shall be reviewed in accordance with criteria and procedures established by the department. The funds appropriated in part 1 may be used to leverage federal vocational rehabilitation innovation and expansion funds consistent with 34 CFR 361.35 up to $5,543,000.00, if available. If the possibility of matching federal funds exists, the centers for independent living network will negotiate a mutually beneficial contractual arrangement with Michigan rehabilitation services. Funds shall be used in a manner consistent with the state plan for independent living. Services provided should assist people with disabilities to move toward self-sufficiency, including support for accessing transportation and health care, obtaining employment, community living, nursing home transition, information and referral services, education, youth transition services, veterans, and stigma reduction activities and community education. This includes the independent living guide services that specifically focus on economic self-sufficiency.

(2) The Michigan centers for independent living shall provide a report by March 1 of the current fiscal year to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, the house and senate policy offices, and the state budget office on direct customer and system outcomes and performance measures.

Sec. 802. The Michigan rehabilitation services shall work collaboratively with the bureau of services for blind persons, service organizations, and government entities to identify qualified match dollars to maximize use of available federal vocational rehabilitation funds.

Sec. 803. The department shall provide an annual report by February 1 to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, the house and senate policy offices, and the state budget office on efforts taken to improve the Michigan rehabilitation services. The report shall include all of the following items:

(a) Reductions and changes in administration costs and staffing.

(b) Service delivery plans and implementation steps achieved.

(c) Reorganization plans and implementation steps achieved.

(d) Plans to integrate Michigan rehabilitative services programs into other services provided by the department.

(e) Quarterly expenditures by major spending category.

(f) Employment and job retention rates from both Michigan rehabilitation services and its nonprofit partners.

(g) Success rate of each district in achieving the program goals.

Sec. 804. (1) From the funds appropriated in part 1 for Michigan rehabilitation services, the department shall allocate $50,000.00 along with available federal match to support the provision of vocational rehabilitation services to eligible agricultural workers with disabilities. Authorized services shall assist agricultural workers with disabilities in acquiring or maintaining quality employment and independence.

(2) By March 1 of the current fiscal year, the department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office on the total number of clients served and the total amount of federal matching funds obtained throughout the duration of the program.

Sec. 805. It is the intent of the legislature that Michigan rehabilitation services shall not implement an order of selection for vocational and rehabilitative services. If the department is at risk of entering into an order of selection for services, the department shall notify the chairs of the senate and house appropriations subcommittees on the department budget and the senate and house fiscal agencies and policy offices within 2 weeks of receiving notification.

Sec. 806. From the funds appropriated in part 1 for Michigan rehabilitation services, the department shall allocate $6,100,300.00, including federal matching funds, to service authorizations with community-based rehabilitation organizations for an array of needed services throughout the rehabilitation process.

Sec. 807. From the funds appropriated in part 1 for Elder Law of Michigan MiCAFE contract, the department shall allocate not less than $350,000.00 to the Elder Law of Michigan MiCAFE to assist this state's elderly population in participating in the food assistance program. Of the $350,000.00 allocated under this section, the department shall use $175,000.00, which are general fund/general purpose funds, as state matching funds for not less than $175,000.00 in United States Department of Agriculture funding to provide outreach program activities, such as eligibility screening and information services, as part of a statewide food assistance hotline.

Sec. 808. By March 1 of the current fiscal year, the department shall provide a report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office on the nutrition education program. The report shall include planned allocation and actual expenditures for the supplemental nutrition assistance program education funding, planned and actual grant amounts for the supplemental nutrition assistance program education funding, the total amount of expected carryforward balance at the end of the current fiscal year for the supplemental nutrition assistance program education funding, a list of all supplemental nutrition assistance program education funding programs by implementing agency, and the stated purpose of each program.

Sec. 809. (1) The purpose of the pathways to potential program is to reduce chronic absenteeism, decrease the number of students who repeat grades, decrease the rate of dropouts, and increase student graduation rates for schools that are current or future participants in the pathways to potential program. Before any deployment of resources into a participant school, the department and the participant school shall establish performance objectives for each participant school based on a 2-year baseline prior to pathways to potential being established in the participant school and shall evaluate the progress made in the above categories from the established baseline. By March 1 of the current fiscal year, the department shall provide to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the senate and house policy offices a report listing all participant schools, the funding allocation by participant school, the number of staff assigned to each school by participant school, and the percentage of participating schools that achieved improved performance in each of the 4 outcomes listed above compared to the previous year, by each individual outcome. It is the intent of the legislature that after a 2-year period without attaining an increase in success in meeting the 4 listed outcomes from the established baseline, the department shall work with the participant school to examine the cause of the lack of progress and shall seek to implement a plan to increase success in meeting the identified outcomes. It is the intent of the legislature that progress or the lack of progress made in meeting the performance objectives shall be used as a determinant in future pathways to potential resource allocation decisions.

(2) As used in this section, "baseline" means the initial set of data from the center for educational performance and information in the department of technology, management, and budget of the 4 measured outcomes as described in subsection (1).

Sec. 825. From the funds appropriated in part 1, the department shall provide individuals not more than $500.00 for vehicle repairs, including any repairs done in the previous 12 months. However, the department may in its discretion pay for repairs up to $900.00. Payments under this section shall include the combined total of payments made by the department and work participation program.

Sec. 850. (1) The department shall maintain out-stationed eligibility specialists in community-based organizations, community mental health agencies, nursing homes, adult placement and independent living settings, federally qualified health centers, and hospitals unless a community-based organization, community mental health agency, nursing home, adult placement and independent living setting, federally qualified health centers, or hospital requests that the program be discontinued at its facility.

(2) From the funds appropriated in part 1 for donated funds positions, the department shall enter into contracts with agencies that are able and eligible under federal law to provide the required matching funds for federal funding, as determined by federal statute and regulations.

(3) A contract for an assistance payments donated funds position must include, but not be limited to, the following performance metrics:

(a) Meeting a standard of promptness for processing applications for Medicaid and other public assistance programs under state law.

(b) Meeting required standards for error rates in determining programmatic eligibility as determined by the department.

(4) The department shall only fill additional donated funds positions after a new contract has been signed. That position shall also be abolished when the contract expires or is terminated.

(5) The department shall classify as limited-term FTEs any new employees who are hired to fulfill the donated funds position contracts or are hired to fill any vacancies from employees who transferred to a donated funds position.

(6) By March 1 of the current fiscal year, the department shall submit a report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies and policy offices, and the state budget office detailing information on the donated funds positions, including the total number of occupied positions, the total private contribution of the positions, and the total cost to the state for any nonsalary expenditure for the donated funds position employees.

Sec. 851. A staffing enhancement for adult services field staff was included in 2017 PA 107. The goal of the staffing enhancement is to reduce the number of older adults who are victims of crime and fraud by increasing the standard of promptness in every county, as measured by commencing an investigation within 24 hours, establishing face-to-face contact with the client within 72 hours, and completing the investigation within 30 days.

DISABILITY DETERMINATION SERVICES

Sec. 890. From the funds appropriated in part 1 for disability determination services, the department shall provide a 7% increase to the unit rates in effect on September 30, 2018 for medical consultants performing disability determination services, including physicians, psychologists, and speech-language pathologists.

BEHAVIORAL HEALTH SERVICES

Sec. 901. Except for the pilot projects and demonstration models described in section 298 of this part, the funds appropriated in part 1 are intended to support a system of comprehensive community mental health services under the full authority and responsibility of local CMHSPs or PIHPs in accordance with the mental health code, 1974 PA 258, MCL 330.1001 to 330.2106, the Medicaid provider manual, federal Medicaid waivers, and all other applicable federal and state laws.

Sec. 902. (1) Except for the pilot projects and demonstration models described in section 298 of this part, from the funds appropriated in part 1, final authorizations to CMHSPs or PIHPs shall be made upon the execution of contracts between the department and CMHSPs or PIHPs. The contracts shall contain an approved plan and budget as well as policies and procedures governing the obligations and responsibilities of both parties to the contracts. Each contract with a CMHSP or PIHP that the department is authorized to enter into under this subsection shall include a provision that the contract is not valid unless the total dollar obligation for all of the contracts between the department and the CMHSPs or PIHPs entered into under this subsection for the current fiscal year does not exceed the amount of money appropriated in part 1 for the contracts authorized under this subsection.

(2) The department shall immediately report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the state budget director if either of the following occurs:

(a) Any new contracts the department has entered into with CMHSPs or PIHPs that would affect rates or expenditures.

(b) Any amendments to contracts the department has entered into with CMHSPs or PIHPs that would affect rates or expenditures.

(3) The report required by subsection (2) shall include information about the changes and their effects on rates and expenditures.

Sec. 904. (1) By May 31 of the current fiscal year, the department shall provide a report on the CMHSPs, PIHPs, and designated regional entities for substance use disorder prevention and treatment to the members of the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the state budget director that includes the information required by this section.

(2) The report shall contain information for each CMHSP, PIHP, and designated regional entity for substance use disorder prevention and treatment, and a statewide summary, each of which shall include at least the following information:

(a) A demographic description of service recipients that, minimally, shall include reimbursement eligibility, client population, age, ethnicity, housing arrangements, and diagnosis.

(b) Per capita expenditures in total and by client population group and cultural and ethnic groups of the services area, including the deaf and hard of hearing population.

(c) Financial information that, minimally, includes a description of funding authorized; expenditures by diagnosis group, service category, and reimbursement eligibility; and cost information by Medicaid, Healthy Michigan plan, state appropriated non-Medicaid mental health services, local funding, and other fund sources, including administration and funds specified for all outside contracts for services and products. Financial information must include the amount of funding, from each fund source, used to cover clinical services and supports. Service category includes all department-approved services.

(d) Data describing service outcomes that include, but are not limited to, an evaluation of consumer satisfaction, consumer choice, and quality of life concerns including, but not limited to, housing and employment.

(e) Information about access to CMHSPs and designated regional entities for substance use disorder prevention and treatment that includes, but is not limited to, the following:

(*i*) The number of people receiving requested services.

(*ii*) The number of people who requested services but did not receive services.

(f) The number of second opinions requested under the mental health code, 1974 PA 258, MCL 330.1001 to 330.2106, and the determination of any appeals.

(g) Lapses and carryforwards during the previous fiscal year for CMHSPs, PIHPs, and designated regional entities for substance use disorder prevention and treatment.

(h) Performance indicator information required to be submitted to the department in the contracts with CMHSPs, PIHPs, and designated regional entities for substance use disorder prevention and treatment.

(i) Administrative expenditures of each CMHSP, PIHP, and designated regional entity for substance use disorder prevention and treatment that include a breakout of the salary, benefits, and pension of each executive-level staff and shall include the director, chief executive, and chief operating officers and other members identified as executive staff.

(3) The report shall contain the following information from the previous fiscal year on substance use disorder prevention, education, and treatment programs:

(a) Expenditures stratified by department-designated community mental health entity, by central diagnosis and referral agency, by fund source, by subcontractor, by population served, and by service type.

(b) Expenditures per state client, with data on the distribution of expenditures reported using a histogram approach.

(c) Number of services provided by central diagnosis and referral agency, by subcontractor, and by service type. Additionally, data on length of stay, referral source, and participation in other state programs.

(d) Collections from other first- or third-party payers, private donations, or other state or local programs, by department-designated community mental health entity, by subcontractor, by population served, and by service type.

(4) The department shall include data reporting requirements listed in subsections (2) and (3) in the annual contract with each individual CMHSP, PIHP, and designated regional entity for substance use disorder treatment and prevention.

(5) The department shall take all reasonable actions to ensure that the data required are complete and consistent among all CMHSPs, PIHPs, and designated regional entities for substance use disorder prevention and treatment.

Sec. 905. (1) From the funds appropriated in part 1 for behavioral health program administration, the department shall maintain a psychiatric transitional unit and children's behavioral action team. These services will augment the continuum of behavioral health services for high-need youth and provide additional continuity of care and transition into supportive community-based services.

(2) Outcomes and performance measures for this initiative include, but are not limited to, the following:

(a) The rate of rehospitalization for youth served through the program at 30 and 180 days.

(b) Measured change in the Child and Adolescent Functional Assessment Scale for children served through the program.

Sec. 906. (1) The funds appropriated in part 1 for the state disability assistance substance use disorder services program shall be used to support per diem room and board payments in substance use disorder residential facilities. Eligibility of clients for the state disability assistance substance use disorder services program shall include needy persons 18 years of age or older, or emancipated minors, who reside in a substance use disorder treatment center.

(2) The department shall reimburse all licensed substance use disorder programs eligible to participate in the program at a rate equivalent to that paid by the department to adult foster care providers. Programs accredited by department-approved accrediting organizations shall be reimbursed at the personal care rate, while all other eligible programs shall be reimbursed at the domiciliary care rate.

Sec. 907. (1) The amount appropriated in part 1 for community substance use disorder prevention, education, and treatment shall be expended to coordinate care and services provided to individuals with severe and persistent mental illness and substance use disorder diagnoses.

(2) The department shall approve managing entity fee schedules for providing substance use disorder services and charge participants in accordance with their ability to pay.

(3) The managing entity shall continue current efforts to collaborate on the delivery of services to those clients with mental illness and substance use disorder diagnoses with the goal of providing services in an administratively efficient manner.

Sec. 909. From the funds appropriated in part 1 for community substance use disorder prevention, education, and treatment, the department shall use available revenue from the marihuana regulatory fund established in section 604 of the medical marihuana facilities licensing act, 2016 PA 281, MCL 333.27604, to improve physical health; expand access to substance use disorder prevention and treatment services; and strengthen the existing prevention, treatment, and recovery systems.

Sec. 910. The department shall ensure that substance use disorder treatment is provided to applicants and recipients of public assistance through the department who are required to obtain substance use disorder treatment as a condition of eligibility for public assistance.

Sec. 911. (1) The department shall ensure that each contract with a CMHSP or PIHP requires the CMHSP or PIHP to implement programs to encourage diversion of individuals with serious mental illness, serious emotional disturbance, or developmental disability from possible jail incarceration when appropriate.

(2) Each CMHSP or PIHP shall have jail diversion services and shall work toward establishing working relationships with representative staff of local law enforcement agencies, including county prosecutors' offices, county sheriffs' offices, county jails, municipal police agencies, municipal detention facilities, and the courts. Written interagency agreements describing what services each participating agency is prepared to commit to the local jail diversion effort and the procedures to be used by local law enforcement agencies to access mental health jail diversion services are strongly encouraged.

Sec. 912. The department shall contract directly with the Salvation Army Harbor Light program to provide non-Medicaid substance use disorder services if the local coordinating agency or the department confirms the Salvation Army Harbor Light program meets the standard of care. The standard of care shall include, but is not limited to, utilization of the medication assisted treatment option.

Sec. 915. (1) By March 1 of the current fiscal year, the department shall report the following information on the mental health and wellness commission to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, the house and senate policy offices, and the state budget office:

(a) Previous fiscal year expenditures by actionable recommendation of the mental health and wellness commission.

(b) Programs utilized during the previous fiscal year to address each actionable recommendation of the mental health and wellness commission.

(c) Outcomes and performance measures achieved during the previous fiscal year by actionable recommendation of the mental health and wellness commission.

(d) Current fiscal year funding by actionable recommendation of the mental health and wellness commission.

(e) Current fiscal year funding by program utilized to address each actionable recommendation of the mental health and wellness commission.

(2) By April 1 of the current fiscal year, the department shall report on funding within the executive budget proposal for the fiscal year ending September 30, 2020, by actionable recommendation of the mental health and wellness commission to the same report recipients listed in subsection (1).

Sec. 918. On or before the twenty-fifth of each month, the department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the state budget director on the amount of funding paid to PIHPs to support the Medicaid managed mental health care program in the preceding month. The information shall include the total paid to each PIHP, per capita rate paid for each eligibility group for each PIHP, and number of cases in each eligibility group for each PIHP, and year-to-date summary of eligibles and expenditures for the Medicaid managed mental health care program.

Sec. 920. (1) As part of the Medicaid rate-setting process for behavioral health services, the department shall work with PIHP network providers and actuaries to include any state and federal wage and compensation increases that directly impact staff who provide Medicaid-funded community living supports, personal care services, respite services, skill-building services, and other similar supports and services as part of the Medicaid rate.

(2) It is the intent of the legislature that any increased Medicaid rate related to state minimum wage increases shall also be distributed to direct care employees.

Sec. 924. From the funds appropriated in part 1 for autism services, for the purposes of actuarially sound rate certification and approval for Medicaid behavioral health managed care programs, the department shall establish and implement a fee schedule for autism services reimbursement rates for direct services by October 1 of the current fiscal year. Expenditures used for rate setting shall not exceed those identified in the fee schedule. The rates for behavioral technicians shall be reduced by 10% of the 2017 autism fee schedule, but shall not be less than $50.00 per hour.

Sec. 925. From the funds appropriated in part 1 for community mental health non-Medicaid services, each CMHSP is allocated not less than the amount allocated to that CMHSP during the previous fiscal year.

Sec. 926. From the funds appropriated in part 1 for community substance use disorder prevention, education, and treatment, $500,000.00 is allocated for a specialized substance use disorder detoxification pilot project administered by a 9-1-1 service district in conjunction with a substance use and case management provider and at a hospital in a city with a population between 95,000 and 97,000 within a county with a population of at least 1,500,000. The hospital must have a wing with at least 10 beds dedicated to stabilizing patients suffering from addiction by providing a specialized trauma therapist as well as a peer support specialist to assist with treatment and counseling. The substance use and case management provider shall collect and submit to the department data on the outcomes of the pilot project throughout the duration of the pilot project and shall provide a report on the pilot project's outcomes to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the state budget office.

Sec. 928. (1) Each PIHP shall provide, from internal resources, local funds to be used as a part of the state match required under the Medicaid program in order to increase capitation rates for PIHPs. These funds shall not include either state funds received by a CMHSP for services provided to non-Medicaid recipients or the state matching portion of the Medicaid capitation payments made to a PIHP.

(2) It is the intent of the legislature that any funds that lapse from the funds appropriated in part 1 for Medicaid mental health services shall be redistributed to individual CMHSPs as a reimbursement of local funds on a proportional basis to those CMHSPs whose local funds were used as state Medicaid match. By April 1 of the current fiscal year, the department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office on the lapse by PIHP from the previous fiscal year and the projected lapse by PIHP in the current fiscal year.

Sec. 935. A county required under the provisions of the mental health code, 1974 PA 258, MCL 330.1001 to 330.2106, to provide matching funds to a CMHSP for mental health services rendered to residents in its jurisdiction shall pay the matching funds in equal installments on not less than a quarterly basis throughout the fiscal year, with the first payment being made by October 1 of the current fiscal year.

Sec. 940. (1) According to section 236 of the mental health code, 1974 PA 258, MCL 330.1236, the department shall do both of the following:

(a) Review expenditures for each CMHSP to identify CMHSPs with projected allocation surpluses and to identify CMHSPs with projected allocation shortfalls. The department shall encourage the board of a CMHSP with a projected

allocation surplus to concur with the department's recommendation to reallocate those funds to CMHSPs with projected allocation shortfalls.

(b) Withdraw unspent funds that have been allocated to a CMHSP if other reallocated funds were expended in a manner not provided for in the approved contract, including expending funds on services and programs provided to individuals residing outside of the CMHSP's geographic region.

(2) A CMHSP that has its funding allocation transferred out or withdrawn during the current fiscal year as described in subsection (1) is not eligible for any additional funding reallocations during the remainder of the current fiscal year, unless that CMHSP is responding to a public health emergency as determined by the department.

(3) CMHSPs shall report to the department on any proposed reallocations described in this section at least 30 days before any reallocations take effect.

(4) The department shall notify the chairs of the appropriation subcommittees on the department budget when a request is made and when the department grants approval for reallocation or withdraw as described in subsection (1). By September 30 of the current fiscal year, the department shall provide a report on the amount of funding reallocated or withdrawn to the senate and house appropriation subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office.

Sec. 942. A CMHSP shall provide at least 30 days' notice before reducing, terminating, or suspending services provided by a CMHSP to CMHSP clients, with the exception of services authorized by a physician that no longer meet established criteria for medical necessity.

Sec. 950. From the funds appropriated in part 1 for court-appointed guardian and conservator reimbursements, the department shall allocate not more than $1,500,000.00 to reimburse counties for 50% of the cost to reimburse court-appointed public guardians and conservators for recipients who also receive CMHSP services. The department shall only reimburse for 50% of the cost for reimbursement up to $83.00 per month per court-appointed public guardian and conservator. By September 15 of the current fiscal year, the department shall provide a report to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, the house and senate policy offices, and the state budget office on the number of counties that received these funds, the number of court-appointed public guardians and conservators who were reimbursed by the counties that received these funds, and the per-month reimbursement rates provided by the counties that received these funds.

Sec. 959. (1) The department shall establish a workgroup in collaboration with the chairs of the house and senate appropriations subcommittees on the department budget or their designees, CMHSP members, autism services provider clinical and administrative staff, community members, Medicaid autism services clients, and family members of Medicaid autism services clients to make recommendations to ensure appropriate cost and service provision, including, but not limited to, the following:

(a) Ways to prevent fraud and overdiagnosis.

(b) Comparison of Medicaid rates for autism services to commercial insurance rates.

(c) Comparison of diagnosis process between Medicaid, Tricare, and commercial insurance.

(2) By March 1 of the current fiscal year, the department shall provide the workgroup's recommendations to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the state budget office.

Sec. 961. From the funds appropriated in part 1 for behavioral health program administration, the department shall allocate $150,000.00 to establish and administer an electronic inpatient psychiatric bed registry consistent with the requirements in section 151 of the mental health code, 1974 PA 258, MCL 330.1151.

Sec. 994. (1) By January 1 of the current fiscal year, the department shall seek, if necessary, federal approval through either a waiver request or state plan amendment to allow a CMHSP, PIHP, or subcontracting provider agency that is reviewed and accredited by a national accrediting entity for behavioral health care services to be considered in compliance with state program review and audit requirements that are addressed and reviewed by that national accrediting entity.

(2) By April 1 of the current fiscal year, the department shall report to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the state budget office all of the following:

(a) The status of the federal approval process required in subsection (1).

(b) A list of each CMHSP, PIHP, and subcontracting provider agency that is considered to be in compliance with state program review and audit requirements under subsection (1).

(c) For each CMHSP, PIHP, or subcontracting provider agency described in subdivision (b), both of the following:

(*i*) The state program review and audit requirements that the CMHSP, PIHP, or subcontracting provider agency is considered to be in compliance with.

(*ii*) The national accrediting entity that reviewed and accredited the CMHSP, PIHP, or subcontracting provider agency.

(3) The department shall continue to comply with state and federal law and shall not initiate an action that negatively impacts beneficiary safety. Any cost savings attributed to this action shall be reinvested back into services.

(4) As used in this section, "national accrediting entity" means the Joint Commission, formerly known as the Joint Commission on Accreditation of Healthcare Organizations, the Commission on Accreditation of Rehabilitation Facilities, the Council on Accreditation, the URAC, formerly known as the Utilization Review Accreditation Commission, the National Committee for Quality Assurance, or another appropriate entity, as approved by the department.

Sec. 995. From the funds appropriated in part 1 for behavioral health program administration, $4,350,000.00 is intended to address the recommendations of the mental health diversion council.

Sec. 997. The population data used in determining the distribution of substance use disorder block grant funds shall be from the most recent federal census.

Sec. 998. For distribution of state general funds to CMHSPs, if the department decides to use census data, the department shall use the most recent federal census data available.

Sec. 999. Within 30 days after the completion of a statewide PIHP reimbursement audit, the department shall provide the audit report to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, the house and senate policy offices, and the state budget office.

Sec. 1001. By December 31 of the current fiscal year, each CMHSP shall submit a report to the department that identifies populations being served by the CMHSP broken down by program eligibility category. The report shall also include the percentage of the operational budget that is related to program eligibility enrollment. By January 15 of the current fiscal year, the department shall submit the report described in this section to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office.

Sec. 1003. The department shall notify the Community Mental Health Association of Michigan when developing policies and procedures that will impact PIHPs or CMHSPs.

Sec. 1004. The department shall provide the senate and house appropriations subcommittee on the department budget, the senate and house fiscal agencies, and the state budget office any rebased formula changes to either Medicaid behavioral health services or non-Medicaid mental health services 90 days before implementation. The notification shall include a table showing the changes in funding allocation by PIHP for Medicaid behavioral health services or by CMHSP for non-Medicaid mental health services.

Sec. 1005. For the purposes of special projects involving high-need children or adults, including the not guilty by reason of insanity population, the department may contract directly with providers of services to these identified populations.

Sec. 1008. PIHPs and CMHSPs shall do all of the following:

(a) Work to reduce administration costs by ensuring that PIHP and CMHSP responsible functions are efficient in allowing optimal transition of dollars to those direct services considered most effective in assisting individuals served. Any consolidation of administrative functions must demonstrate, by independent analysis, a reduction in dollars spent on administration resulting in greater dollars spent on direct services. Savings resulting from increased efficiencies shall not be applied to PIHP and CMHSP net assets, internal service fund increases, building costs, increases in the number of PIHP and CMHSP personnel, or other areas not directly related to the delivery of improved services.

(b) Take an active role in managing mental health care by ensuring consistent and high-quality service delivery throughout its network and promote a conflict-free care management environment.

(c) Ensure that direct service rate variances are related to the level of need or other quantifiable measures to ensure that the most money possible reaches direct services.

(d) Whenever possible, promote fair and adequate direct care reimbursement, including fair wages for direct service workers.

Sec. 1009. (1) From the funds appropriated in part 1 for Medicaid mental health services and Healthy Michigan plan - behavioral health, the department shall maintain the $0.50 hourly wage increase for direct care workers as specified under subsection (1) of section 1009 of article X of 2017 PA 107. Funds provided in this section must be utilized by a PIHP to maintain the $0.50 hourly wage increase for direct care worker wages, for the employer's share of federal insurance contributions act costs, purchasing worker's compensation insurance, or the employer's share of unemployment costs.

(2) Each PIHP shall report to the department by February 1 of the current fiscal year the range of wages paid to direct care workers, including information on the number of direct care workers at each wage level.

(3) The department shall report the information required to be reported according to subsection (2) to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office by March 1 of the current fiscal year.

Sec. 1010. From the funds appropriated in part 1 for behavioral health program administration, up to $2,000,000.00 shall be allocated to address the implementation of court-ordered assisted outpatient treatment as provided under chapter 4 of the mental health code, 1974 PA 258, MCL 330.1400 to 330.1490.

STATE PSYCHIATRIC HOSPITALS AND FORENSIC MENTAL HEALTH SERVICES

Sec. 1051. The department shall continue a revenue recapture project to generate additional revenues from third parties related to cases that have been closed or are inactive. A portion of revenues collected through project efforts may be used for departmental costs and contractual fees associated with these retroactive collections and to improve ongoing departmental reimbursement management functions.

Sec. 1052. The purpose of gifts and bequests for patient living and treatment environments is to use additional private funds to provide specific enhancements for individuals residing at state-operated facilities. Use of the gifts and bequests shall be consistent with the stipulation of the donor. The expected completion date for the use of gifts and bequests donations is within 3 years unless otherwise stipulated by the donor.

Sec. 1055. (1) The department shall not implement any closures or consolidations of state hospitals, centers, or agencies until CMHSPs or PIHPs have programs and services in place for those individuals currently in those facilities and a plan for service provision for those individuals who would have been admitted to those facilities.

(2) All closures or consolidations are dependent upon adequate department-approved CMHSP and PIHP plans that include a discharge and aftercare plan for each individual currently in the facility. A discharge and aftercare plan shall address the individual's housing needs. A homeless shelter or similar temporary shelter arrangements are inadequate to meet the individual's housing needs.

(3) Four months after the certification of closure required in section 19(6) of the state employees' retirement act, 1943 PA 240, MCL 38.19, the department shall provide a closure plan to the house and senate appropriations subcommittees on the department budget and the state budget director.

(4) Upon the closure of state-run operations and after transitional costs have been paid, the remaining balances of funds appropriated for that operation shall be transferred to CMHSPs or PIHPs responsible for providing services for individuals previously served by the operations.

Sec. 1056. The department may collect revenue for patient reimbursement from first- and third-party payers, including Medicaid and local county CMHSP payers, to cover the cost of placement in state hospitals and centers. The department is authorized to adjust financing sources for patient reimbursement based on actual revenues earned. If the revenue collected exceeds current year expenditures, the revenue may be carried forward with approval of the state budget director. The revenue carried forward shall be used as a first source of funds in the subsequent year.

Sec. 1058. Effective October 1 of the current fiscal year, the department, in consultation with the department of technology, management, and budget, may maintain a bid process to identify 1 or more private contractors to provide food service and custodial services for the administrative areas at any state hospital identified by the department as capable of generating savings through the outsourcing of such services.

Sec. 1059. The department shall identify specific outcomes and performance measures for the center for forensic psychiatry, including, but not limited to, the following:

(a) The average wait time for persons determined incompetent to stand trial before admission to the center for forensic psychiatry.

(b) The average wait time for persons determined incompetent to stand trial before admission to other state-operated psychiatric facilities.

(c) The number of persons waiting to receive services at the center for forensic psychiatry.

(d) The number of persons waiting to receive services at other state-operated hospitals and centers.

Sec. 1060. (1) The department shall continue to convene a workgroup that meets at least quarterly in collaboration with the chairs of the house and senate appropriations subcommittees on the department budget or their designees, labor union representation, civil service, and any other appropriate parties to recommend solutions to address mandatory overtime, staff turnover, and staff retention at the state psychiatric hospitals and centers, including, but not limited to, permitting retired workers to return and permitting hiring of part-time workers.

(2) By March 1 of the current fiscal year, the department shall provide a status update on the implementation of the workgroup's recommendations to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the state budget office.

Sec. 1061. The funds appropriated in part 1 for Caro Regional Mental Health Center shall only be utilized to support a psychiatric hospital located at its current location. It is the intent of the legislature that the Caro Regional Mental Health Center shall remain open and operational at its current location on an ongoing basis, and that any capital outlay funding shall be utilized for planning and construction at the current location instead of at a new location.

HEALTH POLICY

Sec. 1140. From the funds appropriated in part 1 for primary care services, $250,000.00 shall be allocated to free health clinics operating in the state. The department shall distribute the funds equally to each free health clinic. For the purpose of this appropriation, "free health clinics" means nonprofit organizations that use volunteer health professionals to provide care to uninsured individuals.

Sec. 1142. The department shall continue to seek means to increase retention of Michigan medical school students for completion of their primary care residency requirements within this state and ultimately, for some period of time, to remain in this state and serve as primary care physicians. The department is encouraged to work with Michigan institutions of higher education.

Sec. 1144. (1) From the funds appropriated in part 1 for health policy administration, the department shall allocate the federal state innovation model grant funding that supports implementation of the health delivery system innovations detailed in this state's "Reinventing Michigan's Health Care System: Blueprint for Health Innovation" document. This initiative will test new payment methodologies, support improved population health outcomes, and support improved infrastructure for technology and data sharing and reporting. The funds will be used to provide financial support directly to regions participating in the model test and to support statewide stakeholder guidance and technical support.

(2) Outcomes and performance measures for the initiative under subsection (1) include, but are not limited to, the following:

(a) Increasing the number of physician practices fulfilling patient-centered medical home functions.

(b) Reducing inappropriate health utilization, specifically reducing preventable emergency department visits, reducing the proportion of hospitalizations for ambulatory sensitive conditions, and reducing this state's 30-day hospital readmission rate.

(3) On a semiannual basis, the department shall submit a written report to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the state budget office on the status of the program and progress made since the prior report.

(4) From the funds appropriated in part 1 for health policy administration, any data aggregator created as part of the allocation of the federal state innovation model grant funds must meet the following standards:

(a) The primary purpose of the data aggregator must be to increase the quality of health care delivered in this state, while reducing costs.

(b) The data aggregator must be governed by a nonprofit entity.

(c) All decisions regarding the establishment, administration, and modification of the database must be made by an advisory board. The membership of the advisory board must include the director of the department or a designee of the director and representatives of health carriers, consumers, and purchasers.

(d) The Michigan Data Collaborative shall be the data aggregator to receive health care claims information from, without limitation, commercial health carriers, nonprofit health care corporations, health maintenance organizations, and third party administrators that process claims under a service contract.

(e) The data aggregator must use existing data sources and technological infrastructure, to the extent possible.

Sec. 1145. The department will take steps necessary to work with Indian Health Service, tribal health program facilities, or Urban Indian Health Program facilities that provide services under a contract with a Medicaid managed care entity to ensure that those facilities receive the maximum amount allowable under federal law for Medicaid services.

Sec. 1146. From the funds appropriated in part 1 for bone marrow transplant registry, $250,000.00 shall be allocated to Michigan Blood, the partner of the match registry of the national marrow donor program. The funds shall be used to offset ongoing tissue typing expenses associated with donor recruitment and collection services and to expand those services to better serve the citizens of this state.

Sec. 1147. (1) From the funds appropriated in part 1 for primary care services, $500,000.00 shall be appropriated for the second year of a 6-year early primary care incentive program to facilitate the placement of physicians in medically underserved areas of this state. The early primary care incentive program format includes all of the following:

(a) Recruitment of interested physicians before completion of first year of residency.

(b) To participate in the pilot program, a physician must do all of the following:

(*i*) Complete at least 1 year of postgraduate education.

(*ii*) Complete and pass all 3 parts of a national licensing board examination.

(*iii*) Obtain an unrestricted license to engage in the practice of osteopathic medicine and surgery or an unrestricted license to engage in the practice of medicine in this state.

(c) A participating physician shall enter into a contract to work with an employer for no less than 2 years in a federally underserved rural or urban area in this state, beginning the year following completion of at least 1 year of postgraduate education.

(d) The employer shall employ the physician at a competitive salary. A contractual employer may include, but is not limited to, a private practice physician or physician group, a hospital or hospital system, a community clinic, or a federally qualified health center.

(e) Assistance with repayment of medical education loans of the participating physician shall be provided through local, state, federal, or other sources during the employment period, with a target assistance amount of $50,000.00 over 2 years.

(f) Upon completion of the 2-year employment period, participating physicians may reenter and complete a postgraduate residency program.

(2) The department shall seek philanthropic support for the early primary care incentive program to achieve increased participation and may use state funds to match philanthropic contributions.

(3) The department shall contract with the Michigan Health Council for the purpose of administering the early primary care incentive program. Funds shall be disbursed by the department to the Michigan Health Council by December 1 of the current fiscal year for this purpose.

(4) Use of funds for administration of the early primary care incentive program is limited to no more than $150,000.00.

(5) The department shall prepare a report on the status of the early primary care incentive program that shall include, but is not limited to, the number of physicians placed, location of placement, type of employer, average student loan burden of the participating physicians, and average loan relief provided under the program. By April 1 of the current fiscal year, the department shall provide the report described in this subsection to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies and policy offices, and the state budget office.

(6) Unexpended and unencumbered funds up to a maximum of $500,000.00 general fund/general purpose revenue in part 1 for primary care services are designated as work project appropriations, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for the early primary care incentive program under this section until the project has been completed. All of the following are in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the work project is to fund the cost of an early primary care incentive program as provided by this section.

(b) The work project will be accomplished by administering the partnering of participating physicians with qualifying employers and coordinating the negotiation of medical school loan repayment assistance for the participating physician.

(c) The total estimated cost of the work project is $500,000.00 of general fund/general purpose revenue.

(d) The tentative completion date of the work project is September 30, 2023.

Sec. 1150. The department shall coordinate with the department of licensing and regulatory affairs, the department of the attorney general, all appropriate law enforcement agencies, and the Medicaid health plans to reduce fraud related to opioid prescribing within Medicaid, and to address other appropriate recommendations of the prescription drug and opioid abuse task force outlined in its report of October 2015. By October 1 of the current fiscal year, the department shall submit a report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office on steps the department has taken to coordinate with the entities listed in this section and other stakeholders to reduce fraud related to opioid prescribing, and to address other appropriate recommendations of the task force.

Sec. 1151. The department shall coordinate with the department of licensing and regulatory affairs, the department of the attorney general, all appropriate law enforcement agencies, and the Medicaid health plans to work with local substance use disorder agencies and addiction treatment providers to help inform Medicaid beneficiaries of all medically appropriate treatment options for opioid addiction when their treating physician stops prescribing prescription opioid medication for pain, and to address other appropriate recommendations of the prescription drug and opioid abuse task force outlined in its report of October 2015. By October 1 of the current fiscal year, the department shall submit a report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office on how the department is working with local substance use disorder agencies and addiction treatment providers to ensure that Medicaid beneficiaries are informed of all available and medically appropriate treatment options for opioid addiction when their treating physician stops prescribing prescription opioid medication for pain, and to address other appropriate recommendations of the task force. The report shall include any potential barriers to medication-assisted treatment, as recommended by the Michigan medication-assisted treatment guidelines, for Medicaid beneficiaries in both office-based opioid treatment and opioid treatment program facility settings.

Sec. 1170. (1) From the funds appropriated in part 1 for laboratory services, the department shall allocate $1,000,000.00 for enhanced laboratory testing of opioids in cases of drug overdose deaths in order to accurately identify all prescription and nonprescription substances that may have impacted a drug poisoning death. The following provisions apply:

(a) The department shall award funds for the following purposes:

(*i*) Through contracts with county local public health departments, to support grants to rural communities and provide funding to participating counties to support the collection and submission by a county medical examiner of toxicological testing of human blood samples for targeted opioid analogs, and up to 5 other nonopioid substances with a potential for public health impact, for cases of overdose or suspected overdoses.

(*ii*) Not more than $100,000.00 to continue the Michigan opioid rapid testing project with Western Michigan University - Stryker School of Medicine to perform postmortem toxicological testing of human blood samples for targeted opioid analogs, and up to 5 other nonopioid substances with a potential for public health impact, for cases of overdose or suspected overdoses.

(b) The department shall explore the development of laboratory capacity to test for natural or synthetic opioid analogs and up to 5 other nonopioid substances with a potential for public health impact. The department shall provide a report by December 1 of the current fiscal year on the requirements and estimated costs to develop this laboratory capacity to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the state budget director.

(2) Unexpended and unencumbered funds up to a maximum of $1,000,000.00 general fund/general purpose revenue in part 1 for laboratory services are designated as work project appropriations, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for the enhanced laboratory testing of opioids project under this section until the project has been completed. All of the following are in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the work project is to fund the cost of an enhanced laboratory testing of opioids project as provided by this section.

(b) The work project will be accomplished by supporting grants to rural communities and counties, supporting continuation of the Michigan opioid rapid testing project, and exploring the development of laboratory capacity.

(c) The total estimated cost of the work project is $1,000,000.00 of general fund/general purpose revenue.

(d) The tentative completion date of the work project is September 30, 2023.

DISEASE CONTROL, PREVENTION, AND EPIDEMIOLOGY

Sec. 1180. From the funds appropriated in part 1 for epidemiology administration and for childhood lead program, the department shall maintain a public health drinking water unit and maintain enhanced efforts to monitor child blood lead levels. The public health drinking water unit shall ensure that appropriate investigations of potential health hazards occur for all community and noncommunity drinking water supplies where chemical exceedances of action levels, health advisory levels, or maximum contaminant limits are identified. The goals of the childhood lead program shall include improving the identification of affected children, the timeliness of case follow-up, and attainment of nurse care management for children with lead exposure, and to achieve a long-term reduction in the percentage of children in this state with elevated blood lead levels.

Sec. 1181. From the funds appropriated in part 1 for epidemiology administration, the department shall maintain a vapor intrusion response unit. The vapor intrusion response unit shall assess risks to public health at vapor intrusion sites and respond to vapor intrusion risks where appropriate. The goals of the vapor intrusion response unit shall include reducing the number of residents of this state exposed to toxic substances through vapor intrusion and improving health outcomes for individuals that are identified as having been exposed to vapor intrusion.

Sec. 1182. (1) From the funds appropriated in part 1 for the healthy homes program, no less than $1,750,000.00 of general fund/general purpose funds and $23,480,000.00 of federal funds shall be allocated for lead abatement of homes.

(2) By January 1 of the current fiscal year, the department shall provide a report to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the state budget office on the expenditures and activities undertaken by the lead abatement program in the previous fiscal year from the funds appropriated in part 1 for the healthy homes program. The report shall include, but is not limited to, a funding allocation schedule, expenditures by category of expenditure and by subcontractor, revenues received, description of program elements, and description of program accomplishments and progress.

Sec. 1183. From the funds appropriated in part 1 for PFAS and environmental contamination response, the department shall appropriate $50,000.00 to a local health department located in a county with a population between 6,600 and 6,700 according to the most recent federal decennial census for the purpose of purchasing water sampling laboratory equipment. It is the intent of the legislature that this funding be removed in the fiscal year beginning October 1, 2019.

LOCAL HEALTH AND ADMINISTRATIVE SERVICES

Sec. 1220. The amount appropriated in part 1 for implementation of the 1993 additions of or amendments to sections 9161, 16221, 16226, 17014, 17015, and 17515 of the public health code, 1978 PA 368, MCL 333.9161, 333.16221, 333.16226, 333.17014, 333.17015, and 333.17515, shall be used to reimburse local health departments for costs incurred related to implementation of section 17015(18) of the public health code, 1978 PA 368, MCL 333.17015.

Sec. 1221. If a county that has participated in a district health department or an associated arrangement with other local health departments takes action to cease to participate in such an arrangement after October 1 of the current fiscal year, the department shall have the authority to assess a penalty from the local health department's operational accounts in an amount equal to no more than 6.25% of the local health department's essential local public health services funding. This penalty shall only be assessed to the local county that requests the dissolution of the health department.

Sec. 1222. (1) Funds appropriated in part 1 for essential local public health services shall be prospectively allocated to local health departments to support immunizations, infectious disease control, sexually transmitted disease control and prevention, hearing screening, vision services, food protection, public water supply, private groundwater supply, and on-site sewage management. Food protection shall be provided in consultation with the department of agriculture and rural development. Public water supply, private groundwater supply, and on-site sewage management shall be provided in consultation with the department of environmental quality.

(2) Local public health departments shall be held to contractual standards for the services in subsection (1).

(3) Distributions in subsection (1) shall be made only to counties that maintain local spending in the current fiscal year of at least the amount expended in fiscal year 1992-1993 for the services described in subsection (1).

(4) By December 1 of the current fiscal year, the department shall provide a report to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the state budget director on the planned allocation of the funds appropriated for essential local public health services.

Sec. 1223. (1) From the funds appropriated in part 1 for dental programs, $150,000.00 shall be allocated to the Michigan Dental Association for the administration of a volunteer dental program that provides dental services to the uninsured.

(2) By December 1 of the current fiscal year, the department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house standing committees on health policy, the senate and house fiscal agencies, and the state budget office the number of individual patients treated, number of procedures performed, and approximate total market value of those procedures from the previous fiscal year.

Sec. 1224. The department shall use revenue from mobile dentistry facility permit fees received under section 21605 of the public health code, 1978 PA 368, MCL 333.21605, to offset the cost of the permit program.

Sec. 1225. The department shall work with the Michigan health endowment fund corporation established under section 653 of the nonprofit health care corporation reform act, 1980 PA 350, MCL 550.1653, to explore ways to fund and evaluate current and future policies and programs.

Sec. 1226. From the funds appropriated in part 1 for health and wellness initiatives, $1,000,000.00 shall be allocated for a school children's healthy exercise program to promote and advance physical health for school children in kindergarten through grade 8. The department shall recommend model programs for sites to implement that incorporate evidence-based best practices. The department shall grant no less than 1/2 of the funds appropriated in part 1 for before- and after-school programs. The department shall establish guidelines for program sites, which may include schools, community-based organizations, private facilities, recreation centers, or other similar sites. The program format shall encourage local determination of site activities and shall encourage local inclusion of youth in the decision-making regarding site activities. Program goals shall include children experiencing improved physical health and access to physical activity opportunities, the reduction of obesity, providing a safe place to play and exercise, and nutrition education. To be eligible to participate, program sites shall provide a 20% match to the state funding, which may be provided in full, or in part, by a corporation, foundation, or private partner. The department shall seek financial support from corporate, foundation, or other private partners for the program or for individual program sites.

Sec. 1227. The department shall establish criteria for all funds allocated under part 1 for health and wellness initiatives. The criteria must include a requirement that all programs funded be evidence-based and supported by research, include interventions that have been shown to demonstrate outcomes that lower cost and improve quality, and be designed for statewide impact. Preference must be given to programs that utilize the funding as match for additional resources, including, but not limited to, federal sources.

Sec. 1228. From the funds appropriated in part 1 for injury control intervention project, $1,000,000.00 shall be allocated for implementation of evidence-based, real-time, quality assurance decision support software in the treatment of pediatric traumatic brain injury and for protocols that are to be available to all hospitals providing those trauma services. The funds shall be used to purchase statewide licenses for pediatric traumatic brain injury treatment software and related software services and to offset hospital software integration costs. The department shall seek federal matching funds that may be available for implementation of this section.

Sec. 1229. (1) From the funds appropriated in part 1 for dental programs, $1,550,000.00 shall be distributed to local health departments who partner with a qualified nonprofit provider of dental services for the purpose of providing high-quality dental homes for seniors, children, and adults enrolled in Medicaid, and low-income uninsured.

(2) In order to be considered a qualified nonprofit provider of dental services, the provider must demonstrate an effective health insurance enrollment process for uninsured patients and demonstrate to the department an effective process of charging patients on a sliding scale based on the patient's ability to pay.

(3) Outcomes and performance measures for the program under this section include, but are not limited to, the following:

(a) The number of uninsured patients who visited a participating dentist over the prior year, broken down between adults and children.

(b) The number of patients assisted with health insurance enrollment, broken down between adults and children.

(c) A 5-year trend of the number of uninsured patients being served, broken down between adults and children.

Sec. 1230. By October 1 of the current fiscal year, the department shall provide a report to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the state budget office on estimated costs and timeline to implement a school-based pilot program for children up to grade 7 that may include, but is not limited to, oral health assessments, primary dental services, and referrals. The school-based pilot program shall track the number of children offered and receiving services at the school sites. Program goals shall

include improving oral and physical health outcomes for children, improving rates of children receiving dental sealants, and reduction of rates of childhood tooth decay.

Sec. 1231. From the funds appropriated for local health services, up to $4,750,000.00 shall be allocated for grants to local public health departments to support PFAS response and emerging public health threat activities. A portion of the funding shall be allocated by the department in a collaborative fashion with local public health departments in jurisdictions experiencing PFAS contamination. The remainder of the funding shall be allocated to address infectious and vector-borne disease threats, and other environmental contamination issues such as vapor intrusion, drinking water contamination, and lead exposure. The funding shall be allocated to address issues including, but not limited to, staffing, planning and response, and creation and dissemination of materials related to PFAS contamination issues and other emerging public health issues and threats.

Sec. 1232. It is the intent of the legislature that the United States Department of Defense shall reimburse the state for costs associated with PFAS and environmental contamination response at military training sites and support facilities.

Sec. 1233. General fund and state restricted fund appropriations in part 1 shall not be expended for PFAS and environmental contamination response where federal funding or private grant funding is available for the same expenditures.

Sec. 1234. (1) By February 1 of the current fiscal year, the department shall develop and report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office a revised distribution formula for the allocation of essential local public health services funding to local health departments.

(2) It is the intent of the legislature that the formula developed under this section will be implemented during the fiscal year beginning October 1, 2019.

Sec. 1235. If funds become available from the department of corrections, funds shall be allocated to local health departments as defined in section 1105 of the public health code, 1978 PA 368, MCL 333.1105, and having those powers and duties as described in part 24 of the public health code, 1978 PA 368, MCL 333.2401 to 333.2498, to evaluate and inspect food service kitchens of prisons operated by the department of corrections. If the site where a prison food service kitchen is in operation does not have an existing local health department with the capabilities to evaluate and inspect the prison food service kitchen, these funds shall be available to a neighboring local health department in order to evaluate and inspect the prison food service kitchen.

FAMILY, MATERNAL, AND CHILD HEALTH

Sec. 1301. (1) Before April 1 of the current fiscal year, the department shall submit a report to the house and senate fiscal agencies and the state budget director on planned allocations from the amounts appropriated in part 1 for local MCH services, prenatal care outreach and service delivery support, family planning local agreements, and pregnancy prevention programs. Using applicable federal definitions, the report shall include information on all of the following:

(a) Funding allocations.

(b) Actual number of women, children, and adolescents served and amounts expended for each group for the immediately preceding fiscal year.

(c) A breakdown of the expenditure of these funds between urban and rural communities.

(2) The department shall ensure that the distribution of funds through the programs described in subsection (1) takes into account the needs of rural communities.

(3) For the purposes of this section, “rural” means a county, city, village, or township with a population of 30,000 or less, including those entities if located within a metropolitan statistical area.

Sec. 1302. Each family planning program receiving federal title X family planning funds under 42 USC 300 to 300a-8 shall be in compliance with all performance and quality assurance indicators that the office of population affairs within the United States Department of Health and Human Services specifies in the program guidelines for project grants for family planning services. An agency not in compliance with the indicators shall not receive supplemental or reallocated funds.

Sec. 1303. The department shall not contract with an organization that provides elective abortions, abortion counseling, or abortion referrals, for services that are to be funded with state restricted or state general fund/general purpose funds appropriated in part 1 for family planning local agreements. An organization under contract with the department shall not subcontract with an organization that provides elective abortions, abortion counseling, or abortion referrals, for services that are to be funded with state restricted or state general fund/general purpose funds appropriated in part 1 for family planning local agreements.

Sec. 1304. The department shall not use state restricted funds or state general funds appropriated in part 1 in the pregnancy prevention program or family planning local agreements appropriation line items for abortion counseling, referrals, or services.

Sec. 1305. (1) From the funds appropriated in part 1 for family planning local agreements and the pregnancy prevention program, the department shall not contract with or award grants to an entity that engages in 1 or more of the activities described in section 1091(2) of 2002 PA 360, MCL 333.1091, if the entity is located in a county or health district where family planning or pregnancy prevention services are provided by the county, the health district, or a qualified entity that does not engage in any of the activities described in section 1091(2) of 2002 PA 360, MCL 333.1091.

(2) The department shall give priority to counties or health districts where no contracts or grants currently exist for family planning or pregnancy prevention services before contracting with or awarding grants to an entity that engages in 1 or more of the activities described in section 1091(2) of 2002 PA 360, MCL 333.1091, if that entity is located in a county where family planning and pregnancy prevention services are provided by the county, the health district, or another qualified entity that does not engage in the activities described in section 1091(2) of 2002 PA 360, MCL 333.1091.

Sec. 1307. From the funds appropriated in part 1 for prenatal care outreach and service delivery support, $700,000.00 shall be allocated for a pregnancy and parenting support services program, which must promote childbirth, alternatives to abortion, and grief counseling. The department shall establish a program with a qualified contractor that will contract with qualified service providers to provide free counseling, support, and referral services to eligible women during pregnancy through 12 months after birth. As appropriate, the goals for client outcomes shall include an increase in client support, an increase in childbirth choice, an increase in adoption knowledge, an improvement in parenting skills, and improved reproductive health through abstinence education. The contractor of the program shall provide for program training, client educational material, program marketing, and annual service provider site monitoring. The department shall submit a report to the house and senate appropriations subcommittees on the department budget and the house and senate fiscal agencies by April 1 of the current fiscal year on the number of clients served.

Sec. 1308. From the funds appropriated in part 1 for prenatal care outreach and service delivery support, not less than $500,000.00 of funding shall be allocated for evidence-based programs to reduce infant mortality including nurse family partnership programs. The funds shall be used for enhanced support and education to nursing teams or other teams of qualified health professionals, client recruitment in areas designated as underserved for obstetrical and gynecological services and other high-need communities, strategic planning to expand and sustain programs, and marketing and communications of programs to raise awareness, engage stakeholders, and recruit nurses.

Sec. 1309. The department shall allocate funds appropriated in section 117 of part 1 for family, maternal, and child health according to section 1 of 2002 PA 360, MCL 333.1091.

Sec. 1311. From the funds appropriated in part 1 for prenatal care outreach and service delivery support, not less than $2,750,000.00 state general fund/general purpose funds shall be allocated for a rural home visit program. Equal consideration shall be given to all eligible evidence-based providers in all regions in contracting for rural home visitation services.

Sec. 1313. (1) The department shall continue developing an outreach program on fetal alcohol syndrome services, targeting health promotion, prevention, and intervention as described in the Michigan fetal alcohol spectrum disorders 5-year plan 2015-2020.

(2) The department shall explore federal grant funding to address prevention services for fetal alcohol syndrome and reduce alcohol consumption among pregnant women.

Sec. 1314. The department shall seek to enhance education and outreach efforts that encourage women of childbearing age to seek confirmation at the earliest indication of possible pregnancy and initiate continuous and routine prenatal care upon confirmation of pregnancy. The department shall seek to ensure that department programs, policies, and practices promote prenatal and obstetrical care by doing the following:

(a) Supporting access to care.

(b) Reducing and eliminating barriers to care.

(c) Supporting recommendations for best practices.

(d) Encouraging optimal prenatal habits such as prenatal medical visits, use of prenatal vitamins, and cessation of use of tobacco, alcohol, or drugs.

(e) Tracking of birth outcomes to study improvements in prevalence of fetal drug addiction, fetal alcohol syndrome, and other preventable neonatal disease.

(f) Tracking of maternal increase in healthy behaviors following childbirth.

Sec. 1340. The department shall include national brand peanut butter on the list of approved women, infants, and children special supplemental nutrition program basket items.

Sec. 1341. The department and county offices shall utilize income eligibility and verification guidelines established by the Food and Nutrition Service agency of the United States Department of Agriculture in determining eligibility of individuals for the special supplemental nutrition program for women, infants, and children (WIC) as stated in current WIC policy.

CHILDREN'S SPECIAL HEALTH CARE SERVICES

Sec. 1360. The department may do 1 or more of the following:

(a) Provide special formula for eligible clients with specified metabolic and allergic disorders.

(b) Provide medical care and treatment to eligible patients with cystic fibrosis who are 21 years of age or older.

(c) Provide medical care and treatment to eligible patients with hereditary coagulation defects, commonly known as hemophilia, who are 21 years of age or older.

(d) Provide human growth hormone to eligible patients.

Sec. 1361. From the funds appropriated in part 1 for medical care and treatment, the department may spend those funds for the continued development and expansion of telemedicine capacity to allow families with children in the children's special health care services program to access specialty providers more readily and in a more timely manner. The department may spend funds to support chronic complex care management of children enrolled in the children's special health care services program to minimize hospitalizations and reduce costs to the program while improving outcomes and quality of life.

AGING AND ADULT SERVICES AGENCY

Sec. 1402. The department may encourage the Food Bank Council of Michigan to collaborate directly with each area agency on aging and any other organizations that provide senior nutrition services to secure the food access of vulnerable seniors.

Sec. 1403. (1) By February 1 of the current fiscal year, the aging and adult services agency shall require each region to report to the aging and adult services agency and to the legislature home-delivered meals waiting lists based upon standard criteria. Determining criteria shall include all of the following:

(a) The recipient's degree of frailty.

(b) The recipient's inability to prepare his or her own meals safely.

(c) Whether the recipient has another care provider available.

(d) Any other qualifications normally necessary for the recipient to receive home-delivered meals.

(2) Data required in subsection (1) shall be recorded only for individuals who have applied for participation in the home-delivered meals program and who are initially determined as likely to be eligible for home-delivered meals.

Sec. 1417. The department shall provide to the senate and house appropriations subcommittees on the department budget, senate and house fiscal agencies, and state budget director a report by March 30 of the current fiscal year that contains all of the following:

(a) The total allocation of state resources made to each area agency on aging by individual program and administration.

(b) Detail expenditure by each area agency on aging by individual program and administration including both state-funded resources and locally funded resources.

Sec. 1421. From the funds appropriated in part 1 for community services, $1,100,000.00 shall be allocated to area agencies on aging for locally determined needs.

Sec. 1422. (1) From the funds appropriated in part 1 for aging and adult services administration, not less than $300,000.00 shall be allocated for the department to contract with the Prosecuting Attorneys Association of Michigan to provide the support and services necessary to increase the capability of the state's prosecutors, adult protective service system, and criminal justice system to effectively identify, investigate, and prosecute elder abuse and financial exploitation.

(2) By March 1 of the current fiscal year, the Prosecuting Attorneys Association of Michigan shall provide a report on the efficacy of the contract to the state budget office, the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the house and senate policy offices.

Sec. 1425. The department shall coordinate with the department of licensing and regulatory affairs to ensure that, upon receipt of the order of suspension of a licensed adult foster care home, home for the aged, or nursing home, the department of licensing and regulatory affairs shall provide notice to the department, to the house and senate appropriations subcommittees on the department budget, and to the members of the house and senate that represent the legislative districts of the county in which the facility lies.

MEDICAL SERVICES ADMINISTRATION

Sec. 1501. The unexpended funds appropriated in part 1 for the electronic health records incentive program are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for projects under this section until the projects have been completed. The following is in compliance with section 451a(1) of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the work project is to implement the Medicaid electronic health record program that provides financial incentive payments to Medicaid health care providers to encourage the adoption and meaningful use of electronic health records to improve quality, increase efficiency, and promote safety.

(b) The projects will be accomplished by utilizing state employees or contracts with service providers, or both, and according to the approved federal advanced planning document.

(c) The total estimated cost of the work project is $96,087,400.00.

(d) The tentative completion date is September 30, 2023.

Sec. 1505. On a semiannual basis, the department shall submit a report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the state budget office including both of the following:

(a) The department's projected annual increase in reimbursement savings and cost offsets that will result from the funds appropriated in part 1 for the office of inspector general and third party liability efforts.

(b) The actual increase in reimbursement savings and cost offsets that have resulted from the funds appropriated in part 1 for the office of inspector general and third party liability efforts.

Sec. 1506. The department shall submit to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office quarterly reports on the implementation status of the public assistance call center that include all of the following information:

(a) Call volume during the prior quarter.

(b) Percentage of calls resolved through the public assistance call center.

(c) Percentage of calls transferred to a local department office or other office for resolution.

Sec. 1507. (1) From the funds appropriated for integrated service delivery in part 1 in the technology supporting integrated service and departmental administration and management line items, the department shall maintain information technology tools and enhance existing systems to improve the eligibility and enrollment process for citizens accessing department administered programs. This information technology system will consolidate beneficiary information, support department caseworker efforts in building a success plan for beneficiaries, and better support department staff in supporting enrollees in assistance programs.

(2) Outcomes and performance measures for the initiative under subsection (1) include, but are not limited to, the following:

(a) Successful consolidation of data warehouses maintained by the department.

(b) The amount of time a department caseworker devotes to data entry when initiating an enrollee application.

(c) A reduction in wait times for persons enrolled in assistance programs to speak with department staff and get necessary changes made.

(d) A reduction in department caseworker workload.

Sec. 1508. (1) From the funds appropriated in part 1 for medical services administration, $500,000.00 is appropriated for the operation and maintenance of the Michigan dental registry in support of the enhanced dental benefit for the Healthy Kids Dental program. Additionally, the department shall explore the expansion of the scope of the Michigan dental registry to enhance the Medicaid adult dental benefit for pregnant women.

(2) The department shall monitor childhood caries preventative services delivered to pediatric Medicaid recipients in both medical and dental settings. By September 30 of the current fiscal year, the department shall submit a report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office on the results of the program. The report shall include, but not be limited to, all of the following:

(a) Comparative data on completed referral rates from pediatric medical providers to dental providers.

(b) The reduction of caries in the Medicaid child population.

(c) Any associated long-term or short-term cost savings to the Medicaid program.

Sec. 1509. By September 30 of the current fiscal year or 6 months after the implementation of employment-related activity requirements or work requirements for medical assistance from an approved waiver from CMS, whichever date is sooner, the department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office on the number of recipients who are noncompliant with the required self-sufficiency goals, an explanation of the actions undertaken, and the number of recipients subject to employment-related activity requirements.

Sec. 1510. (1) From the funds appropriated in part 1 for medical services administration, the department shall match 100% of any private funds, up to $100,000.00, with state general fund/general purpose revenues for the purpose of contracting for an independent feasibility study and actuarial model of public, private, and public-private hybrid options to help individuals prepare for, access, and afford long-term services and supports. The study must include models for all of the following:

(a) An affordable annual long-term care benefit available to all individuals who meet the minimum eligibility of needing assistance with 2 activities of daily living, with the maximum benefit amount to be determined by actuarial analysis.

(b) A public-private reinsurance or risk-sharing model, with the purpose of providing a stable and ongoing source of reimbursement to insurers for a portion of their catastrophic long-term care services and supports losses in order to provide additional insurance capacity for the state. The entity would operate as a public-private partnership supporting the private sector's role as the primary risk bearer.

(c) A long-term care benefit paid for and open to those that are not currently eligible for the state Medicaid program.

(2) The awarded contractor shall provide a report to the department on the independent feasibility study and actuarial model that includes all of the following:

(a) An analysis of public and private long-term care programs that exist in the state, the participation rates for those programs, and any clear gaps that exist, including, but not limited to, gaps in coverage, affordability, and participation.

(b) The expected costs and benefits for participants in a new long-term care benefit program, when accounting for a living wage rate for home care workers and compliance with the fair labor standards act of 1938, 29 USC 201 to 219, the federal regulations in 29 CFR 552 relating to that act, and state labor laws.

(c) The total anticipated number of participants.

(d) The impact on the current workforce.

(e) A recruitment and retention plan to meet anticipated shortage in the workforce due to the increasing aging population.

(f) The impact of current services, access to a paid workforce, and affordability of care on family caregivers, including how many family members are providing care to the individual, the impact that providing care has on a family caregiver's job, family caregivers' access to training programs, how many hours of care a family caregiver is providing, the types of services a family caregiver is performing, if the primary caregiver is also caring for a child, and if there are children present in the home who also assist with caring for the aging adult in the home.

(g) The projected savings to the state Medicaid program, if any.

(h) Legal and financial risks to the state.

(3) The department shall provide oversight and direction for the analysis described in subsection (2) and shall convene meetings for interested stakeholders, including consumer and worker representatives, to provide ongoing input on the feasibility study design. The department shall hold not fewer than 3 meetings for stakeholders to comply with the provisions of this subsection, as follows: a meeting before the study begins, a meeting during the study's implementation, and a meeting after the study is completed.

(4) The feasibility study and the actuarial analysis that is included in the feasibility study must be completed and submitted to the department no later than 270 days after the start date of the feasibility study. The department shall hold a public hearing presenting its findings. The department shall submit a report, including the director's findings and recommendations based on the feasibility study and actuarial analysis, to the legislature no later than 60 days after the completion of the feasibility study.

MEDICAL SERVICES

Sec. 1601. The cost of remedial services incurred by residents of licensed adult foster care homes and licensed homes for the aged shall be used in determining financial eligibility for the medically needy. Remedial services include basic self-care and rehabilitation training for a resident.

Sec. 1603. (1) The department may establish a program for individuals to purchase medical coverage at a rate determined by the department.

(2) The department may receive and expend premiums for the buy-in of medical coverage in addition to the amounts appropriated in part 1.

(3) The premiums described in this section shall be classified as private funds.

Sec. 1605. The protected income level for Medicaid coverage determined pursuant to section 106(1)(b)(*iii*) of the social welfare act, 1939 PA 280, MCL 400.106, shall be 100% of the related public assistance standard.

Sec. 1606. For the purpose of guardian and conservator charges, the department may deduct up to $83.00 per month as an allowable expense against a recipient's income when determining medical services eligibility and patient pay amounts.

Sec. 1607. (1) An applicant for Medicaid, whose qualifying condition is pregnancy, shall immediately be presumed to be eligible for Medicaid coverage unless the preponderance of evidence in her application indicates otherwise. The applicant who is qualified as described in this subsection shall be allowed to select or remain with the Medicaid participating obstetrician of her choice.

(2) All qualifying applicants shall be entitled to receive all medically necessary obstetrical and prenatal care without preauthorization from a health plan. All claims submitted for payment for obstetrical and prenatal care shall be paid at the Medicaid fee-for-service rate in the event a contract does not exist between the Medicaid participating obstetrical or prenatal care provider and the managed care plan. The applicant shall receive a listing of Medicaid physicians and managed care plans in the immediate vicinity of the applicant's residence.

(3) In the event that an applicant, presumed to be eligible pursuant to subsection (1), is subsequently found to be ineligible, a Medicaid physician or managed care plan that has been providing pregnancy services to an applicant under this section is entitled to reimbursement for those services until such time as they are notified by the department that the applicant was found to be ineligible for Medicaid.

(4) If the preponderance of evidence in an application indicates that the applicant is not eligible for Medicaid, the department shall refer that applicant to the nearest public health clinic or similar entity as a potential source for receiving pregnancy-related services.

(5) The department shall develop an enrollment process for pregnant women covered under this section that facilitates the selection of a managed care plan at the time of application.

(6) The department shall mandate enrollment of women, whose qualifying condition is pregnancy, into Medicaid managed care plans.

(7) The department shall encourage physicians to provide women, whose qualifying condition for Medicaid is pregnancy, with a referral to a Medicaid participating dentist at the first pregnancy-related appointment.

Sec. 1611. (1) For care provided to medical services recipients with other third-party sources of payment, medical services reimbursement shall not exceed, in combination with such other resources, including Medicare, those amounts established for medical services-only patients. The medical services payment rate shall be accepted as payment in full. Other than an approved medical services co-payment, no portion of a provider's charge shall be billed to the recipient

or any person acting on behalf of the recipient. Nothing in this section shall be considered to affect the level of payment from a third-party source other than the medical services program. The department shall require a nonenrolled provider to accept medical services payments as payment in full.

(2) Notwithstanding subsection (1), medical services reimbursement for hospital services provided to dual Medicare/medical services recipients with Medicare part B coverage only shall equal, when combined with payments for Medicare and other third-party resources, if any, those amounts established for medical services-only patients, including capital payments.

Sec. 1620. (1) For fee-for-service Medicaid recipients, the professional dispensing fee for drugs indicated as specialty medications on the Michigan pharmaceutical products list is $20.02 or the pharmacy's usual or customary cash charge, whichever is less.

(2) For fee-for-service Medicaid recipients, for drugs not indicated as specialty drugs on the Michigan pharmaceutical products list, the professional dispensing fee for medications is as follows:

(a) For medications indicated as preferred on the department's preferred drug list, $10.80 or the pharmacy's usual or customary cash charge, whichever is less.

(b) For medications not on the department's preferred drug list, $10.64 or the pharmacy's usual or customary cash charge, whichever is less.

(c) For medications indicated as nonpreferred on the department's preferred drug list, $9.00 or the pharmacy's usual or customary cash charge, whichever is less.

(3) The department shall require a prescription co-payment for Medicaid recipients not enrolled in the Healthy Michigan plan or with an income less than 100% of the federal poverty level of $1.00 for a generic drug indicated as preferred on the department's preferred drug list and $3.00 for a brand-name drug indicated as nonpreferred on the department's preferred drug list, except as prohibited by federal or state law or regulation.

(4) The department shall require a prescription co-payment for Medicaid recipients enrolled in the Healthy Michigan plan with an income of at least 100% of the federal poverty level of $4.00 for a generic drug indicated as preferred on the department's preferred drug list and $8.00 for a brand-name drug indicated as nonpreferred on the department's preferred drug list, except as prohibited by federal or state law or regulation.

Sec. 1621. By March 1 of the current fiscal year, the department shall report to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the state budget office on strategies the department is using to minimize the state cost of specialty drugs. Also, the department may take additional measures in order to further reduce state costs, while also ensuring that appropriate clinical care is being utilized. The report shall also include information on savings generated as a result of these additional measures that may include additional cost sharing, step therapy, and prior authorization.

Sec. 1629. The department shall utilize maximum allowable cost pricing for generic drugs that is based on wholesaler pricing to providers that is available from at least 2 wholesalers who deliver in this state.

Sec. 1631. (1) The department shall require co-payments on dental, podiatric, and vision services provided to Medicaid recipients, except as prohibited by federal or state law or regulation.

(2) Except as otherwise prohibited by federal or state law or regulation, the department shall require Medicaid recipients not enrolled in the Healthy Michigan plan or with an income less than 100% of the federal poverty level to pay not less than the following co-payments:

(a) Two dollars for a physician office visit.

(b) Three dollars for a hospital emergency room visit.

(c) Fifty dollars for the first day of an inpatient hospital stay.

(d) Two dollars for an outpatient hospital visit.

(3) Except as otherwise prohibited by federal or state law or regulation, the department shall require Medicaid recipients enrolled in the Healthy Michigan plan with an income of at least 100% of the federal poverty level to pay the following co-payments:

(a) Four dollars for a physician office visit.

(b) Eight dollars for a hospital emergency room visit.

(c) One hundred dollars for the first day of an inpatient hospital stay.

(d) Four dollars for an outpatient hospital visit or any other medical provider visit to the extent allowed by federal or state law or regulation.

Sec. 1641. An institutional provider that is required to submit a cost report under the medical services program shall submit cost reports completed in full within 5 months after the end of its fiscal year.

Sec. 1646. (1) From the funds appropriated in part 1 for long-term care services, the department shall administer a nursing facility quality measure initiative program. The initiative shall be financed through an increase of the quality assurance assessment for nursing homes and hospital long-term care units, and the funds shall be distributed according to the following criteria:

(a) The department shall award more dollars to nursing facilities that have a higher CMS 5-star quality measure domain rating, then adjusted to account for both positive and negative aspects of a patient satisfaction survey.

(b) A nursing facility with a CMS 5-star quality measure domain star rating of 1 or 2 must file an action plan with the department describing how it intends to use funds appropriated under this section to increase quality outcomes before funding shall be released.

(c) The total incentive dollars must reflect the following Medicaid utilization scale:

(*i*) For nursing facilities with a Medicaid participation rate of above 63%, the facility shall receive 100% of the incentive payment.

(*ii*) For nursing facilities with a Medicaid participation rate between 50% and 63%, the facility shall receive 75% of the incentive payment.

(*iii*) For nursing facilities with a Medicaid participation rate of less than 50%, the facility shall receive a payment proportionate to their Medicaid participation rate.

(*iv*) For nursing facilities not enrolled in Medicaid, the facility shall not receive an incentive payment.

(d) Facilities designated as special focus facilities are not eligible for any payment under this section.

(e) Number of licensed beds.

(2) The department and nursing facility representatives shall evaluate the program's effectiveness on quality, measured by the change in the CMS 5-star quality measure domain rating since the implementation of this section. By March 1 of the current fiscal year, the department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the senate and house policy offices on the findings of the evaluation.

Sec. 1657. (1) Reimbursement for medical services to screen and stabilize a Medicaid recipient, including stabilization of a psychiatric crisis, in a hospital emergency room shall not be made contingent on obtaining prior authorization from the recipient's HMO. If the recipient is discharged from the emergency room, the hospital shall notify the recipient's HMO within 24 hours of the diagnosis and treatment received.

(2) If the treating hospital determines that the recipient will require further medical service or hospitalization beyond the point of stabilization, that hospital shall receive authorization from the recipient's HMO prior to admitting the recipient.

(3) Subsections (1) and (2) do not require an alteration to an existing agreement between an HMO and its contracting hospitals and do not require an HMO to reimburse for services that are not considered to be medically necessary.

Sec. 1659. The following sections of this part are the only ones that shall apply to the following Medicaid managed care programs, including the comprehensive plan, MIChoice long-term care plan, and the mental health, substance use disorder, and developmentally disabled services program: 904, 911, 918, 920, 924, 928, 942, 994, 999, 1008, 1009, 1607, 1657, 1662, 1696, 1699, 1700, 1702, 1763, 1764, 1791, 1806, 1809, 1810, 1820, 1850, 1871, 1875, 1882, and 1888.

Sec. 1662. (1) The department shall ensure that an external quality review of each contracting HMO is performed that results in an analysis and evaluation of aggregated information on quality, timeliness, and access to health care services that the HMO or its contractors furnish to Medicaid beneficiaries.

(2) The department shall require Medicaid HMOs to provide EPSDT utilization data through the encounter data system, and HEDIS well child health measures in accordance with the National Committee for Quality Assurance prescribed methodology.

(3) The department shall provide a copy of the analysis of the Medicaid HMO annual audited HEDIS reports and the annual external quality review report to the senate and house of representatives appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the state budget director, within 30 days of the department's receipt of the final reports from the contractors.

Sec. 1670. (1) The appropriation in part 1 for the MIChild program is to be used to provide comprehensive health care to all children under age 19 who reside in families with income at or below 212% of the federal poverty level, who are uninsured and have not had coverage by other comprehensive health insurance within 6 months of making application for MIChild benefits, and who are residents of this state. The department shall develop detailed eligibility criteria

through the medical services administration public concurrence process, consistent with the provisions of this part and part 1.

(2) The department may provide up to 1 year of continuous eligibility to children eligible for the MIChild program unless the family fails to pay the monthly premium, a child reaches age 19, or the status of the children's family changes and its members no longer meet the eligibility criteria as specified in the state plan.

(3) The department may make payments on behalf of children enrolled in the MIChild program as described in the MIChild state plan approved by the United States Department of Health and Human Services, or from other medical services.

Sec. 1673. The department may establish premiums for MIChild eligible individuals in families with income at or below 212% of the federal poverty level. The monthly premiums shall be $10.00 per month.

Sec. 1677. The MIChild program shall provide, at a minimum, all benefits available under the Michigan benchmark plan that are delivered through contracted providers and consistent with federal law, including, but not limited to, the following medically necessary services:

(a) Inpatient mental health services, other than substance use disorder treatment services, including services furnished in a state-operated mental hospital and residential or other 24-hour therapeutically planned structured services.

(b) Outpatient mental health services, other than substance use disorder services, including services furnished in a state-operated mental hospital and community-based services.

(c) Durable medical equipment and prosthetic and orthotic devices.

(d) Dental services as outlined in the approved MIChild state plan.

(e) Substance use disorder treatment services that may include inpatient, outpatient, and residential substance use disorder treatment services.

(f) Care management services for mental health diagnoses.

(g) Physical therapy, occupational therapy, and services for individuals with speech, hearing, and language disorders.

(h) Emergency ambulance services.

Sec. 1682. (1) In addition to the appropriations in part 1, the department is authorized to receive and spend penalty money received as the result of noncompliance with medical services certification regulations. Penalty money, characterized as private funds, received by the department shall increase authorizations and allotments in the long-term care accounts.

(2) Any unexpended penalty money, at the end of the year, shall carry forward to the following year.

Sec. 1692. (1) The department is authorized to pursue reimbursement for eligible services provided in Michigan schools from the federal Medicaid program. The department and the state budget director are authorized to negotiate and enter into agreements, together with the department of education, with local and intermediate school districts regarding the sharing of federal Medicaid services funds received for these services. The department is authorized to receive and disburse funds to participating school districts pursuant to such agreements and state and federal law.

(2) From the funds appropriated in part 1 for medical services school-based services payments, the department is authorized to do all of the following:

(a) Finance activities within the medical services administration related to this project.

(b) Reimburse participating school districts pursuant to the fund-sharing ratios negotiated in the state-local agreements authorized in subsection (1).

(c) Offset general fund costs associated with the medical services program.

Sec. 1693. The special Medicaid reimbursement appropriation in part 1 may be increased if the department submits a medical services state plan amendment pertaining to this line item at a level higher than the appropriation. The department is authorized to appropriately adjust financing sources in accordance with the increased appropriation.

Sec. 1694. From the funds appropriated in part 1 for special Medicaid reimbursement, $386,700.00 of general fund/general purpose revenue and any associated federal match shall be distributed for poison control services to an academic health care system that has a high indigent care volume.

Sec. 1696. It is the intent of the legislature that, beginning in the fiscal year beginning October 1, 2019, if an applicant for Medicaid coverage through the Healthy Michigan plan received medical coverage in the previous fiscal

year through traditional Medicaid, and is still eligible for coverage through traditional Medicaid, the applicant is not eligible to receive coverage through the Healthy Michigan plan.

Sec. 1697. The department shall require that Medicaid health plans administering Healthy Michigan plan benefits maintain a network of dental providers in sufficient numbers, mix, and geographic locations throughout their respective service areas in order to provide adequate dental care for Healthy Michigan plan enrollees.

Sec. 1699. (1) The department may make separate payments in the amount of $45,000,000.00 directly to qualifying hospitals serving a disproportionate share of indigent patients and to hospitals providing GME training programs. If direct payment for GME and DSH is made to qualifying hospitals for services to Medicaid recipients, hospitals shall not include GME costs or DSH payments in their contracts with HMOs.

(2) The department shall allocate $45,000,000.00 in DSH funding using the distribution methodology used in fiscal year 2003-2004.

Sec. 1700. (1) By December 1 of the current fiscal year, the department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the state budget office on the distribution of funding provided, and the net benefit if the special hospital payment is not financed with general fund/general purpose revenue, to each eligible hospital during the previous fiscal year from the following special hospital payments:

(a) DSH, separated out by unique DSH pool.

(b) GME.

(c) Special rural hospital payments provided under section 1866 of this part.

(d) Lump-sum payments to rural hospitals for obstetrical care provided under section 1802 of this part.

(2) By August 1 of the current fiscal year, the department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the state budget office on the projected distribution of funding, and the projected net benefit if the special hospital payment is not financed with general fund/general purpose revenue, to each eligible hospital from the following special hospital payments:

(a) DSH, separated out by unique DSH pool.

(b) GME.

(c) Special rural hospital payments provided under section 1866 of this part.

(d) Lump-sum payments to rural hospitals for obstetrical care provided under section 1802 of this part.

Sec. 1702. From the funds appropriated in part 1, the department shall maintain the 15% rate increase provided during the fiscal year ending September 30, 2017 for private duty nursing services for Medicaid beneficiaries under the age of 21. These additional funds must be used to attract and retain highly qualified registered nurses and licensed practical nurses to provide private duty nursing services so that medically frail children can be cared for in the most homelike setting possible.

Sec. 1704. (1) From the funds appropriated in part 1 for health plan services, the department shall allocate $6,000,000.00 to support the enhancement of the Medicaid adult dental benefit for pregnant women enrolled in a Medicaid program.

(2) The department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the state budget office by October 1 of the current fiscal year on the steps taken by the department to implement subsection (1).

(3) Outcomes and performance measures for the program change under this section include, but are not limited to, the following:

(a) The number of pregnant women enrolled in Medicaid who visited a dentist over the prior year.

(b) The number of dentists statewide who participate in providing dental services to pregnant women enrolled in Medicaid.

Sec. 1730. The department shall continue to maintain enhanced assessment tools established in collaboration with the department of education that promote literacy development of pregnant women and new mothers in the maternal infant health program. When possible, the department shall include new fathers of the infants in the literacy promotion efforts that are included in the assessment tools and in the subsequent services provided. The assessment tools shall expand the assessment of maternal and parental literacy and provide support and referrals to resources to enable program participants to achieve an increase in literacy that may contribute to improvements in family health, economic, and life outcomes.

Sec. 1757. The department shall obtain proof from all Medicaid recipients that they are legal United States citizens or otherwise legally residing in this country and that they are residents of this state before approving Medicaid eligibility.

Sec. 1763. During the next contract renewal period, the department shall issue an RFP for a 3-year contract for actuarial services, including, but not limited to, capitation rate setting for Medicaid and the Healthy Michigan plan. The department shall notify the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the senate and house policy offices on what vendors submitted bids for the contract, which vendor received the contract, the evaluation process, and the criteria used once an award for actuarial services has been made.

Sec. 1764. The department shall annually certify whether rates paid to Medicaid health plans and specialty PIHPs are actuarially sound in accordance with federal requirements and shall provide a copy of the rate certification and approval of rates paid to Medicaid health plans and specialty PIHPs within 5 business days after certification or approval to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the state budget office. Following the rate certification, the department shall ensure that no new or revised state Medicaid policy bulletin that is promulgated materially impacts the capitation rates that have been certified in a negative manner.

Sec. 1775. (1) By March 1 of the current fiscal year, the department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the state budget office on progress in implementing the waiver to implement managed care for individuals who are eligible for both Medicare and Medicaid, known as MI Health Link, including, but not limited to, a description of how the department intends to ensure that service delivery is integrated, how key components of the proposal are implemented effectively, and any problems and potential solutions as identified by the ombudsman described in subsection (2).

(2) The department shall ensure the existence of an ombudsman program that is not associated with any project service manager or provider to assist MI Health Link beneficiaries with navigating complaint and dispute resolution mechanisms and to identify problems in the demonstrations and in the complaint and dispute resolution mechanisms.

Sec. 1782. Subject to federal approval, from the funds appropriated in part 1 for health plan services, the department shall allocate $740,000.00 general fund/general purpose plus any available work project funds and federal match through an administered contract with oversight from Medical Services Administration and Population Health. The funds shall be used to support a statewide media campaign for improving this state's immunization rates.

Sec. 1791. From the funds appropriated in part 1 for health plan services and physician services, the department shall provide Medicaid reimbursement rates for neonatal services at 75% of the Medicare rate received for those services in effect on the date the services are provided to eligible Medicaid recipients. The current procedural terminology (CPT) codes that are eligible for this reimbursement rate increase are 99468, 99469, 99471, 99472, 99475, 99476, 99477, 99478, 99479, and 99480.

Sec. 1792. By April 30 of the current fiscal year, the department shall evaluate encounter data through the end of the previous fiscal year. By May 30 of the current fiscal year, the department shall report the evaluation results to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, the state budget office, and the Medicaid health plans.

Sec. 1800. For the distribution of each of the pools within the $85,000,000.00 outpatient disproportionate share hospital payment, the department shall maintain a formula for the distribution of each pool based on the quality of care, cost, traditional disproportionate share hospital factors such as Medicaid utilization and uncompensated care, and any other factor that the department determines should be considered.

Sec. 1801. (1) From the funds appropriated in part 1 for physician services and health plan services, the department shall continue the increase to Medicaid rates for primary care services provided only by primary care providers. For the purpose of this section, a primary care provider is a physician, or a practitioner working under the personal supervision of a physician, who is either licensed under part 170 or part 175 of the public health code, 1978 PA 368, MCL 333.17001 to 333.17084 and 333.17501 to 333.17556, and working as a primary care provider in general practice or board-eligible or certified with a specialty designation of family medicine, general internal medicine, or pediatric medicine, or a provider who provides the department with documentation of equivalency. Providers performing a service and whose primary practice is as a non-primary-care subspecialty is not eligible for the increase. The department shall establish policies that most effectively limit the increase to primary care providers for primary care services only.

(2) By March 1 of the current fiscal year, the department shall provide to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and

the state budget office a list of medical specialties and licensed providers that were paid enhanced primary care rates in the fiscal year ending September 30, 2017.

Sec. 1802. From the funds appropriated in part 1 for hospital services and therapy, $7,978,300.00 in general fund/general purpose revenue shall be provided as lump-sum payments to hospitals that qualified for rural hospital access payments in fiscal year 2013-2014 and that provide obstetrical care in the current fiscal year. Payment amounts shall be based on the volume of obstetrical care cases and newborn care cases for all such cases billed by each qualified hospital in the most recent year for which data is available. Payments shall be made by January 1 of the current fiscal year.

Sec. 1803. The department shall establish a Medicaid provider type for the enrollment of providers of portable X-ray and ultrasound services to nursing home and homebound beneficiaries as "portable X-ray and ultrasound providers" under the "Michigan Department of Health and Human Services Current-Typical Provider Type Enrollment Grid", using provider language substantially similar to Medicare requirements. The department shall treat this service as a covered service. By December 1 of the current fiscal year, the department shall report to the senate and house subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office, on the information required in this section.

Sec. 1804. The department, in cooperation with the department of military and veterans affairs, shall work with the federal public assistance reporting information system to identify Medicaid recipients who are veterans and who may be eligible for federal veterans health care benefits or other benefits.

Sec. 1805. Hospitals receiving medical services payments for graduate medical education shall submit fully completed quality data to a nonprofit organization with extensive experience in collecting and reporting hospital quality data on a public website. The reporting must utilize consensus-based nationally endorsed standards that meet National Quality Forum-endorsed safe practices. The organization collecting the data must be an organization that uses severity-adjusted risk models and measures that will help patients and payers identify hospital campuses likely to have superior outcomes. The public website shall provide information to allow consumers to compare safe practices by hospital campus, including, but not limited to, perinatal care, hospital-acquired infection, and serious reportable events. Hospitals receiving medical services payments for graduate medical education shall also make their fully completed quality data available on the hospital's website. The department shall withhold 25% of a hospital's graduate medical education payment if the hospital does not submit the data to a qualifying nonprofit organization described in this section by January 1 of the current fiscal year.

Sec. 1806. (1) The department shall contractually require the Medicaid health plans to report to the department by February 1 of the current fiscal year on the following:

(a) The progress of implementing the Medicaid health plan common formulary.

(b) The participation by the Medicaid health plans in the Medicaid health plan common formulary.

(c) The timeliness of prior authorization approvals or disapprovals.

(2) By March 1 of the current fiscal year, the department shall provide the Medicaid health plan report provided in subsection (1) and identify any areas of inconsistency across the Medicaid health plans' implementation and utilization of the Medicaid health plan common formulary to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the state budget office.

(3) The department shall maintain policies and procedures to govern the operations of the Michigan Medicaid health plan common formulary so that the department is able to receive fair and full public participation.

Sec. 1809. The department shall establish separate contract performance standards for Medicaid health plans that adhere to the requirements of section 105d of the social welfare act, 1939 PA 280, MCL 400.105d, associated with the 0.75% and 0.25% capitation withhold. The determination of the performance of the 0.75% capitation withhold is at the discretion of the department but must include recognized concepts such as 1-year continuous enrollment and the HEDIS audited data. The determination of the performance of the 0.25% capitation withhold is at the discretion of the department but must include the utilization of high-value services and discouraging the utilization of low-value services.

Sec. 1810. The department shall enhance encounter data reporting processes and develop rules that would make each health plan's encounter data as complete as possible, provide a fair measure of acuity for each health plan's enrolled population for risk adjustment purposes, capitation rate setting, diagnosis-related group rate setting, and research and analysis of program efficiencies while minimizing health plan administrative expense. In advance of the annual rate setting development, Medicaid health plans shall be given at least 60 days to dispute and correct any discarded encounter data before rates are certified. The department shall notify each contracting Medicaid health plan of any encounter data that have not been accepted for the purposes of rate setting.

Sec. 1812. By June 1 of the current fiscal year, and using the most recent available cost reports, the department shall complete a report of all direct and indirect costs associated with residency training programs for each hospital that receives funds appropriated in part 1 for graduate medical education. The report shall be submitted to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the state budget office.

Sec. 1820. (1) In order to avoid duplication of efforts, the department shall utilize applicable national accreditation review criteria to determine compliance with corresponding state requirements for Medicaid health plans that have been reviewed and accredited by a national accrediting entity for health care services.

(2) The department shall continue to comply with state and federal law and shall not initiate an action that negatively impacts beneficiary safety.

(3) As used in this section, "national accrediting entity" means the National Committee for Quality Assurance, the URAC, formerly known as the Utilization Review Accreditation Commission, or other appropriate entity, as approved by the department.

Sec. 1837. The department shall continue, and expand where appropriate, utilization of telemedicine and telepsychiatry as strategies to increase access to services for Medicaid recipients in medically underserved areas.

Sec. 1846. From the funds appropriated in part 1 for graduate medical education, the department shall distribute the funds with an emphasis on the following health care workforce goals:

(a) The encouragement of the training of physicians in specialties, including primary care, that are necessary to meet the future needs of residents of this state.

(b) The training of physicians in settings that include ambulatory sites and rural locations.

Sec. 1850. The department may allow Medicaid health plans to assist with the redetermination process through outreach activities to ensure continuation of Medicaid eligibility and enrollment in managed care. This may include mailings, telephone contact, or face-to-face contact with beneficiaries enrolled in the individual Medicaid health plan. Health plans may offer assistance in completing paperwork for beneficiaries enrolled in their plan.

Sec. 1851. From the funds appropriated in part 1 for adult home help services, the department shall allocate up to $150,000.00 state general fund/general purpose revenue plus any associated federal match to develop and deploy a mobile electronic visit verification solution that shall include biometric identity verification to create administrative efficiencies, reduce error, and minimize fraud. The development of the solution shall be predicated on input from the results of the 2017 stakeholder survey.

Sec. 1855. From the funds appropriated in part 1 for program of all-inclusive care for the elderly (PACE), to the extent that funding is available in the PACE line item and unused program slots are available, the department may do the following:

(a) Increase the number of slots for an already-established local PACE program if the local PACE program has provided appropriate documentation to the department indicating its ability to expand capacity to provide services to additional PACE clients.

(b) Suspend the 10 member per month individual PACE program enrollment increase cap in order to allow unused and unobligated slots to be allocated to address unmet demand for PACE services.

Sec. 1856. (1) From the funds appropriated in part 1 for hospice services, $3,318,000.00 shall be expended to provide room and board for Medicaid recipients who meet hospice eligibility requirements and receive services at Medicaid enrolled hospice residences in this state. The department shall distribute funds through grants based on the total beds located in all eligible residences that have been providing these services as of October 1, 2017. Any eligible grant applicant may inform the department of their request to reduce the grant amount allocated for their residence and the funds shall be distributed proportionally to increase the total grant amount of the remaining grant-eligible residences. Grant amounts shall be paid out monthly with 1/12 of the total grant amount distributed each month to the grantees.

(2) By September 15 of the current fiscal year, each Medicaid-enrolled hospice with a residence that receives funds under this section shall provide a report to the department on the utilization of the grant funding provided in subsection (1). The report shall be provided in a format prescribed by the department and shall include the following:

(a) The number of patients served.

(b) The number of days served.

(c) The daily room and board rates for the patients served.

(d) If there is not sufficient funding to cover the total room and board need, the number of patients who did not receive care due to insufficient grant funding.

(3) If there is funding remaining at the end of the current fiscal year, the Medicaid-enrolled hospice with a residence shall return funding to the state.

Sec. 1857. By July 1 of the current fiscal year, the department shall explore the implementation of a managed care long-term support service.

Sec. 1858. By April 1 of the current fiscal year, the department shall report to the senate and house appropriations subcommittees on the department budget and the senate and house fiscal agencies on all of the following elements related to the current Medicaid pharmacy carve-out of pharmaceutical products as provided for in section 109h of the social welfare act, 1939 PA 280, MCL 400.109h:

(a) The number of prescriptions paid by the department during the previous fiscal year and for the fiscal year ending September 30, 2017.

(b) The total amount of expenditures for prescriptions paid by the department during the previous fiscal year and for the fiscal year ending September 30, 2017.

(c) The number of and total expenditures for prescriptions paid for by the department for generic equivalents during the previous fiscal year and for the fiscal year ending September 30, 2017.

Sec. 1859. The department shall partner with the Michigan Association of Health Plans (MAHP) and Medicaid health plans to develop and implement strategies for the use of information technology services for Medicaid research activities. The department shall make available state medical assistance program data, including Medicaid behavioral data, to MAHP and Medicaid health plans or any vendor considered qualified by the department for the purpose of research activities consistent with this state's goals of improving health; increasing the quality, reliability, availability, and continuity of care; and reducing the cost of care for the eligible population of Medicaid recipients.

Sec. 1860. By March 1 of the current fiscal year, the department shall provide a report to the senate and house appropriations subcommittees, the senate and house fiscal agencies, and the state budget office on uncollected co-pays and premiums in the Healthy Michigan plan. The report shall include information on the number of participants who have not paid their co-pays and premiums, the total amount of uncollected co-pays and premiums, and steps taken by the department and health plans to ensure greater collection of co-pays and premiums.

Sec. 1861. From the funds appropriated in part 1 for transportation, the department shall maintain the previous fiscal year increase in the number of counties in which a local public transportation entity is the primary administrator of the Medicaid nonemergency transportation benefit. The department shall use a nonprofit transportation brokerage already operating in the state to carry out the requirements of this section. The purpose of the program is to improve Medicaid beneficiary access to care, reduce the number of missed physician appointments by Medicaid beneficiaries, and reduce time spent by caseworkers facilitating nonemergency transportation for Medicaid beneficiaries. Performance goals include an increase in utilization of local public transportation, a reduction in the rate of trips reported as missed to no more than 0.5%, and the successful collection of data on program utilization, access, and beneficiary satisfaction.

Sec. 1862. From the funds appropriated in part 1, the department shall maintain payment rates for Medicaid obstetrical services at 95% of Medicare levels effective October 1, 2014.

Sec. 1866. (1) From the funds appropriated in part 1 for hospital services and therapy and Healthy Michigan plan, $18,000,000.00 in general fund/general purpose revenue and any associated federal match shall be awarded as rural access payments to hospitals that meet criteria established by the department for services to low-income rural residents. One of the reimbursement components of the distribution formula shall be assistance with labor and delivery services.

(2) No hospital or hospital system shall receive more than 10.0% of the total funding referenced in subsection (1).

(3) To allow hospitals to understand their rural payment amounts under this section, the department shall provide hospitals with the methodology for distribution under this section and provide each hospital with its applicable data that are used to determine the payment amounts by August 1 of the current fiscal year. The department shall publish the distribution of payments for the current fiscal year and the immediately preceding fiscal year.

Sec. 1867. (1) The department shall continue a workgroup that includes psychiatrists, other relevant prescribers, and pharmacists to identify best practices and to develop a protocol for psychotropic medications. Any changes proposed by the workgroup shall protect a Medicaid beneficiary's current psychotropic pharmaceutical treatment regimen by not requiring a physician currently prescribing any treatment to alter or adjust that treatment.

(2) By March 1 of the current fiscal year, the department shall provide the workgroup's recommendations to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the state budget office.

Sec. 1870. (1) From the funds appropriated in part 1 for hospital services and therapy, the department shall appropriate $5,000,000.00 in general fund/general purpose revenue plus any contributions from public entities, up to $5,000,000.00, and any associated federal match to the MiDocs consortium to create new primary care residency slots in underserved communities. The new primary care residency slots must be in 1 of the following specialties: family medicine, general internal medicine, general pediatrics, general OB-GYN, psychiatry, or general surgery.

(2) The department shall seek any necessary approvals from CMS to allow the department to implement the program described in this section.

(3) Assistance with repayment of medical education loans, loan interest payments, or scholarships provided by MiDocs shall be contingent upon a minimum 2-year commitment to practice in an underserved community in this state post-residency and an agreement to forego any sub-specialty training for at least 2 years post-residency.

(4) The MiDocs shall work with the department to integrate the Michigan inpatient psychiatric admissions discussion (MIPAD) recommendations and, when possible, prioritize training opportunities in state psychiatric hospitals and community mental health organizations.

(5) In collaboration with the Michigan Health Council, the MiDocs consortium shall reserve at least 3 residency slots per class to be used for the Michigan early primary care incentive program.

(6) The department shall create a MiDocs initiative advisory council to help support implementation of the program described in this section, and provide oversight. The advisory council shall be composed of the MiDocs consortium, the Michigan Area Health Education Centers, the Michigan Primary Care Association, the Michigan Center for Rural Health, the Michigan Academy of Family Physicians, and any other appointees designated by the department.

(7) By September 1 of the current fiscal year, MiDocs shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office, on the following:

(a) Audited financial statement of per-resident costs.

(b) Education and clinical quality data.

(c) Roster of trainees, including areas of specialty and locations of training.

(d) Medicaid revenue by training site.

(8) Outcomes and performance measures for this program include, but are not limited to, the following:

(a) Increasing this state's ability to recruit, train, and retain primary care physicians and other select specialty physicians in underserved communities.

(b) Maximizing training opportunities with community health centers, rural critical access hospitals, solo or group private practice physician practices, schools, and other community-based clinics, in addition to required rotations at inpatient hospitals.

(c) Increasing the number of residency slots for family medicine, general internal medicine, general pediatrics, general OB-GYN, psychiatry, and general surgery.

(9) Unexpended and unencumbered funds up to a maximum $5,000,000.00 in general fund/general purpose revenue plus any contributions from public entities, up to $5,000,000.00, and any associated federal match remaining in accounts appropriated in part 1 for hospital services and therapy are designated as work project appropriations, and any unencumbered or unalloted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for the MiDocs consortium to create new primary care residency slots in underserved communities under this section until the work project has been completed. All of the following are in compliance with section 451a(1) of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the work project is to fund the cost of the MiDocs consortium to create new primary care residency slots in underserved communities.

(b) The work project will be accomplished by contracting with the MiDocs consortium to oversee the creation of new primary care residency slots.

(c) The total estimated completion cost of the work project is $28,129,400.00.

(d) The tentative completion date is September 30, 2023.

Sec. 1871. The funds appropriated in part 1 for the Healthy Michigan plan healthy behaviors incentives program shall only provide reductions in cost-sharing responsibilities and shall not include other financial rewards such as gift cards.

Sec. 1872. From the funds appropriated in part 1 for personal care services, beginning October 1, 2018, the department shall increase the monthly Medicaid personal care supplement paid to adult foster care facilities and homes for the aged that provide personal care services to Medicaid recipients by $32.00.

Sec. 1873. From the funds appropriated in part 1 for long-term care services, the department may allocate up to $3,700,000.00 for the purpose of outreach and education to nursing home residents and the coordination of housing in order to move out of the facility. In addition, any funds appropriated shall be used for other quality improvement activities of the program. The department shall consider working with all relevant stakeholders to develop a plan for the ongoing sustainability of the nursing facility transition initiative.

Sec. 1874. The department shall ensure, in counties where program of all-inclusive care for the elderly or PACE services are available, that the program of all-inclusive care for the elderly (PACE) is included as an option in all options counseling and enrollment brokering for aging services and managed care programs, including, but not limited to, Area Agencies on Aging, centers for independent living, and the MiChoice home and community-based waiver. Such options counseling must include approved marketing and discussion materials.

Sec. 1875. (1) The department and its contractual agents may not subject Medicaid prescriptions to prior authorization procedures during the current fiscal year if that drug is carved out or is not subject to prior authorization procedures as of May 9, 2016, and is generally recognized in a standard medical reference or the American Psychiatric Association's Diagnostic and Statistical Manual for the Treatment of a Psychiatric Disorder.

(2) The department and its contractual agents may not subject Medicaid prescriptions to prior authorization procedures during the current fiscal year if that drug is carved out or is not subject to prior authorization procedures as of May 9, 2016 and is a prescription drug that is generally recognized in a standard medical reference for the treatment of human immunodeficiency virus or acquired immunodeficiency syndrome, epilepsy or seizure disorder, or organ replacement therapy.

(3) As used in this section, "prior authorization" means a process implemented by the department or its contractual agents that conditions, delays, or denies delivery or particular pharmacy services to Medicaid beneficiaries upon application of predetermined criteria by the department or its contractual agents to those pharmacy services. The process of prior authorization often requires that a prescriber do 1 or both of the following:

(a) Obtain preapproval from the department or its contractual agents before prescribing a given drug.

(b) Verify to the department or its contractual agents that the use of a drug prescribed for an individual meets predetermined criteria from the department or its contractual agents for a prescription drug that is otherwise available under the Medicaid program in this state.

Sec. 1878. By March 1 of the current fiscal year, the department shall provide a report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office on hepatitis C tracking data. At a minimum, the report shall include information on the following for individuals treated with Harvoni or any other treatment used to cure hepatitis C during the current fiscal year or a previous fiscal year:

(a) The total number of people treated broken down by those treated through traditional Medicaid and those treated through the Healthy Michigan plan.

(b) The total cost of treatment.

(c) The total cost of treatment broken down by those treated through traditional Medicaid and those treated through the Healthy Michigan plan.

(d) The cure rate broken down by Metavir Score, genotype, Medicaid match rate, and drug used during treatment.

(e) The reinfection rate broken down by Metavir Score, genotype, Medicaid match rate, and drug used during treatment.

Sec. 1882. By December 31 of the current fiscal year, the department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the state budget office, documentation of the expenses incurred during the immediate preceding fiscal year by Medicaid health plans and PIHPs for the purpose of meeting the contractual requirements to join the Michigan Health Information Network Shared Services and incentivizing providers to become members of the Health Information Exchange Qualified Organization. The report should also include an estimation of the expenses to be incurred in the current fiscal year by Medicaid health plans and PIHPs for the same purpose of meeting their contractual obligations.

Sec. 1888. The department shall establish contract performance standards associated with the capitation withhold provisions for Medicaid health plans at least 3 months in advance of the implementation of those standards. The

determination of whether performance standards have been met shall be based primarily on recognized concepts such as 1-year continuous enrollment and the healthcare effectiveness data and information set, HEDIS, audited data.

Sec. 1894. (1) By July 1 of the current fiscal year, the department shall provide a report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the state budget office on outcomes and performance measures of the Healthy Kids Dental program.

(2) Outcomes and performance measures for the Healthy Kids Dental program include, but are not limited to, the following:

(a) The number of children enrolled in the Healthy Kids Dental program who visited the dentist during the previous fiscal year.

(b) The number of dentists who will accept payment from the Healthy Kids Dental program.

(c) The annual change in dental utilization of children enrolled in the Healthy Kids Dental program.

INFORMATION TECHNOLOGY

Sec. 1901. (1) The department shall provide a report on a semiannual basis to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office all of the following information:

(a) The process used to define requests for proposals for each expansion of information technology projects, including timelines, project milestones, and intended outcomes.

(b) If the department decides not to contract the services out to design and implement each element of the information technology expansion, the department shall submit its own project plan that includes, at a minimum, the requirements in subdivision (a).

(c) A recommended project management plan with milestones and time frames.

(d) The proposed benefits from implementing the information technology expansion, including customer service improvement, form reductions, potential time savings, caseload reduction, and return on investment.

(e) Details on the implementation of the integrated service delivery project, and the progress toward meeting the outcomes and performance measures listed in section 1507(2) of this part.

(2) Once an award for an expansion of information technology is made, the department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office a projected cost of the expansion broken down by use and type of expense.

Sec. 1902. From the funds appropriated in part 1 for the Michigan Medicaid information system (MMIS) line item, private revenue may be received from and allocated for other states interested in participating as part of the broader MMIS initiative. By March 1 of the current fiscal year, the department shall provide a report on the use of MMIS by other states for the previous fiscal year, including a list of states, type of use, and revenue and expenditures related to the agreements with the other states to use the MMIS. The report shall be provided to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the state budget office.

Sec. 1903. (1) The department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office by November 1 of the current fiscal year the status of an implementation plan regarding the appropriation in part 1 to modernize the MiSACWIS. The report shall include, but not be limited to, efforts to bring the system in compliance with the settlement and other federal guidelines set forth by the United States Department of Health and Human Services Administration for Children and Families.

(2) The department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office by November 1 of the current fiscal year a status report on the planning, implementation, and operation, regardless of the current operational status, regarding the appropriation in part 1 to implement the MiSACWIS. The report shall provide details on the planning, implementation, and operation of the system, including, but not limited to, all of the following:

(a) Areas where implementation went as planned.

(b) The number of known issues.

(c) The average number of help tickets submitted per day.

(d) Any additional overtime or other staffing costs to address known issues and volume of help tickets.

(e) Any contract revisions to address known issues and volume of help tickets.

(f) Other strategies undertaken to improve implementation.

(g) Progress developing cross-system trusted data exchange with MiSACWIS.

(h) Progress in moving away from a statewide automated child welfare information system (SACWIS) to a comprehensive child welfare information system (CCWIS).

(i) Progress developing and implementing a program to monitor data quality.

(j) Progress developing and implementing custom integrated systems for private agencies.

(k) A list of all change orders, planned or in progress.

(*l*) The status of all change orders, planned or in progress.

(m) The estimated costs for all planned change orders.

(n) The estimated and actual costs for all change orders in progress.

Sec. 1904. From the funds appropriated in part 1 for information technology services and projects, the department shall make child care fund reimbursements to counties for undisputed charges within 45 business days of the receipt of the required forms and documentation. The department shall notify a county within 15 business days of a disputed reimbursement request. The department shall reimburse for corrected charges within 45 business days of a properly corrected submission.

ONE-TIME APPROPRIATIONS

Sec. 1905. From the funds appropriated in part 1 for the drinking water declaration of emergency, the department shall allocate funds to address needs in a city in which a declaration of emergency was issued because of drinking water contamination. These funds may support, but are not limited to, the following activities:

(a) Nutrition assistance, nutritional and community education, food bank resources, and food inspections.

(b) Epidemiological analysis and case management of individuals at risk of elevated blood lead levels.

(c) Support for child and adolescent health centers, children's healthcare access program, and pathways to potential programming.

(d) Nursing services, breastfeeding education, evidence-based home visiting programs, intensive services, and outreach for children exposed to lead coordinated through local community mental health organizations.

(e) Department field operations costs.

(f) Lead poisoning surveillance, treatment, and abatement.

(g) Nutritional incentives provided to local residents through the Double Up Food Bucks Expansion Program.

(h) Genesee County health department food inspectors to perform water testing at local food service establishments.

Sec. 1907. From the funds appropriated in part 1 for child lead poisoning elimination board, the department shall implement recommendations of the board offered in the board's report of November 2016. The recommendations implemented by the department under this section shall be based in science and best practices, and the department shall give priority to the implementation of the recommendations that are most in agreement with recommendations of nationally recognized organizations and authorities.

Sec. 1908. From the funds appropriated in part 1 for Asian American health care and wellness initiative, the department shall appropriate $150,000.00 to a nonprofit organization organized under the laws of this state that is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, and is located in a county with a population between 602,000 and 603,000 according to the most recent decennial census to implement a pilot program to provide health care services in a culturally and linguistically competent manner. To be eligible to receive funding, the organization must have a stated vision of building a collaborative, active, and committed Asian American community in west Michigan with a focus on health care, education, and empowerment.

Sec. 1909. From the funds appropriated in part 1 for Western Michigan University clinics, the department shall appropriate $1,500,000.00 to a community clinic operated by a 4-year state university located in a county with a population between 250,000 and 251,000 according to the most recent decennial census to operate a multispecialty group practice that provides clinical training experiences for students of the university. To be eligible to receive funding, the community clinic must have a stated mission to seek, create, and facilitate opportunities for collaboration among

members that will help to improve the quality of life by educating and providing services to strengthen individuals and families.

Sec. 1912. From the funds appropriated in part 1 for infant mortality program grant, the department shall appropriate $100,000.00 to a multi-agency community initiative led by a nonprofit organization organized under the laws of this state that is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, and is located in a county with a population between 250,000 and 251,000 according to the most recent decennial census. To be eligible to receive funding, the organization must have stated goals of ensuring health equity of programs, policies, and providers; building a perinatal home visitation network; promoting and educating about infant safe-sleep programs; and providing reproductive health education and support.

Sec. 1913. (1) The department shall spend available work project revenue and any associated federal matching funds to continue the implementation of the direct primary care pilot program as specified in section 705 of article XX.

(2) On a quarterly basis, the department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office on the implementation of the direct primary care pilot program under section 705 of article XX and this section. The report shall include, but not be limited to, the following performance metrics:

(a) The number of enrollees in the pilot program by eligibility category.

(b) The per-member-per-month rate paid in the previous fiscal year per eligibility category.

(c) The number of claims paid in the previous fiscal year per eligibility category.

(d) The number of claims per category weighted to reflect 400 enrollees.

(e) The dollar value of all claims per eligibility category.

(f) The per-member-per-month actual cost. As used in this subsection, "per-member-per-month actual cost" means the direct primary care plan costs and any managed care costs not covered through the direct primary care plan, including managed care provider overhead costs.

(g) The average direct primary care cost per enrollee per eligibility category.

(h) The average number of actual claims per eligibility category.

(i) The average actual dollar value of claims per eligibility category.

(j) The number of enrollees in the pilot program during the previous quarter who are no longer eligible for Medicaid in the current quarter, broken down by eligibility category.

(k) The category savings subtotal. As used in this subdivision, "category savings subtotal" means the per-member-per-month rate paid in fiscal year 2016-2017 minus the per-member-per-month actual cost, times the number of enrollees in the eligibility category.

(*l*) The total savings. As used in this subdivision, "total savings" means the per-member-per-month rate paid in the previous fiscal year minus the per-member-per-month actual cost, times the total number of enrollees in the program.

Sec. 1914. From the funds appropriated in part 1 for primary care and dental health services, $300,000.00 shall be allocated for primary care clinic and dental health clinic services for indigent individuals to be provided in clinic locations in the city of Detroit and Wayne County by a public nonprofit organization with a stated mission of providing medical, behavioral, and mental health services, as well as other related support services, to underserved populations in Detroit, Wayne County, surrounding counties, and throughout Michigan.

Sec. 1916. From the funds appropriated in part 1 for refugee assistance grant, the department shall allocate $175,000.00 to a nonprofit corporation organized under the laws of this state that is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, to operate an initiative to transition low-income refugee families to self-sufficiency. To be eligible to receive funding, the organization must have a stated core purpose of providing programs that guide support, and empower individuals to achieve self-sufficiency with dignity and hope. This initiative must utilize a measurable, evidence-based approach that integrates treatment for poverty across health care, human services, educational, faith-based, and governmental programs. The organization receiving funds under this section must report to the department by September 30 of the current fiscal year on metrics used to measure the success and viability of the initiative.

Sec. 1917. (1) From the funds appropriated in part 1 for autism train the trainer grant, the department shall appropriate $55,000.00 to implement a pilot project to train school employees on the principles and practices of applied behavior analysis and research-based intervention strategies. The pilot project must do both of the following:

(a) Train paraprofessionals and teachers in a school district with a headquarters located in a city with a population between 6,900 and 7,000 according to the most recent federal decennial census in applied behavior analysis skills that match the national standard for behavior technician-level work and research-based intervention strategies.

(b) Train teacher consultants, school social workers, school psychologists, and other school personnel responsible for conducting functional behavioral assessments and the development of behavior support plans in a school district with a headquarters located in a city with a population between 6,900 and 7,000 according to the most recent federal decennial census methods for assuring implementation of a behavior plan with fidelity and strategies for sharing understanding of evidence-based behavioral health approaches with other school-based personnel.

(2) Outcomes and performance measures for the pilot project funded under this section shall include, but not be limited to, the following:

(a) A decrease in the number of center-program and self-contained-classroom referrals.

(b) A decrease in the number of suspensions, removals, and expulsions.

(c) A decrease in paraprofessional absences.

(d) An increase in teacher retention.

(e) An increase in safety.

(3) By September 1 of the current fiscal year, the department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office on the information required in subsection (2).

Sec. 1918. (1) From the funds appropriated in part 1 for Michigan medical resident loan repayment program, $5,000,000.00 is allocated for a 5-year Michigan medical resident loan repayment program to incentivize placement of primary care physicians and other select specialty physicians in rural and urban medically underserved areas of this state following medical residency and provide financial assistance for medical education loan repayment of up to $50,000.00 to the participating physician before the service period. The Michigan medical resident loan repayment program shall include the following provisions:

(a) The program shall incentivize medical residents only in the following specialties: family medicine, general internal medicine, general pediatrics, general OB-GYN, psychiatry, and general surgery.

(b) Upon signing an initial agreement to participate in the program, an amount of up to $50,000.00 shall be provided to the participating physician for the repayment of medical education loans or interest, or both, according to a payment schedule as prescribed and agreed upon by the department and the participant.

(c) Beginning the year following completion of a medical residency, a physician participating in the program shall enter into a contract to work with an employer for no less than 2 years in a federally designated rural or urban medically underserved area in this state.

(d) A physician participating in the program shall agree to forego any subspecialty fellowship training for at least 2 years postresidency.

(2) The department shall contract with the Michigan Health Council for the purpose of administering the Michigan medical resident loan repayment program. Funds shall be disbursed by the department to the Michigan Health Council by December 1 of the current fiscal year for this purpose.

(3) The department shall prepare a report on the status of the Michigan medical resident loan repayment program that shall include, but is not limited to, the number of physicians placed, location of placement, type of employer, average medical education loan burden of the participating physicians, and average loan relief provided under the program. By April 1 of the current fiscal year, the department shall provide the report described in this subsection to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies and policy offices, and the state budget office.

(4) Unexpended and unencumbered funds up to a maximum of $5,000,000.00 general fund/general purpose revenue in part 1 for Michigan medical resident loan repayment program are designated as work project appropriations, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for the Michigan medical resident loan repayment program under this section until the project has been completed. All of the following are in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the work project is to fund the cost of a Michigan medical resident loan repayment program as provided by this section.

(b) The work project shall be accomplished by administering the placement of participating physicians with qualifying employers and providing medical education loan repayment assistance to participating physicians.

(c) The total estimated cost of the work project is $5,000,000.00 of general fund/general purpose revenue.

(d) The tentative completion date of the work project is September 30, 2023.

Sec. 1919. (1) The funds appropriated in part 1 for employment first are appropriated to support the objectives stated in Executive Order No. 2015-15.

(2) The department shall use the funds to provide consultation and technical assistance to support best practices to increase competitive integrated employment for people with disabilities in areas such as statewide capacity building of professionals providing job preparation, placement, and retention supports and services; provider transformation among community rehabilitation organizations; rate restructuring of employment supports and services; blending and braiding of resources; seamless transition outcomes from education to employment; employer engagement; education and outreach to clients and their families, including information on benefits coordination and planning; and other systemic change activities leading to competitive integrated employment.

Sec. 1920. (1) From the funds appropriated in part 1 for autism navigator, the department shall require any contractor receiving funds from this line item to comply with performance-related metrics to maintain eligibility for funding. The organizational metrics shall include, but not be limited to, all of the following:

(a) Each contractor shall have accreditations that attest to their competency and effectiveness in providing services.

(b) Each contractor shall demonstrate cost-effectiveness.

(c) Each contractor shall ensure their ability to leverage private dollars to strengthen and maximize service provision.

(d) Each contractor shall provide quarterly reports to the department regarding the number of clients served, units of service provision, and ability to meet their stated goals.

(2) The department shall require an annual report from any contractor receiving funding from the autism navigator line item. The annual report, due to the department 60 days following the end of the contract period, shall include specific information on services and programs provided, the client base to which the services and programs were provided, and the expenditures for those services. The department shall provide the annual reports to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the state budget office.

(3) From the funds appropriated in part 1 for autism navigator, the department shall fund an independent evaluation of the services provided by contractors paid from the autism navigator line item in fiscal year 2017-2018. This evaluation, which shall examine cost effectiveness of services, avoidance of duplication of services, and outcomes, shall be completed by June 1 of the current fiscal year and shall be provided to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the state budget office.

Sec. 1921. (1) From the funds appropriated in part 1 for census related services, for every $4.00 in private matching funds received, this state shall allocate $1.00, up to $500,000.00 in state contributions, to support census outreach and preparation for citizen participation in the upcoming 2020 federal census. The purpose of the funding is to prepare for the census to ensure an accurate citizen count. The funding shall be used to support a 2020 Michigan complete count committee, staffing related to census outreach, and implementation of outreach strategies, including, but not limited to, training for local officials, support of local complete count committees, and coordination with the Michigan nonprofit complete count committee.

(2) Unexpended and unencumbered funds up to a maximum $500,000.00 in general fund/general purpose revenue plus any contributions of private matching funds, up to $2,000,000.00 remaining in accounts appropriated in part 1 for census related services are designated as work project appropriations, and any unencumbered or unalloted funds shall not lapse at the end of the fiscal year and shall be available for expenditures to support census outreach and preparation for citizen participation in the 2020 federal census under this section until the work project has been completed. All of the following are in compliance with section 451a(1) of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the work project is to fund the cost of the Michigan Nonprofits Count Campaign to support census outreach and citizen participation preparation for the 2020 federal census.

(b) The work project will be accomplished by partnering with the Michigan Nonprofit Association.

(c) The total estimated completion cost of the work project is $2,500,000.00.

(d) The tentative completion date is September 30, 2022.

Sec. 1922. From the funds appropriated in part 1 for opioid outreach coordinator, $115,000.00 is allocated to Growth Works for the purposes of hiring a health educator, training, and outreach related to the United States Department of Health and Human Services priorities on the opioid crisis. The funds allocated must be used to prepare and disseminate public education materials and to conduct educational sessions within a county with a population of more than 1,500,000, including, but not limited to, school districts and community-based organizations.

ARTICLE XI

DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of insurance and financial services for the fiscal year ending September 30, 2019, from the following funds:

DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES

APPROPRIATION SUMMARY			
Full-time equated unclassified positions	6.0		
Full-time equated classified positions	336.5		
GROSS APPROPRIATION		$	67,971,900
Interdepartmental grant revenues:			
Total interdepartmental grants and intradepartmental transfers			713,800
ADJUSTED GROSS APPROPRIATION		$	67,258,100
Federal revenues:			
Total federal revenues			2,017,300
Special revenue funds:			
Total other state restricted revenues			64,690,800
State general fund/general purpose		$	550,000
State general fund/general purpose schedule:			
Ongoing state general fund/general purpose	150,000		
One-time state general fund/general purpose	400,000		

Sec. 102. DEPARTMENTAL ADMINISTRATION AND SUPPORT

Full-time equated unclassified positions	6.0		
Full-time equated classified positions	22.5		
Unclassified salaries—6.0 FTE positions		$	784,500
Administrative hearings			182,500
Department services—19.0 FTE positions			3,801,200
Executive director programs—3.5 FTE positions			1,075,900
Property management			1,245,400
Worker's compensation			4,200
GROSS APPROPRIATION		$	7,093,700
Appropriated from:			
Special revenue funds:			
Bank fees			512,300
Captive insurance regulatory and supervision fund			2,900
Consumer finance fees			201,100
Credit union fees			862,200
Deferred presentment service transaction fees			272,000
Insurance bureau fund			2,451,800
Insurance continuing education fees			64,200
Insurance licensing and regulation fees			1,915,600
MBLSLA fund			660,300
Multiple employer welfare arrangement			1,300
State general fund/general purpose		$	150,000

Sec. 103. INSURANCE AND FINANCIAL SERVICES REGULATION

Full-time equated classified positions	314.0		
Consumer services and protection—64.0 FTE positions		$	8,803,600
Financial institutions evaluation—132.0 FTE positions			24,633,100
Insurance evaluation—118.0 FTE positions			24,789,600
GROSS APPROPRIATION		$	58,226,300
Appropriated from:			
Interdepartmental grant revenues:			
IDG from LARA, debt management			713,800
Federal revenues:			
Federal revenues			2,017,300

		For Fiscal Year Ending Sept. 30, 2019
Special revenue funds:		
Bank fees	$	5,737,100
Captive insurance regulatory and supervision fund		289,200
Consumer finance fees		2,997,200
Credit union fees		8,141,100
Deferred presentment service transaction fees		3,315,400
Insurance bureau fund		21,406,800
Insurance continuing education fees		957,000
Insurance licensing and regulation fees		6,421,100
MBLSLA fund		5,946,800
Multiple employer welfare arrangement		283,500
State general fund/general purpose	$	0

Sec. 104. INFORMATION TECHNOLOGY

Information technology services and projects	$	2,251,900
GROSS APPROPRIATION	$	2,251,900
Appropriated from:		
Special revenue funds:		
Bank fees		225,500
Consumer finance fees		93,000
Credit union fees		369,100
Deferred presentment service transaction fees		113,300
Insurance bureau fund		440,700
Insurance continuing education fees		22,800
Insurance licensing and regulation fees		727,600
MBLSLA fund		259,900
State general fund/general purpose	$	0

Sec. 105. ONE-TIME APPROPRIATIONS

Insurance evaluation enhancement	$	400,000
GROSS APPROPRIATION	$	400,000
Appropriated from:		
State general fund/general purpose	$	400,000

PART 2

PROVISIONS CONCERNING APPROPRIATIONS
FOR FISCAL YEAR 2018-2019

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state sources under part 1 for fiscal year 2018-2019 is $65,240,800.00 and state spending from state sources to be paid to local units of government for fiscal year 2018-2019 is $0.

Sec. 202. The appropriations authorized under this part and part 1 are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

Sec. 203. As used in this part and part 1:

(a) "Department" means the department of insurance and financial services.

(b) "Director" means the director of the department.

(c) "FTE" means full-time equated.

(d) "IDG" means interdepartmental grant.

(e) "LARA" means the department of licensing and regulatory affairs.

(f) "MBLSLA fund" means the restricted account established under section 8 of the mortgage brokers, lenders, and servicers licensing act, 1987 PA 173, MCL 445.1658.

(g) "Subcommittees" means the subcommittees of the house of representatives and senate appropriations committees with jurisdiction over the budget for the department.

Sec. 204. The department and agencies receiving appropriations in this part and part 1 shall use the internet to fulfill the reporting requirements of this part. This requirement may include transmission of reports via electronic mail to the recipients identified for each reporting requirement, or it may include placement of reports on an internet or intranet site.

Sec. 205. Funds appropriated in this part and part 1 must not be used for the purchase of foreign goods or services, or both, if competitively priced and of comparable quality American goods or services, or both, are available. Preference must be given to goods or services, or both, manufactured or provided by Michigan businesses, if they are competitively priced and of comparable quality. In addition, preference must 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. 206. The director 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. The 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. 207. (1) Out-of-state travel shall be limited to situations where the travel is approved by a departmental employee's immediate supervisor and in which 1 or more of the following conditions apply:

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

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

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

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

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

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

(2) The department shall not approve the travel of more than 1 departmental employee to a specific professional development conference or training seminar that is located outside of this state unless a professional development conference or training seminar is funded by a federal or private funding source and requires more than 1 individual from the department to attend, or the conference or training seminar includes multiple issues in which 1 employee from the department does not have expertise.

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

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

(b) The destination of each travel occurrence.

(c) The dates of each travel occurrence.

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

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

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

Sec. 208. Funds appropriated in this part and part 1 must not be used by a principal executive department, state agency, or authority to hire a person to provide legal services that are the responsibility of the attorney general. This prohibition does not apply to legal services for bonding activities and for those outside services that the attorney general authorizes.

Sec. 209. Not later than November 30, the state budget office shall prepare and transmit a report that provides for estimates of the total general fund/general purpose appropriation lapses at the close of the prior fiscal year. This report must summarize the projected year-end general fund/general purpose appropriation lapses by major departmental program or program areas. The state budget office shall transmit the report to the chairpersons of the senate and house of representatives appropriations committees and the senate and house fiscal agencies.

Sec. 210. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $1,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

Sec. 211. The department shall cooperate with the department of technology, management, and budget to maintain a searchable website accessible by the public at no cost that includes, but is not limited to, all of the following for each department or agency:

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

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

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

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

(e) Job specifications and wage rates.

Sec. 212. Within 14 days after the release of the executive budget recommendation, the department shall cooperate with the state budget office to provide the senate and house of representatives appropriations committee chairs, the senate and house appropriations subcommittees chairs, and the senate and house fiscal agencies with an annual report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures for the fiscal years ending September 30, 2018 and September 30, 2019.

Sec. 213. The department shall maintain, on a publicly accessible website, a department scorecard that identifies, tracks, and regularly updates key metrics that are used to monitor and improve the department's performance.

Sec. 214. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2019 are estimated at $9,513,100.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at $4,385,700.00. Total agency appropriations for retiree health care legacy costs are estimated at $5,127,400.00.

Sec. 215. Unless prohibited by law, the department may accept credit card or other electronic means of payment for licenses, fees, or permits.

Sec. 218. The department shall not take disciplinary action against an employee for communicating with a member of the legislature or his or her staff.

Sec. 219. The department shall not develop or produce any television or radio productions.

Sec. 220. The department, in conjunction with the department of health and human services, shall maintain an accounting structure within this state's accounting system that will allow expenditures associated with the administration of the Healthy Michigan plan to be identified.

Sec. 221. The amount appropriated from the general fund in part 1 for executive director programs may only be expended to comply with reporting requirements regarding the Healthy Michigan plan under section 105d(9) of the social welfare act, 1939 PA 280, MCL 400.105d.

Sec. 222. From the funds appropriated in part 1 from the insurance bureau fund, funds may be expended to support legislative participation in insurance activities coordinated by insurance and legislative associations, in accordance with section 225 of the insurance code of 1956, 1956 PA 218, MCL 500.225.

INSURANCE AND FINANCIAL SERVICES REGULATION

Sec. 301. The department shall provide a report to the subcommittees, the senate and house fiscal agencies, and the state budget director by September 30 based on the annual rate filings from health insurance issuers that includes all of the following:

(a) The number that are approved by the department.

(b) The number that are denied by the department.

(c) The percentage of rate filings processed within the applicable statutory time frames.

(d) The average number of calendar days to process rate filings.

Sec. 302. In addition to the funds appropriated in part 1, the funds collected by the department in connection with a conservatorship under section 32 of the mortgage brokers, lenders, and servicers licensing act, 1987 PA 173, MCL 445.1682, and funds collected by the department from corporations being liquidated under the insurance code of 1956, 1956 PA 218, MCL 500.100 to 500.8302, must be appropriated for all expenses necessary to provide for the required services. Funds are available for expenditure when they are received by the department of treasury and must not lapse to the general fund at the end of the fiscal year.

Sec. 303. The department may make available to interested entities customized listings of nonconfidential information in its possession. The department may establish and collect a reasonable charge to provide this service. The revenue from this service is appropriated when received and must be used to offset expenses to provide the service. Any balance of this revenue collected and unexpended at the end of the fiscal year must lapse to the appropriate restricted fund.

ONE-TIME APPROPRIATIONS

Sec. 401. (1) From the funds appropriated in part 1 for insurance evaluation enhancement, by January 31, 2019, the department must complete a study led by an actuarial firm capable of supporting this state's pursuit of a state innovation waiver under section 1332 of the patient protection and affordable care act. The study must meet all criteria for a section 1332 state innovation waiver found at 45 CFR Part 155. The study must include analyses, actuarial certifications data, assumptions, targets, and other information sufficient to provide the secretary of the United States Department of Health and Human Services and the secretary of the United States Department of Treasury with the necessary data to determine whether this state's proposed waiver would do all of the following:

(a) Provide coverage that is at least as comprehensive as the coverage defined in section 1203(b) of the patient protection and affordable care act.

(b) Provide coverage and cost sharing protections against excessive out-of-pocket spending that are at least as affordable as the provisions of title I of the patient protection and affordable care act.

(c) Provide coverage to a comparable number of its residents as the provisions of title I of the patient protection and affordable care act would provide.

(d) Not increase the federal deficit.

(2) The study under subsection (1) must create any actuarial analyses and certifications necessary to determine whether the estimates will comply with the above requirements. The study must produce an economic analysis to provide a detailed 10 year budget plan that is deficit neutral to the federal government and detailed analyses regarding the estimated impact of the waiver on health insurance coverage in this state.

ARTICLE XII

JUDICIARY

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the judiciary for the fiscal year ending September 30, 2019, from the following funds:

JUDICIARY

APPROPRIATION SUMMARY

Full-time equated exempted positions.....502.0

		For Fiscal Year Ending Sept. 30, 2019
GROSS APPROPRIATION	$	304,079,100
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		1,551,300
ADJUSTED GROSS APPROPRIATION	$	302,527,800
Federal revenues:		
Total federal revenues		5,987,400
Special revenue funds:		
Total local revenues		6,499,800
Total private revenues		981,600
Total other state restricted revenues		92,979,500
State general fund/general purpose	$	196,079,500

Sec. 102. SUPREME COURT

Full-time equated exempted positions 248.0		
Community dispute resolution—3.0 FTE positions	$	2,815,800
Direct trial court automation support—44.0 FTE positions		6,499,800
Drug treatment courts		11,833,000
Foster care review board—10.0 FTE positions		1,331,900
Judicial information systems—22.0 FTE positions		4,431,800
Judicial institute—13.0 FTE positions		1,848,000
Mental health courts and diversion services—1.0 FTE position		5,466,800
Next generation Michigan court system		4,116,000
Other federal grants		275,100
State court administrative office—63.0 FTE positions		11,110,400
Supreme court administration—92.0 FTE positions		14,059,100
Swift and sure sanctions program		4,000,000
Veterans courts		936,400
GROSS APPROPRIATION	$	68,724,100
Appropriated from:		
Interdepartmental grant revenues:		
IDG from department of corrections		51,300
IDG from department of state police		1,500,000
Federal revenues:		
DOJ, drug court training and evaluation		300,000
DOT, National Highway Traffic Safety Administration		2,219,000
HHS, access and visitation grant		482,500
HHS, children's justice grant		238,900
HHS, court improvement project		915,700
HHS, title IV-D child support program		812,300
HHS, title IV-E foster care program		400,400
Other federal grant revenues		275,100
Special revenue funds:		
Local - user fees		6,499,800
Private		195,600
Private - interest on lawyers' trust accounts		269,500
Private - state justice institute		430,600
Community dispute resolution fund		2,390,800
Court of appeals filing/motion fees		1,450,000
Drug court fund		1,920,500
Justice system fund		587,900
Law exam fees		730,600
Miscellaneous revenue		243,400
State court fund		392,700
State general fund/general purpose	$	46,417,500

Sec. 103. COURT OF APPEALS

Full-time equated exempted positions 175.0		
Court of appeals operations—175.0 FTE positions	$	24,360,500
GROSS APPROPRIATION	$	24,360,500

		For Fiscal Year Ending Sept. 30, 2019
Appropriated from:		
State general fund/general purpose	$	24,360,500

Sec. 104. BRANCHWIDE APPROPRIATIONS

Full-time equated exempted positions 4.0		
Branchwide appropriations—4.0 FTE positions	$	9,128,300
GROSS APPROPRIATION	$	9,128,300
Appropriated from:		
State general fund/general purpose	$	9,128,300

Sec. 105. JUSTICES' AND JUDGES' COMPENSATION

Full-time judges positions 590.0		
Supreme court justices' salaries—7.0 justices	$	1,152,300
Circuit court judges' state base salaries—216.0 judges		22,140,600
Circuit court judicial salary standardization		9,854,900
Court of appeals judges' salaries—27.0 judges		4,337,700
District court judges' state base salaries—237.0 judges		23,936,400
District court judicial salary standardization		10,836,700
Probate court judges' state base salaries—103.0 judges		10,500,400
Probate court judicial salary standardization		4,669,600
Judges' retirement system defined contributions		4,858,100
OASI, Social Security		6,210,700
GROSS APPROPRIATION	$	98,497,400
Appropriated from:		
Special revenue funds:		
Court fee fund		3,315,200
State general fund/general purpose	$	95,182,200

Sec. 106. JUDICIAL AGENCIES

Full-time equated exempted positions 7.0		
Judicial tenure commission—7.0 FTE positions	$	1,162,900
GROSS APPROPRIATION	$	1,162,900
Appropriated from:		
State general fund/general purpose	$	1,162,900

Sec. 107. INDIGENT DEFENSE - CRIMINAL

Full-time equated exempted positions 51.0		
Appellate public defender program—51.0 FTE positions	$	8,143,400
GROSS APPROPRIATION	$	8,143,400
Appropriated from:		
Federal revenues:		
Other federal grant revenues		343,500
Special revenue funds:		
Private - interest on lawyers' trust accounts		85,900
Miscellaneous revenue		92,300
State general fund/general purpose	$	7,621,700

Sec. 108. INDIGENT CIVIL LEGAL ASSISTANCE

Indigent civil legal assistance	$	7,937,000
GROSS APPROPRIATION	$	7,937,000
Appropriated from:		
Special revenue funds:		
State court fund		7,937,000
State general fund/general purpose	$	0

Sec. 109. TRIAL COURT OPERATIONS

Full-time equated exempted positions 6.0		
Court equity fund reimbursements	$	60,815,700

		For Fiscal Year Ending Sept. 30, 2019
Drug case-flow program	$	250,000
Drunk driving case-flow program		3,300,000
Judicial technology improvement fund		4,815,000
Juror compensation reimbursement—1.0 FTE position		6,602,400
Statewide e-file system—5.0 FTE positions		8,511,700
GROSS APPROPRIATION	$	84,294,800
Appropriated from:		
Special revenue funds:		
Court equity fund		50,440,000
Drug fund		250,000
Drunk driving fund		3,300,000
Electronic filing fee fund		8,511,700
Judicial technology improvement fund		4,815,000
Juror compensation fund		6,602,400
State general fund/general purpose	$	10,375,700

Sec. 110. ONE-TIME APPROPRIATIONS

Full-time equated exempted positions 11.0		
Compliance with *Montgomery v Louisiana*—11.0 FTE positions	$	700,000
Expansion of problem solving courts		750,000
Pretrial risk assessment		305,700
Youthful sex offender treatment pilot program		75,000
GROSS APPROPRIATION	$	1,830,700
Appropriated from:		
State general fund/general purpose	$	1,830,700

PART 2

PROVISIONS CONCERNING APPROPRIATIONS
FOR FISCAL YEAR 2018-2019

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state sources under part 1 for fiscal year 2018-2019 is $289,059,000.00 and state spending from state sources to be paid to local units of government for fiscal year 2018-2019 is $148,614,500.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

JUDICIARY

SUPREME COURT

Drug treatment courts	$	11,833,000
Mental health courts and diversion services		5,466,800
Next generation Michigan court system		4,116,000
State court administrative office		200,000
Swift and sure sanctions program		4,000,000
Veterans courts		936,400

JUSTICES' AND JUDGES' COMPENSATION

Circuit court judicial salary standardization	$	9,854,900
District court judicial salary standardization		10,836,700
Probate court judges' state base salaries		10,500,400
Probate court judicial salary standardization		4,669,600
Grant to OASI contribution fund, employer's share, Social Security		1,080,900

TRIAL COURT OPERATIONS

Court equity fund reimbursements	$	60,815,700

Drug case-flow program	$	250,000
Drunk driving case-flow program		3,300,000
Judicial technology improvement fund		4,815,000
Juror compensation reimbursement		6,602,400
Statewide e-file system		8,511,700
ONE-TIME APPROPRIATIONS		
Expansion of problem solving courts	$	750,000
Youthful sex offender treatment pilot program		75,000
TOTAL	$	148,614,500

Sec. 202. (1) The appropriations authorized under this part and part 1 are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

(2) Funds appropriated in part 1 to an entity within the judicial branch shall not be expended or transferred to another account without written approval of the authorized agent of the judicial entity. If the authorized agent of the judicial entity notifies the state budget director of its approval of an expenditure or transfer, the state budget director shall immediately make the expenditure or transfer. The authorized judicial entity agent shall be designated by the chief justice of the supreme court.

Sec. 203. As used in this part and part 1:

(a) "DOJ" means the United States Department of Justice.

(b) "DOT" means the United States Department of Transportation.

(c) "FTE" means full-time equated.

(d) "HHS" means the United States Department of Health and Human Services.

(e) "IDG" means interdepartmental grant.

(f) "OASI" means old age survivor's insurance.

(g) "SADO" means the state appellate defender office created under the appellate defender act, 1978 PA 620, MCL 780.711 to 780.719.

(h) "Title IV-D" means the part of the federal social security act, 42 USC 301 to 1397mm, pertaining to the child support enforcement program.

(i) "Title IV-E" means the part of the federal social security act, 42 USC 301 to 1397mm, pertaining to the foster care program.

Sec. 204. The reporting requirements of this part shall be completed with the approval of, and at the direction of, the supreme court, except as otherwise provided in this part. The judicial branch shall use the internet to fulfill the reporting requirements of this part. This may include transmission of reports via electronic mail to the recipients identified for each reporting requirement, or it may include placement of reports on an internet or intranet site.

Sec. 205. Funds appropriated in part 1 shall not be used for the purchase of foreign goods or services, or both, if competitively priced and of comparable quality American goods or services, or both, are available. Preference shall be given to goods or services, or both, manufactured or provided by Michigan businesses, if they are competitively priced and of comparable quality. In addition, preference shall 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. 207. Not later than January 1 of each year, the state court administrative office shall prepare a report on out-of-state travel listing all travel by judicial branch employees outside this state in the immediately preceding fiscal year that was funded in whole or in part with funds appropriated in the budget for the judicial branch. The report shall be submitted to the senate and house appropriations committees, the senate and house fiscal agencies, and the state budget office. The report shall include the following information:

(a) The dates of each travel occurrence.

(b) The transportation and related costs of each travel occurrence, including the proportion funded with state general fund/general purpose revenues, the proportion funded with state restricted revenues, the proportion funded with federal revenues, and the proportion funded with other revenues.

Sec. 209. Not later than November 30, the state budget office shall prepare and transmit a report that provides for estimates of the total general fund/general purpose appropriation lapses at the close of the prior fiscal year. This report shall summarize the projected year-end general fund/general purpose appropriation lapses by major program or program

areas. The report shall be transmitted to the chairpersons of the senate and house appropriations committees and the senate and house fiscal agencies.

Sec. 211. From the funds appropriated in part 1, the judicial branch shall maintain a searchable website accessible by the public at no cost that includes all expenditures made by the judicial branch within a fiscal year. The posting shall include the purpose for which each expenditure is made. The judicial branch shall not provide financial information on its website under this section if doing so would violate a federal or state law, rule, regulation, or guideline that establishes privacy or security standards applicable to that financial information.

Sec. 212. Within 14 days after the release of the executive budget recommendation, the judicial branch shall cooperate with the state budget office to provide the senate and house appropriations committee chairs, the senate and house appropriations subcommittee chairs, and the senate and house fiscal agencies with an annual report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures for the prior 2 fiscal years.

Sec. 213. The judiciary shall maintain, on a publicly accessible website, a scorecard that identifies, tracks, and regularly updates key metrics that are used to monitor and improve the judiciary's performance.

Sec. 214. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2019 are estimated at $14,127,500.00. From this amount, total judiciary appropriations for pension-related legacy costs are estimated at $6,513,000.00. Total judiciary appropriations for retiree health care legacy costs are estimated at $7,614,500.00.

Sec. 215. The judicial branch shall not take disciplinary action against an employee for communicating with a member of the legislature or his or her staff.

Sec. 216. It is the intent of the legislature that judges who are presiding over a hearing on a foster care case shall publicly acknowledge and request the input of the foster parent or foster parents during the hearing.

Sec. 217. If the judicial branch makes any changes to a foster care family service plan before its finalization, it is the intent of the legislature that the presiding judge provide an explanation for any changes to that plan in the court record.

Sec. 218. From the funds appropriated in part 1, the state court administrative office shall identify programs, within the department of health and human services, the department of talent and economic development, and the department of corrections, that have programmatic connections with the participants in the swift and sure sanctions program. The purpose of this relationship is to leverage collaborations and to determine avenues of success for offenders who are eligible for state-provided programs. The state court administrative office shall provide guidance to courts participating in the swift and sure sanctions program, under the probation swift and sure sanctions act, chapter XIA of the code of criminal procedure, 1927 PA 175, MCL 771A.1 to 771A.8, of the available department of health and human services, department of talent and economic development, and department of corrections programming.

Sec. 219. The judicial branch shall receive and retain copies of all reports funded from appropriations in part 1. Federal and state guidelines for short-term and long-term retention of records shall be followed. The judicial branch may electronically retain copies of reports unless otherwise required by federal and state guidelines.

JUDICIAL BRANCH

Sec. 301. From the funds appropriated in part 1, the direct trial court automation support program of the state court administrative office shall recover direct and overhead costs from trial courts by charging for services rendered. The fee shall cover the actual costs incurred to the direct trial court automation support program in providing the service, including development of future versions of case management systems.

Sec. 302. Funds appropriated within the judicial branch shall not be expended by any component within the judicial branch without the approval of the supreme court.

Sec. 303. Of the amount appropriated in part 1 for the judicial branch, $711,900.00 is allocated for circuit court reimbursement under section 3 of 1978 PA 16, MCL 800.453, and for costs associated with the court of claims.

Sec. 304. A member of the legislature may request a report or data from the data collected in the judicial data warehouse. The report shall be made available to the public upon request, unless disclosure is prohibited by court order or state or federal law. Any data provided under this section shall be public and non-identifying information.

Sec. 305. From the funds appropriated in part 1 for community dispute resolution, community dispute resolution centers shall provide dispute resolution services specified in the community dispute resolution act, 1988 PA 260, MCL 691.1551 to 691.1564, and shall help to reduce suspensions and truancy, and improve school climate. Funding appropriated in part 1 for community dispute resolution may be used to develop or expand juvenile diversion services in cooperation with local prosecutors. Participation in the dispute resolution processes is voluntary for all parties.

Sec. 306. By February 1, the state court administrative office shall produce a statistical report, categorized by county, regarding both the collected and uncollected amounts of restitution payments, court fees, and any other applicable judgments placed upon persons within the county, reported for the year 2017.

Sec. 307. From the funds appropriated in part 1 for mental health courts and diversion services, $1,730,000.00 is intended to address the recommendations of the mental health diversion council.

Sec. 308. If sufficient funds are not available from the court fee fund to pay judges' compensation, the difference between the appropriated amount from that fund for judges' compensation and the actual amount available after the amount appropriated for trial court reimbursement is made shall be appropriated from the state general fund for judges' compensation. If an appropriation is made under this section, the state court administrative office shall notify, within 14 days of the appropriation, the senate and house standing committees on appropriations, the senate and house appropriations subcommittees on judiciary, the senate and house fiscal agencies, and the state budget office.

Sec. 309. By April 1, the state court administrative office shall provide a report on drug treatment, mental health, and veterans court programs in this state. The report shall include information on the number of each type of program that has been established, the number of program participants in each jurisdiction, and the impact of the programs on offender criminal involvement and recidivism. The report shall be submitted to the senate and house appropriations subcommittees on judiciary, the senate and house fiscal agencies, and the state budget office.

Sec. 311. (1) The funds appropriated in part 1 for drug treatment courts as that term is defined in section 1060 of the revised judicature act of 1961, 1961 PA 236, MCL 600.1060, shall be administered by the state court administrative office to operate drug treatment court programs. A drug treatment court shall be responsible for handling cases involving substance abusing nonviolent offenders through comprehensive supervision, testing, treatment services, and immediate sanctions and incentives. A drug treatment court shall use all available county and state personnel involved in the disposition of cases including, but not limited to, parole and probation agents, prosecuting attorneys, defense attorneys, and community corrections providers. The funds may be used in connection with other federal, state, and local funding sources.

(2) From the funds appropriated in part 1, the chief justice shall allocate sufficient funds for the Michigan judicial institute to provide in-state training for those identified in subsection (1), including training for new drug treatment court judges.

(3) For drug treatment court grants, consideration for priority may be given to those courts where higher instances of substance abuse cases are filed.

(4) The judiciary shall receive $1,500,000.00 in Byrne formula grant funding as an interdepartmental grant from the department of state police to be used for expansion of drug treatment courts, to assist in avoiding prison bed space growth for nonviolent offenders in collaboration with the department of corrections.

Sec. 312. From the funds appropriated in part 1, the state court administrator shall produce a statistical report regarding the implementation of the parental rights restoration act, 1990 PA 211, MCL 722.901 to 722.908, as it pertains to minors seeking court-issued waivers of parental consent. The state court administrative office shall report the total number of petitions filed and the total number of petitions granted under that act.

Sec. 316. (1) From the funds appropriated in part 1 for pretrial risk assessment, the state court administrative office shall pilot a pretrial risk assessment tool in an effort to provide relevant information to judges so they can make evidence-based bond decisions that will increase public safety and reduce costs associated with unnecessary pretrial detention.

(2) The state court administrative office shall submit a status report by February 1 to the senate and house appropriations subcommittees on judiciary, the senate and house fiscal agencies, and the state budget office on progress made toward implementing the pretrial risk assessment tool and associated costs.

Sec. 317. Funds appropriated in part 1 shall not be used for the permanent assignment of state-owned vehicles to justices or judges or any other judicial branch employee. This section does not preclude the use of state-owned motor pool vehicles for state business in accordance with approved guidelines.

Sec. 320. (1) From the funds appropriated in part 1 for the swift and sure sanctions program, created under section 3 of chapter XIA of the code of criminal procedure, 1927 PA 175, MCL 771A.3, the state court administrative office shall administer a program to distribute grants to qualifying courts in accordance with the objectives and requirements of the probation swift and sure sanctions act, chapter XIA of the code of criminal procedure, 1927 PA 175, MCL 771A.1 to 771A.8. Of the funds designated for the program, not more than $100,000.00 shall be available to the state court administrative office to pay for employee costs associated with the administration of the program funds. Of the funds designated for the program, $500,000.00 is reserved for programs in counties that had more than 325 individuals sentenced to prison in the previous calendar year. Courts interested in participating in the swift and sure sanctions program may apply to the state court administrative office for a portion of the funds appropriated in part 1 under this section.

(2) By April 1, the state court administrative office, in cooperation with the department of corrections, shall provide a report on the courts that receive funding under the swift and sure sanctions program described in subsection (1) to the senate and house appropriations subcommittees on judiciary, the senate and house fiscal agencies, and the state budget office. The report shall include all of the following:

(a) The number of offenders who participate in the program.

(b) The criminal history of offenders who participate in the program.

(c) The recidivism rate of offenders who participate in the program, including the rate of return to jail, prison, or both.

(d) A detailed description of the establishment and parameters of the program.

(3) As used in this section, "program" means a swift and sure sanctions program described in subsection (1).

Sec. 321. From the funds appropriated in part 1, the judicial branch shall support a statewide legal self-help internet website and local nonprofit self-help centers that use the statewide website to provide assistance to individuals representing themselves in civil legal proceedings. The state court administrative office shall summarize the costs of maintaining the website, provide statistics on the number of people visiting the website, and provide information on content usage, form completion, and user feedback. By March 1, the state court administrative office shall report this information for the preceding fiscal year to the senate and house appropriations subcommittees on judiciary, the senate and house fiscal agencies, and the state budget office.

Sec. 322. If Byrne formula grant funding is awarded to the state appellate defender, the state appellate defender office may receive and expend Byrne formula grant funds in an amount not to exceed $250,000.00 as an interdepartmental grant from the department of state police. If the appellate defender appointed under section 3 of the appellate defender act, 1978 PA 620, MCL 780.713, receives federal grant funding from the United States Department of Justice in excess of the amount appropriated in part 1, the office of appellate defender may receive and expend grant funds in an amount not to exceed $300,000.00 as other federal grants.

Sec. 324. From the funds appropriated in part 1 for the medication-assisted treatment program, the judiciary shall maintain a medication-assisted treatment program to provide treatment for opioid-addicted and alcohol-addicted individuals who are referred to and voluntarily participate in the medication-assisted treatment program.

ONE-TIME APPROPRIATIONS

Sec. 402. (1) From the funds appropriated in part 1, the state appellate defender office attorneys and support staff shall ensure Michigan compliance with *Montgomery v Louisiana*, 577 US _____ (2016). The purpose of the program expansion is to ensure competent, resourced, and supervised counsel in cases involving the resentencing of juvenile lifers. The representation by SADO counsel will create opportunities for release, saving prison costs for the state.

(2) The state appellate defender office shall submit a report by September 30 to the senate and house appropriations subcommittees on judiciary, the senate and house fiscal agencies, and the state budget office on the number of juvenile lifer cases investigated and prepared by the state appellate defender office. The report shall include a calculation of hours spent and focus on incremental costs associated with investigating and conducting a robust examination of each case, with particular emphasis on those costs that may be avoided after the cases have been disposed.

Sec. 403. (1) Funds appropriated in part 1 for the youthful sex offender treatment pilot program shall be allocated to the prosecutor's office in a county with a population of not less than 600,000 or more than 700,000 according to the most recent federal decennial census.

(2) Funding appropriated in part 1 for the youthful sex offender treatment pilot program shall be used for assessing sex offenders, between the ages of 17 and 24, for risk, and for providing treatment for eligible offenders for individual and group counseling sessions. Duration of treatment will be determined by and depend on the assessment-based level of identified risk. Victims shall approve of offenders' enrollment in the program.

PART 2A

PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS FOR FISCAL YEAR 2019-2020

GENERAL SECTIONS

Sec. 1201. It is the intent of the legislature to provide appropriations for the fiscal year ending on September 30, 2020 for the line items listed in part 1. Fiscal year 2019-2020 appropriations are anticipated to be the same as those for fiscal year 2018-2019, except that the line items will be adjusted for changes in caseload and related costs, federal fund match rates, economic factors, and available revenue. These adjustments will be determined after the January 2019 consensus revenue estimating conference.

ARTICLE XIII

DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of licensing and regulatory affairs for the fiscal year ending September 30, 2019, from the following funds:

DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS

APPROPRIATION SUMMARY			
Full-time equated unclassified positions	57.5		
Full-time equated classified positions	2,322.3		
GROSS APPROPRIATION		$	517,762,200
Interdepartmental grant revenues:			
Total interdepartmental grants and intradepartmental transfers			48,414,300
ADJUSTED GROSS APPROPRIATION		$	469,347,900
Federal revenues:			
Total federal revenues			65,744,400
Special revenue funds:			
Total local revenues			100,000
Total private revenues			111,800
Total other state restricted revenues			276,471,400
State general fund/general purpose		$	126,920,300
State general fund/general purpose schedule:			
Ongoing state general fund/general purpose	126,920,300		
One-time state general fund/general purpose	0		

Sec. 102. DEPARTMENTAL ADMINISTRATION AND SUPPORT

Full-time equated unclassified positions	57.5		
Full-time equated classified positions	108.0		
Unclassified salaries—57.5 FTE positions		$	5,107,700
Administrative services—77.0 FTE positions			8,810,100
Executive director programs—24.0 FTE positions			3,256,500

	For Fiscal Year Ending Sept. 30, 2019
FOIA coordination—3.0 FTE positions	$ 314,900
Office for new Americans—4.0 FTE positions	480,200
Property management	11,488,900
Worker's compensation	318,500
GROSS APPROPRIATION	$ 29,776,800
Appropriated from:	
Interdepartmental grant revenues:	
IDG from MDIFS, accounting services	150,000
IDG from MDTED, unemployment hearings	601,100
Federal revenues:	
DED, vocational rehabilitation and independent living	897,400
DOE, heating oil and propane	25,000
DOL, occupational safety and health	712,200
EPA, underground storage tanks	29,100
HHS-Medicaid, certification of health care providers and suppliers	405,200
HHS-Medicare, certification of health care providers and suppliers	589,000
Special revenue funds:	
Aboveground storage tank fees	92,400
Accountancy enforcement fund	46,100
Asbestos abatement fund	150,100
Boiler inspection fund	278,300
Builder enforcement fund	100,400
Construction code fund	760,000
Corporation fees	5,644,500
Elevator fees	302,100
Fire alarm fees	7,100
Fire safety standard and enforcement fund	2,100
Fire service fees	483,400
Fireworks safety fund	51,000
Health professions regulatory fund	1,569,800
Health systems fees	246,400
Licensing and regulation fund	783,000
Liquor license revenue	300,000
Liquor purchase revolving fund	3,807,100
Marihuana registry fund	670,500
Michigan unarmed combat fund	5,900
Mobile home code fund	317,100
Nurse professional fund	37,500
PMECSEMA fund	45,000
Private occupational school license fees	55,200
Property development fees	7,400
Public utility assessments	2,779,400
Radiological health fees	223,500
Real estate appraiser education fund	2,600
Real estate education fund	11,000
Real estate enforcement fund	11,300
Refined petroleum fund	185,800
Restructuring mechanism assessments	31,600
Retired engineers technical assistance program fund	7,000
Safety education and training fund	850,800
Second injury fund	236,700
Securities fees	3,678,200
Securities investor education and training fund	9,200
Security business fund	7,000
Self-insurers security fund	120,300
Silicosis and dust disease fund	102,300
Survey and remonumentation fund	97,000

		For Fiscal Year Ending Sept. 30, 2019
Tax tribunal fund	$	885,300
Utility consumer representation fund		54,000
Worker's compensation administrative revolving fund		103,800
State general fund/general purpose	$	1,208,600

Sec. 103. ENERGY AND UTILITY PROGRAMS

Full-time equated classified positions 208.0		
Michigan agency for energy—26.0 FTE positions	$	7,132,800
Public service commission—182.0 FTE positions		31,879,000
GROSS APPROPRIATION	$	39,011,800
Appropriated from:		
Federal revenues:		
DOE, heating oil and propane		3,795,000
DOT, gas pipeline safety		2,212,800
Special revenue funds:		
Public utility assessments		31,332,300
Restructuring mechanism assessments		620,900
Retired engineers technical assistance program fund		491,200
State general fund/general purpose	$	559,600

Sec. 104. LIQUOR CONTROL COMMISSION

Full-time equated classified positions 143.0		
Liquor licensing and enforcement—115.0 FTE positions	$	16,006,400
Management support services—28.0 FTE positions		4,518,400
GROSS APPROPRIATION	$	20,524,800
Appropriated from:		
Special revenue funds:		
Direct shipper enforcement revolving fund		300,700
Liquor control enforcement and license investigation revolving fund		175,000
Liquor license fee enhancement fund		76,400
Liquor license revenue		7,580,700
Liquor purchase revolving fund		12,392,000
State general fund/general purpose	$	0

Sec. 105. OCCUPATIONAL REGULATION

Full-time equated classified positions 1,143.9		
Bureau of community and health systems—426.9 FTE positions	$	63,085,000
Bureau of construction codes—182.0 FTE positions		23,839,300
Bureau of fire services—78.0 FTE positions		11,175,500
Bureau of professional licensing—206.0 FTE positions		39,834,200
Corporations, securities, and commercial licensing bureau—118.0 FTE positions		15,431,400
Medical marihuana facilities licensing and tracking—108.0 FTE positions		10,000,000
Medical marihuana program—25.0 FTE positions		5,001,300
GROSS APPROPRIATION	$	168,366,700
Appropriated from:		
Interdepartmental grant revenues:		
IDG from MDE, child care licensing		17,794,900
Federal revenues:		
DHS, fire training systems		28,000
DOT, hazardous materials training and planning		60,000
EPA, underground storage tanks		804,400
HHS-Medicaid, certification of health care providers and suppliers		8,379,900
HHS-Medicare, certification of health care providers and suppliers		13,638,100
Special revenue funds:		
Aboveground storage tank fees		206,800
Accountancy enforcement fund		689,600
Boiler inspection fund		3,399,700

		For Fiscal Year Ending Sept. 30, 2019
Builder enforcement fund	$	644,000
Construction code fund		7,910,200
Corporation fees		7,143,500
Distance education fund		355,500
Division on deafness fund		93,400
Elevator fees		4,356,300
Fire alarm fees		130,100
Fire safety standard and enforcement fund		40,400
Fire service fees		2,553,300
Fireworks safety fund		703,900
Health professions regulatory fund		24,158,800
Health systems fees		3,792,200
Licensing and regulation fund		11,851,200
Liquor purchase revolving fund		143,200
Marihuana registry fund		5,001,300
Marihuana regulatory fund		10,500,000
Michigan unarmed combat fund		76,900
Mobile home code fund		3,045,200
Nurse aide registration fund		600,000
Nurse professional fund		1,964,900
Nursing home administrative penalties		100,000
PMECSEMA fund		1,855,600
Private occupational school license fees		478,600
Property development fees		318,100
Real estate appraiser education fund		65,400
Real estate education fund		345,400
Real estate enforcement fund		704,400
Refined petroleum fund		2,643,400
Securities fees		4,779,800
Securities investor education and training fund		502,300
Security business fund		233,600
Survey and remonumentation fund		864,900
State general fund/general purpose	$	25,409,500

Sec. 106. EMPLOYMENT SERVICES

Full-time equated classified positions 464.4		
Bureau of employment relations—22.0 FTE positions	$	4,289,800
Bureau of services for blind persons—113.0 FTE positions		24,931,000
Compensation supplement fund		1,820,000
First responder presumed coverage fund claims		5,245,000
Insurance funds administration—23.0 FTE positions		5,031,200
Michigan occupational safety and health administration—197.0 FTE positions		29,418,000
Radiation safety section—21.4 FTE positions		3,299,300
Wage and hour program—32.0 FTE positions		3,826,100
Workers' compensation agency—56.0 FTE positions		8,177,000
GROSS APPROPRIATION	$	86,037,400
Appropriated from:		
Federal revenues:		
DED, vocational rehabilitation and independent living		18,725,100
DOL, occupational safety and health		12,047,700
HHS, mammography quality standards		513,300
Special revenue funds:		
Blind services, local		100,000
Blind services, private		111,800
Asbestos abatement fund		817,300
Corporation fees		9,619,100
First responder presumed coverage fund		5,445,000

		For Fiscal Year Ending Sept. 30, 2019
Michigan business enterprise program fund	$	327,800
Radiological health fees		2,786,000
Safety education and training fund		9,922,200
Second injury fund		2,627,000
Securities fees		8,807,300
Self-insurers security fund		1,587,000
Silicosis and dust disease fund		817,200
Worker's compensation administrative revolving fund		1,682,500
State general fund/general purpose	$	10,101,100

Sec. 107. MICHIGAN ADMINISTRATIVE HEARING SYSTEM

Full-time equated classified positions 236.0		
Michigan administrative hearing system—218.0 FTE positions	$	38,607,100
Michigan compensation appellate commission—18.0 FTE positions		4,649,000
GROSS APPROPRIATION	$	43,256,100
Appropriated from:		
Interdepartmental grant revenues:		
IDG from MDTED, unemployment hearings		4,306,700
IDG revenues, administrative hearings and rules		25,561,600
Federal revenues:		
DOL, occupational safety and health		153,900
Special revenue funds:		
Construction code fund		26,000
Corporation fees		4,026,000
Health professions regulatory fund		392,800
Health systems fees		156,600
Licensing and regulation fund		849,200
Liquor purchase revolving fund		967,000
Public utility assessments		2,547,600
Safety education and training fund		62,600
Securities fees		2,418,900
Tax tribunal fund		954,000
Worker's compensation administrative revolving fund		137,400
State general fund/general purpose	$	695,800

Sec. 108. COMMISSIONS

Full-time equated classified positions 19.0		
Asian Pacific American affairs commission—1.0 FTE position	$	137,400
Commission on Middle Eastern American affairs—1.0 FTE position		125,000
Hispanic/Latino commission of Michigan—1.0 FTE position		288,300
Michigan indigent defense commission—16.0 FTE positions		2,420,700
GROSS APPROPRIATION	$	2,971,400
Appropriated from:		
State general fund/general purpose	$	2,971,400

Sec. 109. DEPARTMENT GRANTS

Firefighter training grants	$	2,000,000
Liquor law enforcement grants		8,400,000
Medical marihuana operation and oversight grants		3,000,000
Michigan indigent defense commission grants		84,100,100
Remonumentation grants		7,300,000
Subregional libraries state aid		451,800
Utility consumer representation		750,000
GROSS APPROPRIATION	$	106,001,900
Appropriated from:		
Special revenue funds:		
Fireworks safety fund		2,000,000

		For Fiscal Year Ending Sept. 30, 2019
Liquor license revenue	$	8,400,000
Local indigent defense reimbursement		100
Marihuana registry fund		3,000,000
Survey and remonumentation fund		7,300,000
Utility consumer representation fund		750,000
State general fund/general purpose	$	84,551,800

Sec. 110. INFORMATION TECHNOLOGY

Information technology services and projects	$	21,815,300
GROSS APPROPRIATION	$	21,815,300
Appropriated from:		
Federal revenues:		
DED, vocational rehabilitation and independent living		1,229,800
DOE, heating oil and propane		24,000
DOL, occupational safety and health		367,300
DOT, gas pipeline safety		45,000
EPA, underground storage tanks		100,200
HHS-Medicaid, certification of health care providers and suppliers		331,600
HHS-Medicare, certification of health care providers and suppliers		630,400
Special revenue funds:		
Aboveground storage tank fees		54,600
Accountancy enforcement fund		1,100
Asbestos abatement fund		55,400
Boiler inspection fund		388,800
Construction code fund		1,064,400
Corporation fees		3,676,100
Distance education fund		11,600
Elevator fees		431,100
Fire safety standard and enforcement fund		3,000
Fire service fees		199,200
Fireworks safety fund		35,200
Health professions regulatory fund		1,258,900
Health systems fees		233,800
Licensing and regulation fund		1,858,700
Liquor purchase revolving fund		2,934,000
Marihuana registry fund		301,700
Michigan unarmed combat fund		6,800
Mobile home code fund		311,400
PMECSEMA fund		178,600
Private occupational school license fees		21,900
Public utility assessments		1,506,200
Radiological health fees		143,300
Real estate appraiser education fund		1,000
Real estate education fund		4,900
Refined petroleum fund		170,800
Restructuring mechanism assessments		40,100
Retired engineers technical assistance program fund		5,000
Safety education and training fund		398,400
Second injury fund		474,100
Securities fees		1,108,700
Securities investor education and training fund		1,000
Self-insurers security fund		348,700
Silicosis and dust disease fund		138,400
Survey and remonumentation fund		74,100
Tax tribunal fund		223,500
State general fund/general purpose	$	1,422,500

PART 2

PROVISIONS CONCERNING APPROPRIATIONS
FOR FISCAL YEAR 2018-2019

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state sources under part 1 for fiscal year 2018-2019 is $403,391,700.00 and state spending from state sources to be paid to local units of government for fiscal year 2018-2019 is $105,251,900.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS

Firefighter training grants	$	2,000,000
Liquor law enforcement grants		8,400,000
Medical marihuana operation and oversight grants		3,000,000
Michigan indigent defense commission grants		84,100,100
Remonumentation grants		7,300,000
Subregional libraries state aid		451,800
Total department of licensing and regulatory affairs	$	105,251,900

Sec. 202. The appropriations authorized under this part and part 1 are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

Sec. 203. As used in this part and part 1:

(a) "DED" means the United States Department of Education.

(b) "Department" means the department of licensing and regulatory affairs.

(c) "DHS" means the United States Department of Homeland Security.

(d) "DIFS" means the department of insurance and financial services.

(e) "Director" means the director of the department.

(f) "DOE" means the United States Department of Energy.

(g) "DOL" means the United States Department of Labor.

(h) "DOT" means the United States Department of Transportation.

(i) "EPA" means the United States Environmental Protection Agency.

(j) "FOIA" means the freedom of information act, 1976 PA 442, MCL 15.231 to 15.246.

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

(*l*) "HHS" means the United States Department of Health and Human Services.

(m) "IDG" means interdepartmental grant.

(n) "IT" means information technology.

(o) "MDE" means the Michigan department of education.

(p) "PMECSEMA" means pain management education and controlled substances electronic monitoring and antidiversion.

(q) "Subcommittees" means the subcommittees of the house and senate appropriations committees with jurisdiction over the budget for the department.

(r) "TED" means the Michigan department of talent and economic development.

Sec. 204. The department and agencies receiving appropriations in this part and part 1 shall use the internet to fulfill the reporting requirements of this part. This requirement may include transmission of reports via electronic mail to the recipients identified for each reporting requirement, or it may include placement of reports on an internet or intranet site.

Sec. 205. Funds appropriated in this part and part 1 shall not be used for the purchase of foreign goods or services, or both, if competitively priced and of comparable quality American goods or services, or both, are available. Preference shall be given to goods or services, or both, manufactured or provided by Michigan businesses, if they are competitively priced and of comparable quality. In addition, preference shall 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. 206. The director 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. The 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. 207. (1) Out-of-state travel shall be limited to situations when travel is approved by a departmental employee's immediate supervisor and in which 1 or more of the following conditions apply:

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

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

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

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

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

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

(2) The department shall not approve the travel of more than 1 departmental employee to a specific professional development conference or training seminar that is located outside of this state unless a professional development conference or training seminar is funded by a federal or private funding source and requires more than 1 individual from the department to attend, or the conference or training seminar includes multiple issues in which 1 employee from the department does not have expertise.

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

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

(b) The destination of each travel occurrence.

(c) The dates of each travel occurrence.

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

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

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

Sec. 208. Funds appropriated in this part and part 1 shall not be used by a principal executive department, state agency, or authority to hire a person to provide legal services that are the responsibility of the attorney general. This prohibition does not apply to legal services for bonding activities and for those outside services that the attorney general authorizes.

Sec. 209. Not later than November 30, the state budget office shall prepare and transmit a report that provides for estimates of the total general fund/general purpose appropriation lapses at the close of the prior fiscal year. This report shall summarize the projected year-end general fund/general purpose appropriation lapses by major departmental program or program areas. The report shall be transmitted to the chairpersons of the senate and house appropriations committees and the senate and house fiscal agencies.

Sec. 210. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $10,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(2) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $25,000,000.00 for state restricted contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

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

Sec. 211. The department shall cooperate with the department of technology, management, and budget to maintain a searchable website accessible by the public at no cost that includes, but is not limited to, all of the following for the department and each agency:

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

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

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

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

(e) Job specifications and wage rates.

Sec. 212. Within 14 days after the release of the executive budget recommendation, the department shall cooperate with the state budget office to provide the senate and house appropriations chairs, the senate and house appropriations subcommittees chairs, and the senate and house fiscal agencies with an annual report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures for the fiscal years ending September 30, 2018 and September 30, 2019.

Sec. 213. The department shall maintain, on a publicly accessible website, a department scorecard that identifies, tracks, and regularly updates key metrics that are used to monitor and improve the department's performance.

Sec. 214. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2019 are estimated at $57,167,300.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at $26,355,100.00. Total agency appropriations for retiree health care legacy costs are estimated at $30,812,200.00.

Sec. 215. Unless prohibited by law, the department may accept credit card or other electronic means of payment for licenses, fees, or permits.

Sec. 218. The department shall not take disciplinary action against an employee for communicating with a member of the legislature or his or her staff.

Sec. 219. The department shall not develop or produce any television or radio productions.

Sec. 220. The department, in conjunction with the department of health and human services, shall maintain an accounting structure within this state's accounting system that will allow expenditures associated with the administration of the Healthy Michigan plan to be identified.

Sec. 221. The department may carry into the succeeding fiscal year unexpended federal pass-through funds to local institutions and governments that do not require additional state matching funds. Federal pass-through funds to local institutions and governments that are received in amounts in addition to those included in part 1 and that do not require additional state matching funds are appropriated for the purposes intended. Within 14 days after the receipt of federal pass-through funds, the department shall notify the house and senate chairpersons of the subcommittees, the senate and house fiscal agencies, and the state budget director of pass-through funds appropriated under this section.

Sec. 222. (1) Grants supported with private revenues received by the department are appropriated upon receipt and are available for expenditure by the department, subject to subsection (3), for purposes specified within the grant agreement and as permitted under state and federal law.

(2) Within 10 days after the receipt of a private grant appropriated in subsection (1), the department shall notify the house and senate chairpersons of the subcommittees, the senate and house fiscal agencies, and the state budget director of the receipt of the grant, including the fund source, purpose, and amount of the grant.

(3) The amount appropriated under subsection (1) shall not exceed $1,500,000.00.

Sec. 223. (1) The department may charge registration fees to attendees of informational, training, or special events sponsored by the department, and related to activities that are under the department's purview.

(2) These fees shall reflect the costs for the department to sponsor the informational, training, or special events.

(3) Revenue generated by the registration fees is appropriated upon receipt and available for expenditure to cover the department's costs of sponsoring informational, training, or special events.

(4) Revenue generated by registration fees in excess of the department's costs of sponsoring informational, training, or special events shall carry forward to the subsequent fiscal year and not lapse to the general fund.

(5) The amount appropriated under subsection (3) shall not exceed $500,000.00.

Sec. 224. The department may make available to interested entities otherwise unavailable customized listings of nonconfidential information in its possession, such as names and addresses of licensees. The department may establish and collect a reasonable charge to provide this service. The revenue received from this service is appropriated when received and shall be used to offset expenses to provide the service. Any balance of this revenue collected and unexpended at the end of the fiscal year shall lapse to the appropriate restricted fund.

Sec. 225. (1) The department shall sell documents at a price not to exceed the cost of production and distribution. Money received from the sale of these documents shall revert to the department. In addition to the funds appropriated in part 1, these funds are available for expenditure when they are received by the department of treasury. This subsection applies only for the following documents:

(a) Corporation and securities division documents, reports, and papers required or permitted by law pursuant to section 1060(5) of the business corporation act, 1972 PA 284, MCL 450.2060.

(b) The Michigan liquor control code of 1998, 1998 PA 58, MCL 436.1101 to 436.2303.

(c) The mobile home commission act, 1987 PA 96, MCL 125.2301 to 125.2350; the business corporation act, 1972 PA 284, MCL 450.1101 to 450.2098; the nonprofit corporation act, 1982 PA 162, MCL 450.2101 to 450.3192; and the uniform securities act (2002), 2008 PA 551, MCL 451.2101 to 451.2703.

(d) Worker's compensation health care services rules.

(e) Construction code manuals.

(f) Copies of transcripts from administrative law hearings.

(2) In addition to the funds appropriated in part 1, funds appropriated for the department under sections 57, 58, and 59 of the administrative procedures act of 1969, 1969 PA 306, MCL 24.257, 24.258, and 24.259, and section 203 of the legislative council act, 1986 PA 268, MCL 4.1203, are appropriated for all expenses necessary to provide for the cost of publication and distribution.

(3) Unexpended funds at the end of the fiscal year shall carry forward to the subsequent fiscal year and not lapse to the general fund.

Sec. 226. (1) Not later than March 1, the department shall submit a report to the subcommittees and the senate and house fiscal agencies pertaining to licensing and regulatory programs during the previous fiscal year for the following agencies:

(a) Public service commission.

(b) Liquor control commission.

(c) Bureau of fire services.

(d) Bureau of construction codes.

(e) Corporations, securities, and commercial licensing bureau.

(f) Bureau of professional licensing.

(g) Bureau of community and health systems.

(h) Michigan occupational safety and health administration.

(2) The report shall be in a format that is consistent between the agencies listed in subsection (1) and shall provide, but is not limited to, the following information, as applicable, for each agency in subsection (1):

(a) Revenue generated by and expenditures disbursed for each regulatory product.

(b) Number of applications, both initial and renewal, for each regulatory product.

(c) Number of applications, both initial and renewal, approved for each regulatory product.

(d) Number of applications, both initial and renewal, denied for each regulatory product.

(e) Average amount of time, both tolled and untolled, to approve or deny applications, both initial and renewal, for each regulatory product.

(f) Number of examinations proctored for initial applications for each regulatory product.

(g) Number of complaints received pertaining to each regulated activity.

(h) Number of investigations opened pertaining to each regulated activity.

(i) Number of investigations closed pertaining to each regulated activity.

(j) Average amount of time to close investigations pertaining to each regulated activity.

(k) Number of enforcement actions pertaining to each regulated activity.

(*l*) Number of administrative hearings pertaining to each regulated activity.

(m) Number of administrative hearing adjudications pertaining to each regulated activity.

(n) The type and amount of each fee charged to support each regulated activity.

(3) As used in subsection (2), "regulatory product" means licensure, certification, registration, inspection, review, permitting, approval, or any other regulatory service provided by the agencies specified in subsection (1) for each regulated activity. As used in this subsection and subsection (2), "regulated activity" means the particular activities, entities, facilities, and industries regulated by the agencies specified in subsection (1).

Sec. 227. It is the intent of the legislature that the department establish an employee performance monitoring process that is consistent throughout the department in addition to current civil service commission evaluations. By April 1, the department shall submit a report to the state budget office, the subcommittees, and the senate and house fiscal agencies on changes to the employee performance monitoring process that are planned or implemented, as well as the number of employee evaluations performed.

ENERGY AND UTILITY PROGRAMS

Sec. 301. The public service commission administers the low-income energy assistance grant program on behalf of the Michigan department of health and human services via an interagency agreement. Funds supporting the grant program are appropriated in the department upon awarding of grants and may be expended for grant payments and administrative related expenses incurred in the operation of the program.

Sec. 302. In coordination with the state transportation department and the public service commission, the Michigan agency for energy shall prepare a study that assesses statewide optimal siting locations for the deployment of direct current fast charging stations. The study shall make location recommendations for direct current fast charging siting based on predictions of future electric vehicle usage, traffic patterns, electric vehicle concentrations, vehicle range, and existing or planned charging infrastructure deployment. The Michigan agency for energy shall complete the study and make it available to the public not later than September 30, 2019.

LIQUOR CONTROL COMMISSION

Sec. 401. (1) From the appropriations in part 1 from the direct shipper enforcement fund, the liquor control commission shall expend these funds as required under section 203(11) of the Michigan liquor control code of 1998, 1998 PA 58, MCL 436.1203, to investigate and audit unlawful direct shipments of wine by unlicensed wineries and retailers, with priority directed toward unlicensed out-of-state retailers and third-party marketers. The commission shall use shipping records available to it under section 203(21) of the Michigan liquor control code of 1998, 1998 PA 58, MCL 436.1203, to assist with this effort. The liquor control commission must refer all unlicensed out-of-state retailers and third-party marketers identified with the shipping records to the attorney general.

(2) By February 1, the liquor control commission shall provide a report to the legislature and the subcommittees detailing the commission's activities to investigate and audit the illegal shipping of wine and the results of these activities. The report shall include the following:

(a) Work hours spent, specific actions undertaken, and the number of FTEs dedicated to identify and stop unlicensed out-of-state retailers, third-party marketers, and wineries that ship illegally in Michigan.

(b) General overview of expenditures associated with efforts to identify and stop unlicensed out-of-state retailers, third-party marketers, and wineries that ship illegally in Michigan.

(c) Number of out-of-state entities found to have illegally shipped wine into Michigan and total number of bottles (750 ml), number of cases with 750 ml bottles, number of liters, or number of gallons of illegally shipped wine. These items must be broken down by total number of retailers and total number of wineries.

(d) Suggested areas of focus on how to address direct shipper enforcement and illegal importation in the future.

(e) Number of unlicensed out-of-state entities found to have illegally shipped wine into Michigan identified with the shipping records under subsection (1).

(f) Number of notices sent under subsection (3).

(3) From the appropriations in part 1 from the direct shipper enforcement fund, the liquor control commission shall send a notice to each unlicensed out-of-state entity found to have illegally shipped wine into Michigan that has been identified via the shipping records under subsection (1). The notice must include all of the following:

(a) Notification that shipping wine into Michigan by retailers and third-party marketers is illegal, and wineries shipping into Michigan must obtain a direct shipper license.

(b) Under section 909 of the Michigan liquor control code of 1998, 1998 PA 58, MCL 436.1909, making unlawful shipments of wine into Michigan may be a felony punishable by imprisonment for not more than 4 years or a fine of not more than $5,000.00, or both.

(c) Notice that the matter has been referred to the attorney general.

OCCUPATIONAL REGULATION

Sec. 501. Money appropriated under this part and part 1 for the bureau of fire services shall not be expended unless, in accordance with section 2c of the fire prevention code, 1941 PA 207, MCL 29.2c, inspection and plan review fees will be charged according to the following schedule:

Operation and maintenance inspection fee

Facility type	Facility size	Fee
Hospitals	Any	$8.00 per bed

Plan review and construction inspection fees for hospitals and schools

Project cost range	Fee
$101,000.00 or less	minimum fee of $155.00
$101,001.00 to $1,500,000.00	$1.60 per $1,000.00
$1,500,001.00 to $10,000,000.00	$1.30 per $1,000.00
$10,000,001.00 or more	$1.10 per $1,000.00 or a maximum fee of $60,000.00.

Sec. 502. The funds collected by the department for licenses, permits, and other elevator regulation fees set forth in the Michigan Administrative Code and as determined under section 8 of 1976 PA 333, MCL 338.2158, and section 16 of 1967 PA 227, MCL 408.816, that are unexpended at the end of the fiscal year shall carry forward to the subsequent fiscal year.

Sec. 503. Not later than February 15, the department shall submit a report to the subcommittees, the senate and house fiscal agencies, and state budget director providing the following information:

(a) The number of veterans who were separated from service in the Armed Forces of the United States with an honorable character of service or under honorable conditions (general) character of service, individually or if a majority interest of a corporation or limited liability company, that were exempted from paying licensure, registration, filing, or any other fees collected under each licensure or regulatory program administered by the bureau of construction codes and the corporations, securities, and commercial licensing bureau during the preceding fiscal year.

(b) The specific fees and total amount of revenue exempted under each licensure or regulatory program administered by the bureau of construction codes and the corporations, securities, and commercial licensing bureau during the preceding fiscal year.

(c) The actual costs of providing licensing and other regulatory services to veterans exempted from paying licensure, registration, filing, or any other fees during the preceding fiscal year and a description of how these costs were calculated.

(d) The estimated amount of revenue that will be exempted under each licensure or regulatory program administered by the bureau of construction codes and the corporations, securities, and commercial licensing bureau in both the current and subsequent fiscal years and a description of how the exempted revenue was estimated.

Sec. 504. Funds remaining in the homeowner construction lien recovery fund are appropriated to the department for payment of court-ordered homeowner construction lien recovery fund judgments entered prior to August 23, 2010. Pursuant to available funds, the payment of final judgments shall be made in the order in which the final judgments were entered and began accruing interest.

Sec. 505. The department shall submit a report by January 31 to the standing committees on appropriations of the senate and house of representatives, the senate and house fiscal agencies, and the state budget director that includes

all of the following information for the prior fiscal year regarding the medical marihuana program under the Michigan medical marihuana act, 2008 IL 1, MCL 333.26421 to 333.26430:

(a) The number of initial applications received.

(b) The number of initial applications approved and the number of initial applications denied.

(c) The average amount of time, from receipt to approval or denial, to process an initial application.

(d) The number of renewal applications received.

(e) The number of renewal applications approved and the number of renewal applications denied.

(f) The average amount of time, from receipt to approval or denial, to process a renewal application.

(g) The percentage of initial applications not approved or denied within the time requirements established in section 6 of the Michigan medical marihuana act, 2008 IL 1, MCL 333.26426.

(h) The percentage of renewal applications not approved or denied within the time requirements established in section 6 of the Michigan medical marihuana act, 2008 IL 1, MCL 333.26426.

(i) The percentage of registry identification cards for approved initial applications not issued within the time requirements established in section 6 of the Michigan medical marihuana act, 2008 IL 1, MCL 333.26426.

(j) The percentage of registry identification cards for approved renewal applications not issued within the time requirements established in section 6 of the Michigan medical marihuana act, 2008 IL 1, MCL 333.26426.

(k) The number of registry identification cards issued to or renewed for patients residing in each county as of September 30 of the preceding fiscal year under the Michigan medical marihuana act, 2008 IL 1, MCL 333.26421 to 333.26430.

(*l*) The amount collected from the medical marihuana program application and renewal fees authorized in section 5 of the Michigan medical marihuana act, 2008 IL 1, MCL 333.26425.

(m) The costs of administering the medical marihuana program under the Michigan medical marihuana act, 2008 IL 1, MCL 333.26421 to 333.26430.

Sec. 506. If the revenue collected by the department for health systems administration or radiological health administration and projects from fees and collections exceeds the amount appropriated in part 1, the revenue may be carried forward into the subsequent fiscal year. The revenue carried forward under this section shall be used as the first source of funds in the subsequent fiscal year.

Sec. 507. Not later than February 1, the department shall submit a report to the subcommittees, the senate and house fiscal agencies, and state budget director providing the following information:

(a) The total amount of reimbursements made to local units of government for delegated inspections of fireworks retail locations pursuant to section 11 of the Michigan fireworks safety act, 2011 PA 256, MCL 28.461, from the funds appropriated in part 1 for the bureau of fire services during the preceding fiscal year.

(b) The amount of reimbursement for delegated inspections of fireworks retail locations for each local unit of government that received reimbursement from the funds appropriated in part 1 for the bureau of fire services during the preceding fiscal year.

Sec. 508. (1) Beginning October 1, for the purpose of defraying the costs associated with responding to false final inspection appointments and to discourage the practice of calling for final inspections when the project is incomplete or noncompliant with a plan of correction previously provided by the bureau of fire services, the bureau of fire services may assess a fee not to exceed $200.00 for responding to a second or subsequent confirmed false inspection appointment. Fees collected under this section shall be deposited into the restricted account referenced by section 2c(2) of the fire prevention code, 1941 PA 207, MCL 29.2c, and explicitly identified within the statewide integrated governmental management applications system.

(2) Not later than September 30, the department shall prepare a report that provides the amount of the fee assessed under subsection (1), the number of fees assessed and issued per region, the cost allocation for the work performed and reduced as a result of this section, and any recommendations for consideration by the legislature. The department shall submit this information to the state budget director, the subcommittees, and the senate and house fiscal agencies.

Sec. 509. (1) The department shall assess and collect fees in the licensing and regulation of child care organizations, as described in 1973 PA 116, MCL 722.111 to 722.128, and adult foster care facilities, as described in the adult foster care facility licensing act, 1979 PA 218, MCL 400.701 to 400.737.

(2) The department shall report the total amount of fees assessed and collected under subsection (1) during the preceding fiscal year to the senate and house fiscal agencies not later than December 1 and shall provide information requested by the senate and house fiscal agencies as they consider necessary to shift authorization equivalent to that

amount from the general fund/general purpose to a state restricted fund within the department's budget for fiscal year 2019-2020.

Sec. 510. The department shall submit a report on the Michigan automated prescription system to the senate and house appropriations committees and the senate and house fiscal agencies by November 30. The report shall include, but is not limited to, the following:

(a) Total number of licensed health professionals registered to the Michigan automated prescription system.

(b) Total number of dispensers registered to the Michigan automated prescription system.

(c) Total number of prescribers using the Michigan automated prescription system.

(d) Total number of dispensers using the Michigan automated prescription system.

(e) Number of cases related to overprescribing, overdispensing, and drug diversion where the department took administrative action as a result of information and data generated from the Michigan automated prescription system.

(f) The number of hospitals, doctor's offices, pharmacies, and other health facilities that have integrated the Michigan automated prescription system into their electronic health records systems.

(g) Total number of delegate users registered to the Michigan automated prescription system.

Sec. 511. From the amount appropriated in part 1 for the bureau of community and health systems, upon receipt of the order of suspension of a licensed adult foster care home, home for the aged, or nursing home, the department shall serve the facility and provide contemporaneous notice to the offices of legislators representing a district where the licensed facility is situated.

Sec. 512. The department shall submit a report regarding the medical marihuana facilities licensing and tracking program to the standing committees on appropriations of the senate and house, the senate and house fiscal agencies, and the state budget director by March 1. The report shall include, but is not limited to, the following:

(a) The number of initial license applications received for each license category.

(b) The number of initial applications approved and the number of initial license applications denied.

(c) The average amount of time, from receipt to approval or denial, to process an initial application.

(d) The total number of license applications approved by license category and by county.

(e) The total amount collected from application fees.

(f) The total amount collected from any established regulatory assessment.

(g) The costs of administering the medical marihuana facilities licensing and tracking program.

EMPLOYMENT SERVICES

Sec. 701. (1) The appropriation in part 1 for the bureau of services for blind persons includes funds for case services. These funds may be used for tuition payments for blind clients.

(2) Revenue collected by the bureau of services for blind persons and from private and local sources that is unexpended at the end of the fiscal year may carry forward to the subsequent fiscal year.

Sec. 702. The bureau of services for blind persons shall work collaboratively with service organizations and government entities to identify qualified match dollars to maximize use of available federal vocational rehabilitation funds.

Sec. 703. The bureau of services for blind persons may provide and enter into agreements to provide general services, training, meetings, information, special equipment, software, facility use, and technical consulting services to other principal executive departments, state agencies, local units of government, the judicial branch of government, other organizations, and patrons of department facilities. The department may charge fees for these services that are reasonably related to the cost of providing the services. In addition to the funds appropriated in part 1, funds collected by the department for these services are appropriated for all expenses necessary. The funds appropriated under this section are allotted for expenditure when they are received by the department of treasury.

Sec. 704. Funds received in excess of the appropriation in part 1 for first responder presumed coverage claims from the first responder presumed coverage fund are appropriated in an amount sufficient to pay approved claims due in the current fiscal year pursuant to section 405 of the worker's disability compensation act of 1969, 1969 PA 317, MCL 418.405.

COMMISSIONS

Sec. 801. If Byrne formula grant funding is awarded to the Michigan indigent defense commission, the Michigan indigent defense commission may receive and expend Byrne formula grant funds in an amount not to exceed $250,000.00 as an interdepartmental grant from the department of state police. The Michigan indigent defense commission, created under section 5 of the Michigan indigent defense commission act, 2013 PA 93, MCL 780.985, may receive and expend federal grant funding from the United States Department of Justice in an amount not to exceed $300,000.00 as other federal grants.

Sec. 802. From the funds appropriated in part 1, the Michigan indigent defense commission shall submit a report by September 30 to the senate and house appropriations subcommittees on licensing and regulatory affairs, the senate and house fiscal agencies, and the state budget director on the incremental costs associated with the standard development process, the compliance plan process, and the collection of data from all indigent defense systems and attorneys providing indigent defense. Particular emphasis shall be placed on those costs that may be avoided after standards are developed and compliance plans are in place.

Sec. 803. The Michigan indigent defense commission shall identify and implement a system of performance metrics to assess the provision of indigent defense services in Michigan relative to national standards and benchmarks. The Michigan indigent defense commission shall prepare an annual report to the governor, the legislature, the Michigan supreme court, and the state budget director on the performance metrics no later than September 30 of each year.

Sec. 804. The Michigan office for new Americans is to coordinate with the Asian Pacific American affairs commission, the Commission on Middle Eastern American affairs, and the Hispanic/Latino commission of Michigan to produce a report by January 31 that is to be transmitted to the senate and house subcommittee chairpersons, the senate and house fiscal agencies, and the state budget director. The report shall include, but is not limited to, the following:

(a) Total number of people with whom each commission directly interacts through programming.

(b) Total number of public events that each commission conducted.

(c) Description of the activities that the commissions initiated to promote cooperation between the commissions.

(d) Total number of meetings that each commission held with foreign diplomats.

(e) Programmatic costs of each commission.

Sec. 805. An expenditure of funds appropriated in part 1 by the Asian Pacific American affairs commission, the Commission on Middle Eastern American affairs, or the Hispanic/Latino commission of Michigan for a commission event must directly relate to the mission statement of that commission.

DEPARTMENT GRANTS

Sec. 901. (1) The department shall expend the funds appropriated in part 1 for medical marihuana operation and oversight grants for grants to counties for education and outreach programs relating to the Michigan medical marihuana program pursuant to section 6(*l*) of the Michigan medical marihuana act, 2008 IL 1, MCL 333.26426. These grants shall be distributed proportionately based on the number of registry identification cards issued to or renewed for the residents of each county that applied for a grant under subsection (2). For the purposes of this subsection, operation and oversight grants are for education, communication, and outreach regarding the Michigan medical marihuana act, 2008 IL 1, MCL 333.26421 to 333.26430. Grants provided under this section must not be used for law enforcement purposes.

(2) Not later than December 1, the department shall post a listing of potential grant money available to each county on its website. In addition, the department shall work collaboratively with counties regarding the availability of these grant funds. A county requesting a grant shall apply on a form developed by the department and available on its website. The form shall contain the county's specific projected plan for use of the money and its agreement to maintain all records and to submit documentation to the department to support the use of the grant money.

(3) In order to be eligible to receive a grant under subsection (1), a county shall apply not later than January 1 and agree to report how the grant was expended and to provide that report to the department not later than September 15. The department shall submit a report not later than October 15 of the subsequent fiscal year to the state budget director, the subcommittees, and the senate and house fiscal agencies detailing the grant amounts by recipient and the reported uses of the grants in the preceding fiscal year.

Sec. 902. (1) The amount appropriated in part 1 for firefighter training grants shall only be expended for payments to counties to reimburse organized fire departments for firefighter training and other activities required under the firefighters training council act, 1966 PA 291, MCL 29.361 to 29.377.

(2) If the amount appropriated in part 1 for firefighter training grants is expended by the firefighter training council, established in section 3 of the firefighters training council act, 1966 PA 291, MCL 29.363, for payments to counties under section 14 of the firefighters training council act, 1966 PA 291, MCL 29.374, it is the intent of the legislature that:

(a) The amount appropriated in part 1 for firefighter training grants shall be allocated pursuant to section 14(2) of the firefighters training council act, 1966 PA 291, MCL 29.374.

(b) If the amount allocated to any county under subdivision (a) is less than $5,000.00, the amounts disbursed to each county under subdivision (a) shall be adjusted to provide for a minimum payment of $5,000.00 to each county.

(3) Not later than February 1, the department shall submit a financial report to the subcommittees, the senate and house fiscal agencies, and the state budget director identifying the following information for the preceding fiscal year:

(a) The amount of the payments that would be made to each county if the distribution formula described by the first sentence of section 14(2) of the firefighters training council act, 1966 PA 291, MCL 29.374, would have been utilized to allocate the total amount appropriated in part 1 for firefighter training grants.

(b) The amount of the payments approved by the firefighter training council for allocation to each county.

(c) The amount of the payments actually expended or encumbered within each county.

(d) A description of any other payments or expenditures made under the authority of the firefighter training council.

(e) The amount of payments approved for allocations to counties that was not expended or encumbered and lapsed back to the fireworks safety fund.

Sec. 903. (1) The funds appropriated in part 1 for a regional or subregional library shall not be released until a budget for that regional or subregional library has been approved by the department for expenditures for library services directly serving the blind and persons with disabilities.

(2) In order to receive subregional state aid as appropriated in part 1, a regional or subregional library's fiscal agency shall agree to maintain local funding support at the same level in the current fiscal year as in the fiscal agency's preceding fiscal year. If a reduction in expenditures equally affects all agencies in a local unit of government that is the regional or subregional library's fiscal agency, that reduction shall not be interpreted as a reduction in local support and shall not disqualify a regional or subregional library from receiving state aid under part 1. If a reduction in income affects a library cooperative or district library that is a regional or subregional library's fiscal agency or a reduction in expenditures for the regional or subregional library's fiscal agency, a reduction in expenditures for the regional or subregional library shall not be interpreted as a reduction in local support and shall not disqualify a regional or subregional library from receiving state aid under part 1.

Sec. 904. An indigent criminal defense system's duty of compliance with 1 or more standards within a plan approved by the Michigan indigent defense commission is contingent upon receipt of a grant in an amount sufficient to cover that particular standard or standards, as provided in the Michigan indigent defense commission act, 2013 PA 93, MCL 780.981 to 780.1003.

ARTICLE XIV

DEPARTMENT OF MILITARY AND VETERANS AFFAIRS

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of military and veterans affairs for the fiscal year ending September 30, 2019, from the following funds:

DEPARTMENT OF MILITARY AND VETERANS AFFAIRS		
APPROPRIATION SUMMARY		
Full-time equated unclassified positions	9.0	
Full-time equated classified positions	912.5	
GROSS APPROPRIATION		$ 192,564,300
Interdepartmental grant revenues:		
IDG from department of state police		101,800
Total interdepartmental grants and intradepartmental transfers		101,800

		For Fiscal Year Ending Sept. 30, 2019
ADJUSTED GROSS APPROPRIATION		$ 192,462,500
Federal revenues:		
Other federal revenues		98,170,200
Total federal revenues		98,170,200
Special revenue funds:		
Local revenues		1,545,400
Total local revenues		1,545,400
Private revenues		630,000
Total private revenues		630,000
Other state restricted revenues		23,279,500
Total other state restricted revenues		23,279,500
State general fund/general purpose		$ 68,837,400
State general fund/general purpose schedule:		
Ongoing state general fund/general purpose	66,962,400	
One-time state general fund/general purpose	1,875,000	
Sec. 102. MILITARY		
Full-time equated unclassified positions	9.0	
Full-time equated classified positions	341.0	
Unclassified salaries—9.0 FTE positions		$ 1,497,700
Departmentwide		1,876,300
Headquarters and armories—86.0 FTE positions		17,452,100
Michigan youth challeNGe academy—50.0 FTE positions		5,323,000
Military family relief fund		600,000
Military training sites and support facilities—203.0 FTE positions		34,911,300
National Guard operations		398,200
National Guard tuition assistance fund—2.0 FTE positions		6,506,700
Starbase grant		2,322,000
GROSS APPROPRIATION		$ 70,887,300
Appropriated from:		
Interdepartmental grant revenues:		
IDG from department of state police		101,800
Federal revenues:		
Other federal revenues		47,661,000
Special revenue funds:		
Local revenues		1,545,400
Private revenues		90,000
Other state restricted revenues		2,433,200
State general fund/general purpose		$ 19,055,900
Sec. 103. MICHIGAN VETERANS AFFAIRS AGENCY		
Full-time equated classified positions	224.5	
Board of managers (veterans homes)		$ 940,000
D.J. Jacobetti home for veterans—179.5 FTE positions		23,687,200
Michigan veterans affairs agency administration—39.0 FTE positions		7,136,500
Michigan veterans facility authority		1,000,000
Veterans trust fund administration—6.0 FTE positions		1,480,100
Veterans trust fund grants		3,746,500
Targeted grants		200,000
Veterans service grants		3,835,500
County veteran service fund		2,100,000
GROSS APPROPRIATION		$ 44,125,800
Appropriated from:		
Federal revenues:		
Other federal revenues		8,516,300
Special revenue funds:		
Private revenues		540,000
Other state restricted revenues		10,833,900
State general fund/general purpose		$ 24,235,600

		For Fiscal Year Ending Sept. 30, 2019
Sec. 104. GRAND RAPIDS HOME FOR VETERANS		
Full-time equated classified positions 347.0		
Veterans home operations	$	8,989,700
Purchased services		10,342,700
Salaries, wages, and fringe benefits—347.0 FTE positions		31,536,800
GROSS APPROPRIATION	$	50,869,200
Appropriated from:		
Federal revenues:		
Other federal revenues		21,413,900
Special revenue funds:		
Other state restricted revenues		6,693,000
State general fund/general purpose	$	22,762,300
Sec. 105. CAPITAL OUTLAY		
Land and acquisitions	$	2,900,000
Special maintenance - National Guard		20,000,000
Special maintenance - veterans homes		500,000
GROSS APPROPRIATION	$	23,400,000
Appropriated from:		
Federal revenues:		
Other federal revenues		20,000,000
Special revenue funds:		
Other state restricted revenues		2,900,000
State general fund/general purpose	$	500,000
Sec. 106. INFORMATION TECHNOLOGY		
Information technology services and projects	$	1,407,000
GROSS APPROPRIATION	$	1,407,000
Appropriated from:		
Federal revenues:		
Other federal revenues		579,000
Special revenue funds:		
Other state restricted revenues		419,400
State general fund/general purpose	$	408,600
Sec. 107. ONE-TIME APPROPRIATIONS		
Armory maintenance	$	1,000,000
Vietnam veterans outreach		600,000
Grand Rapids home for veterans video monitoring pilot project		275,000
GROSS APPROPRIATION	$	1,875,000
Appropriated from:		
State general fund/general purpose	$	1,875,000

PART 2

PROVISIONS CONCERNING APPROPRIATIONS FOR FISCAL YEAR 2018-2019

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state sources under part 1 for fiscal year 2018-2019 is $92,116,900.00 and state spending from state sources to be paid to local units of government for fiscal year 2018-2019 is $2,242,400.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF MILITARY AND VETERANS AFFAIRS		
County veteran service fund	$	2,100,000

Michigan veterans affairs agency administration	$	90,000
Military training sites and support facilities	$	52,400
TOTAL	$	2,242,400

Sec. 202. The appropriations authorized under this part and part 1 are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

Sec. 203. As used in this part and part 1:

(a) "Core services" means that term as defined in section 373 of the management and budget act, 1984 PA 431, MCL 18.1373.

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

(c) "Director" means the director of the department.

(d) "FTE" means full-time equated.

(e) "HVAC" means heating, ventilation, and air conditioning.

(f) "IDG" means interdepartmental grant.

(g) "Michigan veterans' facility authority" means the authority created under section 3 of the Michigan veterans' facility authority act, 2016 PA 560, MCL 36.103.

(h) "MVAA" means the Michigan veterans affairs agency.

(i) "Subcommittees" means the subcommittees of the senate and house appropriations committees with jurisdiction over the budget of the department.

(j) "Support services" means an activity, such as information technology, accounting, human resources, legal, and other support functions that are required to support the ongoing delivery of core services.

(k) "USDVA" means the United States Department of Veterans Affairs.

(*l*) "USDVA-VHA" means the USDVA Veterans Health Administration.

(m) "VSO" means veterans service organization.

(n) "Work project" means that term as defined in section 404 of the management and budget act, 1984 PA 431, MCL 18.1404, and that meets the criteria in section 451a(1) of the management and budget act, 1984 PA 431, MCL 18.1451a.

Sec. 204. The department and agencies receiving appropriations in part 1 shall use the internet to fulfill the reporting requirements of this part. This requirement may include transmission of reports via electronic mail to the recipients identified for each reporting requirement, or it may include placement of reports on an internet or intranet site.

Sec. 205. Funds appropriated in part 1 shall not be used for the purchase of foreign goods or services, or both, if competitively priced and of comparable quality American goods or services, or both, are available. Preference must be given to goods or services, or both, manufactured or provided by Michigan businesses, if they are competitively priced and of comparable quality. In addition, preference shall 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. 206. The director 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. The director shall strongly encourage firms with which the department contracts to subcontract with certified businesses in depressed and deprived communities for services or supplies, or both.

Sec. 207. The department and agencies receiving appropriations in part 1 shall prepare a report on out-of-state travel expenses not later than January 1 of each year. The travel report shall be a listing of all travel by classified and unclassified employees outside this state in the immediately preceding fiscal year that was funded in whole or in part with funds appropriated in the department's budget. The department and agencies shall submit the report to the senate and house appropriations committees, the house and senate fiscal agencies, and the state budget director. The report shall include the following information:

(a) The dates of each travel occurrence.

(b) The transportation and related costs of each travel occurrence, including the proportion funded with state general fund/general purpose revenues, the proportion funded with state restricted revenues, the proportion funded with federal revenues, and the proportion funded with other revenues.

Sec. 208. Funds appropriated in part 1 shall not be used by a principal executive department, state agency, or authority to hire a person to provide legal services that are the responsibility of the attorney general. This prohibition does not apply to legal services for bonding activities and for those outside services that the attorney general authorizes.

Sec. 209. Not later than November 30, the state budget office shall prepare and transmit a report that provides for estimates of the total general fund/general purpose appropriation lapses at the close of the prior fiscal year. This report shall summarize the projected year-end general fund/general purpose appropriation lapses by major departmental program or program areas. The report shall be transmitted to the chairpersons of the senate and house appropriations committees, the subcommittees, and the senate and house fiscal agencies.

Sec. 210. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $12,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

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

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

Sec. 211. The department shall cooperate with the department of technology, management and budget to maintain a searchable website accessible by the public at no cost that includes, but is not limited to, all of the following:

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

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

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

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

(e) Job specifications and wage rates.

Sec. 212. Within 14 days after the release of the executive budget recommendation, the department shall cooperate with the state budget office to provide the senate and house appropriations chairs, the senate and house appropriations subcommittees chairs, and the senate and house fiscal agencies with an annual report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures for the fiscal years ending September 30, 2018 and September 30, 2019.

Sec. 213. The department shall maintain, on a publicly accessible website, a department scorecard that identifies, tracks, and regularly updates key metrics that are used to monitor and improve the department's performance.

Sec. 214. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2019 are estimated at $17,509,500.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at $8,072,200.00. Total agency appropriations for retiree health care legacy costs are estimated at $9,437,300.00.

Sec. 215. The department shall not take disciplinary action against an employee for communicating with a member of the legislature or his or her staff.

Sec. 216. The department shall provide quarterly reports to the subcommittees on military and veterans affairs, the senate and house fiscal agencies, and the state budget office, which shall provide the following data:

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

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

(c) A report on the status of performance metrics cited in this part and information required to be reported in this part.

(d) The number of active employees at the close of the fiscal quarter by job classification and program.

(e) Evidence of efficiencies and management of funds within established appropriations.

Sec. 217. The appropriations in part 1 are for the core services, support services, and work projects of the department, including, but not limited to, the following core services:

(a) Armories and joint force readiness.

(b) National Guard training facilities and air bases.

(c) Michigan youth challeNGe academy.

(d) Military family relief fund.

(e) Starbase grant.

(f) National Guard tuition assistance program.

(g) Michigan veterans affairs agency administration.

(h) Veterans service grants.

(i) Veterans' trust fund administration.

(j) Veterans' trust fund grants.

(k) Board of managers (veterans homes).

(*l*) Grand Rapids home for veterans.

(m) D.J. Jacobetti home for veterans.

(n) Michigan veterans' facility authority.

(o) County veteran service fund.

Sec. 218. The appropriations in part 1 for capital outlay shall be carried forward at the end of the fiscal year consistent with section 248 of the management and budget act, 1984 PA 431, MCL 18.1248.

Sec. 219. Sixty days prior to the public announcement of the intention to sell any department real property, the department shall submit notification of that intent to the subcommittees on military and veterans affairs and the senate and house fiscal agencies.

MILITARY

Sec. 301. (1) From the funds appropriated in part 1, there is funding to support unclassified employee positions as authorized by section 5 of article XI of the state constitution of 1963. These positions include the following: department director - the adjutant general for Michigan; assistant adjutant general - army; assistant adjutant general - installations; assistant adjutant general - air; senior policy executive - Michigan veterans affairs agency; senior deputy director - state operations; director - strategy and policy; chief executive officer for the Michigan veteran health system; and director - Michigan veterans affairs agency.

(2) Not less than 30 days prior to the department submitting a request for an additional unclassified employee position from the civil service commission, or for any substantive change to the duties of an existing unclassified employee position, the department shall notify the subcommittees on military and veterans affairs and the senate and house fiscal agencies.

Sec. 302. (1) From the funds appropriated in part 1 for military operations, effective and efficient executive direction and administrative leadership shall be provided to the department.

(2) The department shall operate and maintain National Guard armories.

(3) The department shall evaluate armories and submit a quarterly report as provided under section 216 of this part on the status of the armories.

(4) The department shall maintain a system to measure the condition and adequacy of the armories.

(5) The Michigan Army National Guard and Air National Guard shall work to provide a culture that is free of sexual assault, through an environment of prevention, education and training, response capability, victim support, reporting procedures, and appropriate accountability that enhances the safety and well-being of all guard members.

(6) By December 1, the department shall report the following information to the subcommittees on military and veterans affairs, the senate and house fiscal agencies, and the state budget office:

(a) An assessment of the grounds and facilities of each armory to objectively measure and determine the current facility condition and capability to support authorized manpower, unit training, and operations.

(b) Recommendations for the placement of new armories, the relocation or consolidation of existing armories, or a change in the mission of units assigned to armories to ideally position the National Guard in current or projected population centers.

(c) Recommendations for the enhanced use of armories to facilitate family support programs during deployments.

(d) An analysis of the feasibility, potential costs, and benefits of use of armories shared with other local, state, or federal agencies to improve responses to local emergencies as well as the community support provided to armories.

(e) An investment strategy and proposed funding amounts in a prioritized project list to correct the most critical facility shortfalls across the inventory of armories in this state.

Sec. 303. (1) The department shall maintain the Michigan youth challeNGe academy to provide values, skills, education, and self-discipline instruction for at-risk youth as provided under 32 USC 509.

(2) The department shall take steps to recruit candidates to the challeNGe academy from economically disadvantaged areas, including those with low-income and high-unemployment backgrounds.

(3) The department shall partner with the department of health and human services to identify youth who may be eligible for the challeNGe academy from those youth served by department of health and human services programs. These eligible youth shall be given priority for enrollment in the academy.

(4) The department shall maintain the staffing and resources necessary to train and graduate at least 114 students per cohort (228 annually).

(5) The department shall ensure individual academic success as measured by the number of individuals who have received a general equivalency diploma, high school diploma, or high school credit recovery or by the improvement of tests of adult basic education scores, or both.

(6) Any unexpended private donations to support the Michigan youth challeNGe academy at the close of this fiscal year shall not lapse to the general fund but shall be carried forward to the subsequent fiscal year.

Sec. 304. (1) The department shall provide grants for disbursement from the military family relief fund, as provided under the military family relief fund act, 2004 PA 363, MCL 35.1211 to 35.1216, and R 200.5 to R 200.95 of the Michigan Administrative Code.

(2) The department shall provide information on the revenues, expenditures for advertising and assistance grants, and fund balance of the Michigan military family relief fund, as provided under section 216 of this part.

(3) The department shall provide sufficient staffing and other resources to provide outreach to the Michigan families of members of the reserve component of the Armed Forces of the United States called into active duty and to support the processing and approval of grant applications for this fiscal year under the Michigan military relief fund and report those applications as provided under section 216 of this part.

Sec. 305. (1) The department shall provide Army and Air National Guard forces, when directed, for state and local emergencies and in support of national military requirements.

(2) The department shall operate and maintain Army National Guard training facilities, including Fort Custer and Camp Grayling.

(3) The department shall maintain a system that measures the condition and adequacy of air facilities using both quality and functionality criteria.

(4) The department shall operate and maintain Air National Guard air bases, including Selfridge Air National Guard base, Battle Creek Air National Guard base, and Alpena combat readiness training center.

(5) The department shall provide the following information as provided under section 216 of this part:

(a) The apportioned and assigned strength of the Michigan Army National Guard.

(b) The apportioned and assigned strength of the Michigan Air National Guard.

(c) Recruiting, retention, and attrition data, including measurement against stated performance goals, for the Michigan Army National Guard.

(d) Recruiting, retention, and attrition data, including measurement against stated performance goals, for the Michigan Air National Guard.

Sec. 306. There is created and established under the jurisdiction and control of the department a revolving account to be known as the billeting fund account. All of the fees and other revenues generated from the operation of the

chargeable transient quarters program shall be deposited in the billeting fund account. Appropriations will be made from the account for the support of program operations and the maintenance and operations of the chargeable transient quarters program and will not exceed the estimated revenues for the fiscal year in which they are made, together with unexpended balances from prior years. The department shall submit an annual report of operations and expenditures regarding the billeting fund account to the appropriations committees of the senate and house of representatives, the senate and house fiscal agencies, and the state budget office at the end of the fiscal year.

Sec. 307. (1) The department shall maintain a National Guard tuition assistance program for members of the Michigan Army and Air National Guard.

(2) The objective of the National Guard tuition assistance program is to bolster military readiness by increasing recruitment and retention of Michigan Army and Air National Guard service members, to fill federally authorized strength levels for the state, to improve the Michigan Army and Air National Guard's competitive draw from other military enlistment options in the state, to enhance the ability of the Michigan Army and Air National Guard to compete for members and federal dollars with surrounding states, and to increase the pool of eligible candidates within the Michigan Army and Air National Guard to become commissioned officers.

(3) The department shall make efforts to increase the number of Michigan Army and Air National Guard members participating in the program to 1,100 during the fifth year of the program's existence. To evaluate the effectiveness of the program, the department shall monitor the number of new recruits and new reenlistments and the percentage of those who become participants in the program to determine whether the percentage of authorized Michigan Army and Air National Guard strength obtained and retained is competitive in comparison with the neighboring army and air national guards from Illinois, Indiana, Ohio, and Wisconsin.

(4) The general fund/general purpose funds appropriated in part 1 for the National Guard tuition assistance fund shall be deposited to the restricted Michigan National Guard tuition assistance fund created in section 4 of the Michigan National Guard tuition assistance act, 2014 PA 259, MCL 32.434. All funds in the restricted Michigan National Guard tuition assistance fund are appropriated and available for expenditure to support the Michigan National Guard tuition assistance program.

Sec. 308. The department shall maintain the starbase program at Air National Guard facilities, as provided under 10 USC 2193b, to improve the knowledge, skills, and interest of students, primarily in the fifth grade, in math, science, and technology. The starbase program is to specifically target minority and at-risk students for participation.

MICHIGAN VETERANS AFFAIRS AGENCY

Sec. 401. The board of managers and Michigan veterans' facility authority shall exercise certain regulatory and governance authority regarding admission and member affairs at the Grand Rapids and D.J. Jacobetti homes for veterans. The board of managers shall also work to represent the interest of the veterans' community in both advisory and advocacy roles.

Sec. 402. (1) The MVAA, the board of managers, and the Michigan veterans' facility authority shall provide compassionate and quality nursing and domiciliary care services at the Grand Rapids and D.J. Jacobetti homes for veterans so that members can achieve their highest potential of wellness, independence, self-worth, and dignity.

(2) The department shall provide resources necessary to provide nursing care services to veterans in accordance with federal standards and provide the results of the annual USDVA survey and certification as proof of compliance.

(3) Appropriations in part 1 for the Grand Rapids and the D.J. Jacobetti homes for veterans shall not be used for any purpose other than for veterans and veterans' families.

(4) Any contractor providing mental health services to the Grand Rapids and D.J. Jacobetti homes for veterans shall utilize mental health interventions that have been shown to be effective with the conditions they are treating, in accordance with evidence-based best practices supported by the USDVA-VHA, United States Department of Defense, the Substance Abuse and Mental Health Services Administration, the American Psychological Association, and the National Association of Social Workers.

(5) Any contractor providing competency evaluated nursing assistants (CENA) to the Grand Rapids home for veterans shall ensure that each CENA has at least 8 hours of training on information provided by the home.

(6) Any contractor providing competency evaluated nursing assistants to the Grand Rapids home for veterans shall ensure that each CENA has at least 1 eight-hour shift of shadowing at the veterans' home.

(7) Any contractor providing competency evaluated nursing assistants to the Grand Rapids home for veterans shall ensure that each CENA is competent in the basic skills needed to perform his or her assigned duties at the home.

(8) The Grand Rapids home for veterans shall provide each CENA at least 12 hours of in-service training once that individual has been assigned to the home.

(9) All complaints of abusive or neglectful care at the Grand Rapids and the D.J. Jacobetti homes for veterans by a resident member, a resident member's family or legal guardian, or staff of the veterans' homes received by a supervisor shall be referred to the director of nursing or his or her designee upon receipt of the complaint. The director of nursing or his or her designee shall report on not less than a monthly basis, except that the board of managers may specify a more frequent reporting period to the home administrator, board of managers, agency, subcommittees, senate and house fiscal agencies, and state budget office the following information:

(a) A description of the process by which resident members and others may file complaints of alleged abuse or neglect at the Grand Rapids and the D.J. Jacobetti homes for veterans.

(b) Summary statistics on the number and general nature of complaints of abuse or neglect.

(c) Summary statistics on the final disposition of complaints of abuse or neglect received.

(10) The Grand Rapids and D.J. Jacobetti homes for veterans shall provide an on-site, board-certified psychiatrist for all resident members with mental health disorders in order to ensure that those resident members receive needed services in a professional and timely manner. The Grand Rapids and D.J. Jacobetti homes for veterans shall provide all members and staff a safe and secure environment.

(11) The Grand Rapids and D.J. Jacobetti homes for veterans shall ensure that they effectively develop, execute, and monitor all comprehensive care plans in accordance with federal regulations and their internal policies, with a goal that a comprehensive care plan is fully developed for all resident members.

(12) The Grand Rapids and D.J. Jacobetti homes for veterans shall implement controls over their food, maintenance supplies, pharmaceuticals, and medical supplies inventories.

(13) The Grand Rapids and D.J. Jacobetti homes for veterans shall establish sufficient controls for calculating resident member maintenance assessments in order to accurately calculate resident member maintenance assessments for each billing cycle. The Grand Rapids and D.J. Jacobetti homes for veterans shall establish sufficient controls to ensure that all past due resident member maintenance assessments are addressed within 30 days.

(14) The Grand Rapids and D.J. Jacobetti homes for veterans shall establish sufficient controls over monetary donations and donated goods.

(15) The Grand Rapids and D.J. Jacobetti homes for veterans shall implement sufficient controls over the handling of resident member funds to ensure the release of funds within 3 business days upon the resident member leaving the home and to ensure that a representative of a resident member is provided a full accounting of that resident member's funds within 10 business days of the death of that resident member.

(16) The MVAA shall post on its website all policies adopted by the board of managers, the Michigan veterans' facility authority, and the veterans' homes related to the administrative operations of the veterans' homes.

(17) The process by which visitors, residents, and employees of the Grand Rapids and D.J. Jacobetti homes for veterans may register complaints shall be displayed in high-traffic areas throughout the home.

(18) The MVAA shall report its findings regarding the state veterans' homes' compliance with the requirements and standards under this section in a quarterly report to the legislature and the state budget office. The quarterly reports shall include, but are not limited to, all of the following information:

(a) Quality of care metrics, including:

(*i*) The number of patient care hours and staffing levels measured against USDVA-VHA standards.

(*ii*) Sentinel events reported to the USDVA.

(*iii*) Fall and wound reports.

(*iv*) Complaint reports, including abuse and neglect complaints and outcomes of complaint investigations.

(*v*) Additional minimum data set quality of care indicators used to measure quality of care in long-term care facilities.

(b) Quarterly budget update as provided under section 216 of this part.

(c) An accounting of resident member populations at the Grand Rapids and D.J. Jacobetti homes for veterans as follows:

(*i*) By demographics, including period of service, gender, and age.

(*ii*) By care setting, payment source, and associated revenue projections.

(d) Updates related to the modernization of the Grand Rapids and D.J. Jacobetti homes for veterans, including information related to the following:

(*i*) Infrastructure/capital outlay improvements.

(*ii*) Information technology updates.

(*iii*) Financial management.

(e) Updates on corrective action status related to any audit and survey findings until those findings have been fully addressed.

(19) The Grand Rapids and D.J. Jacobetti homes for veterans shall provide to the subcommittees on military and veterans affairs, the senate and house fiscal agencies, and the state budget office the results of any annual or for-cause survey conducted by the USDVA-VHA and any corresponding corrective action plan. This information shall also be made available publicly through the department's or MVAA's website.

(20) The MVAA shall provide to the legislature and the state budget office quarterly reports as provided in section 216 of this part regarding the status of Centers for Medicare and Medicaid certification efforts, including, but not limited to, descriptions of incremental milestones, associated expenditures, and the percentage of plan completed.

(21) From the funds appropriated in part 1 for Grand Rapids home for veterans video monitoring pilot project, $275,000.00 may be expended for a member in-room safety monitoring pilot program at the Grand Rapids home for veterans. The purpose of the pilot program is to determine if a specific, existing video monitoring system can improve member safety and reduce fall rates at the Grand Rapids home for veterans. In order to achieve this goal, the MVAA may contract with a third party that has developed a best-in-class, continuous virtual patient engagement platform that enables both visual and audio monitoring of members. Prior to expending funds appropriated in part 1 for Grand Rapids home for veterans video monitoring pilot project, the MVAA shall provide a report, to include agency recommendations, to the subcommittees and the senate and house fiscal agencies regarding the feasibility of the pilot project with input from industry experts in this field.

Sec. 403. (1) From the increased funds appropriated in part 1 for D.J. Jacobetti home for veterans, the department shall pursue compliance with current Centers for Medicare and Medicaid Services certification standards. The purpose of this expansion is to obtain Centers for Medicare and Medicaid Services certification by October 1, 2018, to increase the ability to fully utilize all federal funding available to cover the cost of care of eligible veterans living at the D.J. Jacobetti home for veterans, and to improve overall quality of care for all veterans living at the D.J. Jacobetti home for veterans.

(2) If the department fails to achieve Centers for Medicare and Medicaid Services certification by October 1, 2018, the director shall submit a written report within 30 days of receiving notification that certification has been denied to the speaker of the house, the house minority leader, the senate majority leader, the senate minority leader, the chairs of the senate and house of representatives standing committees on appropriations, the chairs of the senate and house of representatives appropriations subcommittees on the department of military and veterans affairs, and the senate and house fiscal agencies. This report must provide detailed information, which includes, but is not limited to, all of the following:

(a) Reasons why the department failed to achieve Centers for Medicare and Medicaid Services certification by the date provided in subsection (1).

(b) A corrective action plan, which must include, but is not limited to, the following:

(*i*) A new date, proposed by the director, for anticipated Centers for Medicare and Medicaid Services certification.

(*ii*) All outstanding facility upgrades and personnel requirements, with associated cost projections, necessary to achieve Centers for Medicare and Medicaid Services certification by the date proposed by the director in subparagraph (*i*).

(3) The department shall identify specific outcomes and performance measures for this initiative, including, but not limited to, the following:

(a) The quality of care to members of the D.J. Jacobetti home for veterans shall increase as a result of increased direct care staffing ratios.

(b) The quality of the care environment at the D.J. Jacobetti home for veterans shall increase as a result of facility updates made according to Medicaid specifications to increase members' access to private and semi-private accommodations.

(c) The quality of care for members of the D.J. Jacobetti home for veterans shall increase as a result of increased ability efforts to implement long-term care, evidence-based best practices at the D.J. Jacobetti home for veterans.

(d) The collection of available federal Medicaid revenue shall increase as a result of Centers for Medicare and Medicaid certification.

(e) The fiscal stability of the D.J. Jacobetti home for veterans shall improve due to increased efforts to collect available federal revenue.

Sec. 404. The department shall ensure that the quality of care for members of the Grand Rapids and D.J. Jacobetti homes for veterans shall exceed the current quality of care for the full spectrum of health care services as a result of the upgrades made to the homes to meet the Centers for Medicare and Medicaid Services certification standards. The department shall provide a quarterly report as provided under section 216 of this part to the subcommittees, which contains evidence that the quality of care for the full spectrum of health care services has improved due to those upgrades.

Sec. 405. (1) The MVAA shall provide a report, as provided under section 216 of this part, on the financial status of the Michigan veterans' trust fund, including the number and amount of emergency grants, state administrative expenses, and county administrative expenses.

(2) The Michigan veterans' trust fund board together with the agency shall maintain the staffing and resources necessary to process a minimum of 2,000 applications for veterans' trust fund emergency grants.

Sec. 406. (1) The MVAA shall provide outreach services to Michigan veterans to advise them on the benefits to which they are entitled, as provided under Executive Reorganization Order No. 2013-2, MCL 32.92. The MVAA shall also do the following:

(a) Maintain the staffing partnerships and other resources necessary to develop and operate an outreach program that communicates benefit eligibility information to at least 50% of Michigan's population of veterans, as assessed by annual census estimates, with a goal of reaching 100% and enabling 100% to access benefit information online.

(b) Communicate veteran benefit information pertaining to the Michigan military family relief fund, Michigan veterans' trust fund, and USDVA health, financial, and memorial benefits to which veterans are entitled.

(c) Provide sufficient staffing and other resources to approve requests for military discharge certificates (DD-214) annually.

(d) Continue the process to digitize all medical records, military discharge documents, and burial records that are currently on paper and microfilm.

(e) Provide a report, as provided under section 216 of this part, on the MVAA's performance on the performance measures, outcomes, and initiatives developed by the agency in the strategic plan required by section 501 of 2013 PA 9.

(f) Provide a report to the subcommittees on military and veterans affairs, the senate and house fiscal agencies, and the state budget office no later than April 1 providing, to the extent known, data on the estimated number of homeless veterans, by county, in this state.

(2) From the funds appropriated in part 1, the MVAA shall provide for the regional coordination of services, as follows:

(a) Regional coordinators shall be selected by the MVAA through a grant agreement with VSOs or by other means.

(b) Regional coordinators shall provide the following services:

(*i*) Coordinate veteran benefit counselors' efforts throughout a specified region.

(*ii*) Coordinate services with the department of health and human services and the department of corrections.

(*iii*) Coordinate with regional workforce and economic development agencies.

(*iv*) Coordinate activities among local foundations, nonprofit organizations, and community groups to improve accessibility, enrollment, and utilization of the array of health care, education, employment assistance, and quality of life services provided at the local level.

(c) The MVAA may work with MVAA service officers, regional coordinators, county veteran counselors, VSO service officers, and other service providers to incorporate the provision of information relating to mental health care resources into their daily operations to aid veterans in understanding the mental health care support services they may be eligible to receive.

(d) The MVAA shall coordinate with the department of health and human services to identify Medicaid recipients who are veterans and who may be eligible for federal veterans health care benefits or other benefits, to the extent that the identification does not violate applicable confidentiality requirements.

(e) The MVAA shall collaborate with the department of corrections to create and maintain a process by which prisoners can obtain a copy of their DD-214 form or other military discharge documentation if necessary.

(f) The MVAA shall ensure that all MVAA service officers, VSO service officers, and regional coordinators receive appropriate training in processing applications for benefits payable to veterans due to military sexual trauma, post-traumatic stress disorder, depression, anxiety, substance abuse, or other mental health issues.

(3) The MVAA shall provide claims processing services to Michigan veterans in support of benefit claims submitted to the USDVA for the health, financial, and memorial benefits for which they are eligible, and shall do all of the following:

(a) Report the following information as provided in section 216 of this part:

(*i*) The number of benefit claims, by type, submitted to the USDVA by MVAA and coalition partner veteran service officers.

(*ii*) The number of fully developed claims submitted to the USDVA, with an overall goal of 40% of benefit claims submitted that are considered fully developed by the USDVA.

(b) Maintain the staffing and resources necessary to process a minimum of 500 claims per year.

(4) The MVAA shall maintain staffing and resources necessary to develop and implement a process to ensure that all county counselors receive the training and accreditation necessary to provide quality services to veterans. The MVAA shall report information as provided in section 216 of this part on the number and percentage of county veterans counselors requesting training by the MVAA, with an overall goal of 100% of county veterans counselors trained.

(5) From the funds appropriated in part 1 for targeted grants, the MVAA shall provide grant assistance to enhance the capacity and capabilities of counties in providing benefit claims assistance. These funds must be used to continue the implementation of an internet-based data system, to increase the number of county veterans counselors, and to increase the number of counties that provide service to veterans through county veterans counselors. The MVAA shall provide a report, as provided under section 216 of this part, on the expenditures and activities of the grant funds directed by this subsection.

(6) From the funds appropriated in part 1 for MVAA, the MVAA is authorized to expend up to $50,000.00 to hire legal services to represent veterans benefit cases before federal court to maintain accreditation under 38 CFR 14.628(d)(1)(iv).

Sec. 407. (1) The MVAA shall disburse grants to achieve agency goals and performance objectives in partnership with counties and VSOs. Grants will be disbursed to fund programs and projects which are determined by the agency to meet agency performance objectives and ensure that grantees communicate the availability of emergency grants through the Michigan veterans' trust fund. In disbursing grants, the MVAA shall do the following:

(a) Ensure that each grantee is issued performance standards.

(b) Ensure that each grantee uses those funds for veterans advocacy and outreach.

(c) Monitor the performance of each grantee.

(d) Require each grantee to report quarterly on services provided to veterans and account for all grant fund expenditures.

(e) Require that each grantee report quarterly on the number of claims initiated and the number of claims processed by the grantee.

(f) Promulgate monthly benchmark requirements, based upon contractual obligations, that each grantee must meet and require each grantee to report on achieving the benchmark requirements quarterly to the MVAA, in order to ensure that each grantee meets MVAA veteran service goals.

(g) Assess the accuracy rate of claims reported by grantees and the attendance rate of grantees, based upon contractual obligations.

(h) Ensure that each grantee adheres to the MVAA approved schedule of operations.

(i) Report quarterly to the subcommittees and senate and house fiscal agencies on grantee operations monitored under this subsection, as provided in section 216 of this part.

(2) Grants awarded by the MVAA shall provide for the following, as developed by the MVAA:

(a) The provision of service to veterans statewide, using a regional service delivery model, with services provided at specified locations and times, including service provided in state correctional facilities.

(b) The payment of an hourly service rate that shall not exceed $34.00 per hour.

(c) A specified number of service hours within each geographic region of this state, with a statewide goal based on both appropriations for the fiscal year ending September 30, 2019 for the grant programs and the hourly service rate under subdivision (b). The statewide goal will include service hours provided to eligible incarcerated veterans within 1 year of their earliest release date.

(d) Use of an MVAA-designated internet-based claims data system.

(3) The MVAA shall report the following information as provided in section 216 of this part:

(a) A summary of activities supported through the appropriation in part 1 for grants, including, separately for each service region, the amount of expenditures to date, number of service hours, number of claims for benefits submitted by type of claim, and other information deemed appropriate by the MVAA.

(b) The number of fully developed claims, by type, submitted to the USDVA by grantees, with an overall goal of 40% of benefit claims submitted that are considered fully developed by the USDVA.

Sec. 408. (1) The Michigan veterans' trust fund board together with the MVAA shall provide emergency grants for disbursement from the Michigan veterans' trust fund, as provided under the following program authorities:

(a) Sections 37, 38, and 39 of article IX of the state constitution of 1963.

(b) 1946 (1st Ex Sess) PA 9, MCL 35.602 to 35.610.

(c) R 35.1 to R 35.7 of the Michigan Administrative Code.

(d) R 35.621 to R 35.623 of the Michigan Administrative Code.

(2) No later than December 1, the MVAA shall provide a detailed report of the Michigan veterans' trust fund that includes, for the immediately preceding fiscal year, information on grants provided from the emergency grant program, including details concerning the methodology of allocations, the selection of emergency grant program authorized agents, a description of how the emergency grant program is administered in each county, and a detailed breakdown of trust fund expenditures for that year, including the amount distributed to each county for administrative costs and emergency grants. The report shall also include the number of approved applications, by category of assistance, and the number of denied applications, by reason of denial. The report shall also provide an update on the department's efforts to reduce program administrative costs and maintain the Michigan veterans' trust fund corpus to its original amount of at least $50,000,000.00.

(3) Any funds not expended or encumbered at the end of the current fiscal year shall be deposited into the Michigan veterans' trust fund corpus.

CAPITAL OUTLAY

Sec. 501. (1) The department shall provide for the acquisition and disposition of National Guard armories, facilities, and lands as provided under sections 368, 382, and 382a of the Michigan military act, 1967 PA 150, MCL 32.768, 32.782, and 32.782a.

(2) The department shall provide a listing of property sales and acquisitions as provided under section 216 of this part.

Sec. 502. (1) The appropriations in part 1 for special maintenance - National Guard shall be carried forward at the end of the fiscal year consistent with section 248 of the management and budget act, 1984 PA 431, MCL 18.1248.

(2) The appropriations for special maintenance - National Guard shall be expended in accordance with the requirements of sections 302 and 305 of this part and shall be expended according to the maintenance priorities of the department to repair and modernize military training sites and support facilities, including armories, which may include projects such as roof, HVAC, or boiler replacement, interior renovations, facility expansion, improvements to parking facilities, and other projects.

(3) The department shall provide a quarterly report as provided under section 216 of this part providing information on the status, projected costs, and projected completion date of current and planned special maintenance projects at the armories and other National Guard facilities funded from capital outlay appropriations made in part 1 and in prior appropriations years.

Sec. 503. (1) The appropriations in part 1 for special maintenance - veterans homes shall be carried forward at the end of the fiscal year consistent with section 248 of the management and budget act, 1984 PA 431, MCL 18.1248.

(2) The appropriations for special maintenance - veterans homes shall be expended in accordance with the requirements of section 402 of this part and shall be expended according to the maintenance priorities of the department to repair and modernize the state's veterans' homes, which may include projects such as roof, HVAC, or boiler replacement, interior renovations, facility expansion, improvements to parking facilities, and other projects designed to enhance the quality of life and medical care of members.

(3) The MVAA shall provide a quarterly report as provided under section 216 of this part providing information on the status, projected costs, and projected completion date of current and planned special maintenance projects at the Grand Rapids home for veterans and D.J. Jacobetti home for veterans funded from capital outlay appropriations made in part 1 and in prior appropriations years.

ONE-TIME APPROPRIATIONS

Sec. 601. (1) The appropriations in part 1 for armory maintenance shall be carried forward at the end of the fiscal year consistent with section 248 of the management and budget act, 1984 PA 431, MCL 18.1248.

(2) The appropriations for armory maintenance shall be expended in accordance with the requirements of sections 302 and 305 of this part and shall be expended according to the maintenance priorities of the department to repair and modernize military training sites and support facilities, including armories.

Sec. 602. (1) The appropriations in part 1 for Vietnam veterans outreach shall be used by the MVAA for outreach and awareness campaigns for targeting Vietnam veterans and their families, to locate and inform them that they are still eligible for health and other benefits from the USDVA, some of which have only recently been established, and to

urge them to connect to their benefits with the assistance of an accredited veteran service officer. Outreach shall be accomplished through Vietnam veteran specific media campaigns and through the coordinated actions of veterans community action teams, veterans services officers, county veterans service officers, Michigan veterans trust fund county committees, central MVAA staff, and other organizations that can be recruited to join the effort.

(2) The Vietnam veterans outreach project shall include an advertising campaign to educate and inform Vietnam veterans and their eligible family members of benefits available that will reach 70% of the targeted audience 4 times each.

(3) The Vietnam veterans outreach project shall increase the engagement of Vietnam veterans and family members by increasing subscriptions to the MVAA Vietnam Quarterly newsletter by a minimum of 5% annually, by increasing calls from Vietnam veterans and family members to the Michigan veterans resource service center by a minimum of 3% annually, and by increasing the number of applications filed by Vietnam era veterans and eligible family members by a minimum of 3% annually.

(4) The MVAA shall assess the efficacy of the Vietnam veterans outreach program by comparing annual benchmarks based upon the stated goals in subsection (3) with the years immediately prior to the establishment of the program for which applicable data are available. The MVAA shall report to the subcommittees and the senate and house fiscal agencies on the assessment of the effectiveness of the program quarterly, as provided under section 216 of this part, on accomplishing the state goals, as well as upon the completion of the program.

(5) Unexpended and unencumbered appropriations for Vietnam veterans outreach shall not lapse to the general fund but shall be carried forward into the subsequent fiscal year.

PART 2A

PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS FOR FISCAL YEAR 2019-2020

GENERAL SECTIONS

Sec. 701. It is the intent of the legislature to provide appropriations for the fiscal year ending on September 30, 2020 for the line items listed in part 1. The fiscal year 2019-2020 appropriations are anticipated to be the same as those for fiscal year 2018-2019, excluding appropriations designated as one-time appropriations and adjusting for changes in caseload and related costs, federal fund match rates, economic factors, and available revenue. These adjustments will be determined after the January 2019 consensus revenue estimating conference.

Sec. 702. The veterans affairs agency shall provide the percentage of Michigan veterans contacted, with a goal of 100%, and report upon those outreach findings to the subcommittees on military and veterans affairs at quarterly legislative hearings.

Sec. 703. The veterans affairs agency shall maintain a minimum 50% fully developed claims as determined by the USDVA.

ARTICLE XV

DEPARTMENT OF NATURAL RESOURCES

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of natural resources for the fiscal year ending September 30, 2019, from the following funds:

DEPARTMENT OF NATURAL RESOURCES

APPROPRIATION SUMMARY		
Full-time equated unclassified positions	6.0	
Full-time equated classified positions	2,324.3	
GROSS APPROPRIATION		$ 438,442,800

		For Fiscal Year Ending Sept. 30, 2019
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers	$	232,200
ADJUSTED GROSS APPROPRIATION	$	438,210,600
Federal revenues:		
Total federal revenues		81,731,600
Special revenue funds:		
Total private revenues		7,431,400
Total other state restricted revenues		299,965,800
State general fund/general purpose	$	49,081,800
FUND SOURCE SUMMARY		
Full-time equated unclassified positions	6.0	
Full-time equated classified positions	2,324.3	
GROSS APPROPRIATION	$	438,442,800
Interdepartmental grant revenues:		
IDG, land acquisition services-to-work orders		232,200
Total interdepartmental grants and intradepartmental transfers		232,200
ADJUSTED GROSS APPROPRIATION	$	438,210,600
Federal revenues:		
Federal funds		78,038,100
Federal national forest timber fund		900,000
Michigan state waterways fund, federal		2,473,500
State park improvement, federal		320,000
Total federal revenues		81,731,600
Special revenue funds:		
Private funds		7,431,400
Total private revenues		7,431,400
Cervidae licensing and inspection fees		138,800
Commercial forest fund		26,600
Deer habitat reserve		2,153,300
Fire equipment fund		668,700
Fisheries settlement		629,200
Forest development fund		41,571,200
Forest land user charges		257,700
Forest recreation account		1,976,200
Game and fish protection fund		75,210,400
Great Lakes protection fund		529,500
Invasive species fund		100
Land exchange facilitation fund		5,021,400
Local public recreation facilities fund		1,876,100
Mackinac Island State Park fund		1,605,600
Mackinac Island State Park operation fund		128,500
MacMullan Conference Center account		1,169,800
Marine safety fund		3,752,400
Michigan heritage publications fund		22,300
Michigan historical center operations fund		807,300
Michigan natural resources trust fund		1,329,100
Michigan state parks endowment fund		26,856,800
Michigan state waterways fund		28,447,800
Michigan trailways fund		200
Nongame wildlife fund		486,200
Off-road vehicle safety education fund		203,700
Off-road vehicle trail improvement fund		8,397,300
Park improvement fund		64,356,300
Park improvement fund, Belle Isle subaccount		800,200
Permanent snowmobile trail easement fund		700,000
Public use and replacement deed fees		28,200
Recreation improvement account		1,538,200
Recreation passport fees		12,348,600

		For Fiscal Year Ending Sept. 30, 2019
Snowmobile registration fee revenue	$	1,198,500
Snowmobile trail improvement fund		10,146,500
Sportsmen against hunger fund		77,500
Turkey permit fees		1,026,900
Waterfowl fees		120,800
Waterfowl hunt stamp		1,000,000
Wildlife management public education fund		2,100,000
Wildlife resource protection fund		1,159,200
Youth hunting and fishing education and outreach fund		98,700
Total other state restricted revenues		299,965,800
State general fund/general purpose	$	49,081,800

Sec. 102. DEPARTMENTAL ADMINISTRATION AND SUPPORT

Full-time equated unclassified positions 6.0		
Full-time equated classified positions 121.1		
Unclassified salaries—6.0 FTE positions	$	792,200
Accounting service center		1,508,600
Executive direction—11.6 FTE positions		2,187,600
Finance and operations—105.5 FTE positions		16,802,500
Gifts and pass-through transactions		5,000,000
Legal services—4.0 FTE positions		650,700
Natural resources commission		77,100
Property management		3,875,300
GROSS APPROPRIATION	$	30,894,000
Appropriated from:		
Interdepartmental grant revenues:		
IDG, land acquisition services-to-work orders		232,200
Federal revenues:		
Federal funds		346,100
Special revenue funds:		
Private funds		5,000,000
Deer habitat reserve		159,500
Forest development fund		2,870,400
Forest land user charges		7,700
Forest recreation account		53,600
Game and fish protection fund		7,196,400
Land exchange facilitation fund		4,944,000
Local public recreation facilities fund		201,100
Marine safety fund		801,300
Michigan natural resources trust fund		1,306,800
Michigan state parks endowment fund		1,324,100
Michigan state waterways fund		789,400
Nongame wildlife fund		13,900
Off-road vehicle safety education fund		700
Off-road vehicle trail improvement fund		207,600
Park improvement fund		1,797,100
Public use and replacement deed fees		28,200
Recreation improvement account		84,700
Snowmobile registration fee revenue		50,000
Snowmobile trail improvement fund		126,500
Sportsmen against hunger fund		500
Turkey permit fees		79,400
Waterfowl fees		3,400
Wildlife resource protection fund		42,600
State general fund/general purpose	$	3,226,800

Sec. 103. DEPARTMENT INITIATIVES

Full-time equated classified positions 37.0

		For Fiscal Year Ending Sept. 30, 2019
Great Lakes restoration initiative—11.0 FTE positions	$	11,339,900
Invasive species prevention and control—14.0 FTE positions		5,048,000
Michigan conservation corps		1,000,000
Office of the Great Lakes—12.0 FTE positions		2,237,800
GROSS APPROPRIATION	$	19,625,700
Appropriated from:		
Federal revenues:		
Federal funds		12,143,600
Special revenue funds:		
Great Lakes protection fund		504,500
State general fund/general purpose	$	6,977,600

Sec. 104. COMMUNICATION AND CUSTOMER SERVICES

Full-time equated classified positions 135.3		
Marketing and outreach—80.8 FTE positions	$	13,978,700
Michigan historical center—54.5 FTE positions		6,134,900
Michigan wildlife council		2,100,000
GROSS APPROPRIATION	$	22,213,600
Appropriated from:		
Federal revenues:		
Federal funds		1,337,100
State park improvement, federal		320,000
Special revenue funds:		
Private funds		396,200
Forest development fund		134,100
Forest recreation account		16,400
Game and fish protection fund		8,400,800
Land exchange facilitation fund		46,800
Marine safety fund		36,000
Michigan heritage publications fund		22,300
Michigan historical center operations fund		807,300
Michigan state parks endowment fund		90,400
Michigan state waterways fund		150,000
Nongame wildlife fund		10,800
Off-road vehicle trail improvement fund		38,400
Park improvement fund		2,857,600
Recreation passport fees		28,200
Snowmobile registration fee revenue		19,400
Snowmobile trail improvement fund		45,600
Sportsmen against hunger fund		76,400
Wildlife management public education fund		2,100,000
Youth hunting and fishing education and outreach fund		96,700
State general fund/general purpose	$	5,183,100

Sec. 105. WILDLIFE MANAGEMENT

Full-time equated classified positions 230.5		
Natural resources heritage—9.0 FTE positions	$	634,900
Wildlife management—221.5 FTE positions		44,917,900
GROSS APPROPRIATION	$	45,552,800
Appropriated from:		
Federal revenues:		
Federal funds		25,368,800
Special revenue funds:		
Private funds		315,700
Cervidae licensing and inspection fees		85,400
Deer habitat reserve		1,732,200
Forest development fund		77,600
Game and fish protection fund		12,063,600

		For Fiscal Year Ending Sept. 30, 2019
Nongame wildlife fund	$	431,000
Turkey permit fees		913,700
Waterfowl fees		114,100
State general fund/general purpose	$	4,450,700

Sec. 106. FISHERIES MANAGEMENT

Full-time equated classified positions 223.5		
Aquatic resource mitigation—2.0 FTE positions	$	629,300
Cormorant population mitigation program		150,000
Fish production—63.0 FTE positions		10,328,900
Fisheries resource management—158.5 FTE positions		21,063,600
GROSS APPROPRIATION	$	32,171,800
Appropriated from:		
Federal revenues:		
Federal funds		11,402,200
Special revenue funds:		
Private funds		136,700
Fisheries settlement		629,200
Game and fish protection fund		19,330,400
Invasive species fund		100
State general fund/general purpose	$	673,200

Sec. 107. LAW ENFORCEMENT

Full-time equated classified positions 293.0		
General law enforcement—293.0 FTE positions	$	44,284,200
GROSS APPROPRIATION	$	44,284,200
Appropriated from:		
Federal revenues:		
Federal funds		6,588,300
Special revenue funds:		
Cervidae licensing and inspection fees		53,400
Forest development fund		45,400
Forest recreation account		72,800
Game and fish protection fund		19,722,800
Marine safety fund		1,345,700
Michigan state parks endowment fund		71,400
Michigan state waterways fund		21,700
Off-road vehicle safety education fund		156,200
Off-road vehicle trail improvement fund		2,004,000
Park improvement fund		72,800
Snowmobile registration fee revenue		721,600
Wildlife resource protection fund		1,074,500
State general fund/general purpose	$	12,333,600

Sec. 108. PARKS AND RECREATION DIVISION

Full-time equated classified positions 938.4		
Forest recreation and trails—56.6 FTE positions	$	6,346,900
MacMullan Conference Center—15.0 FTE positions		1,169,800
Recreational boating—173.0 FTE positions		19,599,500
State parks—693.8 FTE positions		72,086,600
State parks improvement revenue bonds - debt service		1,195,700
GROSS APPROPRIATION	$	100,398,500
Appropriated from:		
Federal revenues:		
Federal funds		141,300
Michigan state waterways fund, federal		1,630,500
Special revenue funds:		
Private funds		427,900

		For Fiscal Year Ending Sept. 30, 2019
Forest recreation account	$	1,791,400
MacMullan Conference Center account		1,169,800
Michigan state parks endowment fund		21,307,600
Michigan state waterways fund		18,445,900
Michigan trailways fund		100
Off-road vehicle safety education fund		7,200
Off-road vehicle trail improvement fund		1,468,700
Park improvement fund		48,255,500
Park improvement fund, Belle Isle subaccount		800,200
Recreation improvement account		497,500
Recreation passport fees		320,400
Snowmobile registration fee revenue		15,800
Snowmobile trail improvement fund		1,609,600
State general fund/general purpose	$	2,509,100

Sec. 109. MACKINAC ISLAND STATE PARK COMMISSION

Full-time equated classified positions 17.0		
Historical facilities system—13.0 FTE positions	$	1,805,600
Mackinac Island State Park operations—4.0 FTE positions		334,400
GROSS APPROPRIATION	$	2,140,000
Appropriated from:		
Special revenue funds:		
Mackinac Island State Park fund		1,605,600
Mackinac Island State Park operation fund		128,500
State general fund/general purpose	$	405,900

Sec. 110. FOREST RESOURCES DIVISION

Full-time equated classified positions 328.5		
Adopt-a-forest program	$	25,000
Cooperative resource programs—11.0 FTE positions		1,567,900
Forest fire equipment		931,500
Forest management and timber market development—176.0 FTE positions		31,721,400
Forest management initiatives—8.5 FTE positions		874,900
Minerals management—19.0 FTE positions		2,881,000
Wildfire protection—114.0 FTE positions		14,028,600
GROSS APPROPRIATION	$	52,030,300
Appropriated from:		
Federal revenues:		
Federal funds		3,401,400
Federal national forest timber fund		900,000
Special revenue funds:		
Private funds		1,054,900
Commercial forest fund		24,500
Fire equipment fund		668,700
Forest development fund		33,314,700
Forest land user charges		226,100
Game and fish protection fund		1,966,500
Michigan state parks endowment fund		2,708,500
Michigan state waterways fund		51,600
State general fund/general purpose	$	7,713,400

Sec. 111. GRANTS

Coastal management grants	$	1,250,000
Dam management grant program		350,000
Deer habitat improvement partnership initiative		200,000
Federal - clean vessel act grants		400,000
Federal - forest stewardship grants		2,000,000
Federal - land and water conservation fund payments		2,566,900

		For Fiscal Year Ending Sept. 30, 2019
Federal - rural community fire protection	$	400,000
Federal - urban forestry grants		900,000
Fisheries habitat improvement grants		1,250,000
Grants to communities - federal oil, gas, and timber payments		3,450,000
Grants to counties - marine safety		3,074,700
National recreational trails		3,900,000
Nonmotorized trail development and maintenance grants		350,000
Off-road vehicle safety training grants		29,200
Off-road vehicle trail improvement grants		4,656,800
Recreation improvement fund grants		907,100
Recreation passport local grants		1,675,000
Snowmobile law enforcement grants		380,100
Snowmobile local grants program		8,090,400
Trail easements		700,000
Wildlife habitat improvement grants		1,500,000
GROSS APPROPRIATION	$	38,030,200
Appropriated from:		
Federal revenues:		
Federal funds		16,434,300
Special revenue funds:		
Private funds		100,000
Deer habitat reserve		200,000
Game and fish protection fund		2,750,000
Local public recreation facilities fund		1,675,000
Marine safety fund		1,407,300
Off-road vehicle safety education fund		29,200
Off-road vehicle trail improvement fund		4,656,800
Permanent snowmobile trail easement fund		700,000
Recreation improvement account		907,100
Snowmobile registration fee revenue		380,100
Snowmobile trail improvement fund		8,090,400
State general fund/general purpose	$	700,000

Sec. 112. INFORMATION TECHNOLOGY

Information technology services and projects	$	10,458,700
GROSS APPROPRIATION	$	10,458,700
Appropriated from:		
Special revenue funds:		
Commercial forest fund		2,100
Deer habitat reserve		61,600
Forest development fund		1,629,000
Forest land user charges		23,900
Forest recreation account		42,000
Game and fish protection fund		3,779,900
Great Lakes protection fund		25,000
Land exchange facilitation fund		30,600
Marine safety fund		162,100
Michigan natural resources trust fund		22,300
Michigan state parks endowment fund		1,354,800
Michigan state waterways fund		489,200
Michigan trailways fund		100
Nongame wildlife fund		30,500
Off-road vehicle safety education fund		10,400
Off-road vehicle trail improvement fund		21,800
Park improvement fund		1,373,300
Recreation improvement account		48,900
Snowmobile registration fee revenue		11,600

		For Fiscal Year Ending Sept. 30, 2019
Snowmobile trail improvement fund	$	74,400
Sportsmen against hunger fund		600
Turkey permit fees		33,800
Waterfowl fees		3,300
Wildlife resource protection fund		42,100
Youth hunting and fishing education and outreach fund		2,000
State general fund/general purpose	$	1,183,400

Sec. 113. CAPITAL OUTLAY

(1) RECREATIONAL LANDS AND INFRASTRUCTURE

Forest development infrastructure	$	3,500,000
State parks repair and maintenance		23,500,000
Wetland restoration, enhancement, and acquisition		1,000,000
GROSS APPROPRIATION	$	28,000,000
Appropriated from:		
Special revenue funds:		
Forest development fund		3,500,000
Park improvement fund		10,000,000
Recreation passport fees		12,000,000
Waterfowl hunt stamp		1,000,000
State general fund/general purpose	$	1,500,000

(2) WATERWAYS BOATING PROGRAM

East Tawas State Harbor, Iosco County, harbormaster building and site improvements, phase III (total authorized cost is increased from $5,920,000 to $6,670,000; federal share is $1,650,000; state share is increased from $4,270,000 to $5,020,000)	$	750,000
Elmwood Township Marina, Leelanau County, marina improvements (total authorized cost is $1,202,200; state share is $601,100; local share is $601,100)		601,100
Local boating infrastructure maintenance and improvements		1,729,500
Ottawa Beach Marina, Ottawa County, marina improvements (total authorized cost is $1,314,800; federal share is $643,000; local share is $671,800)		643,000
Presque Isle Marina, Marquette County, marina improvements (total authorized cost is $1,123,800; state share is $541,900; local share is $581,900)		541,900
State boating infrastructure maintenance		5,952,500
GROSS APPROPRIATION	$	10,218,000
Appropriated from:		
Federal revenues:		
Federal funds		875,000
Michigan state waterways fund, federal		843,000
Special revenue funds:		
Michigan state waterways fund		8,500,000
State general fund/general purpose	$	0

Sec. 114. ONE-TIME BASIS ONLY APPROPRIATIONS

Cooperative resource programs (one-time)	$	25,000
Dam management grant program (one-time)		1,500,000
Grindstone Harbor development grant		120,000
Lake level assessments		35,000
Legal services		37,500
Long Lake boat launch		142,500
Snowmobile trail groomer pilot		200,000
Swimmer's itch pilot program		250,000
Wildlife and fisheries health study		115,000
GROSS APPROPRIATION	$	2,425,000
Appropriated from:		
Special revenue funds:		
Snowmobile trail improvement fund		200,000
State general fund/general purpose	$	2,225,000

PART 2

PROVISIONS CONCERNING APPROPRIATIONS
FOR FISCAL YEAR 2018-2019

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state sources under part 1 for fiscal year 2018-2019 is $349,047,600.00 and state spending from state sources to be paid to local units of government for fiscal year 2018-2019 is $9,475,200.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF NATURAL RESOURCES

Dam management grant program	$	175,000
Dam management grant program (one-time)		1,500,000
Fisheries habitat improvement grants		125,000
Grants to counties - marine safety		1,407,300
Grindstone Harbor development grant		120,000
Long Lake boat launch		142,500
Nonmotorized trail development and maintenance grants		175,000
Off-road vehicle safety training grants		29,200
Off-road vehicle trail improvement grants		632,900
Recreation improvement fund grants		90,700
Recreation passport local grants		1,675,000
Snowmobile law enforcement grants		380,100
Wildlife habitat improvement grants		150,000
Elmwood Township Marina, Leelanau County		601,100
Local boating infrastructure maintenance and improvements		1,729,500
Presque Isle Marina, Marquette County		541,900
TOTAL	$	9,475,200

Sec. 202. The appropriations authorized under this part and part 1 are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

Sec. 203. As used in this part and part 1:

(a) "Department" means the department of natural resources.

(b) "Director" means the director of the department.

(c) "FTE" means full-time equated.

(d) "IDG" means interdepartmental grant.

Sec. 204. The departments and agencies receiving appropriations in part 1 shall use the internet to fulfill the reporting requirements of this part. This requirement may include transmission of reports via electronic mail to the recipients identified for each reporting requirement, or it may include placement of reports on an internet or intranet site.

Sec. 205. Funds appropriated in part 1 shall not be used for the purchase of foreign goods or services, or both, if competitively priced and of comparable quality American goods or services, or both, are available. Preference shall be given to goods or services, or both, manufactured or provided by Michigan businesses if they are competitively priced and of comparable 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. 206. The director 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. The 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. 207. The departments and agencies receiving appropriations in part 1 shall prepare a report on out-of-state travel expenses not later than January 1 of each year. The travel report shall be a listing of all travel by classified and unclassified employees outside this state in the immediately preceding fiscal year that was funded in whole or in part with funds appropriated in the department's budget. The report shall be submitted to the senate and house appropriations

committees, the house and senate fiscal agencies, and the state budget director. The report shall include the following information:

(a) The dates of each travel occurrence.

(b) The total transportation and related costs of each travel occurrence, including the proportion funded with state general fund/general purpose revenues, the proportion funded with state restricted revenues, the proportion funded with federal revenues, and the proportion funded with other revenues.

Sec. 208. Funds appropriated in this part and part 1 shall not be used by a principal executive department, state agency, or authority to hire a person to provide legal services that are the responsibility of the attorney general. This prohibition does not apply to legal services for bonding activities and for those outside services that the attorney general authorizes.

Sec. 209. Not later than November 30, the state budget office shall prepare and transmit a report that provides for estimates of the total general fund/general purpose appropriation lapses at the close of the prior fiscal year. This report shall summarize the projected year-end general fund/general purpose appropriation lapses by major departmental program or program areas. The report shall be transmitted to the chairpersons of the senate and house appropriations committees, and the senate and house fiscal agencies.

Sec. 210. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $3,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

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

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

Sec. 211. The department shall cooperate with the department of technology, management, and budget to maintain a searchable website accessible by the public at no cost that includes, but is not limited to, all of the following for each department or agency:

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

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

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

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

(e) Job specifications and wage rates.

Sec. 212. Within 14 days after the release of the executive budget recommendation, the department shall cooperate with the state budget office to provide the senate and house appropriations chairs, the senate and house appropriations subcommittees chairs, and the senate and house fiscal agencies with an annual report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures for the fiscal years ending September 30, 2018 and September 30, 2019.

Sec. 213. The department shall maintain, on a publicly accessible website, a department scorecard that identifies, tracks, and regularly updates key metrics that are used to monitor and improve the agency's performance.

Sec. 214. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2019 are estimated at $47,662,000.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at $21,973,000.00. Total agency appropriations for retiree health care legacy costs are estimated at $25,689,000.00.

Sec. 215. Appropriations of state restricted game and fish protection funds have been made in the following amounts to the following departments and agencies:

Legislative auditor general	$	32,000
Attorney general		766,300

Department of technology, management, and budget	482,100
Department of treasury	3,016,200

Sec. 216. Pursuant to section 43703(3) of the natural resources and environmental protection act, 1994 PA 451, MCL 324.43703, there is appropriated from the game and fish protection trust fund to the game and fish protection account of the Michigan conservation and recreation legacy fund, $6,000,000.00 for the fiscal year ending September 30, 2019.

Sec. 220. The department shall not take disciplinary action against an employee for communicating with a member of the legislature or his or her staff.

DEPARTMENT INITIATIVES

Sec. 251. From the amounts appropriated in part 1 for invasive species prevention and control, the department shall allocate not less than $3,600,000.00 for grants for the prevention, detection, eradication, and control of invasive species.

DEPARTMENT SUPPORT SERVICES

Sec. 302. The department may charge land acquisition projects appropriated for the fiscal year ending September 30, 2019, and for prior fiscal years, a standard percentage fee to recover actual costs, and may use the revenue derived to support the land acquisition service charges provided for in part 1.

Sec. 303. As appropriated in part 1, the department may charge both application fees and transaction fees related to the exchange or sale of state-owned land or rights in land authorized by part 21 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.2101 to 324.2162. The fees shall be set by the director at a rate that allows the department to recover its costs for providing these services.

COMMUNICATION AND CUSTOMER SERVICES

Sec. 408. By October 21, the department shall submit to the senate and house appropriations subcommittees on natural resources a report on all land transactions approved by the natural resources commission in the fiscal year ending September 30, 2018. For each land transaction, the report shall include the size of the parcel, the county and municipality in which the parcel is located, the dollar amount of the transaction, the fund source affected by the transaction, and whether the transaction is by purchase, public auction, transfer, exchange, or conveyance.

WILDLIFE DIVISION

Sec. 503. From the funds appropriated in part 1, the department shall produce a report detailing any efforts undertaken to enforce the invasive species order on swine raised under the husbandry of residents of this state. The report shall include fund sources used and the amount of expenditures and shall be submitted to the legislature by December 31.

Sec. 504. From the funds appropriated in part 1, the department shall provide a report to the legislature on the use of registration fees collected from privately owned cervid operations. Appropriations in part 1 from cervidae licensing and inspection fees shall not be used for anything other than work directly related to the regulation of privately owned cervid operations in this state.

FISHERIES DIVISION

Sec. 601. (1) From the appropriation in part 1 for aquatic resource mitigation, not more than $758,000.00 shall be allocated for grants to watershed councils, resource development councils, soil conservation districts, local governmental units, and other nonprofit organizations for stream habitat stabilization and soil erosion control.

(2) The fisheries division in the department shall develop priority and cost estimates for all projects recommended for grants under subsection (1).

Sec. 602. As a condition of expenditure of fisheries management appropriations under part 1, the department of natural resources shall not impede the certification process for water control structures on Michigan waterways. The department of natural resources shall fund from funds appropriated in part 1 all non-water-quality studies or requirements that the department requests of either of the following:

(a) The department of environmental quality as a condition for issuance of a certification under section 401 of the federal water pollution control act, 33 USC 1341.

(b) The Federal Energy Regulatory Commission as a condition of licensing under the federal power act, 16 USC 791a to 825r.

Sec. 603. The department shall provide an annual report to the legislature on use of funding provided for cormorant management. The department shall use general fund/general purpose revenue for this purpose and submit revenue appropriated in part 1 for cormorant management to the United States Department of Agriculture Animal and Plant Health Inspection Service to allow for increased taking of cormorants and their nests. If any funds appropriated for cormorant management are retained by the department, or other funds become available for this purpose, the department shall use those funds to harass cormorants with the goal of reducing foraging attempts on fish populations.

FOREST RESOURCES DIVISION

Sec. 802. From the funds appropriated in part 1, the department shall provide quarterly reports on the number of acres of state forestland marked or treated for timber harvest to the senate and house appropriations subcommittees on natural resources and the standing committees of the senate and house of representatives with primary responsibility for natural resources issues. The department shall complete and deliver these reports by 45 days after the end of the fiscal quarter.

Sec. 803. In addition to the money appropriated in part 1, the department may receive and expend money from federal sources to provide response to wildfires as required by a compact with the federal government. If additional expenditure authorization is required, the department shall notify the state budget office that expenditure under this section is required. The department shall notify the house and senate appropriations subcommittees on natural resources and the house and senate fiscal agencies by November 1 of the expenditures under this section during the fiscal year ending September 30, 2018.

Sec. 807. (1) In addition to the funds appropriated in part 1, there is appropriated from the disaster and emergency contingency fund up to $800,000.00 to cover department costs related to any disaster as defined in section 2 of the emergency management act, 1976 PA 390, MCL 30.402.

(2) Funds appropriated under subsection (1) shall not be expended unless the state budget director recommends the expenditure and the department notifies the house and senate committees on appropriations. By December 1 each year, the department shall provide a report to the senate and house fiscal agencies and the state budget office on the use of the disaster and emergency contingency fund during the prior fiscal year.

(3) If Federal Emergency Management Agency (FEMA) reimbursement is approved for costs paid from the disaster and emergency contingency fund, the federal revenue shall be deposited into the disaster and emergency contingency fund.

(4) Unexpended and unencumbered funds remaining in the disaster and emergency contingency fund at the close of the fiscal year shall not lapse to the general fund and shall be carried forward and be available for expenditures in subsequent fiscal years.

LAW ENFORCEMENT

Sec. 901. The appropriation in part 1 for snowmobile law enforcement grants shall be used by the department to provide grants to county law enforcement agencies to enforce part 821 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.82101 to 324.82161, including rules promulgated under that part and ordinances enacted pursuant to that part. The department shall consider the number of enforcement hours and the number of miles of snowmobile trails in each county in allocating these grants. Any funds not distributed to counties revert back to the

snowmobile registration fee subaccount created under section 82111 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.82111. Counties shall provide semiannual reports to the department on the use of grant money received under this section.

Sec. 902. The department shall provide a report on the marine safety grant program to the senate and house appropriations subcommittees on natural resources and the senate and house fiscal agencies by December 1. The report shall include the following information for the preceding year: the total amount of revenue received for watercraft registrations, the amount deposited into the marine safety fund, and the expenditures made from the marine safety fund, including the amounts expended for department administration, other state agencies, the law enforcement division, and grants to counties. The report shall also include the distribution methodology used by the department to distribute the marine safety grants and a list of the grants and the amounts awarded by county.

GRANTS

Sec. 1001. Federal pass-through funds to local institutions and governments that are received in amounts in addition to those included in part 1 for grants to communities - federal oil, gas, and timber payments and that do not require additional state matching funds are appropriated for the purposes intended. By November 30, the department shall report to the senate and house appropriations subcommittees on natural resources, the senate and house fiscal agencies, and the state budget director on all amounts appropriated under this section during the fiscal year ending September 30, 2018.

Sec. 1002. From the funds appropriated in part 1 for off-road vehicle trail improvement grants, $35,000.00 is designated to reimburse local units of government for costs related to seasonal law enforcement at Silver Lake.

CAPITAL OUTLAY

Sec. 1103. The appropriations in part 1 for capital outlay shall be carried forward at the end of the fiscal year consistent with section 248 of the management and budget act, 1984 PA 431, MCL 18.1248.

ONE-TIME BASIS ONLY APPROPRIATIONS

Sec. 1201. (1) The appropriation in part 1 for the swimmer's itch pilot program shall be distributed to a Michigan-based nonprofit organization for the purpose of pursuing comprehensive, science-based swimmer's itch mitigation and research by appropriately qualified subject matter experts. This appropriation may be used to reimburse costs incurred before the effective date of this act, and may be carried forward as a work project under the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

(2) By January 1 the department shall submit a report to the house and senate appropriations subcommittees on natural resources detailing data collected, program plan, and effectiveness measures of the swimmer's itch pilot program.

Sec. 1202. The funds appropriated in part 1 for lake level assessments are to reimburse local units of government for qualifying costs related to lake level assessments. The department may reimburse these costs without being compelled to do so by a court of law.

Sec. 1203. From the funds appropriated in part 1 for Long Lake boat launch, the department shall provide a grant to a local unit of government for the development of a boat launch at Long Lake in Alpena County.

Sec. 1204. From the funds appropriated in part 1 for Grindstone Harbor development grant, the department shall provide a grant to a local unit of government for planning and development costs at Grindstone Harbor in Huron County.

Sec. 1205. From the funds appropriated in part 1 for dam management grant program (one-time), $1,500,000.00 shall be awarded to a city with a population over 185,000 and located in a county with a population between 600,000 and 610,000 for removal of dams in that city. This appropriation is a work project appropriation, and any unencumbered or

unallotted funds are carried forward into the succeeding fiscal year. The following is in compliance with section 451a(1) of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project to be carried forward is to remove dams in a city meeting the grant criteria.

(b) The grantee will work with the department to establish a plan to complete the project.

(c) The total estimated cost of the project is $1,500,000.00.

(d) The tentative completion date is September 30, 2023.

Sec. 1206. (1) From the funds appropriated in part 1 for wildlife and fisheries health study, the department shall investigate the effect of PFAS contamination on Michigan's wildlife and fisheries populations.

(2) As used in this section, "PFAS" means perfluoroalkyl and polyfluoroalkyl substances.

Sec. 1207. The funds appropriated in part 1 for cooperative resource programs (one-time) are designated for the Wayne County soil mapping program.

ARTICLE XVI

DEPARTMENT OF STATE POLICE

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of state police for the fiscal year ending September 30, 2019, from the following funds:

DEPARTMENT OF STATE POLICE

APPROPRIATION SUMMARY		
Full-time equated unclassified positions 3.0		
Full-time equated classified positions 3,518.0		
GROSS APPROPRIATION	$	716,459,500
Interdepartmental grant revenues:		
IDG from department of corrections		344,200
IDG from department of state		378,500
IDG from department of technology, management, and budget		655,400
IDG from department of transportation		11,798,000
IDG from department of treasury		5,440,300
IDG from other restricted funding		2,601,500
Intradepartmental transfers		3,530,400
Total interdepartmental grants and intradepartmental transfers		24,748,300
ADJUSTED GROSS APPROPRIATION	$	691,711,200
Federal revenues:		
Other federal revenues		78,297,900
Total federal revenues		78,297,900
Special revenue funds:		
Local revenues		5,146,800
Total local revenues		5,146,800
Private revenues		115,000
Total private revenues		115,000
Michigan merit award trust fund		846,800
Other state restricted revenue		148,256,900
Total state restricted revenues		149,103,700
State general fund/general purpose	$	459,047,800
State general fund/general purpose schedule:		
Ongoing state general fund/general purpose 449,571,400		
One-time state general fund/general purpose 9,476,400		

Sec. 102. DEPARTMENTAL ADMINISTRATION AND SUPPORT

Full-time equated unclassified positions 3.0

Full-time equated classified positions 83.0

		For Fiscal Year Ending Sept. 30, 2019
Unclassified salaries—3.0 FTE positions	$	598,000
Accounting service center		1,081,200
Department services—58.0 FTE positions		8,937,500
Departmentwide		46,073,400
Executive direction—25.0 FTE positions		4,241,400
GROSS APPROPRIATION	$	60,931,500
Appropriated from:		
Interdepartmental grant revenues:		
IDG from department of corrections		26,000
IDG from department of state		1,400
IDG from department of transportation		3,900
IDG from department of treasury		116,200
IDG from other restricted funding		176,900
Intradepartmental transfers		38,200
Federal revenues:		
Other federal revenues		547,700
Special revenue funds:		
Local revenues		6,200
Michigan merit award trust fund		18,000
Other state restricted revenues		6,085,500
State general fund/general purpose	$	53,911,500

Sec. 103. LAW ENFORCEMENT SERVICES

Full-time equated classified positions 533.0		
Biometrics and identification—57.0 FTE positions	$	9,955,500
Criminal justice information center—132.0 FTE positions		19,876,100
Forensic science—269.0 FTE positions		44,859,600
Grants and community services—20.0 FTE positions		16,752,600
Training—55.0 FTE positions		10,576,000
GROSS APPROPRIATION	$	102,019,800
Appropriated from:		
Interdepartmental grant revenues:		
IDG from department of corrections		318,200
IDG from department of state		373,300
IDG from department of transportation		1,213,200
IDG from other restricted funding		2,412,400
Intradepartmental transfers		750,000
Federal revenues:		
Other federal funds		12,709,100
Special revenue funds:		
Local revenue funds		918,300
Private revenues		100,000
Other state restricted revenues		38,952,900
State general fund/general purpose	$	44,272,400

Sec. 104. MICHIGAN COMMISSION ON LAW ENFORCEMENT STANDARDS

Full-time equated classified positions 18.0		
Public safety officers benefit program—1.0 FTE position	$	301,600
Standards and training/justice training grants—17.0 FTE positions		11,780,100
Training only to local units		654,500
GROSS APPROPRIATION	$	12,736,200
Appropriated from:		
Federal revenues:		
Other federal revenues		250,000
Special revenue funds:		
Other state restricted revenues		10,997,000
State general fund/general purpose	$	1,489,200

		For Fiscal Year Ending Sept. 30, 2019
Sec. 105. FIELD SERVICES		
Full-time equated classified positions 2,275.0		
Investigative services—180.5 FTE positions	$	35,625,500
Post operations—2,064.5 FTE positions		316,269,000
Secure cities partnership—30.0 FTE positions		7,861,300
GROSS APPROPRIATION	$	359,755,800
Appropriated from:		
Interdepartmental grant revenues:		
IDG from department of treasury		5,127,300
Intradepartmental transfers		787,500
Federal revenues:		
Other federal revenues		6,696,000
Special revenue funds:		
Local revenues		1,579,400
Michigan merit award trust fund		822,700
Other state restricted revenues		51,334,800
State general fund/general purpose	$	293,408,100
Sec. 106. SPECIALIZED SERVICES		
Full-time equated classified positions 609.0		
Commercial vehicle enforcement—223.0 FTE positions	$	30,593,300
Emergency management and homeland security—64.0 FTE positions		15,808,700
Hazardous materials programs—25.0 FTE positions		28,031,500
Highway safety planning—26.0 FTE positions		18,048,700
Intelligence operations—203.0 FTE positions		28,121,600
Secondary road patrol program—1.0 FTE position		11,072,200
Civil Air Patrol		20,000
Special operations—67.0 FTE positions		13,261,300
GROSS APPROPRIATION	$	144,957,300
Appropriated from:		
Interdepartmental grant revenues:		
IDG from department of technology, management, and budget		655,400
IDG from department of transportation		10,324,000
IDG from department of treasury		100,000
Intradepartmental transfers		1,933,900
Federal revenues:		
Other federal revenues		57,138,000
Special revenue funds:		
Local revenues		1,724,700
Private revenues		15,000
Other state restricted revenues		29,693,800
State general fund/general purpose	$	43,372,500
Sec. 107. INFORMATION TECHNOLOGY		
Information technology services and projects	$	26,582,500
GROSS APPROPRIATION	$	26,582,500
Appropriated from:		
Interdepartmental grant revenues:		
IDG from department of state		3,800
IDG from department of transportation		256,900
IDG from department of treasury		96,800
IDG from other restricted funding		12,200
Intradepartmental transfers		20,800
Federal revenues:		
Other federal revenues		957,100
Special revenue funds:		
Local revenues		918,200
Michigan merit award trust fund		6,100

		For Fiscal Year Ending Sept. 30, 2019
Other state restricted revenues	$	11,192,900
State general fund/general purpose	$	13,117,700

Sec. 108. ONE-TIME ONLY APPROPRIATIONS

Sexual assault prevention and education initiative	$	1,000,000
Michigan International Speedway traffic control		725,000
OK2SAY information technology upgrade		100
Trooper school		7,751,300
GROSS APPROPRIATION	$	9,476,400
Appropriated from:		
State general fund/general purpose	$	9,476,400

PART 2

PROVISIONS CONCERNING APPROPRIATIONS
FOR FISCAL YEAR 2018-2019

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state sources under part 1 for fiscal year 2018-2019 is $608,151,500.00 and state spending from state sources to be paid to local units of government for fiscal year 2018-2019 is $14,231,300.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF STATE POLICE

Standards and training/justice training grants	$	2,615,300
Training only to local units		654,500
Secondary road patrol program		10,961,500
TOTAL	$	14,231,300

Sec. 202. The appropriations authorized under this part and part 1 are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

Sec. 203. As used in this part and part 1:

(a) "CJIS" means Criminal Justice Information Systems.

(b) "Core service" means that term as defined in section 373 of the management and budget act, 1984 PA 431, MCL 18.1373.

(c) "Department" means the department of state police.

(d) "Director" means the director of the department.

(e) "DNA" means deoxyribonucleic acid.

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

(g) "FTE" means full-time equated.

(h) "IDG" means interdepartmental grant.

(i) "MCOLES" means the Michigan commission on law enforcement standards.

(j) "Subcommittees" means the subcommittees of the senate and house standing committees on appropriations with jurisdiction over the budget for the department.

(k) "Support service" means an activity required to support the ongoing delivery of core services.

Sec. 204. The departments and agencies receiving appropriations in part 1 shall use the internet to fulfill the reporting requirements of this part. This requirement may include transmission of reports via electronic mail to the recipients identified for each reporting requirement, or it may include placement of reports on an internet or intranet site.

Sec. 205. Funds appropriated in part 1 shall not be used for the purchase of foreign goods or services, or both, if competitively priced and of comparable quality American goods or services, or both, are available. Preference shall be given to goods or services, or both, manufactured or provided by Michigan businesses, if they are competitively priced and of comparable quality. In addition, preference shall 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. 206. The director 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. The director shall strongly encourage firms with which the department contracts to subcontract with certified businesses in depressed and deprived communities for services or supplies, or both.

Sec. 207. The departments and agencies receiving appropriations in part 1 shall prepare a report on out-of-state travel expenses not later than January 1 of each year. The travel report shall be a listing of all travel by classified and unclassified employees outside this state in the immediately preceding fiscal year that was funded in whole or in part with funds appropriated in the department's budget. The report shall be submitted to the senate and house appropriations committees, the senate and house fiscal agencies, and the state budget director. The report shall include the following information:

(a) The dates of each travel occurrence.

(b) The transportation and related costs of each travel occurrence, including the proportion funded with state general fund/general purpose revenues, the proportion funded with state restricted revenues, the proportion funded with federal revenues, and the proportion funded with other revenues.

Sec. 208. Funds appropriated in part 1 shall not be used by a principal executive department, state agency, or authority to hire a person to provide legal services that are the responsibility of the attorney general. This prohibition does not apply to legal services for bonding activities and for those outside services that the attorney general authorizes.

Sec. 209. Not later than November 30, the state budget office shall prepare and transmit a report that provides for estimates of the total general fund/general purpose appropriation lapses at the close of the prior fiscal year. This report shall summarize the projected year-end general fund/general purpose appropriation lapses by major departmental program or program areas. The report shall be transmitted to the chairpersons of the senate and house appropriations committees, the subcommittees, and the senate and house fiscal agencies.

Sec. 210. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $10,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(2) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $3,500,000.00 for state restricted contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

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

Sec. 211. The department shall cooperate with the DTMB to maintain a searchable website accessible by the public at no cost that includes, but is not limited to, all of the following:

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

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

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

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

(e) Job specifications and wage rates.

Sec. 212. Within 14 days after the release of the executive budget recommendation, the department shall cooperate with the state budget office to provide the senate and house appropriations chairs, the senate and house appropriations subcommittees chairs, and the senate and house fiscal agencies with an annual report on estimated state restricted fund

balances, state restricted fund projected revenues, and state restricted fund expenditures for the fiscal years ending September 30, 2018 and September 30, 2019.

Sec. 213. The department shall maintain, on a publicly accessible website, a department scorecard that identifies, tracks, and regularly updates key metrics that are used to monitor and improve the department's performance.

Sec. 214. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2019 are estimated at $148,305,500.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at $77,070,000.00. Total agency appropriations for retiree health care legacy costs are estimated at $71,235,500.00.

Sec. 215. Based on the availability of federal funding and the demonstrated need as indicated by applications submitted to the state court administrative office, the department shall provide $1,500,000.00 in Byrne justice assistance grant program funding to the judiciary by interdepartmental grant.

Sec. 216. A department or state agency shall not take disciplinary action against an employee for communicating with a member of the legislature or his or her staff.

Sec. 217. The department shall provide quarterly reports to the subcommittees, the senate and house fiscal agencies, and the state budget office that provide the following data:

(a) A list of major work projects, including the status of each project.

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

(c) A report on the performance metrics cited or information required to be reported in this part, reasons for nonachievement of metric targets, and proposed corrective actions.

Sec. 218. The appropriations in part 1 are for the core services, support services, and work projects of the department, including, but not limited to, the following core services:

(a) State security operations.

(b) Training.

(c) MCOLES.

(d) CJIS.

(e) Forensic analysis and biometric identification.

(f) Post operations and investigative services.

(g) Special operations.

(h) Intelligence operations.

(i) Commercial vehicle regulation and enforcement.

(j) Emergency management and homeland security.

(k) Highway safety planning.

(*l*) Secondary road patrol program.

Sec. 219. The department shall notify the subcommittees, the chairpersons of the senate and house standing committees on appropriations, and the senate and house fiscal agencies not less than 90 days before recommending to close or consolidate any state police posts. The notification shall include a local and state impact study of the proposed post closure or consolidation.

Sec. 220. At least 90 days before beginning any effort to privatize, the department shall submit a complete project plan to the subcommittees and the senate and house fiscal agencies. The plan shall include the criteria under which the privatization initiative will be evaluated. The evaluation shall be completed and submitted to the subcommittees and the senate and house fiscal agencies within 30 months.

Sec. 221. (1) When the department provides contractual services to a local unit of government, the department shall be reimbursed for all costs incurred in providing the services, including, but not limited to, retirement and overtime costs.

(2) The department shall define service cost models for those services requiring reimbursement.

(3) Contractual services provided to an entity other than a local unit of government may be provided by department personnel, but only on an overtime basis outside the normal work schedule of the personnel.

(4) This section does not apply to services provided to state agencies.

(5) Revenues received for contractual or reimbursed services in excess of the appropriation in part 1 are appropriated and may be received and expended by the department for the purposes for which funds are received.

(6) If additional authorization is approved in the statewide integrated governmental management application (SIGMA) by the state budget office under this section, the department shall notify the subcommittees and the senate and house fiscal agencies within 10 days after the approval. The notification shall include the amount and funding source of the additional authorization, the date of its approval, and the projected use of funds to be expended.

Sec. 222. The department shall serve as an active liaison between the DTMB and state, local, regional, and federal public safety agencies on matters pertaining to the Michigan public safety communications system and shall report user issues to the DTMB.

Sec. 223. The department may establish and collect fees for publications, videos, conferences, workshops, and related materials. Collected fees shall be used to offset expenditures for costs of the publications, videos, workshops, conferences, and related materials. The department shall not collect fees under this section that exceed the cost of the expenditures.

Sec. 224. Money privately donated to the department is appropriated under part 1 to be used for the purposes designated by the donor of the money, if specified.

Sec. 225. (1) Federal revenues authorized by and available from the federal government in excess of the appropriation in part 1 are appropriated and may be received and expended by the department for purposes authorized under state law and subject to federal requirements.

(2) The department shall notify the subcommittees and the senate and house fiscal agencies before expending federal revenues received and appropriated under subsection (1).

(3) If additional authorization is approved in the statewide integrated governmental management application (SIGMA) by the state budget office under this section, the department shall notify the subcommittees and the senate and house fiscal agencies within 10 days after the approval. The notification shall include the amount and funding source of the additional authorization, the date of its approval, and the projected use of funds to be expended.

DEPARTMENTAL ADMINISTRATION AND SUPPORT

Sec. 301. (1) The department shall provide security services at the State Capitol Complex facilities and the State Secondary Complex as provided under section 6c of 1935 PA 59, MCL 28.6c.

(2) The department shall maintain the staff and resources necessary to respond to emergencies at the State Capitol Complex, State Secondary Complex, House Office Building, Binsfeld Office Building, Capitol parking lot, Townsend Parking Ramp, the Roosevelt Parking Ramp, and other areas as directed.

(3) The department may develop a phased approach for improving security at the Capitol Building.

(4) The department shall maintain a goal of annually conducting 35,000 property inspections of state owned and leased facilities.

LAW ENFORCEMENT SERVICES

Sec. 401. (1) The department shall develop and deliver professional, innovative, and quality training that supports the enforcement and public safety efforts of the criminal justice community.

(2) The department shall provide performance data as provided under section 217 of this part for average classroom occupancy rate, with an annual goal of at least 55%.

(3) The department shall submit a report to the subcommittees and the senate and house fiscal agencies within 60 days of the conclusion of any trooper, motor carrier, or state properties security recruit school. The report shall include the following:

(a) The number of veterans and the number of MCOLES-certified police officers who were admitted to and the number who graduated from the recruit school.

(b) The total number of recruits who were admitted to the school, the number of recruits who graduated from the school, and the location at which each of these recruits is assigned.

(4) The department shall distribute and review course evaluations to ensure that quality training is provided.

Sec. 402. (1) In accordance with applicable state and federal laws and regulations, the department shall maintain and ensure compliance with CJIS databases and applications in the support of public safety and law enforcement communities.

(2) The department shall improve the accuracy, timeliness, and completeness of criminal history information by conducting a minimum of 30 outreach activities targeted to criminal justice agencies.

(3) The department shall provide for the compilation of crime statistics consistent with the uniform crime reporting (UCR) program and the national incident-based report system (NIBRS).

(4) The department shall provide for the compilation and evaluation of traffic crash reports and the maintenance of the state accident data collection system.

(5) The department shall make individual traffic crash reports available for a fee of $10.00 per incident. The department may also sell an extract of electronic traffic crash data for a fee of $0.25 per incident, provided that the name, address, and any other personal identifying information have been excluded.

(6) In accordance with applicable state and federal laws and regulations, the department shall provide for the maintenance and dissemination of criminal history records and juvenile records, including to the extent necessary to exchange criminal history records information with the Federal Bureau of Investigation and other states through the interstate identification index, the National Crime Information Center, and other federal CJIS databases and indices.

(7) In accordance with applicable state and federal laws, the department shall provide for the maintenance of records, including criminal history records regarding firearms licensure.

(8) The department shall provide to the legislature a report on concealed pistol licensing not later than December 1, 2019 that includes all of the following:

(a) The department's actual revenue received from fees paid for concealed pistol license (CPL) applications for fiscal year 2018-2019 and the uses of that revenue.

(b) The department's fiscal year 2018-2019 costs for administering its concealed pistol licensing responsibilities under 1927 PA 372, MCL 28.421 to 28.435, but not including costs related to the administration of other state statutes, or requirements of federal law.

(9) The department shall provide information on the number of background checks processed through the internet criminal history access tool (ICHAT) as provided in section 217 of this part.

(10) The following unexpended and unencumbered revenues deposited into the criminal justice information center service fees shall not lapse to the general fund, but shall be carried forward into the subsequent fiscal year:

(a) Fees for fingerprinting and criminal record checks and name-based criminal record checks under 1935 PA 120, MCL 28.271 to 28.274.

(b) Fees for application and licensing for initial and renewal concealed pistol licenses under 1927 PA 372, MCL 28.421 to 28.435.

(c) Fees for searching, copying, and providing public records under the freedom of information act, 1976 PA 442, MCL 15.231 to 15.246.

(d) Revenue from other sources, including, but not limited to, investment and interest earnings.

(11) Unexpended and unencumbered revenue generated by state records management system fees shall not lapse to the general fund, but shall be carried forward into the subsequent fiscal year.

Sec. 403. (1) The department shall provide forensic testing services to aid in criminal investigations.

(2) The department shall ensure its ability to maintain accreditation by a federally designated accrediting agency, as provided under 34 USC 12592.

(3) The department shall provide forensic science services with an average turnaround time of 55 days, assuming an annual caseload volume commensurate with that received in fiscal year 2012-2013, and shall achieve a goal of a 30-day average turnaround time across all forensic science disciplines.

(4) The department shall provide the following data as provided in section 217 of this part:

(a) The average turnaround time for processing forensic evidence across all disciplines.

(b) Forensic laboratory staffing levels, including scientists in training, and vacancies.

(c) The number of backlogged cases in each discipline.

(5) The department shall provide for the forensic testing and analysis/profiling of DNA evidence to aid criminal investigations by law enforcement agencies in this state.

Sec. 404. (1) The biometrics and identification division shall house and manage the automated fingerprint identification system, the statewide network of agency photographs, and combined offender DNA index system biometric databases.

(2) The department shall provide data on the number of 10-print and palm-print submissions to the database, with a goal of at least 97% of submissions provided electronically as provided in section 217 of this part.

(3) The department shall maintain the staffing and resources necessary to have a 28-day average wait time for scheduling a polygraph examination, assuming an annual caseload received commensurate with fiscal year 2012-2013, with a goal of achieving a 15-day average wait time.

(4) If changes are made to the department's protocol for retaining and purging DNA analysis samples and records, the department shall post a copy of the protocol changes on the department's website.

Sec. 405. Not later than December 1, the department shall submit a report to the subcommittees and senate and house fiscal agencies that includes, but is not limited to, all of the following information:

(a) Sexual assault kit analysis backlog at the beginning of the prior fiscal year.

(b) The number of sexual assault kits collected or submitted for analysis during the prior fiscal year.

(c) The number of sexual assault kits analyzed and the number of associated DNA profiles created and uploaded during the prior fiscal year.

(d) Sexual assault kit analysis backlog at the ending of the prior fiscal year.

(e) The average turnaround time to analyze sexual assault kits and to create and upload associated DNA profiles for the prior fiscal year.

Sec. 406. The department shall provide administrative support for the following grant and community service programs:

(a) The operations of the automobile theft prevention authority.

(b) Administration of the Edward Byrne memorial justice assistance program and other grant programs as well as the department's community policing efforts.

(c) Oversight and administration of 9-1-1 operations statewide.

Sec. 407. No later than March 30, the department shall report annually to the legislature and the house and senate fiscal agencies a school safety report, to include the following:

(a) The status of school safety grants issued by the grants and community services unit, including grant amounts awarded to each school district for school safety grants for school safety improvements. This information shall also be provided on a quarterly basis, as provided under section 217 of this part.

(b) Reports of incidences of school violence or threats reported to the state police by local law enforcement or local school districts, or received through the Michigan incident crime report (MICR).

(c) Reports of OK2SAY-based incidences and activities, as provided to the department of attorney general.

(d) Based upon an evaluation of incidents of school safety and analysis of school safety grants, provide recommendations on best practices and other safety measures to ensure school safety in this state.

MICHIGAN COMMISSION ON LAW ENFORCEMENT STANDARDS

Sec. 501. (1) MCOLES shall establish standards for the selection, employment, training, education, licensing, and revocation of all law enforcement officers and provide the basic law enforcement training curriculum for law enforcement training academy programs statewide.

(2) MCOLES shall maintain staffing and resources necessary to update law enforcement standards within 120 days of the enactment date of any new legislation.

FIELD SERVICES

Sec. 601. (1) Department enlisted personnel who are employed to enforce traffic laws as provided in section 629e of the Michigan vehicle code, 1949 PA 300, MCL 257.629e, are not prohibited from responding to crimes in progress or other emergency situations and are responsible for making every effort to protect all residents of this state.

(2) The department shall maintain the staffing and resources necessary to continually work to enhance traffic safety throughout this state and shall dedicate a minimum of 455,200 hours to statewide patrol, of which a minimum of 40,000 shall be committed to distressed cities in this state, and a minimum of 2,000 shall be committed to Belle Isle. The department shall work to improve public safety efforts within distressed cities by enhancing data analysis capabilities and identifying crime trends and areas with high occurrence of crime.

(3) The department shall maintain the staffing and resources necessary to perform activities to maintain a 93% compliance rate for reporting by registered sex offenders.

(4) The department shall submit a report on or before April 15 to the subcommittees and senate and house fiscal agencies regarding the secure cities partnership during the prior calendar year.

Sec. 602. (1) The department shall identify and apprehend criminals through criminal investigations in this state.

(2) The department shall maintain the staffing and resources necessary to provide a comparable number of hours investigating crimes as those performed in fiscal year 2012-2013.

(3) The department shall maintain the staffing and resources necessary to annually meet or exceed a case clearance rate of 62%.

(4) The department shall annually provide 4 training opportunities to local law enforcement partners with the goal of increasing their knowledge of gambling laws, trends, legal issues, and opioid-related investigations.

(5) The department shall maintain the staffing and resources necessary to increase the number of opioid-related investigations by 20% above the number of those investigations conducted in the 2014-2015 fiscal year conducted by multijurisdictional task forces and hometown security teams. The department shall work to enhance investigative and drug interdiction efforts by enhancing data analysis capabilities and linking investigations among multijurisdictional task forces and hometown security teams.

Sec. 603. (1) The department shall provide protection to this state, its economy, welfare, and vital state-sponsored programs through the prevention and suppression of organized smuggling of untaxed tobacco products in the state, through enforcement of the tobacco products tax act, 1993 PA 327, MCL 205.421 to 205.436, and other laws pertaining to combating criminal activity in this state, by maintaining a tobacco tax enforcement unit.

(2) The department shall submit an annual report on December 1 to the subcommittees, the senate and house appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget office that details expenditures and activities related to tobacco tax enforcement for the prior fiscal year.

(3) The tobacco tax enforcement unit shall dedicate a minimum of 16,600 hours to tobacco tax enforcement.

Sec. 604. (1) The department shall provide fire investigation services to citizens of this state through training and investigative assistance to public safety agencies in this state.

(2) The department shall maintain the staffing and resources necessary to maintain readiness to respond appropriately to at least the number of requests for fire investigation services that occurred in fiscal year 2010-2011 and shall be available for call out statewide 100% of the time.

SPECIALIZED SERVICES

Sec. 701. (1) The department shall operate the Michigan intelligence operation center for homeland security as the state's primary federally designated fusion center to receive, analyze, gather, and disseminate threat-related information among federal, state, local, tribal, and private sector partners.

(2) The department shall ensure public safety by providing public and private sector partners with timely and accurate information regarding critical information key resource threats as reported to or discovered by the Michigan intelligence operations center for homeland security and shall increase public awareness on how to report suspicious activity through website or telephone communications.

(3) The department shall maintain the staffing and resources necessary to support the cyber section, including the Michigan cyber command center, the computer crimes unit, and the internet crimes against children task force. The department shall maintain the staffing and resources necessary to increase the number of cases completed by the computer crimes unit by 40% above the number of cases completed in the 2014-2015 fiscal year. The unit shall pursue process improvement initiatives to effectively utilize staff resources in providing investigatory assistance and evidentiary analysis for law enforcement and criminal justice agencies statewide. The department shall maintain the staffing and resources necessary to increase the Michigan cyber command center casework by 25% above the level of activity in the 2017-2018 fiscal year.

(4) The department shall maintain the staffing and resources necessary to provide digital forensic analysis services with a goal of decreasing backlogs of digital forensic analysis cases annually until the department maintains a 60-day turnaround time.

Sec. 702. (1) The department shall provide specialized services in support of, and to enhance, local, state, and federal law enforcement operations within this state in accordance with all applicable state and federal laws and regulations.

(2) The department shall maintain the staffing and resources necessary to provide training to maintain readiness to respond appropriately to at least the number of requests for specialty services which occurred in fiscal year 2010-2011.

(3) The canine unit shall be available for call out statewide 100% of the time.

(4) The bomb squad unit shall be available for call out statewide 100% of the time.

(5) The emergency support teams shall be available for call out statewide 100% of the time.

(6) The marine services team shall be available for call out statewide 100% of the time.

(7) Aviation services shall be available for call out statewide 100% of the time, unless prohibited by weather or unexpected mechanical breakdowns.

(8) The department shall prepare a report to the legislature that evaluates law enforcement issues related to the use of drones, including existing local, state, and federal laws and regulations regarding their use, any input that the department may have to offer as to the efficacy of those laws, and department-recommended drone law/regulation enforcement policies that could be established as Michigan law enforcement best practices. This report shall be transmitted to the chairpersons of the senate and house appropriations subcommittees, and the senate and house fiscal agencies no later than April 2, 2019.

Sec. 703. (1) The department shall maintain commercial vehicle regulation, school bus inspections, and enforcement activities, including enforcement of requirements concerning size, weight, and load restrictions; operating authority; registration; fuel taxes; transportation of hazardous materials; operations of new entrants; and commercial driver's licenses.

(2) The department shall maintain the staffing and resources necessary to meet inspection goals consistent with the department's federal motor carrier assistance program activities.

(3) Revenue collected under the motor carrier act, 1933 PA 254, MCL 475.1 to 479.42, shall be expended in accordance with that act. Unexpended and unencumbered revenues shall not lapse to the general fund but shall be carried forward into the subsequent fiscal year.

Sec. 704. (1) The department shall coordinate the mitigation, preparation, response, and recovery activities of municipal, county, state, and federal governments, and other governmental entities, for all hazards, disasters, and emergencies.

(2) The state director of emergency management may expend money appropriated under part 1 to call upon any agency or department of the state or any resource of the state to protect life or property or to provide for the health or safety of the population in any area of the state in which the governor proclaims a state of emergency or state of disaster under 1945 PA 302, MCL 10.31 to 10.33, or under the emergency management act, 1976 PA 390, MCL 30.401 to 30.421. The state director of emergency management may expend the amounts the director considers necessary to accomplish these purposes. The director shall submit to the state budget director as soon as possible a complete report of all actions taken under the authority of this section. The report shall contain, as a separate item, a statement of all money expended that is not reimbursable from federal money. The state budget director shall review the expenditures and submit recommendations to the legislature in regard to any possible need for a supplemental appropriation.

(3) In addition to the money appropriated in part 1, the department may receive and expend money from local, private, federal, or state sources for the purpose of providing emergency management training to local or private interests and for the purpose of supporting emergency preparedness, response, recovery, and mitigation activity. If additional expenditure authorization in the statewide integrated governmental management application (SIGMA) is approved by the state budget office under this section, the department and the state budget office shall notify the subcommittees and the senate and house fiscal agencies within 10 days after the approval. The notification shall include the amount and source and the additional authorization, the date of its approval, and the projected use of funds to be expended under the authorization.

(4) The department shall foster, promote, and maintain partnerships to protect this state and homeland from all hazards.

(5) The department shall maintain the staffing and resources necessary to do all of the following:

(a) Serve approximately 105 local emergency management preparedness programs and 88 local emergency planning committees in this state.

(b) Operate and maintain the state's emergency operations center and provide command and control in support of emergency response services.

(c) Maintain readiness, including training and equipment to respond to civil disorders and natural disasters commensurate with the capabilities of fiscal year 2010-2011.

(d) Perform hazardous materials response training.

(6) The department shall conduct a minimum of 3 training sessions to enhance safe response in the event of natural or manmade incidents, emergencies, or disasters.

(7) In addition to the funds appropriated in part 1, there is appropriated from the disaster and emergency contingency fund an amount necessary to cover costs related to any disaster or emergency as defined in the emergency management act, 1976 PA 390, MCL 30.401 to 30.421. Funds shall be expended as provided under sections 18 and 19 of the emergency management act, 1976 PA 390, MCL 30.418 and 30.419, and R 30.51 to R 30.61 of the Michigan Administrative Code.

(8) Funds in the disaster and emergency contingency fund shall not be expended unless the state budget director approves the expenditure and the department and the state budget office notify the senate and house appropriations committees. If expenditures are made from the disaster and emergency contingency fund during a month, the department shall submit monthly reports to the senate and house fiscal agencies detailing the purpose of the expenditures. These monthly reports shall be submitted within 30 days after the end of the month during which funds from the disaster and emergency contingency fund were expended.

(9) Upon the declaration of a state of emergency or disaster by the governor under section 3 of the emergency management act, 1976 PA 390, MCL 30.403, approval of the state budget director, and notification of the subcommittees and senate and house fiscal agencies, the director may expend funds appropriated from any source to any line item within part 1 for the purpose of paying the necessary and reasonable expenses incurred by the department in responding to or mitigating the effects of any emergency or disaster as those terms are defined in section 2 of the emergency management act, 1976 PA 390, MCL 30.402.

(10) The department shall track and report on a quarterly basis, as provided in section 217 of this part, the status of the department's assessment of critical infrastructure vulnerabilities, including the protection status of critical infrastructure items identified by the assessment.

Sec. 705. The department shall provide for the planning, administration, and implementation of highway traffic safety programs to save lives and reduce injuries on roads in this state in partnership with other public and private organizations.

Sec. 706. (1) The department shall provide funding to county sheriff departments to patrol secondary roads.

(2) The sheriffs' duties under the secondary road patrol program, as outlined in section 76(2) of 1846 RS 14, MCL 51.76, are to patrol and monitor traffic violations; to enforce the criminal laws of this state, violations of which are observed by or brought to the attention of the sheriff's department while patrolling and monitoring secondary roads; to investigate accidents involving motor vehicles; and to provide emergency assistance to persons on or near a highway or road the sheriff is patrolling and monitoring.

(3) The department shall provide the following information on secondary road patrol activities supported by appropriations in part 1:

(a) The number of funded full-time equivalent county sheriff secondary road patrol deputies.

(b) The number of hours dedicated to patrol under the secondary road patrol program, with an annual goal of at least 178,000 hours.

(4) The information required to be reported under subsection (3) shall be reported on an annual basis.

ONE-TIME APPROPRIATIONS

Sec. 901. (1) Funding provided in part 1 for sexual assault prevention and education initiative shall be used to provide and administer grants to public or nonpublic community colleges, colleges, and universities with a physical presence in this state to address campus sexual assault issues to improve the safety and security of students, faculty, and staff in campus environments in this state.

(2) Grant funds awarded shall support sexual assault programs, including education, awareness, prevention, reporting, bystander intervention programs, peer advocacy groups, and student organizations dedicated to campus sexual assault prevention and other actions covered by title IX protections.

(3) The department shall issue awards no later than December 1, 2018, with a grant period of 1 year.

(4) The department shall report on grant activities to the subcommittees, the senate and house appropriations subcommittees on higher education, and the state budget office by February 28, 2020.

(5) The unexpended funds appropriated in part 1 for sexual assault prevention and education initiative are designated as work project appropriations. Any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be eligible for expenditure for projects under this section until the projects have been completed. The following is in compliance with section 451a(1) of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to provide grants for sexual assault education, awareness, prevention, reporting, bystander intervention programs, peer advocacy groups, and student organizations dedicated to campus sexual assault prevention and other actions covered by title IX protections. The student organizations may be provided funds to support and develop advocacy groups and act on issues related to prevention of sexual assault, including, but not limited to, student outreach, supporting survivors of sexual assault, and advocating for campus improvements such as additional lighting.

(b) The project will be accomplished by grants to eligible community colleges, colleges, and universities.

(c) The total estimated cost of the project is $1,000,000.00.

(d) The estimated completion date is September 30, 2020.

PART 2A

PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS FOR FISCAL YEAR 2019-2020

GENERAL SECTIONS

Sec. 1001. It is the intent of the legislature to provide appropriations for the fiscal year ending on September 30, 2020 for the line items listed in part 1. The fiscal year 2019-2020 appropriations are anticipated to be the same as those for fiscal year 2018-2019, excluding appropriations designated as one-time appropriations and adjusting for changes in caseload and related costs, federal fund match rates, economic factors, and available revenue. These adjustments will be determined after the January 2019 consensus revenue estimating conference.

ARTICLE XVII

STATE TRANSPORTATION DEPARTMENT

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the state transportation department for the fiscal year ending September 30, 2019, from the following funds:

STATE TRANSPORTATION DEPARTMENT

APPROPRIATION SUMMARY		
Full-time equated unclassified positions	6.0	
Full-time equated classified positions	2,818.3	
GROSS APPROPRIATION		$ 4,843,089,900
Total interdepartmental grants and intradepartmental transfers		4,092,500
ADJUSTED GROSS APPROPRIATION		$ 4,838,997,400
Federal revenues:		
Federal aid - transportation programs		1,318,271,700
Total federal revenues		1,318,271,700
Special revenue funds:		
Local revenues		50,532,000
Private revenues		900,000
Total local and private revenues		51,432,000
Blue Water Bridge fund		24,575,400
Comprehensive transportation fund		352,756,000

		For Fiscal Year Ending Sept. 30, 2019
Economic development fund	$	55,368,000
Intercity bus equipment and facility fund		100,000
Local bridge fund		30,716,500
Michigan transportation fund		1,592,666,600
Qualified airport fund		5,525,000
Rail freight fund		6,000,000
State aeronautics fund		15,924,200
State trunkline fund		1,085,662,000
Total other state restricted revenues		3,169,293,700
State general fund/general purpose	$	300,000,000
State general fund/general purpose schedule:		
Ongoing state general fund/general purpose 0		
One-time state general fund/general purpose 300,000,000		

Sec. 102. DEBT SERVICE

Airport safety and protection plan	$	3,437,900
Blue Water Bridge fund		7,106,300
Comprehensive transportation		19,401,500
Economic development		11,595,300
Local bridge fund		2,315,700
State trunkline		175,580,400
GROSS APPROPRIATION	$	219,437,100
Appropriated from:		
Federal revenues:		
Federal aid - transportation programs		35,863,400
Special revenue funds:		
Blue Water Bridge fund		7,106,300
Comprehensive transportation fund		19,401,500
Economic development fund		11,595,300
Local bridge fund		2,315,700
State aeronautics fund		3,437,900
State trunkline fund		139,717,000
State general fund/general purpose	$	0

Sec. 103. COLLECTION, ENFORCEMENT, AND OTHER AGENCY SUPPORT SERVICES

CTF grant to civil service commission	$	250,000
CTF grant to department of attorney general		205,600
CTF grant to department of treasury		16,300
CTF grant to legislative auditor general		39,800
CTF grant to department of technology, management, and budget		55,900
MTF grant to department of environmental quality		1,367,600
MTF grant to department of treasury		2,744,900
MTF grant to legislative auditor general		322,100
MTF grant to department of state for collection of revenue and fees		20,000,000
SAF grant to civil service commission		150,000
SAF grant to department of attorney general		181,500
SAF grant to department of treasury		74,000
SAF grant to legislative auditor general		31,000
SAF grant to department of technology, management, and budget		40,800
STF grant to civil service commission		6,197,000
STF grant to department of attorney general		2,476,400
STF grant to department of state police		11,798,000
STF grant to department of treasury		156,900
STF grant to legislative auditor general		748,200
STF grant to department of technology, management, and budget		1,538,600
GROSS APPROPRIATION	$	48,394,600

		For Fiscal Year Ending Sept. 30, 2019
Appropriated from:		
Special revenue funds:		
Comprehensive transportation fund	$	567,600
Michigan transportation fund		24,434,600
State aeronautics fund		477,300
State trunkline fund		22,915,100
State general fund/general purpose	$	0

Sec. 104. DEPARTMENTAL ADMINISTRATION AND SUPPORT

Full-time equated unclassified positions 6.0		
Full-time equated classified positions 252.3		
Unclassified salaries—6.0 FTE positions	$	792,100
Asset management council		1,876,400
Business support services—42.0 FTE positions		6,667,100
Commission audit and support services—29.3 FTE positions		3,423,200
Economic development and enhancement programs—10.0 FTE positions		1,669,600
Finance, contracts, and support services—171.0 FTE positions		21,781,700
Property management		7,192,800
Worker's compensation		1,639,200
GROSS APPROPRIATION	$	45,042,100
Appropriated from:		
IDG for accounting service center user charges		4,092,500
Special revenue funds:		
Comprehensive transportation fund		1,566,600
Economic development fund		386,200
Michigan transportation fund		4,260,600
State aeronautics fund		710,700
State trunkline fund		34,025,500
State general fund/general purpose	$	0

Sec. 105. INFORMATION TECHNOLOGY

Information technology services and projects	$	35,739,400
GROSS APPROPRIATION	$	35,739,400
Appropriated from:		
Federal revenues:		
Federal aid - transportation programs		520,500
Special revenue funds:		
Blue Water Bridge fund		55,800
Comprehensive transportation fund		227,000
Economic development fund		37,500
Michigan transportation fund		296,700
State aeronautics fund		177,000
State trunkline fund		34,424,900
State general fund/general purpose	$	0

Sec. 106. TRANSPORTATION PLANNING

Full-time equated classified positions 137.0		
Planning services—137.0 FTE positions	$	39,133,100
Grants to regional planning councils		488,800
GROSS APPROPRIATION	$	39,621,900
Appropriated from:		
Federal revenues:		
Federal aid - transportation programs		22,000,000
Special revenue funds:		
Comprehensive transportation fund		612,300
Michigan transportation fund		9,615,400
State aeronautics fund		15,200
State trunkline fund		7,379,000
State general fund/general purpose	$	0

		For Fiscal Year Ending Sept. 30, 2019
Sec. 107. DESIGN AND ENGINEERING SERVICES		
Full-time equated classified positions 1,473.3		
Program development, delivery, and system operations—1,473.3 FTE positions	$	165,353,700
GROSS APPROPRIATION	$	165,353,700
Appropriated from:		
Federal revenues:		
Federal aid - transportation programs		23,529,800
Special revenue funds:		
Comprehensive transportation fund		187,100
Michigan transportation fund		12,347,500
State aeronautics fund		160,300
State trunkline fund		129,129,000
State general fund/general purpose	$	0
Sec. 108. HIGHWAY MAINTENANCE		
Full-time equated classified positions 793.7		
State trunkline operations—793.7 FTE positions	$	339,127,800
GROSS APPROPRIATION	$	339,127,800
Appropriated from:		
Special revenue funds:		
State trunkline fund		339,127,800
State general fund/general purpose	$	0
Sec. 109. ROAD AND BRIDGE PROGRAMS		
Cities and villages	$	534,594,700
County road commissions		958,837,100
Grants to local programs		33,000,000
Local bridge program		28,400,800
Local federal aid and road and bridge construction		278,400,300
Local agency wetland mitigation bank fund		2,000,000
Movable bridge		5,222,400
Rail grade crossing		3,000,000
Rail grade crossing - surface improvements		3,000,000
State trunkline federal aid and road and bridge construction		1,222,189,500
GROSS APPROPRIATION	$	3,068,644,800
Appropriated from:		
Federal revenues:		
Federal aid - transportation programs		1,087,008,000
Special revenue funds:		
Local funds		30,003,500
Blue Water Bridge fund		10,877,600
Local bridge fund		28,400,800
Michigan transportation fund		1,539,654,200
State trunkline fund		372,700,700
State general fund/general purpose	$	0
Sec. 110. BLUE WATER BRIDGE		
Full-time equated classified positions 41.0		
Blue Water Bridge operations—41.0 FTE positions	$	6,535,700
GROSS APPROPRIATION	$	6,535,700
Appropriated from:		
Special revenue funds:		
Blue Water Bridge fund		6,535,700
State general fund/general purpose	$	0
Sec. 111. TRANSPORTATION ECONOMIC DEVELOPMENT		
Forest roads	$	5,000,000
Rural county primary		8,087,200
Rural county urban system		2,500,000
Target industries/economic redevelopment		16,674,600

		For Fiscal Year Ending Sept. 30, 2019
Urban county congestion	$	8,087,200
Community service infrastructure fund		3,000,000
GROSS APPROPRIATION	$	43,349,000
Appropriated from:		
Special revenue funds:		
Economic development fund		43,349,000
State general fund/general purpose	$	0

Sec. 112. AERONAUTICS SERVICES

Full-time equated classified positions 46.0		
Air service program	$	250,000
Air fleet operations and maintenance—8.0 FTE positions		1,774,500
Aviation services—38.0 FTE positions		5,616,600
GROSS APPROPRIATION	$	7,641,100
Appropriated from:		
Special revenue funds:		
State aeronautics fund		7,641,100
State general fund/general purpose	$	0

Sec. 113. PUBLIC TRANSPORTATION SERVICES

Full-time equated classified positions 36.0		
Passenger transportation services—36.0 FTE positions	$	5,874,700
GROSS APPROPRIATION	$	5,874,700
Appropriated from:		
Federal revenues:		
Federal aid - transportation programs		972,100
Special revenue funds:		
Comprehensive transportation fund		4,902,600
State general fund/general purpose	$	0

Sec. 114. LOCAL BUS TRANSIT

Local bus operating	$	190,750,000
Nonurban operating/capital		30,027,900
GROSS APPROPRIATION	$	220,777,900
Appropriated from:		
Federal revenues:		
Federal aid - transportation programs		28,027,900
Special revenue funds:		
Local funds		2,000,000
Comprehensive transportation fund		190,750,000
State general fund/general purpose	$	0

Sec. 115. INTERCITY PASSENGER AND FREIGHT

Full-time equated classified positions 39.0		
Detroit/Wayne County Port Authority	$	418,200
Freight property management		1,000,000
Intercity services		7,360,000
Marine passenger service		400,000
Office of rail—39.0 FTE positions		6,563,500
Rail operations and infrastructure		80,758,000
GROSS APPROPRIATION	$	96,499,700
Appropriated from:		
Federal revenues:		
Federal aid - transportation programs		14,500,000
Special revenue funds:		
Local funds		260,000
Private funds		900,000
Comprehensive transportation fund		71,940,600
Intercity bus equipment and facility fund		100,000
Michigan transportation fund		2,057,600

		For Fiscal Year Ending Sept. 30, 2019
Rail freight fund	$	6,000,000
State trunkline fund		741,500
State general fund/general purpose	$	0
Sec. 116. PUBLIC TRANSPORTATION DEVELOPMENT		
Municipal credit program	$	2,000,000
Service initiatives		4,589,200
Specialized services		17,938,900
Transit capital		66,612,600
Transportation to work		3,875,000
Van pooling		195,000
GROSS APPROPRIATION	$	95,210,700
Appropriated from:		
Federal revenues:		
Federal aid - transportation programs		26,850,000
Special revenue funds:		
Local funds		5,760,000
Comprehensive transportation fund		62,600,700
State general fund/general purpose	$	0
Sec. 117. CAPITAL OUTLAY		
(1) BUILDINGS AND FACILITIES		
Salt storage buildings and containment control	$	2,500,000
Special maintenance, remodeling, and additions		3,001,500
GROSS APPROPRIATION	$	5,501,500
Appropriated from:		
State trunkline fund		5,501,500
State general fund/general purpose	$	0
(2) AIRPORT IMPROVEMENT PROGRAMS		
Airport safety, protection, and improvement program	$	94,813,200
Detroit Metropolitan Wayne County Airport		5,525,000
GROSS APPROPRIATION	$	100,338,200
Appropriated from:		
Federal revenues:		
Federal aid - transportation programs		79,000,000
Special revenue funds:		
Local funds		12,508,500
Qualified airport fund		5,525,000
State aeronautics fund		3,304,700
State general fund/general purpose	$	0
Sec. 118. ONE-TIME APPROPRIATIONS		
Cities and villages	$	65,400,000
County road commissions		117,300,000
State trunkline federal aid and road and bridge construction		117,300,000
GROSS APPROPRIATION	$	300,000,000
Appropriated from:		
State general fund/general purpose - one-time	$	300,000,000

PART 2

PROVISIONS CONCERNING APPROPRIATIONS
FOR FISCAL YEAR 2018-2019

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state sources under part 1 for fiscal year 2018-2019 is $3,469,293,700.00 and state spending from state sources to be paid to local units

of government for fiscal year 2018-2019 is $2,036,860,600.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

STATE TRANSPORTATION DEPARTMENT

Grants to regional planning councils	$	488,800
Cities and villages		534,594,700
County road commissions		958,837,100
Grants to local programs		33,000,000
Local bridge program		28,400,800
Local agency wetland mitigation		2,000,000
Movable bridge		2,611,200
Rail grade crossing		1,500,000
Rail grade surface crossing improvements		3,000,000
Transportation economic development		23,674,400
Community service infrastructure fund		3,000,000
Air service program		250,000
Local bus operating		190,750,000
Detroit/Wayne County Port Authority		418,200
Marine passenger service		400,000
Municipal credit program		2,000,000
Service initiatives		2,614,200
Specialized services		3,853,900
Transit capital		50,062,600
Transportation to work		3,875,000
Airport safety, protection, and improvement program		3,304,700
Detroit Metropolitan Wayne County Airport		5,525,000
Cities and villages - one-time GF/GP		65,400,000
County road commissions - one-time GF/GP		117,300,000
Total payments to local units of government	$	2,036,860,600

Sec. 202. The appropriations authorized under this part and part 1 are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

Sec. 203. As used in this part and part 1:

(a) "CTF" means comprehensive transportation fund.

(b) "Department" means the state transportation department.

(c) "Director" means the director of the department.

(d) "DOT" means the United States Department of Transportation.

(e) "DOT-FHWA" means DOT, Federal Highway Administration.

(f) "FTE" means full-time equated.

(g) "IDG" means interdepartmental grant.

(h) "MTF" means Michigan transportation fund.

(i) "SAF" means state aeronautics fund.

(j) "STF" means state trunkline fund.

Sec. 204. The departments and agencies receiving appropriations in part 1 shall use the internet to fulfill the reporting requirements of this part. This requirement may include transmission of reports via electronic mail to the recipients identified for each reporting requirement, or it may include placement of reports on an internet or intranet site.

Sec. 205. Funds appropriated in part 1 shall not be used for the purchase of foreign goods or services, or both, if competitively priced and of comparable quality American goods or services, or both, are available. Preference shall be given to goods or services, or both, manufactured or provided by Michigan businesses, if they are competitively priced and of comparable quality. In addition, preference shall 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. 206. The director 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. 207. The departments and agencies receiving appropriations in part 1 shall prepare a report on out-of-state travel expenses not later than January 1 of each year. The travel report shall be a listing of all travel by classified and unclassified employees outside this state in the immediately preceding fiscal year that was funded in whole or in part with funds appropriated in the department's budget. The report shall be submitted to the senate and house appropriations committees, the house and senate fiscal agencies, and the state budget director. The report shall include the following information:

(a) The dates of each travel occurrence.

(b) The transportation and related costs of each travel occurrence, including the proportion funded with state general fund/general purpose revenues, the proportion funded with state restricted revenues, the proportion funded with federal revenues, and the proportion funded with other revenues.

Sec. 208. Funds appropriated in part 1 shall not be used by a principal executive department, state agency, or authority to hire a person to provide legal services that are the responsibility of the attorney general. This prohibition does not apply to legal services for bonding activities and for those activities that the attorney general authorizes.

Sec. 209. Not later than November 30, the state budget office shall prepare and transmit a report that provides for estimates of the total general fund/general purpose appropriation lapses at the close of the prior fiscal year. This report shall summarize the projected year-end general fund/general purpose appropriation lapses by major departmental program or program areas. The report shall be transmitted to the chairpersons of the senate and house of representatives standing committees on appropriations and the senate and house fiscal agencies.

Sec. 210. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $200,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 pursuant to section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(2) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $40,000,000.00 for state restricted contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 pursuant to section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

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

Sec. 211. The department shall cooperate with the department of technology, management, and budget to maintain a searchable website accessible by the public at no cost that includes, but is not limited to, all of the following:

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

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

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

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

(e) Job specifications and wage rates.

Sec. 212. Within 14 days after the release of the executive budget recommendation, the department shall cooperate with the state budget office to provide the senate and house appropriations chairs, the senate and house appropriations subcommittees chairs, and the senate and house fiscal agencies with an annual report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures for the fiscal years ending September 30, 2018 and September 30, 2019.

Sec. 213. The department shall maintain, on a publicly accessible website, a department scorecard that identifies, tracks, and regularly updates key metrics that are used to monitor and improve the department's performance.

Sec. 214. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2019 are $67,716,200.00. From this amount, total agency appropriations for pension-related legacy costs

are estimated at $31,218,300.00. Total agency appropriations for retiree health care legacy costs are estimated at $36,497,900.00.

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

Sec. 217. The department shall provide notice to the speaker of the house, the house minority leader, the senate majority leader, the senate minority leader, the house and senate standing committees on transportation, the appropriate house and senate appropriations subcommittees on transportation, and the house and senate fiscal agencies on proposed federal rule changes related to the department that would require amendments to the laws of this state. The notice shall be given within 30 business days of the proposed federal rule being posted to the federal register and shall include a description of the proposed federal rule, the publication date, the date when public comment closes, the document citation, and a description of the statutory changes needed when the rule is finalized.

Sec. 270. In order to reduce costs and maintain quality, it is the intent of the legislature that, excluding the fleet of motor vehicles for the department of state police, the department will prioritize the utilization of remanufactured parts as the primary means of maintenance and repair for the state of Michigan's fleet of motor vehicles.

DEPARTMENT ADMINISTRATION AND SUPPORT

Sec. 301. (1) The department may establish a fee schedule and collect fees sufficient to cover the costs to issue the permits that the department is authorized by law to issue upon request, unless otherwise stipulated by law. All permit fees are nonrefundable application fees and shall be credited to the appropriate fund to recover the direct and indirect costs of receiving, reviewing, and processing the requests.

(2) A bridge authority shall hold 3 public hearings on an increase in any toll charged by the authority at least 30 days before the toll change will become effective. Two of the hearings shall be held within 5 miles of the bridge over which the bridge authority has jurisdiction. One hearing shall be held in Lansing. Public hearings held under this section shall be conducted in accordance with the open meetings act, 1976 PA 267, MCL 15.261 to 15.275, and shall be conducted so as to provide a reasonable opportunity for public comment, including both spoken and written comments.

Sec. 304. If, as a requirement of bidding on a highway project, the department requires a contractor to submit financial or proprietary documentation as to how the bid was calculated, that bid documentation shall be kept confidential and shall not be disclosed other than to a department representative without the contractor's written consent. The department may disclose the bid documentation if necessary to address or defend a claim by a contractor.

Sec. 305. (1) The department may permit space on public passenger transportation properties to be occupied by public or private tenants on a competitive market rate basis. The department shall require that revenue from the tenants be placed in an account to be used to pay the costs to maintain and improve the property.

(2) The department shall charge public transit agencies and intercity bus carriers equal rates per square foot for leasing space in state-owned intermodal facilities.

Sec. 306. (1) The amounts appropriated in part 1 to support tax and fee collection, law enforcement, and other program services provided to the department and to transportation funds by other state departments shall be expended from transportation funds pursuant to annual contracts between the department and those other state departments. The contracts shall be executed prior to the expenditure or obligation of those funds. The contracts shall provide, but are not limited to, the following data applicable to each state department:

(a) Estimated costs to be recovered from transportation funds.

(b) Description of services provided to the department and/or transportation funds and financed with transportation funds.

(c) Detailed cost allocation methods appropriate to the type of services being provided and the activities financed with transportation funds.

(2) Not later than 2 months after publication of the state of Michigan comprehensive annual financial report, each state department receiving funding pursuant to an interdepartment contract with the department shall submit a written report to the department, the state budget director, and the house and senate fiscal agencies stating by spending authorization account the amount of estimated funds contracted with the department, the amount of funds expended, the amount of funds returned to the transportation funds, and any unreimbursed transportation-related costs

incurred but not billed to transportation funds. A copy of the report shall be submitted to the auditor general, and the report shall be subject to audit.

(3) The auditor general shall use a risk-based approach in developing an audit program for the use of transportation funds.

Sec. 307. Before March 1 of each year, the department will provide to the legislature, the state budget director, and the house and senate fiscal agencies its rolling 5-year plan listing by county or by county road commission all highway construction projects for the fiscal year and all expected projects for the ensuing fiscal years.

Sec. 310. The department shall provide in a timely manner copies of the agenda and approved minutes of monthly transportation commission meetings to the members of the house and senate appropriations subcommittees on transportation, the house and senate fiscal agencies, and the state budget director.

Sec. 313. (1) From funds appropriated in part 1, the department may increase a state infrastructure bank program and grant or loan funds in accordance with regulations of the state infrastructure bank program of the United States Department of Transportation. The state infrastructure bank is to be administered by the department for the purpose of providing a revolving, self-sustaining resource for financing transportation infrastructure projects.

(2) In addition to funds provided in subsection (1), money received by the state as federal grants, repayment of state infrastructure bank loans, or other reimbursement or revenue received by the state as a result of projects funded by the program and interest earned on that money shall be deposited in the revolving state infrastructure bank fund and shall be available for transportation infrastructure projects. At the close of the fiscal year, any unencumbered funds remaining in the state infrastructure bank fund shall remain in the fund and be carried forward into the succeeding fiscal year.

(3) The department shall submit a report to the state budget director, the house and senate appropriations subcommittees on transportation, and the house and senate fiscal agencies on the status of the state infrastructure bank. The report shall be submitted on or before December 1, 2018. The report shall include all of the following:

(a) The balance in the state infrastructure bank at September 30, 2018, including a breakdown of the balance by cash and cash equivalents, outstanding loans, and balance available for loan to local agencies.

(b) A breakdown of the state infrastructure loan balance by amounts designated as originating from federal sources and the amounts originating from nonfederal sources.

(c) A list of outstanding loans by agency, original loan amount, project description, loan term, and amount outstanding.

Sec. 319. The department shall post signs at each rest area to identify the agency or contractor responsible for maintenance of the rest area. The signs shall include a department telephone number and shall indicate that unsafe or unclean conditions at the rest area may be reported to that telephone number.

Sec. 353. The department shall review its contractor payment process and ensure that all prime contractors are paid promptly. The department shall ensure that prime contractors are in compliance with special provision 109.10 regarding the prompt payment of subcontractors.

Sec. 357. When presented with complete local federal aid project submittals, the department shall complete all necessary reviews and inspections required to let local federal aid projects within 120 days of receipt. The department shall implement a system for monitoring the local federal aid project review process.

Sec. 375. The department is prohibited from reimbursing contractors or consultants for costs associated with groundbreaking ceremonies, receptions, open houses, or press conferences related to transportation projects funded, in whole or in part, by revenue appropriated in part 1.

Sec. 376. The department shall not spend funds appropriated in part 1 for the purpose of examining the potential association between commercial signs, outdoor advertising signs, billboards, digital billboards, or commercial electronic variable message signs and motor vehicle activity or motor vehicle driver behavior.

Sec. 381. The department shall require as a condition of each contract or subcontract for construction, maintenance, or engineering services that the prequalified contractor or prequalified subcontractor agree to use the E-Verify system to verify that all persons hired during the contract term by the contractor or subcontractor are legally present and authorized to work in the United States. The department may verify this information directly or may require contractors and subcontractors to verify the information and submit a certification to the department. The department shall report to the house and senate appropriations committees and the house and senate fiscal agencies by March 1 of each year describing the processes it has developed and implemented under provisions of this section. As used in this section,

"E-Verify" means an internet-based system operated by the Department of Homeland Security, U.S. Citizenship and Immigration Services in partnership with the Social Security Administration.

Sec. 382. In administering a contract with a county road commission, city, or village that allocates costs of construction or reconstruction of highways, roads, and streets as provided in section 18d of 1951 PA 51, MCL 247.668d, the department shall submit the final cost-sharing bill to the county road commission, city, or village not later than 2 years after the date of the final contract payment to the construction contractor.

Sec. 383. (1) The department shall prepare a report on use of department-owned aircraft during the fiscal year ending September 30, 2018. With respect to each department-owned aircraft, the report shall include all of the following:

(a) Total hours of usage.

(b) Description of specific flights including dates of travel, names of passengers including state agency, university, or local government affiliation, travel origin and destination, and total estimated costs associated with the air travel.

(2) The report shall be submitted to the senate and house appropriations subcommittees on transportation and the house and senate fiscal agencies no later than February 1, 2019.

(3) The department shall maintain a system for recovering the cost of operating department-owned aircraft through charges to aircraft users.

(4) From the funds appropriated in part 1, the department is prohibited from transporting legislators or legislative staff on state-owned aircraft without prior approval from the senate majority leader or the speaker of the house of representatives and only when the aircraft is already scheduled by state agencies on related official state business.

Sec. 384. (1) Except as otherwise provided in subsection (2), the department shall not obligate the state to expend any state transportation revenue for construction planning or construction of the Gordie Howe International Crossing or a renamed successor. In addition, except as provided in subsection (2), the department shall not commit the state to any new contract related to the construction planning or construction of the Gordie Howe International Crossing or a renamed successor that would obligate the state to expend any state transportation revenue. An expenditure for staff resources used in connection with project activities, which expenditure is subject to full and prompt reimbursement from Canada, shall not be considered an expenditure of state transportation revenue.

(2) If the legislature enacts specific enabling legislation for the construction of the Gordie Howe International Crossing or a renamed successor, subsection (1) does not apply once the enabling legislation goes into effect.

Sec. 385. (1) The department shall submit reports to the state budget director, the speaker of the house, the house minority leader, the senate majority leader, the senate minority leader, the house and senate appropriations subcommittees on transportation, and the house and senate fiscal agencies on department activities related to all nonconstruction or construction planning activities related to the Gordie Howe International Crossing or a renamed successor. The initial report shall be submitted on or before December 1, 2018 and shall cover the fiscal year ending September 30, 2018.

(2) The initial report shall include, at a minimum, all of the following:

(a) Department costs incurred in the fiscal year ending September 30, 2018, including employee salaries, wages, benefits, travel, and contractual services, and what activities those costs were related to.

(b) Costs of other executive branch agencies incurred in the fiscal year ending September 30, 2018, including employee salaries, wages, benefits, travel, and contractual services, and what activities those costs were related to.

(c) A breakdown of the source of funds used for the activities described in subdivisions (a) and (b).

(d) A breakdown of reimbursements made by Canada under section 384(1) of this part to the state for expenditures for staff resources used in connection with project activities.

(e) A narrative description of the status of the Gordie Howe International Crossing or a renamed successor, including efforts undertaken to implement provisions of the crossing agreement executed June 15, 2012 by representatives of the Canadian government and this state.

(3) After submission of the initial report, a subsequent report shall be submitted on March 1, 2019, June 1, 2019, and September 1, 2019 and shall include the same information described in subsection (2) for the applicable previous fiscal quarter.

Sec. 386. On or before May 1 of each year, the department shall submit a report to the state budget director, the house and senate appropriations subcommittees on transportation, and the house and senate fiscal agencies on its toll credit program. The report shall include the following information:

(a) The amount of toll credits earned and certified by the FHWA in the prior fiscal year.

(b) The value of toll credits used by programs and projects in the previous fiscal year.

(c) The balance of available toll credits at the end of the prior fiscal year.

(d) A discussion of the department's strategy for using toll credits.

Sec. 387. (1) Within 60 days of completion of any formal traffic study, formal traffic control study, or formal traffic mitigation study, the department shall post the results of the study on the department's website.

(2) As used in this section, the terms "traffic study", "traffic control study", and "traffic mitigation study" include, but are not limited to, investigations into the need for traffic lights, reviews of traffic speeds and related recommendations regarding speed limits, and ways to improve traffic flow during peak travel times.

Sec. 389. Within 30 days of entering into a long-term agreement with a private contractor, a public agency, or a partnership between 1 or more private contractors or public agencies, the department shall notify the state budget director, the house and senate appropriations subcommittees on transportation, and the house and senate fiscal agencies of the agreement, including the subject of the agreement, the term of the agreement, and financial obligations under the agreement. As used in this section, "long-term agreement" means an agreement that obligates the department for a period of 5 years or more and that actually or contingently obligates the department to make payments over the contract period of $5,000,000.00 or more.

Sec. 390. (1) Within 14 days after the release of the executive budget recommendation, the department shall report on prior fiscal year revenues, expenditures, and ending balances, including a description of obligations or restrictions in ending balances, for the following funds and accounts:

(a) The moveable bridge fund.

(b) The rail grade crossing account.

(c) The transportation economic development fund.

(d) The roads and risks reserve fund.

(e) Any unencumbered general fund revenue.

(f) Any unexpended federal earmarks.

(2) The department shall transmit the reports required under this section to the state budget director, the house and senate appropriations subcommittees on transportation, and the house and senate fiscal agencies.

Sec. 391. The department shall not use any funds from the appropriations in part 1 to perform, or to assist any other state department in performing, inspections or testing of motor fuel quality.

Sec. 393. The department shall promote best practices for public transportation services in this state, including, but not limited to, the following:

(a) Transit vehicle rehabilitation to reduce life-cycle cost of public transportation through midlife rehabilitation of transit buses.

(b) Cooperation between entities using transit, including school districts, cities, townships, and counties with a view to promoting cost savings through joint purchasing of fuel and other procurements.

(c) Coordination of transportation dollars among state departments which provide transit-related services, including the department of health and human services. Priority should be given to use of public transportation services where available.

(d) Promotion of intelligent transportation services for buses that incorporate computer and navigation technology to make transit systems more efficient, including stoplight coordinating, vehicle tracking, data tracking, and computerized scheduling.

Sec. 394. The department and local road agencies shall make the preservation of their existing road networks a funding priority.

Sec. 395. From the funds appropriated in part 1 for state trunkline federal aid road and bridge construction, the department may expend up to $10,000,000.00 on highway maintenance activities to support safety-related, high-priority, and other deferred routine maintenance needs on Michigan's state trunkline network.

Sec. 396. In soliciting proposals for contractual services, other than construction contracts, the department shall obtain assurance that the respondents have the financial capability, equipment, work force, and prior work experience sufficient to perform the proposed services.

Sec. 398. The department shall continue to work to eliminate fatalities and serious injuries on Michigan's trunkline and shall maintain the Toward Zero Deaths statewide safety campaign. The department shall prioritize additional median cable guardrail installation when appropriate to address trunkline locations with a history of correctable fatal and serious injury crashes.

Sec. 399. From the funds appropriated in part 1 for the community service infrastructure fund, $3,000,000.00 shall be used to establish a local matching grant program for cities and villages with a population of 10,000 or less. The program shall be administered by the office of economic development. The office of economic development may expend up to $100,000.00 for costs of program administration. The office of economic development shall provide matching grants up to $250,000.00 for construction or preservation of city and village streets, including, but not limited to, reconstruction, replacement, rehabilitation, and capital prevention maintenance. Grantees will be required to provide a dollar-for-dollar cash match. It is the intent of the legislature that the community service infrastructure fund be supported with ongoing appropriations of not less than $3,000,000.00 each subsequent fiscal year.

FEDERAL

Sec. 402. A portion of the federal DOT-FHWA highway research, planning, and construction funds made available to this state shall be allocated to transportation programs administered by local jurisdictions in accordance with section 10o of 1951 PA 51, MCL 247.660o. A local road agency, with respect to a project approved for federal aid funding in a state transportation improvement program, may enter into a voluntary buyout agreement with the department or with another local road agency to exchange the federal aid with state restricted transportation funds as agreed to by the respective parties. The state restricted transportation funds received in exchange for federal aid funds shall be used for the same purpose as the federal aid funds were originally intended.

Sec. 403. After meeting the capital needs of existing section 5310 subrecipients, the department shall include in its grant application to the Federal Transit Administration replacement buses for rural transit agencies to the maximum extent possible based on the federal regulations that govern the section 5310 program.

MICHIGAN TRANSPORTATION FUND

Sec. 501. The money received under the motor carrier act, 1933 PA 254, MCL 475.1 to 479.42, and not appropriated to the department of licensing and regulatory affairs or the department of state police is deposited in the Michigan transportation fund.

Sec. 503. (1) The funds appropriated in part 1 for the economic development and local bridge programs shall not lapse at the end of the fiscal year but shall carry forward each fiscal year for the purposes for which appropriated in accordance with 1987 PA 231, MCL 247.901 to 247.913, and section 10(5) of 1951 PA 51, MCL 247.660.

(2) Interest earned in the department of transportation economic development fund and local bridge fund shall remain in the respective funds and shall be allocated to the respective programs based on actual interest earned at the end of each fiscal year.

(3) In addition to the funds appropriated in part 1, the department of transportation economic development fund and local bridge fund may receive federal, local, or private funds or restricted source funds such as interest earnings. These funds are appropriated for projects that are consistent with the purposes of the respective funds.

(4) None of the funds statutorily dedicated to the transportation economic development fund and local bridge fund shall be diverted to other projects.

Sec. 504. Funds from the Michigan transportation fund shall be distributed to the comprehensive transportation fund, the economic development fund, the recreation improvement fund, and the state trunkline fund, in accordance with this part and part 1 and part 711 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.71101 to 324.71108, and may only be used as specified in this part and part 1, 1951 PA 51, MCL 247.651 to 247.675, and part 711 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.71101 to 324.71108.

STATE TRUNKLINE FUND

Sec. 601. The department shall maintain documentation to support initial acceptance of warrantied projects, interim and final inspections, and notifications to contractors that the warranty period had expired. The department also shall review and evaluate consultant evaluation requirements or recommendations and update existing policies and procedures accordingly.

Sec. 604. At the close of the fiscal year, any unencumbered and unexpended balance in the state trunkline fund shall remain in the state trunkline fund and shall carry forward and is appropriated for federal aid road and bridge programs for projects contained in the annual state transportation program.

Sec. 605. (1) From the increased funds appropriated in part 1 for highway maintenance, the department shall expand highway maintenance activities in the current fiscal year to support flooding mitigation-related activities on limited-access state trunklines in Wayne, Oakland, and Macomb Counties, as well as other safety-related, high-priority, and deferred routine maintenance needs on Michigan's state trunkline network.

(2) The department shall report on specific outcomes and performance measures, including, but not limited to, the following:

(a) The number of drainage catch basins cleaned on limited-access state trunklines in Wayne, Oakland, and Macomb Counties during the fiscal year ending September 30, 2019.

(b) The number of flooding-related closures on limited-access state trunklines in Wayne, Oakland, and Macomb Counties during the fiscal year ending September 30, 2019.

Sec. 606. From the funds appropriated in part 1, it is the intent of the legislature that the department shall expend between $2,000,000.00 and $3,000,000.00 for the engineering and design of a rebuilding and modernization project on I-94 between M-60 and Sargent Road in Jackson County. The engineering and design work shall prepare the project for the receipt of any future federal funds, if and when they become available.

Sec. 610. The department shall have as a priority the removal of dead deer and other large animal remains from the traveled portion and shoulder of state highways. The department, and counties that perform state highway maintenance under contract, shall remove animal remains, wherever practicable and when funds are available, away from the traveled portion and shoulder of state highways.

Sec. 612. The department shall establish guidelines governing incentives and disincentives provided under contracts for state trunkline projects. The guidelines shall include specific financial information concerning incentives and disincentives. On or before January 1 of each year, the department shall prepare a report for the immediately preceding fiscal year regarding contract incentives and disincentives. This report shall include a list, by project, of the contractors that received contract incentives and/or disincentives, the amount of the incentives and/or disincentives, the fund source of any incentives, and the number of days that each project was completed either ahead or past the contracted completion date. This report shall be provided to the senate and house appropriations subcommittees on transportation, the senate and house standing committees on transportation, and the senate and house fiscal agencies.

Sec. 613. (1) On or before February 1 of each year, the department shall prepare a report on all capital federal aid participating construction projects completed in the prior fiscal year. The report shall include the following information:

(a) Location of the project.

(b) General description of the project.

(c) As-bid cost of the project.

(d) As-built cost of the project.

(e) Estimated completion date.

(f) Actual completion date.

(g) Whether design engineering was performed by department staff or contract engineering consultants.

(h) Design engineering costs.

(i) Whether construction engineering was performed by department staff or contract engineering consultants.

(j) Construction engineering costs.

(k) Design life.

(2) The report shall include a discussion of design engineering and construction engineering costs as a proportion of total project costs and in comparison with other state transportation agencies. The report shall also include a discussion of relative efficiency and effectiveness of work performed by department staff and work performed by contract engineering consultants.

(3) The report described in this section shall be provided to the senate and house appropriations subcommittees on transportation, the senate and house standing committees on transportation, and the senate and house fiscal agencies.

Sec. 660. (1) The legislature encourages the department to examine the use of alternative road surface materials, including recycled materials, and to develop criteria and specifications for their use in both department-managed and contracted projects.

(2) The department shall report on efforts taken to implement this section. The report shall include descriptions of specific materials evaluated, evaluation methods, and results of specific field or laboratory tests. The department shall complete and submit the report to the state budget director, the house and senate appropriations subcommittees on transportation, and the house and senate fiscal agencies on or before March 1 of each year.

Sec. 670. (1) The department shall investigate, by way of bid solicitation and all other practical means, the complete refurbishment of all department winter maintenance trucks scheduled for sale or retirement in the fiscal year ending September 30, 2019.

(2) On or before November 1, 2019, the department shall submit to the house of representatives and senate appropriations subcommittees and the house and senate fiscal agencies a final report. The final report must include an analysis illustrating the costs and benefits of the complete refurbishment of winter maintenance trucks compared to the sale and purchase of new equipment.

TRANSIT AND RAIL RELATED FUNDS

Sec. 701. The department shall establish an intercity bus equipment and facility fund as a subsidiary fund within the comprehensive transportation fund created under section 10b of 1951 PA 51, MCL 247.660b. Proceeds received by this state from the sale of state-owned intercity bus equipment shall be credited to the intercity bus equipment and facility fund for the purchase and repair of intercity bus equipment, as appropriated. Security deposits not returned to a lessee of state-owned intercity bus equipment under terms of the lease agreement shall be credited to the intercity bus equipment and facility fund for the repair of intercity bus equipment, as appropriated. Money received by the department from lease payments for state-owned intercity bus equipment, and facility maintenance charges under terms of leases of state-owned intercity facilities, shall be credited to the intercity bus equipment and facility fund for the purchase and repair of intercity bus equipment or for the maintenance and rehabilitation of state-owned intercity facilities, as appropriated. At the close of the fiscal year, any funds remaining in the intercity bus equipment and facility fund shall remain in the fund and be carried forward into the succeeding fiscal year.

Sec. 702. Money that is received by this state as repayment for loans made for rail or water freight capital projects, and as a result of the sale of property or equipment used or projected to be used for rail or water freight projects shall be deposited in the rail freight fund created by section 17 of the state transportation preservation act of 1976, 1976 PA 295, MCL 474.67. At the close of the fiscal year, any funds remaining in the rail freight fund shall remain in the fund and be carried forward into the succeeding fiscal year.

Sec. 703. After receiving notification from a railroad company pursuant to section 8 of the state transportation preservation act of 1976, 1976 PA 295, MCL 474.58, the department shall immediately notify the house of representatives and senate appropriations subcommittees on transportation and the state budget office that the railroad company has filed with the appropriate governmental agencies for abandonment of a line.

Sec. 704. From the funds appropriated in part 1, the department shall prepare and transmit a report that provides detail regarding the department's obligations for programs funded under the appropriation in part 1 for rail operations and infrastructure. The report shall include a breakdown of the appropriation by program, year-to-date obligations under each program itemized by project, and an estimate of future obligations under each program itemized by project for the remainder of the fiscal year. The initial report shall be submitted to the senate and house appropriations subcommittees on transportation, the state budget director, and the senate and house fiscal agencies, on or before February 1, 2019. The department also shall update and resubmit the final report on or before November 1, 2019.

Sec. 706. The Detroit/Wayne County Port Authority shall issue a complete operations assessment and a financial disclosure statement. The operations assessment shall include operational goals for the next 5 years and recommendations to improve land acquisition and development efficiency. The report shall be completed and submitted to the house of representatives and senate appropriations subcommittees on transportation, the state budget director, and the house and senate fiscal agencies by June 30 of each fiscal year for the prior fiscal year.

Sec. 711. (1) As prescribed in subsection (2), the department shall submit reports to the state budget director, the house and senate appropriations subcommittees on transportation, and the house and senate fiscal agencies on rail passenger service provided by Amtrak under a contractual agreement with the department. The report shall be submitted on or before May 1 of each year.

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

(a) Passenger counts for the preceding fiscal year for each Amtrak service route in Michigan.

(b) Revenue and operating expenses by Amtrak route.

(c) Total state operating payments to Amtrak in the preceding fiscal year by Amtrak route.

(d) A discussion of major factors affecting route costs and revenue and net state costs in the preceding fiscal year, and factors affecting route costs and revenue and net state costs anticipated in the current and future fiscal years.

(e) Fare revenue by route and fare revenue as a percentage of route operating expense.

Sec. 735. For the fiscal year ending September 30, 2019, the appropriation to a street railway pursuant to section 10e(22) of 1951 PA 51, MCL 247.660e, is $0.

Sec. 750. From the funds appropriated in part 1 for rail freight economic development, the department must expend at least $2,500,000.00 of the comprehensive transportation fund on freight economic development.

Sec. 751. From the funds appropriated in part 1 for rail operations and infrastructure, there is appropriated $2,000,000.00 for capital improvements to state-owned rail facilities between Walton Junction and Traverse City.

Sec. 752. Not less than twice during each fiscal year, the department shall meet with representatives of a rail industry trade association to provide information on the availability of rail infrastructure loan and grant funding programs and freight economic development project opportunities.

AERONAUTICS FUND

Sec. 801. Except as otherwise provided in section 903 of this part for capital outlay, at the close of the fiscal year, any unobligated and unexpended balance in the state aeronautics fund created in the aeronautics code of the state of Michigan, 1945 PA 327, MCL 259.1 to 259.208, shall lapse to the state aeronautics fund and be appropriated by the legislature in the immediately succeeding fiscal year.

Sec. 802. The legislature encourages the department to find private entities or local public agencies to assume ownership and operating responsibility for airports currently owned by the department.

Sec. 804. The department shall not expend funds from the appropriation in part 1, air fleet operations and maintenance, if the department owns 5 or more aircraft. The department shall notify the state budget director, the house and senate appropriations subcommittees on transportation, and the house and senate fiscal agencies when it owns 4 aircraft or fewer.

CAPITAL OUTLAY

Sec. 901. (1) From federal-state-local project appropriations contained in part 1 for the purpose of assisting political entities and subdivisions of this state in the construction and improvement of publicly used airports and landing fields within this state, the state transportation department may permit the award of contracts on behalf of units of local government for the authorized locations not to exceed the indicated amounts, of which the state allocated portion shall not exceed the amount appropriated in part 1.

(2) Political entities and subdivisions shall provide not less than 5% of the cost of any project under this section, unless a total nonfederal share greater than 10% is otherwise specified in federal law. State money shall not be allocated until local money is allocated. State money for any 1 project shall not exceed 1/3 of the total appropriation in part 1 from state funds for airport improvement programs.

(3) The Michigan aeronautics commission may take those steps necessary to match federal money available for airport construction and improvement within this state and to meet the matching requirements of the federal government. Whether acting alone or jointly with another political subdivision or public agency or with this state, a political subdivision or public agency of this state shall not submit to any agency of the federal government a project application for airport planning or development unless it is authorized in this part and part 1 and the project application is approved by the governing body of each political subdivision or public agency making the application and by the Michigan aeronautics commission.

Sec. 903. The appropriations in part 1 for capital outlay shall be carried forward at the end of the fiscal year consistent with the provisions of section 248 of the management and budget act, 1984 PA 431, MCL 18.1248.

ONE-TIME APPROPRIATIONS

Sec. 1001. The one-time general fund/general purpose appropriation in part 1 for county road commissions shall be distributed among the county road commissions in accordance with section 12 of 1951 PA 51, MCL 247.662, to be used by county road commissions as provided under that section. The one-time general fund/general purpose appropriation in part 1 for cities and villages shall be distributed among cities and villages in accordance with section 13 of 1951 PA 51, MCL 247.663, to be used by cities and villages as provided under that section.

ARTICLE XX

SUPPLEMENTAL APPROPRIATIONS

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the various state departments and agencies and for capital outlay to supplement appropriations for the fiscal year ending September 30, 2018, from the following funds:

APPROPRIATION SUMMARY

Full-time equated classified positions	117.0	
GROSS APPROPRIATION	$	(511,995,300)
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		0
ADJUSTED GROSS APPROPRIATION	$	(511,995,300)
Federal revenues:		
Total federal revenues		(659,909,400)
Special revenue funds:		
Total local revenues		2,647,800
Total private revenues		(1,159,100)
Total other state restricted revenues		38,374,900
State general fund/general purpose	$	108,050,500

Sec. 102. DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT

(1) APPROPRIATION SUMMARY

GROSS APPROPRIATION	$	250,000
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		0
ADJUSTED GROSS APPROPRIATION	$	250,000
Federal revenues:		
Total federal revenues		0
Special revenue funds:		
Total local revenues		0
Total private revenues		0
Total other state restricted revenues		0
State general fund/general purpose	$	250,000

(2) FAIRS AND EXPOSITIONS

Horse racing - purse funding	$	250,000
Standardbred purses and supplements - licensed tracks		(671,800)
Standardbred purses and supplements - licensed tracks		671,800
GROSS APPROPRIATION	$	250,000
Appropriated from:		
Agriculture equine industry development fund		0
State general fund/general purpose	$	250,000

Sec. 103. DEPARTMENT OF ATTORNEY GENERAL

(1) APPROPRIATION SUMMARY

Full-time equated classified positions	2.0	
GROSS APPROPRIATION	$	1,126,200

		For Fiscal Year Ending Sept. 30, 2018
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers	$	0
ADJUSTED GROSS APPROPRIATION	$	1,126,200
Federal revenues:		
Total federal revenues		41,200
Special revenue funds:		
Total local revenues		85,000
Total private revenues		0
Total other state restricted revenues		0
State general fund/general purpose	$	1,000,000
(2) ATTORNEY GENERAL OPERATIONS		
Full-time equated classified positions 2.0		
Attorney general operations—2.0 FTE positions	$	1,000,000
Prosecuting attorneys coordinating council		126,200
GROSS APPROPRIATION	$	1,126,200
Appropriated from:		
Federal revenues:		
Total federal revenues		41,200
Special revenue funds:		
Total local revenues		85,000
State general fund/general purpose	$	1,000,000
Sec. 104. CAPITAL OUTLAY		
(1) APPROPRIATION SUMMARY		
GROSS APPROPRIATION	$	800
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		0
ADJUSTED GROSS APPROPRIATION	$	800
Federal revenues:		
Total federal revenues		0
Special revenue funds:		
Total local revenues		0
Total private revenues		0
Total other state restricted revenues		0
State general fund/general purpose	$	800
(2) STATE BUILDING AUTHORITY FINANCED CONSTRUCTION AUTHORIZATIONS		
Lake Superior State University - Center for Freshwater Research and Education (total authorized cost $13,200,000; state building authority share $8,849,800; university share $4,350,000; state general fund share $200)	$	100
Michigan State University - STEM Teaching and Learning Facility (total authorized cost $72,500,000; state building authority share $29,869,800; university share $42,630,000; state general fund share $200)		100
Wayne State University - STEM Innovation Learning Center (total authorized cost $40,000,000; state building authority share $14,749,800; university share $25,250,000; state general fund share $200)		100
Alpena Community College - Center for Health Sciences and Student Success (total authorized cost $8,695,000; state building authority share $3,349,800; community college share $5,345,000; state general fund share $200)		100
Grand Rapids Community College - Applied Technology Center renovation and expansion (total authorized cost $12,734,500; state building authority share $6,367,000; community college share $6,367,300; state general fund share $200)		100
Mott Community College - Southern Lakes Branch Center rehabilitation/renovation (total authorized cost $8,112,200; state building authority share $4,055,900; community college share $4,056,100; state general fund share $200)		100
North Central Michigan College - AD/CL Classroom renovation and expanded learning space (total authorized cost $6,800,000; state building authority share $3,399,800; college share $3,400,000; state general fund share $200)		100

		For Fiscal Year Ending Sept. 30, 2018
Washtenaw Community College - Advanced Transportation Center (total authorized cost $5,670,700; state building authority share $1,999,800; community college share $3,670,700; state general fund share $200)	$	100
GROSS APPROPRIATION	$	800
Appropriated from:		
State general fund/general purpose	$	800

Sec. 105. DEPARTMENT OF CORRECTIONS

(1) APPROPRIATION SUMMARY

GROSS APPROPRIATION	$	1,750,000
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		0
ADJUSTED GROSS APPROPRIATION	$	1,750,000
Federal revenues:		
Total federal revenues		0
Special revenue funds:		
Total local revenues		0
Total private revenues		0
Total other state restricted revenues		0
State general fund/general purpose	$	1,750,000

(2) ONE-TIME APPROPRIATIONS

Education program	$	1,750,000
GROSS APPROPRIATION	$	1,750,000
Appropriated from:		
State general fund/general purpose	$	1,750,000

Sec. 106. DEPARTMENT OF EDUCATION

(1) APPROPRIATION SUMMARY

GROSS APPROPRIATION	$	14,603,900
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		0
ADJUSTED GROSS APPROPRIATION	$	14,603,900
Federal revenues:		
Total federal revenues		14,603,900
Special revenue funds:		
Total local revenues		0
Total private revenues		0
Total other state restricted revenues		0
State general fund/general purpose	$	0

(2) MICHIGAN OFFICE OF GREAT START

Child development and care public assistance	$	14,603,900
GROSS APPROPRIATION	$	14,603,900
Appropriated from:		
Federal revenues:		
Federal revenues		14,603,900
State general fund/general purpose	$	0

Sec. 107. DEPARTMENT OF ENVIRONMENTAL QUALITY

(1) APPROPRIATION SUMMARY

GROSS APPROPRIATION	$	20,070,000
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		0
ADJUSTED GROSS APPROPRIATION	$	20,070,000
Federal revenues:		
Total federal revenues		0
Special revenue funds:		
Total local revenues		0
Total private revenues		0

		For Fiscal Year Ending Sept. 30, 2018
Total other state restricted revenues	$	2,000,000
State general fund/general purpose	$	18,070,000
(2) WATER RESOURCES DIVISION		
Water withdrawal assessment program	$	70,000
GROSS APPROPRIATION	$	70,000
Appropriated from:		
State general fund/general purpose	$	70,000
(3) ONE-TIME APPROPRIATIONS		
Drinking water declaration of emergency	$	20,000,000
GROSS APPROPRIATION	$	20,000,000
Appropriated from:		
Special revenue funds:		
Drinking water declaration of emergency reserve fund		2,000,000
State general fund/general purpose	$	18,000,000
Sec. 108. DEPARTMENT OF HEALTH AND HUMAN SERVICES		
(1) APPROPRIATION SUMMARY		
Full-time equated classified positions 15.0		
GROSS APPROPRIATION	$	(681,378,100)
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		0
ADJUSTED GROSS APPROPRIATION	$	(681,378,100)
Federal revenues:		
Total federal revenues		(685,261,500)
Special revenue funds:		
Total local revenues		2,562,800
Total private revenues		(1,159,100)
Total other state restricted revenues		31,904,900
State general fund/general purpose	$	(29,425,200)
(2) CHILDREN'S SERVICES AGENCY - CHILD WELFARE		
Adoption subsidies	$	(1,218,700)
Child care fund		6,333,800
Children's services administration		25,000
Family support subsidy		(1,071,400)
Foster care payments		16,323,900
Guardianship assistance program		(1,187,800)
GROSS APPROPRIATION	$	19,204,800
Appropriated from:		
Federal revenues:		
Social security act, temporary assistance for needy families		419,800
Capped federal revenues		(1,312,300)
Total other federal revenues		4,333,600
Special revenue funds:		
Local funds - county chargeback		2,682,500
Private - collections		(1,159,100)
State general fund/general purpose	$	14,240,300
(3) PUBLIC ASSISTANCE		
Family independence program	$	(1,549,300)
Food assistance program benefits		(418,506,300)
State disability assistance payments		(664,100)
State supplementation		(92,600)
GROSS APPROPRIATION	$	(420,812,300)
Appropriated from:		
Federal revenues:		
Total other federal revenues		(418,506,300)
State general fund/general purpose	$	(2,306,000)

		For Fiscal Year Ending Sept. 30, 2018
(4) BEHAVIORAL HEALTH PROGRAM ADMINISTRATION AND SPECIAL PROJECTS		
Behavioral health program administration	$	1,500,000
GROSS APPROPRIATION	$	1,500,000
Appropriated from:		
State general fund/general purpose	$	1,500,000
(5) BEHAVIORAL HEALTH SERVICES		
Autism services	$	46,943,100
Healthy Michigan plan - behavioral health		17,394,100
Medicaid mental health services		14,616,700
Medicaid substance use disorder services		10,111,800
GROSS APPROPRIATION	$	89,065,700
Appropriated from:		
Federal revenues:		
Total other federal revenues		62,790,700
Special revenue funds:		
Total other state restricted revenues		(140,000)
State general fund/general purpose	$	26,415,000
(6) CHILDREN'S SPECIAL HEALTH CARE SERVICES		
Medical care and treatment	$	(27,479,200)
GROSS APPROPRIATION	$	(27,479,200)
Appropriated from:		
Federal revenues:		
Total other federal revenues		(15,414,300)
State general fund/general purpose	$	(12,064,900)
(7) MEDICAL SERVICES ADMINISTRATION		
Full-time equated classified positions 15.0		
Medical services administration—15.0 FTE positions	$	830,100
GROSS APPROPRIATION	$	830,100
Appropriated from:		
Federal revenues:		
Total other federal revenues		415,000
State general fund/general purpose	$	415,100
(8) MEDICAL SERVICES		
Adult home help services	$	9,767,700
Ambulance services		(10,804,400)
Auxiliary medical services		267,600
Dental services		(8,629,800)
Federal Medicare pharmaceutical program		(6,283,000)
Health plan services		(132,753,900)
Healthy Michigan plan		(177,201,300)
Home health services		(725,000)
Hospice services		7,502,500
Hospital services and therapy		(83,033,200)
Integrated care organizations		34,387,100
Long-term care services		13,881,000
Maternal and child health		6,000,000
Medicaid home- and community-based services waiver		(3,524,100)
Medicare premium payments		36,982,800
Personal care services		(455,700)
Pharmaceutical services		(20,518,500)
Physician services		(15,818,200)
Program of all-inclusive care for the elderly		(5,923,500)
Special Medicaid reimbursement		981,300
Transportation		(660,600)
GROSS APPROPRIATION	$	(356,561,200)

		For Fiscal Year Ending Sept. 30, 2018
Appropriated from:		
Federal revenues:		
Total other federal revenues	$	(317,987,700)
Special revenue funds:		
Total local revenues		(119,700)
Total other state restricted revenues		32,044,900
State general fund/general purpose	$	(70,498,700)
(9) INFORMATION TECHNOLOGY		
Information technology services and projects	$	150,000
GROSS APPROPRIATION	$	150,000
Appropriated from:		
State general fund/general purpose	$	150,000
(10) ONE-TIME BASIS ONLY APPROPRIATIONS		
Dental clinic program	$	250,000
Direct primary care pilot program		(5,724,000)
Direct primary care pilot program		5,724,000
Lakeshore regional entity PIHP risk sharing		6,974,000
Legal services		3,000,000
Public health projects		1,500,000
Title IX regional consortium pilot program		1,000,000
GROSS APPROPRIATION	$	12,724,000
Appropriated from:		
Federal revenues:		
Total other federal revenues		0
State general fund/general purpose	$	12,724,000
Sec. 109. DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES		
(1) APPROPRIATION SUMMARY		
GROSS APPROPRIATION	$	0
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		0
ADJUSTED GROSS APPROPRIATION	$	0
Federal revenues:		
Total federal revenues		0
Special revenue funds:		
Total local revenues		0
Total private revenues		0
Total other state restricted revenues		0
State general fund/general purpose	$	0
(2) DEPARTMENT SERVICES		
Department services	$	(3,752,200)
Department services		3,752,200
GROSS APPROPRIATION	$	0
Appropriated from:		
Special revenue funds:		
Insurance bureau fund		0
State general fund/general purpose	$	0
Sec. 110. DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS		
(1) APPROPRIATION SUMMARY		
GROSS APPROPRIATION	$	600,000
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		0
ADJUSTED GROSS APPROPRIATION	$	600,000
Federal revenues:		
Total federal revenues		0
Special revenue funds:		
Total local revenues		0

		For Fiscal Year Ending Sept. 30, 2018
Total private revenues	$	0
Total other state restricted revenues		600,000
State general fund/general purpose	$	0
(2) OCCUPATIONAL REGULATION		
Bureau of community and health systems	$	600,000
GROSS APPROPRIATION	$	600,000
Appropriated from:		
Special revenue funds:		
Nurse aide registration fund		600,000
State general fund/general purpose	$	0
Sec. 111. DEPARTMENT OF MILITARY AND VETERANS AFFAIRS		
(1) APPROPRIATION SUMMARY		
GROSS APPROPRIATION	$	3,766,700
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		0
ADJUSTED GROSS APPROPRIATION	$	3,766,700
Federal revenues:		
Total federal revenues		0
Special revenue funds:		
Total local revenues		0
Total private revenues		0
Total other state restricted revenues		0
State general fund/general purpose	$	3,766,700
(2) MILITARY		
National Guard tuition assistance fund	$	2,500,000
GROSS APPROPRIATION	$	2,500,000
Appropriated from:		
State general fund/general purpose	$	2,500,000
(3) MICHIGAN VETERANS AFFAIRS AGENCY		
D.J. Jacobetti home for veterans	$	1,266,700
GROSS APPROPRIATION	$	1,266,700
Appropriated from:		
State general fund/general purpose	$	1,266,700
Sec. 112. DEPARTMENT OF NATURAL RESOURCES		
(1) APPROPRIATION SUMMARY		
GROSS APPROPRIATION	$	8,450,000
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		0
ADJUSTED GROSS APPROPRIATION	$	8,450,000
Federal revenues:		
Total federal revenues		0
Special revenue funds:		
Total local revenues		0
Total private revenues		0
Total other state restricted revenues		1,900,000
State general fund/general purpose	$	6,550,000
(2) ONE-TIME APPROPRIATIONS		
Forestry investment	$	1,900,000
Invasive species prevention and control		250,000
Nongame fish and wildlife trust fund		1,000,000
Wildlife management		5,300,000
GROSS APPROPRIATION	$	8,450,000
Appropriated from:		
Special revenue funds:		
Forest development fund		1,900,000
State general fund/general purpose	$	6,550,000

		For Fiscal Year Ending Sept. 30, 2018
Sec. 113. DEPARTMENT OF STATE		
(1) APPROPRIATION SUMMARY		
Full-time equated classified positions 100.0		
GROSS APPROPRIATION	$	12,092,400
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		0
ADJUSTED GROSS APPROPRIATION	$	12,092,400
Federal revenues:		
Total federal revenues		10,707,000
Special revenue funds:		
Total local revenues		0
Total private revenues		0
Total other state restricted revenues		1,250,000
State general fund/general purpose	$	135,400
(2) CUSTOMER DELIVERY SERVICES		
Full-time equated classified positions 100.0		
Branch operations—100.0 FTE positions	$	1,000,000
Motorcycle safety education administration		250,000
GROSS APPROPRIATION	$	1,250,000
Appropriated from:		
Special revenue funds:		
Motorcycle safety and education awareness fund		250,000
Transportation administration collection fund		1,000,000
State general fund/general purpose	$	0
(3) ELECTION REGULATION		
Help America vote act	$	11,242,400
GROSS APPROPRIATION	$	11,242,400
Appropriated from:		
Federal revenues:		
Help America vote act - election security		10,707,000
State general fund/general purpose	$	535,400
(4) ONE-TIME APPROPRIATIONS		
Election administration and services	$	(400,000)
GROSS APPROPRIATION	$	(400,000)
Appropriated from:		
State general fund/general purpose	$	(400,000)
Sec. 114. DEPARTMENT OF STATE POLICE		
(1) APPROPRIATION SUMMARY		
GROSS APPROPRIATION	$	30,000,000
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		0
ADJUSTED GROSS APPROPRIATION	$	30,000,000
Federal revenues:		
Total federal revenues		0
Special revenue funds:		
Total local revenues		0
Total private revenues		0
Total other state restricted revenues		0
State general fund/general purpose	$	30,000,000
(2) LAW ENFORCEMENT SERVICES		
Grants and community services	$	150,000
GROSS APPROPRIATION	$	150,000
Appropriated from:		
State general fund/general purpose	$	150,000
(3) SPECIALIZED SERVICES		
Intelligence operations	$	350,000
GROSS APPROPRIATION	$	350,000

		For Fiscal Year Ending Sept. 30, 2018
Appropriated from:		
State general fund/general purpose	$	350,000
(4) ONE-TIME APPROPRIATIONS		
Disaster and emergency contingency fund	$	2,500,000
Information technology services and projects		1,000,000
Recruitment, training, and outreach		1,000,000
School safety grants		25,000,000
GROSS APPROPRIATION	$	29,500,000
Appropriated from:		
State general fund/general purpose	$	29,500,000

Sec. 115. DEPARTMENT OF TALENT AND ECONOMIC DEVELOPMENT

(1) APPROPRIATION SUMMARY		
GROSS APPROPRIATION	$	23,156,100
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		0
ADJUSTED GROSS APPROPRIATION	$	23,156,100
Federal revenues:		
Total federal revenues		0
Special revenue funds:		
Total local revenues		0
Total private revenues		0
Total other state restricted revenues		0
State general fund/general purpose	$	23,156,100
(2) ONE-TIME APPROPRIATIONS		
Grant for Michigan law enforcement officers memorial monument	$	1,181,100
Michigan enhancement grants		21,975,000
GROSS APPROPRIATION	$	23,156,100
Appropriated from:		
State general fund/general purpose	$	23,156,100

Sec. 116. DEPARTMENT OF TECHNOLOGY, MANAGEMENT, AND BUDGET

(1) APPROPRIATION SUMMARY		
GROSS APPROPRIATION	$	21,618,200
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		0
ADJUSTED GROSS APPROPRIATION	$	21,618,200
Federal revenues:		
Total federal revenues		0
Special revenue funds:		
Total local revenues		0
Total private revenues		0
Total other state restricted revenues		420,000
State general fund/general purpose	$	21,198,200
(2) STATE BUILDING AUTHORITY RENT		
State building authority rent - community colleges	$	1,438,000
State building authority rent - universities		4,010,200
GROSS APPROPRIATION	$	5,448,200
Appropriated from:		
State general fund/general purpose	$	5,448,200
(3) ONE-TIME APPROPRIATIONS		
Enterprisewide special maintenance for state facilities	$	3,000,000
Gubernatorial transition costs		1,750,000
Michigan cyber civilian corps		420,000
Military retirement plan investment		11,000,000
GROSS APPROPRIATION	$	16,170,000

		For Fiscal Year Ending Sept. 30, 2018
Appropriated from:		
Special revenue funds:		
Michigan infrastructure fund	$	420,000
State general fund/general purpose	$	15,750,000

Sec. 117. STATE TRANSPORTATION DEPARTMENT

(1) APPROPRIATION SUMMARY

GROSS APPROPRIATION	$	30,000,000
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		0
ADJUSTED GROSS APPROPRIATION	$	30,000,000
Federal revenues:		
Total federal revenues		0
Special revenue funds:		
Total local revenues		0
Total private revenues		0
Total other state restricted revenues		0
State general fund/general purpose	$	30,000,000

(2) ONE-TIME APPROPRIATIONS

Community infrastructure investments	$	30,000,000
GROSS APPROPRIATION	$	30,000,000
Appropriated from:		
State general fund/general purpose	$	30,000,000

Sec. 118. DEPARTMENT OF TREASURY

(1) APPROPRIATION SUMMARY

GROSS APPROPRIATION	$	1,898,500
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		0
ADJUSTED GROSS APPROPRIATION	$	1,898,500
Federal revenues:		
Total federal revenues		0
Special revenue funds:		
Total local revenues		0
Total private revenues		0
Total other state restricted revenues		300,000
State general fund/general purpose	$	1,598,500

(2) DEPARTMENTAL ADMINISTRATION AND SUPPORT

Office of collections	$	250,000
GROSS APPROPRIATION	$	250,000
Appropriated from:		
Special revenue funds:		
Driver responsibility fees		250,000
State general fund/general purpose	$	0

(3) LOCAL GOVERNMENT PROGRAMS

Supervision of the general property tax law	$	583,500
GROSS APPROPRIATION	$	583,500
Appropriated from:		
State general fund/general purpose	$	583,500

(4) GRANTS

Financial data analytic tool reimbursement	$	(500,000)
Financial data analytic tool reimbursement		500,000
GROSS APPROPRIATION	$	0
Appropriated from:		
State general fund/general purpose	$	0

(5) INFORMATION TECHNOLOGY

Treasury operations information technology services and projects	$	1,015,000
GROSS APPROPRIATION	$	1,015,000

		For Fiscal Year Ending Sept. 30, 2018
Appropriated from:		
State general fund/general purpose	$	1,015,000
(6) ONE-TIME APPROPRIATIONS		
Genesee County register of deeds	$	50,000
GROSS APPROPRIATION	$	50,000
Appropriated from:		
Special revenue funds:		
Drinking water declaration of emergency reserve fund		50,000
State general fund/general purpose	$	0

PART 2

PROVISIONS CONCERNING APPROPRIATIONS
FOR FISCAL YEAR 2017-2018

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state sources under part 1 for the fiscal year ending September 30, 2018 is $146,425,400.00 and total state spending from state sources to be paid to local units of government is $24,287,400.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

CAPITAL OUTLAY		
Capital outlay projects	$	500
DEPARTMENT OF HEALTH AND HUMAN SERVICES		
Healthy Michigan plan - behavioral health	$	782,000
Medicaid mental health services		15,778,600
Medicaid substance use disorder services		493,100
Special Medicaid reimbursement		259,200
Lakeshore regional entity PIHP risk sharing	$	6,974,000
TOTAL OF PAYMENTS TO LOCAL UNITS OF GOVERNMENT	$	24,287,400

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

DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT

Sec. 301. From the funds appropriated in part 1 from the agriculture equine industry development fund, available revenue shall be allocated in the following priority order:

(a) To support all administrative, contractual, and regulatory costs incurred by the department and the Michigan gaming control board.

(b) Not less than $395,000.00 shall be allocated to the purses and supplements - fairs/licensed tracks line item.

(c) Any remaining funds collected through September 30, after the obligations in subdivisions (a) and (b) have been met, shall be prorated equally among the supplements, breeders' awards, and sire stakes awards to eligible race meeting licensees in accordance with the horse racing law of 1995, 1995 PA 279, MCL 431.301 to 431.336.

Sec. 302. (1) The funds appropriated in part 1 for horse racing - purse funding shall be allocated as follows:

Licensed tracks - light horse racing	$	7,136
Light horse racing - breeders' awards		3,535
Thoroughbred breeders' awards		65,432
Thoroughbred sire stakes		67,300
Thoroughbred supplements - licensed tracks		106,597

(2) The funds appropriated in part 1 for horse racing - purse funding shall be allocated to a race meeting licensee consistent with the existing categories outlined in section 20(6) of the horse racing law of 1995, 1995 PA 279, MCL 431.320.

(3) If no thoroughbred or light horse racing occurs in the 2017-2018 fiscal year, all unexpended funds appropriated in part 1 for horse racing - purse funding are designated as work project appropriations and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures in fiscal year 2018-2019 for the same purpose for which they were appropriated in this article, subject to the requirements described in subsections (1) and (2). The following is in compliance with section 451a(1) of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to ensure awards and supplements are available for thoroughbred and light horse racing programs.

(b) Any payments made from these funds will be in accordance with this section.

(c) The estimated cost of this work project is $250,000.00.

(d) The estimated completion date for the work project is September 30, 2019.

DEPARTMENT OF ATTORNEY GENERAL

Sec. 401. The unexpended funds appropriated in part 1 for the prosecuting attorneys coordinating council are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditure for projects under this section until the projects have been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is for the design, development, and implementation of a case management computer system.

(b) The project will be accomplished by utilizing state employees or contracts with service providers, or both.

(c) The total estimated cost of the project is $126,200.00.

(d) The tentative completion date is September 30, 2022.

CAPITAL OUTLAY

Sec. 501. For the state building authority financed construction authorizations in part 1, the legislature hereby determines that the leases of the facilities from the authority are for a public purpose as authorized by 1964 PA 183, MCL 830.411 to 830.425. The legislature approves and authorizes the leases and conveyances of the property to the state building authority, the state building authority acquiring the facilities and leasing them to the state and the educational institutions, or state, as applicable, and the governor and secretary of state executing the leases for and on behalf of the state pursuant to the requirements of 1964 PA 183, MCL 830.411 to 830.425. Per the requirements of the leases, it is the intent of the legislature to annually appropriate sufficient amounts to pay the rent as obligated pursuant to the leases.

DEPARTMENT OF ENVIRONMENTAL QUALITY

Sec. 601. From the funds appropriated in part 1 for drinking water declaration of emergency, the department of environmental quality shall allocate funds to address legal obligations related to the *Concerned Pastors for Social Action v Khouri* settlement agreement.

Sec. 602. The unexpended funds appropriated in part 1 for drinking water declaration of emergency are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditure for projects under this section until the projects have been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to provide support for the drinking water declaration of emergency.

(b) The project will be accomplished by utilizing state employees or contracts with service providers, or both.

(c) The total estimated cost of the project is $20,000,000.00.

(d) The tentative completion date is September 30, 2020.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Sec. 701. From the funds appropriated in part 1 for title IX regional consortium pilot program, the department of health and human services shall oversee a pilot program of independent regional centers to review and investigate reports of sexual misconduct on college and university campuses. These regional centers are intended to serve as an independent network of trained professionals and investigators to review and help resolve reports of sexual misconduct in an appropriate and timely manner. One goal of the pilot program shall be to develop a framework of best practices for campus sexual assault prevention.

Sec. 702. (1) From the funds appropriated in part 1 for information technology services and projects, the department shall allocate $150,000.00 by September 1, 2018 to support new payment processes and the implementation of technological changes to MiSACWIS to meet the implementation requirements described in section 117a(4)(a) of the social welfare act, 1939 PA 280, MCL 400.117a.

(2) The unexpended funds appropriated in part 1 for information technology services and projects are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditure for projects under this section until the projects have been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to implement changes to the MiSACWIS system.

(b) The project will be accomplished by utilizing state employees or contracts with service providers, or both.

(c) The total estimated cost of the project is $150,000.00.

(d) The tentative completion date is September 30, 2019.

Sec. 703. From the funds appropriated in part 1 for foster care payments, the department shall maintain the $6,000.00 payment, in effect as of September 30, 2017, made to private child placing agencies upon the completion of the child welfare caseworker training. The department shall allocate a sufficient amount from the $15,800,000.00 appropriated in the foster care payments line for noncaseload spending purposes to ensure these payments are made.

Sec. 704. From the funds appropriated in part 1 for children's services administration, the department shall expend up to $25,000.00 to support a workgroup to update child welfare training methods.

Sec. 705. (1) The department of health and human services shall determine whether federal financial participation is available to support direct primary care services for managed care Medicaid enrollees. Based on this assessment, the department shall do 1 of the following:

(a) If federal financial participation is available, from the funds appropriated in part 1 for direct primary care pilot program, the department shall expend $710,000.00 general fund/general purpose plus associated federal match for this program as part of a work project.

(b) If federal financial participation is not available, from the funds appropriated in part 1 for direct primary care pilot program, the department shall expend $864,000.00 general fund/general purpose to fund a direct primary care pilot program as part of a work project.

(2) If federal financial participation is available, the department shall implement a direct primary care pilot program for managed care Medicaid enrollees that shall run from no later than July 1, 2018 to September 30, 2018. The pilot program shall include no more than 400 enrollees from each of the following Medicaid eligibility categories:

(a) Childless adults.

(b) Children ages 0 to 6 years.

(c) Children ages 7 to 18 years.

(d) Parents.

(e) Elderly individuals.

(f) Disabled individuals.

(3) If federal financial participation is not available, the department shall implement a direct primary care pilot program for managed care Medicaid enrollees that shall run from no later than July 1, 2018 to September 30, 2018. The pilot program shall include no more than 400 enrollees from each of the following Medicaid eligibility categories:

(a) Childless adults.

(b) Children ages 0 to 18 years.

(c) Parents.

(4) The department shall open enrollment for the direct primary care pilot program to Medicaid beneficiaries, enrolled or assigned to participating managed care organizations using direct primary care services as an alternative payment model and shall keep enrollment open until the limits described in subsections (2) and (3) are reached. For the

purposes of the pilot program, each enrollee, up to the limits described in subsections (2) and (3), that opts into the pilot program shall be enrolled in a single, eligible direct primary care service provider plan. The department shall maintain and publicly share a list of participating managed care organizations and require these managed care organizations to maintain and publicly share a list of participating direct primary care service providers with potential pilot program enrollees.

(5) An eligible direct primary care service provider must meet the following requirements:

(a) The direct primary care service provider must be a licensed physician in a primary care specialty.

(b) If federal financial participation is available, the monthly direct primary care enrollment fee shall not exceed a weighted average of $70.00 per month across all eligibility categories. The average shall be weighted by the population makeup of the pilot program. If federal financial participation is not available, the monthly direct primary care enrollment fee shall not exceed a weighted average of $60.00 per month across all eligibility categories. The average shall be weighted by the population makeup of the pilot program.

(c) The direct primary care service provider must only provide primary care services.

(d) The direct primary care service provider's services must include, but are not limited to, access to telemedicine and same or next business day appointments.

(6) For managed care enrollees participating in the direct primary care pilot, the enrollee's managed care organization shall authorize the contracted direct primary care service providers participating in the pilot program to refer pilot enrollees to nonprimary care services within the managed care organization's provider network. The direct primary care service providers must do all of the following:

(a) Only refer pilot program enrollees to nonprimary care service providers within the managed care organization's provider network when making referrals for nonprimary care services.

(b) Follow all prior authorization requirements mandated by the managed care organization.

(7) If, by August 1, 2018, the direct primary care pilot program described under subsection (4) has not begun enrolling Medicaid beneficiaries, the department shall begin the process of implementing a direct primary care pilot for fee for service Medicaid beneficiaries. This includes, but is not limited to, seeking federal approval for federal financial participation. The direct primary care pilot program for fee for service Medicaid beneficiaries shall be implemented by October 1, 2018 using the funds described under subsection (1) and using the parameters described under subsections (2), (3), and (5) for fee for service Medicaid beneficiaries.

(8) The department shall have access to the patient records of each enrollee in the pilot program for the sole purpose of aggregate data collection.

(9) On a quarterly basis, the department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office on the status and implementation of the direct primary care pilot program for both managed care Medicaid beneficiaries and fee for service Medicaid beneficiaries. The report shall include, but is not limited to, the following performance metrics:

(a) The number of enrollees in the pilot program by eligibility category.

(b) The per-member-per-month rate paid in the previous fiscal year per eligibility category.

(c) The number of claims paid in the previous fiscal year per eligibility category.

(d) The number of claims per category weighted to reflect 400 enrollees.

(e) The dollar value of all claims per eligibility category.

(f) The per-member-per-month actual cost. As used in this subdivision, "per-member-per-month actual cost" means the direct primary care plan costs and any managed care costs not covered through the direct primary care plan, including managed care provider overhead costs.

(g) The average direct primary care cost per enrollee per eligibility category.

(h) The average number of actual claims per eligibility category.

(i) The average actual dollar value of claims per eligibility category.

(j) The number of enrollees in the pilot program during the previous quarter who are no longer eligible for Medicaid in the current quarter, broken down by eligibility category.

(k) The category savings subtotal. As used in this subdivision, "category savings subtotal" means the per-member-per-month rate paid in fiscal year 2016-2017 minus the per-member-per-month actual cost, times the number of enrollees in the eligibility category.

(*l*) The total savings. As used in this subdivision, "total savings" means the per-member-per-month rate paid in the previous fiscal year minus the per-member-per-month actual cost, times the total number of enrollees in the program.

(10) Unexpended and unencumbered funds up to a maximum of $2,016,000.00 general fund/general purpose revenue plus any associated federal match remaining in accounts appropriated in part 1 for direct primary care pilot program are designated as work project appropriations, and any unencumbered or unallotted funds shall not lapse at the end of

the fiscal year and shall be available for expenditure for the direct primary care pilot program for Medicaid under this section until the work project has been completed. All of the following are in compliance with section 451a(1) of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the work project is to fund the cost of a direct primary care pilot program as provided by this section.

(b) The work project will be accomplished by contracting with a managed care organization under contract with the department to provide Medicaid services.

(c) The total estimated completion cost of the work project is $6,048,000.00.

(d) The tentative completion date is June 30, 2021.

(11) The department may take out a stop loss policy to mitigate the potential cost impact if pilot program per-member-per-month costs exceed per-member-per-month costs for the program the enrollee would have been in had he or she not participated in the pilot program. The cost of the stop loss plan shall not be used in the assessment of the success of the pilot program.

DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES

Sec. 751. From the funds appropriated in part 1 from the insurance bureau fund, funds may be expended to support legislative participation in insurance activities coordinated by insurance and legislative associations, in accordance with section 225 of the insurance code of 1956, 1956 PA 218, MCL 500.225.

DEPARTMENT OF NATURAL RESOURCES

Sec. 801. The unexpended funds appropriated in part 1 for wildlife management are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditure for projects under this section until the projects have been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to fund wildlife disease research.

(b) The project will be accomplished by utilizing state resources and contracts.

(c) The total estimated cost of the project is $5,300,000.00.

(d) The tentative completion date is September 30, 2022.

Sec. 802. The unexpended funds appropriated in part 1 for forestry investment are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditure for projects under this section until the projects have been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to fund enhancements to the vegetative management system.

(b) The project will be accomplished by utilizing state resources and contracts.

(c) The total estimated cost of the project is $1,900,000.00.

(d) The tentative completion date is September 30, 2022.

Sec. 803. From the funds appropriated in part 1 for the nongame fish and wildlife trust fund, $1,000,000.00 is transferred from the state general fund for deposit to the Kirtland's warbler dedicated account of the Michigan nongame fish and wildlife trust fund created under section 42 of article IX of the state constitution of 1963.

DEPARTMENT OF STATE

Sec. 901. The unexpended funds appropriated in part 1 for the help America vote act are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditure for projects under this section until the projects have been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to provide election security improvements to the election system, equipment, and processes used in federal elections.

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

(c) The total estimated cost of the project is $11,242,400.00.

(d) The tentative completion date is September 30, 2022.

Sec. 902. The unexpended funds appropriated in part 1 for branch operations are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditure for projects under this section until the projects have been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to provide driver license reinstatement for 350,000 eligible citizens due to elimination of driver responsibility fees.

(b) The project will be accomplished by utilizing 100 limited-term state employees.

(c) The total estimated cost of the project is $1,000,000.00.

(d) The tentative completion date is September 30, 2019.

DEPARTMENT OF STATE POLICE

Sec. 1001. (1) Funding appropriated in part 1 for school safety grants shall be used to provide and administer competitive grants to public or nonpublic schools, school districts, and intermediate school districts to purchase technology equipment, upgrade hardening measures, or conduct school building safety assessments to improve the safety and security of school buildings, students, and school staff. As used in this section, a "school district" includes a public school academy. The department of state police, grants and community services division, shall administer the grant program described in this section.

(2) The goal of the grant program is to create a safer school environment through equipment and technology enhancements.

(3) Applications shall be accepted directly from public or nonpublic schools, school districts, and intermediate school districts. School district and intermediate school district applications are required to be for buildings that have pre-K to 12 classrooms and students. There is a limit of 1 application per eligible applicant. Individual schools may submit their own application but must not also be included in a school district application if they submitted an individual application. All grants shall be funded on a reimbursement-only basis.

(4) From the $25,000,000.00 appropriated in part 1 for school safety grants, $10,000,000.00 shall be made available without a local matching fund requirement, subject to the requirements of subsection (3), to individual public or nonpublic schools, school districts, and intermediate school districts. Grants are limited to $25,000.00 per application for individual schools and $250,000.00 for school districts or intermediate school districts.

(5) From the $25,000,000.00 appropriated in part 1 for school safety grants, $15,000,000.00 shall be made available requiring a 25% local matching fund requirement, subject to the requirements of subsection (3), to individual public or nonpublic schools, school districts, and intermediate school districts. Grants are limited to $1,000,000.00 per application.

(6) Eligible applicants are allowed to submit 1 application. Funding will not be awarded to a school building more than once. If a school district submits an application and an individual school within that district submits an application and includes that building, that building cannot receive 2 funding awards. If an agency submits more than 1 application, the most recent application submitted will be the one considered for funding.

(7) Applications shall be selected for funding based on eligibility, the project description, and whether the project reflects the highest security need of the applicant within grant funding constraints, the budget narrative, the budget, project goals, objectives, and performance measures. Priority shall be given to projects that involve multiple agencies working in partnership, to proposals that seek to secure exterior access points of school buildings, and to those applicants that did not receive a school safety grant in the past. Grant applicants must demonstrate proof that a school has an emergency operation plan that had been updated after August 1, 2017 to align with the state of Michigan emergency operations plan guidance and school safety information policy developed under section 1308 of the revised school code, 1976 PA 451, MCL 380.1308.

(8) Eligible expenditures under school safety grants include 1 or more of the following:

(a) Physical security enhancement equipment, such as door locks, proximity access card readers, keypads, motion detection systems, lighting, closed-circuit television systems, and audio or video intercom devices.

(b) Improved or hardened exterior access points of school buildings or enhancements to entryways.

(c) Public address systems.

(d) Inspection and screening systems, including metal detectors.

(e) Shatterproof glass or film for exterior doors or windows.

(f) Signs, such as "Emergency Exit Only" and "Visitors Register at Front Office" signs.

(g) Fences and gates.

(h) Mobile telephone applications that provide the ability to communicate with personnel on site while also connecting an emergency telephone call to a 9-1-1 center.

(i) School safety assessments such as those conducted by the Department of Homeland Security or a comparable private contractor service.

(9) The following items shall not be eligible for grant expenditure:

(a) Weapons, including tasers.

(b) Personal body armor for routine use.

(c) Construction of new facilities.

(d) Costs in applying for this grant, such as consultants and grant writers.

(e) Expenses incurred prior to the date of the award or after the end of the grant performance period.

(f) Personnel costs or operation costs related to a capital improvement.

(g) Indirect costs or indirect administrative expenses.

(h) All travel, including first-class or out-of-state travel.

(i) Contributions or donations.

(j) Management or administrative training and conferences, except as otherwise preapproved by the department of state police.

(k) Management studies or research and development.

(*l*) Memberships and dues, unless a specific requirement of the project that has been preapproved by the department of state police.

(m) Vehicles, watercraft, or aircraft, including unmanned or remotely piloted aircraft and vehicles.

(n) Service contracts and training beyond the performance period of the grant award.

(o) Food, refreshments, and snacks.

(10) The department shall issue grant guidance and application materials, including required performance measures, no later than August 1, 2018 and shall begin issuing awards no later than October 31, 2018. A project awarded a grant under this program must be completed by September 2019.

(11) The department of state police shall report on grant activities to the house and senate appropriations subcommittees on state police, the house and senate fiscal agencies, and the state budget office by March 1, 2019, including available performance outcomes as identified in individual grant agreements.

(12) Unexpended and unencumbered appropriations for school safety grants shall not lapse to the general fund but shall be carried forward into the subsequent fiscal year.

DEPARTMENT OF TALENT AND ECONOMIC DEVELOPMENT

Sec. 1101. (1) From the one-time funds appropriated in part 1 for Michigan enhancement grants, $1,900,000.00 is allocated for projects at Grand Haven State Park. Of this amount, $800,000.00 is allocated for the third stage of the parking lot replacement at Grand Haven State Park and $1,100,000.00 is allocated to the replacement of the beach house at Grand Haven State Park. The department of natural resources shall use these funds and other funds, if available, for this purpose.

(2) From the one-time funds appropriated in part 1 for Michigan enhancement grants, $1,400,000.00 shall be awarded for trail improvements in a county with a population between 26,500 and 27,000 according to the most recent federal decennial census.

(3) From the one-time funds appropriated in part 1 for Michigan enhancement grants, $1,150,000.00 is allocated for the department of natural resources to conduct a dredging project on the Grand River between the Fulton Street bridge in Kent County and the Bass River inlet in Ottawa County, as outlined in the department of technology, management, and budget dredging feasibility study completed on May 3, 2017. Of this amount, up to $150,000.00 is allocated for collecting and analyzing sediment samples from that section of the Grand River. The remainder is allocated to dredging, and shall be spent only if sediment tests are satisfactory and necessary permits are issued. The purpose of the dredging project is to facilitate recreational boating traffic over that section of the river. The department of natural resources shall accomplish these tasks by issuing requests for proposals and hiring private contractors. The department

of natural resources shall issue the requests for proposals for this project no later than October 1, 2018. The funds allocated under this subsection are considered a work project appropriation, and any unencumbered or unallotted funds are carried forward into the succeeding fiscal year. The following is in compliance with section 451a(1) of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project to be carried forward is to test sediment and facilitate recreational boating traffic on the Grand River between the Fulton Street bridge in Kent County and the Bass River inlet in Ottawa County.

(b) The selected contractors will work with the department to establish a plan to complete the project.

(c) The total estimated cost of the project is $1,150,000.00.

(d) The tentative completion date is September 30, 2022.

(4) From the one-time funds appropriated in part 1 for Michigan enhancement grants, $1,000,000.00 shall be awarded to a civic theater in a county with a population between 600,000 and 610,000 and in a city with a population over 185,000 according to the most recent federal decennial census.

(5) From the one-time funds appropriated in part 1 for Michigan enhancement grants, $750,000.00 shall be awarded towards riverfront park improvements in a county with a population between 600,000 and 610,000 and in a charter township with a population between 5,900 and 6,100 according to the most recent federal decennial census.

(6) From the one-time funds appropriated in part 1 for Michigan enhancement grants, $500,000.00 shall be awarded to a public museum for expansion in a county with a population between 400,000 and 450,000 and in a city with a population over 100,000 according to the most recent federal decennial census.

(7) From the one-time funds appropriated in part 1 for Michigan enhancement grants, $500,000.00 shall be awarded to a 501(c)(3) nonprofit that provides evening meals to children at or below poverty to increase access in a county with a population between 600,000 and 610,000 according to the most recent federal decennial census.

(8) From the one-time funds appropriated in part 1 for Michigan enhancement grants, $500,000.00 shall be awarded to a museum that is a national historic landmark in a county with a population over 1,300,000 and in a city with a population between 97,000 and 500,000 according to the most recent federal decennial census for security upgrades.

(9) From the one-time funds appropriated in part 1 for Michigan enhancement grants, $500,000.00 shall be awarded for a road project on a road south of the highest population center of a county located in a county with a population of between 45,000 and 46,000 according to the most recent federal decennial census.

(10) From the one-time funds appropriated in part 1 for Michigan enhancement grants, $500,000.00 shall be awarded to support an Arab-American museum located in a county with a population over 1,300,000 and in a city with a population between 97,000 and 500,000 according to the most recent federal decennial census.

(11) From the one-time funds appropriated in part 1 for Michigan enhancement grants, $500,000.00 shall be awarded to support capital improvements to an African-American museum in a city with a population greater than 600,000 according to the most recent federal decennial census.

(12) From the one-time funds appropriated in part 1 for Michigan enhancement grants, $500,000.00 shall be awarded to support a memorial center in a county with a population between 1,000,000 and 1,700,000 and in a city with a population between 79,000 and 80,000 according to the most recent federal decennial census to expand educational access.

(13) From the one-time funds appropriated in part 1 for Michigan enhancement grants, $300,000.00 shall be awarded to a county for trail improvements in a county with a population between 55,000 and 59,000 according to the most recent federal decennial census.

(14) From the one-time funds appropriated in part 1 for Michigan enhancement grants, $250,000.00 shall be awarded for environmental clean-up in a county with a population between 1,000,000 and 1,700,000 and in a township with a population between 30,000 and 34,000 according to the most recent federal decennial census.

(15) From the one-time funds appropriated in part 1 for Michigan enhancement grants, $150,000.00 shall be awarded to a university for community center improvements for a university with a fiscal year equated student population of fewer than 5,000 students.

(16) From the one-time funds appropriated in part 1 for Michigan enhancement grants, $150,000.00 shall be awarded to a 501(c)(3) nonprofit organization that maintains parks and neighborhood improvements for community center improvements located in a city with a population greater than 600,000 according to the most recent federal decennial census.

(17) From the one-time funds appropriated in part 1 for Michigan enhancement grants, $100,000.00 shall be awarded to a city to purchase a boat launch in a county with a population between 15,000 and 16,000 and in a city with a population between 800 and 1,000 according to the most recent federal decennial census.

(18) From the one-time funds appropriated in part 1 for Michigan enhancement grants, $100,000.00 shall be awarded towards projects that will deepen a river that extends through a county with a population between 200,000 and 250,000

and another county with a population between 107,770 and 110,000 according to the most recent federal decennial census.

(19) From the one-time funds appropriated in part 1 for Michigan enhancement grants, $100,000.00 shall be awarded to a 501(c)(3) nonprofit organization that is a locally certified community housing development organization for a community engagement grant in a county with a population between 250,000 and 260,000 and a city with a population above 50,000 according to the most recent federal decennial census.

(20) From the one-time funds appropriated in part 1 for Michigan enhancement grants, $100,000.00 shall be awarded to a 501(c)(3) nonprofit organization that provides access to food, medical care, and counseling services located in a county with a population between 280,000 and 300,000 and a city with a population above 50,000 according to the most recent federal decennial census.

(21) From the one-time funds appropriated in part 1 for Michigan enhancement grants, $45,000.00 shall be awarded to a county conservation district for watershed improvements located in a county with a population between 90,000 and 100,000 according to the most recent federal decennial census.

(22) From the one-time funds appropriated in part 1 for Michigan enhancement grants, $25,000.00 shall be awarded to a city as a community heritage grant in a county with a population between 38,000 and 40,000 and a city with a population above 10,000 according to the most recent federal decennial census.

(23) From the one-time funds appropriated in part 1 for Michigan enhancement grants, $5,000.00 shall be awarded to a city with the oldest World War I concrete monument for preservation of the monument.

(24) From the one-time funds appropriated in part 1 for Michigan enhancement grants, $500,000.00 shall be awarded for a water and sewer project located in a county with a population between 130,000 and 140,000 and a city with a population between 8,600 and 8,700.

(25) From the one-time funds appropriated in part 1 for Michigan enhancement grants, $200,000.00 shall be awarded for a behavioral and physical health clinic located in a county with a population between 130,000 and 140,000 and a city with a population between 8,600 and 8,700.

(26) From the one-time funds appropriated in part 1 for Michigan enhancement grants, $325,000.00 shall be awarded for phase 1 of a water pipeline hookup located in a county with a population of between 25,800 and 25,900 and in a charter township with a population of between 6,900 and 7,100 according to the most recent federal decennial census.

(27) From the one-time funds appropriated in part 1 for Michigan enhancement grants, $100,000.00 shall be awarded for a rural broadband project located in a county with a population of between 13,300 and 13,400 and in a township with a population of between 1,600 and 1,700 according to the most recent federal decennial census.

(28) From the one-time funds appropriated in part 1 for Michigan enhancement grants, $100,000.00 shall be awarded for community center renovation located in a county with a population of between 152,000 and 152,100 and in a city with a population of between 20,700 and 20,800 according to the most recent federal decennial census.

(29) From the one-time funds appropriated in part 1 for Michigan enhancement grants, $100,000.00 shall be awarded for a women's addiction center renovation located in a county with a population of between 152,000 and 152,100 and in a charter township with a population of between 14,500 and 14,600 according to the most recent federal decennial census.

(30) From the one-time funds appropriated in part 1 for Michigan enhancement grants, $73,000.00 shall be awarded to a center for the arts located in a county with a population of between 152,000 and 153,000 and in a city with a population of between 20,700 and 20,800 according to the most recent federal decennial census.

(31) From the one-time funds appropriated in part 1 for Michigan enhancement grants, $1,000,000.00 shall be awarded to a center for the arts located in a county with a population of between 32,600 and 32,700 and in a city with a population of between 5,600 and 5,700 according to the most recent federal decennial census.

(32) From the one-time funds appropriated in part 1 for Michigan enhancement grants, $1,500,000.00 shall be awarded to a community hospital located in a county with a population of between 38,500 and 38,600 and in a township with a population of between 1,300 and 1,400 according to the most recent federal decennial census.

(33) From the one-time funds appropriated in part 1 for Michigan enhancement grants, $1,000,000.00 shall be awarded to a private, not-for-profit provider of children and family welfare services and behavioral health care services with more than 15 centers throughout the state.

(34) From the one-time funds appropriated in part 1 for Michigan enhancement grants, $500,000.00 shall be awarded to a downtown development authority property redevelopment project located in a county with a population of between 840,900 and 841,000 and in a city with a population of between 4,700 and 4,800 according to the most recent federal decennial census.

(35) From the one-time funds appropriated in part 1 for Michigan enhancement grants, $25,000.00 shall be awarded for development and landscaping at a park located in a county with a population of between 840,900 and 841,000 and in a city with a population of between 4,700 and 4,800 according to the most recent federal decennial census.

(36) From the one-time funds appropriated in part 1 for Michigan enhancement grants, $50,000.00 shall be awarded for park sidewalk repair located in a county with a population of between 840,900 and 841,000 and in a township with a population of between 43,300 and 43,400 according to the most recent federal decennial census.

(37) From the one-time funds appropriated in part 1 for Michigan enhancement grants, $500,000.00 shall be awarded to a scholars program at a university located in a county with a population of between 250,300 and 250,400 and in a city with a population of between 74,200 and 74,300 according to the most recent federal decennial census.

(38) From the one-time funds appropriated in part 1 for Michigan enhancement grants, $500,000.00 shall be awarded to a human and social services organization providing assistance to the disadvantaged, hardship cases, and newcomer populations located in a county with a population of between 840,900 and 841,000 and in a city with a population of between 129,600 and 129,800 according to the most recent federal decennial census.

(39) From the one-time funds appropriated in part 1 for Michigan enhancement grants, $100,000.00 shall be awarded to a community vitality center located in a county with a population greater than 1,800,000 and in a city with a population of between 84,000 and 84,100 according to the most recent federal decennial census.

(40) From the one-time funds appropriated in part 1 for Michigan enhancement grants, $500,000.00 shall be awarded for a veterans hall of fame to be located in a county with a population of between 37,000 and 37,100 and in a city with a population of between 12,600 and 12,700 according to the most recent federal decennial census.

(41) From the one-time funds appropriated in part 1 for Michigan enhancement grants, $1,000,000.00 shall be awarded to a county community mental health service located in a county with a population of between 840,900 and 841,000 according to the most recent federal decennial census.

(42) From the one-time funds appropriated in part 1 for Michigan enhancement grants, $1,500,000.00 shall be awarded for local match funding to a community college located in a county with a population of between 61,200 and 61,300 and in a township with a population of between 3,200 and 3,300 according to the most recent federal decennial census.

(43) From the one-time funds appropriated in part 1 for Michigan enhancement grants, $200,000.00 shall be awarded for a new emergency dispatch system for a city with a population of between 9,100 and 9,200 and a charter township with a population of between 27,500 and 27,600 according to the most recent federal decennial census located in a county with a population greater than 1,800,000 according to the most recent federal decennial census.

(44) From the one-time funds appropriated in part 1 for Michigan enhancement grants, $400,000.00 shall be awarded for the purchase of a new fire engine in a county with a population greater than 1,800,000 and in a charter township with a population of between 27,500 and 27,600 according to the most recent federal decennial census.

(45) From the one-time funds appropriated in part 1 for Michigan enhancement grants, $81,000.00 shall be awarded for upgrades at a library located in a county with a population greater than 1,800,000, a county with a population of between 1,200,000 and 1,205,000, and in a city with a population of between 5,900 and 6,000 according to the most recent federal decennial census.

(46) From the one-time funds appropriated in part 1 for Michigan enhancement grants, $96,000.00 shall be awarded for upgrades at a library located in a county with a population greater than 1,800,000 and in a city with a population of between 9,100 and 9,200 according to the most recent federal decennial census.

(47) From the one-time funds appropriated in part 1 for Michigan enhancement grants, $75,000.00 shall be awarded for land improvements and law enforcement building improvements for police officer training at a national guard training facility located primarily in a county with a population of between 14,000 and 14,100 according to the most recent federal decennial census.

(48) From the one-time funds appropriated in part 1 for Michigan enhancement grants, $125,000.00 shall be awarded for tree cutting at a public and military use airport located in a county with a population of between 14,000 and 14,100 according to the most recent federal decennial census.

(49) From the one-time funds appropriated in part 1 for Michigan enhancement grants, $150,000.00 shall be awarded for a cooperative lakes monitoring program conducted by a Michigan network of volunteer water quality monitoring programs created under Executive Order No. 2003-15.

(50) From the one-time funds appropriated in part 1 for Michigan enhancement grants, $250,000.00 shall be awarded to a not-for-profit research institute, incubator, and manager located in a county with a population of between 344,700 and 344,800 and in a charter township with a population of between 34,600 and 34,700 according to the most recent federal decennial census.

(51) Except as otherwise noted, the unexpended funds appropriated in part 1 for Michigan enhancement grants are designated as work project appropriations, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditure for projects under this section until the projects have been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the projects is to enhance the quality of life of Michigan residents.

(b) The projects will be accomplished by utilizing state employees or contracts with service providers, or both.

(c) The total estimated cost of the projects is $20,825,000.00.

(d) The tentative completion date of the projects is September 30, 2022.

DEPARTMENT OF TECHNOLOGY, MANAGEMENT, AND BUDGET

Sec. 1151. The unexpended funds appropriated in part 1 for gubernatorial office transition costs are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditure for projects under this section until the projects have been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to provide for executive office transition costs.

(b) The project will be accomplished by utilizing 100 limited-term state employees or contracts with service providers, or both.

(c) The total estimated cost of the project is $1,750,000.00.

(d) The tentative completion date is December 30, 2019.

Sec. 1152. By November 1, 2018, the department of technology, management, and budget shall work cooperatively with the department of health and human services to identify a location for the new Northern Satellite Psychiatric Facility capital outlay project approved for planning authorization in article II of 2017 PA 107. If a location has not been identified by November 1, 2018, the department of technology, management, and budget shall provide a status report on potential locations, reasoning why a location has not been identified, and the progress toward completing the new Northern Satellite Psychiatric Facility capital outlay project approved for planning authorization in article II of 2017 PA 107. The report shall be provided to the state budget office, the house and senate standing committees on appropriations, the joint capital outlay subcommittee, and the house and senate fiscal agencies.

Sec. 1153. There is appropriated from general fund/general purpose revenue, for the fiscal year ending September 30, 2018, beyond any amounts previously deposited, the sum of $115,000,000.00 for deposit into the countercyclical budget and economic stabilization fund created in section 351 of the management and budget act, 1984 PA 431, MCL 18.1351.

STATE TRANSPORTATION DEPARTMENT

Sec. 1201. (1) From the one-time funds appropriated in part 1 for community infrastructure investments, $1,070,000.00 shall be awarded for a highway project located in a county with a population of between 200,000 and 201,000 and in a township with a population of between 1,650 and 1,700 according to the most recent federal decennial census.

(2) From the one-time funds appropriated in part 1 for community infrastructure investments, $200,000.00 shall be awarded for a bridge project located in a county with a population of between 200,000 and 201,000 and in a township with a population of between 1,650 and 1,700 according to the most recent federal decennial census.

(3) From the one-time funds appropriated in part 1 for community infrastructure investments, $303,600.00 shall be awarded for a road project located in a county with a population of between 425,000 and 426,000 and in a charter township with a population of between 10,600 and 10,700 according to the most recent federal decennial census.

(4) From the one-time funds appropriated in part 1 for community infrastructure investments, $700,000.00 shall be awarded for a road project located in a county with a population of between 1,202,000 and 1,203,000 and in a city with a population of between 70,000 and 71,000 according to the most recent federal decennial census.

(5) From the one-time funds appropriated in part 1 for community infrastructure investments, $1,250,000.00 shall be awarded for a road project located in a county with a population of between 1,202,000 and 1,203,000 and partly in a city with a population of between 70,000 and 71,000 and partly in a city with a population of between 80,900 and 81,000 according to the most recent federal decennial census.

(6) From the one-time funds appropriated in part 1 for community infrastructure investments, $1,000,000.00 shall be awarded for a road project located in a county with a population of between 602,000 and 603,000 and in a census designated place with a population of between 10,000 and 11,000 according to the most recent federal decennial census.

(7) From the one-time funds appropriated in part 1 for community infrastructure investments, $850,000.00 shall be awarded for a road project located in a county with a population of between 250,000 and 251,000 and in a city with a population of between 74,000 and 75,000 according to the most recent federal decennial census.

(8) From the one-time funds appropriated in part 1 for community infrastructure investments, $850,000.00 shall be awarded for a road project located in a county with a population of between 250,000 and 251,000 and in a city with a population of between 46,000 and 47,000 according to the most recent federal decennial census.

(9) From the one-time funds appropriated in part 1 for community infrastructure investments, $460,000.00 shall be awarded for a road project located in a county with a population of between 250,000 and 251,000 and in a charter township with a population of between 14,500 and 14,750 according to the most recent federal decennial census.

(10) From the one-time funds appropriated in part 1 for community infrastructure investments, $55,000.00 shall be awarded for a road project located in a county with a population of between 250,000 and 251,000 and in a village with a population of between 2,900 and 3,000 according to the most recent federal decennial census.

(11) From the one-time funds appropriated in part 1 for community infrastructure investments, $300,000.00 shall be awarded for a reconstruction project located in a county with a population of between 86,000 and 87,000 and in a city with a population of between 14,500 and 15,000 according to the most recent federal decennial census.

(12) From the one-time funds appropriated in part 1 for community infrastructure investments, $360,000.00 shall be awarded for a road project located in a county with a population of between 25,500 and 25,700 and in a city with a population of between 1,050 and 1,100 according to the most recent federal decennial census.

(13) From the one-time funds appropriated in part 1 for community infrastructure investments, $800,000.00 shall be awarded for a bridge project located in a county with a population of between 46,000 and 47,000 and in a township with a population of between 2,490 and 2,500 according to the most recent federal decennial census.

(14) From the one-time funds appropriated in part 1 for community infrastructure investments, $1,800,000.00 shall be awarded for a road project located in a county with a population of between 150,000 and 155,000 according to the most recent federal decennial census.

(15) From the one-time funds appropriated in part 1 for community infrastructure investments, $7,600,000.00 shall be awarded for a road project located in a county with a population of between 75,000 and 76,000 and partially located in a city with a population of between 48,500 and 48,600 according to the most recent federal decennial census.

(16) From the one-time funds appropriated in part 1 for community infrastructure investments, $2,400,000.00 shall be awarded for a trail extension project located in a county with a population of between 86,000 and 87,000 and in a city with a population of between 14,500 and 15,000 according to the most recent federal decennial census.

(17) From the one-time funds appropriated in part 1 for community infrastructure investments, $1,550,000.00 shall be awarded for a road project located in a county with a population of between 150,000 and 155,000 according to the most recent federal decennial census.

(18) From the one-time funds appropriated in part 1 for community infrastructure investments, $200,000.00 shall be awarded for flood levee and pump repair in a county with a population of between 150,000 and 155,000 and in a township with a population of between 9,200 and 9,300 according to the most recent federal decennial census.

(19) From the one-time funds appropriated in part 1 for community infrastructure investments, $500,000.00 shall be awarded for a road project located in a county with a population of between 1,820,000 and 1,821,000 and in a township with a population of between 27,500 and 27,600 according to the most recent federal decennial census.

(20) From the one-time funds appropriated in part 1 for community infrastructure investments, $750,000.00 shall be awarded for a highway planning study located in a county with a population of between 1,820,000 and 1,821,000 and in a township with a population of between 90,100 and 90,200 according to the most recent federal decennial census.

(21) From the one-time funds appropriated in part 1 for community infrastructure investments, $450,000.00 shall be awarded for a road improvement project located in a county with a population of between 99,000 and 100,000 and in a city with a population of between 21,100 and 21,200 according to the most recent federal decennial census.

(22) From the one-time funds appropriated in part 1 for community infrastructure investments, $297,200.00 shall be awarded for a road project located in a county with a population of between 840,000 and 841,000 and in a city with a population of between 129,600 and 129,700 according to the most recent federal decennial census.

(23) From the one-time funds appropriated in part 1 for community infrastructure investments, $150,000.00 shall be awarded for a road project located in a county with a population of between 840,000 and 841,000 and in a city with a population of between 4,700 and 4,800 according to the most recent federal decennial census.

(24) From the one-time funds appropriated in part 1 for community infrastructure investments, $100,000.00 shall be awarded for a road project located in a county with a population of between 840,000 and 841,000 and in a city with a population of between 4,700 and 4,800 according to the most recent federal decennial census.

(25) From the one-time funds appropriated in part 1 for community infrastructure investments, $3,000,000.00 shall be awarded for infrastructure improvements located in a county with a population of between 70,300 and 70,400 and in a township with a population of between 2,270 and 2,300 according to the most recent federal decennial census.

(26) From the one-time funds appropriated in part 1 for community infrastructure investments, $600,000.00 shall be awarded for a road project located in a county with a population of between 70,300 and 70,400 and in a township with a population of between 12,900 and 13,000 according to the most recent federal decennial census.

(27) From the one-time funds appropriated in part 1 for community infrastructure investments, $1,800,000.00 shall be awarded for a road project located in a county with a population of between 250,000 and 251,000 and in a city with a population of between 46,000 and 47,000 according to the most recent federal decennial census.

(28) From the one-time funds appropriated in part 1 for community infrastructure investments, $600,000.00 shall be awarded for a road project located in a county with a population of between 250,000 and 251,000 and in a city with a population of between 46,000 and 47,000 according to the most recent federal decennial census.

(29) The unexpended funds appropriated in part 1 for community infrastructure investments are designated as work project appropriations, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditure for projects under this section until the projects have been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the projects is to improve infrastructure in the state.

(b) The projects will be accomplished by utilizing state employees or contracts with service providers, or both.

(c) The total estimated cost of the projects is $30,000,000.00.

(d) The tentative completion date of the projects is September 30, 2022.

DEPARTMENT OF TREASURY

Sec. 1302. (1) From the funds appropriated in part 1 for financial data analytic tool reimbursement, there is allocated an amount not to exceed $500,000.00 for reimbursements to cities, villages, townships, counties, and regional councils of government for the licensing of data analytic tools as described under this section. Reimbursements are for cities, villages, townships, counties, and regional councils of governments that choose to use a data analytic tool with 1 of the 2 vendors approved by the MDTMB in 2017-2018. Funds allocated under this section are intended to provide cities, villages, townships, counties, and regional councils of government with financial forecasting and transparency reporting tools to improve the financial health of cities, villages, townships, counties, and regional councils of government and to improve communication with the public.

(2) The approved data analytic tool vendors from 2017-2018 must continue to do all of the following:

(a) Analyze financial data.

(b) Analyze pension and other postemployment benefit trends.

(c) Provide early warning indicators of financial stress.

(d) Provide peer community comparisons of financial data.

(e) Provide financial projections for at least 3 subsequent fiscal years.

(3) Funds from any financial data analytic tool reimbursement work projects shall be used prior to using funds appropriated in the current year. Funds allocated under this section shall be paid to cities, villages, townships, counties, and regional councils of government that execute an agreement on behalf of their geographic local units as a reimbursement for already having a licensing agreement or for entering into a licensing agreement not later than December 1, 2018 with a vendor approved under subsection (2) from the 2017-2018 appropriation, to implement a data analytic agreement. Reimbursement under this section shall be made as follows:

(a) All cities, villages, townships, counties, and regional councils of government seeking reimbursement shall submit requests not later than December 1, 2018 indicating the cost paid for the financial data analytic tool by virtue of providing an invoice, purchase order, or proof of payment.

(b) The department of treasury shall determine the sum of the funding requested by all cities, villages, townships, counties, and regional councils of government under subdivision (a) and, if there are sufficient funds, shall reimburse 1/2 of the costs submitted by each city, village, township, county, and regional council of government under subdivision (a). If there are insufficient funds to pay 1/2 of the costs submitted under subdivision (a), the reimbursement shall be made on an equal percentage basis using 2016 census population estimates from the United States Census Bureau.

(c) The reimbursement to a city, village, township, county, or regional council of government shall not be greater than the amount paid for a data analytic application.

(d) A city, village, township, county, or regional council of government shall not be reimbursed for the purchase of more than 1 software application.

(e) Any unexpended funds are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for projects under this section

until the projects have been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a.

(*i*) The purpose of the project is for financial data analytic tool reimbursement.

(*ii*) The project will be accomplished by utilizing state employees, contracts with a vendor, or contracts with local units, or any combination of these.

(*iii*) The total estimated cost of the project is $500,000.00.

(*iv*) The tentative completion date is September 30, 2023.

(4) Payments under this section shall be made on a schedule determined by the department.

(5) Within 30 days after the department has made all payments under subsection (3), the department of treasury shall report the following to the senate and house of representatives standing committees on appropriations subcommittees on general government, the state budget director, and the fiscal agencies:

(a) The total amount of payments made.

(b) If the payments were prorated, the amount of proration.

(c) A list of each payment made to cities, villages, townships, counties, and regional councils of government.

REPEALER

Enacting section 1. Section 802 of article I of 2017 PA 107 is repealed.

Enacting section 2. Section 936 of article VIII of 2017 PA 107 is repealed.

Enacting section 3. Section 1407 of 2017 PA 158 is repealed.

This act is ordered to take immediate effect.

Secretary of the Senate

Clerk of the House of Representatives

Approved .....

.....

Governor