

FY 2022-23 GENERAL OMNIBUS BUDGET
Summary: Conference Report
House Bill 5783 (H-2) CR-1



Mary Ann Cleary, Director

TOTAL APPROPRIATIONS BY BUDGET AREA

Budget Area [Summary Page]	FY 2022-23	
	Gross	GF/GP
Agriculture and Rural Development [2]	\$187,715,100	\$122,989,800
Corrections [7]	2,125,068,000	2,080,208,300
Education [20]	420,581,000	99,591,500
Environment, Great Lakes, and Energy [27]	728,654,300	98,835,800
General Government [39]		
Attorney General [42]	118,273,000	51,429,800
Civil Rights [46]	21,601,600	18,633,500
Executive Office [49]	8,533,600	8,533,600
Labor and Economic Opportunity [50]	2,900,346,000	1,411,699,900
Legislature [62]	186,677,000	181,283,000
Legislative Auditor General [64]	28,605,900	19,621,800
State [65]	255,196,700	12,679,300
Technology, Management, and Budget [70]	1,835,139,700	657,109,000
Treasury [79]	3,246,563,700	1,136,524,600
Subtotal: General Government	8,600,937,200	3,497,514,500
Health and Human Services [92]	33,387,315,600	6,190,678,600
Insurance and Financial Services [116]	74,335,500	0
Judiciary [120]	483,505,700	370,774,900
Licensing and Regulatory Affairs [126]	539,834,400	213,822,400
Military and Veterans Affairs [136]	347,366,000	127,465,000
Natural Resources [144]	535,482,800	94,404,000
State Police [151]	823,705,800	552,709,200
Transportation [161]	6,104,448,900	66,250,000
Capital Outlay [170]	487,400,000	109,000,000
TOTAL	\$54,846,350,300	\$13,624,244,000

Budget Area [Summary Page]	FY 2021-22	
	Gross	GF/GP
Supplemental [172]	\$2,214,820,800	(\$1,465,536,200)
TOTAL	\$2,214,820,800	(\$1,465,536,200)

Note: Appropriation figures include all proposed appropriation amounts, including amounts designated as one-time.

FY 2022-23: AGRICULTURE AND RURAL DEVELOPMENT
Summary: Conference Report
Article 1, House Bill 5783 (H-2) CR-1



Analyst: William E. Hamilton

	FY 2021-22 YTD as of 2/9/22	FY 2022-23 Executive	FY 2022-23 House	FY 2022-23 Senate	FY 2022-23 Conference	Difference: Conference From FY 2021-22 YTD	
						Amount	%
IDG/IDT	\$320,000	\$326,700	\$326,700	\$326,700	\$326,700	\$6,700	2.1
Federal	13,599,800	19,670,900	14,271,000	19,670,900	19,670,900	6,071,100	44.6
Local	0	0	0	0	0	0	--
Private	71,300	21,300	21,300	21,300	21,300	(50,000)	(70.1)
Restricted	44,327,300	44,706,400	44,706,400	44,706,400	44,706,400	379,100	0.9
GF/GP	97,366,900	107,439,800	62,919,800	77,519,800	122,989,800	25,622,900	26.3
Gross	\$155,685,300	\$172,165,100	\$122,245,200	\$142,245,100	\$187,715,100	\$32,029,800	20.6
FTEs	527.0	537.0	527.0	527.0	537.0	10.0	1.9

Notes: (1) FY 2021-22 year-to-date figures include mid-year budget adjustments through February 9, 2022. (2) Appropriation figures for all years include all proposed appropriation amounts, including amounts designated as "one-time." (3) House means House Bill 5778 (H-1) as passed by the House May 4, 2022. (4) Conference means House Bill 5783 (H-2) CR-1.

Overview

Michigan Department of Agriculture and Rural Development (MDARD) key programs and priorities include ensuring food safety and security, protecting animal health and welfare, managing invasive exotic species, regulating pesticide use, certifying agricultural commodities, ensuring environmental stewardship, consumer protection, and promoting the state's agricultural economy.

Major Budget Changes from FY 2021-22 YTD Appropriations

1. Emergency Management – Preparedness, Readiness, Response
Executive includes a \$1.6 million GF/GP increase and an increase in FTE authorization from 4.0 to 8.0 FTE positions for the Emergency Management program in order to build capacity to prepare for and respond to emergency events affecting the food supply chain – from animal disease readiness to contamination of food and feed. Neither House nor Senate include baseline funding increase or increase in FTE authorization. Conference concurs with Executive.

	FY 2021-22 Year-to-Date (as of 2/9/22)	FY 2022-23 Conference Change
FTE	4.0	4.0
Gross	\$1,320,700	\$1,600,000
Federal	447,400	0
GF/GP	\$873,300	\$1,600,000

2. Animal Industry – Animal Disease Prevention and Response
Animal Welfare and Veterinary Care, Cervid Testing, Federal CWD Grant

Executive requests \$650,000 GF/GP baseline increase to support Michigan licensed animal shelters and specifically to fund veterinarians and other animal care workers at those shelters. Executive also recognizes \$500,000 for an anticipated federal USDA CWD research grant. House and Senate recognize \$500,000 federal increase for USDA grant but do not include baseline GF/GP increase. Conference recognizes \$500,000 federal USDA grant; \$200,000 GF/GP for testing costs of privately owned cervids (related boilerplate Section 455). Conference includes \$2.0 million GF/GP for animal welfare and veterinary care as one-time, (see # 11 below).

FTE	62.0	0.0
Gross	\$9,623,100	\$700,000
Federal	582,500	500,000
Restricted	221,800	0
GF/GP	\$8,818,800	\$200,000

<u>Major Budget Changes from FY 2021-22 YTD Appropriations</u>		<u>FY 2021-22 Year-to-Date (as of 2/9/22)</u>	<u>FY 2022-23 Conference Change</u>
3. Bovine TB Quarantine – Producer Reimbursement			
<u>Executive</u> did not include funding for the \$400,000 GF/GP one-time program of financial assistance to livestock producers for costs of maintaining livestock under quarantine. <u>House</u> retains as an ongoing appropriation. <u>Senate</u> does not include. <u>Conference</u> does not include; the department will request that unexpended current-year balance be carried forward as a work project.		Gross \$400,000	((\$400,000))
	GF/GP	\$400,000	(\$400,000)
4. Pesticide Safety/Worker Protection			
<u>Executive</u> requests a \$1.2 million GF/GP increase in Pesticide and Plant Pest Management (PPPM) program, and related 6.0 FTE position increase in authorized staffing, for targeted program to help protect agricultural workers from pesticide exposure. Neither <u>House</u> nor <u>Senate</u> include baseline increase in funding or staffing. <u>Conference</u> concurs with <u>Executive</u> . Related boilerplate in Section 502.		FTE 85.0	6.0
	Gross	\$14,172,100	\$1,170,000
	Federal	1,281,100	0
	Private	21,300	0
	Restricted	7,633,100	0
	GF/GP	\$5,236,600	\$1,170,000
5. Local Conservation Districts			
<u>Executive</u> includes \$2.0 million GF/GP to provide baseline funding for local conservation districts, a reduction of \$1.0 million as compared to current year (including one-time funding). <u>House</u> concurs with <u>Executive</u> . <u>Senate</u> includes \$3.0 million as ongoing. <u>Conference</u> retains current year funding of \$3.0 million (\$2.0 million ongoing, \$1.0 million as one-time.) Related boilerplate in Section 609.		Gross \$3,000,000	\$0
	GF/GP	\$3,000,000	\$0
6. Climate Action/Reforestation in Northern Michigan			
<u>Executive</u> recognizes \$5.4 million federal USDA grant funding, in the ongoing Qualified Forest Program line item. The grant would support a reforestation project – the planting of 5 million native hardwood trees and conifers – on private and state-owned land in the Northern Lower Peninsula. <u>House</u> includes a \$100 placeholder as a separate line item. <u>Senate</u> concurs with <u>Executive</u> . <u>Conference</u> concurs with <u>Executive</u> and <u>Senate</u> .		FTE 9.0	0.0
	Gross	\$2,651,700	\$5,400,000
	Federal	0	5,400,000
	Restricted	1,080,100	0
	GF/GP	\$1,571,600	\$0
7. Fair Food Network/Double Up Food Bucks			
<u>Executive</u> includes \$900,000 GF/GP for program that increases purchasing power of Michigan residents who receive Supplemental Nutritional Assistance Program (SNAP) benefits. <u>House</u> and <u>Senate</u> concur with <u>Executive</u> . The proposed funding levels represent a \$1.1 million reduction from current year, which includes \$1.1 million shown as one-time. Related boilerplate in Section 703. <u>Conference</u> concurs with <u>Executive</u> , <u>House</u> , and <u>Senate</u> .		Gross \$2,000,000	(\$1,100,000)
	GF/GP	\$2,000,000	(\$1,100,000)
8. Food and Agriculture Investment Grant Program			
<u>Executive</u> retains funding level of \$2.5 million GF/GP for program that provides grants for agri-business development projects. <u>House</u> concurs with <u>Executive</u> . <u>Senate</u> includes \$3.5 million, \$1.0 million more than both current year and <u>Executive</u> . <u>Conference</u> concurs with <u>Executive</u> and <u>House</u> and retains at current-year funding level.		Gross \$2,470,600	\$0
	GF/GP	\$2,470,600	\$0
9. Office of Rural Development			
<u>Conference</u> includes \$500,000 GF/GP increase in baseline funding and related boilerplate Sec. 702a.		FTE 1.0	0.0
	Gross	\$175,000	\$500,000
	Restricted	0	0
	GF/GP	\$175,000	\$500,000
10. County Fairs/Shows/Expositions Grant Program			
<u>Executive</u> requests \$500,000 GF/GP for fair capital grant program, a reduction of almost \$2.0 million from current year which includes one-time funding. <u>House</u> and <u>Senate</u> concur with <u>Executive</u> . <u>Conference</u> concurs with <u>Executive</u> , <u>House</u> , and <u>Senate</u> and retains \$500,000 GF/GP in ongoing funding.		Gross \$2,450,000	(\$1,950,000)
	GF/GP	\$2,450,000	(\$1,950,000)

<u>Major Budget Changes from FY 2021-22 YTD Appropriations</u>		<u>FY 2021-22 Year-to-Date (as of 2/9/22)</u>	<u>FY 2022-23 Conference Change</u>
11. Animal Welfare and Veterinary Care <u>Executive</u> had requested \$650,000 GF/GP increase in ongoing Animal Disease Prevention and Response to support Michigan licensed animal shelters and specifically to fund veterinarians and other animal care workers at those shelters. <u>Conference</u> includes \$2.0 million GF/GP in one-time funding for targeted program.	Gross	\$0	\$2,000,000
	GF/GP	\$0	\$2,000,000
12. Economic Development for Food and Agriculture Industries <u>Executive</u> requests \$30.0 million GF/GP (one-time) for a new program targeted at supply chain, infrastructure, and workforce issues of Michigan agriculture as affected by the COVID-19 pandemic. Neither <u>House</u> nor <u>Senate</u> include. <u>Conference</u> includes \$50.0 million in one-time funding. Related boilerplate Sec. 901 includes an earmark of \$12.0 million for the Eastern Market – see Item #16, below.	Gross	\$0	\$50,000,000
	GF/GP	\$0	\$50,000,000
13. Office of Rural Development – (Grants) <u>Executive</u> requests \$10.0 million GF/GP (one-time) for a new program, administered by the Office of Rural Development, to provide grants to rural communities, related to economic development, workforce development, affordable housing, infrastructure, education, and high-speed internet access. Neither <u>House</u> nor <u>Senate</u> include. <u>Conference</u> includes \$3.0 million GF/GP and related boilerplate Sec. 900.	Gross	\$0	\$3,000,000
	GF/GP	\$0	\$3,000,000
14. Buy Michigan Campaign/Select Michigan <u>Executive</u> requests \$1.0 million GF/GP (one-time) for a campaign to support Michigan-grown agricultural products. <u>House</u> does not include. <u>Senate</u> includes as "Select Michigan Campaign." <u>Conference</u> concurs with Executive.	Gross	\$0	\$1,000,000
	GF/GP	\$0	\$1,000,000
15. Community Support Agriculture Program <u>Executive</u> requests \$500,000 GF/GP (one-time) to assist in bringing fresh fruits and vegetables to Michigan families facing food insecurity. Neither <u>House</u> nor <u>Senate</u> include. <u>Conference</u> does not include.	Gross	\$0	\$0
	GF/GP	\$0	\$0
16. Eastern Market <u>Senate</u> includes \$12.0 million GF/GP (one-time) for capital improvements to the Eastern Market in Detroit. <u>Conference</u> does not include as a separate line item but does earmark \$12.0 million for the Eastern Market in boilerplate Sec. 901, see Item #12, above.	Gross	\$0	\$0
	GF/GP	\$0	\$0
17. Groundwater Monitoring <u>Senate</u> includes \$100 GF/GP (one-time) placeholder for groundwater monitoring programs. (Environmental stewardship was reduced by \$100.) <u>Conference</u> does not include.	Gross	\$0	\$0
	GF/GP	\$0	\$0
18. Back Out FY 2021-22 One-Time GF/GP The current year budget included \$36.1 million GF/GP in "One-time only" appropriations. <u>Executive</u> did not include those items in the proposed FY 2022-23 budget request. The \$36.1 million includes the following items, totaling \$31.6 million: Agricultural Nutrient Best Management Voluntary Practices, \$25.0 million; Agriculture Equine Industry Development Fund deposit, \$3.2 million; Farm Innovation Grant program, \$3.2 million; Farm Stress, \$225,000. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur with Executive and do not carry these one-time items into FY 2022-23.	Gross	\$31,605,000	(\$31,605,000)
	GF/GP	\$31,605,000	(\$31,605,000)

Some FY 2021-22 one-time items, totaling \$4.5 million, are addressed in Major Budget Changes Item #s 3, 5, 7, and 10, above.

		FY 2021-22 Year-to-Date (as of 2/9/22)	FY 2022-23 Conference Change
<u>Major Budget Changes from FY 2021-22 YTD Appropriations</u>			
19. Economic Adjustments	Gross	NA	\$1,714,800
<u>Executive</u> budget proposal reflects increased costs of \$1.7 million Gross	IDG	NA	6,700
(\$1.2 million GF/GP) for negotiated salary and wage increases (5.0% on	Federal	NA	121,100
October 1, 2022 and 0.5% to annualize the FY 2022 1.0% increase that	Restricted	NA	379,100
began on April 1, 2022), actuarially required retirement contributions,	GF/GP	NA	\$1,207,900
worker's compensation, building occupancy charges, and other			
economic adjustments. <u>Conference</u> concurs with Executive, House, and			
Senate.			

Major Boilerplate Changes from FY 2021-22

Sec. 210. Contingency Authorizations/Transfers – RETAINED

Executive increases contingent federal and state spending authority, to \$5.0 million, and \$6.0 million, respectively, that may be transferred into this budget through process defined in Section 393(2) of the Management and Budget Act. House retains current contingent authorization limits. Senate does not include. Conference concurs with Executive and House.

Sec. 215. Communication with the Legislature – RETAINED

Executive deletes section that prohibits department from taking disciplinary action against an employee for communicating with the Legislature. Conference concurs with House and Senate and retains.

Sec. 216. Report on FTE Positions and Remote Work – RETAINED

Executive deletes reporting requirement on staffing levels in relation to FTE authorization; employees authorized to work remotely; and related cost savings. Conference concurs with House and Senate and retains.

Sec. 217. Use of Work Projects – RETAINED

Executive deletes section that requires that work project balances be exhausted before expenditure from part 1 appropriations. Conference concurs with House and Senate and retains.

Sec. 218. State Administrative Board Transfers – RETAINED

Executive deletes section that provides for the legislature to intertransfer funds within departmental budget if the State Administrative Board transfers funds from an appropriation within this departmental budget. Conference concurs with House and Senate and retains.

Sec. 219. Record Retention – RETAINED

Executive deletes section that requires department to retain reports funded from part 1 appropriations and which established record retention guidelines. Conference concurs with House and Senate and retains.

Sec. 220. Impact of New Legislation – RETAINED

Executive deletes section that requires a report on specific policy changes made to implement new public acts enacted in prior calendar year. Conference concurs with House and Senate and retains.

Sec. 221. Severance Pay Report – RETAINED

Executive deletes reporting requirements related to severance pay paid to department personnel upon the termination of employment. Conference concurs with House and Senate and retains.

Sec. 222. Restrictions on Use of Covid-19 Passports – RETAINED

Executive deletes section that established restrictions on the use of Covid-19 "passports" to document vaccination status. Conference concurs with House and retains.

Sec. 224. Limitation on Remote Work – NEW

House includes language prohibiting "An executive branch department, agency, board, or commission that receives funding under part 1" from permitting a state employee who was not working remotely, either full-time or part-time, before February 28, 2020, to work remotely, either full-time or part-time, during FY 2022-23. Senate does not include. Conference includes new intent language: "that departments maximize the efficiency of the state workforce and, where possible, prioritize in-person work", and that executive branch agencies post in-person, remote, or hybrid work policy on its website.

Sec. 241. Incident Notification – NEW

Conference includes new section that requires the department to notify legislators when incident management team is activated.

Major Boilerplate Changes from FY 2021-22

Sec. 301. Miscellaneous Fees, Use of Fee Revenue, Fee Reports – REVISED

Executive retains the section that authorizes the department to establish a fee schedule and collect fees for various work activities and services and that authorizes the department to receive and expend fee revenue. House concurs with Executive. Senate adds new subsection to limit the commercial pesticide applicator fee to \$75 for a 3-year testing period. Conference does not include Senate language but does include new subsection that asks the department to work with testing vendors to ensure adequate testing capacity and reasonable cost structures.

Sec. 455. Cervid Facility Testing Costs – NEW

Senate includes new section to earmark \$200,000 to reimburse privately owned cervid facilities for the costs of CWD testing. Conference concurs with Senate.

Sec. 459. Bovine TB Quarantine – Producer Reimbursement – NOT INCLUDED

Executive does not retain part 1 funding for the one-time Bovine TB producer reimbursement program or the related boilerplate (Sec. 1003 in current law). House retains the part 1 grant program as an ongoing item in Animal Industry, and the related boilerplate, renumbered as Sec. 459. House also modifies the section that defines eligible costs to limit costs to those incurred after 10/1/2022. Conference concurs with Senate does not include.

Sec. 502. Pesticide Safety/Worker Protection – NEW

Conference includes new section that designates \$1.2 million PPM funding increase for staffing and operational support for education and compliance assistance efforts to ensure uniform application of pesticide regulations.

Sec. 603. Agricultural Nutrient Best Management Voluntary Practices Program – REVISED

Executive does not retain part 1 one-time line item or related boilerplate (Sec. 1001) which defined the program and identified program goals, including water quality improvement in the western Lake Erie basin. House retains the related reporting requirement, renumbered as Sec. 603, due April 1, 2023. Senate does not include. Conference concurs with House and retains updated reporting requirement as new Sec. 603.

Sec. 701. Food and Agriculture Investment Grant Program – RETAINED

Executive retains with minor technical changes section that provides direction to the department in administration of the Food and Agriculture Investment grant program. House concurs with Executive. Senate deletes subsection that authorizes the department to receive and expend funds received from outside sources. Senate also adds a new subsection to earmark \$1.0 million in grant program funds for grants to new and expanding protein processors. Conference concurs with Executive and House and makes only minor technical changes; does not include Senate earmark for protein processors.

Sec. 703. Double Up Food Bucks Program – RETAINED

Executive retains current section unchanged except for date references. House also updates date references and in addition directs the department to work with the Fair Food Network to ensure that at least 85% of program funds be used as a direct reimbursement of participating vendors – the goal in current law is 80%. Senate retains without change other than report date references. Conference concurs with Executive and Senate.

Sec. 707. Industry Support Fund Lapse – NEW

Executive includes section that provides for unexpended Industry Support Funds to lapse to the Industry Support Fund. Conference concurs with Executive, House and Senate.

Sec. 900. Office of Rural Development (Grant Program) – NEW

Conference includes new section defining the \$3.0 million one-time line item for the Office of Rural Development; authorizes 3.0 FTEs (limited term) to administer program; establishes as work project.

Sec. 901. Economic Development for Food and Agriculture (Grant Program) – NEW

Conference includes new section defining the \$50.0 million one-time line item; authorizes 8.0 FTEs (limited term) to administer program; establishes as work project; earmarks \$12.0 million for Eastern Market.

Sec. 902. Animal Welfare and Veterinary Care – NEW

Conference includes new section defining the \$2.0 million one-time line item; establishes as work project.

FY 2022-23: DEPARTMENT OF CORRECTIONS
Summary: Conference Report
Article 2, House Bill 5783 (H-2) CR-1



Analyst: Robin R. Risko

IDG/IDT	FY 2021-22 YTD as of 2/9/22	FY 2022-23 Executive	FY 2022-23 House	FY 2022-23 Senate	FY 2022-23 Conference	Difference: Conference From FY 2021-22 YTD	
						Amount	%
	\$0	\$0	\$0	\$0	\$0	\$0	--
Federal	5,364,100	5,148,400	42,648,400	5,148,400	5,148,400	(215,700)	(4.0)
Local	9,646,100	9,879,500	9,879,500	9,879,500	9,879,500	233,400	2.4
Private	0	0	0	0	0	0	--
Restricted	45,493,400	29,831,800	29,831,800	29,831,800	29,831,800	(15,661,600)	(34.4)
GF/GP	2,005,369,400	2,095,108,300	2,017,369,400	2,056,162,800	2,080,208,300	74,838,900	3.7
Gross	\$2,065,873,000	\$2,139,968,000	\$2,099,729,100	\$2,101,022,500	\$2,125,068,000	\$59,195,000	2.9
FTEs	13,500.4	13,514.4	13,504.4	10,697.7	13,514.4	14.0	0.1

Notes: (1) FY 2021-22 year-to-date figures include mid-year budget adjustments through February 9, 2022. (2) Appropriation figures for all years include all proposed appropriation amounts, including amounts designated as "one-time."

Overview

The Michigan Department of Corrections (MDOC) is responsible for operation and maintenance of the state's 27 correctional facilities that house felony offenders sentenced to prison. This includes provision of physical and mental health care, education, food service, transportation, and reintegration programming. The department is also responsible for supervision of all parolees and probationers under the department's jurisdiction and has oversight over community corrections programs and other programs designed to encourage alternatives to prison placement for appropriate offenders. As of June 1, 2022, the department was responsible for 73,703 offenders: 32,213 prisoners; 31,287 probationers; and 10,203 parolees. From 1 year ago, the total number of offenders decreased by 3,454, or by 4.5%. The number of prisoners decreased by 501, or 1.5%. The number of probationers decreased by 974, or 3.0%. The number of parolees decreased by 1,979, or 16.2%.

Major Budget Changes from FY 2021-22 YTD Appropriations

1. Electronic Prisoner/Staff Communications

Executive includes \$30.0 million in one-time GF/GP to convert the current paper "kite" system to an electronic "kite" system. Currently, over 1 million paper "kites" are sent by prisoners to staff each year. Of the \$30.0 million, \$25.0 million would be used to expand secure Wi-Fi networks at each correctional facility and \$5.0 million would be used to provide prisoners with tablets to use to file requests, perform tasks, and receive communications. House includes \$10.0 million. Senate does not include funding. Conference includes \$15.0 million in one-time GF/GP.

	FY 2021-22 Year-to-Date (as of 2/9/22)	FY 2022-23 Conference Change
Gross	NA	\$15,000,000
GF/GP	NA	\$15,000,000

2. John Does v Department of Corrections Settlement

Executive includes \$15.0 million in one-time GF/GP to make the last payment of the *John Does v Department of Corrections* settlement agreement. The payment will be made on October 15, 2022. The case settled for \$80.0 million total, inclusive of attorney fees and costs, and it was agreed that the settlement would be paid out in 4 installments. House concurs. Senate concurs. Conference concurs.

Gross	NA	\$15,000,000
GF/GP	NA	\$15,000,000

Major Budget Changes from FY 2021-22 YTD Appropriations		FY 2021-22 Year-to-Date (as of 2/9/22)	FY 2022-23 Conference Change
3. Live Tracking of Prisoner Movement	Gross	NA	\$0
<u>Executive</u> includes \$10.0 million in one-time GF/GP to support live tracking of prisoner movement. Live tracking would consist of embedding radio-frequency identification chips into tamper-resistant wrist bands that would be worn by prisoners, and would enable staff to track prisoner locations in real time. <u>House</u> does not include funding. <u>Senate</u> does not include funding. <u>Conference</u> does not include funding.	GF/GP	NA	\$0
4. Appropriate GF/GP to Replace Revenue Received from Prisoner Telephone Charges	Gross	\$14,778,900	\$0
<u>Executive</u> includes \$14.8 million GF/GP to replace revenue that currently is derived from fees paid by prisoners for use of telephone services. Prisoners are charged a base per minute call rate. A portion of the revenue collected pays the contract vendor and a portion of the revenue is deposited into the Program and Special Equipment Fund (roughly \$11.0 million annually). Funding is used, primarily, to support prisoner education and offender success programs administered by the department. <u>House</u> concurs. <u>Senate</u> concurs. <u>Conference</u> concurs.	Restricted	14,778,900	(14,778,900)
	GF/GP	\$0	\$14,778,900
5. Temporary Nursing Staff Contract Rate Increases	Gross	NA	\$3,721,100
<u>Executive</u> includes \$3.7 million GF/GP to cover annual contract rate increases for temporary nursing staff. Contract rates for RN's have increased between 66% and 95% and contract rates for LPN's have increased between 67% and 92%. <u>House</u> concurs. <u>Senate</u> concurs. <u>Conference</u> concurs.	GF/GP	NA	\$3,721,100
6. Information Management System Maintenance and Support	FTE	NA	10.0
<u>Executive</u> includes \$1.2 million GF/GP and authorization for an additional 10.0 FTE positions to support development, implementation, and ongoing maintenance of the new Corrections Offender Management System (COMS) and to support HR legacy system replacement for non-offender human resource systems. <u>House</u> does not include additional funding or FTE position authorization. <u>Senate</u> does not include additional funding or FTE position authorization. <u>Conference</u> includes additional funding and FTE positions.	Gross	NA	\$1,195,500
	GF/GP	NA	\$1,195,500
7. Cost Increase for Statewide Security Services	Gross	NA	\$244,400
<u>Executive</u> includes \$244,400 GF/GP to cover increased costs of security staff provided through a contract with DK Security. Hourly minimum wage for security staff was increased statewide. The department is responsible for covering increased costs for security staff in parole and probation offices around the state and at the Grandview Plaza headquarters building in downtown Lansing. <u>House</u> concurs. <u>Senate</u> concurs. <u>Conference</u> concurs.	GF/GP	NA	\$244,400
8. City of Jackson Water and Sewer Rate Increases	Gross	NA	\$212,000
<u>Executive</u> includes \$212,000 GF/GP to cover costs of a 12% increase in water rates and a 4% increase in sewer rates effective July 2021. The City of Jackson indicates that much of the cost is attributable to lead service line replacements along with deficiencies found by DEGLE in wastewater treatment plant practices. <u>House</u> concurs. <u>Senate</u> concurs. <u>Conference</u> concurs.	GF/GP	NA	\$212,000
9. Eliminate Public Works	Gross	\$1,000,000	(\$1,000,000)
<u>Executive</u> eliminates authorization to receive \$1.0 million in state restricted Public Works User Fees. Funding authorization has been included in the budget, though user fees have not been collected in many years. <u>House</u> concurs. <u>Senate</u> concurs. <u>Conference</u> concurs.	Restricted	1,000,000	(1,000,000)
	GF/GP	\$0	\$0

Major Budget Changes from FY 2021-22 YTD Appropriations		FY 2021-22 Year-to-Date (as of 2/9/22)	FY 2022-23 Conference Change
10. Eliminate Federal RSAT Fund Source		Gross	\$250,200
<u>Executive</u> eliminates authorization to receive \$250,200 in federal Residential Substance Abuse Treatment funding. Authorization has been included in the budget, though federal funding has not been awarded in many years. <u>House</u> concurs. <u>Senate</u> concurs. <u>Conference</u> concurs.	Federal	250,200	(\$250,200)
	GF/GP	\$0	\$0
11. Local Corrections Officer Training Fund		Gross	\$100,000
<u>Executive</u> eliminates the \$100,000 appropriation of Local Corrections Officer Training Fund revenue due to implementation of GASB 84 accounting standards and requirements concerning fiduciary fund activity and reporting by state and local governments. The revenue is received from county jails and used to support the Sheriffs' Coordinating and Training Council. Boilerplate authorizes the appropriation and allows the department to continue its' responsibilities under the Local Corrections Officer Training Act, 2003 PA 125. <u>House</u> concurs. <u>Senate</u> concurs. <u>Conference</u> concurs.	Restricted	100,000	(\$100,000)
	GF/GP	\$0	\$0
12. Offender Risk Evaluation Unit		FTE	NA
<u>Executive</u> includes authorization for 4.0 FTE positions for creating an Offender Risk Evaluation Unit. Funding to support the unit, \$472,900 GF/GP, would be transferred from the Offender Success Services line item. <u>House</u> concurs. <u>Senate</u> concurs. <u>Conference</u> concurs.	Gross	NA	4.0
	GF/GP	NA	\$0
			\$0
13. Technical Adjustments		Gross	NA
<u>Executive</u> makes internal FTE adjustments, funding adjustments, and transfers throughout the budget, which have no overall impact on Gross, GF/GP, or FTE position authorization. Adjustments are made to more accurately reflect employee counts and to align funding authorization with department operations and activities. <u>House</u> concurs. <u>Senate</u> concurs. <u>Conference</u> concurs.	GF/GP	NA	\$0
			\$0
14. Eliminate Current Year One-Time Funding		Gross	\$27,050,000
<u>Executive</u> reduces the budget by \$27.1 million GF/GP to reflect elimination of one-time funding included in the FY 2021-22 budget. Eliminated funding includes: \$1.5 million for the Chance for Life program, \$250,000 for Goodwill Flip the Script, \$25.0 million for the third payment of the <i>John Does v Department of Corrections</i> settlement agreement, and \$300,000 for the Prosperity Region 8 Pilot program. <u>House</u> concurs. <u>Senate</u> concurs. <u>Conference</u> concurs.	GF/GP	\$27,050,000	(\$27,050,000)
15. Economic Adjustments		Gross	NA
<u>Executive</u> reflects increased costs of \$42.1 million Gross (\$41.6 million GF/GP) for negotiated salary and wage increases (5.0% on October 1, 2022 and 0.5% to annualize the FY 2021-22 1.0% increase that began on April 1, 2022), overtime, longevity, insurance, actuarially required retirement contributions, worker's compensation, building occupancy charges, food, fuel, and utilities, and other economic adjustments. <u>House</u> concurs. <u>Senate</u> concurs. <u>Conference</u> concurs.	Federal	NA	\$42,122,200
	Local	NA	34,500
	Restricted	NA	233,400
	GF/GP	NA	217,300
			\$41,637,000
16. Chance for Life		Gross	NA
<u>Executive</u> makes no recommendation. <u>House</u> includes \$2.5 million in one-time GF/GP funding for the Chance for Life program, an evidence-based mentoring program that emphasizes job training, life skills, and family reintegration. <u>Senate</u> includes \$1.0 million in one-time GF/GP for the program. <u>Conference</u> includes \$500,000 in one-time GF/GP for the program.	GF/GP	NA	\$500,000
			\$500,000

Major Budget Changes from FY 2021-22 YTD Appropriations		FY 2021-22 Year-to-Date (as of 2/9/22)	FY 2022-23 Conference Change
17. Vocational Village Expansion	Gross	NA	\$2,500,000
<u>Executive</u> makes no recommendation. <u>House</u> includes \$5.0 million in one-time GF/GP for expansion of the Vocational Village program. <u>Senate</u> does not include funding. <u>Conference</u> includes \$2.5 million in one-time GF/GP.	GF/GP	NA	\$2,500,000
18. Savings from Reduced Populations	Gross	NA	(\$3,750,000)
<u>Executive</u> makes no recommendation. <u>House</u> reflects a one-time savings of \$57.0 million GF/GP expected to result from the reduction in correctional system populations. <u>Senate</u> does not reflect a savings. <u>Conference</u> reflects a one-time savings of \$3.8 million GF/GP.	GF/GP	NA	(\$3,750,000)
19. Corrections Officer College	Gross	NA	\$0
<u>Executive</u> makes no recommendation. <u>House</u> includes \$5.0 million in one-time federal Coronavirus State Fiscal Recovery Funds to pay for up to 15 college credit hours for current corrections officers and new hires that have not completed college coursework that is required for employment with the department. <u>Senate</u> does not include funding. <u>Conference</u> does not include funding.	Federal GF/GP	NA NA	0 \$0
20. Corrections Officer Signing Bonuses	Gross	NA	\$0
<u>Executive</u> makes no recommendation. <u>House</u> includes \$2.5 million in one-time federal Coronavirus State Fiscal Recovery Funds to grant signing bonuses of up to \$5,000 for new corrections officers. <u>Senate</u> does not include funding. <u>Conference</u> does not include funding.	Federal GF/GP	NA NA	0 \$0
21. Absconder Tracking	Gross	NA	\$0
<u>Executive</u> makes no recommendation. <u>House</u> includes \$1.0 million in one-time GF/GP to create a fund to be used by the department for expenses incurred investigating, locating, and arresting prisoner escapees and parole and probation violators. <u>Senate</u> does not include funding. <u>Conference</u> does not include funding.	GF/GP	NA	\$0
22. Corrections Officer Retention Bonuses	Gross	NA	\$0
<u>Executive</u> makes no recommendation. <u>House</u> includes \$30.0 million in one-time federal Coronavirus State Fiscal Recovery Funds to grant retention bonuses of up to \$5,000 for current corrections officers. <u>Senate</u> does not include funding. <u>Conference</u> does not include funding.	Federal GF/GP	NA NA	0 \$0
23. Specialized Electronic Monitoring Pilot Program	Gross	NA	\$0
<u>Executive</u> makes no recommendation. <u>House</u> includes \$2.0 million in one-time GF/GP to pilot a new electronic monitoring program in Oakland County. <u>Senate</u> does not include funding. <u>Conference</u> does not include funding.	GF/GP	NA	\$0
24. Goodwill Flip the Script	Gross	NA	\$750,000
<u>Executive</u> makes no recommendation. <u>House</u> makes no recommendation. <u>Senate</u> includes one-time funding for the program. <u>Conference</u> includes \$750,000 in one-time GF/GP for the program.	GF/GP	NA	\$750,000
25. Prosperity Region 8 Pilot Program	Gross	NA	\$500,000
<u>Executive</u> makes no recommendation. <u>House</u> makes no recommendation. <u>Senate</u> includes one-time funding for the program. <u>Conference</u> includes \$500,000 in one-time GF/GP for the program.	GF/GP	NA	\$500,000
26. Reduce FTE Position Authorization	FTE	NA	0.0
<u>Executive</u> makes no recommendation. <u>House</u> makes no recommendation. <u>Senate</u> reduces FTE position authorization by a total of 2,806.7 positions. Of those, 6.0 positions are unclassified and 2,800.7 are classified. <u>Conference</u> does not reduce FTE positions.	Gross GF/GP	NA NA	\$0 \$0

		FY 2021-22 Year-to-Date (as of 2/9/22)	FY 2022-23 Conference Change
<u>Major Budget Changes from FY 2021-22 YTD Appropriations</u>			
27. Page Alert for Deaf and Hard of Hearing Prisoners	Gross	NA	\$1,000,000
<u>Executive</u> makes no recommendation. <u>House</u> makes no recommendation. <u>Senate</u> makes no recommendation. <u>Conference</u> includes \$1.0 million in one-time GF/GP for implementation of a page alert system at a number of correctional facilities for deaf and hard of hearing prisoners.	GF/GP	NA	\$1,000,000
28. Updated Officer Uniforms	Gross	NA	\$500,000
<u>Executive</u> makes no recommendation. <u>House</u> makes no recommendation. <u>Senate</u> makes no recommendation. <u>Conference</u> includes \$500,000 in one-time GF/GP for updating uniform shirts for corrections officers from button down style to polo style.	GF/GP	NA	\$500,000
29. Body Scanners for Drug Detection	Gross	NA	\$4,500,000
<u>Executive</u> makes no recommendation. <u>House</u> makes no recommendation. <u>Senate</u> makes no recommendation. <u>Conference</u> includes \$4.5 million in one-time GF/GP for purchasing body scanners for drug detection at all correctional facilities.	GF/GP	NA	\$4,500,000
30. Improvements to Staff Areas in Correctional Facilities	Gross	NA	\$2,500,000
<u>Executive</u> makes no recommendation. <u>House</u> makes no recommendation. <u>Senate</u> makes no recommendation. <u>Conference</u> includes \$2.5 million in one-time GF/GP for making improvements to common staff areas in correctional facilities, including employee restrooms, breakrooms, exercise rooms, etc.	GF/GP	NA	\$2,500,000
31. COVID-19 Suspended Intake Payments	Gross	NA	\$1,000,000
<u>Executive</u> makes no recommendation. <u>House</u> makes no recommendation. <u>Senate</u> makes no recommendation. <u>Conference</u> includes \$1.0 million in one-time GF/GP for reimbursing county jails for housing felons who otherwise would be sent to correctional facilities if intake was not closed due to COVID-19 control plans.	GF/GP	NA	\$1,000,000
32. Gender Reassignment Legal Defense	Gross	NA	\$100,000
<u>Executive</u> makes no recommendation. <u>House</u> makes no recommendation. <u>Senate</u> makes no recommendation. <u>Conference</u> includes \$100,000 in one-time GF/GP for costs of legal defense related to the prohibition on using state funding for gender reassignment surgeries or therapies.	GF/GP	NA	\$100,000

Major Boilerplate Changes from FY 2021-22

Notes:

1) Retained sections of boilerplate are rearranged to better align boilerplate sections with appropriations. Boilerplate sections are renumbered in consecutive order. Section numbers below reflect section numbers included in the Conference Report.

2) New section 205 lists a standard group of report recipients. Listed recipients would receive all reports required in boilerplate. Subsequently, lists of report recipients repeated in roughly 50 sections of current year boilerplate are deleted.

GENERAL SECTIONS

Sec. 205. Standard List of Report Recipients – NEW

Requires all reports required in boilerplate to 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, unless otherwise noted. Executive includes new language. House includes new language. Senate includes new language. Conference includes new language.

Major Boilerplate Changes from FY 2021-22

Sec. 207. Prohibition of Taking Disciplinary Action Against State Employees and Prisoners – RETAINED

Prohibits MDOC from taking disciplinary action against classified civil service employees or prisoners for communicating with legislators or their staff unless the communication is prohibited by law and MDOC is exercising its authority. Executive deletes. House retains. Senate retains. Conference retains.

Sec. 209. Use of Funding for Legal Services – RETAINED

Prohibits using appropriations to hire a person to provide legal services that are the responsibility of the attorney general; prohibition does not apply to legal services for bonding activities or to services authorized by attorney general. Executive retains. House retains. Senate revises to authorize use of appropriations for hiring a person to provide legal services that the attorney general is responsible for providing and authorizes the department to request reimbursement from the attorney general for costs of hiring outside counsel. Conference retains current year language.

Sec. 211. Contingency Authorization – RETAINED

Authorizes up to \$2.5 million in federal contingency funds to be appropriated; authorizes expenditure of funds after legislative transfer to specific line items. Executive revises to authorize up to \$10.0 million in federal, up to \$10.0 million in state restricted, up to \$2.0 million in local, and up to \$2.0 million in private contingency funds. House retains current year language. Senate deletes the language. Conference retains current year language.

Sec. 217. FTE Positions, Long-Term Vacancies, and Remote Work – RETAINED

Requires MDOC to report on number of FTE positions in pay status by civil service classification, including an accounting of all vacant positions, all vacant and filled corrections officer positions by facility, all vacant healthcare-related positions, and all vacant positions being held open for temporarily non-active employees; requires report on number of full-time positions authorized compared to actual number employed by line item, number of employees authorized to work remotely and number of employees working remotely, estimated cost savings achieved by remote work, and reduced use of office space associated with remote work. Executive deletes. House retains. Senate retains. Conference retains.

Sec. 218. In-Person Work Requirement – NEW

Prohibits MDOC from permitting state employees who were not working remotely prior to the COVID-19 pandemic to work remotely in FY 2022-23. Executive does not include new language. House includes new language. Senate does not include new language. Conference includes new language that expresses legislative intent that MDOC maximize efficiency of the state workforce, and where possible, prioritize in-person work; requires MDOC to post its in-person, remote, or hybrid work policy on its website.

Sec. 219. State Administrative Board Transfers – RETAINED

Authorizes the legislature, by a concurrent resolution adopted by a majority of members elected to and serving in each house, to inter-transfer funds if State Administrative Board transfers funds. Executive deletes. House retains. Senate retains. Conference retains.

Sec. 219. Prison Telephone Contract and Program and Special Equipment Fund – DELETED

Requires prisoner telephone service contract to contain a condition that prisoner telephone fees be the same as those applying outside of institutions, except for surcharges needed to meet program and special equipment costs; requires not less than 75% of revenue from fees charged to prisoners to be used for prisoner programming, special equipment, and security projects; authorizes carry forward of unexpended revenue; requires report on revenues and expenditures. Executive deletes. House deletes. Senate deletes. Conference deletes and replaces language with Sec. 308.

Sec. 221. Receipt and Retention of Reports – RETAINED

Requires MDOC to follow federal and state guidelines for short- and long-term retention of records; authorizes MDOC to electronically retain copies of reports unless otherwise required by federal and state guidelines. Executive deletes. House retains. Senate retains. Conference retains.

Sec. 222. Report on Policy Changes Made to Implement Public Acts – RETAINED

Requires MDOC to report on each specific policy change made by the department to implement a public act affecting the department. Executive deletes. House retains. Senate retains. Conference retains.

Sec. 223. Severance Pay for Department Officials – RETAINED

Requires MDOC to report on any amounts of severance pay agreed to for a department director, deputy director, or other high-ranking department official; requires report to include name of official and amount of severance pay; requires MDOC to maintain an internet site that posts any severance pay in excess of 6 weeks of wages for any former department employee receiving severance pay; requires report on total amount of severance pay remitted and total number of former employees that were remitted severance pay during prior fiscal year; defines "severance pay" to mean compensation that is both payable or paid upon termination of employment and in addition to either wages or benefits earned during the course of employment or generally applicable retirement benefits. Executive deletes. House retains. Senate retains. Conference retains.

Major Boilerplate Changes from FY 2021-22

Sec. 224. COVID-19 Vaccine Protocol – RETAINED

Prohibits any department, agency, board, commission, or public officer that receives funding from doing the following: requiring an individual to provide proof of receiving a COVID-19 vaccine as a condition of accessing state services or facilities, except as provided by federal law or as a condition of receiving federal Medicare or Medicaid funding; producing, developing, or issuing a COVID-19 vaccine passport; developing a database or making any existing database publicly available to access an individual's COVID-19 vaccine status by any person, company, or governmental entity; requiring as a condition of employment that an employee or official provide proof that he or she has received a COVID-19 vaccine; subjecting any individual to negative employment consequences, retaliation, or retribution because of their vaccine status. Transmitting proof of vaccine status is not prohibited if the individual provides affirmative consent. Requires exemptions to be provided to the following individuals if a vaccine policy is required due to federal mandate: individual for whom a physician certifies that a vaccine is or may be detrimental to the individual's health and individual who provides a written statement to the effect that the requirements of the vaccine policy cannot be met because of religious convictions or other consistently held objections to immunization. Executive deletes. House retains. Senate deletes. Conference retains.

Sec. 225. Expending Available Work Project Authorization – RETAINED

Prohibits appropriations that have unexpended work project authorization associated with them, to the extent possible, from being expended until all existing work project authorization for the same purpose is exhausted. Executive deletes. House retains. Senate retains. Conference retains.

Sec. 226. Management-to-Staff Ratio – RETAINED

Expresses legislative intent that MDOC maintain a management-to-staff ratio of not more than 1 supervisor for each 8 employees at central office in Lansing and at northern and southern region administration offices. Executive deletes. House retains. Senate retains. Conference retains.

DEPARTMENTAL ADMINISTRATION AND SUPPORT

Sec. 302. Staff Retention Strategies – RETAINED

Requires MDOC to report on staff retention strategies, including how to improve employee engagement, how to improve employee wellness, how to offer additional training and professional development, metrics used by MDOC to measure success of employee wellness programming, mechanisms by which to receive employee feedback, how MDOC considers suggestions made by employees, and steps taken and future plans MDOC has for staff retention and improving employee wellness. Executive revises by deleting all reporting details (retains only the requirement to report on staff retention strategies). House retains current year language. Senate retains current year language. Conference retains current year language.

Sec. 304. Staff Suggestions – RETAINED

Requires MDOC to maintain a staff savings initiative program for employees to submit suggestions for efficiencies for the department; requires MDOC to consider suggestions in a timely manner; requires report on process improvements made based on suggestions received; requires MDOC to give noncompensatory recognition to employees whose suggestions are implemented. Executive deletes. House retains. Senate retains. Conference retains.

Sec. 306. Sheriffs' Coordinating and Training Office – REVISED

Lists allowable uses of funding appropriated for Sheriffs' Coordinating and Training Office (e.g., defray costs of continuing education, certification, recertification, decertification, training of local corrections officers, personnel and administrative costs, local corrections officers advisory board). Executive revises to require MDOC to provide fiduciary oversight of funds received under the Local Corrections Officer Training Act. House concurs with executive revisions. Senate concurs with executive revisions. Conference concurs with executive revisions.

Sec. 308. Prisoner Phone Service Contract – NEW

Prohibits MDOC from exercising its option to extend the current contract for prisoner telephone services past the contract's current expiration date; requires an RFP to be issued for a new contract that meets security needs of the department and offers the lowest per minute rate to prisoners. Executive does not include new language. House includes new language. Senate does not include new language. Conference includes new language that requires MDOC to ensure the prisoner phone system provider establishes a new per minute phone charge; requires phone rates to reflect the complete elimination of the phone contract as a revenue source for the Program and Special Equipment Fund; requires MDOC to negotiate the lowest per minute rate while meeting operational needs; requires MDOC to provide notice of any change in the per minute cost of phone calls within 15 days of the change.

Sec. 310. Maintenance and Utility Costs at Facilities – RETAINED

Requires MDOC to report on maintenance and utility costs, plans for capital improvement and associated costs, status of capital outlay project accounts, and expected future useful life for each correctional facility. Executive deletes. House retains. Senate retains. Conference retains.

Major Boilerplate Changes from FY 2021-22

Sec. 312. Michigan State Industries Program – RETAINED

Requires MDOC to report on Michigan State Industries program, including location of programs, number of participants, description of job duties, prisoner schedules, products produced, and how programs provide marketable skills that lead to employable outcomes once prisoners are released. Executive retains. House retains. Senate revises to include a requirement that the report include an evaluation as to whether dental and optical services can be extended to a Medicaid population. Conference retains current year language.

Sec. 314. New Employee Schools – REVISED

Requires MDOC to report on new employee schools, including number of schools that took place and location of each, number of recruits that started, number of recruits that graduated, number of recruits that continued employment with the department, and MDOC strategies to achieve a 5% or lower target corrections officer vacancy rate. Executive revises to delete reporting on strategies to achieve a 5% or lower target corrections officer vacancy rate and to require MDOC to work to hire and train new corrections officers to address attrition and to decrease overtime costs. House revises to require MDOC to work to hire and train new corrections officers to address attrition and to decrease overtime costs and to require MDOC to report reasons for not meeting the 5% or lower target corrections officer vacancy rate, and to explain challenges the department faces when trying to meet the target vacancy rate. Senate revises to require MDOC to work to hire and train new corrections officers to address attrition and to decrease overtime costs. Conference concurs with House revisions.

Sec. 315. Staff Overtime Hours – RETAINED

Requires MDOC to report on number of overtime hours worked by all custody staff, by facility, including number of mandatory overtime hours worked, number of voluntary overtime hours worked, reasons for overtime hours worked, and average number of overtime hours worked by active employees. Executive deletes. House retains. Senate retains. Conference retains.

Sec. 318. Professional Development and Training for Staff – REVISED

Requires MDOC to report on programs that offer professional development and training opportunities for all levels of custody supervisors and first line managers, including an overview of existing programs, and a review of similar programs available in other organizations and in other states. Executive deletes. House retains. Senate retains. Conference revises to require report on changes to existing professional development programs and training opportunities.

Sec. 324. New Custody Staff Training – RETAINED

Requires MDOC to target new custody staff training at hiring a minimum of 800 corrections officers to address higher than normal attrition and to decrease overtime costs. Executive deletes. House deletes. Senate retains. Conference retains.

OFFENDER SUCCESS ADMINISTRATION

Sec. 401. Offender Success Expenditures and Allocations – REVISED

Requires MDOC to report on actual prior-year and planned current-year offender success expenditures and allocations; authorizes MDOC to collect cash or in-kind donations to supplement funds for prison education training, supplies, and materials necessary to complete academic- and job skills-related programs. Executive revises to delete reporting on planned current-year offender success expenditures and allocations; appropriates funds received; authorizes expenditure of funds received. House revises to delete reporting on planned current-year offender success expenditures and allocations. Senate revises to appropriate and authorize expenditure of funds received. Conference concurs with Senate revisions.

Sec. 405. Residential Services Per Diem Reimbursement – REVISED

Limits residential services per diem reimbursement rate to \$55.50; lists allowable uses of program funding for reimbursing counties for transportation, treatment costs, and housing drunk drivers during period of assessment for treatment and case planning; provides for reimbursement for housing at a rate of \$43.50 per day per offender for up to a maximum of five days. Executive retains. House retains. Senate increases residential services per diem reimbursement rate to \$75.00. Conference increases residential services per diem reimbursement rate to not more than \$65.00.

Sec. 406. Wastewater Operator Certification Program – DELETED

Requires MDOC to conduct a study, in consultation with DEGLE, to determine feasibility of including prisoners nearing earliest release dates in the Wastewater Operator Certification program administered by DEGLE; requires report on feasibility of training and certifying prisoners to become water, drinking water, wastewater, and stormwater operators; if determined to not be feasible, requires report on reasons for infeasibility. Executive deletes. House deletes. Senate deletes. Conference deletes.

Major Boilerplate Changes from FY 2021-22

Sec. 407. Public Safety Initiative – REVISED

Requires Genesee County law enforcement agency to report on expenditures made from appropriation; requires report to include purpose for which expenditures were made, amounts of expenditures by purpose, specific services provided, and number of individuals served; authorizes Senate and House Subcommittees on Corrections to request Genesee County law enforcement agency to appear before subcommittees to discuss report. Executive revises to delete authorization for subcommittees to request Genesee County to appear before subcommittees to discuss report. House revises to prohibit allocating funding to Genesee County law enforcement agency if Genesee County law enforcement agency does not comply with reporting requirements. Senate revises report recipient list. Conference revises to prohibit allocation of funding to Genesee County law enforcement agency until all reports are submitted and includes MDOC as one of report recipients.

Sec. 408. State Identification/Birth Certificates/Military Documents for Returning Prisoners – REVISED

Requires MDOC to collaborate with other state entities to develop processes to assist prisoners with obtaining state identification, birth certificates, and military documents if applicable. Executive revises to require MDOC to establish and maintain policies and procedures that allow prisoners to obtain documents prior to parole or discharge. House retains current year language. Senate revises to require MDOC to establish and maintain policies and procedures that allow prisoners to obtain documents prior to parole or discharge. Conference concurs with Senate revisions.

Sec. 409. Michigan Restaurant Association - Job Placement – RETAINED

Requires MDOC to collaborate with Michigan Restaurant Association on job placement for individuals on probation and parole. Executive deletes. House retains. Senate deletes. Conference retains.

Sec. 410. Enhanced Food Technology Program – RETAINED

Requires MDOC to maintain the Enhanced Food Technology program that provides on-the-job training in prison kitchens that will lead to food service training credentials recognized by the restaurant industry. Executive revises to require MDOC to collaborate with restaurant industry stakeholders to provide job placement assistance to individuals on probation and parole. House retains current year language. Senate revises to require MDOC to collaborate with restaurant industry stakeholders to provide job placement assistance to individuals on probation and parole. Conference retains current year language.

Sec. 411. Medication-Assisted Treatment Offender Success Pilot Programs – REVISED

Requires MDOC to establish medication-assisted treatment offender success pilot programs to provide prerelease treatment and postrelease referral for opioid- and alcohol-addicted offenders who voluntarily participate in the programs; requires MDOC to collaborate with residential and nonresidential substance abuse treatment providers and with community-based clinics to provide postrelease treatment; authorizes manufacturer to provide MDOC with samples of medication at no cost to department; requires MDOC to provide participating offenders with one injection prior to release from custody and to connect offenders with aftercare plan; requires program participants to attend substance abuse treatment programming and subjects them to routine drug and alcohol testing; requires MDOC to report follow-up information on offenders receiving injections, including number receiving injections and testing positive for drugs or alcohol, number receiving injections and remaining in community for duration of at least 3 months, and number receiving injections that were subsequently returned to prison. Executive strikes reference to specific allocation amount and revises reporting date from September 30 to December 1. House strikes reference to specific allocation amount and revises reporting date from September 30 to November 1. Senate concurs with executive revisions. Conference revises language to require a multifaceted approach to treatment, including various forms of treatment, counseling, and post release referral; requires MDOC to consider the use of long-acting injectable formulations, when clinically appropriate, of FDA-approved medication-assisted treatment for alcohol and opioid use disorder when developing an offender's release plan.

Sec. 417. Report on New Initiatives to Control Prison Population Growth – DELETED

Requires MDOC to report on any new initiatives aimed at controlling prison population growth and for each new initiative program objectives and outcome measures, number of offenders completing program, number of offenders successfully remaining in community 3 years following completion, expenditures, impact on jail utilization, impact on prison admissions, and other information relevant to evaluation of programs. Executive deletes. House deletes. Senate retains. Conference deletes.

FIELD OPERATIONS ADMINISTRATION

Sec. 501. Curfew Monitoring Program Costs – DELETED

Requires MDOC to administer curfew monitoring program intended to reduce prison admissions and improve jail utilization; requires MDOC to provide counties with curfew monitoring equipment and administrative oversight for a fee; prohibits access to program for counties with outstanding charges over 60 days. Executive deletes. House retains. Senate deletes. Conference deletes.

Major Boilerplate Changes from FY 2021-22

Sec. 502. Annual Program Reports – RETAINED

Specifies content to be included in reports by MDOC on residential reentry, electronic monitoring, and special alternative incarceration programs (e.g., successful and unsuccessful terminations, end of month populations, length of placements, returns to prison, descriptions of programs, comparison with prior year statistics, impact on prison admissions and jail utilization, cost effectiveness of programs). Executive deletes. House retains. Senate retains. Conference retains.

Sec. 503. Violators of Parole and Probation – RETAINED

Requires MDOC to review and revise proposals for alternatives to prison for technical violators of parole and probation; requires report on number of probationers and parolees returned to or sent to prison for new crimes, number of probationers and parolees returned to or sent to prison for technical violations, educational history of offenders, number of offenders that participated in reentry programs, and number of offenders that participated in substance abuse treatment programs, mental health programs, or both. Executive deletes. House retains. Senate retains. Conference retains.

Sec. 505. Residential Alternative to Prison Program – RETAINED

Requires MDOC to 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 West Michigan probation violator population; lists specific metric goals. Executive revises to delete list of specific metric goals. House retains current year language. Senate retains current year language. Conference retains current year language.

HEALTH CARE

Sec. 601. Health Care Timeliness and Expenditures – REVISED

Requires MDOC to report on expenditures, allocations, status of payments, and projected expenditures from accounts for prisoner health care, mental health care, pharmaceutical services, and durable medical equipment; requires report on pharmaceutical prescribing practices, including detailed accounting of expenditures on antipsychotic medications and any changes made to prescription drug formularies. Executive revises quarterly reporting to annual reporting. House retains current year language. Senate revises quarterly reporting to annual reporting and requires report to include a listing of measurable outcomes used to determine the benefits of treatment between the physical and mental health care provided to prisoners. Conference revises quarterly reporting to annual reporting and requires annual report to include status of department's efforts to develop measurable data and outcomes for physical and mental health care within the prisoner population.

Sec. 604. Hepatitis C – REVISED

Requires funding for Hepatitis C to be used for purchase of specialty medication for treatment of Hepatitis C; requires report on amount spent on specialty medication, number of prisoners treated, amount of any rebates received, and outstanding rebates expected to be received; requires report to include number of offenders requiring retreatment broken down by number that have been retreated while incarcerated and number that have been treated, released, and retreated upon reincarceration. Executive revises quarterly reporting to annual reporting. House retains current year language. Senate revises quarterly reporting to annual reporting and requires report to include Hepatitis C status of all incoming prisoners and the number of prisoners who are reinfected while incarcerated requiring repeated treatment. Conference concurs with Senate revisions.

Sec. 605. Medicaid Utilization by Prisoners – RETAINED

Requires MDOC and DHHS to exchange information regarding newly committed prisoners who may be Medicaid-eligible; requires MDOC to assist outgoing prisoners with Medicaid enrollment; requires report on utilization of Medicaid benefits for prisoners. Executive replaces current law with language that requires MDOC to report annually on the utilization of Medicaid benefits for prisoners during the prior fiscal year. House retains current year language. Senate revises language to require MDOC to provide updates on utilization of Medicaid benefits for prisoners over the most recent 10-year period that details utilization of Medicaid benefits upon release. Conference retains current year language.

Sec. 606. Medication Assisted Therapies – RETAINED

Requires MDOC to report on number of prisoners that received medication assisted therapies, length of time on therapies, and number of prisoners who discontinued treatment while incarcerated. Executive retains. House retains. Senate revises to add that report is intended to show the department is meeting its goal of weaning prisoners from their addiction. Conference retains current year language.

CORRECTIONAL FACILITIES ADMINISTRATION

Sec. 701. Notification of Elimination of Prisoner Programming – RETAINED

Requires MDOC to provide notice of plans to eliminate programming for prisoners at least 30 days prior to program elimination and defines "programming for prisoners" to mean a department core program or career and technical education program. Executive deletes. House retains. Senate retains. Conference retains.

Major Boilerplate Changes from FY 2021-22

Sec. 706. Reporting Critical Incidents in Prisons – RETAINED

Requires MDOC to report within 72 hours of occurrence, any critical incident occurring at a correctional facility; requires MDOC to report annually on number of critical incidents occurring each month by type and severity; defines "critical incidents" to mean prisoner assaults on staff that result in serious physical injury to staff, escapes and attempted escapes, prisoner disturbances that cause facility operation concerns, and unexpected deaths of prisoners. Executive revises to delete requirement that department report critical incidents within 72 hours of occurrence; deletes definition of "critical incidents". House retains current year language. Senate retains current year language. Conference retains current year language.

Sec. 708. Enrollment in and Completion of Various Programming – RETAINED

Requires MDOC to focus on providing required programming to prisoners who are past their earliest release date because of not having received the required programming; programming includes violence prevention, assaultive offender, sexual offender, substance abuse treatment, thinking for a change, and any other programming that is required as a condition of parole; expresses legislative intent that prisoners who are required to complete programming be transferred to facilities where programming is available; requires MDOC, to the extent feasible, to consistently provide prisoner programming with the goal of having prisoners complete recommended cognitive programming as early as possible during their sentence; requires MDOC to report on prisoner enrollment and completion of programming, and on plans to address waiting lists for programming. Executive revises to delete expression of legislative intent that prisoners who are required to complete programming be transferred to facilities where programming is available; deletes requirement that MDOC, to the extent feasible, consistently provide prisoner programming with the goal of having prisoners complete recommended cognitive programming as early as possible during their sentence. House retains current year language. Senate retains current year language. Conference retains current year language.

Sec. 709. Female Prisoner Labor and Delivery – RETAINED

Requires MDOC to allow female prisoners to have one visitor present during labor and delivery; requires visitors to be immediate family members, legal guardians, spouses, or domestic partners; authorizes MDOC to deny access to visitors if there are safety concerns; authorizes MDOC to conduct criminal background checks on visitors. Executive deletes. House retains. Senate retains. Conference retains.

Sec. 714. Use of State-Owned Facilities – RETAINED

Requires for-profit entities using state-owned facilities to pay fair market value for use of facilities and to make payments in lieu of taxes to local jurisdictions equivalent to what local units would receive if facilities were privately owned. Executive deletes. House retains. Senate retains. Conference retains.

Sec. 715. Auditor General and Corrections Ombudsman Access to Contracted Facilities – RETAINED

Requires any contract with a public or private party to operate a facility to house Michigan prisoners to include a provision allowing access to facility and appropriate records by Auditor General and Legislative Corrections Ombudsman. Executive deletes. House retains. Senate retains. Conference retains.

Sec. 716. Savings from Prison Closures – RETAINED

Requires MDOC to report on actual and projected savings achieved by closing correctional facilities, starting with closure of Pugsley Correctional Facility, which closed in September 2016. Executive deletes. House retains. Senate retains. Conference retains.

Sec. 717. Economic Impact of Prison Closures – RETAINED

Requires MDOC, when planning to close a correctional facility, to consider potential economic impact of prison closure on community where facility is located. Executive deletes. House retains. Senate retains. Conference retains.

ONE-TIME APPROPRIATIONS

Sec. 801. Corrections Officer College – NOT INCLUDED

Expresses intent of the legislature that funding be used to pay for up to 15 college credit hours for current corrections officers and new hires that have not completed college coursework that is required for employment with the department after an agreement is reached between the Office of the State Employer and the Michigan Corrections Organization and that agreement is approved by the Civil Service Commission; designates unexpended funds as a work project appropriation. Executive does not include new language. House includes new language. Senate does not include new language. Conference does not include new language.

Major Boilerplate Changes from FY 2021-22

Sec. 801. Chance for Life Program – REVISED

Requires funding to be allocated to an organization that provides prison-based rehabilitation programming including educational, life skills, and behavioral modification programs; states objective of programming is to offer a progressive transformational program to individuals while in prison, in an effort to prepare them for successful transition back to community; states purpose of organization is to increase community safety by reducing recidivism through providing evidence-based mentoring, employment soft skills training, job placement assistance, critical thinking skills, mediation, and conflict resolution training. Executive deletes. House revises to require the program to report, for FY 2021-22 and FY 2022-23, on expenditures, performance measurements and outcomes, and the total number of prisoners served. Senate revises appropriation amount listed in the language. Conference revises language to require there to be a performance-based contract that allows for payment based on the number of prisoners and parolees served according to program rules and outcomes agreed upon by MDOC and the provider.

Sec. 802. Corrections Officer Signing Bonuses – NOT INCLUDED

Expresses intent of the legislature that funding be used to grant up to \$5,000 signing bonuses for new corrections officers after an agreement is reached between the Office of the State Employer and the Michigan Corrections Organization and that agreement is approved by the Civil Service Commission; requires a minimum of 50% of the signing bonuses to be paid in the first month of employment and the balance to be paid if the corrections officers continue employment for at least 12 months; designates unexpended funds as a work project appropriation. Executive does not include new language. House includes new language. Senate does not include new language. Conference does not include new language.

Sec. 802. Reimburse Counties for Housing Offenders – NEW

Requires MDOC to reimburse counties for housing in jails felons who otherwise would have been transported to state correctional facilities if not for COVID-19 protocols; requires MDOC to reimburse counties at a rate of \$81.25 per offender per day. Executive does not include new language. House includes new language. Senate does not include new language. Conference includes new language that requires MDOC to reimburse counties for housing in jails felons who otherwise would have been transported to state correctional facilities if not for COVID-19 control plans; prohibits reimbursement to counties that lack appropriate COVID safeguards or that are experiencing a COVID breakout in their county jail operations; prohibits reimbursement to counties for the County Jail Reimbursement Program for days reimbursed under this section; requires MDOC to reimburse counties at a rate of \$80.00 per offender per day; requires counties to submit proper documentation.

Sec. 803. Absconder Tracking – NOT INCLUDED

Requires funding to be used to create a fund that can be used by the department for expenses incurred for investigating, locating, and arresting prisoner escapees and parole and probation violators; requires the department to report detailed expenditure data quarterly; designates unexpended funds as a work project appropriation. Executive does not include new language. House includes new language. Senate does not include new language. Conference does not include new language.

Sec. 803. Improvements to Staff Areas in Correctional Facilities – NEW

Requires appropriation to be used to make upgrades to staff common areas, including staff break rooms, staff restrooms, and staff exercise rooms; authorizes upgrades to include replacement of flooring, furniture, equipment, and fixtures. Executive does not include new language. House does not include new language. Senate does not include new language. Conference includes new language.

Sec. 804. Prosperity Region 8 Pilot Program – RETAINED

Requires MDOC to initiate pilot program to provide care management to parolees post-release which may include development of prerelease mental health discharge plans for parolees in Prosperity Region 8. Executive deletes. House deletes. Senate retains. Conference retains.

Sec. 805. Corrections Officer Retention Bonuses – NOT INCLUDED

Expresses intent of the legislature that funding be used to grant retention bonuses of up to \$5,000 for current corrections officers after an agreement is reached between the Office of the State Employer and the Michigan Corrections Organization and that agreement is approved by the Civil Service Commission; designates unexpended funds as a work project appropriation. Executive does not include new language. House includes new language. Senate does not include new language. Conference does not include new language.

Sec. 805. Gender Reassignment – NEW

Prohibits MDOC from funding gender reassignment surgeries for any prisoners of this state. Executive does not include new language. House includes new language. Senate does not include new language. Conference includes new language that requires MDOC to use the \$100,000 appropriation for legal defense related to the prohibition on using state funds for gender reassignment surgeries or therapies while individuals are under the jurisdiction of the department.

Major Boilerplate Changes from FY 2021-22

Sec. 806. Specialized Electronic Monitoring Pilot Program – NOT INCLUDED

Requires funding to be used to pilot a new electronic monitoring program in Oakland County with a company that has at least 10 years of experience, provides 24 hours a day monitoring, has a service and monitoring center located in Michigan, uses the same electronic monitors used by MDOC, and can provide software and training; designates unexpended funds as a work project appropriation. Executive does not include new language. House includes new language. Senate does not include new language. Conference does not include new language.

Sec. 807. Subjects Federal Appropriations Public Law 117-2 – NOT INCLUDED

Subjects Coronavirus State Fiscal Recovery Fund appropriations to federal rules and regulations included in the American Rescue Plan Act of 2021, Public Law 117-2, which generally limit expenditures to certain populations, purposes, and/or communities; lists specific categorical recipient limitations for funding eligibility. Executive does not include new language. House includes new language. Senate does not include new language. Conference does not include new language.

FY 2022-23: DEPARTMENT OF EDUCATION
Summary: Conference Report
Article 3, House Bill 5783 (H-2) CR-1



Analysts: Emily Hatch and Jacqueline Mullen

IDG/IDT	FY 2021-22 YTD as of 2/9/22	FY 2022-23 Executive	FY 2022-23 House	FY 2022-23 Senate	FY 2022-23 Conference	Difference: Conference From FY 2021-22 YTD	
						Amount	%
	\$0	\$0	\$0	\$0	\$0	\$0	--
Federal	1,807,625,600	302,950,800	302,950,800	302,950,800	302,950,800	(1,504,674,800)	(83.2)
Local	5,870,300	5,878,600	5,878,600	5,878,600	5,878,600	8,300	0.1
Private	2,238,500	2,240,400	3,540,400	2,240,400	2,240,400	1,900	0.1
Restricted	9,785,400	9,919,700	9,919,700	9,919,700	9,919,700	134,300	1.4
GF/GP	102,508,100	98,541,500	93,391,600	93,481,600	99,591,500	(2,916,600)	(2.8)
Gross	\$1,928,027,900	\$419,531,000	\$415,681,100	\$414,471,100	\$420,581,000	(\$1,507,446,900)	(78.2)

Notes: (1) FY 2021-22 year-to-date figures include mid-year budget adjustments through February 9, 2022. (2) Appropriation figures for all years include all proposed appropriation amounts, including amounts designated as "one-time."

Overview

The State Board of Education is an eight-member elected board constitutionally mandated to provide leadership and supervision for public education in Michigan. The Michigan Department of Education (MDE) is the administrative arm of the Board charged with implementing state and federal educational mandates and administering programs. Major responsibilities of the MDE include developing and overseeing the K-12 school system, certifying teachers, disbursing funds to educational organizations and libraries, providing technical assistance to school districts and libraries, and providing early education and child day care support for low-income and other qualifying families.

Major Budget Changes from FY 2021-22 YTD Appropriations

1. One-Time Childcare Funding Removal

Executive, House, Senate, and Conference reflect the one-time nature of \$1.5 billion federal in child care funding included in the FY 2021-22 budget.

	FY 2021-22 Year-to-Date (as of 2/9/22)	FY 2022-23 Conference Change
Gross	\$1,495,863,500	(\$1,495,863,500)
Federal	1,495,863,500	(1,495,863,500)
GF/GP	\$0	\$0

2. Removal – Teacher Talent Pipeline

Executive, House, Senate, and Conference remove \$10.0 million federal COVID-19 Governor's Emergency Education Relief (GEER) II funds for a grant to an education-related nonprofit organization that supports a teacher talent pipeline through teacher recruitment, training, development and retention. This item was funded as one-time in FY 2021-22.

Gross	\$10,000,000	(\$10,000,000)
Federal	10,000,000	(10,000,000)
GF/GP	\$0	\$0

3. Removal – PRIME Schools

Executive, House, Senate, and Conference remove \$6.0 million GF/GP and authorization for 1.0 FTE position for the SME Education Foundation's Partnership Response in Manufacturing Education (PRIME) initiative. Of the \$6.0 million, at least \$5.8 million was allocated for PRIME and up to \$200,000 and 1.0 FTE for the Department of Education to administer the initiative. This item was funded as one-time in FY 2021-22.

FTE	1.0	(1.0)
Gross	\$6,000,000	(\$6,000,000)
GF/GP	\$6,000,000	(\$6,000,000)

Major Budget Changes from FY 2021-22 YTD Appropriations		FY 2021-22 Year-to-Date (as of 2/9/22)	FY 2022-23 Conference Change
4. Before and After School Programs			
<u>Executive</u> provides \$1.1 million GF/GP for administration of, and support for, before and after school programs. The majority of funding for before and after school programs is shifted to the School Aid budget for FY 2022-23. <u>House</u> concurs with the Executive in shifting funding for before and after school programs to the School Aid budget for FY 2022-23, but does not provide an appropriation for the administration of, and support for, before and after school programs. <u>Senate</u> concurs with the Executive to provide \$1.1 million GF/GP for before and after school programs and also authorizes 1.0 FTE position. Does not include before and after school programs in the School Aid budget for FY 2022-23. <u>Conference</u> concurs with House.	FTE	0.0	1.0
	Gross	\$5,000,000	(\$3,910,000)
	GF/GP	\$5,000,000	(\$3,910,000)
5. Michigan School for the Deaf			
<u>Executive</u> provides \$3.0 million GF/GP to expand coordination, staff support, and training for the Michigan School for the Deaf. <u>House</u> and <u>Senate</u> do not include. <u>Conference</u> concurs with Executive.	Gross	\$13,627,000	\$3,000,000
	Federal	7,550,600	0
	Local	5,870,300	0
	Restricted	206,100	0
	GF/GP	\$0	\$3,000,000
6. ASL Literacy Resources			
<u>House</u> provides \$1.0 million GF/GP, to be expended as provided in HB 5777, for the development of literacy resources, tools, and assessments for the parents and teachers of children who are deaf or hard of hearing. <u>Senate</u> does not include. <u>Conference</u> concurs with House.	Gross	NA	\$1,000,000
	GF/GP	NA	\$1,000,000
7. Educator Recruitment, Attraction and Administration			
<u>Executive</u> provides \$800,000 GF/GP and authorizes 4.0 FTE positions to fund staff to oversee the administration of educator recruitment and retention programs included in the School Aid budget. <u>House</u> and <u>Senate</u> do not include. <u>Conference</u> concurs with Executive.	FTE	48.0	4.0
	Gross	\$9,458,700	\$800,000
	Federal	3,164,600	0
	Restricted	4,275,500	0
	GF/GP	\$2,018,600	\$800,000
8. Michigan Core Curriculum			
<u>Conference</u> provides \$750,000 for the department, in collaboration with the confederation of Michigan tribal education department, to design, implement, and evaluate professional learning and optional curriculum modules regarding Michigan Indigenous tribal history including the history of Indian boarding schools in Michigan.	Gross	NA	\$750,000
	GF/GP	NA	\$750,000
9. Early Childhood Development Administration			
<u>Executive</u> provides \$700,000 GF/GP and authorizes 6.0 FTE positions to support the expansion of the Great Start Readiness Program (GSRP), administration of great start collaboratives and the home visitation program under 32p of the School Aid Act, increased child care staff, and the administration of early childhood programming. <u>House</u> and <u>Senate</u> do not include. <u>Conference</u> provides \$550,000 GF/GP and authorizes 5.0 FTE positions.	FTE	65.0	5.0
	Gross	\$13,468,700	\$550,000
	Federal	11,308,600	0
	Private	250,000	0
	Restricted	64,600	0
	GF/GP	\$1,845,500	\$550,000
10. State Aid to Libraries			
<u>Senate</u> and <u>Conference</u> include an increase of \$500,000 GF/GP to State Aid to Libraries.	Gross	\$15,067,700	\$500,000
	GF/GP	\$15,067,700	\$500,000

Major Budget Changes from FY 2021-22 YTD Appropriations		FY 2021-22 Year-to-Date (as of 2/9/22)	FY 2022-23 Conference Change
11. Mental Health Administration			
<u>Executive</u> provides \$200,000 and authorizes 1.0 FTE position to hire MDE staff and support and assist schools receiving mental health funding. <u>House</u> and <u>Senate</u> do not include. <u>Conference</u> concurs with Executive.	FTE	74.6	1.0
	Gross	\$13,724,200	\$200,000
	Federal	12,621,800	0
	Restricted	71,700	0
	GF/GP	\$1,030,700	\$200,000
12. School Board Training Reimbursement			
<u>Executive</u> and <u>Senate</u> retain \$260,000 GF/GP for school board member training reimbursement. <u>House</u> removes \$260,000 GF/GP for school board member training reimbursement. <u>Conference</u> reduces by \$110,000 GF/GP for a total of \$150,000 GF/GP.	Gross	\$260,000	(\$110,000)
	GF/GP	\$260,000	(\$110,000)
13. Camp Tuhsmeheeta			
<u>House</u> provides \$1.3 million private for the renovation of Elm Hall into a nature center at Camp Tuhsmeheeta for students who are blind or visually impaired. <u>Senate</u> and <u>Conference</u> do not include.	Gross	\$501,000	\$0
	Private	501,000	0
	GF/GP	\$0	\$0
14. Michigan Public School Employee Retirement System (MPERS) Library Costs			
<u>Senate</u> provides \$31,000 GF/GP for support to eligible libraries for increased MPERS costs (House includes this item as part of the School Aid budget for FY 2022-23). <u>Conference</u> does not include.	Gross	\$15,067,700	\$0
	GF/GP	\$15,067,700	\$0
15. Partnership District Support			
<u>Senate</u> includes a decrease of \$791,100 GF/GP for Partnership District Support unit to work with other education stakeholders to assist districts struggling with poor academic performance. <u>Conference</u> does not include.	FTE	13.0	0.0
	Gross	\$3,535,900	\$0
	Federal	114,500	0
	GF/GP	\$3,421,400	\$0
16. One-Time Appropriation – Michigan's Poet Laureate			
<u>Executive</u> retains \$100,000 GF/GP to support a Michigan Poet Laureate program with funding for travel and events to promote poetry, the spoken word, and the literary arts. <u>House</u> and <u>Senate</u> remove \$100,000 GF/GP to support a Michigan Poet Laureate. <u>Conference</u> concurs with Executive.	Gross	\$100,000	\$0
	GF/GP	\$100,000	\$0
17. One-Time Appropriation – Data Systems Development			
<u>House</u> and <u>Senate</u> provide \$100 GF/GP placeholder for the department, with oversight from DTMB, to upgrade Michigan's IT infrastructure and ensure state agencies have the talent and IT infrastructure to provide meaningful data for policy, education, and workforce leaders. <u>Conference</u> does not include.	Gross	\$0	\$0
	GF/GP	\$0	\$0
18. Roll Up – TEACH Scholarship			
<u>Executive</u> includes a net \$0 change to roll the \$5.0 million federal TEACH Scholarship into the Child Development and Care contracted services line item. <u>House</u> , <u>Senate</u> , and <u>Conference</u> do not include the roll up, leaving the federal TEACH scholarship as its own line.	Gross	\$5,000,000	\$0
	Federal	5,000,000	0
	GF/GP	\$0	\$0

Major Budget Changes from FY 2021-22 YTD Appropriations		FY 2021-22 Year-to-Date (as of 2/9/22)	FY 2022-23 Conference Change
19. Economic Adjustments	Gross	NA	\$2,071,900
<u>Executive</u> , <u>House</u> , <u>Senate</u> , and <u>Conference</u> reflect increased costs of \$2.1 million Gross (\$619,200 GF/GP) for negotiated salary and wage increases (5.0% on October 1, 2022 and 0.5% to annualize the FY 2022 1.0% increase that began on April 1, 2022), actuarially required retirement contributions, worker's compensation, building occupancy charges, and other economic adjustments.	Federal	NA	1,308,200
	Local	NA	8,300
	Private	NA	1,900
	Restricted	NA	134,300
	GF/GP	NA	\$619,200

Boilerplate Changes from FY 2021-22

Executive DELETED but House and Senate and Conference RETAINED the following boilerplate sections:

- FTE Vacancies and Remote Work Report (Sec. 217)
- State Administrative Board Transfer (Sec. 219)
- Report on Policy Changes Made to Implement Public Acts Affecting Department (Sec. 221)
- Communication with the Legislature (Sec. 222)
- Records Retention (Sec. 223)
- Expending Available Work Project Authorization (Sec. 224)
- Severance Pay Reporting (Sec. 225)
- Vaccine Passport (Sec. 227)
- Federal Accountability Plans (Sec. 229)
- Nonpublic School Mandates (Sec. 230)
- CDC T.E.A.C.H. Early Childhood Michigan Scholarship Program (Sec. 1004)
- CDC Funding Changes (Sec. 1010)

Sec. 205. Standard List of Report Recipients – NEW

Conference requires that all reports be submitted to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agency, and the state budget office.

Sec. 209. Hire of Outside Legal Counsel – RETAINED

Prohibits a principal executive department, state agency, or authority from hiring a person to provide legal services that are the responsibility of the attorney general.

Executive and House maintain current law.

Senate revises to allow MDE to seek reimbursement from the Attorney General for services from a different provider.

Conference concurs with Executive and House.

Sec. 211. Contingency Funds – RETAINED

Appropriates \$5.0 million federal, \$400,000 state restricted, \$250,000 local, and \$1.5 million private in contingency funds, which must be transferred appropriately by the legislature prior to expenditure.

Executive revises the amount of contingency funds, which must be transferred by the legislature prior to expenditure as follows: revises federal from \$5.0 million to \$10.0 million; revises state restricted from \$400,000 to \$700,000; maintains local at \$250,000; and revises private from \$1.5 million to \$3.0 million.

House maintains current law.

Senate deletes this section.

Conference concurs with House.

Sec. 219. In-Person Work Requirement – NOT INCLUDED

House prohibits state departments, agencies, boards, and commissions from allowing employees to work remotely, unless they were doing so before February 28, 2020.

Senate and Conference do not include.

Boilerplate Changes from FY 2021-22

Sec. 235. Effectiveness Survey – RETAINED

Requires MDE to administer a survey that allows teachers, paraprofessionals, and administrators to provide feedback on their interactions with the department. Requires the survey to focus on transactions that occur through the Michigan Online Educator Certification System and professional development offered by the department; include information on the survey recipient's viewpoint of MDE and rating of their interactions and the recipient's insight on MDE's effectiveness in achieving goals within Michigan's Top 10 Strategic Education Plan. Requires MDE to prepare a report of the survey results and submit it to the House and Senate appropriations committees by June 1, 2022.

Executive deletes this section.

House maintains current law.

Senate concurs with Executive.

Conference concurs with House.

Sec. 236. Rural Transportation Report – DELETED

Requires MDE, in collaboration with SBO, to prepare a report on rural transportation funding, including a description of the unique and extenuating circumstances rural school districts face in providing all students within their district with equitable transportation services, the main factors driving transportation costs for rural school districts, the transportation costs of all districts, and a breakdown of the per-pupil transportation cost for all districts.

Executive deletes this section

House maintains current law

Senate and Conference concur with Executive.

Sec. 602. School Board Training – RETAINED

Requires funds for school board member training to be used to approve 1 or more training programs for school board members that includes courses of instruction for school board members.

Senate includes this language in Sec. 602 (Sec. 1100 in FY 2021-22 act) – retained language from FY 2021-22, but moved to ongoing boilerplate sections. For Executive and House action on school board training boilerplate, see Sec. 1100.

Conference concurs with Senate.

Sec. 410. ASL Literacy Resources – NEW

House requires funds from ASL Literacy Resources to be used to comply with all requirements in House Bill No. 5777.

Senate does not include.

Conference concurs with House.

Sec. 702. Early Literacy Implementation – REVISED

Appropriates \$1.0 million for implementation costs associated with early childhood literacy funded under Sec. 35a of the School Aid budget.

Executive revises language from "not to exceed" to "not less than" \$1.0 million.

House maintains current law.

Senate concurs with Executive.

Conference concurs with Executive.

Sec. 703. Michigan Core Curriculum – NEW

Conference requires the department, in collaboration with the confederation of Michigan tribal education department, to design, implement, and evaluate professional learning and optional curriculum modules regarding Michigan Indigenous tribal history including the history of Indian boarding schools in Michigan.

Sec. 803. MPSERS Costs to Libraries – NOT INCLUDED

Senate appropriates \$31,000 for equal payments to participating district libraries to offset a portion of the MPSERS costs.

Conference does not include.

Sec. 1001. Before and After School Programs – DELETED

Requires MDE to develop a competitive grant program to distribute funding for before and after school programs to eligible entities; defines eligible entities; requires department to established amounts for each entity; requires funds to be used only for the provision of before and after school programming.

Executive revises language to appropriate \$500,000 for administrative costs associated with the implementation of before and after school programs as funded under Sec. 32n of the School Aid budget.

House deletes this section.

Senate revises to appropriate \$750,000 for MDE, in collaboration with indigenous educators, tribal community members, and colleges and universities to design, implement, and evaluate professional learning related to Indian residential boarding schools. Also, revises language to appropriate \$150,000 and 1.0 FTE position for administrative support to the legislative liaison in the office of public and governmental affairs.

Conference deletes this section (See Sec. 703.)

Boilerplate Changes from FY 2021-22

Sec. 1002. CDC Provider Reimbursement Rate Increase – REVISED

Requires the department to ensure that the final CDC provider reimbursement rates are published on the MDE and Great Start to Quality webpages.

House and Senate maintain current law.

Executive and Conference revise to increase the hourly reimbursement rate to 10%.

Sec. 1009. CDC Increase to Eligibility Entrance Threshold – REVISED

Sets entrance income threshold for the CDC program at 185% of the federal poverty guidelines. Includes the following conditions for the entrance income threshold: 1) if the average number of paid children in the CDC program is more than 40,000 for 3 consecutive months, then MDE is required to create a waiting list and begin the administrative process to decrease the income entrance eligibility threshold to not less than 160% of the federal poverty guidelines for the following month; and 2) if the average number of paid children in the CDC program is less than 32,000 by March 31, 2022, then MDE may increase the income entrance eligibility threshold up to 200% of the federal poverty guidelines.

Executive revises so that the only requirement under this section is that the CDC eligibility entrance threshold be set to not more than 200% (currently 185%) of the federal poverty guidelines. Removes specifications regarding number of children, waiting lists, and future decreases in the eligibility entrance threshold.

House and Senate maintain current law.

Conference concurs with the House, but revises the income entrance eligibility threshold to 200%.

Sec. 1012. Child Mental Health – RETAINED

Requires funding from ARP - Child Care Entitlement and Child Care Award to be used for the department to work in collaboration with DHHS to continue the network of infant and early childhood mental health consultation, which provides mental health consultation to child care providers.

Executive and House delete this section.

Senate and Conference maintain current law.

Sec. 1013. Child Care Enhancement Report – NEW

Senate and Conference require MDE to create a status report on the child care enhancements appropriated in FY 2021-22.

Sec. 1020. CDC Provider Reimbursement Rate Increase – DELETED

Requires funding from CRRSA – Child Care Stimulus, ARP – Child Care Stimulus, Child Care Award, and ARP – Child Care Entitlement to be used to increase the provider reimbursement rates for child care providers by 30% from the established provider rates.

Executive, House, Senate, and Conference delete this section.

Sec. 1021. Child Care Provider Payment Based on Enrollment Rather than Attendance – DELETED

Requires funding from CRRSA – Child Care Stimulus, ARP – Child Care Stimulus, Child Care Award, and ARP – Child Care Entitlement to be used to make payments to child care providers based on enrollment rather than based on attendance.

Executive, House, Senate, and Conference delete this section.

Sec. 1022. Child Care Stabilization Grants – DELETED

Requires funding from ARP – Child Care Stabilization Fund and CRRSA – Child Care Stimulus to create the child care stabilization grant program to provide subgrants to eligible providers in the state.

Executive, House, Senate, and Conference delete this section.

Sec. 1023. Support for New and Expanding Child Care Providers – DELETED

Requires funding from ARP – Child Care Stabilization Fund and ARP - Child Care Stimulus to be used for technical or financial support to new or expanding child care providers.

Executive, House, Senate, and Conference delete this section.

Sec. 1024. Temporary Bonus Payment for Child Care Providers – DELETED

Requires funding from ARP - Child Care Stimulus and CRRSA - Child Care Stimulus to provide temporary bonus reimbursement payments to child care providers in addition to the ongoing reimbursement rate increase.

Executive, House, Senate, and Conference delete this section.

Sec. 1025. Copay Waivers – DELETED

Requires funding from CRRSA – Child Care Stimulus, ARP – Child Care Stimulus, Child Care Award, and ARP – Child Care Entitlement to pay on a family's behalf the child development and care program's required family contribution.

Executive, House, Senate, and Conference delete this section.

Boilerplate Changes from FY 2021-22

Sec. 1026. Bonus Pay for Child Care Workers – DELETED

Requires funding from ARP - Child Care Stimulus and CRRSA – Child Care Stimulus to be used for child care worker bonus pay.

Executive, House, Senate, and Conference delete this section.

Sec. 1027. Contracts for Infant and Toddler Slots – DELETED

Requires funding from ARP – Child Care Stimulus and CRRSA – Child Care Stimulus to be used by the department to contract with child care providers for infant and toddler slots to increase the supply of these services for Michigan families.

Executive, House, Senate, and Conference delete this section.

Sec. 1028. Department Administrative Funding – DELETED

Requires funding from CRRSA – Child Care Stimulus and ARP – Child Care Stimulus to be used by the department for implementation costs.

Executive, House, Senate, and Conference delete this section.

Sec. 1030. Work Project: ARP – Child Care Stabilization – DELETED

Designates unexpended funding from ARP - Child Care Stabilization as a work project.

Executive, House, Senate, and Conference delete this section.

Sec. 1031. Work Project: CRRSA – Child Care Stimulus – DELETED

Designates unexpended funding from CRRSA – Child Care Stimulus as a work project.

Executive, House, Senate, and Conference delete this section.

Sec. 1032. Work Project: ARP – Child Care Stimulus – DELETED

Designates unexpended funding from ARP – Child Care Stimulus as a work project.

Executive, House, Senate, and Conference delete this section.

Sec. 1033. Work Project: Child Care Award – DELETED

Designates unexpended funding from Child Care Award as a work project.

Executive, House, Senate, and Conference delete this section.

Sec. 1034. Work Project: ARP – Child Care Entitlement – DELETED

Designates unexpended funding from ARP – Child Care Entitlement as a work project.

Executive, House, Senate, and Conference delete this section.

Sec. 1100. School Board Training – DELETED

Requires funds for school board member training to be used to approve 1 or more training programs for school board members that includes courses of instruction for school board members.

Executive and House delete this section. For Senate action on school board training boilerplate, see Sec. 602 – retained language, but moved to ongoing boilerplate sections.

Conference concurs with Executive.

Sec. 1101. Data Systems Development – NOT INCLUDED

House and Senate require the department, with oversight from DTMB, to upgrade Michigan's IT infrastructure and ensure state agencies have the talent and IT infrastructure to provide meaningful data for policy, education, and workforce leaders.

Conference does not include.

Sec. 1102. Michigan's Poet Laureate – RETAINED

Requires funds for Michigan's poet laureate to be used for support of the Michigan poet laureate program to promote poetry, the spoken word, and literary arts across this state.

Executive maintains current law.

House, Senate, and Conference delete this section.

Conference concurs with Executive.

**FY 2022-23: DEPARTMENT OF ENVIRONMENT,
GREAT LAKES, AND ENERGY**
Summary: Conference Report
Article 4, House Bill 5783 (H-2) CR-1



Analyst: Austin Scott

	FY 2021-22 YTD as of 2/9/22	FY 2022-23 Executive	FY 2022-23 House	FY 2022-23 Senate	FY 2022-23 Conference	Difference: Conference From FY 2021-22 YTD	
						Amount	%
IDG/IDT	\$3,544,900	\$3,406,400	\$3,406,400	\$3,406,400	\$3,406,400	(\$138,500)	(3.9)
Federal	226,889,200	453,641,700	526,566,700	185,641,700	287,641,700	60,752,500	26.8
Local	0	0	0	0	0	0	--
Private	1,411,200	1,415,500	1,415,500	1,415,500	1,415,500	4,300	0.3
Restricted	304,550,000	327,354,900	327,354,900	327,354,900	337,354,900	32,804,900	10.8
GF/GP	153,375,400	218,280,700	106,552,900	78,477,700	98,835,800	(54,539,600)	(35.6)
Gross	\$689,770,700	\$1,004,099,200	\$965,296,400	\$596,296,200	\$728,654,300	\$38,883,600	5.6
FTEs	1,467.0	1,543.0	1,467.0	1,270.2	1,516.0	49.0	(3.3)

Notes: (1) FY 2021-22 year-to-date figures include mid-year budget adjustments through February 9, 2022. (2) Appropriation figures for all years include all proposed appropriation amounts, including amounts designated as "one-time."

Overview

The Department of Environment, Great Lakes, and Energy (EGLE) is responsible for managing Michigan's air, land, water, and energy resources. Departmental functions include improving resource quality, reducing waste, and mitigating threats to Michigan's environment.

Major Budget Changes from FY 2021-22 YTD Appropriations

1. Community Technical, Managerial, and Financial Support for Lead Line Replacement (One-Time)

Executive provides \$48.0 million GF/GP for local grants to replace lead service lines and upgrade water treatment facilities; preference for disadvantaged communities.

House does not provide.

Senate does not provide

Conference replaces GF/GP funding with \$48.0 million in federal Coronavirus State Fiscal Recovery Fund.

	FY 2021-22 Year-to-Date (as of 2/9/22)	FY 2022-23 Conference Change
Gross	NA	\$48,000,000
Federal	NA	48,000,000
GF/GP	NA	\$0

2. Water State Revolving Funds – Federal Infrastructure Act IJA

Executive appropriates \$250.4 million Gross (\$36.4 million GF/GP) for federal Infrastructure Act funding for local water infrastructure projects. The GF/GP funding is appropriated on a one-time basis to be used as match to access federal funding.

House appropriates federal funding, does not appropriate GF/GP. The \$36.4 million GF/GP used as match to access federal funding is appropriated and designated as a work project in 2022 PA 53.

Senate does not appropriate.

Conference does not appropriate.

Gross	\$120,000,000	\$0
Federal	100,000,000	0
Restricted	15,000,000	0
GF/GP	\$5,000,000	\$0

3. Oil, Gas, and Mineral Services – Federal Infrastructure Act IJA

Executive appropriates \$31.0 million of federal Infrastructure Act funding and authorizes 2.0 FTE positions for remediation of orphaned oil and gas wells.

House appropriates federal funding, does not authorize FTE positions.

Senate does not appropriate.

Conference appropriates federal funding, authorizes 2.0 FTE positions on a limited-term basis in section 925.

FTE	59.0	0.0
Gross	\$11,630,900	\$31,000,000
IDG	220,000	0
Federal	150,000	31,000,000
Restricted	6,879,900	0
GF/GP	\$4,381,000	\$0

Major Budget Changes from FY 2021-22 YTD Appropriations		FY 2021-22 Year-to-Date (as of 2/9/22)	FY 2022-23 Conference Change
4. Environmental Sustainability and Stewardship – Federal Infrastructure Act IIJA			
<u>Executive</u> appropriates \$15.8 million of federal Infrastructure Act funding and authorizes 5.0 FTE positions for energy efficiency projects. <u>House</u> appropriates federal funding, does not authorize FTE positions. <u>Senate</u> does not appropriate. <u>Conference</u> appropriates federal funding, authorizes 5.0 FTE positions on a limited-term basis in section 902.	FTE	11.0	0.0
	Gross	\$6,224,000	\$15,800,000
	Federal	3,806,700	15,800,000
	Private	140,000	0
	Restricted	2,277,300	0
	GF/GP	\$0	\$0
5. Energy Efficiency Revolving Fund – Federal Infrastructure Act IIJA			
<u>Executive</u> appropriates \$7.2 million of federal Infrastructure Act funding for energy efficiency projects. <u>House</u> concurs with Executive. <u>Senate</u> does not appropriate. <u>Conference</u> concurs with Executive.	Gross	NA	\$7,200,000
	Federal	NA	7,200,000
	GF/GP	NA	\$0
6. High Water Infrastructure Grants (One-Time)			
<u>Executive</u> adds \$20.0 million GF/GP for infrastructure grants to address flooding, erosion, and other coastal issues. <u>House</u> eliminates funding. <u>Senate</u> eliminates funding. <u>Conference</u> eliminates funding.	Gross	\$14,325,000	(\$14,325,000)
	GF/GP	\$14,325,000	(\$14,325,000)
7. Contaminated Site Cleanup (One-Time)			
<u>Executive</u> includes \$10.0 million GF/GP for the prioritization and remediation of newly contaminated properties statewide that emerge throughout the year. <u>House</u> replaces GF/GP funding with \$25.0 million in federal Coronavirus State Fiscal Recovery Fund. <u>Senate</u> eliminates funding. <u>Conference</u> maintains funding.	Gross	\$10,000,000	\$0
	Federal	0	0
	GF/GP	\$10,000,000	\$0
8. Environmental Health			
<u>Executive</u> appropriates \$9.1 million Gross (\$7.4 million GF/GP) and authorizes 7.0 FTE positions to strengthen water supply oversight and support local health departments in monitoring and testing drinking water; also aligns authorization with available federal and restricted funding. <u>House</u> appropriates \$1.8 million Gross (\$0 GF/GP), does not authorize FTE positions, and rolls up appropriation into "Drinking water and environmental health" line item. <u>Senate</u> does not appropriate. <u>Conference</u> appropriates \$7.9 million Gross (\$6.2 million GF/GP).	FTE	57.0	0.0
	Gross	\$7,351,600	\$7,917,900
	Federal	3,382,000	1,500,000
	Restricted	1,431,000	250,000
	GF/GP	\$2,538,600	\$6,167,900
9. NPDES Nonstormwater Program			
<u>Conference</u> appropriates \$1.2 million GF/GP and authorizes 7.0 FTE positions to strengthen water supply oversight and support local health departments in monitoring and testing drinking water.	FTE	98.0	7.0
	Gross	\$15,222,700	\$1,190,000
	Federal	6,865,500	0
	Restricted	4,294,200	0
	GF/GP	\$4,063,000	\$1,190,000

<u>Major Budget Changes from FY 2021-22 YTD Appropriations</u>		<u>FY 2021-22 Year-to-Date (as of 2/9/22)</u>	<u>FY 2022-23 Conference Change</u>
10. Drinking Water	FTE	68.0	7.0
<u>Executive</u> appropriates \$1.8 million GF/GP and authorizes 12.0 FTE positions to strengthen water supply oversight and support local health departments in monitoring and testing drinking water.	Gross	\$11,915,600	\$1,799,900
<u>House</u> does not appropriate funding, does not authorize FTE positions, and rolls up appropriation into "Drinking water and environmental health" line item.	Federal	6,343,900	0
<u>Senate</u> does not appropriate.	Restricted	3,199,100	0
<u>Conference</u> appropriates \$1.8 million GF/GP and authorizes 7.0 FTE positions.	GF/GP	\$2,372,600	\$1,799,900
11. Air Quality Programs	FTE	187.0	15.0
<u>Executive</u> appropriates \$4.4 million GF/GP and authorizes 24.0 FTE positions to expand air quality monitoring staff and operations, and to reduce permit review wait times.	Gross	\$30,416,600	\$4,439,800
<u>House</u> does not appropriate funding, does not authorize FTE positions.	Federal	7,493,200	0
<u>Senate</u> does not appropriate.	Restricted	14,807,400	0
<u>Conference</u> appropriates \$4.4 million GF/GP and authorizes 15.0 FTE positions.	GF/GP	\$8,116,000	\$4,439,800
12. Grants and Records Management	FTE	NA	4.0
<u>Executive</u> appropriates \$2.9 million GF/GP and authorizes 6.0 FTE positions to create new program to digitize and manage departmental grants and records; \$2.0 million GF/GP is appropriated on a one-time basis.	Gross	NA	\$2,935,400
<u>House</u> does not appropriate funding, does not authorize FTE positions.	GF/GP	NA	\$2,935,400
<u>Senate</u> does not appropriate.			
<u>Conference</u> appropriates \$2.9 million GF/GP and authorizes 4.0 FTE positions.			
13. Radiological Protection Program – Legacy Cleanups	FTE	12.0	0.0
<u>Executive</u> appropriates \$175,000 GF/GP to cleanup legacy contaminated sites and reduces \$200,000 interdepartmental grant received from Michigan State Police for a net reduction of \$25,000 Gross.	Gross	\$2,035,500	(\$25,000)
<u>House</u> concurs with Executive.	IDG	1,720,500	(200,000)
<u>Senate</u> reduces \$200,000 interdepartmental grant received from Michigan State Police.	Federal	315,000	0
<u>Conference</u> concurs with Executive.	GF/GP	\$0	\$175,000
14. Environmental Cleanup and Redevelopment Program – Legacy Cleanups	Gross	NA	\$27,600,000
<u>Executive</u> establishes new program by appropriating \$27.6 million from the Cleanup and Redevelopment Fund to cleanup legacy contaminated sites.	Restricted	NA	27,600,000
<u>House</u> concurs with Executive.	GF/GP	NA	\$0
<u>Senate</u> concurs with Executive.			
<u>Conference</u> concurs with Executive.			
15. Refined Petroleum Product Program (One-Time) – Legacy Cleanups	FTE	99.0	0.0
<u>Executive</u> appropriates \$19.2 million from the Refined Petroleum Fund to cleanup legacy contaminated sites.	Gross	\$35,123,600	\$19,170,900
<u>House</u> concurs with Executive.	Federal	2,105,100	0
<u>Senate</u> concurs with Executive.	Restricted	33,018,500	19,170,900
<u>Conference</u> concurs with Executive.	GF/GP	\$0	\$0

Major Budget Changes from FY 2021-22 YTD Appropriations		FY 2021-22 Year-to-Date (as of 2/9/22)	FY 2022-23 Conference Change
16. Contaminated Site Investigations, Cleanup, and Revitalization– Legacy Cleanups			
<u>Executive</u> appropriates \$2.4 million from the Cleanup and Redevelopment Fund and authorizes 16.0 FTE positions to cleanup legacy contaminated sites.	FTE	130.0	16.0
<u>House</u> appropriates funding, does not authorize FTE positions.	Gross	\$19,079,000	\$2,393,100
<u>Senate</u> appropriates funding, does not authorize FTE positions.	Restricted	18,784,400	2,393,100
<u>Conference</u> concurs with Executive.	GF/GP	\$294,600	\$0
17. Municipal Assistance			
<u>Executive</u> appropriates \$1.4 million Gross (\$0 GF/GP) and authorizes 4.0 FTE positions to increase loan processing staff and access to federal water infrastructure loans for local communities.	FTE	29.0	0.0
<u>House</u> appropriates funding, does not authorize FTE positions.	Gross	\$5,007,600	\$1,407,700
<u>Senate</u> appropriates funding, does not authorize FTE positions.	Federal	3,272,900	1,200,000
<u>Conference</u> appropriates funding, authorizes 4.0 FTE positions in section 950.	Restricted	1,734,700	207,700
	GF/GP	\$0	\$0
18. Hazardous Waste Management Program			
<u>Executive</u> appropriates \$200,000 in available restricted revenue from technologically enhanced naturally occurring radioactive material.	FTE	45.0	0.0
<u>House</u> concurs with Executive.	Gross	\$5,926,800	\$200,000
<u>Senate</u> concurs with Executive.	Federal	2,315,600	0
<u>Conference</u> concurs with Executive.	Restricted	3,511,200	200,000
	GF/GP	\$100,000	\$0
19. Environmental Cleanup Support			
<u>Executive</u> reduces \$29.3 million from the Environmental Response Fund that is no longer needed to perform contaminated site cleanup at former Premcor Refining Group gas station sites.	Gross	\$30,300,000	(\$29,300,000)
<u>House</u> concurs with Executive.	Restricted	30,300,000	(29,300,000)
<u>Senate</u> concurs with Executive.	GF/GP	\$0	\$0
<u>Conference</u> concurs with Executive.			
20. Septage Waste Compliance Grants			
<u>Executive</u> reduces \$150,000 from the Septage Waste Program Fund to align appropriation authority with available revenue.	Gross	\$275,000	(\$150,000)
<u>House</u> concurs with Executive.	Restricted	275,000	(150,000)
<u>Senate</u> concurs with Executive.	GF/GP	\$0	\$0
<u>Conference</u> concurs with Executive.			
21. Removal of FY 2021-22 One-Time Funding			
<u>Executive</u> removes \$93.4 million Gross (\$48.4 million GF/GP) for one-time programs included in the FY 2021-22 budget. Programs included the Contaminated Site Emergency Reserve Fund, Drinking Water Emergency Assistance, Harbor Site Environmental Cleanup, Lead Line Replacement, PFAS Remediation, Sustainable Business Park, Wastewater Retention Basin, and Water Infrastructure Improvements for the Nation Act.	Gross	\$92,750,100	(\$92,750,100)
<u>House</u> concurs with Executive.	Federal	45,000,000	(45,000,000)
<u>Senate</u> concurs with Executive.	Restricted	100	(100)
<u>Conference</u> concurs with Executive.	GF/GP	\$47,750,000	(\$47,750,000)
22. Dam Safety Emergency Action Fund			
<u>Executive</u> eliminates \$6.0 million GF/GP to respond to dam emergencies where the owner has not adequately maintained their dam.	Gross	\$6,000,000	(\$6,000,000)
<u>House</u> adds \$9.0 million GF/GP to increase program funding to \$15.0 million GF/GP.	GF/GP	\$6,000,000	(\$6,000,000)
<u>Senate</u> eliminates funding.			
<u>Conference</u> eliminates funding.			

<u>Major Budget Changes from FY 2021-22 YTD Appropriations</u>		<u>FY 2021-22 Year-to-Date (as of 2/9/22)</u>	<u>FY 2022-23 Conference Change</u>
23. Dam Safety Grant Program (One-Time) <u>Executive</u> eliminates \$13.0 million GF/GP to establish grants to address imminent threats or significant risks at publicly-owned or privately-owned dams. <u>House</u> adds \$2.0 million GF/GP to increase program funding to \$15.0 million GF/GP. <u>Senate</u> eliminates funding. <u>Conference</u> eliminates funding.	Gross	\$13,000,000	(\$13,000,000)
	GF/GP	\$13,000,000	(\$13,000,000)
24. Title 5 Air Fees – Air Quality Programs (One-Time) <u>House</u> appropriates \$1.0 million GF/GP to support the enforcement of Title 5 of the federal Clean Air Act. <u>Senate</u> does not appropriate. <u>Conference</u> does not appropriate.	Gross	NA	\$0
	GF/GP	NA	\$0
25. ARP – Drilling Studies (One-Time) <u>House</u> appropriates \$32.5 million in federal Coronavirus State Fiscal Recovery Fund to conduct core drilling to the bedrock to garner raw data that will depict water availability, aggregate location, and PFAS. <u>Senate</u> does not appropriate. <u>Conference</u> does not appropriate.	Gross	NA	\$0
	Federal GF/GP	NA NA	0 \$0
26. ARP – Geological Data Collection (One-Time) <u>House</u> appropriates \$5.0 million in federal Coronavirus State Fiscal Recovery Fund to the Michigan Geological Survey to conduct data collection and mapping of data obtained from bedrock core drilling. <u>Senate</u> does not appropriate. <u>Conference</u> does not appropriate.	Gross	NA	\$0
	Federal GF/GP	NA NA	0 \$0
27. ARP – Integrity Monitoring (One-Time) <u>House</u> appropriates \$3.3 million in federal Coronavirus State Fiscal Recovery Fund to contract with an integrity oversight monitor that specializes in geological, geophysical, and hydrogeological projects to ensure legal compliance, detect misconduct, and promote best practices in the expenditure of ARP and geological appropriations. <u>Senate</u> does not appropriate. <u>Conference</u> does not appropriate.	Gross	NA	\$0
	Federal GF/GP	NA NA	0 \$0
28. ARP – Monitoring Wells (One-Time) <u>House</u> appropriates \$4.0 million in federal Coronavirus State Fiscal Recovery Fund to install monitoring wells in specified counties. <u>Senate</u> does not appropriate. <u>Conference</u> does not appropriate.	Gross	NA	\$0
	Federal GF/GP	NA NA	0 \$0
29. ARP – Geophysical Studies (One-Time) <u>House</u> appropriates \$3.1 million in federal Coronavirus State Fiscal Recovery Fund to yield a more enhanced three dimensional profile for areas studied by core drilling. <u>Senate</u> does not appropriate. <u>Conference</u> does not appropriate.	Gross	NA	\$0
	Federal GF/GP	NA NA	0 \$0
30. Michigan Geological Survey <u>House</u> appropriates \$12.0 million GF/GP on a one-time basis to the Michigan Geological Survey to conduct data collection and mapping of data. <u>Senate</u> appropriates \$1.7 million GF/GP on a one-time basis. <u>Conference</u> appropriates \$3.0 million GF/GP	Gross	NA	\$3,000,000
	GF/GP	NA	\$3,000,000

<u>Major Budget Changes from FY 2021-22 YTD Appropriations</u>		<u>FY 2021-22 Year-to-Date (as of 2/9/22)</u>	<u>FY 2022-23 Conference Change</u>
31. Disposal of firefighting foam containing PFAS (One-Time) <u>House</u> appropriates \$500,000 GF/GP to dispose of firefighting foam containing PFAS. <u>Senate</u> does not appropriate. <u>Conference</u> concurs with House.	Gross	NA	\$500,000
	GF/GP	NA	\$500,000
32. Inland Aquatic Invasive Plant Species and Eradication Program (One-Time) <u>House</u> adds a \$100 GF/GP placeholder for a program to eradicate aquatic invasive plant species. <u>Senate</u> does not appropriate. <u>Conference</u> does not appropriate.	Gross	NA	\$0
	GF/GP	NA	\$0
33. Cooperative Lakes Monitoring Program (One-Time) <u>Senate</u> appropriates \$150,000 GF/GP to support the continuation of EGLE's contract for the Cooperative Lakes Monitoring Program. <u>Conference</u> concurs with Senate.	Gross	NA	\$150,000
	GF/GP	NA	\$150,000
34. Private Well Testing (One-Time) <u>Senate</u> appropriates \$5.0 million GF/GP for grants to local health departments to provide free or low-cost water testing to private well owners. <u>Conference</u> concurs with Senate.	Gross	NA	\$5,000,000
	GF/GP	NA	\$5,000,000
35. Sea Wall Project (One-Time) <u>Senate</u> appropriates \$1.0 million GF/GP for a sea wall in Muskegon. <u>Conference</u> does not appropriate.	Gross	NA	\$0
	GF/GP	NA	\$0
36. Watershed Council Grants <u>Executive</u> eliminates funding for grants to watershed councils for education, administration, and conservation efforts. <u>House</u> eliminates funding. <u>Senate</u> maintains funding. <u>Conference</u> maintains funding.	Gross	\$600,000	\$0
	GF/GP	\$600,000	\$0
37. Wetland Mitigation Grants (One-Time) <u>Senate</u> appropriates \$10.0 million GF/GP for grants to provide assistance for wetland mitigation actions. <u>Conference</u> does not appropriate.	Gross	NA	\$0
	GF/GP	NA	\$0
38. 5% Reduction in Prior Year General Fund (One-Time) <u>Senate</u> reduces GF/GP by 5% from FY 2020-21 excluding GF/GP used Water State Revolving Funds, total reduction is \$2.8 million. <u>Conference</u> does not reduce GF/GP.	Gross	NA	\$0
	GF/GP	NA	\$0
39. Buffalo Reef (One-Time) <u>Conference</u> appropriates \$10.0 million from the Cleanup and Redevelopment Fund to build a coal dock jetty for the dredging of stamp sands from Lake Superior in Keweenaw County.	Gross	NA	\$10,000,000
	Restricted	NA	10,000,000
	GF/GP	NA	\$0
40. Economic Adjustments <u>Executive</u> reflects increased costs of \$4.7 million Gross (\$1.2 million GF/GP) for negotiated salary and wage increases (5.0% on October 1, 2022 and 0.5% to annualize the FY 2021-22 1.0% increase that began on April 1, 2022), actuarially required retirement contributions, worker's compensation, building occupancy charges, and other economic adjustments. <u>House</u> concurs with Executive. <u>Senate</u> concurs with Executive. <u>Conference</u> concurs with Executive.	Gross	NA	\$4,729,000
	IDG	NA	61,500
	Federal	NA	1,052,500
	Private	NA	4,300
	Restricted	NA	2,433,300
	GF/GP	NA	\$1,177,400

Major Boilerplate Changes from FY 2021-22

Sec. 206. Disciplinary Action Against State Employees – RETAINED

Prohibits department from disciplining state employees for communicating with members of the legislature and their staffs, unless communication is prohibited by law. *(Governor's signing letter stated this section was unenforceable.)*

Executive deletes, House, Senate, and Conference retain.

Sec. 208. Legal Services – RETAINED

Denies permission to hire attorneys to provide legal services provided by attorney general.

Executive, House, and Conference retain, Senate revises to provide permission to hire attorneys to provide legal services provided by attorney general.

Sec. 209. GF/GP Lapse – REVISED

Requires report of estimated GF/GP appropriation lapses at close of previous year.

Executive and Senate revise due date to December 31, House and Conference retain November 30 due date.

Sec. 210. Contingency Fund Transfer Authority – RETAINED

Provides authority for contingency fund transfers of up to \$5.0 million restricted; authorizes expenditure after legislative transfer to specific line items.

Executive revises to include contingency authority of \$3.0 million federal, \$10.0 million restricted, and \$1.0 million private; House and Conference retains without change.

Senate deletes.

Sec. 215. Businesses in Economically Deprived or Depressed Communities – RETAINED

Requires director to take reasonable steps to ensure businesses in deprived and depressed communities compete for and perform contracts.

Executive, House, and Conference retain, Senate deletes.

Sec. 216. FTE Vacancies and Remote Work Report – RETAINED

Requires department to report the number of FTE positions filled, FTE vacancies, the number of employees working remotely, the number of employees authorized to work remotely, estimated cost savings from remote work, and reduction in office space due to working remotely.

Executive deletes, House, Senate, and Conference retain.

Sec. 217. Expending Available Work Project Authorization – RETAINED

Advises department not to expend appropriations until existing work project authorization for the same purpose has been expended. *(Governor's signing letter stated this section was unenforceable.)*

Executive deletes, House, Senate, and Conference retain.

Sec. 218. State Administrative Board Transfers – RETAINED

Authorizes legislature to adopt a concurrent resolution to intertransfer funds within the department's budget if the State Administrative Board transfers appropriated funds. *(Governor's signing letter stated this section was unenforceable.)*

Executive deletes, House and Senate retain.

Sec. 219. Receipt and Retention of Reports – RETAINED

Requires department to receive and retain copies of all reports.

Executive and Senate delete, House and Conference retain.

Sec. 220. Report on Policy Changes Made to Implement Public Acts Affecting Department – RETAINED

Requires the department to report on each specific policy change made to implement a public act affecting the department that took effect during the prior calendar year by April 1.

Executive and Senate delete, House and Conference retain.

Sec. 221. Severance Reporting – RETAINED

Requires department to report details of severance pay for certain departmental employees.

Executive deletes, House, Senate, and Conference retain.

Sec. 222. COVID-19 Vaccine Disclosure – RETAINED

Prohibits state officials from requiring COVID-19 vaccine disclosure as a condition of receiving state services or developing a vaccine passport.

Executive and Senate delete, House and Conference retain.

Major Boilerplate Changes from FY 2021-22

Sec. 223. Appropriations for Environmental Cleanup Projects – REVISED

Re-appropriates unspent funding from Cleanup and Redevelopment Fund, leaking underground storage tank funding, bottle deposits funding, CMI – Response Activities Fund, brownfield grants and loans, waterfront grants, and Strategic Water Quality Initiatives Fund for expenditure for any site listed in an appropriation act.

Executive, Senate, and Conference revise to add Contaminated Site Cleanup and Renew Michigan Program to the list of re-appropriations; designates unexpended and unencumbered amounts from the Renew Michigan Fund and from FY 2021-22 General Fund appropriations as "appropriated for expenditure."

House revises to add Contaminated Site Cleanup and Renew Michigan Program to the list of re-appropriations; designates unexpended and unencumbered amounts from the Renew Michigan Fund appropriations as "appropriated for expenditure."

Sec. 224. Settlement Fund Revenue Carryforward – REVISED

Authorizes carryforward of up to \$2.5 million of settlement revenues into succeeding fiscal year.

Executive and Conference revise to remove the \$2.5 million cap.

House revises to lower the cap to \$250,000.

Senate retains.

Sec. 225. Rule Promulgation – RETAINED

Requires report on any policy changes made to implement a public act; prohibits department from adopting a rule that applies to a small business if it has a disproportionate economic impact. (*Governor's signing letter stated this section was unenforceable.*)

Executive deletes, House, Senate, and Conference retain.

Sec. 237. Employee Legal Costs Related to Drinking Water Declaration of Emergency – RETAINED

Requires department to be responsible for payment of current and former department employees' legal costs from legal actions taken related to drinking water declaration of emergency. (*Governor's signing letter stated this section was unenforceable.*)

Executive deletes, House, Senate, and Conference retain.

Sec. 238. Permitting Report – RETAINED

Requires a report on the department's permitting programs including applications, approvals, denials, and backlogs.

Executive deletes, House, Senate, and Conference retain.

Sec. 239. Permitting Standards – DELETED

Encourages the department to accommodate landowner permit requests to the further extent possible in accordance with the Natural Resources & Environmental Protection Act.

House adds new section, Senate and Conference do not add.

Sec. 240. Remote Working – NEW

Prohibits the department from permitting employees to work remotely unless they were working remotely prior to February 28, 2020.

House adds new section, Senate does not add, Conference revises to state legislative intent to prioritize in-person work where possible.

Sec. 241. Rules and Regulations Federal Standard – DELETED

Prohibits the department from establishing rules and regulations more stringent than federal standards.

House adds new section, Senate and Conference do not add.

Sec. 242. Legislator and Health Department Notification – NEW

Requires the department to inform local state legislators and local health departments when cleaning up contaminated sites.

House adds new section, Senate does not add, Conference revises to eliminate notification for cleanups and substitutes with notification for "significant incidents to protect life and property," eliminates notification to local health department.

Sec. 243. Michigan Geological Survey – NEW

Directs expenditure of funding to the Michigan Geological Survey to conduct data collection and mapping to expand geologic information.

Conference adds new section.

Sec. 302. Contaminated Site Investigations Staffing Costs – RETAINED

Limits the department to expending not more than 3% of Contaminated Site Investigations appropriation on administration.

Executive and Senate delete, House and Conference retain.

Major Boilerplate Changes from FY 2021-22

Sec. 303. Contaminated Site Investigations Legacy Cleanups Staff – NEW

Earmarks 16.0 FTE positions of Contaminated Site Investigations appropriation for legacy cleanups.
Conference adds new section.

Sec. 305. Refined Petroleum Fund – RETAINED

Expresses legislative intent to restore \$70.0 million Refined Petroleum Fund transferred to General Fund in FY 2006-07.
Executive deletes, House, Senate, and Conference retain.

Sec. 306. Refined Petroleum Fund Cleanup Site List – RETAINED

Requires list of cleanup sites addressed by Refined Petroleum Product Cleanup Program for the new fiscal year and closed sites from the preceding fiscal year.
Executive deletes, House, Senate, and Conference retain.

Sec. 308. Work Projects – Emergency Cleanup Actions and Refined Petroleum Product Cleanup Program – REVISED

Authorizes unexpended funds appropriated for Emergency Cleanup Actions, Emergency Cleanup Support, and Refined Petroleum Product Cleanup Program to be considered work project appropriations and carried forward into succeeding fiscal year; program will perform contaminated site cleanups.
Executive revises to designate Environmental Cleanup Support and Brownfields Grants as work projects.
House, Senate, and Conference concur.

Sec. 312. Work Project – Environmental Cleanup Support – DELETED

Authorizes unexpended funds appropriated for Environmental Cleanup Support to be considered work project appropriations and carried forward into succeeding fiscal year; program will perform contaminated site cleanup at former Premcor Refining Group gas station sites.
Executive deletes, House, Senate, and Conference concur.

Sec. 314. Geographically Proximate Cleanups – NEW

Encourages the department to remediate contaminated sites in geographically proximate areas when possible.
House, and Conference add new section, Senate does not add.

Sec. 315. Environmental Response Fund and Natural Resource Damage Fund Receive and Expend – NEW

Authorizes expenditure of funds from the Environmental Response Fund or Natural Resource Damage Fund upon receipt as outlined by legal decisions; requires a report on this section's preceding fiscal year's expenditures by February 1.
Executive and Conference add new section, House and Senate do not add.

Sec. 351. Superfund Cleanup – DELETED

Earmarks \$10.0 million of appropriation to be used for contaminated site cleanup at the Spartan Chemical site in Kent County; designates unexpended funding as a work project appropriation.
Executive deletes, House, Senate, and Conference concur.

Sec. 401. Land and Water Interface Permit Programs Dam Safety Earmark – RETAINED

Earmarks \$350,000 and 2.0 FTE positions from Land and Water Interface Permit Programs for Dam Safety Programs.
Executive, Senate, and Conference retain, House revises to 4.0 FTE positions.

Sec. 411. Chapaton Treatment Lagoon Report – DELETED

Requires department to report information and materials needed to permit and regulate Chapaton open-air wastewater treatment lagoon in Macomb County.
Executive deletes, House, Senate, and Conference concur.

Sec. 801. Work Project – Renew Michigan Program – NEW

Authorizes unexpended funds appropriated for the Renew Michigan Program to be considered a work project appropriation and carried forward into succeeding fiscal year; program will support environmental cleanup and redevelopment, waste management, and recycling.
Executive adds new section, House, Senate, and Conference concur.

Sec. 902. Limited Term FTEs – Environmental Sustainability and Stewardship – NEW

Authorizes 5.0 limited term FTE positions to issue energy efficiency grants to communities from the Environmental Sustainability and Stewardship appropriation in part 1
Conference adds new section.

Major Boilerplate Changes from FY 2021-22

Sec. 925. Limited Term FTEs – Oil, Gas, and Mineral Services – NEW

Authorizes 2.0 limited term FTE positions to close abandoned gas and oil wells from the Oil, Gas, and Minerals appropriation in part 1

Conference adds new section.

Sec. 950. FTE Earmark – Municipal Assistance – NEW

Earmarks 4.0 federally-funded FTE positions to review and approve clean water and wastewater grants and loans from the Municipal Assistance appropriation in part 1

Conference adds new section.

Sec. 950. Water State Revolving Funds – DELETED

Directs the department to allow water state revolving fund applicants to contract for digital and smart water programs, include dam projects in funding applications, and expend funding for the remediation of unused PFAS chemicals intended for firefighting.

House adds new section, Senate and Conference do not add.

Sec. 1000. Prior Grant Awards Not Disqualifying Applicants – RETAINED

Prevents grant recipients from being disqualified for future grant awards on account of receiving previous grant awards.

Executive and Senate delete, House and Conference retain.

Sec. 1001. ARP – Community Technical, Managerial, and Financial Support for Lead Line Replacement – NEW

Encourages the department to work with MDARD coordinate technical assistance to communities.

Conference adds new section.

Sec. 1001. Work Project – Water State Revolving Funds – DELETED

Authorizes unexpended funds appropriated for Water State Revolving Funds to be considered a work project appropriation and carried forward into succeeding fiscal year; program will provide financing of water infrastructure projects.

Executive adds new section, House, Senate, and Conference do not add.

Sec. 1001. Work Project – ARP – Drilling Studies – DELETED

Authorizes unexpended funds appropriated for ARP Drilling Studies to be considered a work project appropriation and carried forward into succeeding fiscal year; funds will be used to conduct core drilling to the bedrock to garner raw data that will depict water availability, aggregate location, and PFAS.

House adds new section, Senate and Conference do not add.

Sec. 1002. Work Project – Buffalo Reef – NEW

Authorizes unexpended funds for Buffalo Reef totaling \$10.0 million to be considered a work project appropriation and carried forward into succeeding fiscal year; funds will be used to build a coal dock jetty for the dredging of stamp sands from Lake Superior in Keweenaw County.

Senate and Conference add new section.

Sec. 1002. Work Project – ARP – Geological Data Collection – DELETED

Authorizes unexpended funds appropriated for ARP Geological Data Collection to be considered a work project appropriation and carried forward into succeeding fiscal year; funds will be used to conduct data collection and mapping of data obtained from bedrock core drilling.

House adds new section, Senate, and Conference do not add.

Sec. 1003. Cooperative Lakes Monitoring Program – RETAINED

Directs expenditure of funding for Cooperative Lakes Monitoring Program to continue the program, which helps volunteers monitor local lake water quality and document changes over time.

Executive and House delete, Senate and Conference retain.

Sec. 1003. Work Project – ARP – Integrity Monitoring – DELETED

Authorizes unexpended funds appropriated for ARP Integrity Monitoring to be considered a work project appropriation and carried forward into succeeding fiscal year; funds will be used to contract with an integrity monitor to ensure legal compliance, detect misconduct, and promote best practices in the expenditure of one-time ARP and geological appropriations.

House adds new section, Senate and Conference do not add.

Sec. 1004. Private Well Testing – NEW

Directs expenditure of funding for Private Well Testing as grants to local health departments to provide free or low-cost water testing to private well owners; requires report.

Senate and Conference add new section.

Major Boilerplate Changes from FY 2021-22

Sec. 1004. Work Project – ARP – Monitoring Wells – DELETED

Authorizes unexpended funds appropriated for ARP Monitoring Wells to be considered a work project appropriation and carried forward into succeeding fiscal year; funds will be used to install monitoring wells in specified counties.

House adds new section, Senate and Conference do not add.

Sec. 1005. Work Project – ARP – Geophysical Studies – DELETED

Authorizes unexpended funds appropriated for ARP Geophysical Studies to be considered a work project appropriation and carried forward into succeeding fiscal year; funds will be used to yield a more enhanced three dimensional profile for areas subject to drilling studies.

House adds new section, Senate and Conference do not add.

Sec. 1007. Work Project – Geological Data Collection – DELETED

Authorizes unexpended funds appropriated for Geological Data Collection to be considered a work project appropriation and carried forward into succeeding fiscal year; funds will be used by the Michigan Geological Survey to conduct data collection and mapping of data obtained from bedrock core drilling.

House adds new section, Senate and Conference do not add.

Sec. 1008. Oversight Panel – DELETED

Requires the department to establish an oversight panel to recommend and review methods, mapping protocols, and study processes to meet US Geological Survey standards.

House adds new section, Senate and Conference do not add.

Sec. 1003. Dam Safety Grant Program – DELETED

Directs expenditure of the Dam Safety Grant Program for projects to mitigate risky dams; requires annual report on program.

Executive, Senate, and Conference delete, House retains and renumbers to 1009.

Sec. 1003. Sea Wall Project – DELETED

Directs expenditure of the Sea Wall Project for Muskegon.

Senate adds new section, Conference does not add.

Sec. 1004. Dam Safety Emergency Action Fund – DELETED

Directs expenditure of the Dam Safety Emergency Action Fund for EGLE to mitigate risky dams if the dam owner is unwilling or unable to take action; requires annual report on activities of the fund.

Executive, Senate, and Conference delete, House retains and renumbers to 1010.

Sec. 1004. Geologic Data Collection – DELETED

Directs expenditure of funding for Geologic Data Collection to the Michigan Geological Survey to conduct data collection mapping in up to 25 targeted areas.

Senate adds new section, Conference does not add.

Sec. 1005. Water Infrastructure Improvements for the Nation Act – DELETED

Re-establishes the appropriation for the Water Infrastructure Improvements for the Nation program as a work project account; authorizes unspent funds at the end of the fiscal year to be carried forward into the following fiscal year. Funding was originally appropriated in 2017 PA 33.

Executive deletes, House, Senate, and Conference concur.

Sec. 1006. High Water Infrastructure Grants – DELETED

Directs expenditure of funding for High Water Infrastructure Grants for planning and infrastructure grants to local communities for severe weather; caps individual grants at \$500,000 and requires a 20% match.

Executive deletes, House, Senate, and Conference concur.

Sec. 1006. Wetland Mitigation Grants – DELETED

Directs expenditure of funding for Wetland Mitigation Grants for grants to provide assistance for wetland mitigation actions, including wetland mitigation banking credits; requires a 20% match.

Senate adds new section, Conference does not add.

Sec. 1009. PFAS Remediation – DELETED

Directs expenditure of funding for grants to drinking water systems for PFAS contaminant remediation or alternate water system connection costs; requires report on expenditures.

Executive deletes, House, Senate, and Conference concur.

Major Boilerplate Changes from FY 2021-22

Sec. 1010. Wastewater Retention Basins – DELETED

Directs expenditure of funding for Wastewater Retention Basins to increase the storage capacity of wastewater retention basins for combined sewer overflows and infrastructure in Macomb County.

Executive deletes, House, Senate, and Conference concur.

Sec. 1011. Harbor Site Environmental Cleanup – DELETED

Directs expenditure of funding for Harbor Site Environmental Cleanup to remediate contaminated soil and mitigate adjacent wetlands in Muskegon

Executive deletes, House, Senate, and Conference concur.

Sec. 1012. Sustainable Business Park – DELETED

Directs expenditure of funding for Sustainable Business Park to support the infrastructure necessary to develop a sustainable business park to replace the need for new landfills in Kent County.

Executive deletes, House, Senate, and Conference concur.

Sec. 1013. Watershed Council Grants – DELETED

Directs expenditure of funding for Watershed Council Grants for grants to watershed councils for education, administration, and conservation efforts; caps individual grants at \$40,000; requires report on grant recipients and grant amounts by April 1.

Executive, House, and Conference delete, Senate renumbers to 1002.

Sec. 1014. Lead Service Line Replacements – DELETED

Directs expenditure of funding for Lead Service Line Replacements to replace lead service lines and improve drinking water safety in Benton Harbor; designates appropriation as a work project account.

Executive deletes, House, Senate, and Conference concur.

Sec. 1015. Contaminated Site Cleanup – DELETED

Directs expenditure of funding for Contaminated Site Cleanup for the prioritization and remediation of newly contaminated properties statewide that do not qualify for other cleanup funding; designates appropriation as a work project account.

Executive deletes, House, Senate, and Conference concur.

Sec. 1016. Contaminated Site Cleanup Contingency Reserve Fund – DELETED

Creates a Contaminated Site Cleanup Contingency Reserve Fund and directs expenditure of fund for the prioritization and remediation of newly contaminated properties statewide that do not qualify for other cleanup funding; requires a legislative transfer for expenditure.

Executive deletes, House, Senate, and Conference concur.

Sec. 1017. Contaminated Site Cleanup Contingency Reserve Fund Transfer – DELETED

Designates \$10.0 million to be transferred into the Contaminated Site Cleanup Contingency Reserve Fund as described in Sec. 1016.

Executive deletes, House, Senate, and Conference concur.

Sec. 1018. Drinking Water Emergency Assistance – DELETED

Directs expenditure of funding for Drinking Water Emergency Assistance to address drinking water systems contamination response and remediation; designates appropriation as a work project account.

Executive deletes, House, Senate, and Conference concur.

FY 2022-23: TOTAL GENERAL GOVERNMENT
Summary: Conference Report
Article 5, House Bill 5783 (H-2) CR-1



Analysts: Michael Cossen and Viola Bay Wild

	FY 2021-22 YTD as of 2/9/22	FY 2022-23 Executive	FY 2022-23 House	FY 2022-23 Senate	FY 2022-23 Conference	Difference: Conference From FY 2021-22 YTD	
						Amount	%
IDG/IDT	\$1,132,012,100	\$1,120,888,100	\$1,120,384,900	\$1,120,343,500	\$1,120,888,100	(\$11,124,000)	(1.0)
Federal	1,894,483,500	1,199,235,700	1,359,852,800	1,214,235,700	1,264,235,700	(630,247,800)	(33.3)
Local	26,260,700	26,240,800	25,690,800	26,240,800	26,240,800	(19,900)	(0.1)
Private	14,332,400	13,096,200	13,096,200	13,096,200	13,096,200	(1,236,200)	(8.6)
Restricted	2,500,444,800	2,629,362,400	2,628,082,800	2,615,588,900	2,678,961,900	178,517,100	7.1
GF/GP	2,653,803,700	2,176,171,500	2,778,950,300	3,317,380,900	3,497,514,500	843,710,800	31.8
Gross	\$8,221,337,200	\$7,164,994,700	\$7,926,057,800	\$8,306,886,000	\$8,600,937,200	\$379,600,000	4.6
FTEs	10,014.0	10,159.5	9,967.0	9,247.2	10,013.0	(1.0)	(0.0)

Notes: (1) FY 2021-22 year-to-date figures include mid-year budget adjustments through February 9, 2022. (2) Appropriation figures for all years include all proposed appropriation amounts, including amounts designated as "one-time." (3) Information on House budget action in this document is based on House Bill 5783 as passed by the House. (4) Information on Senate budget action in this document is based on Senate Bill 834 as passed by the Senate for the Department of Labor and Economic Opportunity and Senate Bill 831 as passed by the Senate for all other departments and agencies.

Overview

Currently, the following departmental and agency budgets are included in the General Government budget: Executive Office, Legislature, Legislative Auditor General, and the Departments of Attorney General, Civil Rights, State, Technology, Management, and Budget (including the Civil Service Commission and State Building Authority rent costs), and Treasury (including the Bureau of State Lottery, Michigan Gaming Control Board, State Building Authority, Revenue Sharing, and Debt Service). Appropriations for the Department of Labor and Economic Opportunity (including Michigan Strategic Fund, Michigan State Housing Development Authority, Talent Investment Agency, Unemployment Insurance Agency, and Workforce Development Agency) are included under a separate budget bill in the Senate (Senate Bill 834 as passed by the Senate) but are included under General Government in House appropriations bills. **Budget issues are listed by department on the following pages.**

Major Boilerplate Changes from FY 2021-22

Sec. 206. Disciplinary Action Against State Employees – RETAINED

Prohibits departments from taking disciplinary action against employees in the state classified civil service for communicating with legislators or their staff; stipulates disciplinary action may be taken if the communication is prohibited by law and disciplinary action is exercised as authorized by law. Executive deletes. House, Senate, and Conference retain. (Governor declared this section unenforceable in FY 2021-22.)

Sec. 208. Use of Funding for Legal Services – RETAINS

Prohibits using appropriations to hire a person to provide legal services that are the responsibility of the attorney general; prohibition does not apply to legal services for bonding activities and for those outside legal services that the attorney general authorizes. Executive and House retain current year language. Senate revises to permit using outside legal services that are the responsibility, or under the discretion, of the attorney general to provide; authorizes departments and agencies to request reimbursement from the attorney general for costs incurred from hiring outside legal counsel. Conference retains current law.

Sec. 210. Countercyclical Budget and Economic Stabilization Fund – RETAINED

Executive includes no countercyclical budget and economic stabilization fund deposit in FY 2022-23 but includes \$51.8 million as part of the FY 2021-22 supplemental recommendation. House provides a \$100.0 million pay-in for FY 2022-23. Senate makes no pay-in for FY 2022-23. Conference includes no deposit in FY 2022-23 but deposits in \$180.0 million in FY 2021-22.

Major Boilerplate Changes from FY 2021-22

Sec. 216. FTE Vacancies and Remote Work Report – RETAINED

Requires departments and agencies to provide quarterly reports that provide FTE counts by classification and actual FTE position counts compared to authorized FTE position counts; requires report on number of employees engaged in remote work in 2021, number of employees authorized to work remotely, and actual number working remotely, estimated net cost savings from remote work, and reduced use of office space associated with remote work. Executive deletes. House, Senate, and Conference retain.

Sec. 217. Work Project Expenditures – RETAINED

Prohibits appropriations from being expended in cases where existing work project authorization is available for the same expenditures. Executive deletes. House, Senate, and Conference retain. (Governor declared this section unenforceable in FY 2021-22.)

Sec. 218. State Administrative Board Transfers – RETAINED

Authorizes legislature, by concurrent resolution adopted by majority of members elected to and serving in each house, to inter-transfer funds if State Administrative Board transfers funds. Executive deletes. House, Senate, and Conference retain. (Governor declared this section unenforceable in FY 2021-22.)

Sec. 219. Receipt and Retention of Required Reports – RETAINED

Requires departments to receive and retain copies of all reports required in Article VIII; requires federal and state guidelines to be followed for short-term and long-term retention of records; authorizes departments to electronically retain copies of reports unless otherwise required by federal and state guidelines. Executive deletes. House, Senate, and Conference retain.

Sec. 220. Reporting Requirement on Policy Changes – RETAINED

Requires departments to report on policy changes made in order to implement enacted legislation. Executive deletes. House, Senate, and Conference retain.

Sec. 221. Fund Sourcing Priorities – RETAINED

Requires federal or private grant funding to be used prior to General Fund appropriations when available for the same expenditure. Executive deletes. House, Senate, and Conference retain.

Sec. 222. Severance Pay Report – RETAINED

Requires department and agencies to report name and any amount of severance pay given to high-ranking department officials; requires department and agencies to maintain an internet site and post severance pay in excess of 6 weeks of wages for former department or agency employees; requires department and agencies to submit annual report on total amount of severance pay remitted to former employees during prior fiscal year and total number of those employees; defines “severance pay”. Executive deletes. House, Senate, and Conference retain.

Sec. 223. Return to Work Requirement – REVISED

Prohibits a department, agency, board, or commission from permitting state employees who were not working remotely prior to the COVID-19 pandemic to work remotely in FY 2022-23. House adds. Executive and Senate do not include. Conference revises to state that the intent of the legislature is to maximize efficiency of the state workforce and, where possible, prioritize in-person work; requires each department and agency to post its in-person, remote, or hybrid work policy on its website.

Sec. 224. Purchase of Ownership Interest in a Casino – RETAINED

Prohibits use of appropriations to purchase an ownership interest in a casino enterprise or gambling operation. Executive transfers section to Treasury. House, Senate, and Conference retain.

Sec. 225. Prohibitions on State Employer COVID-19 Vaccine Status Verifications – RETAINED

Prohibits various state government entities from requiring proof of COVID-19 vaccination as condition of accessing state services or facilities, producing COVID-19 vaccine passports, developing, or making existing databases public, accessing individuals COVID-19 vaccine status, and requiring proof of receiving COVID-19 vaccine as condition of employment; prohibits state entities from subjecting an individual to negative consequences because of COVID-19 vaccine status; allows an individual to provide proof of COVID-19 vaccine status with consent; exempts certain individuals from federally mandated vaccine policies. Executive deletes. House, Senate, and Conference retain.

Sec. 229. Initiatives and Recommendations Related to Savings Identified in Audit Reports – RETAINED

Requires departments to report on their efforts and progress made toward achieving savings and efficiencies identified by the auditor general in audit reports. Authorizes the auditor general to perform and charge for a subsequent audit to ensure that the initiatives related to savings and efficiencies have been implemented if the required report is not received within 6 months of the release of the audit. Executive deletes. House, Senate, and Conference retain. (Governor declared this section unenforceable in FY 2021-22.)

Major Boilerplate Changes from FY 2021-22

Sec. 235. Federal Funding Contingency Plan – RETAINED

Requires the state budget director, in consultation with the appropriate department, to recommend a contingency plan for the federal funding reduction. Executive deletes. House, Senate, and Conference retain.

Sec. 240. New Program Metrics – RETAINED

Requires the State Budget Office to provide a list of new programs and program enhancements that exceed \$500,000; requires use of program-specific measuring metrics in addition to metrics required under Section 447 of the Management and Budget Act. Requires a report on the metrics and performance progress of identified programs by September 30; expresses legislative intent that future program funding increases be based on prior performance. Executive deletes. House, Senate, and Conference retain.

FY 2022-23: DEPARTMENT OF ATTORNEY GENERAL
Summary: Conference Report
Article 5, House Bill 5783 (H-2) CR-1



Analyst: Michael Cnossen

	FY 2021-22 YTD as of 2/9/22	FY 2022-23 Executive	FY 2022-23 House	FY 2022-23 Senate	FY 2022-23 Conference	Difference: Conference From FY 2021-22 YTD	
						Amount	%
IDG/IDT	\$35,083,600	\$35,954,600	\$35,954,600	\$35,954,600	\$35,954,600	\$871,000	2.5
Federal	9,868,400	10,101,900	10,101,900	10,101,900	10,101,900	233,500	2.4
Local	0	0	0	0	0	0	--
Private	0	0	0	0	0	0	--
Restricted	20,390,800	20,786,700	20,786,700	17,001,400	20,786,700	395,900	1.9
GF/GP	43,056,000	60,044,800	55,569,700	42,519,700	51,429,800	8,373,800	19.4
Gross	\$108,398,800	\$126,888,000	\$122,412,900	\$105,577,600	\$118,273,000	\$9,874,200	9.1
FTEs	547.4	555.9	549.4	537.4	549.4	2.0	0.4

Notes: (1) FY 2021-22 year-to-date figures include mid-year budget adjustments through February 9, 2022. (2) Appropriation figures for all years include all proposed appropriation amounts, including amounts designated as "one-time."

Overview

The attorney general serves as legal counsel for state departments, agencies, boards, and commissions, and their officers; brings actions and intervenes in cases on the state's behalf; and represents legislators and judges who may be sued while acting in their official capacities. The attorney general issues opinions on questions of law submitted by members of legislature and others, serves as chief law enforcement officer of the state, issues legal opinions that have the force of law until reversed by legislative or judicial action, and has supervisory powers over all local prosecuting attorneys.

Major Budget Changes from FY 2021-22 YTD Appropriations

1. Prosecuting Attorneys Digital Evidence Storage (One-Time)
Executive provides \$10.0 million GF/GP to Prosecuting Attorneys Association of Michigan for improvements to computer equipment and data storage capacities to accommodate the growing amount of digital evidence involved in prosecuting cases. Funding would support equipment, software, and server upgrades to help reduce warrant review backlogs, charge and resolve cases faster, and process cases and discovery more efficiently. Funding would also support limited-term staff to expedite processing evidence accumulated during the pandemic. House concurs. Senate and Conference do not include.

	FY 2021-22 Year-to-Date (as of 2/9/22)	FY 2022-23 Conference Change
FTE	12.0	0.0
Gross	\$2,217,600	\$0
Federal	121,200	0
Restricted	419,600	0
GF/GP	\$1,676,800	\$0

2. Job Specialty Court (One-Time)
Executive provides \$5.0 million GF/GP to create a job court pilot program that would offer the option of dismissal of charges for pre-trial defendants who successfully secure and maintain gainful employment. The program would provide supervision and support to participants with the aim of assisting them while diverting prosecutorial caseloads and reducing criminal case backlogs. House and Senate do not include however Senate includes \$5.0 million GF/GP in Treasury for this program, as described by item number 32 and boilerplate section 949p under the Treasury section of this summary. Conference concurs with Executive.

Gross	NA	\$5,000,000
GF/GP	NA	\$5,000,000

Major Budget Changes from FY 2021-22 YTD Appropriations		FY 2021-22 Year-to-Date (as of 2/9/22)	FY 2022-23 Conference Change
3. Organized Retail Crime Unit			
<u>Executive</u> provides \$1.1 million GF/GP and 6.5 FTE positions to establish Organized Retail Fraud Unit to respond to the emergence of “smash-and-grab” organized retail crime activity and sales of stolen goods. Unit would work to reduce demand for stolen merchandise, limit opportunities to sell stolen merchandise, and reduce theft opportunities for drug users who are primary repeat offenders. <u>House</u> and <u>Senate</u> do not include. <u>Conference</u> provides a one-time appropriation of \$3.5 million GF/GP.	FTE	NA	0.0
	Gross	NA	\$3,500,000
	GF/GP	NA	\$3,500,000
4. Price Gouging Investigations			
<u>Executive</u> provides \$1.0 million GF/GP for the Consumer Protection Division to initiate additional investigations and file consumer protection actions in response to the high level of consumer complaints of price gouging during recent supply chain disruption and rising inflation following the pandemic. <u>House</u> , <u>Senate</u> , and <u>Conference</u> do not include.	Gross	NA	\$0
	GF/GP	NA	\$0
5. PACC Online Training (One-Time)			
<u>Executive</u> provides \$410,100 GF/GP and 2.0 FTE positions for training attorneys to expand online training opportunities for prosecution staff to assist them with responding to increased rates of violent crimes over the last two years. <u>House</u> moves funding to One-Time Appropriations and provides \$2.1 million GF/GP and 2.0 FTE positions and appropriates unexpended funds as a work project appropriation through to FY 2026-27. <u>Senate</u> and <u>Conference</u> concur with Executive.	FTE	12.0	2.0
	Gross	\$2,217,600	\$410,100
	Federal	121,200	0
	Restricted	419,600	0
	GF/GP	\$1,676,800	\$410,100
6. Removal of Current Year One-Time Funding			
<u>Executive</u> , <u>House</u> , <u>Senate</u> , and <u>Conference</u> eliminate \$1.6 million of one-time GF/GP funding appropriated in FY 2021-22:	Gross	\$1,560,000	(\$1,560,000)
	GF/GP	\$1,560,000	(\$1,560,000)
\$1.1 million GF/GP for PACC NextGen case management \$500,000 GF/GP for address confidentiality program.			
7. PAAM – Extradition Reimbursements (One-Time)			
<u>House</u> provides \$1.0 million GF/GP to be used for Prosecuting Attorneys Association of Michigan to reimburse local units of government for expenses incurred extraditing offenders that flee the state to avoid prosecution. <u>Executive</u> , <u>Senate</u> , and <u>Conference</u> do not include.	Gross	NA	\$0
	GF/GP	NA	\$0
8. Operations Line Item Unrolling			
Unrolls the Operations line item into 11 new line items totaling, \$29.2 million and 151.0 FTE positions, for a \$0 change. <u>Senate</u> unrolls into four new line items totaling \$5.2 million 30.0 FTE positions. <u>Conference</u> unrolls into three new line items totaling \$98.3 million and 498.4 FTE positions for a \$0 change.	FTE	498.4	0.0
	Gross	\$96,025,900	\$0
	IDG	35,083,600	0
	Federal	6,998,100	0
	Restricted	19,971,200	0
	GF/GP	\$33,973,000	\$0
- Administrative Support - \$23.2 million and 46.0 FTE positions - Civil Bureaus - \$64.6 million and 362.0 FTE positions - Criminal Bureaus - \$10.5 million and 90.4 FTE positions			
9. Operations Reductions			
<u>Senate</u> reduces funding to the Operations line item by \$1.6 million GF/GP and reduces 12.0 FTE positions and provides a corresponding funding total to two items described under item numbers 5 and 10. <u>Executive</u> , <u>House</u> , and <u>Conference</u> do not reduce.	FTE	498.4	0.0
	Gross	\$96,025,900	\$0
	IDG	35,083,600	0
	Federal	6,998,100	0
	Restricted	19,971,200	0
	GF/GP	\$33,973,000	\$0

<u>Major Budget Changes from FY 2021-22 YTD Appropriations</u>		<u>FY 2021-22 Year-to-Date (as of 2/9/22)</u>	<u>FY 2022-23 Conference Change</u>
10. Sexual Assault Law Enforcement Increase		FTE	5.0
<u>Senate</u> provides \$1.2 million GF/GP to the Sexual Assault Law Enforcement line item, for investigating and prosecuting cases of sexual assault per memoranda of understanding with Calhoun, Ingham, Jackson, Kalamazoo, Washtenaw, and Wayne County Prosecutors based on findings of sex assault kit test results. <u>Executive</u> , <u>House</u> , and <u>Conference</u> do not include.	Gross	\$1,457,500	\$0
	GF/GP	\$1,457,500	\$0
11. Restricted Funding Decrease		Gross	NA
<u>Senate</u> removes \$2.7 million of restricted Lawsuit Settlement Proceeds Fund revenue allocated for the Flint Water Investigation and \$1.1 million of restricted Attorney General Operations Fund revenue for a total reduction of \$3.8 million Gross (\$0 GF/GP). <u>Executive</u> , <u>House</u> , and <u>Conference</u> do not include.	Restricted	NA	0
	GF/GP	NA	\$0
12. Economic Adjustments		Gross	NA
<u>Executive</u> , <u>House</u> , <u>Senate</u> , and <u>Conference</u> provide for increased costs of \$2.5 million Gross (\$1.0 million GF/GP) for negotiated salary and wage increases (5.0% on October 1, 2022 and 0.5% to annualize the FY 2021-22 1.0% increase that began on April 1, 2022), actuarially required retirement contributions, worker's compensation, building occupancy charges, and other economic adjustments.	IDG	NA	\$2,524,100
	Federal	NA	871,000
	Restricted	NA	233,500
	GF/GP	NA	395,900
		NA	\$1,023,700

Major Boilerplate Changes from FY 2021-22

Sec. 301. Contingency Authorization – RETAINED

Appropriates up to \$750,000 in federal, \$750,000 in state restricted, \$50,000 in local, and \$50,000 in private contingency authorization; authorizes expenditure of funds after legislative transfer to line items. Executive and House maintain current year language. Senate deletes. Conference retains current year language.

Sec. 302a. Spending Restriction Upon Legislative Determination of Dereliction of Duty – NEW

Prohibits expenditure of appropriations if the Michigan House of Representatives or Senate determine by resolution that the attorney general has not upheld the oath of office and to be derelict in the performance of duty. Executive and House do not include. Senate adds. Conference revises new Senate section to express intent of the legislature is that appropriated funds are allocated for the attorney general to fulfill their role of upholding and enforcing any and all state and federal laws.

Sec. 305. Third Circuit Court Food Stamp Fraud Cases – RETAINED

Requires AG to reimburse third circuit court of Wayne County up to \$400,000 for food stamp fraud cases initiated by AG and heard by the court. Executive and House maintain current year language. Senate deletes. Conference retains.

Sec 306a. Lawsuit Proceeds Subject to Appropriation – NEW

Designates any proceeds from a lawsuit initiated by or settlement agreement entered into by the attorney general as state funds subject to appropriation as provided by law. Executive and House do not include. Senate adds. Conference revises Senate section to prohibit proceeds from being expended for either criminal prosecution or litigation unless appropriated by the legislature.

Sec. 307. Appropriation of Antitrust Revenue – RETAINED

Appropriates up to \$250,000 in additional antitrust, securities fraud, consumer protection or class action enforcement revenues, or attorney fees recovered by AG; authorizes unexpended funding, up to \$250,000, to be carried forward; requires information on collected revenue to be made available upon request. Executive and House maintain current year language. Senate deletes. Conference retains current law.

Sec. 308. Appropriation of Litigation Expense Reimbursements – REVISED

Appropriates up to \$500,000 from litigation expense reimbursements; authorizes unexpended funding, up to \$250,000, to be carried forward. Executive and House maintain current year language. Senate deletes. Conference revises to prohibit revenue collected under this section to be used for either criminal prosecution or litigation.

Major Boilerplate Changes from FY 2021-22

Sec. 314. Lawsuit Settlement Proceeds Fund – RETAINED

Allows department to use up to \$2.7 million of lawsuit settlement proceeds for associated expenses with Flint Declaration of Emergency due to drinking water contamination; requires quarterly expenditure report detailing how funds related to Flint Declaration of Emergency were spent by case, purpose, hourly rate of retained attorney, and department involved; caps hourly rate of attorneys retained for investigation at \$250 if reporting requirements are not fulfilled. Executive and House maintain current year language. Senate deletes. Conference retains. *(Governor's signing letter states capping hourly rate of attorney retained for investigation is unenforceable.)*

Sec. 316. Sexual Assault Kit Testing – REVISED

Requires funding to be used to test sexual assault kits statewide in order to eliminate county backlogs, assist with prosecutions and investigations of viable cases, and provide victim services; requires annual report on number of untested kits, a work plan outlining actions to eliminate remaining untested kits, and a work and spending plan outlining anticipated litigation and expenditures resulting from test findings; allows funds to be used for retesting kits for DNA; stipulates funds to be used only for testing if there are remaining untested kits on January 31. Executive retains current law. House revises to require that appropriated funds not be spent until all existing work project balances for the same purpose are expended. Senate deletes. Conference concurs with House.

Sec. 320. Lawsuit Settlement Notification and Adherence to State Laws – REVISED

Requires notification of lawsuit settlements with a fiscal impact for the state of \$2.0 million or more; prohibits department from entering into a lawsuit that is contrary to state laws. Executive retains current law. House revises to reduce notification threshold to \$200,000. Senate revises to eliminate dollar amount notification threshold. Conference concurs with House.

Sec. 321. Report on Federal Lawsuits – RETAINED

Requires department to submit report upon entering lawsuit against federal government, on estimated costs for participating in lawsuit and purpose of lawsuit. Executive deletes. House, Senate, and Conference retain.

Sec. 322. Department Initiatives Expenditure Report – RETAINED

Requires department to submit quarterly expenditure reports by line item and fund source for the following initiatives and activities: Catholic Church Investigation, Elder Abuse Task Force, Conviction Integrity Unit, Opioid Litigation, Hate Crimes Unit, Payroll Fraud Enforcement Unit, PFAS contamination, Human Trafficking, and Robocall Enforcement. House revises to eliminate Catholic Church Investigation, Elder Abuse Task Force, and Payroll Fraud Enforcement Unit from the reporting requirement to recognize greater transparency of those units through the unrolling of the Operations line item in part 1. Executive and Senate retain current year language. Conference retains current law.

Sec. 323. PACC Case Management System – DELETED

Requires Prosecuting Attorneys Coordinating Council to continue to fund replacement of council's case and data management system with funds appropriated for NextGen Case and Document Management System. Executive deletes. House, Senate, and Conference concur.

Sec. 330. Job Court Limited Term Employees – NEW

Authorizes one-time funds for Job Court to be used to hire 5 limited-term employees. Executive, House, and Senate do not include. Conference adds.

Sec.331. Organized Retail Crime Limited-Term Employees and Work Project – NEW

Authorizes funds for Organized Retail Crime Unit to be used to hire 6.5 limited-term employees to develop an organized retail crime unit with the intent that the unit be fully self-funded with state restricted revenue within three years; authorizes unexpended one-time funding as a work project and for funds not to lapse to the General Fund at the end of the fiscal year. Executive, House, and Senate do not include. Conference adds.

FY 2022-23: DEPARTMENT OF CIVIL RIGHTS
Summary: Conference Report
Article 5, House Bill 5783 (H-2) CR-1



Analyst: Michael Cnossen

	FY 2021-22 YTD as of 2/9/22	FY 2022-23 Executive	FY 2022-23 House	FY 2022-23 Senate	FY 2022-23 Conference	Difference: Conference From FY 2021-22 YTD	
						Amount	%
IDG/IDT	\$298,900	\$0	\$298,900	\$0	\$0	(\$298,900)	(100.0)
Federal	2,850,700	2,890,900	2,890,900	2,890,900	2,890,900	40,200	1.4
Local	0	0	0	0	0	0	--
Private	18,700	18,700	18,700	18,700	18,700	0	0.0
Restricted	58,500	58,500	58,500	58,500	58,500	0	0.0
GF/GP	14,607,300	18,633,500	14,682,700	14,981,600	18,633,500	4,026,200	27.6
Gross	\$17,834,100	\$21,601,600	\$17,949,700	\$17,949,700	\$21,601,600	\$3,767,500	21.1
FTEs	115.0	115.0	115.0	115.0	115.0	0.0	0.0

Notes: (1) FY 2021-22 year-to-date figures include mid-year budget adjustments through February 9, 2022. (2) Appropriation figures for all years include all proposed appropriation amounts, including amounts designated as "one-time."

Overview

The Michigan Civil Rights Commission is charged with investigating alleged discrimination against any person because of religion, race, color, national origin, sex, age, marital status, height, weight, arrest record, or physical and mental disabilities. The commission is directed to "secure the equal protection of such civil rights without such discrimination." The Department of Civil Rights serves as the administrative arm charged with implementing policies of the commission. The department works to prevent discrimination through educational programs that promote voluntary compliance with civil rights laws, investigates and resolves discrimination complaints, disseminates information on the rights and responsibilities of Michigan citizens as provided by law, and provides information and services to businesses on diversity initiatives, equal employment law, procurement opportunities, feasibility studies, and joint venture/strategic alliance matchmaking.

Major Budget Changes from FY 2021-22 YTD Appropriations

1. Complaint Investigation Backlog (One-Time)

Executive provides \$3.2 million GF/GP to support the restructuring of current complaint investigation processes and 25.0 limited-term FTE positions to help eliminate a backlog of 2,500 complaint cases which accumulated due to the hiring freeze, employee turnover, and retirements. Elimination of backlog would secure additional federal revenues from Department of Housing and Urban Development through closure of housing complaints. House and Senate do not include. Conference concurs with Executive.

	FY 2021-22 Year-to-Date (as of 2/9/22)	FY 2022-23 Conference Change
FTE	40.0	0.0
Gross	\$6,297,400	\$3,151,900
IDG	298,900	0
Federal	2,835,700	0
Restricted	58,500	0
GF/GP	\$3,104,300	\$3,151,900

2. Indian Boarding School Study (One-Time)

Executive provides \$500,000 GF/GP to conduct a statewide study of the number of Native American children forced to attend boarding schools to understand impacts of historical federal and state boarding school policies and removal of tribal children. Study would be accomplished through location and preservation of records and interviews with those impacted by the policies. Study would align with goals of Federal Indian Boarding School Initiative. House and Senate do not include. Conference concurs with Executive.

Gross	NA	\$500,000
GF/GP	NA	\$500,000

<u>Major Budget Changes from FY 2021-22 YTD Appropriations</u>		<u>FY 2021-22 Year-to-Date (as of 2/9/22)</u>	<u>FY 2022-23 Conference Change</u>	
3. ADA FTE Position and Funding Shift		Gross	\$298,900	\$0
<u>Executive</u> provides \$298,900 GF/GP and eliminates same amount of IDG funding to reflect retirement of two health and safety FTE positions supported with IDG funding from DTMB and replacement with two ADA compliance FTE positions that would be supported with GF/GP. <u>House</u> does not include. <u>Senate</u> and <u>Conference</u> concur with Executive.		IDG	298,900	(298,900)
		GF/GP	\$0	\$298,900
4. Removal of Current Year One-Time Funding		Gross	\$250,000	(\$250,000)
<u>Executive</u> , <u>House</u> , <u>Senate</u> , and <u>Conference</u> eliminate \$250,000 of one-time GF/GP funding appropriated in FY 2021-22 for discrimination outreach efforts.		GF/GP	\$250,000	(\$250,000)
5. Economic Adjustments		Gross	NA	\$365,600
<u>Executive</u> , <u>House</u> , <u>Senate</u> , and <u>Conference</u> provide for increased costs of \$365,600 Gross (\$325,400 GF/GP) for negotiated salary and wage increases (5.0% on October 1, 2022 and 0.5% to annualize the FY 2021-22 1.0% increase that began on April 1, 2022), actuarially required retirement contributions, worker's compensation, building occupancy charges, and other economic adjustments.		Federal	NA	40,200
		GF/GP	NA	\$325,400

Major Boilerplate Changes from FY 2021-22

Sec. 401. Contingency Authorization – DELETED

Appropriates up to \$1.0 million in federal and up to \$375,000 in private contingency authorization; authorizes expenditure of funds after legislative transfer to specific line items. Executive revises to appropriate \$2.0 million in federal and \$750,000 in private contingency authorization. House retains current year language. Senate deletes.

Sec. 402. Training and Information Dissemination – REVISED

Authorizes department to receive and expend local and private funds, up to a combined total of \$85,000, pertaining to employer training, publication and sale of informational material, copy and witness fees, mediation activities, workshops and seminars, and related staffing costs. Executive revises to eliminate \$85,000 cap to local and private funds. House retains current law. Senate deletes. Conference revises to raise cap to \$200,000.

Sec. 403. Contracts with Local Units of Governments – REVISED

Authorizes department to contract with local units of government to review equal employment opportunity compliance of potential contractors, charge to develop and provide such services, and expend amounts received; requires annual report on revenues and expenditures under this section. Executive revises to add existing contractors to potential contractors authorized for review. House concurs. Senate revises to not include existing contractors for those eligible for review, and eliminates authorization for the department to charge local units of government for this review service. Conference concurs with Executive.

Sec. 411. Museums Support – REVISED

Allocates \$500,000 each to Arab American National Museum in Dearborn, Charles H. Wright Museum of African American History in Detroit, and Holocaust Memorial Center in Farmington Hills. Executive retains current law. House revises to stipulate payments to museums be made directly and revises population figures to reflect the most recent decennial census. Senate revises to specify population figures to the most recent decennial census rather than the 2010 decennial census. Conference concurs with House.

Sec. 412. Discrimination Outreach – DELETED

Requires department to conduct outreach efforts to increase public awareness of violent criminal activity primarily motivated by discrimination and ethnic intimidation during COVID-19 pandemic. Executive deletes. House, Senate and Conference concur.

Sec. 420. Complaint Investigation and Enforcement – NEW

Requires the department to expand complaint investigation and enforcement activities to eliminate a backlog of civil rights complaint cases; authorizes up to an additional 25 limited-term employees; authorizes unexpended one-time funding appropriated for complaint investigation and enforcement as a work project. Executive adds section. House and Senate do not include. Conference concurs with Executive.

Major Boilerplate Changes from FY 2021-22

Sec. 421. Indian Boarding School Study – NEW

Requires funds for Indian boarding school study to be used to research the number of Native American children forced to attend boarding schools, how they were impacted, to locate and preserve records, to work in concert with Federal Indian Boarding School Initiative, and to interview boarding school survivors and tribal representatives to fully understand immediate and long-term impacts of policies of Native American children removal; requires report to be completed by January 30, 2024. Executive adds section. House and Senate do not include. Conference revises Executive's section to authorize the Department of Civil Rights to contract with a university or other entity to carry out the section.

FY 2022-23: EXECUTIVE OFFICE
Summary: Conference Report
Article 5, House Bill 5783 (H-2) CR-1



Analyst: Viola Bay Wild

	FY 2021-22 YTD as of 2/9/22	FY 2022-23 Executive	FY 2022-23 House	FY 2022-23 Senate	FY 2022-23 Conference	Difference: Conference From FY 2021-22 YTD	
						Amount	%
IDG/IDT	\$0	\$0	\$0	\$0	\$0	\$0	--
Federal	0	0	0	0	0	0	--
Local	0	0	0	0	0	0	--
Private	0	0	0	0	0	0	--
Restricted	0	0	0	0	0	0	--
GF/GP	7,318,600	7,708,600	7,708,600	7,708,600	8,533,600	1,215,000	16.6
Gross	\$7,318,600	\$7,708,600	\$7,708,600	\$7,708,600	\$8,533,600	\$1,215,000	16.6
FTEs	89.2	89.2	89.2	89.2	96.2	7.0	7.8

Notes: (1) FY 2021-22 year-to-date figures include mid-year budget adjustments through February 9, 2022. (2) Appropriation figures for all years include all proposed appropriation amounts, including amounts designated as "one-time."

Overview

The Executive Office budget provides funding for the governor, the lieutenant governor, and their staffs. Major constitutionally-specified responsibilities include organization and supervision of the Executive branch and annual preparation and submission of the executive budget.

Major Budget Changes from FY 2021-22 YTD Appropriations

1. Executive Office Operations

Executive includes \$390,000 GF/GP for increased costs related to Executive Office staff and other operations. House and Senate concur. Conference includes \$1.2 million GF/GP increase and 7.0 FTE authorizations.

	FY 2021-22 Year-to-Date (as of 2/9/22)	FY 2022-23 Conference Change
FTE	89.2	7.0
Gross	\$7,318,600	\$1,215,000
GF/GP	\$7,318,600	\$1,215,000

Major Boilerplate Changes from FY 2021-22

There are no major boilerplate changes for FY 2022-23.

FY 2022-23: DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY

Summary: Conference Report

Article 5, House Bill 5783 (H-2) CR-1



Analyst: Viola Bay Wild

IDG/IDT	FY 2021-22 YTD as of 2/9/22	FY 2022-23 Revised Exec.	FY 2022-23 House	FY 2022-23 Senate	FY 2022-23 Conference	Difference: Conference From FY 2021-22 YTD	
						Amount	%
	\$0	\$0	\$0	\$0	\$0	\$0	--
Federal	1,433,813,200	1,154,595,000	1,304,557,600	1,169,595,000	1,219,595,000	(214,218,200)	(14.9)
Local	10,900,000	10,700,000	10,700,000	10,700,000	10,700,000	(200,000)	(1.8)
Private	13,591,900	12,430,700	12,430,700	12,430,700	12,430,700	(1,161,200)	(8.5)
Restricted	273,852,900	245,920,400	275,222,400	245,920,400	245,920,400	(27,932,500)	(10.2)
GF/GP	1,517,995,600	846,925,400	183,486,900	336,986,900	1,411,699,900	(106,295,700)	(7.0)
Gross	\$3,250,153,600	\$2,270,571,500	\$1,786,397,600	1,775,633,000	\$2,900,346,000	(\$349,807,600)	(10.8)
FTEs	2,588.9	2,623.9	2,580.9	2,588.9	2,593.9	5.0	0.2

Notes: (1) FY 2021-22 year-to-date figures include mid-year budget adjustments through February 9, 2022. (2) Appropriation figures for all years include all proposed appropriation amounts, including amounts designated as "one-time."

Overview

The Department of Labor and Economic Opportunity (LEO) engages in economic development; community growth and development; affordable housing; tourism; job creation, retention, and training; and workforce development and preparedness. LEO includes the Michigan Strategic Fund (MSF)/Michigan Economic Development Corporation (MEDC), Bureau of Employment Relations, Bureau of Services for Blind Persons, Michigan Occupational Safety & Health Administration (MIOSHA), Workforce Development, Michigan Rehabilitation Services, Office of Global Michigan, Unemployment Insurance Agency (UIA), Workers' Disability Compensation Agency, State Land Bank, and Michigan State Housing Development Authority (MSHDA).

Major Budget Changes from FY 2021-22 YTD Appropriations

1. Transformational Education Infrastructure Grants

Executive includes \$230.0 million GF/GP one-time funding to establish two grant programs for higher education institutions. The Medical Education and Health Care grant (\$100.0 million) would support a project to improve medical education, health infrastructure, and cancer research laboratories. The Electrification of the Automotive Industry grant (\$130.0 million) would support increased education opportunities on electric vehicles within a college of engineering and the development of an economic strategy plan. House, Senate, and Conference do not include.

	FY 2021-22 Year-to-Date (as of 2/9/22)	FY 2022-23 Conference Change
Gross	\$0	\$0
GF/GP	\$0	\$0

2. Regional Empowerment Program

Executive includes \$200.0 million GF/GP one-time funding for a competitive grant program to support the development and growth of regional economies; communities may use funding to complete already planned projects with local economic impact. House, Senate, and Conference do not include.

Gross	\$0	\$0
GF/GP	\$0	\$0

Major Budget Changes from FY 2021-22 YTD Appropriations		FY 2021-22 Year-to-Date (as of 2/9/22)	FY 2022-23 Conference Change	
3. Pure Michigan and ARP – Pure Michigan		Gross	\$40,000,000	\$0
<u>Executive</u> includes an increase of \$5.0 million GF/GP for Pure Michigan and eliminates \$20.0 million one-time federal funding appropriated in FY 2021-22 for the ARP – Pure Michigan line item. <u>House</u> funds program at FY 2021-22 funding level of \$40.0 million Gross, eliminates GF/GP funding, and appropriates additional \$30.0 million federal Coronavirus State Fiscal Recovery Fund to program. <u>Senate</u> includes additional \$5.0 million GF/GP and reduces federal funding by \$5.0 million. <u>Conference</u> concurs with the Senate.	Federal	20,000,000	(5,000,000)	
	Local	5,000,000	0	
	Private	5,000,000	0	
	GF/GP	\$10,000,000	\$5,000,000	
4. Michigan Reconnect Program		Gross	\$55,000,000	\$0
<u>Executive</u> eliminates \$5.0 million restricted funding and replaces it with \$5.0 million GF/GP. <u>House</u> transfers \$55.0 million Gross (\$50.0 million GF/GP) for the program to the Community Colleges budget. <u>Senate</u> concurs with the executive and transfers \$15.0 million GF/GP from the Michigan Reconnect program to the Going Pro program. <u>House</u> concurs with the executive.	Restricted	5,000,000	(5,000,000)	
	GF/GP	\$50,000,000	\$5,000,000	
5. Going Pro		Gross	\$40,000,000	\$15,000,000
<u>Conference</u> includes additional \$15.0 million GF/GP for program.	Restricted	9,540,800	0	
	GF/GP	\$30,459,200	\$15,000,000	
6. Business Incubator Pilot Program		Gross	\$0	\$0
<u>House</u> includes \$30.0 million Contingent Fund, Penalty and Interest Account restricted funding for a competitive application-based grant program to organizations that help startup companies or individual entrepreneurs. <u>Executive</u> , <u>Senate</u> , and <u>Conference</u> do not include.	Restricted	0	0	
	GF/GP	\$0	\$0	
7. Community Amphitheater Grant		Gross	\$0	\$0
<u>House</u> includes \$30.0 million federal funding from the Coronavirus State Fiscal Recovery Fund for a grant for the Grand Rapids outdoor amphitheater project. <u>Executive</u> , <u>Senate</u> , and <u>Conference</u> do not include.	Federal	0	0	
	GF/GP	\$0	\$0	
8. Watershed Phosphorous Source Discovery Grant		Gross	\$0	\$0
<u>House</u> includes \$500,000 federal funding from the Coronavirus State Fiscal Recovery Fund to fund a grant for the Mona Lake Watershed Phosphorus Source Discovery project. <u>Executive</u> , <u>Senate</u> , and <u>Conference</u> do not include.	Federal	0	0	
	GF/GP	\$0	\$0	
9. River Restoration Project		Gross	\$0	\$0
<u>House</u> includes \$13.0 million federal funding from the Coronavirus State Fiscal Recovery Fund to fund a grant for a Battle Creek river restoration project. <u>Executive</u> , <u>Senate</u> , and <u>Conference</u> do not include.	Federal	0	0	
	GF/GP	\$0	\$0	
10. Children and Teen Center		Gross	\$0	\$0
<u>House</u> includes \$1.0 million federal funding from the Coronavirus State Fiscal Recovery Fund for renovations to a Boys and Girls Club facility. <u>Executive</u> , <u>Senate</u> , and <u>Conference</u> do not include.	Federal	0	0	
	GF/GP	\$0	\$0	
11. Kids' Food Basket		Gross	\$0	\$0
<u>House</u> includes \$1.0 million federal funding from the Coronavirus State Fiscal Recovery Fund for the nonprofit community-based Kids' Food Basket organization. <u>Executive</u> , <u>Senate</u> , and <u>Conference</u> do not include.	Federal	0	0	
	GF/GP	\$0	\$0	
12. Arts Center Funding		Gross	\$0	\$0
<u>House</u> includes \$250,000 GF/GP for the Great Lakes Center for the Arts. <u>Executive</u> , <u>Senate</u> , and <u>Conference</u> do not include.	GF/GP	\$0	\$0	
13. Women's Mentoring Program Grant		Gross	\$0	\$0
<u>House</u> includes \$200,000 GF/GP for a grant to the Woman of Tomorrow Program. <u>Executive</u> , <u>Senate</u> , and <u>Conference</u> do not include.	GF/GP	\$0	\$0	

		FY 2021-22 Year-to-Date (as of 2/9/22)	FY 2022-23 Conference Change
Major Budget Changes from FY 2021-22 YTD Appropriations			
14. Graduation Alliance	Gross	\$1,500,000	\$1,000,000
<u>House</u> includes \$500,000 GF/GP increase to the Graduation Alliance program. <u>Senate</u> includes \$4.5 million GF/GP increase. <u>Executive</u> does not increase funding. <u>Conference</u> includes a \$1.0 million GF/GP one-time increase.	GF/GP	\$1,500,000	\$1,000,000
15. Workforce Development	Gross	NA	\$4,754,000
<u>Executive</u> includes \$4.8 million federal MiSTAIR grant funding for improving registered apprenticeship programs. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur.	Federal	NA	4,754,000
	GF/GP	NA	\$0
16. Office of Future Mobility and Electrification	Gross	\$0	\$2,000,000
<u>Executive</u> provides \$4.0 million GF/GP for the Office of Future Mobility and Electrification to support state efforts in mobility initiative. <u>House</u> and <u>Senate</u> do not include. <u>Conference</u> includes \$2.0 million GF/GP.	GF/GP	\$0	\$2,000,000
17. Bureau of Services for Blind Persons Staff	FTE	113.0	3.0
<u>Executive</u> includes authorization for 3.0 additional FTE positions to provide pre-employment transition services to eligible blind and visually impaired students, to meet federal requirements. Additional staff would be supported with current appropriations. <u>House</u> concurs. <u>Senate</u> does not include. <u>Conference</u> concurs with the executive.	Gross	\$25,509,200	\$0
	Federal	19,201,500	0
	Local	100,000	0
	Private	111,800	0
	Restricted	350,000	0
	GF/GP	\$5,745,900	\$0
18. Michigan State Housing Development Authority (MSHDA) Staffing	FTE	273.0	0.0
<u>Executive</u> includes authorization for 26.0 additional FTE positions to help reach goal of providing an additional 75,000 new or renovated housing units within the next 5 years. Funding for additional FTEs exists within current budget authorization. <u>House</u> includes authorization for 10.0 limited-term FTEs through boilerplate. <u>Senate</u> does not include. <u>Conference</u> includes authorization for 20.0 limited-term FTEs through boilerplate.	Gross	\$46,699,600	\$0
	Restricted	46,699,600	0
	GF/GP	\$0	\$0
19. Michigan Enhancement Grants	Gross	\$0	\$205,299,500
<u>Conference</u> includes \$205.3 million GF/GP for 100 individual Michigan Enhancement Grants. See Table 1 which lists the individual grants at back of LEO summary.	GF/GP	\$0	\$205,299,500
20. Economic Development and Workforce Grants	Gross	\$0	\$251,475,000
<u>Conference</u> includes \$251.5 million GF/GP for Economic Development and Workforce Grants. See Table 2 which lists the individual grants at back of LEO summary.	GF/GP	\$0	\$251,475,000
21. Michigan Infrastructure Grants	Gross	\$0	\$212,800,000
<u>Conference</u> includes \$212.8 million GF/GP for 17 individual Michigan Infrastructure Grants. See Table 3 which lists the individual grants at back of LEO summary.	GF/GP	\$0	\$212,800,000
22. Special Grants	Gross	\$0	\$331,000,000
<u>Conference</u> includes \$212.8 million GF/GP for the following grants:	GF/GP	\$0	\$331,000,000
• Academic Research Building (Detroit Center for Innovation) - \$100.0 million GF/GP.			
• Cancer Institute Project (Wayne State Medical School) - \$100.0 million GF/GP.			
• Electric Vehicle Teaching Training, and Development Center (University of Michigan) - \$130.0 million GF/GP.			
• Sea Wall Project (Muskegon) - \$1.0 million GF/GP.			

		FY 2021-22 Year-to-Date (as of 2/9/22)	FY 2022-23 Conference Change
<u>Major Budget Changes from FY 2021-22 YTD Appropriations</u>			
23. Workforce Development: Talent Retention and Expansion in Key Industries Program	Gross	\$0	\$0
<u>Executive</u> includes \$20.0 million GF/GP one-time funding for employer-led collaboratives to help meet the staffing needs of businesses. <u>House</u> , <u>Senate</u> , and <u>Conference</u> do not include.	GF/GP	\$0	\$0
24. Workforce Development: Barrier Removal and Employment Supports	Gross	\$0	\$0
<u>Executive</u> provides \$15.0 million GF/GP one-time funding to support program to remove barriers to employment for low-income, poor, and working poor individuals. <u>House</u> , <u>Senate</u> , and <u>Conference</u> do not include.	GF/GP	\$0	\$0
25. Workforce Development: Young Professionals Plus Program	Gross	\$0	\$0
<u>Executive</u> includes \$15.0 million GF/GP one-time funding for program to help prepare young people for self-sustaining employment. <u>House</u> , <u>Senate</u> , and <u>Conference</u> do not include.	GF/GP	\$0	\$0
26. International Talent Attraction	Gross	\$0	\$0
<u>Executive</u> provides \$15.0 million GF/GP one-time funding for a competitive grant program to attract international businesses to locate corporate headquarters in Michigan. <u>House</u> , <u>Senate</u> , and <u>Conference</u> do not include.	GF/GP	\$0	\$0
27. Attainable Home Ownership and Apprenticeship Program	FTE	0.0	0.0
<u>Executive</u> includes an increase of \$11.0 million GF/GP one-time funding and authorization for 1.0 FTE position for a program to help individuals acquire, renovate, and sell properties in land banks; requires paid apprentices on each renovation site. <u>House</u> includes \$100 placeholder. <u>Senate</u> and <u>Conference</u> do not include.	Gross	\$0	\$0
	GF/GP	\$0	\$0
28. Statewide Pre-Apprenticeship Program	Gross	\$8,000,000	(\$8,000,000)
<u>Executive</u> includes additional \$2.0 million GF/GP one-time funding for the statewide pre-apprenticeship program to connect unemployed and underemployed individuals in underserved communities with training and resources for employment. <u>House</u> , <u>Senate</u> , and <u>Conference</u> do not include and eliminate the \$8.0 million GF/GP current-year funding.	GF/GP	\$8,000,000	(\$8,000,000)
29. Nature, Science, and Cultural Experiences Grant Program	Gross	\$0	\$0
<u>Executive</u> includes \$75.0 million GF/GP one-time funding for a competitive grant program for projects that support Michigan's cultural diversity and natural beauty. <u>House</u> , <u>Senate</u> , and <u>Conference</u> do not include.	GF/GP	\$0	\$0
30. Public Sector Employment Marketing Campaign	Gross	\$0	\$0
<u>Executive</u> includes \$10.0 million GF/GP one-time funding for a local heroes marketing campaign to highlight benefits of public sector work. <u>House</u> , <u>Senate</u> , and <u>Conference</u> do not include.	GF/GP	\$0	\$0
31. State Historic Preservation Office (SHPO) Grant Program	Gross	NA	\$750,000
<u>Executive</u> includes \$750,000 federal one-time funding for a SHPO Resilient Lakeshore Heritage Grants Program to award grants for the rehabilitation of eligible rural properties along the great lakes. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur.	Federal	NA	750,000
	GF/GP	NA	\$0
32. Office of Global Michigan – Language Access Program	FTE	11.0	2.0
<u>Executive</u> includes \$700,000 GF/GP one-time funding to develop a statewide language access program to help individuals who have limited English proficiency have access to services. Also includes \$268,700 on-going GF/GP and authorization for 2.0 FTE positions for program. <u>House</u> and <u>Senate</u> do not include. <u>Conference</u> concurs with the executive.	Gross	\$29,246,400	\$968,700
	Federal	28,769,000	0
	GF/GP	\$477,400	\$968,700

Major Budget Changes from FY 2021-22 YTD Appropriations		FY 2021-22 Year-to-Date (as of 2/9/22)	FY 2022-23 Conference Change
33. Office of Global Michigan – Refugee Services		FTE 11.0	0.0
<u>Executive</u> includes \$9.6 million federal funding and authorization for 1.0 FTE position to recognize federal grant for refugee services. <u>House</u> concurs. <u>Senate</u> concurs with additional funding but does not include FTE authorization. <u>Conference</u> concurs with the Senate.		Gross \$29,246,400	\$9,600,000
	Federal	28,769,000	9,600,000
	GF/GP	\$477,400	\$0
34. Construction Trades Training for Previous Military Members		Gross \$0	\$0
<u>Executive</u> includes \$500,000 GF/GP one-time funding to develop a Helmets to Hardhats training program for ex-military, reserve, and National Guard service members to connect them to skilled construction field training. <u>House</u> , <u>Senate</u> , and <u>Conference</u> do not include.		GF/GP \$0	\$0
35. Michigan Women’s Commission		FTE 1.0	0.0
<u>Executive</u> includes an increase of \$1.1 million Gross (\$0 GF/GP) to provide funding for the commission’s initiatives. Includes a net-zero technical transfer of \$131,000 GF/GP and authorization for 1.0 FTE position from the unclassified salary line item to the Michigan Women’s Commission. <u>House</u> concurs. <u>Senate</u> does not include FTE authorization. <u>Conference</u> concurs with the executive.		Gross \$242,600	\$1,100,000
	Federal	0	100,000
	Private	0	1,000,000
	GF/GP	\$242,600	\$0
36. Commissions on Middle Eastern American Affairs and Asian Pacific American Affairs		Gross \$262,400	\$170,000
<u>Executive</u> includes \$170,000 GF/GP to fund an increase of \$85,000 GF/GP for each commission. <u>House</u> and <u>Senate</u> do not include. <u>Conference</u> concurs with the executive.		GF/GP \$262,400	\$170,000
37. Michigan Community Service Commission		FTE 14.0	0.0
<u>Executive</u> includes additional \$160,000 private authorization to reflect increased private revenues. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur.		Gross \$11,831,500	\$160,000
	Federal	10,826,000	0
	Private	44,100	160,000
	GF/GP	\$961,400	\$0
38. Unemployment Benefit Claims Monitoring		Gross \$4,000,000	(\$4,000,000)
<u>Executive</u> removes \$4.0 million GF/GP removes \$4.0 million GF/GP that supports a third-party service that provides a proprietary identity document capture and verification solution. <u>House</u> and <u>Senate</u> retain funding. <u>Conference</u> concurs with the executive.		GF/GP \$4,000,000	(\$4,000,000)
39. Michigan Rehabilitation Services		Gross \$134,227,900	\$3,600,000
<u>Executive</u> includes \$3.6 million federal funding for a multi-year Federal Disability Innovation Fund Grant for career development and job placement for individuals with disabilities. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur.		Federal 108,570,100	3,600,000
	Local	5,300,000	0
	Private	521,500	0
	Restricted	188,300	0
	GF/GP	\$19,648,000	\$0
40. State Trade Export Program		Gross NA	\$3,000,000
<u>Executive</u> includes \$3.0 million federal funding to recognize a federal grant administered by the Michigan Strategic Fund (MSF) for the past nine years. This funding appropriation would authorize the grant program funding within the MSF budget. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur.		Federal NA	3,000,000
	GF/GP	NA	\$0
41. Wage and Hour Program – Administrative Hearings Costs		Gross \$3,970,900	\$156,400
<u>Executive</u> includes an increase of \$156,400 restricted funding for increased expenditures in LEO for administrative hearings and rules expenditures in the LARA budget. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur.		Restricted 3,970,900	156,400
	GF/GP	\$0	\$0

Major Budget Changes from FY 2021-22 YTD Appropriations		FY 2021-22 Year-to-Date (as of 2/9/22)	FY 2022-23 Conference Change
42. Michigan Occupational Safety and Health Administration (MIOSHA)	Gross	\$30,354,400	\$0
House reduces funding by \$936,400 Gross (\$0 GF/GP) to lower base line item to FY 2018-19 funding level. <u>Executive</u> , <u>Senate</u> , and <u>Conference</u> do not include reduction.	Federal	12,385,100	0
	Restricted	17,969,300	0
	GF/GP	\$0	\$0
43. MiSTEM	FTE	0.0	0.0
<u>Executive</u> includes \$600,000 GF/GP and authorization for 2.0 FTE positions to fund the MiSTEM Advisory Council which provides oversight to the MiSTEM Network. \$300,000 of funding is transferred from the School Aid budget. House does not include. <u>Senate</u> and <u>Conference</u> include \$300,000 GF/GP transferred from the School Aid budget but does not include additional \$300,000 GF/GP increase or 2.0 FTE authorizations.	Gross	\$0	\$300,000
	GF/GP	\$0	\$300,000
44. Flint Settlement Payments	Gross	\$35,000,000	(\$35,000,000)
Revised <u>Executive</u> transfers \$35.0 million GF/GP for the Flint Settlement Payment from LEO to Treasury as requested by Executive Budget Revision Letter 2023-1. House concurs. <u>Senate</u> does not include. <u>Conference</u> concurs with the executive.	GF/GP	\$35,000,000	(\$35,000,000)
45. Beat the Streets Grant Funding	Gross	\$0	\$0
House includes \$250,000 GF/GP for a grant to Beat the Streets, a sports based youth development organization. <u>Executive</u> , <u>Senate</u> , and <u>Conference</u> do not include.	GF/GP	\$0	\$0
46. ARP - Nonprofit Relief Grants	Gross	\$0	\$50,000,000
House includes \$100 GF/GP for nonprofit relief grants to nonprofit community service organizations. <u>Executive</u> and <u>Senate</u> do not include. <u>Conference</u> includes \$50.0 million federal Coronavirus State Fiscal Relief funding.	Federal	0	50,000,000
	GF/GP	\$0	\$0
47. Industrial Land Development	Gross	\$0	\$0
House includes \$100,000 GF/GP for an Industrial Land Assembly project to help fund the demolition and site readiness for 8 industrial land development projects in Detroit. <u>Executive</u> , <u>Senate</u> , and <u>Conference</u> do not include.	GF/GP	\$0	\$0
48. Michigan Community Development Financial Institution Fund Grants (CDFI)	Gross	NA	\$75,000,000
House includes \$75.0 million federal Coronavirus State Fiscal Recovery Fund for CDFI grants to be awarded by the Michigan Strategic Fund to eligible community development financial institutions. <u>Executive</u> and <u>Senate</u> do not include. <u>Conference</u> includes \$75.0 million GF/GP.	GF/GP	NA	\$75,000,000
49. Arts and Cultural Grants	Gross	\$11,000,000	\$2,000,000
<u>Senate</u> includes \$4,000,000 GF/GP for arts and cultural grants. <u>Executive</u> and <u>House</u> do not include. <u>Conference</u> includes \$2.0 million GF/GP increase.	Federal	1,050,000	0
	Private	100,000	0
	GF/GP	\$9,850,000	\$2,000,000
50. Focus Hope	Gross	\$1,000,000	\$0
<u>Executive</u> retains current-year one-time funding of \$1.0 million GF/GP. House concurs. <u>Senate</u> reduces funding by \$500,000 GF/GP. <u>Conference</u> retains current year funding.	GF/GP	\$1,000,000	\$0
51. Blight Elimination Program	Gross	\$0	\$75,000,000
<u>Senate</u> includes \$50.0 million GF/GP one-time funding for a Blight Elimination Program. <u>Executive</u> and <u>House</u> do not include. <u>Conference</u> includes \$75.0 million GF/GP.	GF/GP	\$0	\$75,000,000

<u>Major Budget Changes from FY 2021-22 YTD Appropriations</u>		<u>FY 2021-22 Year-to-Date (as of 2/9/22)</u>	<u>FY 2022-23 Conference Change</u>
52. Food and Alcohol Safety Education Program		Gross	\$0
<u>Senate</u> includes \$100 GF/GP one-time funding for the Food and Alcohol Safety Education Program. <u>Executive</u> , <u>House</u> , and <u>Conference</u> do not include.		GF/GP	\$0
53. Removal of FY 2021-22 One-Time Appropriations		Gross	\$364,122,200 (\$364,122,200)
<u>Executive</u> removes funding for the following one-time appropriations:		Federal	118,750,000 (118,750,000)
\$2.0 million GF/GP – Child Savings Accounts \$1.8 million GF/GP – College Degree Enhancement Grant \$1.0 million GF/GP – Construction Career Center Grant \$25.0 million restricted – Legacy Program: Futures for Frontliners \$23.8 million Gross (\$5.0 million GF/GP) – Michigan Career and Technical Institute \$1.0 million GF/GP – Poverty Task Force \$6.0 million GF/GP – Reconnect and Futures for Frontliners Wraparound Services \$100.0 million federal funding – ARP Community Revitalization and Placemaking Grants \$146.9 million GF/GP – Michigan Enhancement Grants \$48.0 million GF/GP – Michigan Infrastructure Grants \$5.0 million GF/GP – Rural Jobs and Capital Investment \$3.0 million GF/GP – Training Center Equipment Grants \$660,000 GF/GP – Reentry Employment Support.		Restricted	25,000,000 (25,000,000)
<u>House</u> concurs but retains the funding for Rural Jobs and Capital Investment (\$5.0 million GF/GP), Training Center Equipment Grants (\$3.0 million GF/GP), and Reentry Employment Support (funded at \$500,000 GF/GP). <u>Senate</u> concurs with the executive but includes a \$100 GF/GP placeholder for Reentry Employment Support. <u>Conference</u> concurs with the executive.		GF/GP	\$220,372,200 (\$220,372,200)
54. Technical Budget Adjustments		Gross	NA (\$17,666,000)
<u>Executive</u> includes a reduction of \$17.7 million Gross (\$45,100 GF/GP) for technical adjustments to align appropriation authority with available funding estimates. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur.		Federal	NA (17,381,800)
		Local	NA (200,000)
		Restricted	NA (39,100)
		GF/GP	NA (\$45,100)
55. Removal of Supplemental FY 2021-22 Appropriations		Gross	NA (\$1,176,324,500)
<u>Executive</u> includes a reduction of \$1.2 billion Gross (\$1.0 billion GF/GP) to remove FY 2021-22 supplemental funding appropriated in 2021 PA 132 (\$1.0 billion Gross) and 2021 PA 133 (\$176.3 million Gross). <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur.		Federal	NA (151,698,400)
		Private	NA (2,324,900)
		Restricted	NA (350,200)
		GF/GP	NA (\$1,021,951,000)
56. MiOSHA Property Management		Gross	NA \$299,000
<u>Executive</u> increases funding by \$299,000 for a fund source adjustment for property management. <u>House</u> does not include. <u>Senate</u> and <u>Conference</u> concur with the executive.		Federal	NA 200,000
		Restricted	NA 99,000
		GF/GP	NA \$0
57. Economic Adjustments		Gross	NA \$9,872,500
<u>Executive</u> increases funding by \$9.9 million Gross (\$1.1 million GF/GP) for negotiated salary and wage increases (5.0% on October 1, 2022, and 0.5% to annualize the FY 2021-22 1.0% increase that began on April 1, 2022), actuarially required retirement contributions, worker's compensation, building occupancy charges, and other economic adjustments. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur.		Federal	NA 6,608,000
		Private	NA 3,700
		Restricted	NA 2,201,400
		GF/GP	NA \$1,059,400

Major Boilerplate Changes from FY 2021-22

DEPARTMENT LABOR AND ECONOMIC OPPORTUNITY (LEO)

Sec. 980. Contingency Funds – RETAINED

Appropriates \$15.0 million of federal, \$5.0 million of state restricted, \$1.0 million of private, and \$1.0 million of local contingency funds. Executive revises contingency fund authorizations to \$30.0 million federal, \$10.0 million state restricted, \$2.0 million local, and \$5.0 million private. House retains. Senate deletes. Conference retains.

Sec. 983. Broadband Bonding Prohibition – RETAINED

Prohibits LEO, the Michigan Strategic Fund (MSF), and the Michigan State House Development Authority (MSHDA) from issuing or refinancing bonds or using any funds for broadband construction, expansion, repairs, or upgrades. Executive deletes. House revises by deleting LEO from the prohibition. Senate and Conference retain.

Sec. 984. SIGMA System Reporting – RETAINED

Requires LEO to use SIGMA to report encumbrances and expenditures. Executive deletes. House, Senate, and Conference retain.

Sec. 989. Update of Workers' Compensation Administrative Code – RETAINED

States intent of the legislature that the workers' compensation agency annually update R 418.10101 to R 418.101504 of the Michigan Administrative Code as required under the Worker's Disability Compensation Act. Executive deletes. House, Senate, and Conference retain.

Sec. 989b. UIA Request for Solutions – NOT INCLUDED

Requires LEO to solicit proposals for UIA solutions through the state's procurement process by December 1, 2021. The solution must incorporate proven processes that correctly decipher between valid and fraudulent claims and expedite claims for payment. Executive deletes. House and Senate retain. Conference concurs with the executive.

Sec. 989c. Broadband-Focused Employees – NEW

States legislative intent that all of the broadband-focused state employees be consolidated into the Department of Labor and Economic Opportunity. Executive does not include. House includes new language. Senate does not include. Conference concurs with the House.

LEO – MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY (MSHDA)

Sec. 990. Michigan State Housing Development Authority Annual Report – RETAINED

Requires Michigan State Housing Development Authority (MSHDA) to annually present a report on the status of the authority's housing production goals under all financing programs. Executive deletes. House, Senate, and Conference retain.

Sec. 991. Housing and Rental Assistance Program Limited-Term Staff – NEW

Authorizes LEO to hire or contract for 10.0 limited-term employees to administer Housing and Rental Assistance programs. Executive does not include. House includes new language. Senate does not include. Conference concurs with the House, but authorizes 20.0 limited-term employees.

LEO – MICHIGAN STRATEGIC FUND (MSF)

Sec. 1004. Statutory Reporting Requirements Update – RETAINED

Requires MSF to provide information included in the MSF Act annual activities report to the legislature by March 15. Executive deletes. House, Senate, and Conference retain.

Sec. 1005d. Pure Michigan Promotion – NOT INCLUDED

Requires Pure Michigan campaign to prioritize sectors of the economy that were disproportionately impacted by the COVID-19 pandemic. Executive and House delete. Senate retains. Conference concurs with the executive.

Sec. 1006. Business Incentive and Community Revitalization Grant Amendment Reporting – RETAINED

Requires MSF to provide a report of prior year amendments to Michigan Business Development Program and Michigan Community Revitalization Program incentives by March 15. Executive deletes. House, Senate, and Conference retain.

Sec. 1009. Land Purchase Provisions – RETAINED

Prohibits MEDC from purchasing land or land options unless the land is in an economically distressed area or purchase is at invitation of local unit and economic development agency; authorizes consideration of purchases where proposed use is consistent with a regional land use plan, will result in redeveloping an economically distressed area, can be supported with existing infrastructure, and will not cause population to shift from population centers; requires a report that lists all properties purchased, all options on land purchased, the location of the land purchased, and the purchase price if the fund purchases land or purchases options on land. Executive deletes. House, Senate, and Conference retain.

Major Boilerplate Changes from FY 2021-22

Sec. 1013. Fundraising Activity – RETAINED

Prohibits MEDC staff involved in fundraising from being party to grant award, incentives, or tax abatement decisions. Executive deletes. House, Senate, and Conference retain.

Sec. 1033. Film and Digital Media Office Status Report – RETAINED

Requires annual activities report from the Michigan Film and Digital Media Office; requires report to include a listing of all projects that received assistance from the office, a listing of the services provided for each project, and an estimate of the investment leveraged. Executive deletes. House, Senate, and Conference retain.

Sec. 1035. Michigan Council for Arts and Cultural Affairs (MCACA) Grants – RETAINED

Requires MCACA to administer an arts and cultural grant program that maintains an equitable geographic distribution of funding; requires MCACA to publish application criteria; requires report. Executive revises by eliminating prohibition on appropriation being used to support administration of the program. House retains and adds requirement that \$250,000 funding be allocated to the Great Lakes Center for the Arts. Senate and Conference retain.

Sec. 1037. Job Creation Services Report – NOT INCLUDED

Requires a biannual report on the fiscal year-to-date expenditures by division and program unit within the Job Creation Services line item. Executive does not include. House includes new language. Senate and Conference do not include.

Sec. 1041. Business Attraction and Community Revitalization Transfer of Funds – RETAINED

Requires MSF to request not more than 60% of the funds appropriated for Business Attraction and Community Revitalization prior to April 1. Executive deletes. House, Senate, and Conference retain.

Sec. 1054. Employment Opportunity Program Funding Distribution – NEW

Appropriates tax capture revenues collected under the employment opportunity program and allows distribution of payments to qualified businesses pursuant to chapter 8F of the Michigan Strategic Fund Act. Executive includes new language. House does not include. Senate and Conference concur with the executive.

LEO – EMPLOYMENT SERVICES

Sec. 1056. MIOsha Press Release Limitation – DELETED

Prohibits MIOsha from identifying specific employers by name in communications distributed to the press with respect to violations issued under emergency rules. Executive deletes. House retains. Senate and Conference delete.

Sec. 1057. MiOSHA Records – NEW

Requires MiOSHA to maintain physical or virtual records of notes and documents for cases in which an employer was issued a citation or fine for a violation of the Michigan Occupational Safety and Health Act. Executive does not include. House includes new language. Senate does not include. Conference includes new revised language.

Sec. 1058. Employment Services Delivery – NEW

Requires LEO to continue to use local merit staff and the Michigan Works agency staff to deliver employment services, in accordance with Wagner-Peyser Act and the Michigan v. Herman settlement agreement. Conference includes new language.

Sec. 1067. MiSTEM Advisory Council – NEW

Requires MiSTEM Advisory Council to support staff for MiSTEM network and provides support requirements. Executive includes new language. House does not include. Senate and Conference concur with executive.

Sec. 1069. Healthy Michigan Work Requirement Assistance – RETAINED

Authorizes funds appropriated for Workforce Development Program to be used for employment and training-related services and to assist Healthy Michigan plan recipients to secure and maintain training and employment; authorizes funds be used to hire additional department field staff to educate impacted Healthy Michigan Plan recipients on requirements and available services, make referrals, assess and address barriers to employment, and manage other caseload-related impacts; requires quarterly report. Executive deletes. House, Senate, and Conference retain.

Sec. 1071. Jobs for America's Graduates – REVISED

Requires \$3.8 million funding for at-risk youth grants be awarded to the Michigan franchise holder of the national Jobs for America's Graduates program. Executive revises to allocate \$4.8 million to the program. House concurs with allocation changes but deletes language that \$1.0 million may be used to match private funds to the Michigan franchise holder. Senate concurs with the executive. Conference concurs with the House.

Sec. 1077. Unemployment Insurance Agency Branch Offices – RETAINED

Requires funds appropriated for UIA to be used to staff unemployment insurance agency branch offices for in-person appointments for claimant services. Executive deletes. House, Senate, and Conference retain.

Major Boilerplate Changes from FY 2021-22

Sec. 1079. Interagency Agreement for TANF Funds – RETAINED

Requires LEO to provide reporting on the interagency agreement with DHHS for the use of TANF funds; requires report on use of TANF funds by LEO. Executive deletes. House, Senate, and Conference retain.

Sec. 1083. Michigan Rehabilitation Services Funding for Disabled Agricultural Workers – REVISED

Allocates \$50,000 from MRS appropriation line item along with federal matching funds for vocational rehabilitation services to disabled agricultural workers; requires report. Executive revises to strike \$50,000 allocation and make funding permissive. House retains. Senate revises by removing the specific amount of \$50,000 for the funding that is to be allocated for services. Conference concurs with the Senate.

Sec. 1085. Job Development and Community Employment-Related Contracts – RETAINED

Allocates \$6.1 million of MRS funding for service authorizations with accredited, community-based rehabilitation organizations for job development and employment-related services. Executive deletes. House, Senate, and Conference retain.

LEO – COMMISSIONS

Sec. 1091. Ethnic Affairs Commissions' Spending – RETAINED

Requires expenditure of appropriated funds by the commissions to directly relate to mission statements. Executive deletes. House, Senate, and Conference retain.

Sec. 1092. Office of Global Michigan Report – REVISED

Requires Office of Global Michigan to report on activities of office; stipulates reporting requirements. Executive revises to reflect activities of the office. House retains current-year language but revises to also include executive new language. Senate retains. Conference concurs with the House.

LEO – ONE-TIME APPROPRIATIONS

Sec. 1094. Nature, Science, and Cultural Experiences Grant Program – NOT INCLUDED

Requires the Michigan Council for Arts and Cultural Affairs to establish a competitive grant program that awards grants for art, science, nature, history, and culture projects. Executive includes new language. House, Senate, and Conference do not include.

Sec. 1094c. Grand Rapids Amphitheater – NOT INCLUDED

Requires LEO to award \$30.0 million to a county convention and arena authority for a community amphitheater. Executive does not include. House includes new language. Senate and Conference do not include.

Sec. 1094d. Business Incubator Pilot Program – NOT INCLUDED

Requires LEO to allocate \$30.0 million for a business incubator pilot program. Requires that \$22.0 million be used to develop and administer a competitive application-based grant program to organizations that help startup companies or entrepreneurs, \$100 be awarded to the Digital Health Innovation Corridor, and \$8.0 million be allocated to an economic development organization – Lakeshore Advantage SURGE Center. Executive does not include. House includes new language. Senate and Conference do not include.

Sec. 1094d. Food and Safety Education Program – NOT INCLUDED

Requires LEO to award funding to a statewide nonprofit representing Michigan's beverage alcohol industry for grants to food or alcohol licensees for training and education; designates unexpended funds as a work project appropriation. Executive and House do not include. Senate includes new language. Conference does not include.

Sec. 1094f. Blight Elimination Program – NEW

Requires funding for a blight elimination program be awarded through a competitive grant program; designates unexpended funds as a work project appropriation. Executive and House do not include. Senate includes new language. Conference revises Senate language to include 4 specific projects.

Sec. 1094k. Boys and Girls Club – NOT INCLUDED

Requires LEO to award \$1.0 million for facility renovations to a charitable organization that operates a children and teen center. Executive does not include. House includes new language. Senate and Conference do not include.

Sec. 1094k. Michigan Enhancement Grants – NEW

Allocates funding in part 1 to provide grants for specific projects. See Table A at end of LEO analysis. Conference includes new language.

Sec. 1094l. Michigan Infrastructure Grants – NEW

Allocates funding in part 1 to provide grants for specific projects. Conference includes new language.

Major Boilerplate Changes from FY 2021-22

Sec. 1094l. Kids' Food Basket – NOT INCLUDED

Requires LEO to award \$1.0 million to the Kids' Food Basket program. Executive does not include. House includes new language. Senate and Conference do not include.

Sec. 1094m. Economic Development and Workforce Grants – NEW

Allocates funding in part 1 to provide grants for specific projects. See Table B at end of LEO analysis. Conference includes new language.

Sec. 1094m. Women of Tomorrow – NOT INCLUDED

Requires LEO to award \$200,000 to the women's mentoring and scholarship program. Executive does not include. House includes new language. Senate and Conference do not include.

Sec. 1094n. Cancer Institute Project Grant – NEW

Allocates \$100.0 million funding for a grant to Wayne State University Medical Center to partner with a cancer institute on the project. Conference includes new language.

Sec. 1094o. Electric Vehicle Teaching, Training, and Development Center Grant – NEW

Allocates \$130.0 million funding for a grant to the University of Michigan to support an electric vehicle development center; requires report. Conference includes new language.

Sec. 1094p. Dam and Walkway Funding – NEW

State legislative intent that \$850,000 funding appropriated in FY 2021-22 for a dam and walkway project be designated as a work project. Conference includes new language.

Sec. 1094q. Center for Innovation Grant – NEW

Allocates funding in part 1 for an academic research building to support a combined project with the University of Michigan to support economic development and talent development. Conference includes new language.

Sec. 1095. International Talent Attraction Program – NOT INCLUDED

Requires LEO to establish grant program to attract established and start-up businesses to locate or relocate their headquarters to Michigan; requires report. Executive includes new language. House, Senate, and Conference do not include.

Sec. 1095. Industrial Land Development – NOT INCLUDED

Requires LEO to fund a program to help fund site demolition and readiness on certain properties in Detroit to be developed into 8 industrial land projects. Executive does not include. House includes new language. Senate and Conference do not include.

Sec. 1096. Michigan Regional Empowerment Program – NOT INCLUDED

Requires LEO to establish competitive grant program to fund economic projects that fulfil local strategic priorities and that are already in the planning stage and have a local economic impact; requires report. Executive includes new language. House, Senate, and Conference do not include.

Sec. 1097. Michigan Community Development Financial Institution (CDFI) Fund Grants – NEW

Creates the Michigan CDFI Fund and requires grants to be awarded by the Michigan Strategic Fund to eligible community development financial institutions. Executive does not include. House includes new language. Senate does not include. Conference concurs with the House and includes revised language.

Sec. 1098. Education Infrastructure Grants – NOT INCLUDED

Requires LEO to establish a competitive grant program for higher education institutions; requires one \$100.0 million grant to be awarded to improve medical education, health infrastructure and access, and cancer research laboratories; requires a second \$130.0 million grant to be awarded to improve electric vehicle teaching, training, and development in the state; requires report. Executive includes new language. House, Senate, and Conference do not include.

Sec. 1098. ARP - Nonprofit Relief Grants – NEW

Requires LEO to establish a new Nonprofit Relief Grant program to award grant funding to nonprofit community service organizations across the state. Executive does not include. House includes new language. Senate does not include. Conference concurs with the House.

Sec. 1099. Attainable Homeownership and Apprenticeship Program – NOT INCLUDED

Requires State Land Bank Authority to establish a new program to support acquisition, renovation, and resale of properties in land bank inventories; requires report. Executive and House include new language. Senate and Conference do not include.

Major Boilerplate Changes from FY 2021-22

Sec. 1100. Public Sector Employment Marketing Campaign – NOT INCLUDED

Requires LEO to develop a comprehensive statewide marketing campaign to promote public service careers. Executive includes new language. House, Senate, and Conference do not include.

Sec. 1101. Talent Retention and Expansion Program – NOT INCLUDED

Requires funding to be used for sector strategies in key industries for the creation of jobs that address talent shortages and may fund employer-led collaboratives. Executive includes new language. House, Senate, and Conference do not include.

Sec. 1102. Barrier Removal and Employment Supports – NOT INCLUDED

Requires funding to be used for employment, reemployment, and to remove barriers to employment for at-risk individuals. Executive includes new language. House, Senate, and Conference do not include.

Sec. 1103. Young Professionals Plus Program – NOT INCLUDED

Requires funding to be used to provide work experience, career exploration, and career preparedness for individuals ages 14 to 24 from eligible low-income families. Executive includes new language. House, Senate, and Conference do not include.

FY 2022-23: LEGISLATURE
Summary: Conference Report
Article 5, House Bill 5783 (H-2) CR-1



Analyst: Viola Bay Wild

	FY 2021-22 YTD as of 2/9/22	FY 2022-23 Executive	FY 2022-23 House	FY 2022-23 Senate	FY 2022-23 Conference	Difference: Conference From FY 2021-22 YTD	
						Amount	%
IDG/IDT	\$0	\$0	\$0	\$0	\$	\$0	--
Federal	0	0	0	0		0	--
Local	0	0	0	0		0	--
Private	406,000	428,300	428,300	428,300	428,300	22,300	5.5
Restricted	4,706,800	4,965,700	4,965,700	4,965,700	4,965,700	258,900	5.5
GF/GP	181,535,400	178,605,900	179,605,900	178,605,900	181,283,000	(252,400)	(0.1)
Gross	\$186,648,200	\$183,999,900	\$184,999,900	\$183,999,900	\$186,677,000	\$28,800	0.0

Notes: (1) FY 2021-22 year-to-date figures include mid-year budget adjustments through February 9, 2022. (2) Appropriation figures for all years include all proposed appropriation amounts, including amounts designated as "one-time."

Overview

This budget provides funding for the Legislative branch of state government, including the Legislative Council and agencies it governs, the Legislative Retirement System, and Property Management. The legislature enacts the laws of Michigan, levies taxes, and appropriates funding from revenue collected for the support of public institutions and the administration of the affairs of state government. The Legislative Council provides a wide variety of essential services to members and staff of the legislature. The Michigan Legislative Retirement System provides retirement allowances, survivors' allowances, and other benefits for members of the legislature and their spouses, dependents, survivors, and beneficiaries. Property Management employees maintain, operate, and repair the Cora Anderson House of Representatives Office Building and Binsfield Senate Office Building. The Michigan State Capitol Historic Site includes the Capitol Building, its grounds and parking lot, and the Michigan State Capitol Commission.

Major Budget Changes from FY 2021-22 YTD Appropriations

1. Legislative Operations Adjustment

Executive includes \$8.0 million Gross (\$7.7 million GF/GP) to fund increased costs related to legislative employees, property management, and other operations. House and Senate concur. Conference includes \$10.4 million Gross (\$10.1 million GF/GP) increase.

	FY 2021-22 Year-to-Date (as of 2/9/22)	FY 2022-23 Conference Change
Gross	\$175,997,100	\$10,429,900
Private	406,000	22,300
Restricted	4,706,800	258,900
GF/GP	\$170,884,300	\$10,148,700

2. Independent Citizens Redistricting Commission (ICRC)

Executive removes \$3.1 million GF/GP for the ICRC. The Michigan Constitution requires that the terms of the commissioners expire once the commission has completed its work for a census cycle. House, Senate, and Conference concur.

Gross	\$3,108,900	(\$3,108,900)
GF/GP	\$3,108,900	(\$3,108,900)

3. Legislative IT Design Special Project

Executive removes \$7.5 million GF/GP one-time appropriation for phase two of the IT system upgrade to the legislative computer system. House, Senate, and Conference concur.

Gross	\$7,542,200	(\$7,542,200)
GF/GP	\$7,542,200	(\$7,542,200)

4. Legal Operations Reserve Fund

House includes \$750,000 GF/GP one-time appropriation for the Legal Operations Reserve Fund which the legislature may use to legally defend the constitutionality of state laws. Executive, Senate, and Conference do not include.

Gross	\$0	\$0
GF/GP	\$0	\$0

<u>Major Budget Changes from FY 2021-22 YTD Appropriations</u>		<u>FY 2021-22 Year-to-Date (as of 2/9/22)</u>	<u>FY 2022-23 Conference Change</u>
5. Legislative Council – ICRC Report		Gross	\$0
<u>House</u> includes \$100,000 GF/GP for the Legislative Council to fund an independent report on whether the maps adopted by the ICRC comply with the federal voting rights act and what effect the maps will have on the number of minority representatives. <u>Executive</u> and <u>Senate</u> do not include. <u>Conference</u> concurs with the House.		GF/GP	\$0
			\$100,000
6. Opioid Advisory Commission		Gross	\$0
<u>House</u> includes \$150,000 GF/GP to be allocated to the Opioid Advisory Commission within the Legislative Council. <u>Executive</u> and <u>Senate</u> do not include. <u>Conference</u> concurs with the House.		GF/GP	\$0
			\$150,000

Major Boilerplate Changes from FY 2021-22

Sec. 616. Independent Citizens Redistricting Commission (ICRC) – DELETED

Requires council administrator to assist in administering compensation, benefits, and other personnel support for members, employees, staff, and consultants of the Independent Citizens Redistricting Commission. Executive, House, Senate, and Conference delete.

Sec. 617. Independent Citizens Redistricting Commission Reporting – DELETED

Requires a quarterly expenditure and activities report from the ICRC. Executive, House, Senate, and Conference delete.

Sec. 618. Legislative IT Design Special Project Work Project – DELETED

Designates appropriation for the legislative IT design special project as a work project account. Executive, House, Senate, and Conference delete.

Sec. 619. Legal Operations Reserve Fund – NOT INCLUDED

Authorizes the legislature to expend funding from the Legal Operations Reserve Fund to legally defend the constitutionality of state laws; designates unexpended funds as a work project appropriation. Executive does not include. House includes new language. Senate and Conference do not include.

Sec. 619a. Legislative Council: ICRC Report – NOT INCLUDED

Requires the Legislative Council to allocate \$100,000 to complete an independent report on whether the maps adopted by the ICRC comply with the federal voting rights act and what effect the maps will have on the number of minority representatives. Executive does not include. House includes new language. Senate and Conference do not include.

Sec. 619b. Opioid Advisory Commission – NOT INCLUDED

Requires \$150,000 be allocated for the Opioid Advisory Commission located within the Legislative Council. Executive does not include. House includes new language. Senate and Conference do not include.

FY 2022-23: LEGISLATIVE AUDITOR GENERAL
Summary: Conference Report
Article 5, House Bill 5783 (H-2) CR-1



Analyst: Viola Bay Wild

	FY 2021-22 YTD as of 2/9/22	FY 2022-23 Executive	FY 2022-23 House	FY 2022-23 Senate	FY 2022-23 Conference	Difference: Conference From FY 2021-22 YTD	
						Amount	%
IDG/IDT	\$6,345,200	\$6,654,800	\$6,654,800	\$6,654,800	\$6,654,800	\$309,600	4.9
Federal	0	0	0	0	0	0	--
Local	0	0	0	0	0	0	--
Private	0	0	0	0	0	0	--
Restricted	2,170,500	2,329,300	2,329,300	2,329,300	2,329,300	158,800	7.3
GF/GP	18,598,900	19,621,800	19,621,800	19,621,800	19,621,800	1,022,900	5.5
Gross	\$27,114,600	\$28,605,900	\$28,605,900	\$28,605,900	\$28,605,900	\$1,491,300	5.5

Notes: (1) FY 2021-22 year-to-date figures include mid-year budget adjustments through February 9, 2022. (2) Appropriation figures for all years include all proposed appropriation amounts, including amounts designated as "one-time."

Overview

The legislative auditor general is responsible for conducting post financial and performance audits of state government operations. Audit reports provide a continuing flow of information to assist the legislature in its oversight of approximately 100 individual state funds. Audit reports provide citizens with a measure of accountability and assist state departments and agencies in improving financial management of their operations. The goal of the legislative auditor general is to improve accounting and financial reporting practices and promote effectiveness, efficiency, and economy in state government. The mission is to improve the accountability of public funds and to improve the operations of state government for the benefit of the citizens of the state.

Major Budget Changes from FY 2021-22 YTD Appropriations		FY 2021-22 Year-to-Date (as of 2/9/22)	FY 2022-23 Conference Change
1. Auditor General Operations Increase	Gross	\$27,114,600	\$1,491,300
<u>Executive</u> includes \$1.5 million Gross (\$1.0 million GF/GP) for increased	IDG	6,345,200	309,600
costs related to auditor general staff and other operations. <u>House</u> ,	Restricted	2,170,500	158,800
<u>Senate</u> , and <u>Conference</u> concur.	GF/GP	\$18,598,900	\$1,022,900

Major Boilerplate Changes from FY 2021-22

Sec. 624. Authorization to Charge and Collect Fees for Subsequent Audit – RETAINS

Authorizes the auditor general to charge and collect fees for a subsequent audit conducted pursuant to Section 229; states that fees and charges may not exceed cost of audit; provides for expenditure of funds. Executive deletes. House retains. Senate revises to require the auditor general to request reimbursement for cost of audit. Conference retains.

Sec. 625. Access to Confidential Information – REVISED

Specifies legislative intent that the auditor general be authorized to access and examine confidential information of each branch, department, office, board, and other state entities subject to the same duty of confidentiality imposed by law on the entity providing the confidential information. Executive deletes. House retains. Senate includes technical revision to emphasize the auditor general's duty of confidentiality. Conference concurs with the Senate.

FY 2022-23: DEPARTMENT OF STATE
Summary: Conference Report
Article 5, House Bill 5783 (H-2) CR-1



Analyst: Michael Cnossen

	FY 2021-22 YTD as of 2/9/22	FY 2022-23 Executive	FY 2022-23 House	FY 2022-23 Senate	FY 2022-23 Conference	Difference: Conference From FY 2021-22 YTD	
						Amount	%
IDG/IDT	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$0	0.0
Federal	1,460,000	1,460,000	1,460,000	1,460,000	1,460,000	0	0.0
Local	0	0	0	0	0	0	--
Private	50,100	50,100	50,100	50,100	50,100	0	0.0
Restricted	218,218,600	221,007,300	237,966,800	221,007,300	221,007,300	2,788,700	1.3
GF/GP	12,435,600	13,746,600	12,444,800	12,679,300	12,679,300	243,700	2.0
Gross	\$252,164,300	\$256,264,000	\$271,921,700	\$255,196,700	\$255,196,700	\$3,032,400	1.2
FTEs	1,592.0	1,602.0	1560.0	1,315.0	1,592.0	0.0	0.0

Notes: (1) FY 2021-22 year-to-date figures include mid-year budget adjustments through February 9, 2022. (2) Appropriation figures for all years include all proposed appropriation amounts, including amounts designated as "one-time."

Overview

The Department of State (DOS) is the oldest department in Michigan state government. It is administered by the secretary of state, an elected official who serves a four-year term of office and has constitutional and statutory duties. Services provided by the department include registering and titling automobiles, watercraft, and recreational vehicles; regulating automobile dealers and repair facilities; registering voters and administering elections; and streamlining the collection of revenue. The department operates programs designed to enhance driver safety, protect automotive consumers, and ensure the integrity of both the motor vehicle administration system and the statewide elections process.

Major Budget Changes from FY 2021-22 YTD Appropriations

		FY 2021-22 Year-to-Date (as of 2/9/22)	FY 2022-23 Conference Change
1. Mobile Secretary of State Office Expansion	FTE	916.0	0.0
Provides \$1.1 million GF/GP and 10.0 FTE positions to support staffing of 7 mobile secretary of state office vans to provide easy access of services to rural areas and locations with high concentrations of customers vulnerable to COVID-19. <u>House</u> , <u>Senate</u> , and <u>Conference</u> do not include.	Gross	\$91,785,500	\$0
	IDG	20,000,000	0
	Restricted	70,373,000	0
	GF/GP	\$1,412,500	\$0
2. Enhanced Driver License Increase	Gross	\$10,814,200	\$1,000,000
<u>Executive</u> authorizes \$1.0 million Gross (\$0 GF/GP) of state restricted enhanced driver license and enhanced personal identification card fee revenue to reflect increased level of customer transactions due to approaching date of federal REAL ID identification requirements for domestic air travel. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur.	Restricted	10,814,200	1,000,000
	GF/GP	\$0	\$0
3. State Contracted Security Costs	Gross	NA	\$300,000
<u>Executive</u> provides \$300,000 Gross (\$0 GF/GP) to support increased costs statewide of contracted security services at secretary of state branch office locations. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur.	Restricted	NA	300,000
	GF/GP	NA	\$0

		FY 2021-22 Year-to-Date (as of 2/9/22)	FY 2022-23 Conference Change
Major Budget Changes from FY 2021-22 YTD Appropriations			
4. Restricted Revenue Adjustments	Gross	\$2,730,300	(\$2,730,300)
<u>Executive</u> reduces state restricted revenue authorization by \$2.7 million to reflect a decrease in projected revenues due in part to changes from criminal justice reform legislation:	Restricted	2,730,300	(2,730,300)
	GF/GP	\$0	\$0
\$1.0 million – State Lottery Fund \$487,600 – Reinstatement Fees \$396,600 – Vehicle Theft Prevention Fund \$358,500 – Parking Ticket Court Fines \$308,200 – Driver Improvement Course Fund \$163,600 – Child Support Clearance Fees.			
<u>House</u> , <u>Senate</u> , and <u>Conference</u> concur.			
5. FTE and Funding Reduction	FTE	NA	0.0
<u>House</u> reduces \$3.1 million Gross, \$34,500 GF/GP, and 30.0 FTE positions to align FTE authorization and funding to reflect a decrease in filled FTE positions in recent years. <u>Senate</u> reduces a total of 277.0 FTE positions with the following reductions:	Gross	NA	\$0
	Restricted	NA	0
	GF/GP	NA	\$0
- Executive Direction – (13.0) - Operations – (18.5) - Legal Services Operations – (16.0) - Branch Operations – (149.4) - Central Operations – (68.1) - Motorcycle Safety Education Administration – (1.0) - Election Administration and Services – (11.0)			
<u>Executive</u> and <u>Conference</u> do not reduce FTE positions.			
6. TACF/TASF Revenue Replacement	Gross	NA	\$0
<u>House</u> includes \$19.0 million state restricted from the Transportation Administration Support Fund (TASF), created in Treasury under section 949I, to support expenses related to vehicle and driver services, and reduces corresponding amounts of Transportation Administration Collection Fund (TACF) authorization, resulting in a net \$0 Gross change. Revenue from TASF is provided to help address the long-term revenue shortfall anticipated for TACF. Revenue adjustments are:	Restricted	NA	0
	GF/GP	NA	\$0
\$461,700 for Executive Direction. \$2.7 million for Department Operations. \$1.1 million for Property Management. \$10,900 for Worker's Compensation. \$1.5 million for Legal Services. \$5.6 million for Branch Operations. \$3.4 million for Central Operations. \$4.4 million for Information Technology Services and Projects.			
<u>Executive</u> and <u>Senate</u> eliminate TASF appropriations and restore TACF appropriations to customary levels. <u>Conference</u> concurs with House.			
7. Unclassified Reductions	FTE	6.0	0.0
<u>House</u> reduces \$300,000 GF/GP and 2.0 unclassified FTE positions.	Gross	\$711,800	\$0
<u>Executive</u> , <u>Senate</u> , and <u>Conference</u> do not include.	GF/GP	\$711,800	\$0
8. Election Equipment Reserve Fund	Gross	NA	\$0
<u>House</u> provides \$10.0 million of state restricted Election Equipment Reserve Fund revenue to issue grants to county, city, and township clerks to support costs of maintaining and replacing election equipment on an as-needed basis. <u>Executive</u> , <u>Senate</u> , and <u>Conference</u> do not include.	Restricted	NA	0
	GF/GP	NA	\$0

<u>Major Budget Changes from FY 2021-22 YTD Appropriations</u>		<u>FY 2021-22 Year-to-Date (as of 2/9/22)</u>	<u>FY 2022-23 Conference Change</u>
9. Local Election Operations Reserve Fund	Gross	NA	\$0
<u>House</u> provides \$10.0 million of state restricted Local Election Operations Reserve Fund revenue to administer grants for updating voter rolls, election staff training, and election administration security to city and township clerks county, and for training election inspectors, poll challenger training, and voter roll audits to county clerks. <u>Executive</u> does not include. <u>Executive</u> , <u>Senate</u> , and <u>Conference</u> do not include.	Restricted	NA	0
	GF/GP	NA	\$0
10. Post-Election Audit Study	Gross	NA	\$0
<u>House</u> provides \$100,000 GF/GP for the department of state to conduct a study on the effectiveness of the state's post-election audit processes compared to other states. <u>Executive</u> , <u>Senate</u> , and <u>Conference</u> do not include.	GF/GP	NA	\$0
11. Economic Adjustments	Gross	NA	\$4,462,700
<u>Executive</u> , <u>House</u> , <u>Senate</u> , and <u>Conference</u> provide for increased costs of \$4.5 million Gross (\$243,700 GF/GP) for negotiated salary and wage increases (5.0% on October 1, 2022 and 0.5% to annualize the FY 2021-22 1.0% increase that began on April 1, 2022), actuarially required retirement contributions, worker's compensation, building occupancy charges, and other economic adjustments.	Restricted	NA	4,219,000
	GF/GP	NA	\$243,700

Major Boilerplate Changes from FY 2021-22

Sec. 703. Commercial Look-Up Fees – RETAINS

Authorizes DOS to sell copies of records for various conveyances and to use revenue to finance expenses; requires revenue balance at fiscal year-end to be credited to Transportation Administration Collection Fund; requires department to provide quarterly report on number of records sold and revenue collected. Executive revises to increase record look-up fee from \$11 to \$15 per record, eliminate requirement to submit report within 15 days of close of quarter, and include number of records sold and revenues collected. House, Senate, and Conference retain current law. **(NOTE: \$4 fee increase for record look-up would generate approximately \$19.0 million annually for deposit into the Transportation Administration Collection Fund (TACF) to address long-term revenue shortfalls. Revenue increase is not reflected under major budget changes as it aims to align revenue with current baseline TACF appropriations.)**

Sec. 703a. Bulk Records Sales – RETAINS

Authorizes secretary of state to contract for sale of lists of driver and motor vehicle records and other records maintained under Michigan Vehicle Code in bulk, in addition to those lists distributed at cost or at no cost under this section for purposes permitted by and described in section 208c(3) of the Michigan Vehicle Code; requires secretary of state to require each purchaser of bulk records to execute written purchase contract; permits secretary of state to affix cost of not over \$35 per 1,000 records requested. Executive retains current law. House and Senate revise to reduce price to \$19 per 1,000 records from October 1, 2022 to March 31, 2023, and to \$20 starting April 1, 2023. Conference retains current law.

Sec. 705. Department Publications – RETAINED

Authorizes DOS to accept gifts and grants to underwrite publications pertaining to the vehicle code, and authorizes DOS to approve paid advertising in such publications; authorizes unexpended funds to be carried forward into the next fiscal year; requires report. Executive and House maintain current language. Senate deletes. Conference retains current language.

Sec. 712. Automotive Repair Facilities Training Video – RETAINED

Authorizes DOS to produce and sell automotive repair facilities training video and charge a fee not to exceed cost of production and distribution; requires fee revenue to be deposited into auto repair facility account. Executive and House maintain current language. Senate deletes. Conference retains current language.

Sec. 714. Branch Office Closings or Consolidations – RETAINED

Requires legislature to be notified in writing at least 180 days prior to closing a branch office or 60 days prior to relocating a branch outside of its current local unit of government; notification to include analyses of branch transactions and revenue, citizen impact, and savings and costs. Executive deletes. House, Senate, and Conference retain. *(Governor declared this section unenforceable in FY 2021-22.)*

Major Boilerplate Changes from FY 2021-22

Sec. 715. Credit or Debit Card Service Assessments – RETAINED

Provides for collection and expenditure of service assessments imposed for use of a credit or debit card; allows service assessment revenue to be carried forward and appropriated in next fiscal year. Executive and House maintain current language. Senate deletes. Conference retains current language.

Sec. 716. Mobile Branch Office Report – NOT INCLUDED

House requires a report on the activities, costs, and miles driven of all mobile office units and a list of locations where the mobile offices served customers. Executive, Senate, and Conference do not include.

Sec. 718. Full-Time Walk-In Branch Office Services – RETAINED

Requires department to maintain “adequate in-person services” as defined in the Michigan Vehicle Code, MCL 257.1a.; defined as “providing in-person service options, without the requirement of an advance appointment, on each day and at each location a secretary of state branch office is open for services in this state”. Executive deletes. House, Senate, and Conference retain. (Governor declared this section unenforceable in FY 2021-22.)

Sec. 719. State HAVA Grant Report – NEW

House requires a report on reimbursements to counties, cities, and townships from the department's election security grant program funded by federal Help America Vote Act funding. Executive and Senate do not include. Conference includes new House section and revises to not require reporting on expenses of election training or costs related to voter confidence, kits, posters, or other information campaigns

Sec. 720. Mass Election Mailings – RETAINED

Requires secretary of state, except for under certain conditions, to notify speaker of the house, senate majority leader, and relevant local government clerks of any election-related mailing to 20 percent or more of registered voters in any voting precinct and to provide a copy of planned mailing not later than 14 days before sending mailing. Executive deletes. House, Senate, and Conference retain.

Sec. 720a. Election Notices Report – NEW

Requires the department to report on figures on voter registrations from information returned from change of address notifications sent by local clerks and the secretary of state. Executive and House do not include. Senate adds. Conference includes new Senate section and revises to not require reporting on information received by local clerks and not immediately available to the Bureau of Elections.

Sec. 721. Ballot Proposal 2 Cost Report – DELETED

Requires DOS to submit quarterly report on all expenditures associated with establishing Independent Citizens Redistricting Commission and its role as secretary of commission as required by constitutional amendment approved under Ballot Proposal 2 of 2018. Executive deletes. House, Senate, and Conference concur.

Sec. 721a. Ballot Proposal 3 Cost Report – DELETED

Requires DOS to submit quarterly report on all expenditures associated with implementing changes and new procedures and purchasing equipment needed for implementing same-day registration and no-reason absentee voting as required by constitutional amendment approved under Ballot Proposal 3 of 2018. Executive deletes. House revises to require biannual reporting on expenditures related to materials, equipment, personnel, grants, other administrative cost of absentee voting and same-day voter registration. Senate retains. Conference deletes.

Sec. 722. Legacy Mainframes System Modernization – REVISED

Authorizes DOS to spend funds to modernize legacy mainframe systems; requires report of modernization project detailing costs and various updates on project. Executive deletes. House revises by requiring a report on ongoing costs the department's modernized automated IT system, the Customer and Automotive Records System (CARS), as it transitions from implementation to maintenance costs. Senate retains. Conference concurs with House.

Sec. 722a. MERTS Election System Report – NEW

House requires a report describing the progress made on updating the Michigan Electronic Reporting and Tracking System (MERTS) and on contracting to modernize or replace the system, including a timeline towards completing the modernization, key implementation dates, and anticipated costs. Executive and Senate do not include. Conference concurs with House.

Sec. 730. Election Equipment Reserve Fund – NOT INCLUDED

Requires the department to issue grants to local issue grants to county, city, and township clerks to support costs of maintaining and replacing election equipment on an as-needed basis; designates unexpended funds as a work project appropriation. Executive, Senate, and Conference do not include.

Major Boilerplate Changes from FY 2021-22

Sec. 731. Local Election Operation Reserve Fund – NOT INCLUDED

House requires the department of state to administer grants to county, city, and township clerks. Grants to cities and townships are to support updating voter rolls, election staff training, and improving election administration security. Grants to counties are to support training for election inspectors, poll challenger training; and to audit the county's voter rolls; prohibits grant funding to be used for bonuses or wage increases; conditions award of grant on applicants agreeing not to accept funding from any private or non-profit entity; requires grantees to submit annual expenditure reports and for the department to report that information; provides \$1,875 for every 2,999 active registered voters in the municipality to cities and townships and \$188 for every municipal precinct in the county to counties ;designates unexpended funds as a work project appropriation and requires annual reports to the legislature. Executive, Senate, and Conference do not include.

Sec. 732. Post-Election Audit Study and Report – NOT INCLUDED

House requires the department of state to conduct a study on the effectiveness of the state's post-election audit processes compared to other states; requires report on local units that have or have not complied with post-election audit training requirements. Executive, Senate, and Conference do not include.

**FY 2022-23: DEPARTMENT OF TECHNOLOGY,
MANAGEMENT, AND BUDGET**
Summary: Conference Report
Article 5, House Bill 5783 (H-2) CR-1



Analyst: Michael Cnossen

	FY 2021-22 YTD as of 2/9/22	FY 2022-23 Executive	FY 2022-23 House	FY 2022-23 Senate	FY 2022-23 Conference	Difference: Conference From FY 2021-22 YTD	
						Amount	%
IDG/IDT	\$1,057,210,900	\$1,047,125,600	\$1,046,778,500	\$1,046,581,000	\$1,047,125,600	(\$10,085,300)	(1.0)
Federal	10,129,800	5,217,200	10,871,700	5,217,200	5,217,200	(4,912,600)	(48.5)
Local	2,328,700	2,331,200	2,331,200	2,331,200	2,331,200	2,500	0.1
Private	234,700	137,400	137,400	137,400	137,400	(97,300)	(41.5)
Restricted	121,020,600	123,219,300	122,675,400	122,891,800	123,219,300	2,198,700	1.8
GF/GP	517,745,100	676,209,000	474,230,400	459,665,500	657,109,000	139,363,900	26.9
Gross	\$1,708,669,800	\$1,854,239,700	\$1,657,024,600	\$1,636,824,100	\$1,835,139,700	\$126,469,900	7.4
FTEs	3,147.0	3,183.0	3,143.0	2,652.2	3,167.0	20.0	0.6

Notes: (1) FY 2021-22 year-to-date figures include mid-year budget adjustments through February 9, 2022. (2) Appropriation figures for all years include all proposed appropriation amounts, including amounts designated as "one-time."

Overview

The Department of Technology, Management, and Budget (DTMB) is the centralized service agency for the executive branch. Its responsibilities include information technology services and project support for state departments and agencies; state facility and lease management; the state motor vehicle fleet; state purchasing and procurement; state retirement systems; internal audit; state budget development and monitoring; and state accounting and financial control systems. Autonomous units within DTMB include the following: State Budget Office, Office of the State Employer, Civil Service Commission, Office of Retirement Services, State Administrative Board, and the Office of Children's Ombudsman.

Major Budget Changes from FY 2021-22 YTD Appropriations

1. ITIF Legacy IT System Projects (One-Time)

Executive provides a net increase of \$100.0 million GF/GP from FY 2021-22 with \$115.0 one-time GF/GP to Information Technology Investment Fund project portfolio (ITIF) to support new information technology legacy system modernization projects. ITIF would receive \$150.0 million GF/GP total, with recommended ongoing funding of \$35.0 million GF/GP, to support 13 projects including replacement of Unemployment Insurance Agency's automated system (MiDAS). House decreases combined one-time and ongoing appropriations by \$5.0 million GF/GP. Senate reduces ongoing appropriation by \$3.0 million GF/GP and provides a \$100 placeholder as a one-time appropriation. Conference maintains ongoing funding and provides \$100,000,000 GF/GP in one-time funding for an increase of \$85,000,000 from FY 2021-22.

	FY 2021-22 Year-to-Date (as of 2/9/22)	FY 2022-23 Conference Change
Gross	\$50,000,000	\$85,000,000
GF/GP	\$50,000,000	\$85,000,000

2. State Facilities Special Maintenance (One-Time)

Executive provides an additional \$70.0 million in one-time GF/GP for maintenance, demolition, and infrastructure projects for 800 buildings and 5,000 structures that the state owns. With \$28.0 million GF/GP in the current year base, a total of \$98.0 million would be available for special maintenance projects. House and Senate do not include. Conference concurs with Executive.

Gross	\$28,000,000	\$70,000,000
GF/GP	\$28,000,000	\$70,000,000

		FY 2021-22 Year-to-Date (as of 2/9/22)	FY 2022-23 Conference Change
Major Budget Changes from FY 2021-22 YTD Appropriations			
3. State Fleet Electric Vehicles (One-Time)	Gross	\$82,017,200	\$0
<u>Executive</u> provides \$10.0 million GF/GP to begin transitioning the state's fleet of 7,000 vehicles to electric vehicles to demonstrate commitment to electric vehicle mobility and clean energy economy. <u>House</u> , <u>Senate</u> , and <u>Conference</u> do not include.	IDG	82,017,200	0
	GF/GP	\$0	\$0
4. MiLogin Program Augmentation and Stabilization	FTE	17.0	8.0
<u>Executive</u> provides \$5.0 million GF/GP and 8.0 FTE positions to support increased use and adoption of the state's online single sign-on platform following workers' transition to remote work. <u>Executive</u> recommends corresponding \$2.5 million GF/GP increase for FY 2021-22. <u>House</u> and <u>Senate</u> do not include. <u>Conference</u> concurs with <u>Executive</u> .	Gross	\$9,693,200	\$5,000,000
	GF/GP	\$9,693,200	\$5,000,000
5. Michigan Infrastructure Office	FTE	NA	0.0
<u>Executive</u> provides \$5.0 million GF/GP and 5.0 FTE positions to establish a new office that will coordinate efforts across department agencies to help ensure federal funding available to the state from the Infrastructure Investment and Jobs Act is used effectively and efficiently. \$5.0 million in federal State Fiscal Recovery Fund revenue was appropriated for the office in 2022 PA 53. <u>House</u> , <u>Senate</u> , and <u>Conference</u> do not include.	Gross	NA	\$0
	GF/GP	NA	\$0
6. Energy Efficiency Revolving Fund (One-Time)	Gross	\$5,000,000	(\$5,000,000)
<u>Executive</u> continues FY 2021-22 one-time \$5.0 million GF/GP funding into FY 2022-23, for a \$0 change in FY 2022-23, for up-front financing of projects at state facilities that achieve energy efficiency or renewable energy; aims for re-investment of resources in new projects on continual basis to establish long-term funding aimed at reducing state's carbon footprint. <u>House</u> , <u>Senate</u> , and <u>Conference</u> do not include.	GF/GP	\$5,000,000	(\$5,000,000)
7. Cyber Security and Infrastructure Protection Division	FTE	25.0	19.0
<u>Executive</u> provides \$3.1 million GF/GP and 19.0 FTE positions for additional staffing and resources for the state's cybersecurity protection office. FTE positions would be allocated as follows:	Gross	\$14,149,200	\$3,070,200
9.0 for Governance, Risk, and Compliance Program to perform security accreditation and risk assessments of all enterprise IT systems 8.0 for security operations to support front-line program for monitoring critical IT systems for threats 2.0 for security architecture to ensure legacy system replacements and upgrades have adequate security protocols.	GF/GP	\$14,149,200	\$3,070,200
<u>House</u> provides \$1.5 million GF/GP and 10.0 FTE positions. <u>Senate</u> does not include. <u>Conference</u> concurs with <u>Executive</u> .			
8. State Office Space Realignment Assessment (One-Time)	Gross	NA	\$0
<u>Executive</u> provides \$1.0 million GF/GP to support office redesign and moving costs over upcoming years as state continues assessment of optimization of state office space and work options following workers' transition to remote work during the pandemic. <u>House</u> , <u>Senate</u> , and <u>Conference</u> do not include.	GF/GP	NA	\$0
9. New Grand Rapids State Police Facility	Gross	\$95,451,500	\$2,000,000
<u>Executive</u> provides \$2.0 million Gross (\$0 GF/GP) to support building management and operational costs of the new State Police facility near Grand Rapids which opened in 2021. Costs cover maintaining the building, equipment, and grounds, overseeing building-related security, utilities, and parking, and asset and preventive maintenance planning. <u>House</u> concurs. <u>Senate</u> does not include. <u>Conference</u> concurs with <u>Executive</u> .	IDG	93,951,500	2,000,000
	GF/GP	\$1,500,000	\$0

Major Budget Changes from FY 2021-22 YTD Appropriations		FY 2021-22 Year-to-Date (as of 2/9/22)	FY 2022-23 Conference Change
10. Central Data Analytics Center			
<u>Executive</u> reduces \$750,000 from one-time GF/GP funding in FY 2021-22 to provide an ongoing \$2.0 million GF/GP to support operations of new central data analytics center for research and information sharing among state departments. Funding would enable implementation and operation of data center that was initiated with current year one-time funding. <u>House</u> concurs. <u>Senate</u> eliminates funding. <u>Conference</u> provides \$1,850,000 GF/GP for a decrease of \$900,000 from FY 2021-22 one-time funding.		Gross \$2,750,000	(\$900,000)
	GF/GP	\$2,750,000	(\$900,000)
11. Central Procurement IT Solicitation			
<u>Executive</u> provides \$473,300 GF/GP and 2.0 FTE positions for new procurement software and to assist state agencies with IT contract development as procurement documents have increased in complexity to ensure data security and safeguarding provisions are properly included. <u>House</u> concurs. <u>Senate</u> does not include. <u>Conference</u> concurs with Executive.		FTE 104.0	2.0
	Gross	\$13,471,100	\$473,300
	IDG	452,900	0
	Restricted	9,118,300	0
	GF/GP	\$3,899,900	\$473,300
12. Delegated Procurement Support			
<u>Executive</u> provides \$872,100 Gross (\$0 GF/GP) and 7.0 FTE positions to support increasing workload in delegated procurement process for contracts under \$500,000 due to increases in delegated authority thresholds. <u>House</u> concurs. <u>Senate</u> does not include. <u>Conference</u> concurs with Executive.		FTE 173.5	7.0
	Gross	\$26,156,400	\$872,100
	IDG	15,751,300	544,600
	Restricted	4,946,100	327,500
	GF/GP	\$5,459,000	\$0
13. DTMB Vehicle Fleet Rate Changes			
<u>Executive</u> provides \$3.6 million in IDG funding to reflect increased vehicle travel and insurance service rate adjustments. <u>House</u> and <u>Senate</u> concur. <u>Conference</u> concurs with Executive.		Gross \$82,017,200	\$3,622,500
	IDG	82,017,200	3,622,500
	GF/GP	\$0	\$0
14. LMISI Private Funds Placeholder			
<u>Executive</u> reduces current year private funding authorization by \$99,900 to provide \$100 to serve as placeholder for legislative contingency authorization transfers of potential private philanthropic grants revenue to programs under the Bureau of Labor Market Information and Strategic Initiatives. The Bureau received \$100,000 in private grant funding for the Data for the American Dream Initiative in FY 2021-22. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur.		Gross \$5,989,900	(99,900)
	Federal	4,943,900	0
	Local	35,000	0
	Private	100,000	(99,900)
	GF/GP	\$911,000	\$0
15. Annual IT IDG Baseline Adjustment			
<u>Executive</u> reduces IDG funding authorization by \$22.6 million to reflect projects and service adjustments in other executive department and agency budgets, administrative cost allocation changes, and IT budgetary requests made by departments and agencies and provides 6.0 FTE positions to support IT and network capabilities associated with regulating internet gaming. Technology Service appropriation lines are prorated by department based on their total IT budget. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur.		FTE NA	6.0
	Gross	NA	(\$22,605,100)
	IDG	NA	(22,605,100)
	GF/GP	NA	\$0
16. IT Personnel Transfer to Lottery			
<u>Executive</u> transfers \$1.5 million Gross (\$0 GF/GP) and 11.0 FTE positions to Michigan Bureau of State Lottery to organize employees by tasks typically performed by agencies. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur.		FTE 11.0	(11.0)
	Gross	\$1,459,300	(\$1,459,300)
	IDG	1,459,300	(1,459,300)
	GF/GP	\$0	\$0
17. Building Security Cost Increase and Funding Shift			
<u>Executive</u> reduces \$1.5 million GF/GP and increases IDG authorization by \$1.3 million to shift funding for FY 2021-22 increased security costs at state-owned facilities to departments for a \$200,000 Gross decrease. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur.		Gross \$1,500,000	(\$200,000)
	IDG	0	1,300,000
	GF/GP	\$1,500,000	(\$1,500,000)

Major Budget Changes from FY 2021-22 YTD Appropriations		FY 2021-22 Year-to-Date (as of 2/9/22)	FY 2022-23 Conference Change
18. SWCAP Adjustment		Gross	NA
<u>Executive</u> reallocates fund sourcing associated with annual Statewide Cost Allocation Plan (SWCAP) for a net change of \$0 Gross and decrease of \$23,400 GF/GP. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur.		IDG	NA
		Restricted	NA
		GF/GP	NA
			(\$23,400)
19. IT IDG Line Item Consolidation		Gross	NA
<u>Executive</u> consolidates funding for five IT IDG line items and FTE positions, totaling \$267.8 million, into Information Technology Services line item which would receive all department IT IDG funding of \$829.4 million, for a net \$0 change. Consolidations would reflect delivery of IT services being project-based instead of department-based. Consolidations by line item:		IDG	NA
		GF/GP	NA
			\$0
• Education Services - \$5.0 million and 33.0 FTE positions • General Services - \$135.8 million and 356.5 FTE positions • Public Protection - \$64.1 million and 162.5 FTE positions • Resources Services - \$21.8 million and 154.5 FTE positions • Transportation Services - \$41.1 million and 99.5 FTE positions.			0
<u>House</u> does not consolidate line items. <u>Senate</u> concurs with <u>Executive</u> . <u>Conference</u> does not consolidate line items.			\$0
20. Civil Service Commission Transfers		FTE	NA
<u>Executive</u> transfers \$400,000 Gross (\$152,000 GF/GP) and 7.0 FTE positions for two separate requests to align staffing and funding with agency operations for a net \$0 and 0.0 FTE position change. Transfers include:		Gross	NA
		IDG	NA
		GF/GP	NA
			0.0
• \$400,000 from Executive Direction to Information Technology Services and Projects • 2.0 FTE positions from Employee Benefits to Executive Direction • 5.0 FTE positions from Human Resources Operations to Information Technology Services and Projects.			\$0
<u>House</u> , <u>Senate</u> , and <u>Conference</u> concur.			\$0
21. Removal of Current Year One-Time Funding		Gross	\$42,050,000
<u>Executive</u> , <u>House</u> , <u>Senate</u> , and <u>Conference</u> eliminate \$42.1 million Gross (\$37.1 million GF/GP) of one-time funding appropriated in FY 2021-22:		Federal	5,000,000
		GF/GP	\$37,050,000
			(\$42,050,000)
• \$20.0 million GF/GP for advanced cybersecurity threats • \$12.3 million GF/GP for legal services • \$1.7 million GF/GP for PPE stockpile warehouse operations • \$1.0 million GF/GP for business incentive study • \$1.0 million GF/GP for statewide PPE stockpile • \$500,000 GF/GP for Indiana border survey cost study • \$300,000 GF/GP for vendor data tracking • \$250,000 GF/GP for state innovation waiver actuarial study • \$5.0 million federal funding for COVID-19 Office of Accountability.			(5,000,000)
			(\$37,050,000)
22. Business Incentive		Gross	NA
<u>House</u> provides \$1.0 million GF/GP to continue implementation of the Economic Development Incentive Evaluation Act (2018 PA 540) which requires the department to contract with a private entity, nonprofit entity, or academic institution for the evaluation of economic development incentives. This appropriation would retain FY 2021-22 funding noted as being removed in item number 21. <u>Executive</u> and <u>Senate</u> do not include. <u>Conference</u> concurs with <u>House</u> and moves to ongoing Administrative Services line item.		GF/GP	NA
			\$1,000,000

Major Budget Changes from FY 2021-22 YTD Appropriations		FY 2021-22 Year-to-Date (as of 2/9/22)	FY 2022-23 Conference Change
23. Vendor Data Tracking	Gross	NA	\$300,000
<u>House</u> includes \$300,000 GF/GP to support the continuation and expansion of a subscription for a supplier risk and information tracking system used for a pre-contract risk assessment program. This appropriation would retain FY 2021-22 funding noted as being removed in item number 21. <u>Executive</u> does not include. <u>Senate</u> provides \$1.5 million GF/GP. <u>Conference</u> concurs with House and moves to ongoing Business Support Services line item.	GF/GP	NA	\$300,000
24. Geological Survey Repository for Research and Education	Gross	NA	\$0
<u>House</u> includes \$6.0 million federal State Fiscal Recovery Fund revenue for the Michigan Geological Survey to purchase a larger facility or expand its current facility in Kalamazoo. <u>Executive</u> , <u>Senate</u> , and <u>Conference</u> do not include.	Federal	NA	0
	GF/GP	NA	\$0
25. Software License Purchasing Review	Gross	NA	\$750,000
<u>Senate</u> provides \$1.5 million GF/GP for vendor contract costs to provide an enterprisewide review of data security and software licensing purchases to achieve potential efficiencies. <u>Executive</u> and <u>House</u> do not include. <u>Conference</u> provides 750,000 GF/GP.	GF/GP	NA	\$750,000
26. FTE and Reductions	FTE	NA	(11.0)
<u>House</u> reduces \$2.0 million Gross, \$743,500 GF/GP, and 18.0 FTE positions to align FTE authorization and funding to reflect a decrease in filled FTE positions in recent years. \$550,000 and 5.0 FTE positions were each reduced from the Administrative Services, Bureau of Labor Market Information and Strategies, and Business Support Services line items and \$330,000 and 3.0 FTE positions were reduced from the Budget and Financial Management line item.	Gross	NA	\$0
<u>Senate</u> reduces a total of 488.8 FTE positions with the following changes:	GF/GP	NA	\$0
• Administrative Services – (32.7) • Building Operation Services – (28.4) • Budget and Financial Management – (8.8) • Bureau of Labor Market Information and Strategies – (15.6) • Business Support Services – (25.6) • Design and Construction Services – 3.0 • Executive Operations – (4.0) • Motor Vehicle Fleet – (5.4) • Office of the State Employer – (6.0) • Information Technology Services – (299.5) • Michigan Public Safety Communication System – (29.0) • Retirement Services – (5.0) • Office of Children's Ombudsman – (4.0) • Agency Services – (11.7) • CSC Executive Direction – (6.0) • Human Resources Operations – (10.1)			
<u>Executive</u> does not reduce FTE positions. <u>Conference</u> reduces 16.0 FTE positions from the Resource Services IT line item and adds 5.0 FTE positions to the Budget and Financial Services line item for a net reduction of 11.0 FTE positions.			
27. Unclassified FTE Position Removal	FTE	6.0	0.0
<u>Senate</u> removes 1.0 unclassified FTE position. <u>Executive</u> , <u>House</u> , and <u>Conference</u> maintain current FTE positions.	Gross	\$975,000	\$0
	IDG	521,000	0
	Restricted	72,100	0
	GF/GP	\$381,900	\$0

<u>Major Budget Changes from FY 2021-22 YTD Appropriations</u>		<u>FY 2021-22 Year-to-Date (as of 2/9/22)</u>	<u>FY 2022-23 Conference Change</u>
28. Economic Adjustments	Gross	NA	\$11,696,100
Executive, House, Senate, and Conference provide for increased costs of \$11.7 million Gross (\$3.2 million GF/GP) for negotiated salary and wage increases (5.0% on October 1, 2022 and 0.5% to annualize the FY 2021-22 1.0% increase that began on April 1, 2022), actuarially required retirement contributions, worker's compensation, building occupancy charges, and other economic adjustments.	IDG	NA	6,882,400
	Federal	NA	87,400
	Local	NA	2,500
	Private	NA	2,600
	Restricted	NA	1,477,400
	GF/GP	NA	\$3,243,800

Major Boilerplate Changes from FY 2021-22

Sec. 801. Contingency Funding – RETAINED

Appropriates up to \$2.0 million in federal, \$4.0 million in state restricted, \$75,000 in local, and \$50,000 in private contingency funds; authorizes expenditure of funds after legislative transfer to specific line items. Executive revises to appropriate up to \$4.0 million in federal, \$8.0 million in state restricted, \$150,000 in local, and \$2.0 million in private contingency funds. House retains current authorizations. Senate deletes. Conference retains current law.

Sec. 802. Appropriation of Proceeds from Auctions of State Surplus – RETAINED

Appropriates proceeds from transfer or auction of state surplus property; requires amounts in excess of costs incurred to be used to offset costs incurred in acquiring and distributing surplus property; requires DTMB to provide consolidated internet auction services for local units of government. Executive and House maintain current year language. Senate deletes. Conference retains.

Sec. 803. Statewide Administrative and Support Services – RETAINED

Provides for receipt and expenditure of funds for various administrative and support services provided to state departments, agencies, community colleges, and universities; authorizes unexpended fee revenue to carry forward at close of fiscal year. Executive and House maintain current year language. Senate revises to authorize the department to spend and request reimbursement for services from departments instead of authorizing receipt and expenditure. Conference retains.

Sec. 815. Special Maintenance, Remodeling, and Additions for State Agencies – NOT INCLUDED

Executive appropriates federal and restricted funds earned based on initiatives undertaken with the funds appropriated for Special Maintenance, Remodeling, and Additions for State Agencies; requires the state budget director to determine the appropriate manner for implementing this section; requires the department to notify the legislature within 10 days of effectuating appropriations authorized under this section. House, Senate, and Conference do not include.

Sec. 816. Information Technology Investment Fund – NOT INCLUDED

Executive appropriates federal and restricted funds earned based on initiatives undertaken with the funds appropriated for enterprisewide information technology investments; requires the state budget director to determine the appropriate manner for implementing this section. House, Senate, and Conference do not include.

Sec. 816. Privatization RFPs – RETAINED

Requires RFP issued for purpose of privatization to include all factors to be used in evaluating and determining price. Executive deletes. House, Senate, and Conference retain. (*Governor declared this section unenforceable in FY 2021-22.*)

Sec. 821. Office of Retirement Services Report – REVISED

Requires the Office of Retirement Services (ORS) to produce a report on the Judges Retirement System, Military Retirement System, Michigan Public School Employees' Retirement System, State Employees' Retirement System, and State Police Retirement System showing tables and charts of the annual required contribution flow per fiscal year and a justification if the payroll growth assumption is maintained at or above 0% for any pension or OPEB plan; requires additional items to be reported for the Michigan Public School Employees' Retirement System; requires ORS to post the most recent year's CAFR for each plan. House revises to eliminate requirement to report on annual required contribution payment charts based on basis points less than the current annualized rate of return. Executive and Senate maintain current year language. Conference concurs with House.

Sec. 822d. Report on Fee Rate Schedules – RETAINED

Requires a report on fee and rate schedules used by state departments and agencies for services to include changes in fees and rates and an explanation of the factors used to justify increased changes. Executive deletes. House, Senate, and Conference retain.

Major Boilerplate Changes from FY 2021-22

Sec. 822n. Request for Proposals Website – RETAINED

Requires DTMB to establish a request for proposals website that is searchable by department and agency. House, Senate, and Conference retain.

Sec. 822o. Business Incentive Study – REVISED

Requires one-time appropriated funds for Business Incentive Study to be used to implement Economic Development Incentive Evaluation Act (2018 PA 540). House retains as section 890. Executive and Senate delete. Conference revises to reflect transfer of \$1.0 million GF/GP from one-time appropriations unit to ongoing Administrative Services line and rennumbers as Sec. 822o.

Sec. 822p. Supplier Risk Assessment Program – RETAINED

Requires DTMB to maintain a comprehensive supplier risk and information subscription used for the pre-contract risk assessment program described in 2017 PA 107. Executive deletes. House retains as section 892. Senate retains. Conference revises to reflect transfer of \$300,000 GF/GP from one-time appropriations unit to ongoing Business Support Services line and rennumbers as Sec. 822p.

Sec. 823. Sale of Paid Advertising – DELETED

Permits DTMB to sell paid advertising on or sponsorships for state websites; requires advertising revenue up to \$250,000 to be used for operating costs and future IT enhancements; requires advertising revenue in excess of \$250,000 to be deposited in general fund; provides for receipt and expenditure of gifts to underwrite state websites. House revises to delete subsection authorizing receipt of revenue from selling advertisements on state websites. Executive maintains current year language. Senate and Conference delete.

Sec. 824. Spatial Information and Technical Services – RETAINED

Authorizes DTMB to receive and expend funds for supplying spatial information and technical services to other state departments, local units of government, and other organizations; requires report of fund sources and expenditures. Revised to delete reporting requirement. Executive deletes. House, Senate, and Conference retain.

Sec. 829. Life-Cycle of Hardware and Software – RETAINED

Requires report that analyzes and makes recommendations on the life-cycle of IT hardware and software. Executive deletes. House, Senate, and Conference retain.

Sec. 830. Enterprise IT Project Reporting – DELETED

Requires quarterly report on active and closed IT projects throughout all executive branch departments with information on schedule, budget, cost, project changes, project success scores, and number of completed projects that have exceeded their initial schedule and budget estimates. House concurs. Senate retains. Conference deletes.

Sec. 832. Child Support Enforcement System – RETAINED

Requires DTMB to notify the legislature of potential or actual penalties for failure of Michigan Child Support Enforcement System to achieve federal certification; requires additional reporting in the event of penalties being imposed. Executive deletes. House, Senate, and Conference retain.

Sec. 836. RFI for UIA Information System Rebid – DELETED

Requires department to use third-party vendor to compile business requirements to be incorporated into the RFP for rebid of unemployment insurance benefits system. Executive deletes. House, Senate, and Conference concur. (*Governor declared this section unenforceable in FY 2021-22.*)

Sec. 836. Required ITIF Projects – NOT INCLUDED

House requires three information technology project be funded from funds appropriated for the Information Technology Investment Fund. Executive, Senate, and Conference do not include.

Sec. 838. Solar Energy Projects Selection Process – RETAINED

Authorizes requests for proposals or other arrangements for installation of solar energy projects at state-owned or leased facilities to consider the value of the lifecycle carbon emissions in manufacturing of solar equipment as part of selection process; requires DTMB to report on implementation of this section. Executive deletes. House, Senate, and Conference retain.

Sec. 840. EPMO Performance Measures – RETAINED

Requires development and use of metrics for activities related to funds appropriated to Enterprise Portfolio Management Office. Executive deletes. House, Senate, and Conference retain.

Sec. 862. Capital Outlay Required Reports – RETAINED

Requires DTMB to provide various detailed reports to Joint Capital Outlay Subcommittee and fiscal agencies with status of each planning or construction project financed by SBA. Executive deletes. House, Senate, and Conference retain.

Major Boilerplate Changes from FY 2021-22

Sec. 863. Capital Outlay Rental Increase Approval – RETAINED

Requires proposed new or renewal rental spaces or facilities for which the annual base cost is more than \$500,000 to receive approval from the Joint Capital Outlay Subcommittee (JCOS) prior to being approved by the State Administrative Board; waives JCOS approval in emergency situations and requires department to notify JCOS within 5 days after executing agreement. Executive deletes. House, Senate, and Conference retain. (Governor declared this section unenforceable in FY 2021-22.)

Sec. 863a. State Building Occupancy and Use Report – REVISED

Requires DTMB to submit report which evaluates office building and space usage by all state departments and develop a projection for future building occupancy; lists additional report requirements including projections of amounts of state-owned and leased buildings, comparisons of past occupancy levels with projected levels, plan for building occupancy efficiency, and projected costs to complete space optimization plan. Executive and House delete. Senate retains. Conference revises to require DTMB to work with state departments and agencies to evaluate state-owned and leased office space usage to identify projected changes in the current and next fiscal years and to provide a report which includes those changes, a comparative analysis of 2019 occupancy levels to current and future levels, a list of expenditures related to property divestment, and net savings from property divestment.

Sec. 866. State Facility Divestments – NOT INCLUDED

House requires the department to divest of state-owned buildings and office space identified as being unoccupied through office space optimization efforts; requires DTMB to provide a report with a list of expenditures and a description of each property, the benefit of each expenditure, and any additional state facilities recommended for divestment. Executive, Senate, and Conference do not include.

Sec. 890. Energy Efficiency Revolving Fund – DELETED

Creates Energy Efficiency Revolving Fund within Treasury; authorizes Treasury to receive money or other assets for deposit into fund and to credit interest and earnings into the fund; provides carry-forward authorization for unexpended funds at close of fiscal year; states that funds appropriated for Energy Efficiency Revolving Fund are deposited into the fund; describes department's responsibilities in administering the fund; directs money saved by projects from the fund to be deposited to the fund and appropriates those funds; requires an annual report that includes a list of all funded projects and savings realized from those projects. Executive retains current language. House and Senate delete.

Sec. 890. Software Purchasing Review – NEW

Provides a list of technical requirements and functions for the platform purchased with funds appropriated for Software Purchasing Review to have. Executive and House do not include. Senate adds.

Sec. 891. Supply Chain Software Solicitation – NEW

Requires the department to solicit with a Michigan-based vendor for a software product that provides real-time visibility platforms for complex supply chains and provides eligibility criteria for selecting a vendor. Executive, House, and Senate do not include. Conference adds.

Sec. 891. Geological survey repository – NOT INCLUDED

House requires funds appropriated for the Michigan Geological Survey be used to purchase a larger facility or expand its current facility in Kalamazoo; appropriates unexpended funds as a work project. Executive, Senate, and Conference do not include.

Sec. 892. Michigan-Indiana Border Survey – DELETED

Requires one-time appropriated funds for Michigan-Indiana Border Survey to be used to conduct a study and cost assessment of administration and remonumentation of Michigan-Indiana border; provides list of costs that must be estimated. Executive deletes. House, Senate, and Conference concur.

Sec. 893. State Innovation Waiver Actuarial Study – DELETED

Requires DTMB to contract with actuarial firm to conduct study that would support information needs of pursuing a state innovation waiver under Patient Protection and Affordable Care Act; lists requirements for proposed state waiver that information from study must be able to show; requires study to produce economic analysis regarding impact of waiver on health insurance coverage in Michigan. Executive deletes. House, Senate, and Conference concur.

Sec. 894. Statewide PPE Stockpile Procurement – DELETED

Requires one-time appropriated funds for Michigan-Indiana Border Survey to be used to issue request for information to ensure the state has sufficient data regarding optimal PPE needs and subsequently a request for proposal with the purpose of contracting for purchase of PPE and creating state-managed PPE reserve; lists eligibility requirements for contracted vendors. Executive deletes. House, Senate, and Conference concur.

Major Boilerplate Changes from FY 2021-22

Sec. 896. MiDAS ITIF Placeholder – NOT INCLUDED

Requires funds appropriated in One-time Appropriations for Information Technology Investment Fund to be used to develop a system to replace the Unemployment Insurance Agency's Michigan Integrated Data Automated System (MiDAS) and other IT systems used for the collection of unemployment or distribution of unemployment tax revenue. Executive and House do not include. Senate adds. Conference does not include.

Sec. 897. IT IDG Report – NEW

Requires the department to list Interdepartmental Grants authorized under the Information Technology Services line by department or agency. Executive and House do not include. Senate adds. Conference does not include.

Sec. 898. Software Purchasing Review – NEW

Provides a list of technical requirements and functions for the platform purchased with funds appropriated for Software Purchasing Review to have. Executive and House do not include. Senate adds. Conference does not include.

Sec. 901. Office Space Realignment Work Project Authorization – NOT INCLUDED

Designates unexpended funds appropriated for space realignment and optimization as a work project account; purpose of project is to assess state facility office space that aligns with workplace planning efforts. Executive adds new language. House and Senate do not include. Conference does not include.

FY 2022-23: DEPARTMENT OF TREASURY
Summary: Conference Report
Article 5, House Bill 5783 (H-2) CR-1



Analyst: Viola Bay Wild

	FY 2021-22 YTD as of 2/9/22	FY 2022-23 Revised Exec.	FY 2022-23 House	FY 2022-23 Senate	FY 2022-23 Conference	Difference: Conference From FY 2021-22 YTD	
						Amount	%
IDG/IDT	\$13,073,500	\$11,153,100	\$10,698,100	\$11,153,100	\$11,153,100	(\$1,920,400)	(14.7)
Federal	436,361,400	24,970,700	29,970,700	24,970,700	24,970,700	(411,390,700)	(94.3)
Local	13,032,000	13,209,600	12,659,600	13,209,600	13,209,600	177,600	1.4
Private	31,000	31,000	31,000	31,000	31,000	0	0.0
Restricted	1,860,026,100	2,011,075,200	1,964,078,000	2,001,414,500	2,060,674,700	200,648,600	10.8
GF/GP	340,511,200	354,675,900	1,831,599,500	2,244,611,600	1,136,524,600	796,013,400	233.8
Gross	\$2,663,035,200	\$2,415,115,500	\$3,849,036,900	\$4,295,390,500	\$3,246,563,700	\$583,528,500	21.9
FTEs	1,934.5	1,990.5	1,929.5	1,949.5	1,978.5	44.0	2.3

Notes: (1) FY 2021-22 year-to-date figures include mid-year budget adjustments through February 9, 2022. (2) Appropriation figures for all years include all proposed appropriation amounts, including amounts designated as "one-time."

Overview

The Department of Treasury is the chief fiscal agency of the state and the primary source of advice to the governor on tax and fiscal policy issues. The department's mission is to collect state taxes; to invest, control, and disburse state monies; and to protect the state's credit rating and that of its cities. The department manages one of the nation's largest pension funds, administers revenue sharing, and administers student financial aid programs. It also investigates fraudulent financial activity, provides assistance on all property tax-related issues, and advises issuers of municipal obligations. The Bureau of State Lottery, the Michigan Gaming Control Board (MGCB), and State Building Authority (SBA) are autonomous agencies housed within the department.

Major Budget Changes from FY 2021-22 YTD Appropriations

1. Constitutional Revenue Sharing

Executive includes an increase of \$52.5 million of restricted sales tax revenue relative to the FY 2021-22 budget act appropriated amount. Appropriation represents a \$21.0 million decrease from January 2022 CREC estimates for FY 2021-22 payments. House and Senate concur. Conference includes an increase of \$124.6 million relative to the FY 2021-22 enacted appropriated amount.

	FY 2021-22 Year-to-Date (as of 2/9/22)	FY 2022-23 Conference Change
Gross	\$912,040,500	\$124,554,400
Restricted	912,040,500	124,554,400
GF/GP	\$0	\$0

2. City, Village, and Township (CVT) Revenue Sharing

Executive increases funding by \$26.6 million of restricted sales tax revenue to provide a 5.0% ongoing and 5.0% one-time increase (10% total) for CVT revenue sharing payments. A CVT would be eligible for a payment equal to 110.0% of its FY 2021-22 eligible payment. House increases funding by \$5.3 million to provide a 1.0% ongoing and 1.0% one-time increase (2% total). A CVT would be eligible for a payment equal to 102.0% of its FY 2021-22 eligible payment. Senate concurs with the executive. Conference includes an increase of \$16.0 million restricted funding to fund a 5.0% ongoing and 1.0% one-time increase.

Gross	\$266,245,100	\$15,974,800
Restricted	266,245,100	15,974,800
GF/GP	\$0	\$0

<u>Major Budget Changes from FY 2021-22 YTD Appropriations</u>		<u>FY 2021-22 Year-to-Date (as of 2/9/22)</u>	<u>FY 2022-23 Conference Change</u>	
3. County Revenue Sharing		Gross	\$231,516,700	\$14,289,600
<u>Executive</u> includes \$23.2 million of sales tax revenue to provide a 5.0% ongoing and 5.0% one-time increase (10% total) for all 83 counties. Each county would be eligible to receive 117.3115% of statutory full funding. Includes an additional \$376,000 of sales tax revenue for Emmet County, the last remaining county to deplete their local reserve fund, and Leelanau County which became eligible in FY 2021-22. County Incentive Program (CIP) is increased by \$69,300 sales tax revenue. <u>House</u> includes \$4.6 million for a 1.0% ongoing and 1.0% one-time increase (2% total) which would provide each county with 108.77964% of statutory full funding, and concurs with Executive on funding increase for CIP, and Emmet and Leelanau Counties. <u>Senate</u> concurs with the executive. <u>Conference</u> includes an increase of \$14.3 million restricted funding to fund a 5.0% ongoing and 1.0% one-time increase.		Restricted	231,516,700	14,289,600
		GF/GP	\$0	\$0
4. Local Unit Municipal Pension Principal Payment Grants		Gross	\$0	\$750,000,000
<u>House</u> includes \$900.0 million GF/GP for a grant program to award funding to qualified units of government to deposit into their qualified retirement systems with certain stipulations. <u>Executive</u> and <u>Senate</u> do not include. <u>Conference</u> includes \$750.0 million GF/GP.		GF/GP	\$0	\$750,000,000
5. Pension Best Practices and Debt Reduction Grant Program		Gross	\$0	\$0
<u>House</u> includes \$250.0 million GF/GP for a grant program to award funding to qualified units of government to deposit into their retirement systems. Units must certify and attest to establishing pension best practices for their retirement system among other requirements. <u>Executive</u> , <u>Senate</u> , and <u>Conference</u> do not include.		GF/GP	\$0	\$0
6. State Police Retirement System		Gross	\$0	\$100,000,000
<u>House</u> includes \$350.0 million GF/GP to be deposited into the state police retirement system in addition to the actuarially determined contribution. <u>Executive</u> and <u>Senate</u> do not include. <u>Conference</u> includes \$100.0 million GF/GP.		GF/GP	\$0	\$100,000,000
7. Fire Fighter/EMS Signing Bonuses		Gross	\$0	\$0
<u>House</u> includes \$5.0 million federal funding from the Coronavirus State Fiscal Reserve Fund for a grant program to provide signing bonuses to new fire fighters and new EMS personnel and to fire fighters and EMS personnel that relocate to Michigan upon employment. <u>Executive</u> , <u>Senate</u> , and <u>Conference</u> do not include.		Federal	0	0
		GF/GP	\$0	\$0
8. Fire Fighter/EMS Explorer and Job Shadowing Programs		Gross	\$0	\$0
<u>House</u> includes \$5.0 million GF/GP for funding to local units to create or expand fire fighter/EMS explorer and job shadowing programs. <u>Executive</u> , <u>Senate</u> , and <u>Conference</u> do not include.		GF/GP	\$0	\$0
9. Fire Fighter/EMS Quarantine Reimbursement		Gross	\$0	\$0
<u>House</u> includes \$10.0 million GF/GP for a grant program to local units to reimburse fire fighter and EMS personnel for leave time they were required to use from March 18, 2020 to September 30, 2021, due to quarantine requirements. <u>Executive</u> , <u>Senate</u> , and <u>Conference</u> do not include.		GF/GP	\$0	\$0
10. Fire Fighter/EMS Recruitment Marketing		Gross	\$0	\$0
<u>House</u> includes \$2.0 million GF/GP to establish a competitive grant program to develop a targeted marketing and advertising campaign to recruit fire fighters and EMS personnel. <u>Executive</u> , <u>Senate</u> , and <u>Conference</u> do not include.		GF/GP	\$0	\$0

Major Budget Changes from FY 2021-22 YTD Appropriations		FY 2021-22 Year-to-Date (as of 2/9/22)	FY 2022-23 Conference Change
11. Fire Fighter/EMS Retention Bonuses	Gross	\$0	\$0
<u>House</u> includes \$5.0 million GF/GP for a grant program to local units to provide retention bonuses to fire fighters and EMS personnel. <u>Executive</u> , <u>Senate</u> , and <u>Conference</u> do not include.	GF/GP	\$0	\$0
12. Fire Gear Initiative	Gross	\$0	\$0
<u>House</u> includes \$10.0 million GF/GP for a competitive grant program to assist fire departments to purchase fire gear for fire fighters. <u>Executive</u> , <u>Senate</u> , and <u>Conference</u> do not include.	GF/GP	\$0	\$0
13. Protect Our Protectors – Carbon Monoxide Monitors	Gross	\$0	\$0
<u>House</u> includes \$1.0 million GF/GP for a competitive grant program to assist fire departments with purchasing carbon monoxide monitors to have on jump kits. <u>Executive</u> , <u>Senate</u> , and <u>Conference</u> do not include.	GF/GP	\$0	\$0
14. Restricted Fund Appropriations	Gross	\$0	\$19,000,000
<u>House</u> includes \$39.0 million GF/GP to deposit into three restricted funds: Transportation Administration Support Fund (TASF) - \$19.0 million, Election Equipment Reserve Fund - \$10.0 million, Local Election Operations Reserve Fund - \$10.0 million. <u>Executive</u> and <u>Senate</u> do not include. <u>Conference</u> includes \$19.0 million GF/GP for the TASF.	GF/GP	\$0	\$19,000,000
15. FTE Authorization Reduction	FTE	NA	0.0
<u>House</u> reduces 25.0 FTE authorizations and \$2.8 million Gross (\$594,000 GF/GP) related funding in 5 lines items to reduce FTE authorizations for unfilled positions. <u>Executive</u> , <u>Senate</u> , and <u>Conference</u> do not include reduction.	Gross	NA	\$0
	Restricted	NA	0
	Local	NA	0
	GF/GP	NA	\$0
16. General Obligation Debt Service	Gross	\$99,064,000	\$1,020,100
<u>Executive</u> includes \$1.0 million GF/GP to reflect anticipated increase in debt service costs for Clean Michigan Initiative, Great Lakes Water Quality, and Quality of Life general obligation bonds. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur.	GF/GP	\$99,064,000	\$1,020,100
17. Electric Vehicle and Charging Equipment Rebates	Gross	\$0	\$0
<u>Executive</u> includes \$50.0 million GF/GP one-time funding for point-of-sale rebates for electric vehicles and charging equipment. The program would provide rebates of up to \$2,000 for the purchase of a new electric vehicle and up to \$500 for charging equipment. <u>House</u> , <u>Senate</u> , and <u>Conference</u> do not include.	GF/GP	\$0	\$0
18. Local Transition Support Grants	Gross	\$0	\$0
<u>Executive</u> includes \$40.0 million GF/GP one-time funding for grants to assist communities that experienced significant economic impacts from the departure or disinvestment of major employers due to the COVID-19 pandemic. No community recipient shall receive more than \$5.0 million from the grant program. <u>House</u> , <u>Senate</u> , and <u>Conference</u> do not include.	GF/GP	\$0	\$0
19. Office of Postsecondary Financial Planning	FTE	NA	5.0
<u>Executive</u> includes \$2.9 million GF/GP and authorizes 5.0 FTE positions to support the administration of new scholarship programs and to fund outreach for student scholarships, including the Reconnect and Educator Recruitment programs. <u>House</u> and <u>Senate</u> do not include. <u>Conference</u> concurs with the executive.	Gross	NA	\$2,936,100
	GF/GP	NA	\$2,936,100

Major Budget Changes from FY 2021-22 YTD Appropriations		FY 2021-22 Year-to-Date (as of 2/9/22)	FY 2022-23 Conference Change	
20. Recreational Marihuana Grants		Gross	\$30,000,000	\$20,580,000
<u>Executive</u> includes an increase of \$20.6 million of restricted Marihuana Regulation Fund to increase the level of payments to locals based on revenues to the fund. Payments to locals are estimated at \$50.6 million for FY 2022-23. These payments are split evenly between counties and other municipalities and distributed proportionately based on the number of marihuana retail stores and microbusinesses within the municipality or county. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur.	Restricted	30,000,000	20,580,000	
	GF/GP	\$0	\$0	
21. Tax Program Changes – Support for Retirement Tax Repeal		Gross	NA	\$0
<u>Executive</u> includes \$1.2 million restricted one-time funding to administer the proposed plan to restore income tax exemptions on retirement income by 2025. <u>House</u> , <u>Senate</u> , and <u>Conference</u> do not include.	Restricted	NA	0	
	GF/GP	NA	\$0	
22. Flow-Through Entity Tax Administration		FTE	NA	10.0
<u>Executive</u> includes \$1.4 million GF/GP and authorizes 10.0 FTE positions to provide administrative support to oversee the new flow-through entity tax established in 2021 PA 135. <u>House</u> concurs. <u>Senate</u> does not include. <u>Conference</u> concurs with the executive.	Gross	NA	\$1,376,900	
	GF/GP	NA	\$1,376,900	
23. Office of Organizational Development		FTE	0.0	0.0
<u>Executive</u> includes \$751,300 GF/GP and authorizes 5.0 FTE positions to establish an Office of Organizational Development to recruit, develop, and retain an inclusive and diverse workforce within the department. <u>House</u> , <u>Senate</u> , and <u>Conference</u> do not include.	Gross	\$0	\$0	
	GF/GP	\$0	\$0	
24. Michigan Gaming Control Board (MGCBC) – Staffing and IT Support		FTE	151.0	18.0
<u>Executive</u> includes an increase of \$3.3 million restricted funding and authorizes 25.0 FTE positions to MGCBC to increase staff and IT support due to increased workload from higher than expected internet gaming activity. <u>House</u> includes \$1.3 million restricted funding and authorizes 10.0 FTE positions. <u>Senate</u> does not include. <u>Conference</u> includes \$2.4 million restricted funding and authorizes 18.0 FTE positions.	Gross	\$31,297,600	\$2,375,000	
	Restricted	31,297,600	2,375,000	
	GF/GP	\$0	\$0	
25. MGCBC – Staff Retention and Professional Development		FTE	151.0	0.0
<u>Executive</u> includes an increase of \$360,900 restricted funding for initiative to help retain staff through professional development programs. <u>House</u> , <u>Senate</u> , and <u>Conference</u> do not include.	Gross	\$31,297,600	\$0	
	Restricted	31,297,600	0	
	GF/GP	\$0	\$0	
26. MGCBC – IT Network Speed Increase		FTE	0.0	0.0
<u>Executive</u> includes an increase of \$1.8 million restricted funding to increase IT support, network storage capacity, and network speeds in Detroit MGCBC casino offices to support operations, including surveillance videos and the transfer of large regulatory files. <u>House</u> concurs. <u>Senate</u> does not include. <u>Conference</u> concurs with the executive.	Gross	\$3,480,200	\$1,801,400	
	Restricted	3,480,200	1,801,400	
	GF/GP	\$0	\$0	
27. Responsible Gaming Advertisement Campaign		Gross	NA	\$3,000,000
<u>Executive</u> includes \$3.0 million restricted one-time funding for advertising to promote responsible gaming, the use of the problem gambling hotline, and outreach to community organizations. <u>House</u> includes \$1.0 million restricted funding. <u>Senate</u> does not include. <u>Conference</u> concurs with the executive.	Restricted	NA	3,000,000	
	GF/GP	NA	\$0	

Major Budget Changes from FY 2021-22 YTD Appropriations		FY 2021-22 Year-to-Date (as of 2/9/22)	FY 2022-23 Conference Change
28. Lottery IT Support Transfer	FTE	0.0	11.0
<u>Executive</u> includes a net-to-zero technical transfer of 11.0 FTE authorizations into the Lottery budget from DTMB. These employees provide IT services to the Lottery and the funding for the positions is currently paid by Lottery to DTMB through an IDG transfer. Following this proposed transfer of FTE authorizations, the funding would remain in the Lottery budget. <u>House</u> does not include. <u>Senate</u> and <u>Conference</u> concur with the executive.	Gross	\$1,459,300	\$0
	Restricted	1,459,300	0
	GF/GP	\$0	\$0
29. Treasury – IT Maintenance	Gross	\$43,687,200	\$1,250,000
<u>Executive</u> increases funding by \$1.3 million Gross (\$795,000 GF/GP) for additional ongoing support for two critical systems: the Revenue Sharing and Personal Property Tax IT system and the Motor Fuel and Tobacco Tax system (MiMats). <u>House</u> does not include. <u>Senate</u> and <u>Conference</u> concur with the executive.	IDG	407,300	455,000
	Federal	614,300	0
	Restricted	20,887,800	0
	GF/GP	\$21,777,800	\$795,000
30. Senate Tax Cut	Gross	\$0	\$0
<u>Senate</u> includes \$2.0 billion GF/GP funding (\$1.0 billion on-going and \$1.0 billion one-time) to support tax cuts. <u>Executive</u> , <u>House</u> , and <u>Conference</u> do not include.	GF/GP	\$0	\$0
31. Blight Grants	Gross	\$0	\$0
<u>Senate</u> includes \$20.0 million GF/GP funding for blight elimination grants throughout the state and in rural communities. <u>Executive</u> , <u>House</u> , and <u>Conference</u> do not include.	GF/GP	\$0	\$0
32. Jobs Court	Gross	\$0	\$0
<u>Senate</u> includes \$5.0 million GF/GP funding for a Jobs Court pilot program in three counties in collaboration with the Attorney General. <u>Executive</u> , <u>House</u> , and <u>Conference</u> do not include.	GF/GP	\$0	\$0
33. Land and Housing Programs	Gross	\$0	\$0
<u>Senate</u> includes \$300 GF/GP funding for \$100 placeholders for 3 separate land use and housing programs. <u>Executive</u> , <u>House</u> , and <u>Conference</u> do not include.	GF/GP	\$0	\$0
34. Late-Qualifying Personal Property Tax (PPT) Reimbursement	Gross	\$0	\$0
<u>Senate</u> includes \$100 restricted funding for late-qualifying eligible manufacturing PPT reimbursement in accordance with Senate Bill 807, if enacted. <u>Executive</u> , <u>House</u> , and <u>Conference</u> do not include.	Restricted	0	0
	GF/GP	\$0	\$0
35. Wrongful Imprisonment Compensation Fund	Gross	\$10,000,000	\$0
<u>Senate</u> reduces funding by \$5.0 million GF/GP for the Wrongful Imprisonment Compensation Fund. <u>Executive</u> , <u>House</u> , and <u>Conference</u> retain current-year funding.	GF/GP	\$10,000,000	\$0
36. Flint Settlement Payment	Gross	\$0	\$35,000,000
Revised <u>Executive</u> includes \$35.0 million GF/GP funding for the Flint Settlement Payment transferred from the Department of Labor and Economic Opportunity budget as requested by Executive Budget Revision Letter 2023-1. <u>House</u> concurs. <u>Senate</u> does not include. <u>Conference</u> concurs with the executive.	GF/GP	\$0	\$35,000,000
37. Adjustments for New Programs	Gross	\$0	\$3,600,000
<u>Conference</u> includes an increase of \$3.6 million GF/GP for anticipated additional costs for the implementation of pending legislation program changes.	GF/GP	\$0	\$3,600,000

<u>Major Budget Changes from FY 2021-22 YTD Appropriations</u>		<u>FY 2021-22 Year-to-Date (as of 2/9/22)</u>	<u>FY 2022-23 Conference Change</u>
38. Other Technical Adjustments	Gross	NA	\$8,310,300
<u>Executive</u> includes the following technical adjustments:			
	IDG	NA	(2,518,500)
• Includes \$10.7 million restricted funding for the Convention Facility Development Distribution due to anticipated increased revenue	Federal	NA	(2,542,500)
• Includes \$150,000 GF/GP for the Senior Citizen Cooperative Housing Tax Exemption Program for new facilities entering the program	Restricted	NA	13,221,300
• Reduces federal authorization by \$2.3 million for Michigan Guaranty Agency which monitors and collects federal student loans because a portion was reassigned to the federal agency	GF/GP	NA	\$150,000
• Removes \$4,400 federal funding for an economic adjustment for the Home Heating Assistance Program			
• Eliminates \$288,100 federal funding for the John R. Justice program that provides student loan assistance to public defenders and prosecutors; program is no longer active			
• Shifts \$2.5 million IDG funding for State Agency Collections Fees to restricted funding from Delinquent Tax Collection Fund.			
<u>House</u> , <u>Senate</u> , and <u>Conference</u> concur.			
39. FY 2021-22 One-Time Appropriations	Gross	\$44,033,000	(\$44,033,000)
<u>Executive</u> removes the following one-time GF/GP appropriations included in FY 2021-22:		GF/GP	\$44,033,000
• \$18.0 million – Transportation Administration Support Fund			
• \$16.0 million – NextGen Infrastructure			
• \$5.0 million – Local First Responder Recruitment and Training Grants			
• \$4.6 million – Flow-Through Entity Tax Implementation			
• \$433,000 – Coronavirus Relief Local Government Grants Reimbursement.			
<u>House</u> , <u>Senate</u> , and <u>Conference</u> concur.			
40. Removal of Supplemental FY 2021-22 Appropriations	Gross	NA	(\$484,000,000)
<u>Executive</u> includes a reduction of \$484.0 million Gross (\$75.0 million GF/GP) to remove FY 2021-22 supplemental funding appropriated in 2021 PA 132. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur.			
	Federal	NA	(409,000,000)
	GF/GP	NA	(\$75,000,000)
41. Economic Adjustments	Gross	NA	\$6,492,900
<u>Executive</u> includes \$6.5 million Gross (\$1.2 million GF/GP) for increased costs of negotiated salary and wage increases (5.0% on October 1, 2022, and 0.5% to annualize the FY 2021-22 1.0% increase that began on April 1, 2022), actuarially required retirement contributions, worker's compensation, building occupancy charges, and other economic adjustments. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur.			
	IDG	NA	143,100
	Federal	NA	151,800
	Local	NA	177,600
	Restricted	NA	4,852,100
	GF/GP	NA	\$1,168,300

Major Boilerplate Changes from FY 2021-22

TREASURY OPERATIONS

Sec. 901. Contingency Funds – RETAINED

Appropriates up to \$500,000 of federal, \$10.0 million of state restricted, \$100,000 of local, and \$20,000 of private contingency funds; authorizes expenditures after legislative transfer to specific line items. Executive revises to increase to \$1.0 million of federal, \$200,000 of local, and \$40,000 of private contingency funds. House retains current language. Senate deletes. Conference retains.

Sec. 921. Revenue Bulletins, Notices, and Administrative Rules Notices – RETAINED

Requires the department to notify the legislature on any revenue bulletins, administrative rules involving tax administration or collection, or notices interpreting changes in law. Executive revises to require legislative notification no later than 5 business days after posting rather than the same day of posting. House, Senate, and Conference retain current language.

Major Boilerplate Changes from FY 2021-22

Sec. 926. John R. Justice Grant – DELETED

Designates the John R. Justice grant appropriation as a work project appropriation. Executive, House, Senate, and Conference delete.

Sec. 934. Expending of Authority Revenues – RETAINED

Authorizes the department to expend revenues under various authorities for operation expense and grants to Civil Service Commission and State Employee's Retirement Fund; requires maintaining records to facilitate reimbursement. Executive revises to eliminate reporting requirement. House, Senate, and Conference retain.

Sec. 947. Financial Independent Teams – RETAINED

Stipulates that the 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. Executive deletes. House, Senate, and Conference retain.

Sec. 949g. Equal Opportunity Program Funding Distribution – NEW

Appropriates tax capture revenues collected under the employment opportunity program and allows distribution of payments to qualified businesses pursuant to chapter 8F of the Michigan Strategic Fund Act. Executive includes new language. House does not include. Senate and Conference concur with the executive.

Sec. 949l. Transportation Administration Support Fund – RETAINED

Creates the Transportation Administration Support Fund in the Department of Treasury; requires funds to be carried forward and not lapse; subjects funds to appropriation; specifies that funds appropriated for the fund are to be deposited in the fund. Executive deletes. House retains. Senate deletes. Conference retains.

Sec. 949n. Foster Futures Scholarship Trust Fund – NEW

Appropriates gifts or donations to the Fostering Futures Scholarship Trust Fund for the program. Executive, House, Senate, and Conference include new language.

Sec. 949o. Election Equipment Reserve Fund – NOT INCLUDED

Creates the Election Equipment Reserve Fund in the Department of Treasury; requires funds to be carried forward and not lapse; subjects funds to appropriation; specifies that funds appropriated for the fund are to be deposited in the fund. Executive does not include. House includes new language. Senate and Conference do not include.

Sec. 949o. Blight Elimination Grants – NOT INCLUDED

Requires Treasury to develop a blight elimination competitive grant program to address vacant and blighted properties. Treasury may work with State Land Bank Authority to distribute grants statewide. Executive and House do not include. Senate includes new language. Conference does not include.

Sec. 949p. Jobs Court – NOT INCLUDED

Allocates \$5.0 million for a prison diversion pilot program in three counties. Treasury may work with the Attorney General to distribute funds to the counties. Executive and House do not include. Senate includes new language. Conference does not include.

Sec. 949q. Land and Housing Programs – NOT INCLUDED

Includes three \$100 placeholders for the following new land and housing programs: a program to increase housing supply and affordability, a program to give tax credits to entities that provide employee housing, and for 4.0 FTE authorizations to consolidate and add development tax exemption information to the electronic local government information system. Executive and House do not include. Senate includes new language. Conference does not include.

Sec. 949r. Local Government Financial Disclosure Software – NEW

Requires \$300,000 be allocated for a partnership with a public university to develop software to create integrated machine-readable financial disclosures for local units of government using integrated, business reporting language (XBRL). Executive and House do not include. Senate and Conference include new language.

Sec. 949s. Late-Qualifying Manufacturing Personal Property Tax (PPT) Reimbursement – NOT INCLUDED

Requires funding for late-qualifying manufacturing PPT reimbursement be distributed to local tax collecting units if SB 807 of the 101 Legislature is enacted; designates unexpended funds as a work project appropriation. Executive and House do not include. Senate includes new language. Conference does not include.

Major Boilerplate Changes from FY 2021-22

TREASURY – REVENUE SHARING

Sec. 952. City, Village, and Township (CVT) Revenue Sharing and County Incentive Program – REVISED

Specifies distribution of \$266.2 million to all CVTs that received a payment under Section 950(2) of 2009 PA 128 greater than \$1,000.00; eligible payment is equal to 102.0% of its FY 2020-21 eligible payment; any unexpended funds are directed to be deposited in the Financial Distressed CVTs program in Sec. 956, subject to approval of transfers; requires eligible CVTs to allocate an amount equal to their FY 2020-21 eligible payment increase to their unfunded pension liabilities if they have a pension that is considered to be in unfunded status. (CVTs are exempt if they have issued a municipal security to pay down their unfunded liability.) Executive revises to reflect eligible payment equal to 110.0% of FY 2021-22 eligible payment and strikes language requiring the eligible unit to dedicate increased funds to unfunded pension liabilities. House revises to reflect payment increase to 102.0% of previous year payments and retains unfunded pension language; requires CVTs must maintain public safety funding not less than FY 2018-19 levels to receive funding. Senate concurs with the executive to increase CVT payments by 10% for a payment equal to 110.0% of FY 2021-22 eligible payment, but retains unfunded pension liability language. Conference revises to reflect payment increase to 106.0% of previous year payments and retains unfunded pension language.

Sec. 955. County Revenue Sharing Payments – REVISED

Requires the county revenue sharing appropriation to be distributed so that each eligible county receives a payment (when coupled with the County Incentive Program payment) equal to 106.6435% of the amount determined pursuant to the Glenn Steil State Revenue Sharing Act; requires counties receiving a payment to allocate their FY 2020-21 eligible payment increase to their unfunded pension liabilities if they have a pension that is considered to be in unfunded status. (Counties are exempt if they have issued a municipal security to pay down their unfunded liability.) Executive revises to increase payments to counties by 10.0% which would represent 117.3115% of statutory full funding; strikes language requiring the eligible county to dedicate increased funds to unfunded pension liabilities. House revises to reflect payment increase to 108.77964% of previous year payments and retains unfunded pension language; requires CVTs must maintain public safety funding not less than FY 2018-19 levels to receive funding. Senate concurs with the executive to increase CVT payments by 10% for a payment equal to 117.3115% of FY 2021-22 eligible payment, but retains unfunded pension liability language. Conference revises to reflect payment increase to 113.04552% of previous year payments.

TREASURY – GAMING CONTROL BOARD

Sec. 972. Internet Gaming – NEW

Requires that after required gaming expenditures are made, any remaining funding in the Fantasy Contest Fund, the Internet Gaming Fund, and the Internet Sports Betting Fund are appropriated and shall be deposited into the School Aid Fund. Executive, House, Senate, and Conference include new language.

Sec. 978. Racing Commission Regulatory Changes – RETAINED

Requires the Michigan Gaming Control Board (MGCB) to determine the actual regulatory costs of conducting race dates; limits reimbursement to actual expenses; and specifies that in the case of reduced revenues, race dates can be reduced, after consultation with certified horsemen's organizations. Executive revises by removing language stating that 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 fund subsequent race dates. Also strikes language stating that if a horsemen's organization funds less than the actual regulatory costs of the additional horse racing dates, the MGCB shall reduce the number of future race dates conducted by race meeting licensees with which the certified horsemen's organization has contracts. House, Senate, and Conference retain.

Sec. 979. Millionaire Party Regulation – REVISED

Allocates amount not to exceed the amount appropriated to the MGCB from the State Lottery Fund to support regulation and licensing of millionaire parties pursuant to Executive Order 2012-4; requires report. Executive revises to change the funding to the Internet Gaming Fund and to delete the reporting requirement. House concurs with the fund change and retains report. Senate retains current-year language but includes technical change to refer to statute rather than Executive Order No. 2012-4. Conference concurs with the House.

Sec. 979a. Local Unit Municipal Pension Principal Payment Grants – NEW

Requires Treasury to establish a grant program to award funding to qualified units of government to deposit into their qualified retirement systems with certain stipulations; designates unexpended funds as a work project appropriation. Executive does not include. House includes new language. Senate does not include. Conference concurs with the House and revises language.

Major Boilerplate Changes from FY 2021-22

Sec. 979b. Pension Best Practices and Debt Reduction Grant Program – NOT INCLUDED

Requires Treasury to establish a grant program to award funding to qualified units of government to deposit into their retirement systems. Units must certify and attest to establishing pension best practices for their retirement system among other requirements; designates unexpended funds as a work project appropriation. Executive does not include. House includes new language. Senate and Conference do not include.

Sec. 979b. Local Unit Municipal Pensions – NEW

Appropriates \$50.0 million GF/GP to make qualified payments under Section 979a to ensure retirement systems have a funded ratio of at least 60 percent. Conference includes new language.

Sec. 979c. State Police Retirement System – NEW

Requires \$350.0 million GF/GP be deposited into the state police retirement system in addition to the actuarially determined contribution. Executive does not include. House includes new language. Senate does not include. Conference concurs with the House.

Sec. 979d. Fire Fighter/EMS Signing Bonuses – NOT INCLUDED

Requires Treasury to distribute funding through a grant program to provide signing bonuses to new fire fighters and EMS personnel and fire fighters and EMS personnel that relocate to Michigan upon employment. Signing bonuses funded by program must not exceed \$5,000.00; designates unexpended funds as a work project appropriation. Executive does not include. House includes new language. Senate and Conference do not include.

Sec. 979e. Fire Fighter/EMS Explorer and Job Shadowing Programs – NOT INCLUDED

Requires Treasury to distribute funding to local units to create or expand fire fighter/EMS explorer and job shadowing programs; includes criteria for applicants to programs; designates unexpended funds as a work project appropriation. Executive does not include. House includes new language. Senate and Conference do not include.

Sec. 979f. Fire Fighter/EMS Quarantine Reimbursement – NOT INCLUDED

Requires Treasury to distribute funding through a grant program to local units to reimburse fire fighter and EMS personnel for leave time they were required to use from March 18, 2020 to September 30, 2021, due to quarantine requirements; designates unexpended funds as a work project appropriation. Executive does not include. House includes new language. Senate and Conference do not include.

Sec. 979g. Fire Fighter/EMS Recruitment Marketing – NOT INCLUDED

Requires Treasury to establish a competitive grant program to develop a targeted marketing and advertising campaign to recruit fire fighters and EMS personnel; designates unexpended funds as a work project appropriation. Executive does not include. House includes new language. Senate and Conference do not include.

Sec. 979h. Fire Fighter/EMS Retention Bonuses– NOT INCLUDED

Requires Treasury to establish a grant program to local units to provide retention bonuses to fire fighters and EMS personnel. Retention bonuses funded by program must not exceed \$5,000; designates unexpended funds as a work project appropriation. Executive does not include. House includes new language. Senate and Conference do not include.

Sec. 979i. Fire Gear Initiative – NOT INCLUDED

Requires Treasury to establish a competitive grant program to assist fire departments to purchase fire gear for fire fighters. Grants must not exceed \$10,000; designates unexpended funds as a work project appropriation. Executive does not include. House includes new language. Senate and Conference do not include.

Sec. 979j. Protect Our Protectors – Carbon Monoxide Monitors – NOT INCLUDED

Requires Treasury to establish a competitive grant program to assist fire departments with purchasing carbon monoxide monitors to have on jump kits; designates unexpended funds as a work project appropriation. Executive does not include. House includes new language. Senate and Conference do not include.

Table 1: Michigan Enhancement Grants - House Bill 5783 (H-2) CR-1

1	City of Monroe - Opportunity Center	\$7,800,000
2	Jim Crow Museum - Ferris State	1,000,000
3	City of Utica - Police, Fire, and Public Infrastructure	2,500,000
4	US 23 Thompson Road Project	10,000,000
5	Camp Dearborn	2,000,000
6	Dearborn Community Pools	6,000,000
7	Canton Rd Project	5,000,000
8	Adrian Riverfront	3,000,000
9	Ontonagon Pension Debt	3,100,000
10	Nuclear Energy Study	250,000
11	Inkster Sidewalk Replacement	750,000
12	Mona Lake Watershed Council	500,000
13	Wigs for Kids	500,000
14	Corazon Imaging Inc.	4,000,000
15	Sparta Township Drain - Kent County Drain Commissioner	2,000,000
16	Traverse Connect - Targeted Marketing	350,000
17	Beat the Streets	250,000
18	Nottawa Township Sewer - Isabella County	1,000,000
19	Denso Road - Southfield	3,000,000
20	Romulus sidewalk project	1,000,000
21	Ford Field handicap accessibility gateway project - Northville	910,000
22	Fire equipment for City of Charlotte	1,000,000
23	City of Sterling Heights purchase of vacant Fillmore elementary school to build recreation center	1,000,000
24	United Methodist Community House.	2,000,000
25	City of Grandville Fire truck	800,000
26	Scio Township Zeeb Road Pathway & Park Road Improvements	1,700,000
27	NEW (Non-Profit Enterprise at Work) non-profit Ann Arbor	650,000
28	Alternatives for Girls non-profit (based in Detroit)	590,000
29	Western Michigan University and the Asylum Lake Policy & Management Council	550,000
30	3rd Street Wharf redevelopment project (City of Muskegon)	1,300,000
31	Grant to the city of Farmington Hills for the development of a Community Innovation Center	750,000
32	Economic Development Site Validation (Provided to Oakland County)	2,000,000
33	Mack Avenue Corridor Improvement Plan Engineering Phase	500,000
34	Downtown Boxing Gym (Detroit)	500,000
35	Lakeshore Drive Seawall and Road Repairs	1,200,000
36	Ascend Foundation (based in Bloomfield Hills)	500,000
37	Grant for the replacement of Portage (Kalamazoo County) Fire Aerial Apparatus	1,100,000
38	City of Livonia Tree Canopy Initiative	500,000
39	Detroit Historical Society Museum	4,000,000
40	Yemeni Assoc. Grant (NAYA)	500,000
41	Sidewalk and Road infrastructure improvements (Canton Township)	750,000
42	Ann Arbor Housing Commission Lurie Terrace Senior Apartments renovation	500,000
43	City of Berkley HVAC improvements	700,000
44	Flint Children's Museum	500,000
45	Potter Park Zoo	2,000,000
46	Charles Wright Museum Detroit	6,000,000
47	Muskegon Channel Lighthouse Restoration Project	800,000
48	Detroit/Wayne County Port Authority	1,000,000

Table 1: Michigan Enhancement Grants - House Bill 5783 (H-2) CR-1

49	Binder Park Zoo	\$800,000
50	Shelby Recreation Park	1,000,000
51	Lapeer Child Advocacy Center	500,000
52	Tuscola County Road Commission - Bridge Replacement	1,400,000
53	Dixie Highway	2,000,000
54	Grand Rapids Museum	11,000,000
55	Baldwin Road Project	500,000
56	Mundy Township Project	2,400,000
57	Tibbits Theater	300,000
58	Berrien and Cass County Boat Project	200,000
59	Selfridge Base Road	2,000,000
60	City of Allegan Rebuild	2,000,000
61	Edsel Ford House	1,800,000
62	Spine Robotics	1,879,200
63	Michigan Braille	339,300
64	CR Miles - Midland	1,000,000
65	Michigan State Capitol Commission - Equipment Garage	4,500,000
66	Water Street Remediation	4,381,000
67	Dean Transportation	5,000,000
68	Michigan Fitness Grant	8,500,000
69	Handy Park and Claude Allison Park walking path renovations	250,000
70	Methodist Children's Home Society day treatment and respite care programs	500,000
71	Play Works	950,000
72	Ennis Center	500,000
73	Berstan Field House	500,000
74	IGNITE Program	250,000
75	Sylvester Broome Empowerment Village	500,000
76	Boys & Girls Club of Greater Flint	250,000
77	Saint Mark Community Outreach Center	500,000
78	Hamilton Community Health Network	1,500,000
79	Crossover Outreach new center construction	250,000
80	Martus-Luna Food Pantry	150,000
81	Gleaners Food Bank	500,000
82	Oakland County sheriff	250,000
83	Rail Grade Separation infrastructure project(s) in the city of Plymouth	1,000,000
84	The Source	300,000
85	Matrix Services Public Health Grant	500,000
86	Inkster Library/welcome center	1,200,000
87	Arab American Civil Rights League	250,000
88	American Indian Health & Family Services	1,000,000
89	Taylor North Little League	300,000
90	City of Rockwood wastewater treatment plant upgrades	250,000
91	CEI - CMH (Greenlawn)	5,000,000
92	Higher Ground Community Center	350,000
93	Hospice Room and Board	900,000
94	Ruth Ellis Center	1,000,000
95	Avalon Housing	3,500,000
96	Northside Housing Development	1,000,000

Table 1: Michigan Enhancement Grants - House Bill 5783 (H-2) CR-1

97	Electric Vehicle Charging Stations	\$1,000,000
98	City of East Pointe Fire Truck	600,000
99	Andy's Place - Jackson	500,000
100	Joe Louis Greenway	40,000,000
TOTAL		\$205,299,500

Table 2: Economic Development and Workforce Grants - House Bill 5783 (H-2) CR-1

1	Business Incubators - G-Link International Accelerator and Lakeshore Advantage	\$28,000,000
2	Salem Township Water Treatment	15,000,000
3	Magnus Center CTE Facility - Clare/Gladwin RESD	15,000,000
4	Battle Creek River Restoration	13,000,000
5	Grand Rapids Amphitheatre	30,000,000
6	LiUNA	8,000,000
7	ABC Construction Programs	8,000,000
8	Global Talent Initiative (Global Detroit)	5,000,000
9	Talent Retention and Expansion in Key Industries	10,000,000
10	Removal of Employment Barriers Project	10,000,000
11	Helmets to Hardhats	500,000
12	Statewide Pre-Apprenticeship Program	10,000,000
13	Regional Council of Carpenters Skilled Trades Promotion	5,000,000
14	Lansing DDA - Loss of State Workforce	5,000,000
15	Alpena Wastewater Treatment	6,000,000
16	Gaylord Water Line Extension	3,500,000
17	Holland Township Pipeline	20,000,000
18	Saginaw Township (HSC)	10,000,000
19	Lincoln Housing Project	12,500,000
20	Sturgis Hospital	11,000,000
21	Reed City Water Treatment System	10,000,000
22	McBain Lead Line Replacement	2,125,000
23	Pitchford Park Culvert	240,000
24	Jackson Theater	2,750,000
25	Traverse City Flats Housing Project	6,000,000
26	Traverse City Senior Center	7,000,000
27	Bingham Apartments Project - Alpena	3,860,000
28	Midland Community Center	5,000,000
TOTAL		\$262,475,000

Table 3: Michigan Infrastructure Grants - House Bill 5783 (H-2) CR-1

1	Mound Road	\$32,000,000
2	Mackinac Island Upgrades	35,000,000
3	My Michigan Hospital	5,000,000
4	Children's Hospital	20,000,000
5	Maritime Passenger Ferry	14,000,000
6	Northern MI Rail Phase Study	1,000,000
7	Croswell Water System Upgrades	5,000,000
8	Lawton Wastewater Upgrades	1,000,000
9	Special Olympics	12,000,000
10	Macomb Co. Health Services Project	25,000,000
11	Mary Free Bed	10,000,000
12	Chaldean Housing Project	10,000,000
13	Arenac Dam	800,000
14	Lower Town River Front Conservancy (AA)	20,000,000
15	InvestUP	15,000,000
16	Traverse City Curling Club	2,000,000
17	Port of Monroe	5,000,000
TOTAL		\$212,800,00

FY 2022-23: DEPARTMENT OF HEALTH AND HUMAN SERVICES
Summary: Conference Report
Article 6, House Bill 5783 (H-2) CR-1



Analysts: Sydney Brown, Kent Dell, Susan Frey, and Kevin Koorstra

	FY 2021-22 YTD as of 2/9/22	FY 2022-23 Executive	FY 2022-23 House	FY 2022-23 Senate	FY 2022-23 Conference	Difference: Conference From FY 2021-22 YTD	
						Amount	%
IDG/IDT	\$14,593,500	\$14,696,000	\$14,696,000	\$14,203,400	\$14,696,000	\$102,500	0.7
Federal	23,187,321,000	23,617,962,500	23,554,766,100	23,383,577,000	23,693,749,100	506,428,100	2.2
Local	167,951,100	183,502,800	167,407,700	152,849,700	170,002,300	2,051,200	1.2
Private	172,276,500	179,716,400	179,716,400	178,691,300	185,596,800	13,320,300	7.7
Restricted	2,986,632,100	2,991,928,100	2,993,028,100	2,985,875,300	3,132,592,800	145,960,700	4.9
GF/GP	5,448,429,200	6,456,860,100	6,020,047,100	5,811,222,000	6,190,678,600	742,249,400	13.6%
Gross	\$31,977,203,400	\$33,444,665,900	\$32,929,661,400	\$32,526,418,700	\$33,387,315,600	\$1,410,112,200	4.4%
FTEs	15,587.5	15,800.5	15,584.5	14,078.4	15,690.5	103.0	0.7

Notes: (1) FY 2021-22 year-to-date figures include mid-year budget adjustments through February 9, 2022. (2) Appropriation figures for all years include all proposed appropriation amounts, including amounts designated as "one-time."

Overview

The Department of Health and Human Services (DHHS) includes programs and services to assist Michigan's most vulnerable families, including public assistance programs, protecting children and assisting families by administering foster care, adoption, and family preservation programs and by enforcing child support laws, and funding for behavioral health (mental health and substance use disorder), public health, aging, crime victim, and medical services programs, including Medicaid and the Healthy Michigan Plan.

Major Budget Changes from FY 2021-22 YTD Appropriations

**FY 2021-22
Year-to-Date
(as of 2/9/22)**

**FY 2022-23
Conference
Change**

MEDICAID AND BEHAVIORAL HEALTH – GENERAL

1. Traditional Medicaid Cost Adjustment

Executive includes a reduction of \$328.8 million Gross (increase of \$194.5 million GF/GP) to recognize caseload, utilization, and inflation adjustments, removing the additional 6.2 percentage point increase to the state FMAP provided under the federal Families First Coronavirus Response Act and associated prohibition on closing Medicaid cases, and traditional FMAP cost-sharing adjustments from FMAP reducing from 65.48% to 64.71%, for medical and behavioral health services in the traditional Medicaid program. Compared to FY 2020-21 expenditures, and including actuarial soundness adjustments in item #3, State Budget Office forecasts an average annual increase of 5.5%. House and Senate concur. Conference includes a reduction of \$565.9 million Gross (increase of \$91.7 million GF/GP) in accordance with the May caseload consensus.

Gross	\$16,499,311,900	(\$565,864,900)
Federal	11,000,733,400	(795,016,500)
Local	50,496,500	11,015,900
Private	7,000,000	0
Restricted	2,158,300,300	126,451,900
GF/GP	\$3,282,781,700	\$91,683,800

2. Healthy Michigan Plan Cost Adjustment

Executive includes a reduction of \$373.0 million Gross (increase of \$5.2 million GF/GP) to recognize caseload, utilization, and inflation adjustments, and removing prohibition on closing Medicaid cases provided under the federal Families First Coronavirus Response Act for medical and behavioral health services in the Healthy Michigan Plan (HMP). Compared to FY 2020-21 expenditures, and including actuarial soundness adjustments in item #3, State Budget Office forecasts an average annual increase of 3.5%. House and Senate concur. Conference includes a reduction of \$421.2 million Gross (\$2.5 million GF/GP) in accordance with the May caseload consensus.

Gross	\$5,767,637,700	(\$421,219,300)
Federal	5,172,523,800	(375,612,900)
Local	2,038,800	0
Private	200,000	0
Restricted	539,443,100	(43,097,400)
GF/GP	\$53,432,000	(\$2,509,000)

Major Budget Changes from FY 2021-22 YTD Appropriations		FY 2021-22 Year-to-Date (as of 2/9/22)	FY 2022-23 Conference Change
3. Actuarial Soundness		Gross	NA
<u>Executive</u> includes \$340.7 million Gross (\$88.4 million GF/GP) to support an estimated 2.0% to 5.0% actuarial soundness adjustment for prepaid inpatient health plans (PIHPs), 2.0% to 2.5% for Medicaid Health plans, Program of All-includes Care for the Elderly (PACE); home- and community-based services; and Integrated Care Organizations (MI Health Link); and 1.0% for Healthy Kids Dental. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur.		Federal	NA
		GF/GP	NA
			\$340,745,600
			252,356,500
			\$88,389,100
DEPARTMENTAL ADMINISTRATION AND SUPPORT			
4. Warehouse Operations		Gross	\$0
<u>Executive</u> includes \$3.4 million GF/GP to support the stockpiling of medical supplies, including personal protective equipment, in accordance with the Emergency Management Act, 1976 PA 390. <u>House</u> concurs. <u>Senate</u> does not include. <u>Conference</u> includes \$1.4 million GF/GP.		GF/GP	\$0
			\$1,400,000
			\$1,400,000
5. CCWIS Development – One-Time		FTE	6.0
<u>Executive</u> adds \$11.0 million Gross (\$5.2 million GF/GP) for a total of \$27.8 million Gross (\$13.9 million GF/GP) to support the continued development of the Comprehensive Child Welfare Information System (CCWIS) – the replacement system for MISACWIS. This includes the development of the next 3 of the remaining cloud-based modules to be implemented over the course of the next 3 to 4 years. <u>House</u> concurs and retains \$1.7 million designated as ongoing by the Executive as additional one-time appropriations. <u>Senate</u> does not include. <u>Conference</u> includes \$12.2 million Gross (\$5.5 million GF/GP) for a total of \$29.0 million Gross (\$14.3 million GF/GP).		Gross	\$16,824,200
		Federal	8,075,600
		GF/GP	\$8,748,600
			\$12,165,300
			6,630,500
			\$5,534,800
6. MMIS – CHAMPS Maintenance and Operations		Gross	\$18,000,000
<u>Executive</u> retains \$2.2 million GF/GP from FY 2021-22 one-time technology upgrades for system maintenance and operations of CHAMPS, the state Medicaid system. Of the \$2.2 million GF/GP, \$1.8 million remains a one-time appropriation and \$400,000 is included in the MMIS line item as an increase in ongoing appropriations. <u>House</u> retains \$400,100 as one-time. <u>Senate</u> concurs with the Executive, and transfers one-time funding to ongoing. <u>Conference</u> concurs with the Senate.		Federal	15,850,000
		GF/GP	\$2,150,000
			(\$100,000)
			(100,000)
			\$0
7. Information Technology Contracts – Inflation Adjustments		Gross	NA
<u>Executive</u> includes \$2.1 million Gross (\$1.4 million GF/GP) to adjust for inflationary increases to contractual payments across IT systems. <u>House</u> concurs. <u>Senate</u> does not include. <u>Conference</u> concurs with the House and Executive.		Federal	NA
		GF/GP	NA
			\$2,074,800
			712,400
			\$1,362,400
8. Information Technology – Systems Maintenance		Gross	\$261,364,200
<u>Executive</u> includes \$3.6 million Gross (\$2.7 million GF/GP) for department-wide information technology services and projects maintenance costs. <u>House</u> concurs. <u>Senate</u> does not include. <u>Conference</u> concurs with the House and Executive.		TANF	16,689,000
		Federal	190,087,300
		Private	250,000
		Restricted	1,922,300
		GF/GP	\$52,415,600
			\$3,631,200
			0
			882,000
			0
			0
			\$2,749,200

Major Budget Changes from FY 2021-22 YTD Appropriations		FY 2021-22 Year-to-Date (as of 2/9/22)	FY 2022-23 Conference Change
9. FTE Reduction			
<u>Senate</u> reduces FTE position authorization, and associated funding, by \$191.7 million Gross (\$94.0 million GF/GP) and 1,496.1 FTE positions to December 25, 2021 levels. <u>Conference</u> does not include.	FTE	NA	0.0
	Gross	NA	\$0
	IDG	NA	0
	TANF	NA	0
	Federal	NA	0
	Local	NA	0
	Private	NA	0
	Restricted	NA	0
	GF/GP	NA	\$0
10. Department-Wide Lapses			
<u>Senate</u> reduces line items by \$68.6 million Gross (\$16.7 million GF/GP) throughout the department budget by historic end-of-fiscal year GF/GP lapses. <u>Conference</u> does not include.	Gross	NA	\$0
	IDG	NA	0
	TANF	NA	0
	Federal	NA	0
	Restricted	NA	0
	GF/GP	NA	\$0
11. Economic Adjustments			
<u>Executive</u> reflects increased costs of \$48.1 million Gross (\$21.4 million GF/GP) for negotiated salary and wage increases (5.0% on October 1, 2022 and 0.5% to annualize the FY 2022 1.0% increase that began on April 1, 2022), actuarially required retirement contributions, worker's compensation, building occupancy charges, and other economic adjustments. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur.	Gross	NA	\$48,052,300
	IDG	NA	102,500
	TANF	NA	7,325,200
	Federal	NA	18,078,200
	Local	NA	280,800
	Private	NA	356,600
	Restricted	NA	470,700
	GF/GP	NA	\$21,438,300
COMMUNITY SERVICES AND OUTREACH			
12. Sexual Assault Evidence Kit (SEAK) Tracking System Adjustment			
<u>Executive</u> reduces funding by \$430,500 Gross (increase of \$369,500 GF/GP) for the Sexual Assault Kit Tracking System. Replaces expired Sexual Assault Tracking Kit Fund with GF to maintain Track Kit software contract. <u>House</u> reduces funding by \$574,900 Gross (increase of \$225,100 GF/GP). <u>Senate</u> concurs with the Executive. <u>Conference</u> concurs with the Executive. Sec. 457 is related boilerplate.	FTE	0.0	1.0
	Gross	\$800,000	(\$430,500)
	Restricted	800,000	(800,000)
	GF/GP	\$0	\$369,500
13. Child Advocacy Centers			
<u>House</u> includes \$1.0 million GF/GP increase to support child advocacy centers. <u>Senate</u> does not include. <u>Conference</u> includes funding in new line and transfers additional \$1.0 million GF/GP from Child Advocacy Centers line to new Child Advocacy Centers- Supplemental Grants line. Sec. 459 is related boilerplate.	FTE	0.5	0.0
	Gross	\$2,407,000	(\$1,000,000)
	Restricted	1,407,000	0
	GF/GP	\$1,000,000	(\$1,000,000)
14. Child Advocacy Centers- Supplemental Grants			
<u>Conference</u> includes \$2.0 million GF/GP to provide additional funding to child advocacy centers to support general operations. Sec. 459 is related boilerplate.	Gross	NA	\$2,000,000
	GF/GP	NA	\$2,000,000
15. Sexual Assault Nurse Examiner Program (SANE)			
<u>House</u> includes \$102,600 GF/GP to support a Sexual Assault Nurse Examiner Program (SANE). <u>Senate</u> does not include. <u>Conference</u> concurs with the House. Sec. 451 is related boilerplate.	Gross	NA	\$102,600
	GF/GP	NA	\$102,600
16. Diaper Assistance Program			
<u>Executive</u> transfers Diaper Assistance line and funding (\$250,000 TANF) to Community Services and Outreach. <u>House</u> increases funding by \$1.3 million Gross (\$500,000 GF/GP). <u>Senate</u> increases funding by \$4.2 million TANF. <u>Conference</u> concurs with the Senate. Sec. 464 is related boilerplate.	Gross	\$250,000	\$4,154,400
	TANF	250,000	4,154,400
	GF/GP	\$0	\$0

<u>Major Budget Changes from FY 2021-22 YTD Appropriations</u>		<u>FY 2021-22 Year-to-Date (as of 2/9/22)</u>	<u>FY 2022-23 Conference Change</u>
17. Increase 2-1-1 Funding	Gross	\$2,472,600	\$2,000,000
<u>Senate</u> includes \$2.0 million GF/GP to increase funding to 2-1-1.	Federal	1,522,600	0
<u>Conference</u> concurs with the Senate. Sec. 465 is related boilerplate.	GF/GP	\$950,000	\$2,000,000
18. Increase School Success Partnership	Gross	\$525,000	\$1,000,000
<u>Senate</u> includes \$1.0 million TANF to fund an increase to the School Success Partnership line. <u>Conference</u> concurs with the Senate. Sec. 450 is related boilerplate.	TANF	525,000	1,000,000
	GF/GP	\$0	\$0
19. Community Services and Outreach – One-Time	Gross	NA	\$2,100,000
<u>House</u> includes:	GF/GP	NA	\$2,100,000
- Safe Housing grant program for human trafficking survivors (\$1.0 million) - Green Gables Haven for domestic violence survivors (\$210,300) - County grants for human trafficking collaboratives (\$250,000) - Safe Harbor Child Advocacy Centers (\$200,000)			
<u>Senate</u> does not include.			
<u>Conference</u> does not include county grants for human trafficking collaborative, increases funding for Green Gables Haven to \$600,000, and increases funding to Safe Harbor Child Advocacy Center to \$500,000. Related boilerplate sections: 1959, 1962, 1964.			
20. Community Services and Outreach – One-Time	Gross	NA	\$1,440,000
<u>Senate</u> includes:	GF/GP	NA	\$1,440,000
- United Methodist Community House (\$5.0 million) - Nazarene Community Housing infrastructure repair for emergency homeless shelters (\$1.0 million)			
<u>Conference</u> does not include Nazarene Community Housing and reduces funding for United Methodist Community House to \$1.4 million. Sec. 1966 is related boilerplate.			
21. Community Services and Outreach – One-Time	Gross	NA	\$46,000,000
<u>Conference</u> includes:	Federal	NA	40,000,000
- Supportive Housing for homeless individuals (\$6.0 million) - Federal Weatherization Assistance (\$40.0 million)	GF/GP	NA	\$6,000,000
Sec. 1982 and Sec. 1983 are related boilerplate.			

		FY 2021-22 Year-to-Date (as of 2/9/22)	FY 2022-23 Conference Change
<u>Major Budget Changes from FY 2021-22 YTD Appropriations</u>			
CHILDREN'S SERVICES AGENCY – CHILD WELFARE			
22. Child Welfare Caseload Adjustments	Gross	\$766,140,200	(\$64,084,400)
<u>Executive</u> increases funding for child welfare caseloads by \$16.4 million Gross (\$18.7 million GF/GP) across the Foster Care Payments, Adoptions Subsidies, Guardianship Assistance, and Child Care Fund lines. <u>House</u> and <u>Senate</u> concur. <u>Conference</u> reduces funding by \$64.1 million Gross (\$41.0 GF/GP) based on May consensus as follows:	TANF	75,304,600	(4,723,100)
	Federal	209,732,900	(13,619,200)
	Local	45,745,200	(4,703,500)
	Private	2,700,000	0
	GF/GP	\$432,657,500	(\$41,038,600)
- Foster care payments are reduced by \$39.8 million Gross (\$19.9 million GF/GP) from 7,958 cases at \$31,552 per year to 7,924 cases at \$32,228 per year. - Adoption subsidies is increased by \$281,400 Gross (\$74,500 GF/GP) from 21,877 cases at \$723.92 per month to 20,978 cases at \$735.71 per month. - Guardianship assistance payments are increased by \$139,000 Gross (\$96,700 GF/GP) from 1,209 cases at \$687.87 per month to 1,223 cases at \$707.29 per month. - The Child Care Fund is decreased by \$24.7 million Gross (\$21.3 million GF/GP).			
23. Child Welfare FMAP Adjustments	Gross	NA	\$0
<u>Executive</u> includes a \$5.9 million GF/GP increase to offset the decrease in federal funding due to the decrease in federal FMAP match from 65.48% to 64.71%. Also reverses FY22 Enhanced FMAP adjustments for base caseload in applicable child welfare lines. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur.	Federal	NA	(5,912,300)
	GF/GP	NA	\$5,912,300
24. Federal Title IV-E Administration Decrease	Gross	NA	\$0
<u>Executive</u> includes \$34.9 million GF/GP adjustment to correct an overclaim of federal title IV-E administrative reimbursements identified during FY 2020-21 book closing. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur.	Federal	NA	(34,945,000)
	GF/GP	NA	\$34,945,000
25. Family Maintenance Payment Increase	Gross	NA	\$36,013,900
<u>Executive</u> includes \$33.7 million Gross (\$13.3 GF/GP) to fund an 18% increase in regular maintenance payments to foster parents, adoptive families, and juvenile guardians. <u>House</u> concurs with Executive and adds \$100 point of difference. <u>Senate</u> concurs with Executive. <u>Conference</u> includes \$36.0 million Gross (\$14.2 million GF/GP) to provide a 20% increase to foster family maintenance payment rates.	TANF	NA	6,282,100
	Federal	NA	14,045,500
	Local	NA	1,440,600
	GF/GP	NA	\$14,245,700
26. Residential Rate Increase	Gross	NA	\$10,519,500
<u>Executive</u> includes \$10.5 million Gross (\$9.0 million GF/GP) to fund a 5% reimbursement increase to residential child caring institutions as well as a 12% reimbursement increase to private residential juvenile justice providers. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur.	Federal	NA	1,543,500
	GF/GP	NA	\$8,976,000
27. Direct Care Worker to Residential Rate Increase	Gross	NA	\$1,668,200
<u>House</u> includes a net \$1.7 million federal increase from 1) adding \$11.1 million Gross (\$9.5 million GF/GP) for a general rate increase to private residential facilities and 2) removing private residential facilities from the direct care wage pass through. <u>Senate</u> does not include. <u>Conference</u> concurs with the House.	Federal	NA	1,668,200
	GF/GP	NA	\$0

<u>Major Budget Changes from FY 2021-22 YTD Appropriations</u>		<u>FY 2021-22 Year-to-Date (as of 2/9/22)</u>	<u>FY 2022-23 Conference Change</u>
28. Raise the Age Fund Adjustment	Gross	\$9,150,000	\$4,000,000
<u>Executive</u> adds \$7.7 million GF/GP to adjust the Raise the Age fund for county incurred service costs based on county budget submissions to DHHS. <u>House</u> concurs. <u>Senate</u> does not include. <u>Conference</u> includes \$4.0 million GF/GP.	G/F/GP	\$9,150,000	\$4,000,000
29. Adoption Marketing and Education Program	Gross	\$0	\$10,000,000
<u>House</u> includes \$10.0 million GF/GP to fund marketing programs that promote adoption of infants and to develop educational materials to promote adoption as an alternative to abortion. <u>Senate</u> does not include. <u>Conference</u> concurs with the House. Sec. 548 is related boilerplate.	G/F/GP	\$0	\$10,000,000
30. Adoption Tax Credit	Gross	NA	\$2,000,000
<u>House</u> includes \$2.0 million GF/GP to fund a tax credit for adoptive parents. <u>Senate</u> does not include. <u>Conference</u> concurs with the House. Sec. 532 is related boilerplate.	G/F/GP	NA	\$2,000,000
31. Education Planners Funding Increase	Gross	\$1,627,400	\$372,000
<u>Senate</u> includes \$372,000 GF/GP to increase funding for Education Planners. <u>Conference</u> concurs with the Senate.	TANF	461,000	0
	Capped	242,800	0
	Federal	307,500	0
	G/F/GP	\$616,100	\$372,000
32. Child Care Fund Basic Grants Increase	Gross	NA	\$2,400,000
<u>Senate</u> includes \$2.4 million GF/GP to increase the County Child Care Fund basic grant amounts for smaller counties. <u>Conference</u> concurs with the Senate. Sec. 528 is related boilerplate.	GF/GP	NA	\$2,400,000
33. Lessen Time for Physical/Mental Examinations	Gross	NA	\$0
<u>Senate</u> includes \$1.0 million GF/GP to lessen the time it takes to complete the physical and mental health evaluations required for foster children. <u>Conference</u> does not include.	GF/GP	NA	\$0
34. Foster Care Let Them Play	Gross	NA	\$100,000
<u>Senate</u> includes \$100,000 GF/GP to fund reimbursements to foster care children for costs associated with participation in extracurricular activities. <u>Conference</u> concurs with the Senate. Sec. 560 is related boilerplate.	GF/GP	NA	\$100,000
35. Child Welfare Day Treatment Pilot Program – One-Time	Gross	NA	\$2,480,000
<u>Executive</u> includes \$2.5 million GF/GP to fund a pilot treatment program targeted to children ages 7-18 who have been expelled or are at risk of being expelled from school with behaviors that threaten the stability of their foster care placement. <u>House</u> moves to one-time and includes \$100 placeholder. <u>Senate</u> does not include. <u>Conference</u> includes \$2.5 million of funding in the one-time unit. Sec. 2004 is related boilerplate.	GF/GP	NA	\$2,480,000
36. Congregate Care Pandemic Relief Grants – One-Time	Gross	NA	\$0
<u>Executive</u> provides \$15.0 million GF/GP for pandemic-related fiscal relief to residential child welfare providers. <u>House</u> does not include. <u>Senate</u> includes as CCI Pandemic Relief payments. <u>Conference</u> does not include because funding was included in FY22 Supplemental.	GF/GP	NA	\$0
37. Children’s Services Administration Technical Adjustment	Gross	NA	\$1,161,000
<u>Conference</u> includes \$1.2 million Gross (\$982,900 GF/GP) in FTE authorization in the Children’s Services Administration to provide funding transfer to the Community Reintegration Unit and Child Safety and Program Compliance Unit.	Federal	NA	178,100
	GF/GP	NA	\$982,900

Major Budget Changes from FY 2021-22 YTD Appropriations		FY 2021-22 Year-to-Date (as of 2/9/22)	FY 2022-23 Conference Change
38. Child Welfare – One-Time	Gross	NA	\$4,000,000
<u>House</u> includes:	GF/GP	NA	\$4,000,000
- Grant Me Hope facility for homeless youth aging out of foster care (\$100,000) - Arc Michigan education supports for developmentally disabled foster youth (\$1.0 million) - Center for Youth Justice In-home care grants (\$500,000)			
<u>Senate</u> does not include. <u>Conference</u> concurs with funding for Center for Youth Justice, increases funding for Grant Me Hope to \$1.5 million, increases funding for ARC Michigan to \$2.0 million.			
Related boilerplate sections: 1952, 1963, 1968.			
39. Child Welfare – One-Time	Gross	NA	\$2,500,000
<u>Conference</u> includes:	GF/GP	NA	\$2,500,000
- Unified Clinics for Resiliency for children and families who are victims of abuse (\$750,000) - Kinship and the Bridge program for youth placed in foster care (\$1.8 million)			
Sec. 1960 and Sec. 2000 are related boilerplate.			
PUBLIC ASSISTANCE			
40. Public Assistance Caseload Adjustments	Gross	NA	\$1,150,033,800
<u>Executive</u> recognizes a \$1.1 billion Gross net increase (\$3.3 million GF/GP net reduction) resulting from adjusted estimates to Family Independence Program (FIP), Food Assistance Program (FAP), State Disability Assistance (SDA), and State Supplementation (SSI) caseloads for FY 2021-22 and FY 2022-23. Adjustments include pandemic-related increases to food assistance (P-EBT). <u>House</u> and <u>Senate</u> concur. <u>Conference</u> recognizes a \$1.2 billion Gross net increase (\$2.9 million GF/GP net reduction) in accordance with May consensus.	TANF	NA	(2,729,800)
	Federal	NA	1,155,716,600
	Restricted	NA	(13,300)
	GF/GP	NA	(\$2,939,700)
- FIP: reduction of \$2.9 million Gross (\$0 GF/GP). - FAP: increase of \$1.2 billion Gross (\$0 GF/GP). - SDA: increase of \$284,700 Gross (\$118,000 GF/GP). - SSI: reduction of \$3.1 million GF/GP.			
41. Food Security Council – One-Time	Gross	\$0	\$3,950,000
<u>Executive</u> includes \$50.0 million GF/GP to support grants to food banks and other charity-based organizations that distribute food, update food distribution facilities, create a new food distribution center in the U.P., information technology updates for the Bridges system, and attempt coordination between primary health care services and food access. <u>House</u> includes \$100 placeholder. <u>Senate</u> does not include. <u>Conference</u> includes \$4.0 million GF/GP.	GF/GP	\$0	\$3,950,000
42. Home Repair and Plumbing Assistance Grants – One-Time	Gross	\$0	\$1,823,300
<u>Executive</u> includes \$40.0 million GF/GP to support grants through local Community Action Agencies to households for minor home repair work, including plumbing repairs. <u>House</u> includes \$100 placeholder. <u>Senate</u> does not include. <u>Conference</u> includes \$1.8 million GF/GP.	GF/GP	\$0	\$1,823,300
43. Cross-Enrollment Expansion – One-Time	Gross	\$0	\$0
<u>Executive</u> includes \$2.5 million Gross (\$1.3 million GF/GP) to support efforts to enroll public assistance recipients in all other assistance programs that they are eligible for. Funding would support administrative and outreach efforts, as well as changes to the MI Bridges enrollment portal. <u>House</u> , <u>Senate</u> , and <u>Conference</u> do not include.	Federal	0	0
	GF/GP	\$0	\$0

Major Budget Changes from FY 2021-22 YTD Appropriations		FY 2021-22 Year-to-Date (as of 2/9/22)	FY 2022-23 Conference Change
44. Family Independence Program – Young Child Supplements <u>Executive</u> includes \$8.3 million in TANF block-grant funds to increase monthly FIP distributions by \$100 per child under the age of 6. <u>House</u> , and <u>Senate</u> do not include. <u>Conference</u> includes \$4.2 million TANF for an annual, lump-sum distribution of \$600 per child under the age of 6 to applicable cases.	Gross	\$59,751,700	\$4,154,400
	TANF	48,722,100	4,154,400
	Restricted	10,121,900	0
	GF/GP	\$907,700	\$0
45. Family Independence Program – Child Support Pass-Through <u>Executive</u> includes \$0 Gross (\$1.1 million GF/GP) to backfill forgone state-share collections of child support for administrative purposes. This would eliminate the remainder of state-share collections to allow those child support collections to pass through to FIP applicable cases. <u>House</u> and <u>Senate</u> do not include. <u>Conference</u> concurs with the Executive.	Gross	\$59,751,700	\$0
	TANF	48,722,100	0
	Restricted	10,121,900	(1,100,000)
	GF/GP	\$907,700	\$1,100,000
46. Employment Verification Contract Increase <u>Executive</u> includes \$5.4 million Gross (\$3.2 million GF/GP) to support the employment verification contract with TALX (Equifax). This includes moving the payment rate from a flat-rate to a per-unit rate, and account for increased employment verifications. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur.	Gross	\$17,595,000	\$5,374,700
	IDG	145,400	0
	TANF	3,597,500	3,800
	Federal	6,279,800	2,127,300
	GF/GP	\$7,572,300	\$3,243,600
47. Security Services Contract Increase <u>Executive</u> includes \$1.4 million Gross (\$783,800 GF/GP) to increase payments to DK Security for infrastructure protection. The increase in funds would be utilized to increase personnel wages from the current hourly minimum of \$12.40 to \$16.00 statewide, with the exception of Detroit, which would see an increase to \$18.00. <u>House</u> concurs. <u>Senate</u> includes half of the Executive increase. <u>Conference</u> concurs with the Executive.	Gross	\$17,595,000	\$1,400,000
	IDG	145,400	0
	TANF	3,597,500	264,700
	Federal	6,279,800	351,500
	GF/GP	\$7,572,300	\$783,800
48. Migrant Family Independence Specialists <u>Executive</u> includes \$555,700 Gross (\$277,900 GF/GP) and 5.0 FTE positions to place Migrant Family Independence Specialists at Intercare, Cherry Health, Northwest Michigan Human Services, and Great Lakes Bay health centers. The additional Family Independence Specialists would provide for targeted outreach to migrant populations. <u>House</u> and <u>Senate</u> do not include. <u>Conference</u> concurs with the Executive.	FTE	4,417.5	5.0
	Gross	\$471,827,100	\$555,700
	IDG	6,805,700	0
	TANF	52,195,400	0
	Federal	208,849,800	277,800
	GF/GP	\$203,976,200	\$277,900
49. Food Distribution Grant – One-Time <u>House</u> includes \$500,000 GF/GP to support a grant to Feeding America West Michigan to re-develop and equip a new distribution warehouse facility in Kentwood. <u>Senate</u> does not include. <u>Conference</u> concurs with the House and increases to \$700,000 GF/GP.	Gross	\$0	\$700,000
	GF/GP	\$0	\$700,000
50. Wrap-Around Services Grant – One-Time <u>House</u> includes \$200,000 GF/GP to support a grant to the Boys and Girls Club facility in Bay City for site maintenance and improvement. <u>Senate</u> does not include. <u>Conference</u> concurs with the House and increases to \$400,000 GF/GP.	Gross	\$0	\$400,000
	GF/GP	\$0	\$400,000
51. Legal Assistance <u>House</u> includes \$30,000 GF/GP to increase the grant to the Allegan County Legal Assistance Center, used to provide civil law services to low-income individuals. <u>Senate</u> does not include. <u>Conference</u> concurs with the House.	Gross	\$20,000	\$30,000
	GF/GP	\$20,000	\$30,000
52. SSI Advocacy Legal Services - Placeholder <u>House</u> reduces LSAM grant to \$100 placeholder. <u>Senate</u> and <u>Conference</u> retain.	Gross	\$325,000	\$0
	GF/GP	\$325,000	\$0

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Major Budget Changes from FY 2021-22 YTD Appropriations			
53. Food Assistance Reinvestment – Waived Penalty Period	FTE	16.0	0.0
<u>Executive</u> reduces penalty payments to the U.S. Department of Agriculture – Food and Nutrition Services by \$3.6 million GF/GP. The USDA waived food assistance distribution error rate-related penalties due to the inability to determine correct error rates during certain periods in the 2 previous fiscal years, resulting from the COVID-19 pandemic and related mitigation measures. <u>House</u> concurs. <u>Senate</u> eliminates funding. <u>Conference</u> concurs with the House and Executive.	Gross	\$10,985,000	(\$3,551,500)
	GF/GP	\$10,985,000	(\$3,551,500)
54. Pathways to Potential – Targeted Reduction	FTE	231.0	0.0
<u>Senate</u> reduces appropriations by \$1.1 million Gross (\$500,000 GF/GP). <u>Conference</u> does not include.	Gross	\$24,803,600	\$0
	IDG	357,100	0
	TANF	2,731,500	0
	Federal	11,047,700	0
	GF/GP	\$10,667,300	\$0
55. Ride to Work Program – One-Time	Gross	\$0	\$1,000,000
<u>Senate</u> includes \$1.0 million GF/GP to support a grant to the Wheels to Work program in order to expand services and reduce fees. <u>Conference</u> concurs with the Senate.	GF/GP	\$0	\$1,000,000
BEHAVIORAL HEALTH SERVICES			
56. Michigan Crisis and Access Line (MiCAL)	Gross	NA	\$3,000,000
<u>House</u> adds \$3.0 million GF/GP to continue to MiCAL statewide, a behavioral health crisis intervention and support call center and also provides primary coverage in regions where a regional national suicide prevention 988 lifeline center does not provide coverage and for statewide secondary coverage for 988. <u>Senate</u> does not include. <u>Conference</u> concurs with the House.	GF/GP	NA	\$3,000,000
57. Conference of Western Wayne	Gross	\$500,000	\$0
<u>Senate</u> eliminates funding for the Conference of Western Wayne substance use disorder project. Conference retains current funding.	GF/GP	\$500,000	\$0
58. Family Support Subsidy	Gross	\$11,832,400	\$1,517,100
<u>Executive</u> reduces \$1.6 million TANF to support an estimated 3,700 family support subsidy cases. <u>House</u> concurs. <u>Senate</u> includes caseload adjustment and increases monthly subsidy by \$93.57 to \$322.88. <u>Conference</u> includes caseload adjustment and increase monthly subsidy by \$71.05 to \$300.36.	TANF	11,832,400	1,517,100
	GF/GP	\$0	\$0
59. Opioid Healing and Recovery Fund	Gross	\$0	\$23,200,000
<u>Executive</u> includes \$16.0 million of restricted funds from court settlements between the state and opioid manufacturers and distributors. State statute would also be required to create the fund and establish the use of the funds. <u>House</u> and <u>Senate</u> concur. <u>Conference</u> includes \$23.2 million based on updated settlement amounts.	Restricted	0	23,200,000
	GF/GP	\$0	\$0
60. Families Against Narcotics (FAN) – One-Time	Gross	\$4,000,000	\$1,000,000
<u>Senate</u> does not eliminate one-time funding for FAN, and adds \$1.0 million net GF/GP to move \$5.0 million GF/GP for FAN on an ongoing basis. <u>Conference</u> includes \$5.0 million GF/GP on one-time basis.	GF/GP	\$4,000,000	\$1,000,000
61. Court-Appointed Guardian	Gross	\$0	\$5,000,000
<u>House</u> includes \$100 placeholder to reimburse court-appointed guardians of individuals who receive community mental health services. <u>Senate</u> adds \$5.0 million GF/GP and includes conservators. <u>Conference</u> includes \$5.0 million to reimburse CMHSPs for the cost of court-appointed public guardians.	GF/GP	\$0	\$5,000,000

<u>Major Budget Changes from FY 2021-22 YTD Appropriations</u>		<u>FY 2021-22 Year-to-Date (as of 2/9/22)</u>	<u>FY 2022-23 Conference Change</u>
62. Medicaid Mental Health Local Match		Gross	NA
<u>House</u> includes \$5.1 million GF/GP to replace a like amount of local funding used for Medicaid mental health supports and services. Amount would reflect the third year of phasing out the local match portion over a 5-year period. <u>Senate</u> replaces all of the local funding. <u>Conference</u> concurs with the House.		Local	NA
		GF/GP	NA
			\$5,095,100
63. Medicaid Methadone Bundled Services Rate Increase		Gross	\$0
<u>House</u> adds \$5.4 million Gross (\$1.2 million GF/GP) to increase the Medicaid bundled reimbursement rate for administering and servicing methadone to \$19.00. <u>Senate</u> does not include. <u>Conference</u> adds \$16.2 million Gross (\$4.1 million GF/GP) based on updated cost estimates.		Federal	0
		GF/GP	\$0
			\$4,074,400
64. Behavioral Health Inpatient Capacity and Operations		FTE	NA
<u>Executive</u> includes \$52.5 million GF/GP and authorizes 169.0 FTE positions to increase capacity of state-operated and private purchase psychiatric inpatient beds. Funding for state-operated psychiatric hospitals would be used to staff an additional 56 beds at Hawthorn and Center for Forensic Psychiatry. Funding for private purchase would support the purchase of 60 beds. <u>House</u> and <u>Senate</u> do not include. <u>Conference</u> includes \$41.0 million GF/GP and authorizes 87.0 FTE positions to increase capacity at Hawthorn and to reimburse private providers of intensive psychiatric treatments.		Gross	NA
		GF/GP	NA
			\$40,950,000
65. New State-Operated Psychiatric Hospital – One-Time		Gross	\$0
<u>Executive</u> adds \$325.0 million in one-time GF/GP to construct a new state-operated psychiatric hospital campus in Southeast Michigan to replace Hawthorn and Walter P. Reuther. Campus would have an estimated capacity of 260 total beds, which would be 45 more than the current occupancy of the 2 current facilities. <u>House</u> adds \$85.0 million in one-time GF/GP to construct a new Hawthorn Center for children and adolescents. <u>Senate</u> does not include. <u>Conference</u> does not include within DHHS, but within Capital Outlay.		GF/GP	\$0
			\$0

		FY 2021-22 Year-to-Date (as of 2/9/22)	FY 2022-23 Conference Change
Major Budget Changes from FY 2021-22 YTD Appropriations			
66. New Non-State Behavioral Health Facility Capacity – One-Time House adds \$178.6 million Gross (\$53.6 million GF/GP), including \$125.0 million of federal Coronavirus State Fiscal Recovery Funds (SFRF) in one-time funding for:	Gross	\$0	\$223,100,000
	SFRF	0	0
	GF/GP	\$0	\$223,100,000
• Pine Rest pediatric behavioral health center (\$50.0 million) • Detroit Wayne Integrated Health Network psychiatric campus (\$45.0 million) • Establishing crisis stabilization units (CSUs) (\$30.0 million) • U of M Medicine children's emergency psychiatry and day program for children and adults (\$11.0 million) • Establishing psychiatric residential treatment facilities (\$10.0 million) • Team Wellness adolescent behavioral wraparound health care program (\$10.0 million) • McLaren Northern Michigan adolescent partial hospitalization (\$5.0 million) • Bay County pediatric psychiatric inpatient (\$5.0 million) • Kalamazoo or Berrien County pediatric psychiatric inpatient (\$5.0 million) • War Memorial psychiatric inpatient (\$3.6 million) • McLaren emergency psychiatric assessment, treatment, and healing (EmPATH) unit (\$3.0 million) • McLaren Greenlawn (\$1.0 million) <u>Senate</u> adds \$5.0 million GF/GP for Munson Healthcare and Northern Lakes Community Mental Health Authority for CSUs and crisis residential units. <u>Conference</u> adds \$165.6 million GF/GP for House items listed above, \$50.0 million for competitive pediatric psychiatric infrastructure grants, \$5.0 million for Detroit Children's Hospital psychiatric, and \$2.5 million for Insight Behavioral Health in Flint.			
67. Clinical and CMHSP Integration Readiness Initiatives – One-Time	Gross	\$0	\$50,000,000
	GF/GP	\$0	\$50,000,000
<u>Conference</u> includes a total of \$50.0 million GF/GP for grants to facilities and providers that wish to clinically integrate physical and behavioral health services and providers and to CMHSPs for system, IT, staffing, and administrative improvements for integration readiness. Sec. 1984. states funds are not available for expenditure until legislatively transferred.			
68. Health Homes <u>Executive</u> includes \$16.8 million Gross (\$2.5 million GF/GP) to increase the number of counties with behavioral health homes from 37 and 42 and the number of counties with opioid health homes from 40 to 49. <u>House</u> includes Executive amount but also requires funds be used to implement intellectual or developmental disability health home. <u>Senate</u> and <u>Conference</u> concurs with the Executive.	FTE	1.0	0.0
	Gross	\$33,005,400	\$16,832,100
	Federal	29,524,900	14,332,100
	Local	246,900	0
	Restricted	677,300	0
	GF/GP	\$2,556,300	\$2,500,000
69. Central Administrative Support for State Psychiatric Hospitals and Centers	FTE	NA	8.0
	Gross	NA	\$1,087,900
	GF/GP	NA	\$1,087,900
<u>Executive</u> includes a net increase of \$1.1 million GF/GP and authorizes a net 8.0 FTE positions to increase administrative support for admission and discharges, the Michigan Community Transition Program, and Psychiatric Residential Treatment Facilities. <u>House</u> and <u>Senate</u> do not include the net increase. <u>Conference</u> concurs with the Executive.			

Major Budget Changes from FY 2021-22 YTD Appropriations		FY 2021-22 Year-to-Date (as of 2/9/22)	FY 2022-23 Conference Change
70. Occupational Health Clinics			
<u>Executive</u> adds \$3.6 million Gross (\$3.2 million GF/GP) and authorizes 29.0 FTE positions to establish permanent occupational health clinics in each of the 5 state-operated psychiatric hospitals and centers. The occupational health clinics would manage occupational health issues including workplace safety, infectious disease control, and quality control. <u>House</u> includes \$100 placeholder. <u>Senate</u> and <u>Conference</u> do not include.		FTE	NA
		Gross	NA
		Federal	0
		GF/GP	\$0
71. State Psychiatric Hospital Pharmacy Cost Increase		Gross	NA
<u>Executive</u> adds \$436,700 Gross (\$357,700 GF/GP) to support an estimated 5% inflationary increase in pharmacy costs within the state psychiatric hospitals. <u>House</u> concurs. <u>Senate</u> does not include. <u>Conference</u> concurs.		Federal	30,600
		Local	32,400
		Restricted	16,000
		GF/GP	\$357,700
72. Behavioral Health One-Time Funding		Gross	NA
<u>Executive</u> includes \$26.1 million GF/GP for various one-time behavioral health funding. <u>House</u> includes \$12.7 million Gross (\$5.2 million GF/GP). <u>Senate</u> includes \$13.3 million Gross (\$10.8 million GF/GP). <u>Conference</u> includes:		SFRF	0
		GF/GP	\$34,523,300
- Jail Diversion Fund (\$10.0 million) - Multicultural integration funding (\$8.6 million) - Salvation Army Safe Harbor (\$8,333,300) - Easterseals - autism comprehensive care center (\$2.5 million) - First responder mental health funding (\$2.5 million) - Western Upper Peninsula CMHSP health professionals in schools (\$1.0 million) - Altarum substance use disorder programing (\$600,000) - Easterseals – Parent/Family stress programs (\$500,000) - Great Lakes Recovery Center (\$250,000) - Blue Water Recovery and Outreach (\$150,000) - Endeavor to Persevere – teen walk-in mental health (\$50,000) - Mediation services (\$40,000)			
PUBLIC HEALTH			
73. New Initiatives to Reduce Health Disparities – One-Time		Gross	NA
<u>Executive</u> includes one-time funding of \$20.0 million Gross (\$15.0 million GF/GP) for new initiatives to reduce health disparities, including:		SFRF	0
		GF/GP	\$500,000
\$10.0 million Gross (\$5.0 million GF/GP) for Medicaid health plan racial disparities incentive pool. \$4.2 million GF/GP for expansion of access to Centering Pregnancy sites to reduce racial disparities in pre-term births. \$4.0 million GF/GP for health education and training to improve birth outcomes for adolescent mothers. \$1.3 million GF/GP for health care workforce diversification development. \$500,000 GF/GP for outreach to minority women regarding uterine fibroid disease and health disparities.			
Sections 1979 through 1983 are related boilerplate sections. <u>House</u> does not include. <u>Senate</u> provides \$500,100, primarily federal State Fiscal Recovery Funds; sections 1979 and 1983 are related boilerplate. <u>Conference</u> includes \$500,000 GF/GP and Sec. 1979 for uterine fibroid education and outreach.			

Major Budget Changes from FY 2021-22 YTD Appropriations		FY 2021-22 Year-to-Date (as of 2/9/22)	FY 2022-23 Conference Change
74. Essential Health Provider - Behavioral Health – One-Time <u>Executive</u> provides one-time funding of \$25.0 million GF/GP to support behavioral health provider repayment of medical education loans in exchange for service in health professional shortage areas, an expansion of the existing Michigan essential health provider state/federal program. Sec. 1985 is related boilerplate and establishes the funding as a work project. <u>House</u> and <u>Senate</u> do not include. <u>Conference</u> includes \$10.0 million GF/GP and Sec. 1981 boilerplate.	Gross	\$3,519,600	\$10,000,000
	Federal	1,236,300	0
	Private	855,000	0
	GF/GP	\$1,428,300	\$10,000,000
75. Health Workforce Development Initiatives – One-Time <u>House</u> adds \$5.0 million GF/GP for 4 projects to increase the number of psychiatric-mental health nurse practitioners, provide social workers training in crisis stabilization management, and provide skills development and training for direct care workers. Sec. 1970 is related boilerplate and establishes the funding as a work project. <u>Senate</u> does not include current year funding or increase. <u>Conference</u> concurs with the House.	Gross	\$1,573,000	\$4,977,000
	GF/GP	\$1,573,000	\$4,977,000
76. Rural Independent Primary Care Initiative – One-Time <u>Senate</u> provides \$7.6 million GF/GP for grants of up to \$500,000 to counties with populations below 40,000 (43 eligible counties) to sustain physician practices in medically underserved at-risk areas. Sec. 1962 is related boilerplate. <u>Conference</u> does not include.	Gross	\$0	\$0
	GF/GP	\$0	\$0
77. Health Care Access, Facilities, and COVID-19 – One-Time <u>Conference</u> includes one-time funding for the following projects: • Mackinac Straits health system project (\$10.0 million) Sec. 1995 • Community health campus pilot (\$25.0 million) Sec. 1996 • Upper Peninsula robotic spinal surgery (\$2.0 million) Sec. 2002 • Incompass Michigan COVID-19 response (\$3.0 million) Sec. 1993	Gross	\$0	\$40,000,000
	GF/GP	\$0	\$40,000,000
78. Bone Marrow Donor and Blood Bank Programs – One-Time <u>House</u> reduces current funding for bone marrow donor and blood bank programs from \$750,000 GF/GP to a \$100 placeholder and moves the funding to one-time. Related boilerplate sections 1146 and 1147 are combined and moved to Sec. 1959. <u>Senate</u> retains current year funding. <u>Conference</u> concurs with the Senate.	Gross	\$750,000	\$0
	GF/GP	\$750,000	\$0
79. Information on Human Embryo Constitution Provisions <u>House</u> removes \$100,000 GF/GP funding for informational materials related to State Constitution provisions regarding human embryo and embryonic stem cell research; revises related Sec. 1148 boilerplate to require a report on the expenditure of the FY 2021-22 funding. <u>Senate</u> and <u>Conference</u> retain current year funding and boilerplate.	Gross	\$100,000	\$0
	GF/GP	\$100,000	\$0
80. Notice of Prohibited Use of State Funds for Elective Abortion <u>House</u> includes \$50,000 GF/GP and Sec. 243 to provide notice and information to health providers and the public concerning the prohibited use of state restricted or state general funds by DHHS, grantees, or subcontractors to fund any elective abortion. Vetoed in FY 2021-22 budget. <u>Senate</u> does not include. <u>Conference</u> concurs with the House.	Gross	\$0	\$50,000
	GF/GP	\$0	\$50,000
81. Media and Communications Contract Reduction <u>Senate</u> reduces GF/GP funding by \$2.6 million in epidemiology and healthy homes for public health programs having contractual expenditures with Brogan and Partners Advertising Consultancy for media, outreach, and communications services related to program objectives. Reduction totals about 50% of GF/GP of current spending for Brogan contractual services. <u>Conference</u> does not include.	Gross	NA	\$0
	GF/GP	NA	\$0

Major Budget Changes from FY 2021-22 YTD Appropriations		FY 2021-22 Year-to-Date (as of 2/9/22)	FY 2022-23 Conference Change
82. Michigan Public Health Institute (MPHI) Contract Reduction <u>Senate</u> reduces GF/GP funding by \$7.2 million in epidemiology, healthy homes, PFAS, and family health for public health programs having contractual expenditures with MPHI for services related to program goals and objectives. Reduction totals about 50% of GF/GP expended for MPHI contractual services. MPHI is established and authorized under section 2611 of the Public Health Code, MCL 333.2611. <u>Conference</u> does not include.	Gross	NA	\$0
	GF/GP	NA	\$0
83. Statewide Trauma System Fund Shift to GF/GP <u>Conference</u> includes a net \$0 Gross (\$3.5 million GF/GP) fund shift for the statewide trauma system, using GF/GP to replace \$3.5 million of Crime Victim's Rights Fund (CVRF) state restricted revenue. CVRF was allowed for this use by law beginning in 2010, but 2021 PA 89 discontinued CVRF funding for this use effective October 1, 2022.	Gross	\$3,500,000	\$0
	Restricted GF/GP	3,500,000 \$0	(3,500,000) \$3,500,000
84. City of Detroit Environmental Monitoring – One-Time <u>Conference</u> includes \$1.0 million GF/GP for a contract with a local health department for health and emissions monitoring in the City of Detroit. Sec. 1986 is related boilerplate.	Gross	\$0	\$1,000,000
	GF/GP	\$0	\$1,000,000
85. Newborn Screening Inflationary Adjustment <u>Executive</u> recognizes increased newborn screening fee revenue of \$967,300 from automatic fee adjustment for inflation (4.5%) pursuant to statute, for screening of newborns for genetic conditions, in 2 line items. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur.	Gross	\$17,912,100	\$967,300
	Restricted GF/GP	17,912,100 \$0	967,300 \$0
86. Rural Firefighter Equipment – One-Time <u>Senate</u> provides a \$100 placeholder for rural firefighter equipment readiness. <u>Conference</u> does not include.	Gross	\$0	\$0
	GF/GP	\$0	\$0
87. Family Preparedness Expo <u>Senate</u> eliminates \$25,000 GF/GP for free family emergency readiness public events in Livingston County funded since FY 2020-21, and strikes related Sec. 1185 boilerplate. <u>Conference</u> retains current year.	Gross	\$25,000	\$0
	GF/GP	\$25,000	\$0
88. Healthy Communities Grant – One-Time <u>House</u> provides a \$100 placeholder to continue one-time funding for healthy living, obesity prevention, and substance abuse prevention programs of Leaders Advancing and Helping Communities. Sec. 1956 is related boilerplate. <u>Senate</u> provides \$1.0 million GF/GP for LAHC to establish a food pantry and kitchen. Sec. 1956 is related boilerplate. <u>Conference</u> does not include.	Gross	\$300,000	(\$300,000)
	GF/GP	\$300,000	(\$300,000)
89. Sexually Transmitted Disease Control and Prevention <u>Executive</u> increases private funding by \$2.0 million for state and local prevention activities and drug programs related to sexually transmitted infections (STI). Funds are pharmaceutical manufacturer rebates for program drug expenditures. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur.	Gross	\$6,418,200	\$2,000,000
	Federal	3,358,100	0
	Private	136,500	2,000,000
	Restricted	2,296,600	0
	GF/GP	\$627,000	\$0

Major Budget Changes from FY 2021-22 YTD Appropriations		FY 2021-22 Year-to-Date (as of 2/9/22)	FY 2022-23 Conference Change
90. Gun Violence Reduction / School Training and Technical Assistance – One-Time	Gross	\$0	\$1,000,000
<u>Executive</u> includes one-time funding of \$10.0 million GF/GP for firearm injury and violence prevention initiatives, including evidence-based school and community programs, training for health, community, and law enforcement workers, data infrastructure development, and evaluation of initiatives. Sec. 1986 is related boilerplate and establishes the funding as a work project. <u>House</u> and <u>Senate</u> do not include. <u>Conference</u> includes \$1.0 million GF/GP for training and technical assistance to school districts for local violence prevention strategies intended to reduce school violence; Sec. 1985 is related boilerplate and establishes the funding as a work project.	GF/GP	\$0	\$1,000,000
91. Injury Control – Traumatic Brain Injury – One-Time	Gross	\$5,000,000	\$0
<u>Senate</u> continues one-time funding of \$5.0 million GF/GP for decision support software in the treatment of traumatic brain injury. Sec. 1971 is related boilerplate, and establishes the funding as a work project. <u>Conference</u> does not include.	GF/GP	\$5,000,000	\$0
92. Healthy Moms Healthy Babies - Doula Care	Gross	\$0	\$1,179,100
<u>Executive</u> increases funding by \$1.2 million GF/GP for expansion of Healthy Moms Healthy Babies maternal and infant health and support programs to provide professional doula care services for high-risk pregnant women, new mothers, and their families. <u>House</u> moves to one-time as a \$100 placeholder for a doula care services pilot program. <u>Senate</u> does not include. <u>Conference</u> concurs with the Executive.	GF/GP	\$0	\$1,179,100
93. Child and Adolescent Health Care and Centers	Gross	\$16,242,700	\$25,000,000
<u>Executive</u> retains FY 2021-22 \$5.0 million supplemental increase and provides additional increase of \$11.0 million of local school district revenue originating from the state School Aid Fund for primary health care services to children and youth in clinical and school-based settings, included as a proposed increase in the School Aid budget. Note \$5.0 million supplemental amount is reflected in the FY 2021-22 year-to-date. <u>House</u> and <u>Senate</u> retain \$5.0 million supplemental increase only. <u>Conference</u> retains \$5.0 million supplemental increase, and reflects additional increase of \$25.0 million included in the School Aid budget.	Local GF/GP	16,242,700 \$0	25,000,000 \$0
94. Outstate Local Public Health Dental Clinics	Gross	\$1,750,000	\$1,000,000
<u>Senate</u> increases ongoing funding for outstate local public health dental clinics by \$4.5 million GF/GP to a total funding amount of \$6,250,000; the program utilizes My Community Dental Clinics (MCDC). Sec. 1317 is related boilerplate. <u>Conference</u> includes \$1.0 million GF/GP increase.	GF/GP	\$1,750,000	\$1,000,000
95. Alternative Pregnancy and Parenting Program	Gross	\$36,818,200	\$700,000
<u>House</u> includes \$700,000 increase of federal TANF funding for Real Alternatives pregnancy and parenting services program which promotes childbirth, alternatives to abortion, and grief counseling. Sec. 1307 is related boilerplate. Vetoed in FY 2021-22 budget. <u>Senate</u> does not include. <u>Conference</u> concurs with the House.	TANF Federal Restricted GF/GP	0 15,828,300 50,000 \$20,939,900	700,000 0 0 \$0

Major Budget Changes from FY 2021-22 YTD Appropriations		FY 2021-22 Year-to-Date (as of 2/9/22)	FY 2022-23 Conference Change
96. Title X & Title V Block Grant Funds Replacement and Redirect <u>House</u> replaces \$8.3 million of federal title X family planning funds with GF/GP in two appropriation lines, and \$19.4 million of federal title V maternal and child health (MCH) block grant funds with GF/GP, in 11 appropriation lines. \$1.7 million of funds previously allocated from the block grant to family planning is redirected to local MCH services and childhood lead prevention program with the replacement GF/GP. Sec. 1344 is related boilerplate. <u>Senate</u> replaces same federal funding with GF/GP at slightly different amounts (\$7.6 million for Title X, \$19.5 million for Title V), does not redirect any funds, and has no related boilerplate. <u>Conference</u> retains current law Title X and Title V funding.	Gross	\$27,697,100	\$0
	Federal	27,697,100	0
	GF/GP	\$0	\$0
97. Maternal Navigator Pilot Program <u>House</u> includes \$3.0 million GF/GP for a maternal navigator pilot program by nonprofit organizations in 2 geographically diverse areas to provide referrals and services to pregnant women; grantee organizations must promote childbirth and alternatives to abortion. Sec. 1345 is related boilerplate. Vetoed in FY 2021-22 budget. <u>Senate</u> does not include. <u>Conference</u> concurs with the House.	Gross	\$0	\$3,000,000
	GF/GP	\$0	\$3,000,000
98. Pregnancy Resource Center Grants <u>House</u> includes \$1.5 million GF/GP for grants to pregnancy resource centers, to be distributed equally to applicants; centers are defined as private nonprofit organizations that promote childbirth and alternatives to abortion, and provide referrals and information to pregnant women. Sec. 1346 is related boilerplate. Vetoed in FY 2021-22 budget. <u>Senate</u> does not include. <u>Conference</u> concurs with the House.	Gross	\$0	\$1,500,000
	GF/GP	\$0	\$1,500,000
99. Maternity Homes Expansion <u>House</u> includes \$4.0 million GF/GP for maternity home expansion grants for safe housing and supportive services for pregnant women who are without a safe home, and for a statewide assessment of need for access to maternity home programs. Sec. 1323 is related boilerplate. <u>Senate</u> does not include. <u>Conference</u> concurs with the House.	Gross	\$0	\$4,000,000
	GF/GP	\$0	\$4,000,000
100. Lead Abatement Grant SCHIP Adjustments <u>Executive</u> includes a net \$0 Gross fund shift of \$393,000 from federal to GF/GP for FMAP adjustment for federal Children's Health Insurance Program funds used for lead abatement in Flint and other high-risk communities since 2016-17. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur.	Gross	\$32,745,400	\$0
	Federal	19,999,500	(393,000)
	Private	77,800	0
	Restricted	723,700	0
	GF/GP	\$11,944,400	\$393,000
101. Public Health Non-GF/GP Funds Adjustments <u>Executive</u> recognizes net \$1.6 million Gross adjustment for federal, private, and state restricted funding, including: \$400,000 state restricted revenue for body art facility licensure. - Removes \$1.4 million for 3 federal grants for rural health services now provided directly to grantee, Michigan Center for Rural Health \$1.2 million federal funds for AIDS prevention, testing, and care. \$500,000 federal smoking prevention funds. \$883,300 private funds for WIC program vendor system. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur.	Gross	NA	\$1,584,400
	Federal	NA	301,100
	Private	NA	883,300
	Restricted	NA	400,000
	GF/GP	NA	\$0

<u>Major Budget Changes from FY 2021-22 YTD Appropriations</u>		<u>FY 2021-22 Year-to-Date (as of 2/9/22)</u>	<u>FY 2022-23 Conference Change</u>
AGING AND ADULT SERVICES			
102. Aging Services			
<u>Executive</u> recognizes \$3.5 million of additional federal funds available for senior programs including \$1.0 million for community services, \$1.5 million for congregate and home-delivered meals, and \$1.0 million for administration including funds carried forward from prior fiscal years. <u>House</u> concurs, and also removes \$40,000 GF/GP and Sec. 1426 regarding friendly caller service that is already being provided by DHHS. <u>Senate</u> concurs with the Executive. <u>Conference</u> concurs with the House.	Gross	\$126,630,000	\$3,460,000
	Federal	65,343,900	3,500,000
	Private	1,020,000	0
	Restricted	6,068,700	0
	GF/GP	\$54,197,400	(\$40,000)
103. Senior Living and Healthcare Expansion – One-Time			
<u>Conference</u> includes \$1.0 million GF/GP for Presbyterian Villages of Michigan assisted living community expansion (Sec. 1994).	Gross	\$0	\$1,000,000
	GF/GP	\$0	\$1,000,000
MEDICAL SERVICES			
104. Dementia Care Unit			
<u>Executive</u> retains \$400,000 GF/GP one-time funding for dementia care and redesignates the funding as ongoing. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur.	Gross	\$400,000	\$0
	GF/GP	\$400,000	\$0
105. Van Andel Institute			
<u>Senate</u> eliminates \$1.0 million of grant funding for Van Andel Institute. <u>Conference</u> retains.	Gross	\$1,000,000	\$0
	GF/GP	\$1,000,000	\$0
106. Dental Program Redesign			
<u>Executive</u> includes \$247.6 million Gross (\$69.8 million GF/GP) to consolidate fee-for-service (FFS), Healthy Michigan Plan (HMP), and Healthy Kids (HKD) dental programs into a single, direct contract with dental health plans; and increase reimbursement rates for outpatient and ambulatory surgical centers. Specifically, rates for outpatient hospitals would increase from \$124.90 to \$829.15, and rates for ambulatory surgical centers would increase from \$81.84 to \$538.95. The intent would be to rebid the Medicaid contract in FY 2022-23 and increase the rates for FFS and HMP dental programs to reach equivalency in dental utilization from the higher reimbursement rate of HKD. <u>House</u> includes \$51.0 million Gross (\$17.7 million GF/GP) to increase adult fee-for-services reimbursements and concurs with Executive increase to outpatient hospitals and ambulatory surgical centers. <u>Senate</u> includes \$52.3 million Gross (\$17.4 million GF/GP) to increase adult fee-for-service reimbursements and provides a greater rate increase for outpatient and ambulatory surgical centers. <u>Conference</u> includes \$85.1 million Gross (\$47.7 million GF/GP) to increase adult fee-for-service reimbursements, provides a greater rate increase for outpatient and ambulatory surgical centers, and includes \$30.0 million GF/GP for the costs of future adult dental redesign recommendations, which Sec. 1630 is related boilerplate.	Gross	NA	\$85,131,200
	Federal	NA	37,457,600
	GF/GP	NA	\$47,673,600
107. Hospice Room and Board			
<u>Executive</u> includes an additional \$1.7 million GF/GP to support room and board costs of Medicaid recipients at hospice residences that are licensed by the state, but not certified for Medicare. Sec. 1856 is related, revised boilerplate. Total appropriations for monthly Medicaid hospice room and board grants would be increased to \$5.0 million GF/GP. <u>House</u> concurs with additional funding with revised Sec. 1856. <u>Senate</u> and <u>Conference</u> concur with the Executive.	Gross	\$3,318,000	\$1,682,000
	GF/GP	\$3,318,000	\$1,682,000

Major Budget Changes from FY 2021-22 YTD Appropriations		FY 2021-22 Year-to-Date (as of 2/9/22)	FY 2022-23 Conference Change
108. Birth Expense Recovery	Gross	NA	\$0
<u>Executive</u> includes \$13.7 million Gross (\$4.9 million GF/GP) to forgo financial reimbursements from fathers of unwed pregnancies, used to partially offset the cost of Medicaid-paid birth expenses. <u>House</u> , <u>Senate</u> , and <u>Conference</u> do not include.			
	Federal	NA	0
	GF/GP	NA	\$0
109. Honor Health GME – One-Time	Gross	\$0	\$1,000,000
<u>Senate</u> adds \$3.0 million for Honor Health graduate medical education. <u>Conference</u> includes \$1.0 million GF/GP.			
	GF/GP	\$0	\$1,000,000
110. Long-Term Care: Non-Clinical Staff Wage Increase	Gross	\$1,990,930,000	\$0
<u>Executive</u> includes \$60.0 million Gross (\$21.2 million GF/GP) to increase non-clinical nursing facility staff hourly wages by \$2.35. <u>House</u> , <u>Senate</u> , and <u>Conference</u> do not include.			
	Federal	1,323,812,100	0
	Local	6,618,800	0
	Private	6,100,000	0
	Restricted	358,142,500	0
	GF/GP	\$296,256,600	\$0
111. PACE – Site Expansions	Gross	\$198,118,300	\$20,173,100
<u>Executive</u> includes \$4.7 million Gross (\$1.6 million GF/GP) for the expansion of enrollment caps at the PACE sites in Wayne County, Traverse City, and the Central Michigan regional site. <u>House</u> adds \$100 placeholder to expand current sites, \$31.0 million one-time SFRF for COVID cost recoveries, and \$9.0 million one-time SFRF for new site expansions. <u>Senate</u> concurs with Executive and adds \$9.0 million Gross (\$3.2 million GF/GP) for rural startup costs and \$31.0 million one-time GF/GP for COVID cost recoveries. <u>Conference</u> concurs with Executive and adds \$15.5 million one-time GF/GP for COVID cost recoveries.			
	SFRF	0	0
	Federal	133,489,100	3,024,000
	GF/GP	\$64,629,200	\$17,149,100
112. Medicaid Primary Care Rate Increase	Gross	NA	\$56,121,000
<u>Senate</u> includes \$94.9 million Gross (\$15.0 million GF/GP) to increase Medicaid primary care rates. <u>Conference</u> includes \$56.1 million Gross (\$15.0 million GF/GP).			
	Federal	NA	41,121,000
	GF/GP	NA	\$15,000,000
113. Medicaid Community Health Workers	Gross	\$0	\$28,336,600
<u>Senate</u> includes \$28.3 million Gross (\$10.0 million GF/GP) to permit Medicaid to reimburse community health workers. <u>Conference</u> concurs.			
	Federal	0	18,336,600
	GF/GP	\$0	\$10,000,000
114. Medicaid Neonatology Rate Increase	Gross	NA	\$1,416,800
<u>House</u> includes \$1.4 million Gross (\$500,000 GF/GP) to increase Medicaid neonatology rates by 5%. <u>Senate</u> does not include. <u>Conference</u> concurs with the House.			
	Federal	NA	916,800
	GF/GP	NA	\$500,000
115. Medicaid Private Duty Nursing Rate Increase	Gross	NA	\$7,800,000
<u>House</u> includes \$6.3 million Gross (\$2.2 million GF/GP) to increase Medicaid private duty nursing rates by 15%. <u>Senate</u> adds \$7.8 million Gross (\$2.8 million GF/GP) to increase Medicaid private duty nursing rates. <u>Conference</u> concurs with the Senate.			
	Federal	NA	4,980,000
	GF/GP	NA	\$2,820,000
116. Vaccine Administration – Medicaid Rate Increase	Gross	NA	\$14,061,200
<u>Executive</u> includes \$14.1 million Gross (\$4.5 million GF/GP) to increase Medicaid reimbursement rates for non-COVID vaccines up to Medicare reimbursement rates. <u>House</u> and <u>Senate</u> do not include. <u>Conference</u> concurs with the Executive.			
	Federal	NA	9,544,500
	GF/GP	NA	\$4,516,700
117. Restricted Fund Adjustments	Gross	NA	\$0
<u>Executive</u> includes \$27.5 million GF/GP as a net-zero replacement of restricted revenue authorization to recognize a decrease in revenues from the Medicaid Benefits Trust Fund (\$20.0 million), Healthy Michigan Fund (\$2.0 million), and from the Insurance Providers Assessment (\$5.5 million). <u>House</u> , <u>Senate</u> and <u>Conference</u> concur.			
	Restricted	NA	(27,527,300)
	GF/GP	NA	\$27,527,300

		FY 2021-22 Year-to-Date (as of 2/9/22)	FY 2022-23 Conference Change
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Major Budget Changes from FY 2021-22 YTD Appropriations

118. Medical Services - One-Time

House includes:

- Muskegon pathway hub model (\$3.4 million)
- Region VII wellness center pilot project (\$1.0 million)
- \$100 placeholders for Mary Free Bed and Altarum long-term care value process (\$300)

Senate includes:

- Sheridan Hospital (\$6.6 million)
- Muskegon pathway hub model (\$3.4 million)
- Upper Peninsula robotic spinal capital cost (\$2.0 million)
- \$100 placeholders for alternative payment model and pediatric hospital support.

Conference includes:

- Mackinac Straits Health System (\$10.0 million)
- E-FMAP redetermination: Exec. Reorg. 2023-3 \$10 million Gross (\$5.0 million GF/GP)
- Sheridan Hospital improvement grant (\$6.6 million)
- Muskegon Family Care/Mercy Health FQHC pilot (\$3.4 million)
- Sickie Cell Center (\$2.5 million)
- Region VII AAA PACE wellness center pilot (\$1.0 million)

Gross	NA	\$33,500,000
Federal	NA	5,000,000
GF/GP	NA	\$28,500,000

ONE-TIME APPROPRIATIONS

119. Remove FY 2021-22 One-Time Appropriations

Executive removes one-time appropriations included in FY 2021-22, including one-time appropriations within 133 PA 2021 (HB 4398). Any of this funding that is retained into FY 2022-23 is noted elsewhere. House, Senate, and Conference concur.

FTE	6.0	(6.0)
Gross	\$515,885,100	(\$515,885,100)
SFRF	41,900,000	(41,900,000)
Federal	352,626,800	(352,626,800)
GF/GP	\$121,358,300	(\$121,358,300)

Major Boilerplate Changes from FY 2021-22

GENERAL SECTIONS

Sec. 208. Legal Services of Attorney General – RETAINED

Prohibits the use of appropriated funds by DHHS to hire a person to provide legal services that are the responsibility of the Attorney General, except for bonding activities and outside services authorized by the Attorney General. Executive revises to "principal executive department, state agency or authority". House and Conference retain current law. Senate modifies to allow DHHS to hire outside legal counsel and to seek reimbursement from the Attorney General.

Sec. 210. Contingency Fund Appropriations – RETAINED

Appropriates federal, state restricted, local, and private contingency funds of up to \$47 million total, available for expenditure when transferred to a line item through the legislative transfer process. Executive revises to increase maximum contingency appropriations of up to \$290 million. House and Conference retain current law. Senate deletes.

Sec. 215. Notification of Conflict with Federal Regulation or When Grant Unused – RETAINED

Requires DHHS to provide notice if: (a) a legislative objective in the budget or in a bill to amend the Social Welfare Act cannot be implemented due to conflict with federal regulations; or (b) an awarded federal grant cannot or will not be used. Executive deletes. House, Senate, and Conference retain current law.

Sec. 218. Basic Health Services and Report – REVISED

Lists eight health services to be included in an annual list of proposed basic health services to be funded, as required under Part 23 of the Public Health Code; requires report. Executive deletes. House revises to strike list and report; and directs department to provide a list of proposed basic health services by October 1 to the Legislature. Senate retains. Conference concurs with the House.

Major Boilerplate Changes from FY 2021-22

Sec. 219. & 219a. Michigan Public Health Institute Contracts/Employment – 219 REVISED, 219A NOT INCLUDED

Allows DHHS to contract with the Michigan Public Health Institute (MPHI) for public health projects and related activities; requires semiannual reports including all products from prior fiscal year funding. Executive retains current law and changes reports to annual. House revises and adds Sec. 219a to restrict subcontracting, employment, contracts, or Board service by current employees of DHHS with MPHI or other agency contracting with DHHS; adds report, adds legislative review of contracts over \$5 million or 36 months. Senate retains current law. Conference revises to add intent that MPHI shall not be a passthrough or contract manager for a contract with the department; does not include Sec. 219a.

Sec. 222. Notification and Report of Policy Changes – RETAINED

Requires written notice of any major policy changes 30 days before implementation, requires policy manual to be available on DHHS website; and requires a report by April 1 on policy changes made to implement new public acts. Executive deletes notification requirement and report. House, Senate, and Conference retain.

Sec. 231. Direct Care Worker Wage Increase and Report – REVISED

Requires DHHS to increase wages by up to \$2.35 per hour paid to direct care workers funded by DHHS appropriations, and states specific workers and wage increases to be supported. Includes provisions if a worker elects to reject the increase. Requires contractor quarterly reporting, and requires DHHS to report by March 1 including details on wages paid. Executive adds non-clinical workers in nursing facilities to list of workers qualified for wage increase. House revises to require Medicaid managed care organizations of MI Choice, MI Health Link, and PIHPs to continue the direct care wage increase and to report quarterly to DHHS on direct care salaries paid, require DHHS to perform a market rate survey, and remove references to private child caring institutions, area agencies on aging, and long-term care (which is moved to new Sec. 1644). Senate revises March 1 report requirements. Conference concurs with the House, and changes contractor reporting to annual, removes the market rate survey, and includes minor edits.

Sec. 233. Legislative and State Administrative Board Transfers – RETAINED

Allows the legislature, by a concurrent resolution adopted by a majority of the members of each house, to inter-transfer funds if the State Administrative Board transfers funds from an amount appropriated in the DHHS budget. Executive deletes. House, Senate, and Conference retain.

Sec. 237. Conditions on Funding Regarding COVID Information and Requirements – RETAINED

Prohibits DHHS from requiring proof of COVID-19 vaccination to access state facilities or services, creating a COVID vaccine passport, or providing COVID vaccine status of an individual to any entity without the individual's consent. Prohibits DHHS from requiring proof of COVID vaccination as a condition of certain employment or subjecting an individual to negative employment consequences because of COVID vaccine status; requires exemptions to any COVID vaccine policy required to be established due to a federal mandate. Executive deletes. House, Senate, and Conference retain.

Sec. 238. Remote Work Restriction – NEW

House adds new boilerplate that prohibits state employees who did not work remotely prior to February 28, 2020 from working remotely beginning October 1. Senate does not include. Conference includes revised legislative intent language that the department maximize workforce efficiency, prioritize in-person work, and post related work policy online.

Sec. 239. Medicaid Reimbursement for Telemedicine – RETAINED

Requires DHHS to reimburse Medicaid telemedicine services the same as in-person services for the non-facility component of the reimbursement rate. Executive deletes. House, Senate, and Conference retain.

Sec. 240. Use of Existing Work Project Authorization – RETAINED

Establishes that appropriations in part 1 shall, to the extent possible, not be expended until all existing work project authorization available for the same purposes is exhausted. Executive deletes. House, Senate, and Conference retain.

Sec. 245. Prohibit Payment to Any Person or Entity that Provides Abortion Services – NOT INCLUDED

Senate adds new boilerplate to prohibit any funds being paid or granted to any person or entity, or any subcontractor, that provides election abortion services, counseling or referrals, but not restricting any Medicaid recipient's selection of provider for a covered service. Conference does not include.

Sec. 246. Submission of Reports – NEW

Conference adds new boilerplate requiring reports be submitted to certain legislative entities and the state budget office.

Sec. 253. House Bill 6011 Tie-Bar – NOT INCLUDED

House adds new boilerplate that conditions Medicaid appropriations on enactment of House Bill 6011 by October 1 of the current fiscal year. House Bill 6011 would require the DHHS director to suspend indefinitely Medicaid providers that perform abortions, as defined by MCL 333.17015. Senate and Conference do not include.

Major Boilerplate Changes from FY 2021-22

Sec. 258. Education Initiatives Regarding Trauma, Human Trafficking, and Sexual Abuse Prevention – RETAINED
Directs DHHS to collaboratively promote and support school and education initiatives including training regarding use of trauma-informed practices and age-appropriate information about human trafficking and sexual abuse prevention, and to provide a report by March 1. Executive deletes. House and Conference retain current law. Senate deletes.

DEPARTMENTAL ADMINISTRATION AND SUPPORT

Sec. 301. Terminal Leave Payments – RETAINED

Requires that spending for terminal leave payments not exceed designated appropriations, unless a legislative transfer of funds from another line item supporting administrative costs is requested and approved. Executive deletes. House, Senate, and Conference retain.

COMMUNITY SERVICES AND OUTREACH

Sec. 459. Child Advocacy Centers – REVISED

Conference revises boilerplate to reflect \$2.0 million of funding in new Child Advocacy Centers- Supplemental Grants line. Includes language requiring that funding allocations to child advocacy centers be proportional to number of children served during the previous fiscal year.

Sec ~~689~~ 464. Diaper Assistance Program – REVISED

Allocates \$250,000 of TANF revenue as grants to be used to purchase diapering supplies for children under 36 months of age; funds to be distributed evenly to all regions of the state. Executive transfers line to community services and outreach. House concurs, increases funding to \$1.5 million, and allocates \$1.0 million to pregnancy resource centers to fund diapering supplies for children under 36 months of age. Senate concurs, increases funding by \$4.2 million TANF, and includes maternity homes and other nonprofit agencies as eligible funding recipients. Conference concurs with the Senate.

CHILDREN'S SERVICES AGENCY – CHILD WELFARE

Sec. 511. Physical and Mental Health Assessment Reports – NOT INCLUDED

Requires DHHS to provide semiannual reports on the number and percentage of foster care children that received timely physical and mental health examinations. Senate allocates \$1.0 million to improve frequency of physical and mental examinations along with timely dental examinations, specifically for children in rural areas. Conference does not include.

Sec. 527. Private Child Placing Agencies' Adoption Worker Caseloads – RETAINED

Requires DHHS to exclude certain case types when calculating the adoption worker caseload for private agencies if approved by the settlement monitor. Executive and House delete. Senate and Conference retain.

Sec. 528. Child Care Fund Basic Grants – NEW

Senate requires DHHS to allocate \$2.4 million to increase annual basic grant amounts to counties with a population of less than 75,000. Basic grant amounts would increase from \$15,000 per year to \$56,520 per year for eligible counties. Conference revises by deleting language about specific grant amounts and requires that the \$2.4 million of funding is distributed equally among counties; includes tribal entities.

Sec. 532. Adoption Tax Credit– NEW

House includes \$2.0 million to fund a tax credit for adoptive parents. Senate does not include. Conference concurs with the House.

Sec. ~~528~~ 548. Adoption Marketing and Education Program – NEW

House includes \$10.0 million to fund marketing programs that promote the adoption of infant and to develop education materials on adoption as an alternative to abortion. Senate does not include. Conference concurs with the House; includes section as Sec. 548.

Sec. 560. Foster Care Let Them Play Grants – NEW

Senate requires DHHS to allocate \$100,000 to reimburse foster care children for costs incurred from participating in an extracurricular activity. Conference concurs with the Senate.

Sec. 575. Kinship Caregiver Advisory Council – NEW

Executive requires DHHS to allocate \$200,000 to provide support and coordinated services to the kinship advisory council. Requires the establishment of a public awareness campaign to educate the public about kinship caregivers; consult and coordinate with kinship caregiver navigator program to collect data; establish, maintain, and update a list of local support groups and programs to provide services to kinship families; develop methods to promote and improve collaboration between states, counties, agencies, and stakeholders for improved services. House, Senate, and Conference concur.

Major Boilerplate Changes from FY 2021-22

PUBLIC ASSISTANCE

Sec. 603. Public Assistance Benefits Notification – RETAINED

Requires the department to provide timely notification to public assistance program beneficiaries if there will be a decrease in their benefits. Executive deletes. House, Senate, and Conference retain.

BEHAVIORAL HEALTH SERVICES

Sec. 908. Uniform Community Mental Health Credentialing – RETAINED

States that contracts with PIHPs and CMHSPs must work toward implementing section 206b of the Mental Health Code on uniform community mental health services credentialing. Executive deletes. House retains. Senate deletes. Conference retains.

Sec. 912. Salvation Army Harbor Light Program – RETAINED

Requires DHHS to contract with the Salvation Army Harbor Light Program for providing non-Medicaid substance use disorder services, if program meets standard of care. Executive deletes. House, Senate, and Conference retain.

Sec. 924. Autism Services Fee Schedule – REVISED

Requires DHHS to maintain a fee schedule for autism services by not allowing expenditures used for actuarially sound rate certification to exceed the identified fee schedule, also sets behavioral technician fee schedule at not less than \$50.00 per hour and not more than \$55.00 per hour. Senate changes hourly rates to \$52.00 and \$57.00. Conference changes hourly rates to \$52.35 and \$57.35.

Sec. 927. Uniform Behavioral Health Service Provider Audits – RETAINED

Requires DHHS to create a uniform community mental health services auditing process for CMHSPs and PIHPs, outlines auditing process requirements, and requires a report. Executive deletes. House, Senate, and Conference retain.

Sec. 960. Autism Services Cost Containment – RETAINED

Requires DHHS to continue to cover all autism services that were covered on January 1, 2019; to restrain costs required DHHS to develop written guidance for standardization; and requires 3-year reevaluations, unless a clinician recommended an earlier reevaluation, and require maintenance of statewide provider trainings, limits practitioners who can perform a diagnostic evaluation and requires evaluations performed by a master's level practitioner to be reviewed by a second practitioner, provide fidelity reviews and secondary approvals, and prohibit specific providers from providing both evaluation and treatment; requires a report. Executive deletes. House, Senate, and Conference retain.

Sec. 970. Skill Building Assistance Services – REVISED

Requires DHHS to maintain skill building assistance services policies in effect on October 1, 2018, and requires DHHS to continue to seek federal matching funds for skill building assistance services. Executive deletes. House retains. Senate and Conference make technical revisions.

Sec. 1062. 5-Year Inpatient Psychiatric Bed Plan – DELETED

Requires DHHS to report a 5-year plan to address need for public and private inpatient psychiatric beds for adults and children. Executive deletes. House deletes and removes associated funding. Senate retains. Conference concurs with the House.

PUBLIC HEALTH

Sec. 1151. Opioid Addiction Treatment Education Collaboration – RETAINED

Requires DHHS to coordinate with Medicaid health plans, substance use disorder providers, and others to inform Medicaid beneficiaries of opioid addiction treatment options when an opioid prescription is completed, and to address other opioid abuse issues; requires a report by October 1. Executive deletes. House, Senate, and Conference retain.

Sec. 1222. Essential Local Public Health Services – REVISED

Directs that essential local public health services line item funds be prospectively allocated to local public health departments for nine state and local cost-shared services, in consultation with Departments of Agriculture and Rural Development, and Environment, Great Lakes, and Energy; local health departments are held to contractual standards and spending minimums; requires a report by December 1. States distribution formula required to be used, and that allocations shall not be less than the previous fiscal year. Subsection (4) directs that funding shall be unappropriated if a local health officer has an emergency order under Section 2453 of the Public Health Code in effect as of October 1, 2021; does not apply if a county board of commissioners passes a resolution to support the emergency order. Executive deletes subsection (4). House retains subsection (4) and updates date, adds language to require quarterly county approval of health department's budget for state essential local public health services funding. Senate and Conference revise subsection (4) to update date and make technical changes.

Major Boilerplate Changes from FY 2021-22

Sec. 1303. Contract Restrictions for Family Planning Local Agreements with State Funds – RETAINED

Prohibits DHHS from contracting with an organization that provides elective abortions, or abortion counseling or referrals, for services funded with certain state restricted or GF/GP funds. Prohibits an organization under contract with DHHS from subcontracting with an organization that provides elective abortions or abortion counseling or referrals, for services that are to be funded with certain state restricted or GF/GP funds. Executive deletes. House, Senate, and Conference retain.

Sec. 1304. Prohibit Use of State Funds for Abortion Counseling, Referrals, or Services – RETAINED

Prohibits the use by DHHS or its grantees or subcontractors of state restricted or state general funds appropriated in the Family Planning Local Agreements line item or the Pregnancy Prevention Program line items for abortion counseling, referrals, or services. Executive deletes. House, Senate, and Conference retain current law.

Sec. 1305. Contract Restrictions and Priorities for Family Planning and Pregnancy Prevention – REVISED

(1) Prohibits DHHS from contracting for family planning and pregnancy prevention services with an entity that engages in abortion activities under PA 360 of 2002, if another entity applies to provide those services that is not already engaged in abortion activities. (2) Requires DHHS to give a higher priority to a) contracting for services in counties where there are currently no contracts for services, before b) contracting for additional services by an entity that engages in abortion activities in a county where there are already services provided by an entity that does not engage in abortion activities. Executive deletes. House, Senate, and Conference revise to make a technical correction to the legal citation for PA 360.

Sec. 1320. Family Planning and Pregnancy Prevention Media Campaign Messaging – RETAINED

States legislative intent that funds that may be expended for a public media campaign regarding publicly funded family planning or pregnancy prevention programs cannot be used to communicate any message that can be interpreted to mean that abortion is a method of family planning or pregnancy prevention. Executive deletes. House, Senate, and Conference retain.

Sec. 1321. Revise Education Modules Regarding Sexual Abuse Prevention – REVISED

Allows DHHS to revise Michigan Model health education modules to include age-appropriate information about the importance of consent, setting and respecting personal boundaries, and prevention of child sexual abuse, sexual assault, and dating violence. Executive and Senate retain. House and Conference revise to add prevention of human trafficking.

Sec. 1344. Title X and Title V Funds Replacement – NOT INCLUDED

House adds new boilerplate to require that programs previously funded with federal family planning and maternal and child health block grant funding shall be funded with GF/GP, and DHHS shall not contract for these programs with any vendor that provides abortion services. Senate and Conference do not include.

Sec. 1347. Use of Funds for Activities Regarding Abortion or Human Embryo Use – RETAINED

Prohibits use of state funds for abortion counseling, referrals, or services, or for any activities regarding human cloning or research in which a human embryo is destroyed or discarded. Executive deletes. House, Senate, and Conference retain.

HEALTH SERVICES

Sec. 1517. Actuarial Analysis – Specialty Medicaid Managed Care Health Plan – REVISED

Allocates funding to complete an actuarial analysis to assess the creation of a Medicaid managed care plan for children in foster care; provides for the requirements of specialty plan; and requires a report. Executive deletes. House, Senate, and Conference remove associated funding and require a report on implementation.

Sec. 1615. Encounter Claims Data Integrity – RETAINED

Requires the department to provide oversight of Medicaid claims encounter data to insure the integrity of actuarial rates; allows the department to request certain information from Medicaid health plans; and provides for the intent that the department conduct annual audits of Medicaid claims and provide for remedial actions to mitigate errors in actuarial rates. Executive deletes. House, Senate, and Conference retain.

Sec. 1616. Community Health Workers – REVISED

Requires DHHS to consult with the federal government on allowable avenues to further utilize Community Health Workers as Medicaid providers; possible federal matching funds for services; and requires any expansion be geographically broad-based, evidence-based, and commensurate with applicable training. Executive deletes. House adds doula and requires a report. Senate re-drafts and includes a report. Conference revises to require DHHS to seek federal authority to enroll and recognize community health workers and obtain Medicaid matching funds for services, and requires a report.

Sec. 1644. Direct Care Worker Wage Increase and Report – NEW

House requires DHHS to continue the direct care wage increase for direct care workers at skilled nursing facilities and direct care workers at adult foster care and homes for the aged. (Language moves from current Sec. 231.) Senate does not include. Conference concurs with the House with technical revisions.

Major Boilerplate Changes from FY 2021-22

Sec. 1645. Nursing Facility Current Asset Value Bed Limit – RETAINED

Allows DHHS to establish a class I nursing facility current asset value bed limit based on a rolling 15-year history of new construction; state legislative intent that annual increase not exceed 4%. Executive deletes. House requires the use of a rolling 15-year history of new construction. Senate and Conference retain.

Sec. 1701. Supportive Housing Report – NEW

Senate requires DHHS to perform a feasibility study on obtaining Medicaid match funding to provide for a supportive housing services benefit; requires a report; and provides legislative intent. Conference concurs.

Sec. 1792. Health Plan Pharmaceutical Encounter Data Report – RETAINED

Requires DHHS to evaluate pharmacy encounter data through the first 2 quarters of the fiscal year and to provide a report on the findings. Executive deletes. House, Senate, and Conference retain.

Sec. 1803. Portable X-Ray and Ultrasound Provider Type – RETAINED

Requires DHHS to maintain Medicaid rules to allow for billing and establish reimbursement for transportation charges related to portable x-ray services and requires policies be effective October 1 of the current fiscal year. Executive and House delete. Senate and Conference retain.

Sec. 1804. Identification of Medicaid Beneficiaries Who Are Veterans – RETAINED

Requires DHHS to work with the federal government's public assistance reporting information system to identify Medicaid recipients who are veterans and may be eligible for federal veteran's health care benefits, lists specific performance outcomes to be reported to the legislature and revise the wording in the public assistance application from "veteran" to "served in the military". Executive revises section to be permissive. House, Senate, and Conference retain.

Sec. 1875. Prior Authorization for Certain Drugs – REVISED

Applies prior authorization prohibition to DHHS and its contractual agents for psychotropic medications, drugs for the treatment of HIV or AIDS, epilepsy/seizure disorder, or drugs for organ transplant therapy, if those drugs were either carved out or not subject to prior authorization procedures as of January 22, 2021, defines "prior authorization"; and requires DHHS to explore including medications for the treatment of Duchenne Muscular Dystrophy to the list of Medicaid prescriptions not subject to prior authorization. Executive and House delete. Senate revises to include Duchenne Muscular Dystrophy. Conference revises to only include Duchenne Muscular Dystrophy.

Sec. 1879. Single Preferred Drug List – REVISED

Requires DHHS to maintain a standard preferred drug list for Medicaid managed care, requires any changes in the preferred drug list to be made in consultation with the Medicaid managed care organizations and the Pharmacy and Therapeutics Committee. Requires a report. House revises to require Medicaid managed care organizations to manage their own preferred drug lists, and for changes to the Medicaid managed care organization preferred drug lists to be made in consultation with the Pharmacy and Therapeutics Committee. Senate and Conference revises to include additional quarters of data in annual report.

Sec. 1895. Nursing Home Variable Cost Component – NEW

Executive requires DHHS to adjust interim variable cost component at 102.5% of the interim rate provided on October 1, 2022, establishes quality assurance supplement formula, and requires DHHS to audit costs to establish a final audited rate. House, Senate, and Conference concur, with technical drafting edits.

FY 2022-23: INSURANCE AND FINANCIAL SERVICES
Summary: Conference Report
Article 7, House Bill 5783 (H-2) CR-1



Analyst: Marcus Coffin

	FY 2021-22 YTD as of 2/9/22	FY 2022-23 Executive	FY 2022-23 House	FY 2022-23 Senate	FY 2022-23 Conference	Difference: Conference From FY 2021-22 YTD	
						Amount	%
IDG/IDT	\$724,600	\$736,500	\$736,500	\$736,500	\$736,500	\$11,900	1.6
Federal	1,017,100	1,017,100	1,017,100	1,017,100	1,017,100	0	0.0
Local	0	0	0	0	0	0	--
Private	0	0	0	0	0	0	--
Restricted	71,245,900	72,581,900	72,581,900	72,582,100	72,581,900	1,336,000	1.9
GF/GP	0	6,000,000	0	0	0	0	--
Gross	\$72,987,600	\$80,335,500	\$74,335,500	\$74,335,700	\$74,335,500	\$1,347,900	1.8
FTEs	378.5	387.5	378.5	329.0	390.5	12.0	3.2

Notes: (1) FY 2021-22 year-to-date figures include mid-year budget adjustments through February 9, 2022. (2) Appropriation figures for all years include all proposed appropriation amounts, including amounts designated as "one-time."

Overview

The Department of Insurance and Financial Services (DIFS) is responsible for regulating and promoting the insurance and financial services industries operating within the state. The department also provides consumer protection by managing consumer information and inquiries and investigating consumer complaints. DIFS administers and enforces state statutes pertaining to state-chartered banks and credit unions; mortgage brokers, lenders, and servicers; consumer finance entities; insurance companies, agents, and products; and health maintenance organizations.

Major Budget Changes from FY 2021-22 YTD Appropriations

1. Regulatory Staff Increase

Executive includes authorization for 9.0 FTE positions, which would be used to fulfill departmental responsibilities related to auto no-fault insurance reform, anti-fraud changes, surprise medical billing, health and auto insurance market regulation, and consumer services. Positions that would be filled would be supported with existing department appropriations and are projected to include:

- 1 Departmental Analyst to process provider utilization review appeals under auto no-fault insurance reforms.
- 1 Departmental Analyst to review alleged violations of the Insurance Code of 1956.
- 1 Auditor to audit title insurance agencies.
- 2 Financial Institution Examiners to perform financial examinations of consumer finance entities.
- 2 Departmental Analysts to process consumer complaints and inquiries.
- 2 Departmental Analysts to review insurance licensee data security programs and insurer self-reported data breaches.

House does not include. Senate includes a reduction of 4 unclassified FTE positions and 45.5 classified FTE positions, across numerous lines. Conference concurs with the Executive.

2. Pharmacy Benefit Manager Regulatory Activity Staffing Increase

Conference includes authorization for 3.0 FTE positions to support departmental responsibilities related to 2022 PA 11, which created responsibilities for DIFS with respect to the licensing and regulation of pharmacy benefit managers.

	FY 2021-22 Year-to-Date (as of 2/9/22)	FY 2022-23 Conference Change
FTE	NA	9.0
Gross	NA	\$0
GF/GP	NA	\$0
FTE	NA	3.0
Gross	NA	\$0
GF/GP	NA	\$0

<u>Major Budget Changes from FY 2021-22 YTD Appropriations</u>		<u>FY 2021-22 Year-to-Date (as of 2/9/22)</u>	<u>FY 2022-23 Conference Change</u>
3. Auto No-Fault Insurance Market Study		Gross	NA
<u>Executive</u> includes \$5.0 million GF/GP (one-time) to perform a market conduct exam of auto insurance companies to enforce compliance with consumer protection provisions in 2019 PA 21 and 2019 PA 22, colloquially referred to as auto no-fault reform. At present, there are 103 companies that are actively writing auto insurance policies in the state. <u>House</u> does not include. <u>Senate</u> includes a state restricted funding placeholder. <u>Conference</u> does not include.	Restricted	NA	0
	GF/GP	NA	\$0
4. Behavioral Health Parity Health Insurance Market Review		Gross	NA
<u>Executive</u> includes \$1.0 million GF/GP (one-time) to contract for an industry-wide health insurance market review for compliance with behavioral health parity requirements under the federal Mental Health Parity and Addiction Equity Act and state statute. <u>House</u> does not include. <u>Senate</u> includes a state restricted funding placeholder. <u>Conference</u> does not include.	Restricted	NA	0
	GF/GP	NA	\$0
5. Technical Adjustments		FTE	NA
<u>Executive</u> includes net to zero adjustments to numerous lines and state restricted authorizations to align fund sources and line authorizations with projected revenues and expenditures. Also includes an internal net to zero transfer of \$703,500 in state restricted authorization (Insurance Bureau Fund) from the Consumer Services and Protection line to the Insurance Evaluation line to align with departmental regulatory activity. <u>House</u> concurs. <u>Senate</u> concurs. <u>Conference</u> concurs.	Gross	NA	0.0
	Restricted	NA	\$0
	GF/GP	NA	0
			\$0
6. Economic Adjustments		Gross	NA
<u>Executive</u> reflects increased costs of \$1.3 million Gross for negotiated salary and wage increases (5.0% on October 1, 2022 and 0.5% to annualize the FY 2022 1.0% increase that began on April 1, 2022), actuarially required retirement contributions, worker's compensation, building occupancy charges, and other economic adjustments. <u>House</u> concurs. <u>Senate</u> concurs. <u>Conference</u> concurs.	IDG/IDT	NA	\$1,347,900
	Restricted	NA	11,900
	GF/GP	NA	1,336,000
			\$0

Major Boilerplate Changes from FY 2021-22

Sec. 206. Communication with the Legislature – RETAINED

Prohibits DIFS from taking disciplinary action against employees for communicating with legislators or their staff, unless the communication is prohibited by law. Executive deletes. House retains. Senate retains. Conference retains.

Sec. 208. Hiring of External Legal Counsel – RETAINED

Prohibits using appropriations to hire a person to provide legal services that are the responsibility of the attorney general; prohibition does not apply to legal services for bonding activities or services authorized by the attorney general. Executive retains. House retains. Senate revises to allow hiring of external legal counsel and to allow requests to the Office of the Attorney General for reimbursement. Conference retains.

Sec. 210. Contingency Authorization – RETAINED

Appropriates up to \$200,000 in federal and \$1.0 million in state restricted contingency authorization; authorizes expenditure of funds after legislative transfer to specific line items. Executive revises to appropriate \$1.0 million in federal and \$5.0 million in state restricted contingency authorization. House retains. Senate deletes. Conference retains.

Sec. 216. FTE Vacancies and Remote Work Reports – RETAINED

Requires DIFS to submit quarterly reports containing FTE volumes and a comparison of actual and authorized FTE position counts; requires an annual report on the number of employees engaged in remote work in 2021, number of employees authorized to work remotely and the actual number working remotely, and estimated net cost savings and reduced use of office space achieved by remote work. Executive deletes. House retains with updated year reference. Senate retains with updated year reference. Conference retains with updated year reference.

Major Boilerplate Changes from FY 2021-22

Sec. 217. Work Project Usage – RETAINED

Stipulates that appropriations are not to be expended, if possible, until all existing work project authorization for the same purpose is exhausted. Executive deletes. House retains. Senate retains. Conference retains.

Sec. 218. State Administrative Board Transfers – RETAINED

Stipulates that the legislature may intertransfer funds via concurrent resolution if the State Administrative Board transfers funds. Executive deletes. House retains. Senate retains. Conference retains.

Sec. 219. Retention of Reports – RETAINED

Requires DIFS to receive and retain copies of all reports funded by the department's budget, while complying with federal and state guidelines for records retention. Executive deletes. House retains. Senate retains. Conference retains.

Sec. 220. Report on Policy Changes for Public Act Implementation – RETAINED

Requires DIFS to report on policy changes made to implement public acts that took effect during the prior calendar year. Executive deletes. House retains. Senate retains. Conference retains.

Sec. 221. Severance Pay Reporting – RETAINED

Requires DIFS to report any severance pay for a director or other high-ranking official not later than 14 days after a severance agreement is signed; requires DIFS to maintain an internet site posting any severance pay in excess of 6 weeks of wages; requires report on total amount of severance pay remitted and number of DIFS employees receiving severance pay in FY 2020-21. Executive deletes. House retains with updated fiscal year references. Senate retains with updated fiscal year references. Conference retains with updated fiscal year references.

Sec. 222. COVID-19 Vaccine Stipulations – RETAINED

Prohibits requiring proof of having received a COVID-19 vaccine as a condition of accessing any facility or services, except as required by federal law; prohibits producing, developing, issuing, or requiring a COVID-19 vaccine passport; prohibits developing a database or making an existing database publicly available to access an individual's COVID-19 vaccine status; prohibits requiring proof of having received a COVID-19 vaccine as a condition of employment, with exceptions for hospitals and medical facilities; prohibits adverse employment consequences due to an individual's COVID-19 vaccination status; requires that exemptions be created for individuals who medically cannot receive the vaccine or who have religious or consistently held objections to vaccination if a federal mandate requires establishment of a COVID-19 vaccine policy. Executive deletes. House retains. Senate retains. Conference retains.

Sec. 223. Remote Work – NEW

Prohibits DIFS from permitting employees who were not working remotely prior to the COVID-19 pandemic to work remotely in FY 2022-23. Executive does not include. House includes new language. Senate does not include. Conference revises House language to express legislative intent that DIFS maximize efficiency of the state workforce, and where possible, prioritize in-person work; requires DIFS to post its in-person, remote, or hybrid work policy on its website.

Sec. 225. Television and Radio Production Expenditure Report – RETAINED

Requires DIFS to report any expenditure of funds to a third-party vendor for television or radio productions; delineates information to be included. Executive deletes. House retains. Senate retains. Conference retains.

Sec. 226. Insurance Bureau Fund Use – RETAINED

Authorizes Insurance Bureau Fund appropriations for use to support legislative participation in insurance activities coordinated by insurance and legislative associations, in accordance with the Insurance Code of 1956. Executive deletes. House retains. Senate retains. Conference retains.

Sec. 301. Health Insurance Rate Filings Report – RETAINED

Requires DIFS to submit report based on health insurer annual rate filings; delineates information to be included. Executive deletes. House retains. Senate retains. Conference retains.

Sec. 302. Conservatorship and Insurance Liquidation Funds – RETAINED

Requires funds collected by DIFS in connection with a conservatorship pursuant to section 32 of 1987 PA 173 and from corporations being liquidated pursuant to 1956 PA 218 to be appropriated for expenses necessary to provide required services and to not lapse to General Fund; limits appropriations to \$400,000. Executive revises to remove the \$400,000 cap. House retains. Senate deletes. Conference retains.

Sec. 303. Fees for Customized Listings – RETAINED

Permits DIFS to provide customized lists of non-confidential information to interested parties and to charge reasonable fees; requires funds to lapse to appropriate restricted fund accounts and limits amount appropriated to \$400,000. Executive revises to remove the \$400,000 cap. House retains. Senate deletes. Conference retains.

Major Boilerplate Changes from FY 2021-22

Sec. 304. Annual Reports Transmission – RETAINED

Requires DIFS to electronically transmit specific annual reports required under the Insurance Code of 1956 and the Banking Code of 1999. Executive deletes. House retains. Senate retains. Conference retains.

Sec. 305. Financial Institutions Marijuana Evaluation Guidance – RETAINED

Requires DIFS to update examination manuals and letters of guidance for institutions providing financial services to businesses involved in the marijuana industry to reflect how those institutions will be evaluated. Executive deletes. House retains. Senate retains. Conference retains.

Sec. 306. State or Regional Health Care Claims Database Grant Award Criteria – RETAINED

Requires DIFS to consider not-for-profit and Michigan-based status, prior experience collecting and analyzing relevant information, and prior work experiences when awarding any grant for the creation of a state or regional health care claims database utilizing federal funds. Executive deletes. House deletes. Senate retains. Conference retains.

Sec. 309. Audit Timeliness – NOT INCLUDED

Requires DIFS to report audit findings to the audited entity within 180 days of an audit's start date; allows the department to extend the audit period for an additional 180 days; prioritizes completing audits in the same fiscal year in which audits are initiated; requires DIFS to finalize outstanding audits with a start date prior to October 1, 2020, before initiating new audits in FY 2022-23. Executive does not include. House does not include. Senate includes new language. Conference does not include.

Sec. 311. Audit Reporting – NOT INCLUDED

Requires DIFS to report on all initiated audits since April 30, 2018, including the status, findings, start dates, and completion dates of the audits. Executive does not include. House does not include. Senate includes new language. Conference does not include.

FY 2022-23: JUDICIARY
Summary: Conference Report
Article 8, House Bill 5783 (H-2) CR-1



Analyst: Robin R. Risko

	FY 2021-22 YTD as of 2/9/22	FY 2022-23 Revised Exec	FY 2022-23 House	FY 2022-23 Senate	FY 2022-23 Conference	Difference: Conference From FY 2021-22 YTD	
						Amount	%
IDG/IDT	\$1,652,300	\$1,902,300	\$1,902,300	\$1,902,300	\$1,902,300	\$250,000	15.1
Federal	6,374,800	6,340,300	21,381,500	6,381,500	6,340,300	(34,500)	(0.5)
Local	7,619,800	7,782,600	7,782,600	7,782,600	7,782,600	162,800	2.1
Private	1,222,600	1,524,200	1,524,200	1,524,200	1,524,200	301,600	24.7
Restricted	94,312,700	95,181,400	94,435,300	94,435,300	95,181,400	868,700	0.9
GF/GP	209,280,900	394,965,500	392,509,900	220,125,500	370,774,900	161,494,000	77.2
Gross	\$320,463,100	\$507,696,300	\$519,535,800	\$332,151,400	\$483,505,700	\$163,042,600	50.9
FTEs	524.0	539.0	536.0	535.0	537.0	13.0	2.5

Notes: (1) FY 2021-22 year-to-date figures include mid-year budget adjustments through February 9, 2022. (2) Appropriation figures for all years include all proposed appropriation amounts, including amounts designated as "one-time."

Overview

Article VI of the State Constitution of 1963 forms the basis for Michigan's judicial branch of government. The Judiciary budget provides operational funding for the Michigan Supreme Court, the Court of Appeals, and related judicial agencies. The budget funds the salaries of justices of the Supreme Court and judges of the appeals, circuit, probate, and district courts according to constitutional and statutory requirements. Funding assistance for local trial court operations is provided through a variety of grant programs. The largest of these, the Court Equity Fund Reimbursement program, reimburses counties for trial court operations based on a statutory formula that recognizes circuit and probate caseloads and the number of judgeships.

Major Budget Changes from FY 2021-22 YTD Appropriations

1. Statewide Judicial Case Management System

Executive includes \$175.0 million in one-time GF/GP for costs of developing a single, statewide judicial case management system. Currently, there are 242 trial courts using and funding more than 16 case management systems and 150 computer systems. The Trial Court Funding Commission recommended that the state provide all court technology needs for trial courts, including case and document management services, and the Supreme Court recently ordered that local trial courts submit all case data in a uniform manner. Funding would support data management efforts and consistent implementation of newer technologies among trial courts. House includes \$111,100 less than the executive for the same purpose. Senate does not include funding for this purpose. Conference includes \$150.0 million for developing the system.

	FY 2021-22 Year-to-Date (as of 2/9/22)	FY 2022-23 Conference Change
Gross	NA	\$150,000,000
GF/GP	NA	\$150,000,000

2. Justice for All Initiative

Executive includes \$300,000 GF/GP and authorization for 2.0 FTE positions for continuing the Justice for All initiative which aims to simplify the court system, including court rules, processes, and forms, in order to increase court and community engagement and access to justice. House concurs. Senate concurs. Conference concurs.

FTE	NA	2.0
Gross	NA	\$300,000
GF/GP	NA	\$300,000

Major Budget Changes from FY 2021-22 YTD Appropriations		FY 2021-22 Year-to-Date (as of 2/9/22)	FY 2022-23 Conference Change
3. Expansion of Self-Help Centers			
<u>Executive</u> includes \$750,000 GF/GP for expanding access to legal self-help centers which provide free legal information and assistance to individuals who represent themselves in simple civil legal matters. Funding would be used to open small, rural virtual self-help centers, support navigator services, and expand access to technology and staff for existing self-help centers. <u>House</u> does not include additional funding. <u>Senate</u> includes additional funding. <u>Conference</u> includes additional funding.		Gross NA GF/GP NA	\$750,000 \$750,000
4. Restoration of Funding Reduced in FY 2020-21			
<u>Executive</u> restores \$1.0 million GF/GP that was reduced from the FY 2020-21 budget. Funding would support data collection and analysis, technology modernization, and other judicial system process improvements. <u>House</u> does not restore funding. <u>Senate</u> restores funding. <u>Conference</u> restores funding.		Gross NA GF/GP NA	\$1,005, 900 \$1,005,900
5. Compliance with U.S. Supreme Court Decision Regarding Juvenile Lifers			
<u>Executive</u> includes \$962,900 in ongoing GF/GP and authorization for 7.0 FTE positions for the State Appellate Defender Office (SADO) to ensure continued compliance with the U.S. Supreme Court ruling on the <i>Montgomery v. Louisiana</i> case, and to support other casework and projects of the Juvenile Lifer Unit. As of September 2021, there were 51 clients awaiting resentencing hearings. <u>House</u> includes one-time funding and FTE position authorization. <u>Senate</u> includes one-time funding and FTE position authorization. <u>Conference</u> includes one-time funding and FTE position authorization.		FTE NA Gross NA GF/GP NA	7.0 \$962,900 \$962,900
6. SADO Administration			
<u>Executive</u> includes \$445,100 GF/GP and authorization for 4.0 FTE positions to support human resource and finance administrations, a program officer for the Criminal Defense Resource Center, and backfilling a position to accommodate increased need for information technology support. <u>House</u> does not include additional funding or FTE position authorization. <u>Senate</u> includes additional funding and FTE position authorization. <u>Conference</u> includes additional funding and FTE position authorization, but includes \$45,100 less than the executive.		FTE 56.0 Gross \$8,982,800 Federal 570,200 Private 88,400 Restricted 172,400 GF/GP \$8,151,800	4.0 \$400,000 0 0 0 \$400,000
7. SADO Wrongful Prosecution and Administration			
<u>Executive</u> includes \$287,900 in ongoing GF/GP and authorization for 2.0 FTE positions to continue operations of the Wrongful Prosecution Unit within SADO. Federal grant funding from the U.S. Department of Justice will expire and appropriation of GF/GP would ensure continuation of the unit and its work. <u>House</u> includes one-time funding and FTE position authorization. <u>Senate</u> includes ongoing funding and FTE position authorization. <u>Conference</u> includes ongoing funding and FTE position authorization.		FTE 56.0 Gross \$8,982,800 Federal 570,200 Private 88,400 Restricted 172,400 GF/GP \$8,151,800	2.0 \$287,900 0 0 0 \$287,900
8. Mandatory Continuing Judicial Education			
<u>Executive</u> includes \$467,300 GF/GP and authorization for 3.0 FTE positions to implement the Supreme Court's new judicial continuing education requirements required under Administrative Order 2021-7. <u>House</u> does not include funding or FTE position authorization. <u>Senate</u> includes \$7,300 less than the executive for the same purpose and includes FTE position authorization. <u>Conference</u> includes additional funding, but includes \$132,000 less than the executive, and does not include authorization for additional FTE positions.		FTE NA Gross NA GF/GP NA	0.0 \$335,300 \$335,300

Major Budget Changes from FY 2021-22 YTD Appropriations		FY 2021-22 Year-to-Date (as of 2/9/22)	FY 2022-23 Conference Change
9. Judicial Tenure Commission		FTE 8.0	2.0
<u>Executive</u> includes \$392,800 GF/GP (\$223,000 one-time; \$169,800 ongoing) to support 1.7 contract attorney positions that assist with reducing the grievance/investigation backlog, to support an increased number of hearings, and to support 1.0 additional paralegal position that would assist with non-attorney legal work. <u>House</u> includes \$1.6 million GF/GP (\$1.2 million one-time; \$340,300 ongoing). One-time funding would support 7.0 contract attorney positions (\$904,200), 1.0 contract support person (\$41,600), additional hearings (\$150,000), equipment (\$25,000), and office space for contract attorneys (\$100,000). Ongoing funding would support 1.0 paralegal position (\$117,300), 1.0 attorney position (\$203,000), supplies (\$10,000), and travel costs (\$10,000). <u>Senate</u> includes an additional \$566,000. Of that, \$316,700 is ongoing funding for 1.0 additional paralegal position and 1.0 additional attorney position and \$249,300 is one-time funding. <u>Conference</u> includes \$1.1 million GF/GP (\$249,300 one-time; \$807,000 ongoing) and authorization for additional FTE positions.		Gross \$1,583,800	\$1,056,300
		GF/GP \$1,583,800	\$1,056,300
10. Judicial Workload Assessment		Gross NA	\$225,000
<u>Executive</u> includes \$225,000 in one-time GF/GP funding to support a contracted judicial workload assessment study which would provide underlying data for the Supreme Court's Judicial Resources Recommendation that will be issued in 2025. <u>House</u> does not include funding. <u>Senate</u> includes funding. <u>Conference</u> includes one-time funding.		GF/GP NA	\$225,000
11. Private Grant Authorization		Gross \$201,100	\$300,000
<u>Executive</u> authorizes the State Court Administrative Office (SCAO) to receive an additional \$300,000 in private grant awards which would align appropriation authority with the amount of grant funding expected to be received. <u>House</u> concurs. <u>Senate</u> concurs. <u>Conference</u> concurs.		Private 201,100	300,000
		GF/GP \$0	\$0
12. IDG Funding Authorization		Gross NA	\$250,000
<u>Executive</u> authorizes SADO to receive \$250,000 in federal Byrne formula grant funding from the Department of State Police should it become available. <u>House</u> concurs. <u>Senate</u> concurs. <u>Conference</u> concurs.		IDG NA	250,000
		GF/GP NA	\$0
13. Judgeship Changes		Gross NA	\$366,200
Revised <u>Executive</u> reflects a net increase of \$366,200 GF/GP from the following statutory judgeship changes: addition of 1.0 circuit court judge in Marquette County pursuant to 2021 PA 74; elimination of 1.0 district court judge in Pontiac and 1.0 district court judge in Wayne County pursuant to 2012 PA 37; addition of 1.0 circuit court judge in Wayne County, 1.0 circuit court judge in Muskegon County, and 1.0 circuit court judge in Ottawa County pursuant to 2022 PA 8; and addition of 1.0 probate court judge in Kent County pursuant to 2022 PA 8. <u>House</u> reflects a net savings from the addition of 1.0 circuit court judge in Marquette County, elimination of 1.0 district court judge in Pontiac, and elimination of 1.0 district court judge in Wayne County. <u>House</u> does not include funding adjustments from judgeship changes pursuant to 2022 PA 8. <u>Senate</u> does not include funding adjustments from judgeship changes pursuant to 2022 PA 8. <u>Conference</u> concurs with revised executive and reflects a net increase of \$366,200 GF/GP.		GF/GP NA	\$366,200

<u>Major Budget Changes from FY 2021-22 YTD Appropriations</u>		<u>FY 2021-22 Year-to-Date (as of 2/9/22)</u>	<u>FY 2022-23 Conference Change</u>
14. Foster Care Review Board Funding Adjustment	Gross	\$1,360,400	\$0
Revised <u>Executive</u> includes \$96,200 GF/GP to replace federal Title IV-E funding provided through the Department of Health and Human Services for administrative support of the Foster Care Review Board. <u>House</u> includes initial request of \$55,000. <u>Senate</u> includes initial request of \$55,000. <u>Conference</u> concurs with revised executive and includes \$96,200 GF/GP.	Federal	408,800	(96,200)
	GF/GP	\$951,600	\$96,200
15. Eliminate Current Year One-Time Funding	FTE	9.0	(9.0)
<u>Executive</u> reduces the budget by \$1.9 million GF/GP and 9.0 FTE positions to reflect elimination of one-time funding included in the FY 2021-22 budget. Eliminated funding includes: \$939,100 (7.0 FTE positions) for SADO, \$204,000 for the Judicial Tenure Commission, and \$798,000 (2.0 FTE positions) for the Justice for All Initiative. <u>House</u> concurs. <u>Senate</u> concurs. <u>Conference</u> concurs.	Gross	\$1,941,100	(\$1,941,100)
	GF/GP	\$1,941,100	(\$1,941,100)
16. Economic Adjustments	Gross	NA	\$7,675,100
<u>Executive</u> reflects increased costs of \$7.7 million Gross (\$7.3 million GF/GP) for negotiated salary and wage increases (5.0% on October 1, 2022 and 0.5% to annualize the FY 2021-22 1.0% increase that began on April 1, 2022), actuarially required retirement contributions, worker's compensation, building occupancy charges, rent, and other economic adjustments. <u>House</u> concurs. <u>Senate</u> concurs. <u>Conference</u> concurs.	Federal	NA	61,700
	Local	NA	162,800
	Private	NA	1,600
	Restricted	NA	122,600
	GF/GP	NA	\$7,326,400
17. Trial Court Backlog Response Docket	Gross	NA	\$0
<u>Executive</u> makes no recommendation. <u>House</u> includes \$15.0 million in federal Coronavirus State Fiscal Recovery Funds for assisting trial courts with processing backlog cases. Of the \$15.0 million, \$7.0 million would be used to create a virtual backlog response docket. <u>Senate</u> does not include funding. <u>Conference</u> does not include funding.	Federal	NA	0
	GF/GP	NA	\$0
18. Expansion of Problem Solving Courts and Swift and Sure	Gross	\$22,441,200	\$323,000
<u>Executive</u> makes no recommendation. <u>House</u> makes no recommendation. <u>Senate</u> includes additional funding for expansion of problem solving courts and the Swift and Sure Sanctions Probation Program: \$276,700 for drug treatment courts, \$222,900 for mental health courts, \$41,500 for veterans courts, and \$72,500 for Swift and Sure. <u>Conference</u> includes additional funding: \$165,200 for drug treatment courts, \$133,000 for mental health courts, and \$24,800 for veterans courts.	IDG	1,500,000	0
	Federal	2,145,000	0
	Restricted	3,458,100	0
	GF/GP	\$15,338,100	\$323,000
19. Statewide E-File System	FTE	20.0	5.0
Revised <u>Executive</u> includes \$746,100 and 5.0 FTE positions to support the development and implementation of the MiFile statewide e-filing project. <u>House</u> does not include funding or FTE positions. <u>Senate</u> does not include funding or FTE positions. <u>Conference</u> concurs with revised executive and includes funding and FTE positions.	Gross	\$11,028,300	\$746,100
	Restricted	11,028,300	746,100
	GF/GP	\$0	\$0

Major Boilerplate Changes from FY 2021-22

Notes:

1) Retained sections of boilerplate are renumbered in consecutive order. Section numbers below reflect section numbers included in the Conference Report.

2) New section 205 lists a standard group of report recipients. Listed recipients would receive all reports required in boilerplate. Subsequently, lists of report recipients repeated in a number of current year boilerplate sections are deleted.

Major Boilerplate Changes from FY 2021-22

GENERAL SECTIONS

Sec. 205. Standard List of Report Recipients – NEW

Requires all reports required in boilerplate to be submitted to the Senate and House Appropriations Subcommittees on Judiciary, the Senate and House Fiscal Agencies, and the State Budget Office, unless otherwise noted. Executive includes new language. House includes new language. Senate includes new language. Conference includes new language.

Sec. 213. Prohibition of Taking Disciplinary Action Against State Employees – RETAINED

Prohibits the judicial branch from taking disciplinary action against employees for communicating with legislators or their staff unless the communication is prohibited by law and the judicial branch is exercising its authority. Executive deletes. House retains. Senate retains. Conference retains.

Sec. 214. Linking Swift and Sure Sanctions Program to DHHS, DLEO, and MDOC Programming – RETAINED

Requires SCAO to identify programs within the Departments of Health and Human Services, Labor and Economic Opportunity, and Corrections that have programmatic connections with Swift and Sure Sanctions program participants for the purpose of leveraging collaborations and determining avenues of success for offenders who are eligible for state-provided programs; requires SCAO to provide guidance to courts participating in the Swift and Sure Sanctions program of available DHHS, DLEO, and MDOC programming. Executive deletes. House retains. Senate retains. Conference retains.

Sec. 215. Receipt and Retention of Required Reports and Records – RETAINED

Requires the judicial branch to receive and retain copies of all required reports; requires federal and state guidelines to be followed for short- and long-term retention of records; authorizes the judicial branch to electronically retain copies of reports unless otherwise required by federal and state guidelines. Executive deletes. House deletes. Senate retains. Conference retains.

JUDICIAL BRANCH

Sec. 311. Minors Seeking Court-Issued Waivers of Consent – RETAINED

Requires SCAO to report on the total number of petitions filed by minors seeking court-issued waivers of parental consent under the Parental Rights Restoration Act, and the total number of petitions granted. Executive deletes. House retains. Senate retains. Conference retains.

Sec. 315. Medication-Assisted Treatment Program – REVISED

Requires judiciary to maintain a medication-assisted treatment program to provide treatment for opioid- and alcohol-addicted individuals who are referred to and who voluntarily participate in the program; requires judiciary to report on the program, including itemized spending by court, number of participants, and statistics that indicate average program participation duration and success rates. Executive retains. House retains. Senate retains current year language and adds a new subsection that states the goal of the program is for participants to be free of narcotic addiction before ending participation in the program. Conference retains current year language and includes the Senate's new subsection stating the goal of the program is for participants to be free of narcotic addiction before ending participation in the program.

ONE-TIME APPROPRIATIONS

Sec. 402. Statewide Judicial Case Management System – NEW

Designates the unexpended appropriation for the Statewide Judicial Case Management System as a work project appropriation; authorizes unencumbered or unallotted funds to be carried forward into the succeeding fiscal year; lists the purpose of the project, the estimated cost of the project, and the estimated completion date of the project. Executive includes work project language. House includes work project language and also includes language that requires SCAO to contract with a vendor to establish a Statewide Judicial Case Management System; allocates up to \$10.0 million to be used for planning and designing the system; subjects expenditure of remaining funds to approval by the Senate and House Appropriations Committees; requires the system to provide uniform collection, record, and reporting of data for criminal, juvenile justice, child abuse and neglect, and civil cases; requires the system to integrate with financial and other systems, to provide storage of specified information and data, to perform alias and phonetic name searches, and to provide real time updates of record changes; requires SCAO to submit a report on the system. Senate does not include new language. Conference includes new work project language and also includes language that requires SCAO to establish a system that demonstrates the ability to integrate criminal justice data across the state and local units; prohibits funds from being used to supplant the current user fee system and administrative purposes unrelated to the system; requires the system to comply with all security measures and restrictions and to be hosted in a secure cloud by an experienced vendor; requires implementation status report.

Major Boilerplate Changes from FY 2021-22

Sec. 403. Trial Court Backlog – NOT INCLUDED

Requires funding to be used to assist trial courts with processing backlog cases; requires funding to be allocated and expended in a manner consistent with federal rules and regulations; requires \$7.0 million of the \$15.0 million appropriation to be used to create a virtual backlog response docket; designates unexpended funding as a work project appropriation. Executive does not include new language. House includes new language. Senate does not include new language. Conference does not include new language.

FY 2022-23: LICENSING AND REGULATORY AFFAIRS
Summary: Conference Report
Article 9, House Bill 5783 (H-2) CR-1



Analyst: Marcus Coffin

	FY 2021-22 YTD as of 2/9/22	FY 2022-23 Executive	FY 2022-23 House	FY 2022-23 Senate	FY 2022-23 Conference	Difference: Conference From FY 2021-22 YTD	
						Amount	%
IDG/IDT	\$45,079,800	\$47,026,900	\$47,026,900	\$47,026,900	\$47,026,900	\$1,947,100	4.3
Federal	29,030,900	29,659,200	29,659,200	29,659,200	29,659,200	628,300	2.2
Local	0	0	0	0	0	0	--
Private	0	0	0	0	0	0	--
Restricted	258,929,800	248,065,900	246,058,500	250,045,900	249,325,900	(9,603,900)	(3.7)
GF/GP	184,195,900	188,593,500	214,693,500	182,013,500	213,822,400	29,626,500	16.1
Gross	\$517,236,400	\$513,345,500	\$537,438,100	\$508,745,500	\$539,834,400	\$22,598,000	4.4
FTEs	1,857.9	1,874.9	1,857.9	1,556.5	1,879.9	22.0	1.2

Notes: (1) FY 2021-22 year-to-date figures include mid-year budget adjustments through February 9, 2022. (2) Appropriation figures for all years include all proposed appropriation amounts, including amounts designated as "one-time."

Overview

The Department of Licensing and Regulatory Affairs (LARA) is the state's primary regulatory entity. The department oversees regulation across a variety of sectors, including commercial and occupational activities, construction and fire safety, health care and human services, public utilities, liquor control, and marijuana. Units within LARA also conduct and adjudicate administrative hearings, oversee rules promulgation, provide support for the Michigan Indigent Defense Commission and the Unarmed Combat Commission, and administer multiple grant programs, including Michigan Indigent Defense Commission grants.

Major Budget Changes from FY 2021-22 YTD Appropriations

1. Low Carbon Energy Infrastructure Enhancement and Development

House includes \$25.0 million GF/GP (one-time) for grants to businesses, nonprofit organizations, and local government units for planning, developing, designing, acquiring, or constructing low carbon energy facilities, which could include natural gas facilities, combined heat and power facilities, and electrification programs. Senate does not include. Conference concurs with the House but includes the funding as ongoing, rather than one-time.

	FY 2021-22 Year-to-Date (as of 2/9/22)	FY 2022-23 Conference Change
Gross	NA	\$25,000,000
GF/GP	NA	\$25,000,000

2. Marijuana Treatment Research

Executive removes \$20.0 million of state restricted Marijuana Regulation Fund (adult-use) authorization that supported clinical trials researching the efficacy of marijuana for treating medical conditions afflicting veterans and for preventing veteran suicide. The Michigan Regulation and Taxation of Marijuana Act, 2018 IL 1, required expenditures for this purpose until 2022 or for at least two years. This requirement has been fulfilled. House concurs. Senate concurs. Conference concurs.

Gross	\$20,000,000	(\$20,000,000)
Restricted	20,000,000	(20,000,000)
GF/GP	\$0	\$0

Major Budget Changes from FY 2021-22 YTD Appropriations		FY 2021-22 Year-to-Date (as of 2/9/22)	FY 2022-23 Conference Change
3. Michigan Saves Green Bank		Gross	\$1,500,000
<u>Executive</u> includes an additional \$3.5 million GF/GP (one-time) for Michigan Saves, a non-profit green bank. Funding would be used to offer credit enhancement tools intended to incentivize lending at lower rates and under better terms for renewable energy and energy efficiency improvement loans to commercial, residential, and public entities. Such credit enhancement tools would include a loan loss reserve fund. <u>House</u> includes an additional \$2.0 million GF/GP for Michigan Saves. <u>Senate</u> reduces the current appropriation by \$500,000 GF/GP. <u>Conference</u> includes an additional \$1.0 million GF/GP for Michigan Saves.		GF/GP	\$1,500,000
4. Corporations Online Filing System Modernization		Gross	NA
<u>Executive</u> includes \$2.3 million of state restricted funding authorization from Corporation Fees (one-time) to modernize the Corporations Online Filing System. The modernization project would improve system reliability and security, increase online functionality, and simplify the public portal. The system is used to process and store approximately 2.7 million records, of which 1.0 million are for active entities and 1.6 million are for inactive entities. <u>House</u> concurs. <u>Senate</u> concurs. <u>Conference</u> concurs.		Restricted	NA
		GF/GP	NA
			\$2,343,600
			2,343,600
			\$0
5. Urban Search and Rescue		Gross	NA
<u>Executive</u> includes an additional \$1.0 million GF/GP (one-time) for Urban Search and Rescue, which provides grant funding to the Michigan Mutual Aid Alarm System for costs associated with supervisory and essential functions at incidents where technical rescue expertise and equipment are required for effective rescue operations. <u>House</u> includes \$2.0 million GF/GP for this purpose. <u>Senate</u> concurs with the Executive. <u>Conference</u> concurs with the Executive.		GF/GP	NA
			\$1,000,000
			\$1,000,000
6. Nursing Home State Surveyors – Education and Consultation		FTE	NA
<u>Executive</u> includes \$1.6 million GF/GP and authorization to hire an additional 10.0 state surveyors to increase the department's ability to provide education and consultative services to approximately 450 nursing homes across the state. State surveyors have greater flexibility in interactions that they have with licensed facilities compared to federal surveyors, thus additional state surveyors could take a holistic focus on care and services, allowing the state to fill an advisory role. <u>House</u> concurs on the funding but does not include the increased FTE authorization. <u>Senate</u> concurs on the funding but does not include the increased FTE authorization. <u>Conference</u> concurs with the Executive.		Gross	NA
		GF/GP	NA
			10.0
			\$1,580,000
			\$1,580,000
7. Bureau of Fire Services		FTE	79.0
<u>House</u> includes an additional \$1.1 million GF/GP to support the activities of the Bureau of Fire Services. <u>Senate</u> does not include. <u>Conference</u> concurs with the House.		Gross	\$12,455,000
		Federal	1,397,300
		Restricted	7,080,500
		GF/GP	\$3,977,200
			0.0
			0
			0
			\$1,100,000
8. Bureau of Fire Services – Smoke Detectors		Gross	NA
<u>House</u> includes \$1.0 million GF/GP (one-time) for the Bureau of Fire Services to purchase and distribute smoke detectors to residents of this state. <u>Senate</u> does not include. <u>Conference</u> concurs with the House.		GF/GP	NA
			\$1,000,000
			\$1,000,000

Major Budget Changes from FY 2021-22 YTD Appropriations		FY 2021-22 Year-to-Date (as of 2/9/22)	FY 2022-23 Conference Change
9. Michigan Task Force on Foreign Trained Medical Professional Licensing		Gross	NA
Executive includes \$1.0 million of state restricted Health Professions Regulatory Fund authorization (one-time) to cover costs associated with the Michigan Task Force on Foreign Trained Medical Professional Licensing and to implement the task force's recommendations. The task force will include a variety of stakeholders focused on proposals to reduce licensure barriers for medical professionals who were trained outside of the United States. <u>House</u> does not include. <u>Senate</u> concurs with the Executive. <u>Conference</u> concurs with the Executive.		Restricted	NA
		GF/GP	NA
			\$0
10. Cannabis Regulatory Agency Staffing Increase		FTE	34.0
Executive includes \$813,700 in state restricted Marihuana Regulation Fund (adult-use) authorization and authorization to hire 5.0 additional Cannabis Regulatory Agency staff. FTE positions would include 3 Regulation Agents, 1 Financial Analyst, and 1 Departmental Analyst. Additional staff would conduct investigations, monitor financial compliance, and review applications in the expanding adult-use sector. <u>House</u> does not include. <u>Senate</u> concurs on the funding but does not include the increased FTE authorization. <u>Conference</u> concurs with the Executive but also includes an additional \$760,000 in state restricted funding authorization and authorization for 5.0 FTE positions to conduct inspections of licensed marihuana processors.		Gross	\$6,482,300
		Restricted	6,482,300
		GF/GP	\$0
			\$0
11. Liquor Control Commission Staffing Increase		FTE	116.0
Executive includes \$600,000 of state restricted funding authorization (\$282,000 from Liquor License Revenue and \$318,000 from the Liquor Purchase Revolving Fund) to be used for hiring additional Liquor Control Commission (LCC) staff. Four departmental analysts would be hired and would function as licensing staff, reviewing and processing application and renewal materials and preparing commission dockets. Additional staff would assist LCC in processing increased filing volumes, facilitating LCC compliance with statutory requirements for timely processing established in the Liquor Control Code. <u>House</u> does not include. <u>Senate</u> does not include. <u>Conference</u> concurs with the Executive.		Gross	\$16,492,000
		Restricted	16,492,000
		GF/GP	\$0
			\$0
12. Cannabis Market Taxation and Regulatory Compliance Analysis Pilot Program		Gross	NA
Conference includes \$500,000 of state restricted funding authorization from the Marihuana Regulation Fund (one-time) to conduct a pilot program to analyze tax reporting, collection, and regulatory compliance within the Michigan cannabis market.		Restricted	NA
		GF/GP	NA
			\$0
13. Bureau of Construction Codes Carnival-Amusement and Ski Are Safety Inspections		Gross	\$500,000
Conference includes \$400,000 GF/GP to increase the number of inspections and other enforcement activities that the Bureau of Construction Codes conducts with respect to the Carnival-Amusement Safety Act, 1966 PA 225, and the Ski Area Safety Act, 1962 PA 199.		GF/GP	\$500,000
			\$400,000

Major Budget Changes from FY 2021-22 YTD Appropriations		FY 2021-22 Year-to-Date (as of 2/9/22)	FY 2022-23 Conference Change
14. Public Service Commission Community Education and Outreach <u>Executive</u> includes \$282,600 of state restricted funding authorization from Public Utility Assessments and authorization for 2.0 FTE positions to hire an Outreach and Education Specialist and an Outreach and Education Analyst within the Public Service Commission (PSC). The positions would expand the PSC's interactions with community organizations and customers, raising public awareness about the PSC and opportunities to participate in PSC processes and proceedings, educating consumers about energy programs and utility assistance, and supporting other PSC community activities (town halls, public hearings, etc.). <u>House</u> does not include. <u>Senate</u> concurs on the funding but does not include the increased FTE authorization. <u>Conference</u> concurs with the Executive.	FTE	188.0	2.0
	Gross	\$33,215,100	\$282,600
	Federal	2,625,800	0
	Restricted	30,589,300	282,600
	GF/GP	\$0	\$0
15. Bureau of Professional Licensing Activity Reduction <u>House</u> includes a \$250,000 state restricted funding authorization reduction from the Licensing and Regulation fund to reflect a decrease in licensing and regulatory activities for the professions of barbering and cosmetology in the Bureau of Professional Licensing line. <u>Senate</u> does not include. <u>Conference</u> does not include.	FTE	205.0	0.0
	Gross	\$40,564,600	\$0
	Restricted	39,835,700	0
	GF/GP	\$728,900	\$0
16. Bureau of Fire Services – Public Assemblies <u>House</u> includes \$228,900 GF/GP for the Bureau of Fire Services to conduct additional inspections at places of public assembly. <u>Senate</u> does not include. <u>Conference</u> concurs with the House.	Gross	NA	\$228,900
	GF/GP	NA	\$228,900
17. Customer Service and Business Ethics Training <u>House</u> includes \$210,000 in state restricted funding authorization from Corporation Fees for the department to conduct customer service and business ethics for every classified and unclassified employee within the department. <u>Senate</u> does not include. <u>Conference</u> does not include.	Gross	NA	\$0
	Restricted	NA	0
	GF/GP	NA	\$0
18. Utility Consumer Representation Increase <u>Executive</u> includes an additional \$100,000 of state restricted funding authorization from the Utility Consumer Representation Fund for the Utility Consumer Representation line item, which supports grants administered by the Utility Consumer Participation Board (UCPB) and awarded on an application basis to interest groups for residential consumer advocacy in utility rate cases and other proceedings. In FY 2020-21, the UCPB funded 23 intervenor cases. Additional funding would allow support to be offered for more cases. <u>House</u> concurs. <u>Senate</u> concurs. <u>Conference</u> concurs.	Gross	\$750,000	\$100,000
	Restricted	750,000	100,000
	GF/GP	\$0	\$0
19. Cannabis Regulatory Agency Alignment <u>Executive</u> includes net to zero adjustments of state restricted funding and FTE position authorization for line items that support Cannabis Regulatory Agency activities. Adjustments are made to reflect changing market trends in the adult-use and medical marijuana sectors. Specific line item changes include: - Medical Marijuana Facilities Licensing and Tracking – reduce state restricted Marijuana Regulatory Fund authorization by \$5.3 million and reduce authorization for FTE positions authorization by 49.0. - Medical Marijuana Program – reduce state restricted Marijuana Registry Fund authorization by \$200,000. - Recreational Marijuana Regulation – increase state restricted Marijuana Regulation Fund authorization by \$5.5 million and increase FTE position authorization by 49.0. <u>House</u> concurs. <u>Senate</u> concurs with the fund shifts but does not include the Executive's proposal for FTE adjustments. <u>Conference</u> concurs.	FTE	NA	0.0
	Gross	NA	\$0
	Restricted	NA	0
	GF/GP	NA	\$0

<u>Major Budget Changes from FY 2021-22 YTD Appropriations</u>		<u>FY 2021-22 Year-to-Date (as of 2/9/22)</u>	<u>FY 2022-23 Conference Change</u>
20. Marihuana Operation and Oversight Grants			
<u>Executive</u> includes a net to zero fund shift of \$3.0 million in state restricted funding authorization from the Marihuana Registry Fund (patient registry cards) to the Marihuana Regulation Fund (adult-use). This shift is necessary due to declining revenues to the Marihuana Registry Fund. The grant funding currently supports grants awarded to counties, on an application basis, for education and outreach under the Michigan Medical Marihuana Act of 2008. Changes included in boilerplate and a technical change to the line item name would allow grants to be used for education and outreach regarding the Michigan Regulation and Taxation of Marihuana Act of 2018, in addition to the Michigan Medical Marihuana Act of 2008. <u>House</u> concurs in part, but retains \$100 in state restricted funding authorization from the Marihuana Registry Fund. <u>Senate</u> does not include the fund shift. <u>Conference</u> concurs with the House.	Gross	\$3,000,000	\$0
	Restricted	3,000,000	0
	GF/GP	\$0	\$0
21. FTE Authorization Reductions			
<u>Senate</u> includes reductions to FTE authorizations for numerous line items, resulting in a total reduction of 11.0 unclassified FTE positions and 290.4 classified FTE positions. <u>Conference</u> does not include.	FTE	NA	0.0
	Gross	NA	\$0
	GF/GP	NA	\$0
22. Removal of FY 2021-22 One-Time Appropriations			
<u>Executive</u> removes \$2.4 million in one-time GF/GP funding that was included in the FY 2021-22 budget to support nursing facility infection control surveys, a renewable natural gas study, and Urban Search and Rescue equipment upgrades. <u>House</u> concurs. <u>Senate</u> concurs. <u>Conference</u> concurs.	Gross	\$2,350,000	(\$2,350,000)
	GF/GP	\$2,350,000	(\$2,350,000)

		FY 2021-22 Year-to-Date (as of 2/9/22)	FY 2022-23 Conference Change
<u>Major Budget Changes from FY 2021-22 YTD Appropriations</u>			
23. Technical Adjustments	FTE	NA	0.0
<u>Executive</u> includes numerous net to zero state restricted funding authorization adjustments to align funding with revenue estimates and program expenditures. Also includes the following adjustments:	Gross	NA	\$1,068,400
• Increases IDG authorization by \$1.1 million for the Michigan Office of Administrative Hearings and Rules line item to reflect anticipated revenues from other departments for administrative hearings.	IDG/IDT	NA	1,078,600
• Reduces state restricted Marihuana Regulatory Fund (medical) authorization by \$10,200 for the Health Facilities Regulation line item.	Federal	NA	0
• Internally transfers \$93,400 of state restricted Division on Deafness Fund authorization from the Bureau of Professional Licensing line item to the Health Facilities Regulation line item to reflect transfer of the Deaf Interpreter Program.	Restricted	NA	(10,200)
• Internally shifts \$50,000 of federal funding authorization from the Bureau of Fire Services line item to the Health Facilities Regulation line item to align funding authorization with program expenditures where they are incurred.	GF/GP	NA	\$0

House concurs with the Executive, but also replaces the entire \$728,900 GF/GP appropriation in the Bureau of Professional Licensing line with an identical amount of state restricted funding authorization from Corporation Fees.

Senate concurs with the Executive, but also includes the following adjustments:

- Internally transfers \$138,500 GF/GP from the Michigan Indigent Defense Commission line (funding for the Commission) to the Michigan Indigent Defense Commission Grants line (funding for MIDC grants).
- Replaces \$2.6 million GF/GP with state restricted funding authorization in 5 line items.

Conference concurs with the Executive and also includes an internal shift of 10.0 FTE positions from the Michigan Office of Administrative Hearings and Rules line to the Child Care Licensing and Regulation line.

24. Economic Adjustments	Gross	NA	\$6,170,800
<u>Executive</u> reflects increased costs of \$6.2 million Gross (\$667,600 GF/GP) for negotiated salary and wage increases (5.0% on October 1, 2022 and 0.5% to annualize the FY 2021-22 1.0% increase that began on April 1, 2022), actuarially required retirement contributions, worker's compensation, building occupancy charges, and other economic adjustments. <u>House</u> concurs. <u>Senate</u> concurs. <u>Conference</u> concurs.	IDG/IDT	NA	868,500
	Federal	NA	628,300
	Restricted	NA	4,006,400
	GF/GP	NA	\$667,600

Major Boilerplate Changes from FY 2021-22

Sec. 206. Communication with the Legislature – RETAINED

Prohibits LARA from taking disciplinary action against employees for communicating with legislators or their staff, unless the communication is prohibited by law. Executive deletes. House retains. Senate retains. Conference retains.

Sec. 208. Hiring of External Legal Counsel – RETAINED

Prohibits using appropriations to hire a person to provide legal services that are the responsibility of the attorney general; prohibition does not apply to legal services for bonding activities or services authorized by the attorney general. Executive retains. House retains. Senate revises to allow hiring of external legal counsel and to allow requests to the Office of the Attorney General for reimbursement. Conference retains.

Major Boilerplate Changes from FY 2021-22

Sec. 210. Contingency Authorization – RETAINED

Appropriates up to \$1.0 million in federal, \$1.5 million in state restricted, \$200,000 in local, and \$100,000 in private contingency authorization; authorizes expenditure of funds after legislative transfer to specific line items. Executive revises to appropriate \$10.0 million in federal, \$25.0 million in state restricted, \$1.0 million in local, and \$500,000 in private contingency authorization. House retains. Senate deletes. Conference retains.

Sec. 216. FTE Vacancies and Remote Work Reports – RETAINED

Requires LARA to submit quarterly reports containing FTE volumes and a comparison of actual and authorized FTE position counts; requires an annual report on the number of employees engaged in remote work in 2021, number of employees authorized to work remotely and the actual number working remotely, and estimated net cost savings and reduced use of office space achieved by remote work. Executive deletes. House retains with updated year reference. Senate retains with updated year reference. Conference retains with update year reference.

Sec. 217. Work Project Usage – RETAINED

Stipulates that appropriations are not to be expended, if possible, until all existing work project authorization for the same purpose is exhausted. Executive deletes. House retains. Senate retains. Conference retains.

Sec. 218. State Administrative Board Transfers – RETAINED

Stipulates that the legislature may intertransfer funds via concurrent resolution if the State Administrative Board transfers funds. Executive deletes. House retains. Senate retains. Conference retains.

Sec. 219. Retention of Reports – RETAINED

Requires LARA to receive and retain copies of all reports funded by the department's budget, while complying with federal and state guidelines for records retention. Executive deletes. House retains. Senate retains. Conference retains.

Sec. 220. Report on Policy Changes for Public Act Implementation – RETAINED

Requires LARA to report on policy changes made to implement public acts that took effect during the prior calendar year. Executive deletes. House retains. Senate retains. Conference retains.

Sec. 221. Severance Pay Reporting – RETAINED

Requires LARA to report any severance pay for a director or other high-ranking official not later than 14 days after a severance agreement is signed; requires LARA to maintain an internet site posting any severance pay in excess of 6 weeks of wages; requires report on total amount of severance pay remitted and number of LARA employees receiving severance pay in FY 2020-21. Executive deletes. House retains with updated fiscal year references. Senate retains with updated fiscal year references. Conference retains with updated fiscal year references.

Sec. 222. COVID-19 Vaccine Stipulations – RETAINED

Prohibits requiring proof of having received a COVID-19 vaccine as a condition of accessing any facility or services, except as required by federal law; prohibits producing, developing, issuing, or requiring a COVID-19 vaccine passport; prohibits developing a database or making an existing database publicly available to access an individual's COVID-19 vaccine status; prohibits requiring proof of having received a COVID-19 vaccine as a condition of employment, with exceptions for hospitals and medical facilities; prohibits adverse employment consequences due to an individual's COVID-19 vaccination status; requires that exemptions be created for individuals who medically cannot receive the vaccine or who have religious or consistently held objections to vaccination if a federal mandate requires establishment of a COVID-19 vaccine policy. Executive deletes. House retains. Senate retains. Conference retains.

Sec. 223. Remote Work – NEW

Prohibits LARA from permitting employees who were not working remotely prior to the COVID-19 pandemic to work remotely in FY 2022-23. Executive does not include. House includes new language. Senate does not include. Conference revises House language to express legislative intent that LARA maximize efficiency of the state workforce, and where possible, prioritize in-person work; requires LARA to post its in-person, remote, or hybrid work policy on its website.

Sec. 225. Private Grant Funded Projects – RETAINED

Authorizes appropriation of private grant revenues, subject to a limit of \$1.5 million; requires report to the legislature within 10 days of receiving grants from private entities. Executive retains. House retains. Senate deletes. Conference retains.

Sec. 226. Informational, Training, and Special Events Revenues and Expenditures – RETAINED

Authorizes LARA to charge registration fees for events sponsored by LARA; requires fees to reflect the costs of sponsoring events; appropriates revenue generated by fees for sponsorship costs; authorizes excess revenue to be carried forward; limits appropriation to \$500,000. Executive retains. House retains. Senate deletes. Conference retains.

Major Boilerplate Changes from FY 2021-22

Sec. 227. Fees for Customized Listings – RETAINED

Authorizes LARA to provide customized lists of non-confidential information to interested parties and to charge reasonable fees; requires funds to lapse to appropriate restricted fund accounts. Executive retains. House retains. Senate deletes. Conference retains.

Sec. 228. Sale of Documents – RETAINED

Authorizes LARA to sell various agency documents at cost of production; requires revenue to carry forward; appropriates funds collected under 1969 PA 306 for cost of publication and distribution. Executive retains. House retains. Senate deletes. Conference retains.

Sec. 230. Employee Performance Monitoring Process – REVISED

Expresses legislative intent that LARA establish a consistent employee performance monitoring process and requires a report on planned or implemented changes to that process and the number of evaluations performed. Executive deletes. House revises to quarterly reporting frequency. Senate retains. Conference revises to quarterly reporting frequency.

Sec. 233. Pending Litigation – RETAINED

Stipulates that pending litigation related to a licensee must not delay LARA investigations and licensing actions, unless prohibited by law. Executive deletes. House retains. Senate retains. Conference retains.

Sec. 234. Publication of Employee Training Materials – NEW

Requires LARA to post, on a publicly available website, materials that department personnel are required to review to complete mandatory training; requires notification to the subcommittees if LARA determines that posting the materials poses a cybersecurity risk. Executive does not include. House does not include. Senate includes new language. Conference revises Senate language to require LARA to post a report describing training materials and requires training materials be made available to subcommittee members or their designees.

Sec. 235. Customer Service and Business Ethics Training – NEW

Requires LARA to provide 1 hour of customer service and business ethics training to all classified employees and 2 hours of training to unclassified employees; establishes general requirements for the training and reporting requirements. Executive does not include. House includes new language. Senate does not include. Conference revises House language to require each employee to complete 2 hours of customer service and business ethics training; establishes general requirements for the training and reporting requirements.

Sec. 302. Low Carbon Energy Infrastructure Enhancement and Development – NEW

Requires funding to be used only for grants to businesses, nonprofit organizations, and local government units for planning, developing, designing, acquiring, or constructing low carbon energy facilities, which may include natural gas and combined heat and power facilities and electrification programs; requires the Public Service Commission to develop and implement a grant application process within 6 months and establishes prioritization for grant approvals; establishes requirements for grant applicants, including submission of an impact study and proposal with a cost-benefit analysis and emissions details; establishes further requirements for grant applicants for renewable natural gas infrastructure projects; provides for a 45-day review period for affected entities to review and comment on an application and a 15-day period for an applicant to modify their initial proposal; requires the PSC to award grants to applicants who have met the grant criteria; requires grant recipients to report to the PSC on how the money was used within 30 days after a project's completion; designates unexpended funding as a work project appropriation. Executive does not include. House includes new language. Senate does not include. Conference includes new language.

Sec. 401. Investigation of Direct Shipments of Wine and Report – RETAINED

Requires MLCC to use funds appropriated from Direct Shipper Enforcement Fund, as required under Section 203(11) of the Michigan Liquor Control Code, 1998 PA 58, to investigate illegal direct shipments of wine; requires notice to be sent to entities found to have illegally shipped wine into the state; requires MLCC to submit report detailing activities to investigate illegal shipping of wine. Executive revises to delete language prioritizing enforcement on unlicensed out of state retailers and third-party marketers, to delete requirement for referral of unlicensed out of state retailers and third-party marketers to the attorney general, to delete items in the report, and to delete language requiring notice to out of state entities that illegally shipped wine into Michigan. House retains. Senate retains. Conference retains.

Sec. 509. Masking Requirement Prohibition – RETAINED

Prohibits LARA from enforcing masking requirements for children under 5 years of age and from taking any licensing or administrative action against licensees for not enforcing such a requirement. Executive deletes. House retains. Senate retains. Conference retains.

Major Boilerplate Changes from FY 2021-22

Sec. 510. Carnival-Amusement Safety and Ski Area Safety Inspections – REVISED

Requires that at least \$500,000 from the appropriation for the Bureau of Construction Codes be allocated for additional inspections and enforcement activity related to the Carnival-Amusement Safety Act of 1966. Executive retains. House retains. Senate retains. Conference revises to increase the earmark to \$900,000 and expands the inspections and enforcement activity LARA must conduct to include responsibilities under the Ski Area Safety Act, 1962 PA 199.

Sec. 511. Homeowner Construction Lien Recovery Fund – NEW

Appropriates unexpended funds in the Homeowner Construction Lien Recovery Fund for payments of court-ordered construction lien judgments entered prior to the repeal of the fund on August 23, 2010. Executive includes new language. House includes new language. Senate includes new language. Conference includes new language.

Sec. 512. Bureau of Fire Services Inspections – NEW

Requires BFS to allocate \$228,900 to increase the number of inspections it conducts at places of public assembly. Executive does not include. House includes new language. Senate does not include. Conference includes new language.

Sec. 514. Bureau of Professional Licensing Activity Reduction – NOT INCLUDED

Requires the BPL to reduce licensing and regulatory activities for barbering and cosmetology professions, prohibits the department from utilizing another fund source to support these activities. Executive does not include. House includes new language. Senate does not include. Conference does not include.

Sec. 602. Marijuana Activity Law Enforcement Referrals – NEW

Requires the Cannabis Regulatory Agency to post a quarterly list of referrals made to law enforcement agencies regarding suspected illegal or irregular activities of entities under the agency's purview. Executive does not include. House does not include. Senate includes new language. Conference revises Senate language to require CRA to report various metrics and information related to investigations, complaints, and suspected illegal or irregular activity.

Sec. 603. Hemp Regulation Report – NEW

Requires LARA to submit a report on all programs administered by the Cannabis Regulatory Agency related to hemp, which must include information on licensure volumes, revenues, expenditures, and other topics. Executive does not include. House includes new language. Senate does not include. Conference includes new language.

Sec. 604. Marihuana Processor Inspections – NEW

Requires the Cannabis Regulatory Agency to utilize 5.0 FTEs to conduct in-person, no-notice inspections of licensed marihuana processors, with priority given to facilities that produce distillate or concentrates and facilities that produce the highest volume; requires reporting on the inspections and specifies reporting requirements. Executive does not include. House does not include. Senate does not include. Conference includes new language.

Sec. 801. Michigan Indigent Defense Commission Receipt of Federal Funding – RETAINED

Authorizes the MIDC to receive and expend up to \$250,000 in federal Byrne grant funding and up to \$300,000 in other federal grant funding, if made available from the U.S. Department of Justice. Executive retains. House retains. Senate deletes. Conference retains.

Sec. 803. MIDC Construction Expenses Prohibition – RETAINED

Prohibits an MIDC grant from being used by recipient to support construction expenses for new structures. Executive deletes. House retains. Senate retains. Conference retains.

Sec. 901. Medical Marihuana Operation and Oversight Grants – REVISED

Requires LARA to award Medical Marihuana Operation and Oversight Grants to counties; requires LARA to post a listing of available grant funds; requires report submission by counties and LARA pertaining to amounts, recipients, and uses of grants. Executive revises to allow grants to be expended for adult-use program education and outreach, in addition to current purposes, and to reflect the new funding source for grants. House revises to allow grants to be expended for adult-use program education and outreach, in addition to current purposes, and to reflect the new fund sourcing for grants. Senate revises to allow grants to be expended for adult-use program education and outreach, in addition to current purposes, and to reflect the new funding source for grants. Conference concurs with the House.

Sec. 1001. Bureau of Fire Services – Smoke Detectors – NEW

Requires the Bureau of Fire Services to purchase and distribute sealed-battery smoke detectors to Michigan residents; allows for purchase of smoke detectors with additional capabilities for individuals who require an accommodative technology. Executive does not include. House includes new language. Senate does not include. Conference includes new language.

Major Boilerplate Changes from FY 2021-22

Sec. 1002. Cannabis Market Taxation and Regulatory Compliance Analysis Pilot Program – NEW

Requires the Cannabis Regulatory Agency to award a grant to conduct an analysis of tax reporting, collection, and regulatory compliance in the Michigan cannabis market; stipulates criteria the agency must consider when awarding the grant; requires reporting and establishes reporting requirements. Executive does not include. House does not include. Senate does not include. Conference includes new language.

Sec. 1003. Michigan Saves Appropriation Use – REVISED

Allows PSC to award a \$1.5 million grant to a nonprofit green bank to make loans more affordable for families, businesses, and public entities in Michigan; authorizes grant funds to be used for a loan loss reserve fund or similar financial instrument. Executive revises to reflect \$5.0 million appropriation amount. House revises to reflect \$3.5 million appropriation amount. Senate revises to reflect \$1.0 million appropriation amount. Conference revises to reflect \$2.5 million appropriation amount.

FY 2022-23: DEPARTMENT OF MILITARY AND VETERANS AFFAIRS

Summary: Conference Report Article 10, House Bill 5783 (H-2) CR-1



Analyst: Michael Cnossen

	FY 2021-22 YTD as of 2/9/22	FY 2022-23 Executive	FY 2022-23 House	FY 2022-23 Senate	FY 2022-23 Conference	Difference: Conference From FY 2021-22 YTD	
						Amount	%
IDG/IDT	\$101,800	\$101,800	\$101,800	\$101,800	\$101,800	\$0	0.0
Federal	120,015,300	189,864,300	129,864,300	189,864,300	200,364,300	80,349,000	66.9
Local	0	0	0	0	0	0	--
Private	640,000	640,000	640,000	640,000	640,000	0	0.0
Restricted	21,336,700	18,794,900	18,794,900	18,794,900	18,794,900	(2,541,800)	(11.9)
GF/GP	78,758,800	145,865,000	80,965,100	139,615,200	127,465,000	48,706,200	61.8
Gross	\$220,852,600	\$355,266,000	\$230,366,100	\$349,016,200	\$347,366,000	\$126,513,400	57.3
FTEs	1,063.5	1,064.5	1,063.5	1,064.5	1,063.5	0.0	0.0

Notes: (1) FY 2021-22 year-to-date figures include mid-year budget adjustments through February 9, 2022. (2) Appropriation figures for all years include all proposed appropriation amounts, including amounts designated as "one-time."

Overview

The Department of Military and Veterans Affairs (DMVA) provides for the operations of the Michigan National Guard in support of military and security needs of the state and federal government. The department, through the Michigan Veterans Affairs Agency, oversees state programs for veterans, grants to veterans service organizations, the County Veteran Service Fund, and the Michigan Veterans Trust Fund. The department also houses the independent Michigan Veterans Facility Authority, which manages and operates the state's three veterans homes.

		FY 2021-22 Year-to-Date (as of 2/9/22)	FY 2022-23 Conference Change
Major Budget Changes from FY 2021-22 YTD Appropriations			
1. Armory Modifications (One-Time)	Gross	\$31,000,000	\$100,000,000
<u>Executive</u> provides \$115.0 million Gross (\$55.0 million GF/GP) to make physical modifications to all Michigan National Guard armories, most of which were constructed before women were allowed to serve or when their numbers were low, to create equitable accommodations to female servicemembers. Projects would include creating bathroom and shower space, and lactation rooms as required by 2015 Army directive. Funding would also support other armory modernization projects. <u>House</u> includes a \$100 placeholder. <u>Senate</u> concurs with <u>Executive</u> . <u>Conference</u> provides \$100.0 million Gross (\$40.0 million GF/GP).	Federal	30,000,000	60,000,000
	GF/GP	\$1,000,000	\$40,000,000
2. Selfridge ANG Base Investment (One-Time)	Gross	NA	\$6,100,000
<u>Executive</u> provides \$6.1 million GF/GP to invest in projects to help position Selfridge Air National Guard Base to be competitive to support next generation aircraft flying missions. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur.	GF/GP	NA	\$6,100,000
3. MVFA Facilities Transition Funding (One-Time)	Gross	\$634,100	\$6,000,000
<u>Executive</u> provides \$6.0 million GF/GP to assist Michigan Veterans' Facility Authority achieve self-sufficiency as an independent administrative authority over Michigan veterans homes while veteran home membership grows and to maximize federal funding opportunities. <u>House</u> and <u>Senate</u> do not include. <u>Conference</u> concurs with <u>Executive</u> .	GF/GP	\$634,100	\$6,000,000

Major Budget Changes from FY 2021-22 YTD Appropriations		FY 2021-22 Year-to-Date (as of 2/9/22)	FY 2022-23 Conference Change
4. NG Tuition Assistance Expansion to Dependents			
<u>Executive</u> provides \$5.0 million GF/GP and one FTE position to allow transferability of Michigan National Guard Tuition Assistance Program benefits from eligible servicemembers to their dependent children up to age 26. Funding would require statutory change regarding eligible program recipients to implement. <u>House</u> does not include. <u>Senate</u> concurs with Executive. <u>Conference</u> does not include.	FTE	2.0	0.0
	Gross	\$6,515,200	\$0
	GF/GP	\$6,515,200	\$0
5. Grand Rapids Home for Veterans Transition Costs (One-Time)			
<u>Executive</u> provides \$6.5 million Gross (\$4.1 million GF/GP) to continue operating certain portions of old home facility and offer services to accommodate some residents remaining in the old facility as they await moving to new living arrangements. This recommendation would retain a FY 2021-22 one-time appropriation for a \$0 change in FY 2022-23. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur.	Gross	\$6,456,000	\$0
	Federal	1,831,000	0
	Restricted	560,000	0
	GF/GP	\$4,065,000	\$0
6. Veterans Outreach Programming (One-Time)			
<u>Executive</u> provides \$1.2 million GF/GP to conduct an outreach campaign targeting current and former servicemembers and their families on reducing suicide incidents. The campaign would be part of Governor's Challenge effort, in partnership with VA Substance Abuse and Mental Health Services Administration, to develop suicide prevention policy. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur.	Gross	NA	\$1,200,000
	GF/GP	NA	\$1,200,000
7. Buddy-to-Buddy Peer Mentorship Program			
<u>House</u> provides \$1.2 million GF/GP for the Buddy-to-Buddy veteran peer-to-peer volunteer mentorship program to provide veterans with support and to connect them with resources for various needs and issues, including mental health and substance abuse. <u>Executive</u> and <u>Senate</u> and <u>Conference</u> do not include.	Gross	NA	\$0
	GF/GP	NA	\$0
8. Military Retirement			
<u>Executive</u> provides \$582,000 GF/GP for the Military Retirement System to meet anticipated retirement obligations based on annual actuarial valuation of military retirement pension benefits. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur.	Gross	\$875,000	\$582,000
	GF/GP	\$875,000	\$582,000
9. Statewide Contracted Security Cost Increase			
<u>Executive</u> provides \$251,400 GF/GP to support increased costs statewide of contracted security services at Grand Rapids and Chesterfield Township homes for veterans. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur.	Gross	NA	\$251,400
	GF/GP	NA	\$251,400
10. Veterans Cemetery Feasibility Study			
<u>Executive</u> provides \$250,000 GF/GP for a professional study to evaluate need for new state veterans cemetery in northern Michigan, to determine best locations, and to provide preliminary estimates on design, and construction and operational costs. <u>House</u> concurs. <u>Senate</u> provides a \$100 GF/GP placeholder. <u>Conference</u> concurs with Executive.	Gross	NA	\$250,000
	GF/GP	NA	\$250,000
11. Veterans Homes GF/GP, Medicaid Offset			
<u>Executive</u> decreases \$6.0 million GF/GP and increases Title XIX Medicaid federal revenue authorization by \$6.0 million to align authorization with increased reimbursements from utilization of CMS certified accommodations. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur.	Gross	\$37,211,000	\$0
	Federal	4,997,700	6,000,000
	GF/GP	\$32,213,300	(\$6,000,000)

Major Budget Changes from FY 2021-22 YTD Appropriations		FY 2021-22 Year-to-Date (as of 2/9/22)	FY 2022-23 Conference Change
12. Removal of FY 2021-22 One-Time Funding	Gross	\$2,500,000	(\$2,500,000)
<u>Executive</u> eliminates \$2.5 million GF/GP for record consolidation and digitization project. \$6.5 million Gross (\$4.1 million GF/GP) of FY 2021-22 remains for Grand Rapids Home for Veterans transition costs as described under item number 5. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur.	GF/GP	\$2,500,000	(\$2,500,000)
13. Departmentwide Line Item Split	Gross	\$1,803,600	\$0
<u>Executive</u> reallocates \$1.8 million Gross (\$293,300 GF/GP) of current year Departmentwide line item, which supports cost of travel, equipment, worker's compensation, vehicle liability insurance, rent, training, and safety supplies related to department offices and National Guard facility staff, to Headquarters and Armories and Military Training Sites and Support Facilities line items for \$0 net change. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur.	Federal	1,510,300	0
	GF/GP	\$293,300	\$0
14. Consolidation of MVFA Administration Line Item	Gross	\$634,100	\$0
<u>Executive</u> reallocates \$634,100 GF/GP to current year Michigan Veterans' Facility Authority line item to Michigan Veterans Homes Administration and Information Technology Services and Projects line items. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur.	GF/GP	\$634,100	\$0
15. D.J. Jacobetti Federal and Restricted Correction	Gross	\$2,745,100	\$0
<u>Executive</u> swaps \$2.7 million in state restricted Income and Assessments revenue authorization with federal VA revenue to correct for an inadvertent error in the FY 2021-22 Executive Recommended budget. <u>House</u> concurs. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur.	Federal	0	2,745,100
	Restricted	2,745,100	(2,745,100)
	GF/GP	\$0	\$0
16. Marquette and Detroit Veteran Homes Capital Improvements (One-Time)	Gross	NA	\$0
<u>House</u> provides a \$100 GF/GP placeholder for capital improvements at the D.J. Jacobetti Home for Veterans facility. <u>Executive</u> does not include. <u>Senate</u> concurs with House and adds an additional \$100 placeholder for a new veterans facility in Detroit. <u>Conference</u> does not include however \$34.2 million GF/GP is included under Capital Outlay to support costs of a new veterans home in Marquette.	GF/GP	NA	\$0
17. MVAA Administration Reduction	Gross	NA	\$0
<u>Senate</u> removes \$100 GF/GP from the Michigan Veterans Affairs Administration to offset an additional placeholder for a new veterans home. <u>House</u> , <u>Executive</u> , and <u>Conference</u> do not include.	GF/GP	NA	\$0
18. Michigan Volunteer Defense Force	Gross	NA	\$100,000
<u>House</u> provides \$100,000 GF/GP to support ongoing costs of uniforms, training, equipment, and operations of the Michigan Volunteer Defense Force. <u>Executive</u> and <u>Senate</u> do not include. <u>Conference</u> concurs with House and designates it as a one-time appropriation.	GF/GP	NA	\$100,000
19. National Guard Operations	Gross	\$298,200	\$0
<u>House</u> reduces \$35,000 GF/GP to the National Guard Operations line item to reflect the transfer of funding for the Michigan Volunteer Defense Force to its own line item. <u>Executive</u> , <u>Senate</u> , and <u>Conference</u> do not include.	IDG	101,800	0
	Federal	100,000	0
	GF/GP	96,400	\$0
20. Armory Maintenance	Gross	\$1,000,000	\$0
<u>House</u> reduces funding for armory maintenance projects for sustainment, restoration, and modernization by \$165,100 GF/GP. <u>Executive</u> , <u>Senate</u> , and <u>Conference</u> do not include.	GF/GP	\$1,000,000	\$0

<u>Major Budget Changes from FY 2021-22 YTD Appropriations</u>		<u>FY 2021-22 Year-to-Date (as of 2/9/22)</u>	<u>FY 2022-23 Conference Change</u>
21. State Veterans Cemetery		Gross	NA
<u>Conference</u> provides \$12.0 million Gross (\$1.5 million GF/GP) to acquire or to designate state land as a state veterans cemetery and for supporting costs of engineering, designing, conducting environmental impact studies, preparing the land, and other ongoing expenses of operating a state veterans cemetery. <u>Executive</u> , <u>House</u> , and <u>Senate</u> do not include.		Federal	NA
		GF/GP	NA
			\$12,000,000
			10,500,000
			\$1,500,000
22. Economic Adjustments		Gross	NA
<u>Executive</u> , <u>House</u> , <u>Senate</u> , and <u>Conference</u> provide for increased costs of \$2.5 million Gross (\$1.2 million GF/GP) for negotiated salary and wage increases (5.0% on October 1, 2022 and 0.5% to annualize the FY 2022 1.0% increase that began on April 1, 2022), actuarially required retirement contributions, worker's compensation, building occupancy charges, and other economic adjustments.		Federal	NA
		Restricted	NA
		GF/GP	NA
			\$2,530,000
			1,103,900
			203,300
			\$1,222,800

Major Boilerplate Changes from FY 2021-22

Sec. 206. Disciplinary Action Against State Employees – RETAINED

Prohibits departments from taking disciplinary action against employees in the state classified civil service for communicating with legislators or their staff; stipulates disciplinary action may be taken if the communication is prohibited by law and disciplinary action is exercised as authorized by law. *(Governor deemed this section unenforceable in FY 2021-22)* Executive deletes. House, Senate, and Conference retain.

Sec. 210. Contingency Authorization – RETAINED

Appropriates up to \$8.6 million in federal, \$1.1 million in state restricted, \$250,000 in local, and \$100,000 in private contingency authorization; authorizes expenditure of funds after legislative transfer to specific line items. Executive revises to appropriate up to \$12.0 million in federal, \$3.0 million in state restricted, and \$500,000 in local contingency funds. House retains. Senate deletes. Conference retains.

Sec. 216. FTE Vacancies and Remote Work Report – RETAINED

Requires department to provide quarterly report on FTE counts by classification and actual FTE position counts compared to authorized FTE position counts; requires report on number of employees engaged in remote work in 2021, number of employees authorized to work remotely, and actual number working remotely, estimated net cost savings from remote work, and reduced use of office space associated with remote work. Executive deletes. House, Senate, and Conference retain and update year to 2022.

Sec. 217. Work Project Expenditures –RETAINED

Prohibits appropriations from being expended in cases where existing work project authorization is available for the same expenditures. *(Governor deemed this section unenforceable in FY 2021-22)* Executive deletes. House, Senate, and Conference retain.

Sec. 218. State Administrative Board Transfers – RETAINED

Authorizes legislature, by concurrent resolution adopted by majority of members elected to and serving in each house, to inter-transfer funds if State Administrative Board transfers funds. *(Governor deemed this section unenforceable in FY 2021-22)* Executive deletes. House, Senate, and Conference retain.

Sec. 219. Receipt and Retention of Required Reports – RETAINED

Requires department to receive and retain copies of all reports required in Article VIII; requires federal and state guidelines to be followed for short-term and long-term retention of records; authorizes department to electronically retain copies of reports unless otherwise required by federal and state guidelines. Executive deletes. House, Senate, and Conference retain.

Sec. 220. Reporting Requirement on Policy Changes – RETAINED

Requires department to report on policy changes made in order to implement enacted legislation. Executive deletes. House concurs. Senate and Conference retain.

Major Boilerplate Changes from FY 2021-22

Sec. 221. Biannual Reporting on Achieving Requirements – RETAINED

Requires department to provide biannual reports on status of work projects, financial status, and employment levels. Executive revises to eliminate requirement to report number of active employees by job classification and departmental branch of service. House, Senate, and Conference retain.

Sec. 222. Department Core Services – DELETED

Lists core services of department; requires appropriations to be used for core services. Executive deletes. House concurs. Senate retains. Conference concurs with Executive.

Sec. 222. Prioritization of State Workforce In-person Work – NEW

States that the intent of the legislature is to maximize efficiency of the state workforce and, where possible, prioritize in-person work; requires each department and agency to post its in-person, remote, or hybrid work policy on its website. Executive, House, and Senate do not include. Conference adds.

Sec. 224. Intention to Sell Department Property – RETAINED

Requires department to provide a 60-day notice of intent to sell property. (*Governor deemed this section unenforceable in FY 2021-22.*) Executive deletes. House, Senate, and Conference retain.

Sec. 225. Court Settlements Report – RETAINED

Requires department to report tentative plans for required payment of any court judgment against department and details regarding timing and budget impact the payment will have on department. Executive deletes. House, Senate, and Conference retain.

Sec. 226. Standard Report Recipients – NEW

Requires all reports required by boilerplate to be sent to Senate and House appropriations subcommittees with jurisdiction over DMVA budget, Senate and House fiscal agencies, and State Budget Office, unless stated otherwise. Executive adds. House concurs. Senate does not include. Conference concurs with Executive.

Sec. 226. Private Donations to Veteran Homes – REVISED

Appropriates money privately donated to Grand Rapids Home for Veterans, D.J. Jacobetti Home for Veterans, and Chesterfield Township Home for Veterans, and permits its use for the purpose designated by private donor. Executive revises to add authorization of private donations for Michigan Veterans Homes and Michigan Veterans' Facility Authority and moves to Michigan Veterans' Facility Authority unit as section 451. House concurs with Executive. Senate deletes. Conference concurs with Executive and revises to require quarterly reports of donations under \$10,000 and notification to the legislature within 14 for donations of \$10,000 or more; requires all private donations to be used for the benefit and life enrichment of veterans.

Sec. 227. Severance Pay Report – RETAINED

Requires department and agencies to report name and any amount of severance pay given to high-ranking department officials; requires department and agencies to maintain an internet site and post severance pay in excess of 6 weeks of wages for former department or agency employees; requires department and agencies to submit annual report on total amount of severance pay remitted to former employees during prior fiscal year and total number of those employees; defines "severance pay". Executive deletes. House, Senate, and Conference retain.

Sec. 228. Prohibitions on State Employer COVID-19 Vaccine Status Verifications – RETAINED

Prohibits various state government entities from requiring proof of COVID-19 vaccination as condition of accessing state services or facilities, producing COVID-19 vaccine passports, developing, or making existing databases public, accessing individuals COVID-19 vaccine status, and requiring proof of receiving COVID-19 vaccine as condition of employment; prohibits state entities from subjecting an individual to negative consequences because of COVID-19 vaccine status; allows an individual to provide proof of COVID-19 vaccine status with consent; exempts certain individuals from federally mandated vaccine policies. Executive deletes. House, Senate, and Conference retain.

Sec. 301. Unclassified Positions – REVISED

Appropriates funding to support unclassified positions; requires department to notify subcommittees prior to submitting requests for additional unclassified positions or requests for substantive changes to duties of existing unclassified positions; requires quarterly report listing current unclassified positions with official titles and responsibilities. Executive revises to eliminate requirement of notifying legislature before submitting requests for additional unclassified positions. House revises to require quarterly report listing current unclassified positions to be submitted annually. Senate retains current year language. Conference concurs with House.

Major Boilerplate Changes from FY 2021-22

Sec. 303. Michigan Youth Challenge Academy – REVISED

Requires department to maintain proper levels of staffing and resources to operate Michigan Youth Challenge Academy as provided under federal law; lists specific operating requirement and performance metrics. Executive revises to change graduate target number to be consistent with state's cooperative agreement with National Guard Bureau instead of 114 students per cohort. House and Senate retain current year language. Conference concurs with Executive.

Sec. 304. Military Family Relief Fund – RETAINED

Requires DMVA to provide grant funding from Military Family Relief Fund, outreach services to military families of members of reserve component called into active duty, and biannual reports on financial activities of fund. Executive revises to require reports annually and to include number of applications received, approved, and denied. House revises by concurring with Executive and setting due dates for biannual reporting and requires reporting on expenditures by purpose and the number of applications received, approved, and denied to be reported. Senate retains current year language. Conference concurs with Executive and revises reporting frequency to biannually.

Sec. 307. National Guard Tuition Assistance Program – RETAINED

Requires DMVA to establish and maintain tuition assistance program for members of Michigan National Guard and other eligible members as defined in 2014 PA 259; states program's objectives, performance metrics, and reporting requirements. Executive revises to eliminate graduation and continuing enrollment benchmark goal and to add information required in annual report, including data on benefits received by spouses and dependent children. House revises section formatting but retains current year benchmark goal and reporting requirements. Senate retains current year language. Conference revises to set graduation and retention benchmark goal to be consistent with the cooperative agreement with the National Guard Bureau and to add information required in annual report.

Sec. 312. Michigan Volunteer Defense Force Funding Report – DELETED

Requires department to report amount of appropriated funds that will be made available to Michigan Volunteer Defense Force, list of any restrictions or stipulations on those funds, and explanation of any restrictions or stipulations. Executive and Senate retain. House and Conference delete.

Sec. 312. Michigan Volunteer Defense Force – NEW

Requires the department to maintain guidelines for membership goals in the Michigan Volunteer Defense Force (MVDF) and to carry out those guidelines; requires the department to provide the report required under the Michigan Military Act, MCL 32.561, to the appropriation subcommittee on the DMVA budget and the fiscal agencies, which includes regulations on MVDF missions, training and equipment needs, requirements and procedures for membership in the MVDF, and procedures for coordinating MVDF operations with law enforcement agencies and relief authorities. House adds. Executive and Senate do not include. Conference concurs with House and transfers the section to one-time appropriations unit.

Sec. 313. COVID-19 Vaccine Waiver Report – NEW

Requires the department to report on figures of vaccine waiver requests received, denied, appealed, and the reasons stated for the requests. Senate adds. Executive and House do not include. Conference concurs with Senate and rennumbers as Sec. 313.

Sec. 314. National Guard Retirement Request Processing Time Report – NEW

Requires the department to report on the average number of days taken to process National Guard retirement requests and the number of requests for which processing exceeded 120 days. Senate adds. Executive and House do not include. Conference concurs with Senate and rennumbers as Sec. 314.

Sec. 404. MVAA Private Donations – REVISED

Authorizes receipt of private donations to MVAA in excess of funds appropriated and permits expenditure of those funds for purpose designated by donor, if specified; requires department to give notification of receipt of donation within 14 calendar days, including amount of donation and purpose for which funds will be expended, if known. Executive, House, and Senate retain current language. Conference revises to require quarterly reports of donations under \$10,000 and notification to the legislature within 14 for donations of \$10,000 or more; requires all private donations to be used for the benefit and life enrichment of veterans.

Sec. 405. Veterans' Trust Fund Grants – REVISED

Requires MVAA to report on Michigan Veterans Trust Fund financial status, awarded grants, and operating and administrative expenses; establishes a minimum processing requirement of 2,000 applications. Executive deletes the minimum processing requirement. House and Senate retain current language. Conference concurs with Executive.

Major Boilerplate Changes from FY 2021-22

Sec. 406(1). MVAA Outreach Services – RETAINED

Requires MVAA to provide outreach services to veterans, communicate information on available VA benefits, process requests for military discharge documents, digitize military medical and discharge documents, and assist in processing claims for VA benefits; requires report providing estimate of state's homeless veterans population. Executive revises to eliminate veteran outreach goal benchmarks and requirement to continue digitization of veterans records; changes biannual report to annual; restructures section formatting. House revises to require report annually and restructure section formatting. Senate retains current year language. Conference concurs with House and eliminates requirement to continue digitization of veterans records.

Sec. 406(3). MVAA Benefits Counseling Services – RETAINED

Requires MVAA to assist veterans in filing claims for VA benefits; establishes a capacity metric of 500 claims per year; requires biannual data on number and type of claims activities. Executive revises to eliminate minimum number of claims processed annually and renumbers as section 410. House retains as section 410. Senate retains current year language. Conference concurs with House.

Sec. 406(4). County Veterans Services – RETAINED

Requires MVAA to provide training to county veterans counselors (CVCs); establishes performance metrics for training and CVC-filed claims for VA benefits; requires biannual reports on number and percentage of CVCs requesting training by MVAA. Executive revises to eliminate goal of 100% CVCs trained and renumbers as section 410(2). House retains as section 410(2). Senate retains current year language. Conference concurs with House.

Sec. 407. Grants to Veterans Service Organizations – RETAINED

Requires MVAA to provide grants to veterans service organizations (VSOs) in a manner consistent with MVAA performance goals and objectives; requires quarterly reports from grantees on claims and services provided; requires grant recipients to meet performance metrics, specifies basic parameters of grant agreement, including regional service delivery; requires reports on grant activities. Executive revises to specify grants must be awarded to Congressionally-chartered VSOs; adds that the competitive grant process must include various new requirements including that grants shall be used to support efforts to connect veterans and their dependents with federal compensation and pension benefits, state veterans benefits, and other available local assistance, that a regional service model to ensure provision of services include veterans and their dependents within tribal communities and that it is as close to the communities they live in as possible, that virtual meetings are sufficient for adequate VSO grantee service, that innovative approaches are fostered for grantees' use when providing services, that license fees associated with the claims data system are considered an allowable expenditure for grant reimbursement, and that the MVAA shall review and audit grantees' expenditures of grant funds; renumbers as section 411. House concurs. Senate retains current year language. Conference concurs with Executive.

Sec. 412. Interagency Agreement with Department of Health and Human Services – RETAINED

Requires department to enter into cooperative agreement with DHHS to identify veteran Medicaid recipients who may be eligible for other benefits; requires annual report of number of veterans identified and referred for additional benefits under agreement. *(Governor deemed this section unenforceable in FY 2021-22. Executive deletes. House, Senate, and Conference retain.*

Sec. 413. County Veterans Service Fund – REVISED

Requires funds appropriated for County Veteran Service Fund to be deposited into County Veteran Service Fund created in 2018 PA 210; stipulates funds are available for expenditure to support county veterans' services grants; authorizes up to \$200,000 to be used to cover costs associated with administration and providing technical assistance to counties participating in grant program. Executive revises to appropriate \$260,000 for administrative costs. House revises to add an annual expenditures report on grant funding. Senate retains current year language. Conference revises to reduce amount to be deposited into the County Veteran Service Fund and appropriates a corresponding amount for a separate county veteran service grant; authorizes up to \$210,500 to be used for administrative costs; concurs with House annual expenditure report.

Sec. 451. Michigan Veteran's Facility Authority – DELETED

Requires Michigan Veterans' Facility Authority to exercise certain regulatory and governance authority over Michigan veterans homes. Executive deletes. House concurs. Senate retains. Conference concurs with Executive.

Major Boilerplate Changes from FY 2021-22

Sec. 452(1)-(3), (10)-(19). Veterans Homes Service and Care Requirements – REVISED

Requires Michigan veterans homes to meet applicable standards of care as provided under listed federal and state legal authorities; specifies standards around issues concerning psychiatric care, monitoring of comprehensive care plans, supply inventory, pharmaceutical inventory, controls over donated goods and monies, and personal funds of residents; requires information on complaint process to be conspicuously posted at home; requires Michigan veterans homes and Michigan Veteran Facility Authority policies to be posted on MVAA website; requires department to report budgeting and quality of care metrics to the legislature, including health and safety issues, status of Centers for Medicare and Medicaid Services (CMS) certification, resident member demographics, upgrades to facilities, and financial status of homes; requires Michigan veteran homes to provide annual or for-cause surveys conducted by entity with oversight over veterans homes to look into potentially serious compliance or patient care issues and to report any corresponding corrective action plans from Michigan veteran homes. Executive revises to require Michigan Veterans Homes to post agenda and minutes of public meetings of Michigan Veterans' Facility Authority Board and divides section into sections 452 to 462. House concurs. Senate retains current year language. Conference concurs with Executive.

Sec. 453. Veterans Homes CMS Certification Reporting – RETAINED

Requires department to report to legislature regarding improvements in full-spectrum health care resulting from facility upgrades to obtain CMS certification. *(Governor deemed this section unenforceable in FY 2021-22.* Executive deletes. House, Senate, and Conference retain.

Sec. 464. Non-Fiduciary Member Funds – NEW

Appropriates funds held by state on non-fiduciary basis for members of veterans facility to be used to pay medical expenses, assessments, and other expenses by that member; authorizes private revenue to not lapse at close of fiscal year. Executive adds. House concurs. Senate does not include. Conference concurs with Executive.

Sec. 601. Record Consolidation and Digitization – DELETED

Requires funding to be used to digitize, index, and store all veterans' records under control of MVAA and to develop and implement computer platform to provide veterans and organizations that serve them better accessibility and timely delivery of veterans records upon request; requires biannual report on progress made on project; expresses intent of legislature that various veteran service entities have access to service members' and veterans' records. Executive deletes. House, Senate, and Conference concur.

Sec. 601. Buddy-to-Buddy Work Project Authorization – DOES NOT INCLUDE

Authorizes unexpended funds appropriated for Buddy-to-Buddy program to not lapse at close of fiscal year and carry forward to FY 2025-26 to provide outreach to prevent suicide among service members, veterans, and their families. House adds. Executive, Senate, and Conference do not include.

Sec. 601. State Veterans Cemetery – NEW

Requires one-time funds to be used to acquire or to designate state land as a state veterans cemetery and for supporting costs of engineering, designing, conducting environmental impact studies, preparing the land, expenses for applying for and receiving federal funds, and other ongoing expenses of operating a state veterans cemetery; authorized unexpended funds to not lapse at close of fiscal year and carry forward to FY 2026-27. Executive, House, and Senate do not include. Conference adds.

Sec. 602. Report on Veteran Homes Plan for Federal Revenue Support – NEW

Requires the MVFA to provide a detailed strategy, action plan, and timeline for the MVFA to transition the state's veterans' homes to be fully supported by federal and state restricted revenues and to not require state GF/GP revenue. Executive, House, and Senate do not include. Conference adds.

Sec. 603. Veteran Outreach Program Work Project Authorization – NEW

Authorizes unexpended funds appropriated for veterans suicide prevention outreach to not lapse at close of fiscal year and carry forward to FY 2025-26 to provide outreach to prevent suicide among service members, veterans, and their families. Executive adds. House, Senate, and Conference concur.

FY 2022-23: DEPARTMENT OF NATURAL RESOURCES
Summary: Conference Report
Article 11, House Bill 5783 (H-2) CR-1



Analyst: Austin Scott

	FY 2021-22 YTD as of 2/9/22	FY 2022-23 Executive	FY 2022-23 House	FY 2022-23 Senate	FY 2022-23 Conference	Difference: Conference From FY 2021-22 YTD	
						Amount	%
IDG/IDT	\$203,100	\$203,100	\$203,100	\$203,100	\$203,100	\$0	0.0
Federal	91,291,300	93,630,000	93,499,900	93,630,000	93,630,000	2,338,700	2.6
Local	0	0	0	0	0	0	--
Private	7,039,200	7,039,200	7,039,200	7,039,200	7,039,200	0	0.0
Restricted	317,195,300	337,504,200	324,735,900	337,504,200	340,206,500	23,011,200	7.3
GF/GP	48,612,500	95,775,700	48,079,900	86,514,300	94,404,000	45,791,500	94.2
Gross	\$464,341,400	\$534,152,200	\$473,558,000	\$524,890,800	\$535,482,800	\$71,141,400	15.3
FTEs	2,360.9	2,418.8	2,360.9	2,360.9	2,418.8	57.9	2.5

Notes: (1) FY 2021-22 year-to-date figures include mid-year budget adjustments through February 9, 2022. (2) Appropriation figures for all years include all proposed appropriation amounts, including amounts designated as "one-time."

Overview

The Department of Natural Resources (DNR) manages Michigan's natural and cultural resources through conservation and protection. State parks, wildlife, fisheries, forests, and minerals management are all administered by DNR.

Major Budget Changes from FY 2021-22 YTD Appropriations		FY 2021-22 Year-to-Date (as of 2/9/22)	FY 2022-23 Conference Change
1. State Fish Hatchery Upgrades and Improvements (One-Time) <u>Executive</u> appropriates \$30.0 million GF/GP for biosecurity, equipment, and infrastructure updates at state fish hatcheries including expansion of facilities and fish production at the Wolf Lake hatchery in Van Buren County. <u>House</u> does not appropriate. <u>Senate</u> appropriates \$133,500 GF/GP. <u>Conference</u> concurs with Executive.	Gross	NA	\$30,000,000
	GF/GP	NA	\$30,000,000
2. Equipment Lifecycle Replacement (One-Time) <u>Executive</u> appropriates \$12.4 million Gross (\$10.9 GF/GP) to replace aging equipment and vehicles in multiple DNR divisions including Fisheries, Forest Resources, and Law Enforcement. <u>House</u> appropriates \$1.6 million in restricted funding for equipment lifecycle replacement. <u>Senate</u> appropriates \$1.7 million Gross (\$133,500 GF/GP). <u>Conference</u> appropriates \$11.5 million Gross (\$10.0 million GF/GP).	Gross	NA	\$11,550,000
	Restricted GF/GP	NA	1,550,000 \$10,000,000
3. Great Lakes Research Vessel (One-Time) <u>Executive</u> appropriates \$4.0 million GF/GP to replace the aging Lake Michigan Survey Vessel. <u>House</u> does not appropriate. <u>Senate</u> concurs with Executive. <u>Conference</u> concurs with Executive.	Gross	NA	\$4,000,000
	GF/GP	NA	\$4,000,000
4. Mass Timber Facility Newberry Customer Service Center (One-Time) <u>Executive</u> appropriates \$2.0 million GF/GP for the construction of a facility in Luce County for departmental staff and equipment storage. <u>House</u> does not appropriate. <u>Senate</u> appropriates \$133,500 GF/GP. <u>Conference</u> does not appropriate.	Gross	NA	\$0
	GF/GP	NA	\$0

Major Budget Changes from FY 2021-22 YTD Appropriations		FY 2021-22 Year-to-Date (as of 2/9/22)	FY 2022-23 Conference Change
5. Wildfire Protection			
<u>Executive</u> appropriates \$751,900 GF/GP to expand wildfire prevention and protection by funding staff overtime and vacancies.	FTE	115.0	0.0
<u>House</u> does not appropriate.	Gross	\$15,030,900	\$751,900
<u>Senate</u> appropriates \$133,500 GF/GP.	Federal	1,370,200	0
<u>Conference</u> concurs with Executive.	Restricted	7,212,500	0
	GF/GP	\$6,448,200	\$751,900
6. Fisheries Resource Management			
<u>Executive</u> appropriates \$652,800 GF/GP and authorizes 4.0 FTE positions to improve state and tribal relations in the co-management of fisheries.	FTE	158.0	4.0
<u>House</u> does not appropriate.	Gross	\$21,714,000	\$652,800
<u>Senate</u> appropriates \$133,500 GF/GP and no new FTE positions.	Federal	4,382,400	0
<u>Conference</u> concurs with Executive.	Private	136,700	0
	Restricted	16,653,200	0
	GF/GP	\$541,700	\$652,800
7. Archives of Michigan Digitization (One-Time)			
<u>Executive</u> appropriates \$485,000 GF/GP to digitize and index decaying physical historical records.	Gross	NA	\$485,000
<u>House</u> does not appropriate.	GF/GP	NA	\$485,000
<u>Senate</u> appropriates \$133,400 GF/GP.			
<u>Conference</u> concurs with Executive.			
8. Parks and Recreation Division Employee Initiatives			
<u>Executive</u> appropriates \$9.2 million in available restricted revenue from the Forest Recreation Account, Michigan State Waterways Fund, and Park Improvement Fund and authorizes 40.8 FTE positions for division employee recruitment and retention initiatives, including increases in work hours and wages.	FTE	NA	40.8
<u>House</u> does not appropriate.	Gross	NA	\$9,159,700
<u>Senate</u> appropriates \$9.2 million in restricted funding and no new FTE positions.	Restricted	NA	9,159,700
<u>Conference</u> concurs with Executive.	GF/GP	NA	\$0
9. Off-Road Vehicle Trail Improvements			
<u>Executive</u> appropriates an additional \$3.1 million of available restricted revenue and authorizes 13.1 FTE positions to support trail improvement grants and law enforcement across Michigan's ORV system.	FTE	NA	13.1
<u>House</u> does not appropriate.	Gross	NA	\$3,059,900
<u>Senate</u> appropriates \$3.1 million in restricted funding and no new FTE positions.	Restricted	NA	3,059,900
<u>Conference</u> concurs with Executive.	GF/GP	NA	\$0
10. State Parks Improvement Revenue Bonds – Debt Service			
<u>Executive</u> eliminates \$1.2 million from the Park Improvement Fund as no debt payments are required after FY 2021-22.	Gross	\$1,201,800	(\$1,201,800)
<u>House</u> concurs with Executive.	Restricted	1,201,800	(1,201,800)
<u>Senate</u> concurs with Executive.	GF/GP	\$0	\$0
<u>Conference</u> concurs with Executive.			
11. Parks and Recreation Division Campsite and Harbor Operations			
<u>Executive</u> appropriates \$2.8 million in available restricted revenue from the Forest Recreation Account, Michigan State Waterways Fund, and Park Improvement Fund to increase funding for state campsites and harbors.	Gross	NA	\$2,820,000
<u>House</u> concurs with Executive.	Restricted	NA	2,820,000
<u>Senate</u> concurs with Executive.	GF/GP	NA	\$0
<u>Conference</u> concurs with Executive.			

Major Budget Changes from FY 2021-22 YTD Appropriations		FY 2021-22 Year-to-Date (as of 2/9/22)	FY 2022-23 Conference Change
12. Pay Increases for Recruitment and Retention of Short-Term Employees	Gross	NA	\$2,531,100
<u>Executive</u> appropriates \$678,800 in available federal and restricted revenue to provide pay increases for short-term employees in fisheries, shooting ranges, and cultural centers.	Federal	NA	130,100
<u>House</u> does not appropriate.	Restricted	NA	2,401,000
<u>Senate</u> concurs with Executive.	GF/GP	NA	\$0
<u>Conference</u> concurs with Executive and adds \$1.9 million in restricted funding from Executive Budget Revision 2023-2 for a total increase of \$2.5 million Gross (\$0 GF/GP).			
13. Marketing and Outreach	FTE	137.3	0.0
<u>Executive</u> appropriates \$297,800 in available restricted revenue to align spending authorization with available Youth Hunting and Fishing Education and Outreach funding, to support the increased online credit card processing of hunting and fishing licenses, and to support maintenance of the MiConnect Outdoors license sales system.	Gross	\$14,705,400	\$297,800
<u>House</u> concurs with Executive.	Federal	1,721,600	0
<u>Senate</u> concurs with Executive.	Restricted	12,682,400	297,800
<u>Conference</u> concurs with Executive.	GF/GP	\$301,400	\$0
14. Wildlife Management	FTE	221.5	0.0
<u>Executive</u> appropriates \$100,000 in available restricted revenue to align spending authorization with available Pheasant Hunting License fee revenue.	Gross	\$46,042,300	\$100,000
<u>House</u> concurs with Executive.	Federal	25,638,700	0
<u>Senate</u> concurs with Executive.	Private	315,700	0
<u>Conference</u> concurs with Executive.	Restricted	15,635,300	100,000
	GF/GP	\$4,452,600	\$0
15. Capital Outlay – State Parks Repair and Maintenance	Gross	\$16,100,000	\$3,100,000
<u>Executive</u> appropriates \$3.1 million in available restricted revenue from Recreation Passport Fees for state park infrastructure maintenance, renovation, and upgrades.	Restricted	14,600,000	3,100,000
<u>House</u> concurs with Executive.	GF/GP	\$1,500,000	\$0
<u>Senate</u> concurs with Executive.			
<u>Conference</u> concurs with Executive.			
16. Capital Outlay – State Game and Wildlife Area Infrastructure	Gross	NA	\$1,400,000
<u>Executive</u> establishes new appropriation of \$1.4 million Gross (\$0 GF/GP) for facility improvements and wildlife restoration projects at state game areas.	Federal	NA	1,050,000
<u>House</u> concurs with Executive.	Restricted	NA	350,000
<u>Senate</u> concurs with Executive.	GF/GP	NA	\$0
<u>Conference</u> concurs with Executive.			
17. Capital Outlay – State Boating Infrastructure Maintenance	Gross	\$7,752,500	\$1,100,000
<u>Executive</u> appropriates \$1.1 million in available federal and Michigan State Waterways funding for facility maintenance and infrastructure projects at state harbors and boating access sites.	Federal	1,075,000	400,000
<u>House</u> concurs with Executive.	Restricted	6,677,500	700,000
<u>Senate</u> concurs with Executive.	GF/GP	\$0	\$0
<u>Conference</u> concurs with Executive.			

Major Budget Changes from FY 2021-22 YTD Appropriations		FY 2021-22 Year-to-Date (as of 2/9/22)	FY 2022-23 Conference Change
18. Capital Outlay – Wetlands Restoration, Enhancement, and Acquisition	Gross	NA	\$1,000,000
	Restricted	NA	1,000,000
	GF/GP	NA	\$0
<u>Executive</u> reestablishes appropriation of \$1.0 million from Waterfowl Hunt Stamp revenue to facilitate access for public recreation in wetland areas. This program was last funded in FY 2020-21. <u>House</u> concurs with Executive. <u>Senate</u> concurs with Executive. <u>Conference</u> concurs with Executive.			
19. Capital Outlay – Local Boating Infrastructure Maintenance and Improvements	Gross	\$3,322,500	\$300,000
	Restricted	3,322,500	300,000
	GF/GP	\$0	\$0
<u>Executive</u> appropriates \$300,000 in available Michigan State Waterways funding for local grants for facility maintenance and infrastructure projects at publicly-accessible local harbors and boating access sites. <u>House</u> concurs with Executive. <u>Senate</u> concurs with Executive. <u>Conference</u> concurs with Executive.			
20. Removal of FY 2021-22 One-Time Funding	Gross	\$7,995,800	(\$7,995,800)
	Restricted	6,000,000	(6,000,000)
	GF/GP	\$1,995,800	(\$1,995,800)
<u>Executive</u> removes \$8.0 million Gross (\$2.0 million GF/GP) for one-time projects included in the FY 2021-22 budget. Projects included Fish Hatchery Energy Efficiencies and Kalamazoo River Watershed Improvements. <u>House</u> concurs with Executive. <u>Senate</u> concurs with Executive. <u>Conference</u> concurs with Executive.			
21. Chronic Wasting Disease Testing (One-Time)	Gross	\$500,000	\$0
	GF/GP	\$500,000	\$0
<u>Executive</u> eliminates funding for the provision of CWD check stations or drop stations in core CWD areas, management zones, or surveillance areas. <u>House</u> appropriates an additional \$500,000 GF/GP. <u>Senate</u> and <u>Conference</u> maintain current funding.			
22. Body Cameras for Conservation Officers (One-Time)	Gross	NA	\$1,000,000
	GF/GP	NA	\$1,000,000
<u>House</u> appropriates \$1.0 million GF/GP on a one-time basis for the provision of body cameras to Conservation Officers. <u>Senate</u> does not appropriate. <u>Conference</u> appropriates \$400,000 GF/GP on a one-time basis, \$600,000 GF/GP on an ongoing basis.			
23. Michigan Conservation Corps	Gross	\$934,400	\$0
	GF/GP	\$934,400	\$0
<u>Executive</u> maintains funding for the for the Michigan Conservation Corps. This statewide summer employment program for at-risk youth and returning veterans allows partner organizations to hire individuals for work that is approved or managed by DNR employees. <u>House</u> eliminates funding. <u>Senate</u> eliminates funding. <u>Conference</u> concurs with Executive,			
24. Michigan State Parks Endowment Fund (One-Time)	Gross	NA	\$0
	GF/GP	NA	\$0
<u>Senate</u> appropriates \$133,500 GF/GP to the Michigan State Parks Endowment Fund. <u>Conference</u> does not appropriate.			
25. Mackinac Island State Park Infrastructure and Maintenance (One-Time)	Gross	NA	\$0
	GF/GP	NA	\$0
<u>Senate</u> appropriates \$30.0 million GF/GP to reduce Mackinac Island State Park's maintenance and repair backlog and \$5.0 million GF/GP to renovate scout barracks at the park. <u>Conference</u> does not appropriate.			

<u>Major Budget Changes from FY 2021-22 YTD Appropriations</u>		<u>FY 2021-22 Year-to-Date (as of 2/9/22)</u>	<u>FY 2022-23 Conference Change</u>
26. Michigan Historical Center	Gross	\$7,071,500	\$850,000
<u>Conference</u> appropriates \$850,000 in available restricted funding included in Executive Budget Revision 2023-2 for historical and cultural education programming throughout the state park system.	Federal	1,013,900	0
	Restricted	1,215,200	850,000
	GF/GP	\$4,842,400	\$0
27. Economic Adjustments	Gross	NA	\$6,180,800
<u>Executive</u> reflects increased costs of \$6.2 million Gross (\$897,600 GF/GP) for negotiated salary and wage increases (5.0% on October 1, 2022 and 0.5% to annualize the FY 2021-22 1.0% increase that began on April 1, 2022), actuarially required retirement contributions, worker's compensation, building occupancy charges, and other economic adjustments.	Federal	NA	758,600
	Restricted	NA	4,524,600
	GF/GP	NA	\$897,600
<u>House</u> concurs with Executive.			
<u>Senate</u> concurs with Executive.			
<u>Conference</u> concurs with Executive.			

Major Boilerplate Changes from FY 2021-22

Sec. 206. Disciplinary Action Against State Employees – RETAINED

Prohibits department from disciplining state employees for communicating with members of the legislature and their staffs, unless communication is prohibited by law. *(Governor's signing letter stated this section was unenforceable.)*
Executive deletes, House, Senate, and Conference retain.

Sec. 208. Legal Services – RETAINED

Denies permission to hire attorneys to provide legal services provided by attorney general.
Executive, House, and Conference retain, Senate revises to provide permission to hire attorneys to provide legal services provided by attorney general.

Sec. 209. GF/GP Lapse – RETAINED

Requires report of estimated GF/GP appropriation lapses at close of previous year.
Executive and Senate revise due date to December 31, House and Conference retain November 30 due date.

Sec. 210. Contingency Fund Transfer Authority – RETAINED

Provides authority for contingency fund transfers of up to \$5.0 million restricted; authorizes expenditure after legislative transfer to specific line items.
Executive revises to include contingency authority of \$3.0 million federal, \$10.0 million restricted, and \$1.0 million private; House and Conference retain without change.
Senate deletes.

Sec. 215. Businesses in Economically Deprived or Depressed Communities – RETAINED

Requires director to take reasonable steps to ensure businesses in deprived and depressed communities compete for and perform contracts.
Executive, House, and Conference retain, Senate deletes.

Sec. 216. FTE Vacancies and Remote Work Report – RETAINED

Requires department to report the number of FTE positions filled, FTE vacancies, the number of employees working remotely, the number of employees authorized to work remotely, estimated cost savings from remote work, and reduction in office space due to working remotely.
Executive deletes, House, Senate, and Conference retain.

Sec. 217. Expending Available Work Project Authorization – RETAINED

Advises department not to expend appropriations until existing work project authorization for the same purpose has been expended. *(Governor's signing letter stated this section was unenforceable.)*
Executive deletes, House, Senate, and Conference retain.

Sec. 218. State Administrative Board Transfers – RETAINED

Authorizes legislature to adopt a concurrent resolution to intertransfer funds within the department's budget if the State Administrative Board transfers appropriated funds. *(Governor's signing letter stated this section was unenforceable.)*
Executive deletes, House, Senate, and Conference retain.

Major Boilerplate Changes from FY 2021-22

Sec. 219. Receipt and Retention of Reports – RETAINED

Requires department to receive and retain copies of all reports.

Executive and Senate delete, House and Conference retain.

Sec. 220. Report on Policy Changes Made to Implement Public Acts Affecting Department – RETAINED

Requires the department to report on each specific policy change made to implement a public act affecting the department that took effect during the prior calendar year by April 1.

Executive and Senate delete, House and Conference retain.

Sec. 221. Severance Reporting – RETAINED

Requires department to report details of severance pay for certain departmental employees.

Executive deletes, House, Senate, and Conference retain.

Sec. 222. COVID-19 Vaccine Disclosure – RETAINED

Prohibits state officials from requiring COVID-19 vaccine disclosure as a condition of receiving state services or developing a vaccine passport.

Executive and Senate delete, House and Conference retain.

Sec. 225. Contracts and Grants for Local Governments, Colleges and Universities, Nonprofits – RETAINED

Authorizes department to contract with or provide grants to local governments, institutions of higher education, or nonprofits.

Executive deletes, House, Senate, and Conference retain.

Sec. 240. Remote Working – NEW

Prohibits the department from permitting employees to work remotely unless they were working remotely prior to February 28, 2020.

House adds new section, Senate does not add, Conference revises to state legislative intent to prioritize in-person work where possible.

Sec. 408. Land Transactions – RETAINED

Requires detailed report to legislature on land purchases, sales, and exchanges.

Executive deletes, House, Senate, and Conference retain.

Sec. 506. USDA Wildlife Services Deer Harvesting – RETAINED

Encourages United States Department of Agriculture Wildlife Services to harvest all deer during targeted removal required under Enhanced Wildlife Biosecurity Program.

Executive deletes, House and Senate retain.

Sec. 507. Antlerless Deer License Discounts – DELETED

Permits department to discount antlerless deer licenses in the northeast Lower Peninsula to achieve deer management objectives; earmarks up to \$505,000 of funding for wildlife management to supplant lost revenue that would otherwise be collected from full-price antlerless deer licenses sold in the northeast Lower Peninsula; permits department to terminate the license discount once lost revenue reaches \$505,000. If lost revenue does not exceed \$505,000 by February 1 then the department is required to end the discount and allocate remaining funding to the Habitat Improvement Partnership Initiative.

Executive revises lost revenue date to a date to be specified by the department but not before November 15 and replaces the Deer Habitat Initiative with "costs associated with testing for chronic wasting disease that were harvested outside the areas designated as chronic wasting disease surveillance areas where sample collection sites are available" and provides for the department to implement this change "in a form and manner prescribed by the department."

House replaces the Deer Habitat Initiative with "costs associated with testing for chronic wasting disease that were harvested outside the areas designated as chronic wasting disease surveillance areas where sample collection sites are available."

Senate retains.

Conference deletes.

Sec. 601. Stream Habitat Improvement Grant – DELETED

Appropriates \$758,000 to watershed councils, resource development councils, soil conservation districts, local governmental units, and other nonprofit organizations for stream habitat improvement projects.

Executive, Senate, and Conference delete, House retains.

Sec. 602. Water Control Structure Certification – DELETED

Directs Fisheries Division to not interfere with certification process for dams and other water control structures.

Executive and Conference delete, House and Senate concur.

Major Boilerplate Changes from FY 2021-22

Sec. 802. Timber Marking – RETAINED

Requires department to report quarterly on number of acres of state forest land marked or treated for timber harvest. Executive revises to exclude specific reporting requirements, House, Senate, and Conference retain without change.

Sec. 803. Federal Forest Fire Compact Expenditure Authorization – REVISED

Authorizes expenditure of funds for forest fire suppression efforts on federal lands, provided DNR is reimbursed. Executive revises to add hazard incidents as allowable expenditure, House, Senate, and Conference concur.

Sec. 901. Snowmobile Law Enforcement Grants – RETAINED

Authorizes snowmobile law enforcement grant funds to county law enforcement agencies in counties with state snowmobile trails.

Executive deletes, House, Senate, and Conference retain.

Sec. 902. Marine Safety Grants – RETAINED

Requires report on Marine Safety Grant Program; requires report to include watercraft registration revenues, revenues and expenditures of Marine Safety Fund, grant distribution methodology, and list of grant awards by county.

Executive deletes, House, Senate, and Conference retain.

Sec. 903. Body Cameras for Conservation Officers – NEW

Directs expenditure of funding for body cameras for conservation officers.

Conference adds new section.

Sec. 1201. Chronic Wasting Disease Testing – RETAINED

Directs expenditure of funding for the provision of CWD check stations or drop stations in core CWD areas, management zones, or surveillance areas before the next hunting season.

Executive deletes, House, Senate, and Conference retain.

Sec. 1202. Kalamazoo River Watershed Improvements – Capital Outlay – DELETED

Directs expenditure of funding for Kalamazoo River watershed improvements in accordance with the Kalamazoo River Supplemental Restoration Plan.

Executive deletes, House, Senate, and Conference concur.

Sec. 1202. Work Project – Great Lakes Research Vessel – NEW

Authorizes unexpended funds appropriated for Great Lakes Research Vessel to be considered a work project appropriation and carried forward into succeeding fiscal year; funds will be used to replace and upgrade the Lake Michigan survey vessel.

Senate and Conference add new section.

Sec. 1203. Work Project – Mackinac Island State Park Infrastructure and Maintenance – DELETED

Authorizes unexpended funds appropriated for Mackinac Island State Park Infrastructure and Maintenance to be considered a work project appropriation and carried forward into succeeding fiscal year; funds will be used to reduce the park's maintenance and repair backlog and renovate facilities.

Senate adds new section, Conference does not include.

Sec. 1203. Body Cameras for Conservation Officers, One-Time – NEW

Directs expenditure of funding for body cameras for conservation officers, one-time.

Conference adds new section.

FY 2022-23: DEPARTMENT OF STATE POLICE
Summary: Conference Report
Article 12, House Bill 5783 (H-2) CR-1



Analyst: Marcus Coffin

	FY 2021-22 YTD as of 2/9/22	FY 2022-23 Executive	FY 2022-23 House	FY 2022-23 Senate	FY 2022-23 Conference	Difference: Conference From FY 2021-22 YTD	
						Amount	%
IDG/IDT	\$24,816,300	\$25,502,400	\$25,502,400	\$25,502,400	\$25,502,400	\$686,100	2.8
Federal	145,331,500	81,804,300	537,554,300	81,804,300	81,804,300	(63,527,200)	(43.7)
Local	4,832,700	4,904,500	4,904,500	4,904,500	4,904,500	71,800	1.5
Private	35,000	35,000	35,000	35,000	35,000	0	0.0
Restricted	158,308,100	154,827,700	157,750,400	153,827,700	158,750,400	442,300	0.3
GF/GP	527,822,500	555,905,100	697,509,900	580,905,200	552,709,200	24,886,700	4.7
Gross	\$861,146,100	\$822,979,000	\$1,423,256,500	\$846,979,100	\$823,705,800	(\$37,440,300)	(4.3)
FTEs	3,695.0	3,767.0	3,745.0	3,767.0	3,757.0	62.0	1.7

Notes: (1) FY 2021-22 year-to-date figures include mid-year budget adjustments through February 9, 2022. (2) Appropriation figures for all years include all proposed appropriation amounts, including amounts designated as "one-time."

Overview

The Michigan Department of State Police (MSP) is the state's primary law enforcement and emergency response authority. The department is responsible for criminal law enforcement and investigation, traffic and motor carrier safety, and homeland security. The department is also responsible for the administration and implementation of various state programs, technologies, and specialized services intended to enhance the capabilities and coordination of federal, state, and local law enforcement agencies, the criminal justice system, and the entire public safety community.

Major Budget Changes from FY 2021-22 YTD Appropriations

1. HB 5522 Funding Items

House includes numerous funding items totaling \$584.0 million Gross (\$153.3 million GF/GP) that were included in HB 5522 to support various policing and public safety initiatives, grants, and programs. Senate does not include. Conference does not include.

	FY 2021-22 Year-to-Date (as of 2/9/22)	FY 2022-23 Conference Change
Gross	NA	\$0
Federal	NA	0
GF/GP	NA	\$0

2. Jail Mental Health Pilot Project

House includes \$25.0 million of federal Coronavirus State Fiscal Recovery Funds to be used as a 50% match for costs of developing and constructing a central intake assessment facility in Macomb County. Senate includes \$25.0 million GF/GP for this purpose. Conference does not include.

Gross	NA	\$0
Federal	NA	0
GF/GP	NA	\$0

3. FY 2022-23 Trooper Recruit School

Executive includes \$9.2 million GF/GP (\$4.5 million ongoing, \$4.7 million one-time) and authorization for 50.0 FTE positions to support various costs associated with an FY 2022-23 trooper recruit school, which would be projected to graduate 50 troopers. Costs that would be covered by this funding include training materials, patrol vehicles, trooper outfitting, and salaries. House concurs. Senate concurs. Conference concurs.

FTE	NA	50.0
Gross	NA	\$9,239,800
GF/GP	NA	\$9,239,800

4. FY 2021-22 Trooper Recruit School Annualization

Executive includes \$5.7 million GF/GP to support departmental expenses incurred for troopers that are graduating from trooper recruit school during FY 2021-22. Costs include fleet leasing, IT support, salaries, and benefits. House concurs. Senate concurs. Conference concurs.

Gross	NA	\$5,670,800
GF/GP	NA	\$5,670,800

Major Budget Changes from FY 2021-22 YTD Appropriations		FY 2021-22 Year-to-Date (as of 2/9/22)	FY 2022-23 Conference Change
5. Traffic Stop Data Collection Enhancement			
<u>Executive</u> includes \$3.7 million GF/GP (one-time) to develop new tracking and documentation systems to facilitate easier review and analysis of MSP traffic stop data. Specific changes that would occur with the new systems include increased data collection and development of a benchmarking dashboard. These activities would help to address issues highlighted in the recent Michigan State University Traffic Stop Study. <u>House</u> includes a \$100 GF/GP placeholder for the item. <u>Senate</u> does not include. <u>Conference</u> does not include.	Gross	NA	\$0
	GF/GP	NA	\$0
6. Training and Professional Development			
<u>Executive</u> includes \$3.0 million GF/GP for training and professional development activities within MSP's Professional Development Bureau. Activities would include, but are not limited to, department-led training, seminars, and third-party offerings. Activities would focus on the areas of cultural competency, addressing implicit bias, and decision making. Training opportunities would be available to public-facing enlisted staff (approximately 1,250 personnel), as well as to other department personnel that may benefit from the training. <u>House</u> concurs in part, including \$1.0 million GF/GP. <u>Senate</u> concurs with the Executive. <u>Conference</u> concurs with the Executive.	FTE	22.0	0.0
	Gross	\$4,500,000	\$3,000,000
	GF/GP	\$4,500,000	\$3,000,000
7. Contractual Services			
<u>Conference</u> includes \$2.8 million GF/GP (one-time) for increased levels of contractual services that MSP provides for executive security.	Gross	NA	\$2,800,000
	GF/GP	NA	\$2,800,000
8. Fleet Rate Increase			
<u>Executive</u> includes an additional \$2.1 million Gross (\$1.9 million GF/GP) for increased costs that MSP remits to the Department of Technology, Management and Budget for its vehicle fleet. Primary factors that are included in the increase are higher costs for insurance premiums, fuel, and maintenance. The MSP fleet currently totals 2,452 vehicles, with 1,171 of those being patrol vehicles. <u>House</u> concurs. <u>Senate</u> concurs. <u>Conference</u> concurs.	Gross	NA	\$2,069,000
	IDG/IDT	NA	38,800
	Local	NA	33,400
	Restricted	NA	54,500
	GF/GP	NA	\$1,942,300
9. Crime Victim Support Program			
<u>Executive</u> includes \$1.8 million GF/GP and authorization for 14.0 FTE positions to place two full-time Victim Advocates in each of MSP's seven districts. Advocates would collaborate with federal, state, and local agencies to coordinate services and address the needs of crime victims. Victim Advocates would address victim needs in early interactions with criminal justice agencies; specifically, advocates would inform crime victims of their rights, provide social service agency referrals, and assist with the victim compensation process. <u>House</u> does not include. <u>Senate</u> concurs with the Executive. <u>Conference</u> includes \$518,400 GF/GP (one time) and authorization for 4.0 FTE positions to operate the program as a one-time pilot in two MSP districts.	FTE	NA	4.0
	Gross	NA	\$518,400
	GF/GP	NA	\$518,400
10. Intelligence Operations Division – Cyber Crime Section Expansion			
<u>Executive</u> includes \$1.1 million GF/GP and authorization for 8.0 FTE positions to hire additional digital forensic analysts within the Intelligence Operations Division. Additional analysts would allow the department to increase its processing of digital evidence, which, in addition to MSP cases, is also received from local law enforcement agencies and the National Center for Missing and Exploited Children. <u>House</u> does not include. <u>Senate</u> concurs with the Executive. <u>Conference</u> concurs with the Executive.	FTE	209.0	8.0
	Gross	\$29,003,800	\$1,130,900
	IDG/IDT	100,000	0
	Restricted	2,381,300	0
	GF/GP	\$26,522,500	\$1,130,900

Major Budget Changes from FY 2021-22 YTD Appropriations		FY 2021-22 Year-to-Date (as of 2/9/22)	FY 2022-23 Conference Change	
11. Secondary Road Patrol Program		Gross	\$13,073,200	\$1,922,700
<u>House</u> includes a restructuring of funding for the Secondary Road Patrol Program, eliminating all GF/GP for the program and replacing it with state restricted funding authorization from the Secondary Road Patrol and Training Fund. This change would reflect changes included in HB 5732, and would bring total funding for the Secondary Road Patrol Program line (factoring in economic adjustments) to \$15.0 million Gross. <u>Senate</u> does not include. <u>Conference</u> concurs with the House.	Restricted	11,073,200	3,922,700	
	GF/GP	\$2,000,000		(\$2,000,000)
12. Secondary Road Patrol Program (One-Time)		Gross	NA	\$0
<u>Senate</u> includes \$3.0 million of one-time GF/GP funding to bolster Secondary Road Patrol grants to counties. <u>Conference</u> does not include.	GF/GP	NA	NA	\$0
13. Trooper Recruitment		Gross	NA	\$1,000,000
<u>Executive</u> includes \$1.0 million GF/GP (one-time) to increase racial, ethnic, and gender diversity in the MSP enlisted ranks through recruitment activities. Funding would be utilized for digital marketing campaigns, recruiting events, and public relations activities. <u>House</u> does not include. <u>Senate</u> concurs with the Executive. <u>Conference</u> concurs with the Executive.	GF/GP	NA	NA	\$1,000,000
14. Bottle Bill Enforcement Fund		Gross	NA	\$1,000,000
<u>Executive</u> includes \$1.0 million in state restricted funding authorization from the Bottle Bill Enforcement Fund for MSP enforcement and investigations under the Beverage Containers Act of 1976. <u>House</u> does not include. <u>Senate</u> does not include. <u>Conference</u> concurs with the Executive.	Restricted	NA	NA	1,000,000
	GF/GP	NA	NA	\$0
15. Secure Cities Partnership		FTE	30.0	0.0
<u>Senate</u> includes an additional \$700,000 GF/GP for the Secure Cities Partnership, with the funding targeted to cities with a population exceeding 100,000 that experienced a violent crime increase of at least 20% since 2018. <u>Conference</u> concurs.	Gross	\$8,405,800	\$700,000	
	Restricted	1,000,000	0	
	GF/GP	\$7,405,800	\$700,000	
16. Michigan International Speedway Traffic Control		Gross	NA	\$300,000
<u>Senate</u> includes a \$100 GF/GP (one-time) placeholder to support traffic control activities at MIS. <u>Conference</u> includes \$300,000 GF/GP (one-time) for this purpose.	GF/GP	NA	NA	\$300,000
17. Removal of FY 2021-22 One-Time Appropriations		Gross	\$65,985,500	(\$65,985,500)
<u>Executive</u> removes \$66.0 million Gross (\$21.0 million GF/GP) in one-time funding that was included in the FY 2021-22 budget to support breathalyzer replacements, contracts and services, emergency and disaster response and mitigation, lawsuit settlements, the Secondary Road Patrol Program, and the FY 2021-22 trooper recruit school. <u>House</u> concurs. <u>Senate</u> concurs. <u>Conference</u> concurs.	Federal	45,000,000	(45,000,000)	
	GF/GP	\$20,985,500		(\$20,985,500)
18. Removal of FY 2021-22 Boilerplate and Supplemental Authorizations		Gross	\$31,688,400	(\$27,288,400)
<u>Executive</u> removes FY 2021-22 federal and state restricted appropriations authorized in boilerplate. Federal funding that was received included disaster funding from the Federal Emergency Management Agency (FEMA), Next Generation 9-1-1 funding from the Department of Transportation, and community policing funding from the Department of Justice. The state restricted appropriations were for funding from the Disaster and Emergency Contingency Fund used to cover costs associated with flooding in Southeast Michigan in 2021. Also removes one-time appropriations included in a supplemental budget bill, 2021 PA 133. <u>House</u> concurs. <u>Senate</u> concurs. <u>Conference</u> concurs.	Federal	19,378,400	(19,378,400)	
	Restricted	12,310,000	(7,910,000)	
	GF/GP	\$0	\$0	

		FY 2021-22 Year-to-Date (as of 2/9/22)	FY 2022-23 Conference Change
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Major Budget Changes from FY 2021-22 YTD Appropriations

19. Technical Adjustments

<u>Executive</u> includes \$575,300 Gross for numerous adjustments to various fund sources (IDG/IDT and state restricted) to align expenditures and revenues. Also includes numerous internal net to zero transfers to align funding and FTE authorization with department activity. Net to zero transfers include the following:	Gross	NA	\$575,300
	IDG/IDT	NA	100,000
	Restricted	NA	475,300
	GF/GP	NA	\$0

- Transfers \$2.6 million Gross (\$1.8 million GF/GP) and 16.0 FTE positions from the Post Operations and Training lines to the Professional Development Bureau line.
- Transfers all funding (\$1.5 million Gross) from the Accounting Service Center line to the Department Services line to consolidate all financial services operations.
- Transfers \$406,500 GF/GP and 3.0 FTE positions from the Post Operations line to the Executive Direction line.
- Transfers \$584,300 GF/GP and 3.0 FTE positions from the Post Operations line to the Intelligence Operations line.

House concurs. Senate concurs. Conference concurs.

20. Economic Adjustments

<u>Executive</u> reflects increased costs of \$25.9 million Gross (\$21.6 million GF/GP) for negotiated salary and wage increases (5.0% on October 1, 2022 and 0.5% to annualize the FY 2022 1.0% increase that began on April 1, 2022), actuarially required retirement contributions, worker's compensation, building occupancy charges, and other economic adjustments. <u>House</u> concurs. <u>Senate</u> concurs. <u>Conference</u> concurs.	Gross	NA	\$25,906,700
	IDG/IDT	NA	547,300
	Federal	NA	851,200
	Local	NA	38,400
	Restricted	NA	2,899,800
	GF/GP	NA	\$21,570,000

Major Boilerplate Changes from FY 2021-22

Sec. 206. Communication with the Legislature – RETAINED

Prohibits MSP from taking disciplinary action against employees for communicating with legislators or their staff, unless the communication is prohibited by law. Executive deletes. House retains. Senate retains. Conference retains.

Sec. 210. Contingency Authorization – RETAINED

Appropriates up to \$2.0 million in federal and \$4.0 million in state restricted contingency authorization; authorizes expenditure of funds after legislative transfer to specific line items. Executive revises to appropriate \$10.0 million in federal, \$4.0 million in state restricted, \$1.0 million in local, and \$200,000 in private contingency authorization. House retains. Senate retains. Conference retains.

Sec. 216. FTE Vacancies and Remote Work Reports – RETAINED

Requires MSP to submit quarterly reports containing FTE volumes and a comparison of actual and authorized FTE position counts; requires an annual report on the number of employees engaged in remote work in 2021, number of employees authorized to work remotely and the actual number working remotely, and estimated net cost savings and reduced use of office space achieved by remote work. Executive deletes. House retains with updated year reference. Senate retains with updated year reference. Conference retains with updated year reference.

Sec. 217. Work Project Usage – RETAINED

Stipulates that appropriations are not to be expended, if possible, until all existing work project authorization for the same purpose is exhausted. Executive deletes. House retains. Senate retains. Conference retains.

Sec. 218. State Administrative Board Transfers – RETAINED

Stipulates that the legislature may intertransfer funds via concurrent resolution if the State Administrative Board transfers funds. Executive deletes. House retains. Senate retains. Conference retains.

Sec. 219. Retention of Reports – RETAINED

Requires MSP to receive and retain copies of all reports funded by the department's budget, while complying with federal and state guidelines for records retention. Executive deletes. House retains. Senate retains. Conference retains.

Major Boilerplate Changes from FY 2021-22

Sec. 220. Report on Policy Changes for Public Act Implementation – RETAINED

Requires MSP to report on policy changes made to implement public acts that took effect during the prior calendar year. Executive deletes. House retains. Senate retains. Conference retains.

Sec. 221. Severance Pay Reporting – RETAINED

Requires MSP to report any severance pay for a director or other high-ranking official not later than 14 days after a severance agreement is signed; requires MSP to maintain an internet site posting any severance pay in excess of 6 weeks of wages; requires report on total amount of severance pay remitted and number of MSP employees receiving severance pay in FY 2020-21. Executive deletes. House retains with updated fiscal year references. Senate retains with updated fiscal year references. Conference retains with updated fiscal year references.

Sec. 222. COVID-19 Vaccine Stipulations – RETAINED

Prohibits requiring proof of having received a COVID-19 vaccine as a condition of accessing any facility or services, except as required by federal law; prohibits producing, developing, issuing, or requiring a COVID-19 vaccine passport; prohibits developing a database or making an existing database publicly available to access an individual's COVID-19 vaccine status; prohibits requiring proof of having received a COVID-19 vaccine as a condition of employment, with exceptions for hospitals and medical facilities; prohibits adverse employment consequences due to an individual's COVID-19 vaccination status; requires that exemptions be created for individuals who medically cannot receive the vaccine or who have religious or consistently held objections to vaccination if a federal mandate requires establishment of a COVID-19 vaccine policy. Executive deletes. House retains. Senate retains. Conference retains.

Sec. 225. Post Closure or Consolidation – RETAINED

Requires MSP to notify listed recipients not less than 90 days before recommending closure or consolidation of any MSP post and to include a state impact study. Executive deletes. House retains. Senate retains. Conference retains.

Sec. 226. Privatization Project Plans – RETAINED

Requires submission of a project plan 90 days before beginning any effort to privatize and requires evaluation of plan within 30 months. Executive deletes. House retains. Senate retains. Conference retains.

Sec. 230. Authorization to Expend Private Donations – REVISED

Authorizes MSP to accept monetary and non-monetary donations for purposes designated by the donor; authorizes carry forward of unexpended funds. Executive revises to allow receive and expend of private revenues in excess of appropriations in part 1 and to require notification of the subcommittees and fiscal agencies within 10 days of an approval. House revises to allow receive and expend of private revenues in excess of the appropriations in part 1 (only if received as a monetary or non-monetary donation under this section) and to require notification of the subcommittees and fiscal agencies within 10 days of an approval. Senate retains. Conference concurs with the House.

Sec. 232. Data Privacy – RETAINED

Expresses legislative intent that MSP protect data from unauthorized access or use and lists measures; requires department to notify data subjects if an unauthorized person accesses their information. Executive deletes. House retains. Senate retains. Conference retains.

Sec. 233. Officer Evaluation Criteria – RETAINED

Prohibits use of citation volumes as a metric for performance evaluation and prohibits setting a specified number of citations for an officer. Executive deletes. House retains. Senate retains. Conference retains.

Sec. 234. Payment of Court Judgements – RETAINED

Requires MSP to report tentative plans for required payment of court judgements against the department and stipulates required information. Executive deletes. House retains. Senate retains. Conference retains.

Sec. 236. Department Core Services – DELETED

Lists MSP's core services and requires appropriations be expended for core services. Executive deletes. House deletes. Senate retains. Conference deletes.

Sec. 236. Remote Work – NEW

Prohibits MSP from permitting employees who were not working remotely prior to the COVID-19 pandemic to work remotely in FY 2022-23. Executive does not include. House includes new language. Senate does not include. Conference revises House language to express legislative intent that MSP maximize efficiency of the state workforce, and where possible, prioritize in-person work; requires MSP to post its in-person, remote, or hybrid work policy on its website.

Major Boilerplate Changes from FY 2021-22

Sec. 237. Use of Recruitment or Training and Outreach Funds – NOT INCLUDED

Prohibits funds for recruitment or training and outreach from being expended for recruitment bonuses that would violate Section 26 of Article I of the State Constitution of 1963. Executive does not include. House does not include. Senate includes new language. Conference does not include.

Sec. 301. Professional Development – NEW

Outlines what types of training activities are permitted with funds for professional development; requires a report on MSP's training curriculum and metrics. Executive does not include. House does not include. Senate includes new language. Conference revises Senate language to adjust reporting requirements.

Sec. 402. Criminal Justice Information Center – RETAINED

Requires MSP to : (1) maintain criminal justice information systems in support of public safety and law enforcement communities; (2) conduct at least 30 outreach activities targeted to criminal justice agencies and to report on these activities; (3) compile crime statistics; (4) compile and evaluate traffic crash reports; (5) provide traffic crash reports for \$10 per incident or an extract of electronic traffic crash data for \$0.25 per incident; (6) report traffic crash report revenues, expenditures, and adequacy; (7) maintain, disseminate, and exchange criminal history and juvenile records; (8) maintain firearms licensure records; (9) report revenues from and expenditures for concealed pistol licensure; (10) provide volumes processed by the Internet Criminal History Access Tool; (11) requires that revenues to the Criminal Justice Information Center Service Fees carry forward and not lapse to the general fund; (12) requires unexpended revenue generated by local State Records Management System Fees to carry forward and not lapse to the general fund. Executive revises to increase the fee for traffic crash reports in item (5) from \$10 to \$15 per incident and to delete items (6) and (9). House retains. Senate retains. Conference retains.

Sec. 601. General Law Enforcement and Traffic Safety – RETAINED

(1) Stipulates MSP troopers shall not be prohibited from responding to criminal or emergency situations and shall make every effort to protect residents; (2) requires MSP to maintain staff and resources to enhance traffic safety and dedicate a minimum of 455,200 hours to statewide patrol, with a minimum of 40,000 in distressed cities; (3) requires MSP to report number of residence checks of registered sex offenders; (4) requires report on Secure Cities Partnership. Executive revises to delete items (2) and (3). House retains. Senate retains. Conference retains.

Sec. 602. Criminal Investigations – REVISED

(1) Requires MSP to identify and apprehend criminals through investigations; (2) requires maintenance of a specified number of investigation hours; (3) requires MSP to meet or exceed case clearance rate of 62%; (4) requires MSP to provide training opportunities to local law enforcement partners related to gambling laws, opioid investigations, and other law enforcement issues; (5) requires MSP to maintain staffing to investigate the average annual number of opioid-related investigations by multijurisdictional task forces that occurred in the preceding five fiscal years and requires MSP to enhance investigative and drug interdiction efforts. Executive revises to delete items (2) through (5). House revises to include a 5 year benchmark in item (2) but retains all other items. Senate retains. Conference concurs with the House.

Sec. 603. Tobacco Tax Fraud Investigations – RETAINED

(1) Requires MSP to provide prevention and suppression of organized untaxed tobacco smuggling; (2) requires submission of report pertaining to tobacco tax enforcement activities and expenditures; (3) requires MSP to dedicate a minimum of 16,600 hours to tobacco tax enforcement. Executive revises to delete item (3). House retains. Senate retains. Conference retains.

Sec. 604. Fire Investigations – RETAINED

(1) Requires MSP to provide fire investigation training and assistance; (2) requires MSP to maintain readiness to respond to the average number of fire investigation services requests that occurred during the preceding five fiscal years and be available for call out. Executive revises to delete item (2). House retains. Senate retains. Conference retains.

Sec. 605. Secure Cities Partnership – NEW

Requires \$700,000 Gross to be allocated for cities with a population over 100,000 and that have seen at least a 20% increase in violent crime since 2018. Executive does not include. House does not include. Senate includes new language. Conference includes new language.

Sec. 701. Intelligence and Special Operations – RETAINED

(1) Requires MSP to operate Michigan Intelligence Operations Center for Homeland Security (MIOC); (2) requires MSP to provide timely and accurate information to partners regarding critical information key resource threats and to increase public awareness on how to report suspicious activity; (3) requires MSP to operate Cyber Section and sets staffing goals; (4) requires MSP to provide digital forensic analysis and establishes case turnaround goal. Executive revises to delete items (3) and (4). House retains. Senate retains. Conference retains.

Major Boilerplate Changes from FY 2021-22

Sec. 702. Specialized Support Teams – RETAINED

(1) Requires MSP to provide specialized support services; (2) requires MSP to maintain staffing and resources to provide training to maintain readiness to respond to at least the average annual number of specialty service requests that occurred during the preceding five fiscal years; (3) requires canine unit to be available for call out 100% of the time; (4) requires bomb squad unit to be available for call out 100% of the time; (5) requires emergency support teams to be available for call out 100% of the time; (6) requires marine services team to be available for call out 100% of the time; (7) requires aviation services to be available for call out 100% of the time, unless prohibited by weather or mechanical breakdown; (8) requires maintenance of adequate levels of staffing and resources to provide security services at state Capitol Building and surrounding buildings, and establishes a goal of 35,000 patrols at state-owned and leased facilities. Executive revises to delete items (2) through (8). House retains. Senate retains. Conference retains.

Sec. 704. Emergency Management and Homeland Security – RETAINED

(1) Requires MSP to coordinate emergency and disaster response activities of governmental units; (2) authorizes expenditure of appropriated funds to call upon state agencies or departments to protect life or property or to protect health or safety of any area under a state of emergency or disaster; requires report to state budget director and submission of recommendations to legislature for supplemental appropriations; (3) authorizes department to receive and expend additional funds from various sources to provide emergency management training or emergency response activities and requires notification of legislative bodies; limits federal receive and expend under Sec. 704(3) and Sec. 231 to \$45.0 million and state restricted receive and expend under Sec. 704(3) and Sec. 704(7) to \$15.0 million; (4) requires department to maintain partnerships to protect the state from all hazards; (5) requires department to serve local emergency management preparedness programs and local emergency planning committees, operate and maintain State Emergency Operations Center, respond to civil disorders and natural disasters at a specified level, and perform hazardous materials response training; (6) requires department to conduct a minimum of three training sessions to enhance emergency response; (7) appropriates amounts necessary from Disaster and Emergency Contingency Fund to cover costs related to disasters and emergencies upon approval of state budget director and notification of legislature, and requires department to submit report related to expenditures from fund; limits appropriations under Sec. 704(7) and receive and expend under Sec. 704(3) to \$15.0 million; (8) requires authorization for department expenditures from Disaster and Emergency Contingency Fund and requires reporting; (9) allows expenditures from any source during declared disasters and emergencies, upon approval of the state budget director and notification of legislative bodies; (10) requires department to report biannually on assessment of critical infrastructure vulnerabilities. Executive revises to eliminate receive and expend caps under items (3) and (7) and to delete items (8), (9), and (10). House retains. Senate retains. Conference retains.

Sec. 706. Secondary Road Patrol Program – RETAINED

Requires department to provide funding to county sheriff departments to patrol secondary roads; stipulates sheriffs' duties under Secondary Road Patrol program; requires Office of Highway Safety Planning, in conjunction with State Court Administrator, to provide report on traffic infractions and collections of justice system assessments. Executive retains. House revises to delete reporting requirement. Senate retains. Conference retains.

Sec. 801. Federal Emergency and Disaster Response and Mitigation – DELETED

Appropriates up to \$300 million in federal authorization for emergency and disaster response and mitigation; authorizes expenditure of funds after legislative transfer to specific line items. Executive deletes. House revises the appropriated amount to \$40 million. Senate deletes. Conference deletes.

Sec. 801. Michigan International Speedway Traffic Control – RETAINED

Allocates \$300,000 from the Contracts and Services line item for provision of traffic control support at MIS. Executive deletes. House deletes. Senate revises to reference the new one-time line item title. Conference retains.

Sec. 802. Crime Victim Support Pilot Program – NEW

Requires MSP to operate a pilot program to provide support services to crime victims in 2 MSP districts. Executive does not include. House does not include. Senate does not include. Conference includes new language.

Sec. 802. Secondary Road Patrol Program – Supplemental Support – NOT INCLUDED

Requires funds appropriated for Secondary Road Patrol Program – Supplemental Support to be distributed proportionately, according to statutory distribution formula, to compensate for revenue loss due to the COVID-19 pandemic. Executive deletes. House deletes. Senate revises to eliminate language referencing COVID-19 revenue loss. Conference does not include.

Sec. 802. Body-Worn Camera Programs (ARPA) – NOT INCLUDED

Requires funding to be used for grants to local public safety departments for assisting with funding equipment and personnel necessary for implementing and maintaining body-worn camera programs; allocates \$3.5 million to the City of Detroit; designates unexpended funds as a work project appropriation. Executive does not include. House includes new language. Senate does not include. Conference does not include.

Major Boilerplate Changes from FY 2021-22

Sec. 803. Community Policing Programs (ARPA) – NOT INCLUDED

Requires funding to be used for grants to local public safety departments for creating or expanding community policing programs and expanding law enforcement officer positions dedicated to maintaining a community presence and building neighborhood relationships; designates unexpended funds as a work project appropriation. Executive does not include. House includes new language. Senate does not include. Conference does not include.

Sec. 804. Jail Mental Health Pilot Project – NOT INCLUDED

Requires funding to be used as 50% match for costs of developing and constructing a central intake assessment facility in Macomb County; designates unexpended funds as a work project appropriation. Executive does not include. House includes new language as Sec. 806. Senate includes new language. Conference does not include.

Sec. 804. Gun Case Backlog – NOT INCLUDED

Requires funding to be allocated to Wayne County to address backlog of circuit court cases due to delays in court hearings resulting from the COVID-19 pandemic; requires funding to be used by prosecutors to handle cases and for juror selections to be made for felony gun cases that are expected to go to jury trials; designates unexpended funds as a work project appropriation. Executive does not include. House includes new language. Senate does not include. Conference does not include.

Sec. 805. Jail Capital Projects – NOT INCLUDED

Requires funding to be used for grants to counties for improvements to existing jail facilities or construction of new jail facilities; includes a 20% match requirement and caps an individual grant amount at \$25.0 million; designates unexpended funds as a work project appropriation. Executive does not include. House includes new language. Senate does not include. Conference does not include.

Sec. 807. Narcotic Teams/Task Force – Training and Equipment (ARPA) – NOT INCLUDED

Requires funding to be distributed to joint narcotic teams and task forces for purchasing equipment and for training; requires MCOLES to report detailed expenditure data quarterly; designates unexpended funds as a work project appropriation. Executive does not include. House includes new language. Senate does not include. Conference does not include.

Sec. 808. Police Athletic League (ARPA) – NOT INCLUDED

Requires funding to be used for supporting the existing PAL program in Detroit and expanding the PAL program into the Grand Rapids, Jackson, Saginaw, Flint, and Lansing areas; designates unexpended funds as a work project appropriation. Executive does not include. House includes new language. Senate does not include. Conference does not include.

Sec. 809. Public Safety Academy Assistance Programs – NOT INCLUDED

Requires funding to be used for providing scholarships for police academy recruits and assistance with salaries for police cadets; caps scholarship amounts at \$20,000 per recruit and caps assistance with salaries at \$4,000 per police cadet; lists eligibility requirements for receiving scholarships; authorizes MCOLES to use up to \$140,000 of the appropriation for administration; designates unexpended funds as a work project appropriation. Executive does not include. House includes new language. Senate does not include. Conference does not include.

Sec. 810. Public Safety Signing Bonuses – NOT INCLUDED

Requires funding to be used to grant signing bonuses of up to \$5,000 to new public safety officers, first responders, local corrections officers, public safety telecommunicators, and juvenile detention employees and to public safety officers, first responders, local corrections officers, public safety telecommunicators, and juvenile detention employees that relocate to Michigan from out of state; defines "new public safety officers, first responders, local corrections officers, public safety telecommunicators, and juvenile detention employees"; designates unexpended funds as a work project appropriation. Executive does not include. House includes new language. Senate does not include. Conference does not include.

Sec. 811. Radio Tower Grant Program – NOT INCLUDED

Requires funding to be distributed through grants for radio infrastructure upgrades to support a closed digital 800 MHz first responder radio network that will integrate law enforcement, emergency medical services, and fire rescue communications on one frequency; includes a 20% match requirement and caps an individual grant amount at \$25.0 million; designates funds as a work project appropriation. Executive does not include. House includes new language. Senate does not include. Conference does not include.

Sec. 812. Riot Great and Body Armor Grants (ARPA) – NOT INCLUDED

Requires funding to be allocated to local law enforcement agencies, through a competitive grant process, to be used for purchasing new riot gear and body armor; designates unexpended funds as a work project appropriation. Executive does not include. House includes new language. Senate does not include. Conference does not include.

Major Boilerplate Changes from FY 2021-22

Sec. 813. Body-Worn Camera Programs (GF/GP) – NOT INCLUDED

Requires funding to be used for competitive grants to local public safety departments for assisting with funding equipment and personnel necessary for implementing and maintaining body-worn camera programs; designates unexpended funds as a work project appropriation. Executive does not include. House includes new language. Senate does not include. Conference does not include.

Sec. 814. Communication Towers and Equipment – NOT INCLUDED

Requires funding to be allocated for communication towers and other communication equipment; designates unexpended funds as a work project appropriation. Executive does not include. House includes new language. Senate does not include. Conference does not include.

Sec. 815. Public Safety Communication Towers – NOT INCLUDED

Requires \$4.8 million to be allocated to Isabella County for public safety communication towers. Executive does not include. House includes new language. Senate does not include. Conference does not include.

Sec. 816. Community Policing Programs (GF/GP) – NOT INCLUDED

Requires funding to be used for grants to local public safety departments for creating or expanding community policing programs and creating or expanding law enforcement officer positions dedicated to maintaining a community presence and building neighborhood relationships; designates unexpended funds as a work project appropriation. Executive does not include. House includes new language. Senate does not include. Conference does not include.

Sec. 817. First Responder Bags – NOT INCLUDED

Requires funding to be used by the department to purchase a minimum of 1,200 Haynes first responder bags for police cruisers; designates unexpended funds as a work project appropriation. Executive does not include. House includes new language. Senate does not include. Conference does not include.

Sec. 818. Law Enforcement Explorer and Job Shadowing Programs – NOT INCLUDED

Requires funding to be allocated to local public safety departments for creating or expanding explorer and job shadowing programs; lists activities included in explorer programs; lists eligibility requirements for participants in explorer programs; lists requirements for participants of job shadowing programs; designates unexpended funds as a work project appropriation. Executive does not include. House includes new language. Senate does not include. Conference does not include.

Sec. 819. Local Law Enforcement Quarantine Reimbursement – NOT INCLUDED

Requires funding to be used to reimburse local law enforcement officers for leave time they were required to use in order to quarantine because of exposure or possible exposure to COVID-19; designates unexpended funds as a work project appropriation. Executive does not include. House includes new language. Senate does not include. Conference does not include.

Sec. 820. MCOLES – Certification Fees – NOT INCLUDED

Requires funding to be used to pay for MCOLES certification of law enforcement officers relocating to Michigan from out of state for employment by a local law enforcement agency or the Michigan State Police; designates unexpended funds as a work project appropriation. Executive does not include. House includes new language. Senate does not include. Conference does not include.

Sec. 821. MCOLES – Training Funds – NOT INCLUDED

Requires funding to be used to cover the loss of training fund revenue resulting from the COVID-19 pandemic; authorizes funding to be used to support costs of wages, all training supplies, and transportation; designates unexpended funds as a work project appropriation. Executive does not include. House includes new language. Senate does not include. Conference does not include.

Major Boilerplate Changes from FY 2021-22

Sec. 822. Move to Michigan Incentives – NOT INCLUDED

Requires funding to be distributed to eligible public safety entities to be used to purchase years of service for out-of-state personnel who are hired in Michigan, up to a maximum of 10 years; to pay for 2 years of a maximum contribution for individual or family coverage into a health savings account; if the out-of-state personnel has a defined contribution plan with the personnel's out-of-state employer in which the personnel is not fully vested, to pay an amount equal to the amount of employer contributions the out-of-state personnel will forfeit by relocating to Michigan; and to reimburse out-of-state personnel relocating to Michigan for fees they pay for hunting licenses, fishing licenses, and recreation passports; prohibits hiring out-of-state police officers without first obtaining complete personnel records; requires out-of-state police officers being hired to sign affidavits testifying that personnel records are full and complete; prohibits eligible public safety entities that have vaccine mandate policies from receiving grant funding; designates unexpended funds as a work project appropriation. Personnel eligible to receive these benefits include law enforcement officers, corrections officers, and public safety telecommunicators. Executive does not include. House includes new language. Senate does not include. Conference does not include.

Sec. 823. Narcotic Teams/Task Force – Training and Equipment (GF/GP) – NOT INCLUDED

Requires funding to be distributed, through a grant program, to joint narcotic teams and task forces for purchasing equipment and for training; requires MCOLES to report detailed expenditure data quarterly; designates unexpended funds as a work project appropriation. Executive does not include. House includes new language. Senate does not include. Conference does not include.

Sec. 824. Police Athletic League (GF/GP) – NOT INCLUDED

Requires funding to be used for supporting the existing PAL program in Detroit and expanding the PAL program into the Grand Rapids, Jackson, Saginaw, Flint, and Lansing areas; designates unexpended funds as a work project appropriation. Executive does not include. House includes new language. Senate does not include. Conference does not include.

Sec. 825. Police K-9 Units Grant Program – NOT INCLUDED

Requires funding to be distributed to local law enforcement agencies to be used for adding police dogs to existing police K-9 units or for establishing new police K-9 units at public safety departments that do not currently have police K-9 units; designates unexpended funds as a work project appropriation. Executive does not include. House includes new language. Senate does not include. Conference does not include.

Sec. 826. Public Safety Recruitment Marketing – NOT INCLUDED

Requires funding to be used by the department to establish a competitive grant program for the development of targeted marketing and advertising campaigns for recruitment in the public safety and first responder professions; designates unexpended funds as a work project appropriation. Executive does not include. House includes new language. Senate does not include. Conference does not include.

Sec. 827. Public Safety Retention Bonuses – NOT INCLUDED

Requires funding to be used to grant retention bonuses of up to \$5,000 for public safety officers, first responders, local corrections officers, public safety telecommunicators, and juvenile detention employees; designates unexpended funds as a work project appropriation. Executive does not include. House includes new language. Senate does not include. Conference does not include.

Sec. 828. Riot Gear and Body Armor Grants (GF/GP) – NOT INCLUDED

Requires funding to be allocated to local law enforcement agencies, through a competitive grant process, to be used for purchasing new riot gear and body armor; designates unexpended funds as a work project appropriation. Executive does not include. House includes new language. Senate does not include. Conference does not include.

Sec. 829. Prohibition on Use of One-Time Appropriations for Administrative Costs – NOT INCLUDED

Prohibits the department from using one-time appropriations, except appropriations for traffic stop data collection enhancement and the trooper school, for administrative costs, unless otherwise provided. Executive does not include. House includes new language. Senate does not include. Conference does not include.

FY 2022-23: DEPARTMENT OF TRANSPORTATION
Summary: Conference Report
Article 13, House Bill 5783 (H-2) CR-1



Analyst: William E. Hamilton

	FY 2021-22 YTD as of 2/9/22	FY 2022-23 Executive	FY 2022-23 House	FY 2022-23 Senate	FY 2022-23 Conference	Difference: Conference From FY 2021-22 YTD	
						Amount	%
IDG/IDT	\$4,044,800	\$4,123,800	\$4,123,800	\$4,123,800	\$4,123,800	\$79,000	2.0
Federal	1,641,755,300	2,026,480,000	2,026,480,000	2,026,480,000	2,026,480,000	384,724,700	23.4
Local	80,782,000	85,773,500	85,773,500	85,773,500	85,773,500	4,991,500	6.2
Private	900,000	900,000	900,000	900,000	16,800,000	15,900,000	1,766.7
Restricted	3,702,373,400	3,903,771,600	3,903,771,700	3,903,771,600	3,905,021,600	202,648,200	5.5
GF/GP	0	279,900,000	753,900,000	290,000,100	66,250,000	66,250,000	--
Gross	\$5,429,855,500	\$6,300,948,900	\$6,774,949,000	\$6,311,049,000	\$6,104,448,900	\$674,593,400	12.4
FTEs	2,942.3	3,142.3	3,142.3	2,942.3	3,056.3	114.0	3.9

Notes: (1) FY 2021-22 year-to-date figures include mid-year budget adjustments through February 9, 2022. (2) Appropriation figures for all years include all proposed appropriation amounts, including amounts designated as "one-time." (3) House means House Bill 5791 (H-2) as passed by the House May 5, 2022. (4) Conference means the conference agreement for House Bill 5783 (H-2) CR-1.

Overview

The state transportation budget supports state and local highway programs, public transportation programs, aeronautics programs, and administration of the Michigan Department of Transportation (MDOT). Historically, two-thirds of the revenue in this budget has come from state restricted revenue, with approximately one-third from federal sources. Most of the state-restricted revenue in this budget is constitutionally restricted – from motor fuel taxes and vehicle registration taxes – and is first credited to the Michigan Transportation Fund (MTF) and then distributed in accordance with 1951 PA 51 (Act 51) to other state transportation funds and programs, including the State Trunkline Fund (STF), the Comprehensive Transportation Fund (CTF), and local road agencies (county road commissions and cities/villages). Revenue from aviation fuel and registration taxes, as well as a portion of Airport Parking Tax revenue, is credited to the State Aeronautics Fund for aeronautics programs.

Major Budget Changes from FY 2021-22 YTD Appropriations		FY 2021-22 Year-to-Date (as of 2/9/22)	FY 2022-23 Conference Change
1. Debt Service		Gross	\$253,643,600 (\$28,343,100)
Executive includes \$225.3 million for debt service on previously issued bonds – bonds issued under a pledge of state restricted revenue or in anticipation of federal grants. The appropriation request reflects anticipated debt service schedules. The most significant change is a \$50.6 million shift in fund sources – from federal to STF – used to repay federal grant anticipation refunding bonds sold in 2016. <u>House</u> and <u>Senate</u> concur with Executive. <u>Conference</u> concurs with Executive, House, and Senate.	Federal	50,582,100	(50,582,100)
	Restricted	203,061,500	22,239,000
	GF/GP	\$0	\$0
2. Department Administration and Support		FTE	257.3 7.0
Executive increases baseline funding by \$1.2 million STF, exclusive of economic adjustment or position transfers. Increases include: \$1.1 million for 7.0 FTE positions (3.0 each in Business support and Finance, contracts and support services; 1.0 in Economic development); \$77,400 to recognize increased costs of security services at MDOT properties. <u>House</u> concurs with Executive. <u>Senate</u> includes the \$77,400 increase for security services but not the staffing increase or related funding.	Gross	\$45,766,000	\$1,184,400
	IDG	4,044,800	0
	Restricted	41,721,200	1,184,400
	GF/GP	\$0	\$0

Conference concurs with Executive and House.

	FY 2021-22 Year-to-Date (as of 2/9/22)	FY 2022-23 Conference Change
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Major Budget Changes from FY 2021-22 YTD Appropriations

3. Design and Engineering Services

Executive increases baseline funding by \$10.0 million, exclusive of economic adjustment or position transfers. Increases include: \$7.1 million STF for 154.0 FTE positions to support increased construction program; \$1.8 million STF for construction field services support contracts; \$206,000 MTF for a local agency construction administration tool; \$400,000 MTF for actual cost of traffic signal energy cost allocation; \$475,400 MTF for 2.0 FTE positions to assist local road agencies in National Historic Preservation Act compliance. House concurs with Executive. Senate concurs in part but does not include baseline staffing increase or related funding, and does not include \$475,400 MTF or 2.0 FTEs for Historic Preservation Act compliance, but instead shifts \$475,400 MTF to Local Program Fund (Item #8, below).

FTE	1,506.3	66.0
Gross	\$177,078,900	\$9,575,500
Federal	23,529,800	0
Restricted	153,549,100	9,575,500
GF/GP	\$0	\$0

Conference concurs with Executive and House in funding; limits staffing increase to 66.0 FTE positions.

4. State Trunkline Maintenance

Executive increases baseline funding by \$15.6 million STF, exclusive of economic adjustment and technical changes. Increases include: \$13.1 million to recognized increase costs associated with maintenance materials and services; \$2.5 million to provide a 22.0 FTE staffing increase. House concurs with Executive. Senate concurs in \$13.1 million increase for costs associated with maintenance materials and services but does not recognize FTE increase or related funding.

FTE	880.7	22.0
Gross	\$425,881,200	\$15,594,400
Restricted	425,881,200	15,594,400
GF/GP	\$0	\$0

Conference concurs with Executive and House.

5. State Trunkline Road and Bridge Construction

Executive recommendation for the trunkline capital construction program totals \$1.652 billion, a net increase of \$323.2 million from current year. The increase in federal support of \$334.0 million represents the state trunkline share, \$283.4 million, of the estimated increase in federal funds available to Michigan under the Infrastructure Investment and Jobs Act (IIJA), as well as \$50.6 million in additional federal funds from the end of debt service payments made with federal funds (Item #1, above).

Gross	\$1,328,645,000	\$333,224,600
Federal	851,248,800	333,982,100
Local	30,003,500	0
Private	0	10,000,000
Restricted	447,392,700	(10,757,500)
GF/GP	\$0	\$0

The anticipated increase in available federal-aid is partially offset by a net decrease of \$10.8 million in state restricted support in the Executive budget proposal: available STF revenue declines by \$14.7 million – in part due to increases in STF funded debt service and increased STF funded trunkline maintenance. State restricted revenue also reflects a \$4.0 million increase in appropriated Blue Water Bridge Fund revenue, from \$4.0 million to \$8.1 million, for Blue Water Bridge capital projects.

House concurs with Executive. Senate recognizes federal and state restricted revenue adjustments but adds an additional \$10.7 million STF as compared to Executive. The additional STF is available as a result of the Senate's rejection of Executive-requested increases in department operating lines.

Conference concurs with Executive and House with one exception; Conference includes \$10.0 million in private funds.

Major Budget Changes from FY 2021-22 YTD Appropriations**FY 2021-22
Year-to-Date
(as of 2/9/22)****FY 2022-23
Conference
Change****6. MTF to Local Road Agencies**

Executive includes \$1.9 billion as the estimated MTF distribution to local road agencies (county road commissions, and cities and villages), \$87.6 million more than the current year. This reflects the Act 51 distribution of estimated MTF revenue from motor fuel and vehicle registration taxes as well as local road agency share of \$600.0 million earmarked for road and bridge programs in the Income Tax Act.

Gross	\$1,823,329,700	\$87,645,700
Restricted	1,823,329,700	87,645,700
GF/GP	\$0	\$0

MTF Distribution to Local Road Agencies			
	FY 2021-22	FY 2022-23	Difference
Cities/Villages	\$652,686,200	\$684,060,200	\$31,374,000
County Road Commissions	1,170,643,500	1,226,915,200	56,271,700
Total	\$1,823,329,700	\$1,910,975,400	\$87,645,700

House and Senate concur with Executive.

Conference concurs with Executive, House, and Senate.

7. Local Federal Aid and Road and Bridge Construction

Executive includes \$385.0 million to recognize the Act 51 earmark of certain federal-aid highway funds to local road agencies. The \$94.4 million increase reflects the local road agency share of the estimated increase in federal aid from IJA. House and Senate concur with Executive. Conference concurs with Executive, House, and Senate.

Gross	\$290,587,800	\$94,400,000
Federal	290,587,800	94,400,000
GF/GP	\$0	\$0

8. Grants to Local Programs (Local Program Fund)

Executive includes \$33.0 million for this Act 51 MTF earmark distributed 64.2% to county road commissions and 35.8% to cities and villages. House concurs with Executive. Senate shifts an additional \$475,400 MTF to this line (See Item #3, above). Conference concurs with Executive and House.

Gross	\$33,000,000	\$0
Restricted	33,000,000	0
GF/GP	\$0	\$0

9. Local Bridge Program

Executive includes \$27.0 million for the local bridge program, a program that receives funding from an Act 51 earmark of MTF revenue equal to one-half cent of the motor fuel tax on gasoline. The decrease reflects the estimated decrease in revenue generated from each penny of the motor fuel tax on gasoline as compared to the current year estimate. Although not specifically recognized in this line item, the program is also allocated a share of local federal aid. House and Senate concur with Executive. Conference concurs with Executive, House, and Senate.

Gross	\$27,812,600	(\$831,000)
Restricted	27,812,600	(831,000)
GF/GP	\$0	\$0

10. Blue Water Bridge Operations

Executive includes \$340,300 baseline increase to support additional 3.0 FTE positions. House concurs with Executive. Senate includes funding increase but not related increase in FTE authorization. Conference concurs with Executive and House.

FTE	41.0	3.0
Gross	\$6,714,700	\$340,300
Restricted	6,714,700	340,300
GF/GP	\$0	\$0

11. Transportation Economic Development Fund (TEDF)

Executive includes \$46.0 million for the TEDF grant program, an increase of \$4.3 million. TEDF revenue comes from two statutory earmarks: an Act 51 earmark of MTF revenue, and an earmark of certain driver's license fees. The increase in available TEDF revenue is due to a \$3.8 million reduction in TEDF-funded debt service, as well as an anticipated increase in interest credited to the fund. The TEDF program is a targeted program established and governed by statute, 1987 PA 231. House and Senate concur with Executive. Conference concurs with Executive, House, and Senate.

Gross	\$41,601,900	\$4,349,100
Restricted	41,601,900	4,349,100
GF/GP	\$0	\$0

Major Budget Changes from FY 2021-22 YTD Appropriations		FY 2021-22 Year-to-Date (as of 2/9/22)	FY 2022-23 Conference Change
12. Aeronautics Services			
<u>Executive</u> includes \$288,800 baseline increase to support additional 2.0 FTE positions; also rolls up two operating lines into one. <u>House</u> concurs with <u>Executive</u> . <u>Senate</u> includes funding increase but not related increase in FTE authorization; does not recognize line item rollup. <u>Conference</u> concurs with <u>Executive</u> and <u>House</u> .	FTE	46.0	2.0
	Gross	\$7,127,700	\$288,800
	Restricted	7,127,700	288,800
	GF/GP	\$0	\$0
13. Passenger Transportation Services			
<u>Executive</u> includes \$277,900 baseline increase to support additional 4.0 FTE positions. <u>House</u> concurs with <u>Executive</u> . <u>Senate</u> includes funding increase but not related increase in FTE authorization. <u>Conference</u> concurs with <u>Executive</u> and <u>House</u> .	FTE	46.0	4.0
	Gross	\$7,127,700	\$277,900
	Restricted	7,127,700	277,900
	GF/GP	\$0	\$0
14. Local Bus Transit Programs			
<u>Executive</u> recognizes additional \$9.8 million in federal-aid transit funding to rural transit systems made available under IJJA. <u>Executive</u> also includes \$201.7 million CTF for operating assistance to local transit systems, an increase of \$5.0 million. <u>House</u> also recognizes the increase in federal support and increases CTF funding by \$10.0 million, \$5.0 million more than the <u>Executive</u> . The additional \$5.0 million comes from a like reduction in Transit capital (Item #16, below). <u>Senate</u> includes an additional \$7.0 million CTF as compared to current year, \$2.0 million more than <u>Executive</u> . <u>Conference</u> concurs with <u>Executive</u> .	Gross	\$226,777,900	\$14,817,700
	Federal	28,027,900	9,817,700
	Local	2,000,000	0
	Restricted	196,750,000	5,000,000
	GF/GP	\$0	\$0
15. Specialized Services/Transportation to Work			
<u>Executive</u> recognizes \$3.2 increase in estimated federal support, and \$1.0 million increase in baseline CTF support for program targeted at transportation needs of elderly and disabled persons. Also rolls up the \$3.9 million CTF Transportation to Work line into this line. <u>House</u> concurs with <u>Executive</u> . <u>Senate</u> recognizes increase in federal support but not the <u>Executive</u> -proposed increase in CTF funding or the proposed line item rollup. <u>Conference</u> concurs with <u>Executive</u> and <u>House</u> .	Gross	\$18,438,900	\$8,102,400
	Federal	9,900,000	3,227,400
	Local	4,185,000	0
	Restricted	4,353,900	4,875,000
	GF/GP	\$0	\$0
16. Transit Capital			
<u>Executive</u> recognizes \$41.0 increase in estimated federal support, and \$27.0 million increase in CTF support for program that provides matching funds on behalf of local transit agencies to access federal transit capital grants. <u>House</u> also recognizes the increase in federal support and includes an increase of \$22.0 million in restricted CTF support, \$5.0 million less than the <u>Executive</u> ; the <u>House</u> shifts \$5.0 million from Transit capital to Local bus operating (Item #14, above). <u>Senate</u> recognizes increase in federal support but not the <u>Executive</u> -proposed increase in CTF funding. <u>Conference</u> concurs with <u>Executive</u> with one exception; <u>Conference</u> includes \$2.0 million in private funds	Gross	\$109,070,700	\$70,005,400
	Federal	37,000,000	41,000,000
	Local	31,000,000	0
	Private	0	2,000,000
	Restricted	41,070,700	27,005,400
	GF/GP	\$0	\$0
17. Intercity Services			
<u>Executive</u> provides \$10.0 million for program that supports intercity bus service in Michigan, an increase of \$1.9 million from current year. Budget recognizes additional federal aid for intercity programs made available under IJJA, as well as increased CTF support. <u>House</u> concurs with <u>Executive</u> . <u>Senate</u> recognizes federal-aid increase but not proposed CTF increase. <u>Conference</u> concurs with <u>Executive</u> and <u>House</u> .	Gross	\$8,060,000	\$1,921,800
	Federal	4,500,000	1,558,800
	Local	160,000	0
	Private	800,000	0
	Restricted	2,600,000	363,000
	GF/GP	\$0	\$0

		FY 2021-22 Year-to-Date (as of 2/9/22)	FY 2022-23 Conference Change
Major Budget Changes from FY 2021-22 YTD Appropriations			
18. Marine Passenger	Gross	\$1,012,000	\$3,952,000
<u>Executive</u> includes \$5.0 million for program that provides capital grants for marine passenger (ferry) service in Michigan, specifically for ferries that provide service to Beaver Island and to islands on the St. Mary's River in the eastern Upper Peninsula. The Executive proposal, \$4.0 million more than current year, recognizes \$2.6 million in federal aid made available under IIJA, as well as \$1.3 million increased CTF support. <u>House</u> concurs with Executive. <u>Senate</u> recognizes federal-aid increase but not proposed CTF increase. <u>Conference</u> concurs with Executive and House.	Federal	0	2,652,000
	Local	500,000	0
	Restricted	512,000	1,300,000
	GF/GP	\$0	\$0
19a. Rail Operations and Infrastructure	Gross	\$104,356,200	\$33,394,500
<u>Executive</u> includes \$135.9 million for state rail programs, an increase of \$31.5 million from current year, for line item that provides capital and operating support for rail passenger service in Michigan as well as rail freight and rail economic development programs. Executive proposal includes \$10.0 million increase in federal-aid for rail programs as well as \$21.5 million increase in CTF support. <u>House</u> concurs with Executive, but earmarks the \$21.5 million CTF increase for targeted rail freight program in boilerplate section 707. <u>Senate</u> recognizes only the increase in federal aid, and establishes a separate \$32.7 million CTF freight railroad development grant program (below). <u>Conference</u> concurs with Executive and House with one exception; Conference includes \$2.0 million in private funds, \$1.9 million more than current year. Conference also includes House boilerplate, Sec. 707.	Federal	20,000,000	10,000,000
	Local	100,000	0
	Private	100,000	1,900,000
	Restricted	84,156,200	21,494,500
	GF/GP	\$0	\$0
19b. Freight Railroad Development Grant Program	Gross	\$0	\$0
<u>Senate</u> establishes a new freight rail grant program line item, funded at \$32.7 million CTF. <u>Conference</u> does not include.	Federal	0	0
	Local	0	0
	Private	0	0
	Restricted	0	0
	GF/GP	\$0	\$0
20. Airport Improvement Program (AIP)	Gross	\$121,576,500	\$38,885,400
<u>Executive</u> includes \$158.6 million for program of federal capital assistance to eligible local public airports in the state. Recognizes \$135.0 million in federal AIP funds, an increase of \$29.0 million from current year reflecting higher program funding targets under IIJA. Also recognizes increases in local matching funds and State Aeronautics Fund revenue. This program is shown in the state budget under the line item Airport Safety, Protection, and Improvement (ASAP). <u>House</u> and <u>Senate</u> concur with Executive. <u>Conference</u> concurs with Executive, House, and Senate with one exception; Conference includes \$2.0 million in private funds.	Federal	106,000,000	29,000,000
	Local	12,508,500	4,991,500
	Private	0	2,000,000
	Restricted	3,068,000	2,893,900
	GF/GP	\$0	\$0
21. IIJA Airport Infrastructure Grants	Gross	\$0	\$95,000,000
<u>Executive</u> includes \$95.0 million federal spending authority for a new program, established under IIJA, of federal aid to public airports. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur with Executive.	Federal	0	95,000,000
	GF/GP	\$0	\$0
22. Detroit Metropolitan Wayne County Airport	Gross	\$5,200,000	\$650,000
<u>Executive</u> increases Qualified Airport Fund support by \$650,000 reflecting revenue estimates. As provided through 2015 amendments to the State Aeronautics Code, Qualified Airport Fund revenue is appropriated to the Detroit Metropolitan Wayne County Airport. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur with Executive.	Restricted	5,200,000	650,000
	GF/GP	\$0	\$0
23. One-Time GF/GP – Critical Road and Bridge Infrastructure	Gross	\$0	\$0
<u>Executive</u> requests \$150.0 million in one-time GF/GP for critical road and bridge infrastructure. <u>House</u> , <u>Senate</u> , <u>Conference</u> does not include.	GF/GP	\$0	\$0

Major Budget Changes from FY 2021-22 YTD Appropriations		FY 2021-22 Year-to-Date (as of 2/9/22)	FY 2022-23 Conference Change
24. One-Time GF/GP – Freeway Pumphouse Generators	Gross	\$0	\$0
<u>Executive</u> requests \$66.6 million in one-time GF/GP for freeway pumphouse backup generators at 164 locations. <u>House</u> , <u>Senate</u> , <u>Conference</u> do not include. (Included in Senate Bill 565 using federal funds.)	GF/GP	\$0	\$0
25. One-Time GF/GP – Priority Grade Separation Projects	Gross	\$0	\$12,000,000
<u>Executive</u> includes \$60.0 million in one-time GF/GP for priority rail grade separation projects. <u>House</u> includes \$100 MTF placeholder. <u>Senate</u> includes \$140.0 million GF/GP, plus \$100 CTF. <u>Conference</u> includes \$12.0 million GF/GP; earmarked for Wayne County in boilerplate Sec. 1001.	Restricted	0	0
	GF/GP	\$0	\$12,000,000
26. One-Time GF/GP – Replace Weather Station Equipment	Gross	\$0	\$3,900,000
<u>Executive</u> requests \$3.9 million in one-time GF/GP to replace 32 state-owned weather station equipment. <u>House</u> concurs with <u>Executive</u> . <u>Senate</u> does not include. <u>Conference</u> concurs with <u>Executive</u> and <u>House</u> and includes \$3.9 million GF/GP.	GF/GP	\$0	\$3,900,000
27. One-Time GF/GP – Distribution to Local Road Agencies	Gross	\$0	\$0
<u>House</u> includes \$750.0 million GF/GP for distribution to local road agencies: county road commissions, \$481.5 million; cities and villages, \$268.5 million. Distributed to specific agencies in accordance with Act 51 formula per Sec. 1001. <u>Senate</u> includes \$150.0 million GF/GP for distribution to local road agencies. <u>Conference</u> does not include.	GF/GP	\$0	\$0
28. Ann Arbor – Traverse City Passenger Rail	Gross	\$0	\$0
<u>Senate</u> establishes a new line item using \$100 CTF placeholder, with the intention, once additional funding is identified, of initiating rail passenger service between Ann Arbor and Traverse City Michigan. <u>Conference</u> does not include.	Restricted	0	0
	GF/GP	\$0	\$0
29. Basic Marine Dock Project	Gross	\$0	\$700,000
<u>Senate</u> establishes a new one-time line item, funded at \$700,000 CTF, for improvements to the Basic Marine dock in Escanaba, Michigan. <u>Conference</u> concurs with <u>Senate</u> and includes; defined in boilerplate Sec. 1002.	Restricted	0	700,000
	GF/GP	\$0	\$0
30. Lake Michigan Car Ferry	Gross	\$0	\$0
<u>Senate</u> establishes a new one-time line item using \$100 GF/GP placeholder. <u>Conference</u> does not include.	Restricted	0	0
	GF/GP	\$0	\$0
31. Magnetic Roadway Sweepers	Gross	\$0	\$350,000
<u>Conference</u> includes new line item, \$350,000 GF/GP; defined in boilerplate section, Sec. 613.	Restricted	0	0
	GF/GP	\$0	\$350,000
32. Marine and Port Facility Improvement Office	Gross	\$0	\$0
<u>Senate</u> establishes a new one-time line item, using \$100 CTF placeholder. The line would support a marine and port facility improvement office that would be established under Senate Bill 744. <u>Conference</u> does not include.	Restricted	0	0
	GF/GP	\$0	\$0
33. Marine Passenger Ferry	Gross	\$0	\$0
<u>Senate</u> establishes a new one-time line item, funded at \$14.0 million CTF, for the purchase of a new passenger ferry (Beaver Island). <u>Conference</u> does not include.	Restricted	0	0
	GF/GP	\$0	\$0
34. Northern Michigan Rail Study – Phase II	Gross	\$0	\$0
<u>Senate</u> includes \$1.0 million CTF in one-time funding to complete a study of rail passenger service for northern Michigan. <u>Conference</u> does not include.	Restricted	0	0
	GF/GP	\$0	\$0

<u>Major Budget Changes from FY 2021-22 YTD Appropriations</u>		<u>FY 2021-22 Year-to-Date (as of 2/9/22)</u>	<u>FY 2022-23 Conference Change</u>
35. Upper Peninsula Freight Rail Infrastructure	Gross	\$0	\$550,000
<u>Senate</u> includes \$550,000 CTF in one-time funding for a Chippewa County freight economic development project. <u>Conference</u> concurs with <u>Senate</u> ; defined in boilerplate section, Sec. 1003.		Restricted	550,000
	GF/GP	\$0	\$0
36. Airport Infrastructure Grants	Gross	\$0	\$25,000,000
<u>Conference</u> includes new line item, \$25.0 million GF/GP. Related boilerplate Sec. 1005 earmarks this line item for the Wayne County Airport Authority.		Restricted	0
	GF/GP	\$0	\$25,000,000
37. Technical assistance, planning, and IJJA match grants	Gross	\$0	\$25,000,000
<u>Conference</u> includes new line item, \$25.0 million GF/GP. As defined in boilerplate Sec. 1004, the line will support grants available to local units of government and planning organization under the federal Infrastructure Investment and Jobs Act (IIJA).		Restricted	0
	GF/GP	\$0	\$25,000,000
38. Economic Adjustments	Gross	NA	\$9,981,600
<u>Executive</u> budget reflects increased costs of \$10.0 million Gross (\$0 GF/GP) for negotiated salary and wage increases (5.0% on October 1, 2022 and 0.5% to annualize the FY 2022 1.0% increase that began on April 1, 2022), actuarially required retirement contributions, worker's compensation, building occupancy charges, and other economic adjustments. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur with <u>Executive</u> .		IDG	79,000
	Federal	NA	1,006,100
	Restricted	NA	8,986,500
	GF/GP	NA	\$0

Major Boilerplate Changes from FY 2021-22

Sec. 210. Use of Contingency Fund Transfers – RETAINED

Executive increases maximums for contingency fund transfers in accordance with the Management and Budget Act. Senate deletes section. Conference concurs with House and Senate and retains.

Sec. 215. Communication with the Legislature – RETAINED

Executive deletes section that prohibits department from taking disciplinary action against an employee for communicating with the Legislature. Conference concurs with House and Senate and retains.

Sec. 216. Report on FTE Positions and Remote Work – RETAINED

Executive deletes reporting requirement on staffing levels in relation to FTE authorization, employees authorized to work remotely, and related cost savings. Conference concurs with House and Senate and retains.

Sec. 217. Work Project Limits – RETAINED

Executive deletes section that requires that work project balances be exhausted before expenditure from part 1 appropriations. Conference concurs with House and Senate and retains.

Sec. 218. State Administrative Board Transfers – RETAINED

Executive deletes section that provides for the legislature to intertransfer funds within departmental budget if the State Administrative Board transfers funds from an appropriation within this departmental budget. Conference concurs with House and Senate and retains.

Sec. 219. Report Retention Requirements – RETAINED

Executive deletes section that provides for retention of certain records. Conference concurs with House and Senate and retains.

Sec. 220. Impact of New Legislation – RETAINED

Executive deletes section that requires a report on specific policy changes made to implement new public acts enacted in prior calendar year. Conference concurs with House and Senate and retains.

Sec. 222. Severance Pay Report – RETAINED

Executive deletes reporting requirements related to severance pay paid to department personnel upon the termination of employment. Conference concurs with House and Senate and retains.

Major Boilerplate Changes from FY 2021-22

Sec. 223. Restrictions on Covid-19 Vaccine Passport – RETAINED

Executive deletes restrictions on the use of Covid-19 “passports” to document vaccination status. Conference concurs with House and Senate and retains.

Sec. 224. Limitation on Remote Work – NEW

House includes language prohibiting “An executive branch department, agency, board, or commission that receives funding under part 1” from permitting a state employee who was not working remotely, either full-time or part-time, before February 28, 2020, to work remotely, either full-time or part-time, during FY 2022-23. Senate does not include.

House includes language prohibiting “An executive branch department, agency, board, or commission that receives funding under part 1” from permitting a state employee who was not working remotely, either full-time or part-time, before February 28, 2020, to work remotely, either full-time or part-time, during FY 2022-23. Senate does not include.

Conference includes new intent language: “that departments maximize the efficiency of the state workforce and, where possible, prioritize in-person work”, and that executive branch agencies post in-person, remote, or hybrid work policy on its website.

Sec. 302. Report on Debt Service Coverage – REVISED

Executive deletes section that establishes debt service limits applicable to constitutionally restricted transportation revenue and that established a reporting requirement. House includes only a reporting requirement. Senate retains with updated references. Conference concurs with House.

Sec. 303. Signage Related to Bond-Financed Projects – RETAINED

Executive does not include language related to signage identifying trunkline construction projects as bond-financed.

House includes current year language requiring that when the department places signs identifying trunkline construction projects as bond-financed, the signs also identify the total cost of the project and the estimated borrowing costs associated with the bonds used to finance the project. House adds new subsections that require the department to remove signs not in compliance with the section; makes the department director's salary contingent on compliance. Senate retains current language. Conference concurs with Senate.

Sec. 312. Prohibition on Establishment of Non-Directional Markings – INCLUDED

House includes intent language regarding placement non-directional markings on public roads or streets. Senate does not include. Conference concurs with House and includes.

Sec. 395. Authority to Transfer Between Construction/Maintenance – NEW

Executive includes language to authorize the department to transfer up to \$10.0 million from the state trunkline road and bridge construction line item to state trunkline maintenance for certain specified activities. This section had been included in prior enacted budgets (FYs 2016-17 through FY 2020-21) but was not included in FY 2021-22. House concurs with Executive. Senate does not include. Conference concurs with Executive and includes.

Sec. 399. Capital Preventive Maintenance – REVISED

Executive strikes section that requires the department to make capital preventive maintenance a program priority. House modifies to direct that not less than \$200.0 million be allocated for capital preventive maintenance treatments for pavement preservation. Senate retains current language. Conference modifies to indicate not less than **\$100.0 million** be allocated for capital preventive maintenance treatments for pavement preservation.

Sec. 503(2). Local Bridge Fund Lapse and Carry-Forward Authority – REVISED

Executive provides for lapse of restricted funds and carry-forward spending authority for Local Bridge Fund. House concurs with Executive. Senate does not provide for carry-forward spending authority for Local Bridge Fund. Conference concurs with Executive and House.

Sec. 602. Impact of Electric Vehicles Study – NEW

Senate requires the department to study the potential impact of electric vehicles on MTF revenue. House had included language (Sec. 615) requiring the department to conduct a study of the feasibility of VMT as a basis for transportation funding in replacement of motor fuel taxes. Conference consolidates into a single reporting requirement.

Sec. 603. Mackinac Bridge Report – NEW

Conference includes new reporting requirement: that the department report by December 31, 2023 on the operational condition of the Mackinac bridge, its long-term viability, the costs of preventative maintenance and potential upgrades, and the cost and feasibility of constructing a separate method of transporting commercial, emergency, and passenger vehicle traffic.

Sec. 613. Earmark for Industrial Magnetic Roadway Sweepers – NEW

House earmarks \$750,000 STF from state trunkline operations for the procurement of industrial magnet roadway sweepers. Senate does not include. Conference directs the use of the \$350,000 part 1 line item.

Major Boilerplate Changes from FY 2021-22

Sec. 614. Earmark for Low Impact Development Stormwater Management Practices – NOT INCLUDED

House earmarks \$5.0 million to incentivize and support the inclusion of low impact development stormwater management practices in trunkline and local road agency construction projects. Senate does not include. Conference does not include.

Sec. 615. Vehicle Miles Traveled (VMT) Study – (See Sec. 602, above)

Sec. 660. Use of Alternative Materials – RETAINED

Executive deletes section that encourages the department to examine the use of alternative road surface materials. House concurs with Executive and does not include. Senate retains. Conference concurs with the Senate and retains.

Sec. 707. Rail Strategic Plan – REVISED

Executive retains current section that provides for a rail strategic plan. House retains but modifies to direct that from the funds appropriated in part 1 for rail operations and infrastructure, not less than \$21.5 million be allocated for support of rail-related economic development projects and rail freight system preservation projects. Senate retains current language. Conference concurs with the House.

Sec. 710. Freight Railroad and Development Grant Program – NOT INCLUDED

Senate includes language defining the new part 1 grant program. Conference does not include.

Sec. 754. Report on Public Transportation Development Lines – NOT INCLUDED

Senate includes a new reporting requirement for public transportation development program. Conference does not include.

Sec. 757. Feasibility Study – Rail Passenger Service from New Buffalo to Traverse City – NEW

House includes language requiring the department to conduct a study of the feasibility of rail passenger service from New Buffalo to Traverse City Michigan. Senate does not include. Conference includes reference to both the New Buffalo/Traverse City and Ann Arbor/Traverse City routes in the department's rail passenger corridor investment plan.

Sec. 1001. Priority Rail Grade Crossing/Separation Initiative – NEW

Conference earmarks the \$12.0 million GF/GP priority rail grade crossing/separation initiative line item for Wayne County.

Sec. 1002. Basic Marine Dock Project – NEW

Conference includes language defining the \$700,000 line item for the Marine dock project in Escanaba.

Sec. 1003. Upper Peninsula Freight Rail Infrastructure Project (Chippewa County) – NEW

Conference includes language defining the \$550,000 line item.

Sec. 1004. Technical Assistance, Planning, IIJA Match – NEW

Conference includes language defining the \$25.0 million line item.

Sec. 1005. Airport Infrastructure Grants – NEW

Conference earmarks \$25.0 million line item for Wayne County Airport Authority.

FY 2022-23: CAPITAL OUTLAY
Summary: Conference Report
Article 14, House Bill 5783 (H-2) CR-1



Analyst: Perry Zielak

Budget Area	Gross	GF/GP
Capital Outlay – Construction Authorizations	\$487,400,000	\$109,000,000
TOTAL	\$487,400,000	\$109,000,000

Overview

House Bill 5783, Article 14 contains \$487.4 million Gross (\$109.0 million GF/GP) for 4 construction authorizations. Traditionally, universities finance 25% of a project's costs and the state finances 75%. State agency projects are covered 100% from state resources. In recent years, the state share has been capped at \$30.0 million for university and community college capital outlay projects.

The total cost of the 4 construction authorizations (2 universities and 2 state agencies) contained within House Bill 5783, Article 14 is \$487.4 million, with a federal share of \$378.4, state share of \$109.0 million and an institution share of \$7.0 million. Unlike traditional capital outlay projects that are financed through the State Building Authority and require annual debt service payments, the cost of these projects is covered through one-time state and federal allocations.

FY 2021-22 Supplemental Appropriation Items

Appropriation Change

CAPITAL OUTLAY – CONSTRUCTION AUTHORIZATIONS

1. Michigan State University – Renovation and Addition of Greenhouses and Dairy Facilities

Gross	\$53,000,000
GF/GP	\$53,000,000

Total project cost is \$53.0 million. University share is \$0; state share is \$53.0 million. The project would renovate and expand both the greenhouse complex and dairy facilities on campus.

2. Saginaw Valley State University – Brown Hall Renovation

Gross	\$21,800,000
GF/GP	\$21,800,000

Total project cost is \$28.8 million. University share is \$7.0 million; state share is \$21.8 million. The project would renovate 64,000 sq. ft. of Brown Hall, constructed in 1986.

3. Michigan Veterans Affairs Agency – New Marquette Veterans Home

Gross	\$97,600,000
Federal	63,400,000
GF/GP	\$34,200,000

The Michigan Veterans Affairs Agency – New Marquette Veterans Home has a total project cost of \$97.6 million. Federal share is \$63.4 million; state share is \$34.2 million. The project would construct a new home for veterans located in Marquette.

4. DTMB – New State Psychiatric Hospital Complex

Gross	\$315,000,000
Federal	315,000,000
GF/GP	\$0

The DTMB – New State Psychiatric Hospital Complex has a total project cost of \$325.0 million. Federal share (coronavirus state fiscal recovery funds) is \$325.0 million; state share is \$0. The complex would be located in Southeast Michigan to replace the Hawthorn Center and Walter P. Reuther Psychiatric Hospital. The new hospital complex would have an estimated capacity of 260 total beds. (Note: \$10.0 million associated with planning for this project would be included in an FY 2021-22 supplemental.)

FY 2021-22 Supplemental Boilerplate Items

GENERAL SECTIONS

1. Total State Spending

Specifies total state spending from state resources to be paid to local units of government.

2. Appropriations Subject to PA 431

Subjects appropriations to the Management and Budget Act, 1984 PA 431.

FY 2021-22 Appropriations

APPENDIX

Supplemental Appropriation

FY 2021-22 SUPPLEMENTAL APPROPRIATIONS
Summary: Conference Report
Article 15, House Bill 5783 (H-2) CR-1



HFA Director: Mary Ann Cleary
Associate Director: Robin R. Risko

FY 2021-22 APPROPRIATION SUMMARY

Budget Area		FY 2021-22 Year-to-Date Appropriations	FY 2021-22 Supplemental Change	% Change
Capital Outlay	Gross	\$1,000	\$260,000,000	--
	GF/GP	\$1,000	\$0	--
Civil Rights	Gross	\$17,834,100	\$500,000	2.8
	GF/GP	\$14,607,300	\$500,000	3.4
Corrections	Gross	\$2,065,873,000	\$0	0.0
	GF/GP	\$2,005,369,400	(\$883,000,000)	(44.0)
Education	Gross	\$1,928,277,900	\$11,600,000	0.6
	GF/GP	\$102,508,100	\$0	0.0
Environment, Great Lakes, and Energy	Gross	\$2,634,068,600	\$6,500,000	0.2
	GF/GP	\$282,945,300	\$0	0.0
Health and Human Services	Gross	\$33,183,378,600	\$1,741,063,300	5.2
	GF/GP	\$5,448,429,200	(\$694,154,800)	(12.7)
Judiciary	Gross	\$320,463,100	\$7,000,000	2.2
	GF/GP	\$209,280,900	\$55,000	0.0
Labor and Economic Opportunity	Gross	\$4,426,922,600	\$43,840,400	1.0
	GF/GP	\$1,614,115,600	\$16,500,000	1.0
Legislature	Gross	\$186,648,200	\$2,200,000	1.2
	GF/GP	\$181,535,400	\$2,200,000	1.2
Licensing and Regulatory Affairs	Gross	\$542,236,400	\$1,125,000	0.2
	GF/GP	\$209,195,900	\$500,000	0.2
Military and Veterans Affairs	Gross	\$220,852,600	\$251,400	0.1
	GF/GP	\$78,758,800	\$251,400	0.3
Natural Resources	Gross	\$914,341,400	\$14,864,900	1.6
	GF/GP	\$48,612,500	\$845,400	1.7
State	Gross	\$252,164,300	\$600,000	0.2
	GF/GP	\$12,435,600	\$600,000	4.8
State Police	Gross	\$861,146,100	\$79,441,800	9.2
	GF/GP	\$527,822,500	\$47,866,800	9.1
Technology, Management, and Budget - Operations	Gross	\$1,507,099,200	\$18,984,000	1.3
	GF/GP	\$286,174,500	\$15,800,000	5.5
Transportation	Gross	\$6,074,601,700	\$12,350,000	0.2
	GF/GP	\$88,100,000	\$12,000,000	13.6
Treasury - Operations	Gross	\$1,680,181,900	\$14,500,000	0.9
	GF/GP	\$447,814,200	\$14,500,000	3.2
TOTAL	Gross	\$56,816,090,700	\$2,214,820,800	3.9
	GF/GP	\$11,557,706,200	(\$1,465,536,200)	(12.7)

Overview

Article 15 of House Bill 5783 contains supplemental appropriation adjustments to multiple state department budgets for FY 2021-22. Appropriation adjustments total \$2,214.8 million Gross. Of that amount, \$1,183.3 million would be appropriated from federal COVID relief funding that was authorized through either the federal Coronavirus Aid, Relief, and Economic Security Act (CARES Act), the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA), or the American Rescue Plan Act (ARPA). Funding would be appropriated for continued support of the economic recovery of individuals, families, and businesses struggling with effects of the COVID-19 pandemic. Adjustments are made in the DHHS budget to reflect the agreement reached on caseloads at the May Consensus Revenue Estimating Conference. General Fund in the bill is a negative appropriation of (\$1,465.5) million.

Appropriation and boilerplate priorities initiated by the State Budget Office in Supplemental Request Letters 2022-2 and 2022-5 and priorities initiated by the legislature are identified following this overview.

<u>FY 2021-22 Supplemental Appropriation Items</u>		<u>Appropriation Change</u>
CAPITAL OUTLAY – PLANNING AUTHORIZATIONS		
1. <i>DTMB – New State Psychiatric Hospital Complex</i>	Gross	\$10,000,000
The DTMB – New State Psychiatric Hospital Complex has a total project cost of \$325.0 million, a total federal share (Coronavirus State Fiscal Recovery Funds) of \$325.0 million, and a total state share of \$0. The complex would be located in Southeast Michigan and would replace the Hawthorn Center and Walter P. Reuther Psychiatric Hospital. The new hospital complex would have an estimated capacity of 260 total beds. (Note: \$315.0 million of project total would be appropriated in FY 2022-23.)	Federal	10,000,000
	GF/GP	\$0
CAPITAL OUTLAY – CONSTRUCTION AUTHORIZATIONS		
2. <i>DTMB – New Comprehensive State Public Health and Environmental Science Laboratory</i>	Gross	\$250,000,000
The DTMB – New Comprehensive State Public Health and Environmental Science Laboratory has a total project cost of \$260.0 million, a federal share (Coronavirus State Fiscal Recovery Funds) of \$260.0 million, and a total state share of \$0. The project would build a new state public health and environmental science laboratory. (Note: \$10.0 million of project total was appropriated in 2022 PA 9.)	Federal	250,000,000
	GF/GP	\$0
CIVIL RIGHTS		
3. <i>ALPACT</i>	Gross	\$500,000
Includes \$500,000 GF/GP for grants to be distributed to local existing Advocates and Leaders for Police and Community Trust (ALPACT) coalitions to examine issues affecting police and community relations and to promote trust between law enforcement and the communities they serve.	GF/GP	\$500,000
CORRECTIONS		
4. <i>Coronavirus Relief Funds for Payroll</i>	Gross	\$0
Includes \$883.0 million of federal Coronavirus State Fiscal Recovery Funds and reduces GF/GP by a like amount. Funding would be allocated to support payroll costs for frontline workers throughout the department, but primarily at correctional facilities.	Federal	883,000,000
	GF/GP	(\$883,000,000)
EDUCATION		
5. <i>Camp Tuhsmeheeta Elm Hall Renovation</i>	Gross	\$1,300,000
Appropriates \$1.3 million of private funds for the renovation of Elm Hall into a nature center at Camp Tuhsmeheeta for students who are blind or visually impaired.	Private	1,300,000
	GF/GP	\$0
6. <i>Wonderschool Pilot Program</i>	Gross	\$0
Includes a net \$0 reappropriation in order to use \$3.0 million of federal funds for a pilot program that provides quality support to Michigan providers who seek to adopt business practices that best serve Michigan families.	Federal	0
	GF/GP	\$0
7. <i>ARP – ESSER Administration - Administrative Assistance and Monitoring Oversight</i>	Gross	\$10,300,000
Includes \$10.3 million of federal funds to provide administrative assistance and monitoring oversight of public schools, to identify ways to address students' academic and mental health needs, and to address learning loss due to the COVID-19 pandemic.	Federal	10,300,000
	GF/GP	\$0

FY 2021-22 Supplemental Appropriation Items		Appropriation Change	
8. Biweekly Block Reimbursement Rate		Gross	\$0
Includes a net \$0 reappropriation in order to adopt a part-time, full-time payment model through an updated biweekly block reimbursement rate schedule by amending the associated boilerplate.		Federal	0
		GF/GP	\$0
9. Mental Health Consultation		Gross	\$0
Includes a net \$0 reappropriation in order to use \$3.0 million of federal funds to continue providing mental health consultation to child care providers, through the network of infant and early childhood mental health consultation, by amending the associated boilerplate.		Federal	0
		GF/GP	\$0
10. Family Contribution Payments		Gross	\$0
Includes a net \$0 reappropriation in order to pay the required family contribution on behalf of families for the entirety of FY 2021-22 and FY 2022-23 by amending the associated boilerplate.		Federal	0
		GF/GP	\$0
11. Child Care Stabilization Grants		Gross	\$0
Includes a net \$0 reappropriation in order to administer at least one new round of grants through the child care stabilization grant program before the end of FY 2021-22, and in FY 2022-23 if funds remain, by amending the associated boilerplate.		Federal	0
		GF/GP	\$0
ENVIRONMENT, GREAT LAKES, AND ENERGY			
12. Environmental Sustainability and Stewardship		Gross	\$6,500,000
Appropriates \$6.5 million in available state restricted revenue to provide grants to public and private applicants for community energy management services, clean energy manufacturing, and energy policy initiatives.		Restricted	6,500,000
		GF/GP	\$0
HEALTH AND HUMAN SERVICES			
13. Traditional Medicaid Cost Adjustments		Gross	(\$172,246,800)
Includes a reduction of \$172.2 million Gross (\$585.8 million GF/GP) for traditional Medicaid program caseload/utilization/inflation and financing adjustments based on the May Caseload Consensus between the State Budget Office, House Fiscal Agency, and Senate Fiscal Agency. Total includes GF/GP savings from an additional 6.2 percentage point increase to the state FMAP provided under the federal Families First Coronavirus Response Act 3 additional quarters, for a full fiscal year of enhanced FMAP.		Federal	414,121,000
		Private	(600,000)
		GF/GP	(\$585,767,800)
14. Healthy Michigan Plan Cost Adjustments		Gross	(\$134,089,000)
Includes a reduction of \$134.1 million Gross (\$16.9 million GF/GP) for Healthy Michigan Plan caseload/utilization/inflation and financing adjustments based on the May Caseload Consensus between the State Budget Office, House Fiscal Agency, and Senate Fiscal Agency.		Federal	(117,195,700)
		GF/GP	(\$16,893,300)
15. Special Medicaid Payment Cost Adjustments		Gross	\$434,163,800
Adds \$434.2 million Gross (reduces GF/GP by \$122.2 million) in special Medicaid payment cost adjustments, including provider tax funded supplemental Medicaid payments and physician and dental adjuster payments, based on the May Caseload Consensus between the State Budget Office, House Fiscal Agency, and Senate Fiscal Agency.		Federal	551,791,100
		Local	(20,689,900)
		Private	1,016,600
		Restricted	24,232,000
		GF/GP	(\$122,186,000)
16. Child Support Security Audit		Gross	\$500,000
Includes \$500,000 Gross (\$166,700 GF/GP) to fund a federally-required independent technology audit of county Prosecuting Attorneys and Friend of the Court offices.		Federal	333,300
		GF/GP	\$166,700
17. Weatherization Assistance - IJJA		FTE	11.0
Includes \$20.0 million in capped federal revenue to increase funding for expansion of the Weatherization Assistance program and includes authorization for 11.0 additional FTE positions to support administration for the expanded program over an expected seven years.		Gross	\$20,000,000
		Capped	20,000,000
		GF/GP	\$0
18. Child Welfare Caseload Adjustments		Gross	(\$56,598,700)
Reduces funding for child welfare programs by \$56.6 million Gross (\$34.9 million GF/GP) based on the May Caseload Consensus between the State Budget Office, House Fiscal Agency, and Senate Fiscal Agency.		TANF	(4,027,100)
		Federal	(13,381,900)
		Local	(4,258,200)
		GF/GP	(\$34,931,500)

<u>FY 2021-22 Supplemental Appropriation Items</u>		<u>Appropriation Change</u>	
19. Child Welfare E-FMAP Adjustments		Gross	\$0
Reflects a savings of \$10.5 million GF/GP from an additional 6.2 percentage point increase to the state FMAP provided under the federal Families First Coronavirus Response Act for 3 additional quarters, for a full fiscal year of enhanced FMAP.		Federal	10,469,100
		GF/GP	(\$10,469,100)
20. Federal IV-E Administration Decrease		Gross	\$0
Includes \$32.9 million GF/GP to correct an overclaim of federal title IV-E administrative reimbursements identified during FY 2020-21 book closing.		Federal	(32,916,100)
		GF/GP	\$32,916,100
21. Child Protection		Gross	\$1,000,000
Authorizes receipt of an additional \$1.0 million in federal funds to reflect an increase in federal child protection grant funding.		Federal	1,000,000
		GF/GP	\$0
22. Children's Trust Fund		Gross	\$68,800
Includes \$68,800 in capped federal revenue authorization to the Children's Trust Fund line item to provide sufficient authorization to expend a formula grant to states for expenditures made in accordance with Sections 201 through 209 of Title II of the Child Abuse Prevention and Treatment Act Community-Based Family Resource and Support Grants.		Federal	68,800
		GF/GP	\$0
23. Raise the Age Fund Adjustment		Gross	\$4,000,000
Includes an increase of \$4.0 million GF/GP to adjust the Raise the Age fund for county incurred service costs based on county budget submissions to DHHS.		GF/GP	\$4,000,000
24. Foster Care Restricted Fund Authorization		Gross	\$0
Includes \$2.0 million in state restricted funds and offsets GF/GP by a like amount to create a new state restricted fund source within the Foster Care Payments line item to house SSI benefits for foster children that will carry over annually.		Restricted	2,000,000
		GF/GP	(\$2,000,000)
25. County Juvenile Officers		Gross	\$73,300
Includes \$73,300 GF/GP to fund inflationary increase that DHHS provided in their grants to counties for County Juvenile Officers.		GF/GP	\$73,300
26. Public Assistance Caseload Adjustments		Gross	\$1,500,112,400
Recognizes a \$1.5 billion Gross net increase (\$2.3 million GF/GP net reduction) resulting from adjusted estimates to Family Independence Program (FIP), Food Assistance Program (FAP), State Disability Assistance (SDA), and State Supplementation (SSI) caseloads for FY 2021-22. Adjustments include pandemic-related increases to food assistance (P-EBT).		TANF	(3,394,400)
		Federal	1,505,716,600
		Restricted	62,200
		GF/GP	(\$2,272,000)
27. Private Funding Authorization		Gross	\$3,800,000
Authorizes receipt of an additional \$3.8 million in private behavioral health services-related grant awards from the Michigan Health Endowment Fund and Vital Strategies.		Private	3,800,000
		GF/GP	\$0
28. Family Support Subsidy Caseloads Adjustments		Gross	(\$795,300)
Reflects a reduction of \$795,300 in federal TANF to support an estimated 4,000 family support subsidy cases.		TANF	(795,300)
		GF/GP	\$0
29. Opioid Settlement Fund		Gross	\$16,000,000
Authorizes receipt of \$16.0 million in state restricted funds from court settlements between the state and opioid manufacturers and distributors. State statute would also be required to create the fund and establish the use of the funds.		Restricted	16,000,000
		GF/GP	\$0
30. State Psychiatric Hospital Enhanced FMAP Adjustments		Gross	\$0
Reflects a savings of \$1.3 million GF/GP from an additional 6.2 percentage point increase to the state FMAP provided under the federal Families First Coronavirus Response Act for 2 additional quarters, for a total of 3 quarters of enhanced FMAP.		Federal	1,267,200
		GF/GP	(\$1,267,200)
31. State Psychiatric Hospital Net \$0 Adjustments		Gross	\$0
Includes a net \$0 adjustment of federal, restricted, and GF/GP funding sources across the 5 state psychiatric hospitals and centers line items to align fund authorizations with estimated costs.		Federal	0
		Restricted	0
		GF/GP	\$0
32. Rural Health Services		FTE	(1.0)
Removes \$1.4 million of federal grant authorization and 1.0 FTE position for rural health programs; grants will be awarded directly to the Michigan Center for Rural Health at Michigan State University, rather than passing through DHHS. Includes 3 federal rural health and hospital program grants.		Gross	(\$1,380,500)
		Federal	(1,380,500)
		GF/GP	\$0

<u>FY 2021-22 Supplemental Appropriation Items</u>		<u>Appropriation Change</u>	
33. Lead Abatement Grant SCHIP Adjustment		Gross	\$0
Includes net \$0 Gross fund shift of \$524,000 from GF/GP to federal for Children's Health Insurance Program (SCHIP) grant funds approved for use for lead abatement in Flint and other high risk communities since FY 2016-17.		Federal	524,000
		GF/GP	(\$524,000)
34. Sexually Transmitted Disease Control and Prevention		Gross	\$2,000,000
Increases funding by \$2.0 million of private funds for state and local prevention activities and drug programs related to sexually transmitted infections (STI). Funds are pharmaceutical manufacturer rebates for drug expenditures within the program.		Private	2,000,000
		GF/GP	\$0
35. Child and Adolescent Health Care and Centers		Gross	\$3,000,000
Authorizes receipt of an additional \$3.0 million in local school district revenue, originating from the state School Aid Fund, for primary health care services to children and youth in clinical and school-based settings.		Local	3,000,000
		GF/GP	\$0
36. Public Health Non-GF/GP Funds Adjustments		Gross	\$2,964,900
Reflects a total of \$3.0 million Gross in the following fund source adjustments to federal, private, and state restricted fund sourcing:		Federal	1,681,600
• \$400,000 state restricted revenue for body art facility licensure, under Epidemiology Administration.		Private	883,300
• \$1.2 million federal funds for AIDS prevention, testing, and care.		Restricted	400,000
• \$500,000 federal violence prevention funds.		GF/GP	\$0
• \$883,300 private funds for WIC program vendor system			
37. Public Health Transfers Within DHHS		FTE	0.0
• Michigan 2-1-1 funding of \$2.5 million Gross (\$950,000 GF/GP) from Health Policy and Planning to Community Services and Outreach.		Gross	\$0
• One FTE position and \$145,200 Gross (\$72,900 GF/GP) from Health Policy and Planning to Community Services and Outreach.		Federal	0
• \$279,300 GF/GP from Public Health Administration to Departmental Administration and Management.		Restricted	0
• \$170,000 Healthy Michigan Fund from Pregnancy Prevention Program to Family, Maternal, and Child Health Administration.		GF/GP	\$0
38. Aging Community and Nutrition Services		Gross	\$3,500,000
Recognizes \$3.5 million of additional federal funds available for senior programs including \$1.0 million for senior community services, \$1.5 million for senior nutrition services including congregate meals and home-delivered meals, and \$1.0 million for administration.		Federal	3,500,000
		GF/GP	\$0
39. Medicaid Tribal Pharmaceutical Payments		Gross	\$20,535,100
Includes \$20.5 million Gross (\$0 GF/GP) to support reimbursement increases to tribal health providers for pharmaceutical services provided to non-tribal Medicaid recipients. Private funding would come from revenues collected by the tribal health providers.		Federal	17,109,600
		Private	3,425,500
		GF/GP	\$0
40. ARP – Expanding Public Health Workforce Within Aging Network		Gross	\$1,257,800
Includes \$1.3 million of federal American Rescue Plan Act funds for wages and other costs to expand the use of professional community health workers employed through the area agencies on aging network to prevent hospital readmissions.		Federal	1,257,800
		GF/GP	\$0
41. ARP – Family Violence Prevention and Services – COVID-19		Gross	\$9,986,000
Includes \$10.0 million of federal American Rescue Plan Act funds to provide grants for COVID-19 testing, vaccines, and mobile health units access for domestic violence shelters.		Federal	9,986,000
		GF/GP	\$0
42. ARP – Maternal, Infant, and Early Childhood Home Visiting Program		Gross	\$1,892,100
Includes \$1.9 million, the balance of federal American Rescue Plan Act funds awarded, for emergency assistance through home visiting programs to eligible families impacted by the COVID-19 pandemic, including visits, services, provision of emergency supplies, and training of home visitors.		Federal	1,892,100
		GF/GP	\$0
43. ARP – SHIP Expanding Public Health Workforce Within Aging Network		Gross	\$116,800
Includes \$116,800 of federal American Rescue Plan Act funds for public health workforce costs for Medicare counseling and technical assistance for older adults under Michigan's State Health Insurance Assistance Program (SHIP), the Michigan Medicare Assistance Program (MMAAP).		Federal	116,800
		GF/GP	\$0

<u>FY 2021-22 Supplemental Appropriation Items</u>		<u>Appropriation Change</u>	
44. TANF Pandemic Emergency Assistance Fund		Gross	\$19,001,800
Includes \$19.0 million of federal TANF for non-recurrent, short-term benefits for low-income families.		TANF	19,001,800
		GF/GP	\$0
45. Residential Rate Non-Contracted Rate Increase		Gross	\$15,000,000
Provides \$15.0 million GF/GP pandemic-related fiscal relief to residential child welfare providers.		GF/GP	\$15,000,000
46. ELC Environmental Public Health Emergency Response		Gross	\$300,000
Includes \$300,000 of federal funds for public health network capabilities.		Federal	300,000
		GF/GP	\$0
47. ELC Special Projects		Gross	\$474,600
Includes \$474,600 of federal funds for public health laboratory preparedness and capacity.		Federal	474,600
		GF/GP	\$0
48. ARP – COVID-19 Elder Justice – Aging and Field Services		Gross	\$5,498,500
Includes \$5.5 million of federal American Rescue Plan Act funds to enhance and improve the ability of the adult protective services system to investigate allegations of abuse, neglect, or exploitation of seniors.		Federal	5,498,500
		GF/GP	\$0
49. Emergency Medical Services Scholarships and Grants		Gross	\$30,000,000
Includes \$30.0 million GF/GP for a scholarship and grant program for individuals to complete emergency medical services/paramedic training and for local units to apply for grants to train new employees to become paramedics.		GF/GP	\$30,000,000
50. Family Violence Prevention and Services		Gross	\$3,595,700
Includes \$3.6 million of federal funds for crisis intervention and safety planning services for victims of domestic violence.		Federal	3,595,700
		GF/GP	\$0
51. COVID-19 Immunization and Vaccine Grant		Gross	\$7,332,000
Includes \$7.3 million of federal funds for COVID-19 vaccine capacity, administration, distribution, and outreach.		Federal	7,332,000
		GF/GP	\$0
JUDICIARY			
52. Foster Care Review Board		Gross	\$0
Includes \$55,000 GF/GP to replace federal Title IV-E funding provided through the Department of Health and Human Services for administrative support of the Foster Care Review Board. DHHS over claimed the amount of its' administrative costs that could be reimbursed with federal Title IV-E funding.		Restricted	(55,000)
		GF/GP	\$55,000
53. ARP – Trial Court Backlog		Gross	\$7,000,000
Includes \$7.0 million of federal Coronavirus State Fiscal Recovery Funds for assisting trial courts with processing backlog cases.		Federal	7,000,000
		GF/GP	\$0
LABOR AND ECONOMIC OPPORTUNITY			
54. Workers' Compensation Board of Magistrates		FTE	3.0
Includes \$500,000 GF/GP and authorization for 3.0 FTE positions to hire temporary magistrates to serve for 6 months or less in any 2-year period if caseloads increase. Trials were suspended during the COVID-19 pandemic and additional magistrates would help address the increased backlog of cases.		Gross	\$500,000
		GF/GP	\$500,000
55. ARP – Coronavirus Economic Development Administration State Tourism Grant		Gross	\$10,307,400
Includes \$10.3 million of federal funding to support travel, tourism, and outdoor recreation sectors. Of the total, at least \$8.3 million would be allocated for Pure Michigan marketing, \$1.0 million for competitive grants to support accessibility, and \$1.0 million for certain activities related to Pure Michigan marketing and to accessibility if approved by the United States Economic Development Administration.		Federal	10,307,400
		GF/GP	\$0
56. Broadband Equity, Access, and Deployment		Gross	\$5,000,000
Includes \$5.0 million of federal funding to support initial planning activities for the Broadband, Equity, Access, and Deployment (BEAD) program, which was established under the federal Infrastructure Investment and Jobs Act. Funds would be used by the department to create a 5-year action plan in collaboration with local and regional entities.		Federal	5,000,000
		GF/GP	\$0

FY 2021-22 Supplemental Appropriation Items		Appropriation Change
57. Community Development Block Grant (CDBG) – Disaster Recovery		Gross \$12,033,000
Includes \$12.0 million of federal funding to support recovery from the severe storms and flooding of June 2021 in southeast Michigan. Of the \$12.0 million, federal requirements are that \$9.6 million be allocated to Wayne County. The cities of Detroit and Dearborn will receive separate individual grants directly from the federal government.		Federal 12,033,000 GF/GP \$0
58. Corrections Officer Post-Secondary Grants		Gross \$5,000,000
Includes \$5.0 million GF/GP for the Michigan Community College Association to establish and administer a post-secondary grant program for corrections officers to pay for up to 15 college credit hours for current and new officers that have not completed required coursework for employment as a corrections officer.		GF/GP \$5,000,000
59. Michigan One-Time Grant		Gross \$11,000,000
Includes \$11.0 million GF/GP for the Sturgis Hospital.		GF/GP \$11,000,000
LEGISLATURE		
60. Independent Citizens Redistricting Commission (ICRC)		Gross \$2,200,000
Includes \$2.2 million GF/GP for the ICRC to support costs of ongoing litigation.		GF/GP \$2,200,000
LICENSING AND REGULATORY AFFAIRS		
61. COVID-19 Survey Activities		Gross \$625,000
Appropriates \$625,000 in federal funds to offset costs associated with increased survey workloads during the COVID-19 pandemic. Funding would be used for COVID-19 surveys and related work to ensure that health care providers and suppliers are able to fulfill community health needs during the pandemic.		Federal 625,000 GF/GP \$0
62. Michigan-Indiana Border Survey		Gross \$500,000
Reflects the transfer of \$500,000 GF/GP from DTMB for conducting a cost estimate of the administration and remonumentation of the Michigan-Indiana border and other requirements established in 2022 PA 81 and 2022 PA 82.		GF/GP \$500,000
MILITARY AND VETERANS AFFAIRS		
63. Contracted Security Services Cost Increase		Gross \$251,400
Includes \$251,400 GF/GP to support increased costs of contracted security services at the Grand Rapids and Chesterfield Township homes for veterans.		GF/GP \$251,400
NATURAL RESOURCES		
64. Departmentwide Fuel Costs		Gross \$845,400
Appropriates \$845,400 GF/GP to support increased fuel costs resulting from a fuel surcharge assessed by DTMB Vehicle and Transportation Services due to rising gasoline prices. Affected DNR programs include wildlife management, fish production, fisheries resources management, law enforcement, parks and recreation, forest management and timber market development, and wildfire protection.		GF/GP \$845,400
65. Pay Increases for Recruitment and Retention of Short-Term Employees		Gross \$6,369,500
Appropriates \$6.3 million in available federal and restricted revenue to provide pay increases for short-term employees in fisheries, parks and recreation facilities, and cultural centers.		Federal 106,300 Restricted 6,263,200 GF/GP \$0
66. Shooting Range Development, Enhancement, and Restoration (One-Time)		Gross \$7,650,000
Appropriates \$7.7 million in available federal funding for maintenance of shooting ranges throughout the state.		Federal 7,650,000 GF/GP \$0
STATE		
67. Reimbursement to Local Clerks for Special Elections		Gross \$600,000
Includes \$600,000 GF/GP to reimburse county, city, and township clerks in Kent, Macomb, Oakland, and Wayne counties for costs of administering special elections held on March, 1 2022, which is not one of three statutorily prescribed election dates. Clerks must provide documentation showing actual expenses incurred from special elections in order to receive reimbursement.		GF/GP \$600,000

<u>FY 2021-22 Supplemental Appropriation Items</u>		Appropriation Change
STATE POLICE		
68. Departmentwide Fuel Costs	Gross	\$2,766,800
Appropriates \$2.8 million GF/GP to support increased fuel costs resulting from a fuel surcharge assessed by DTMB Vehicle and Transportation Services due to rising gasoline prices.	GF/GP	\$2,766,800
69. Mobile Office and System Support – Body-Worn Cameras	Gross	\$2,000,000
Includes \$2.0 million of federal authorization to align with available grant revenues from the Department of Justice. Additional authorization would be utilized to purchase camera hardware and equipment to supplement MSP's body-worn camera program.	Federal	2,000,000
	GF/GP	\$0
70. Criminal Justice Information Center GASB Alignment	Gross	\$550,000
Includes \$550,000 of state restricted funding authorization to align with Governmental Accounting Standards Board (GASB) standards regarding the recording of revenues and expenses. Under GASB standards, MSP is required to record revenue for the Traffic Crash Reporting System when the fees are collected and to record expenses when 55% of the fee is remitted to local participants. This accounting change does not result in any additional payments, but does require cash received and disbursed related to FBI fingerprints to be recorded as revenues and expenditures.	Restricted	550,000
	GF/GP	\$0
71. Public Safety Officers Benefit Fund	Gross	\$400,000
Appropriates \$400,000 GF/GP for the Public Safety Officers Benefit Fund to support benefit claims received in FY 2021-22. The Public Safety Officers Benefit Fund provides a one-time payment of \$25,000 to public safety officers permanently and totally disabled or killed in the line of duty. Since FY 2019-20, the average annual number of benefit claims paid from the fund has increased from 6 to 15, with 16 paid or pending benefit claims in FY 2021-22.	GF/GP	\$400,000
72. Investigative Services	Gross	\$770,000
Appropriates \$770,000 of state restricted funding authorization from the Bottle Bill Enforcement Fund to support MSP enforcement and investigations related to the Beverage Containers Act of 1976.	Restricted	770,000
	GF/GP	\$0
73. Commercial Vehicle Enforcement	Gross	\$5,230,000
Appropriates \$5.2 million Gross for the Commercial Vehicle Enforcement Division, with \$5.0 million in federal authorization and \$230,000 of state restricted funding authorization from the Bottle Bill Enforcement Fund. The federal authorization would align with available revenues under the Infrastructure Investment and Jobs Act, supporting the Motor Carrier Safety Assistance Program and the High Priority Grant Program. The \$230,000 from the Bottle Bill Enforcement Fund would support MSP enforcement and investigations related to the Beverage Containers Act of 1976.	Federal	5,000,000
	Restricted	230,000
	GF/GP	\$0
74. Highway Safety Planning Grant Receipt	Gross	\$25,000
Includes \$25,000 of private funding authorization to align with available grant revenue from the Governors Highway Safety Association. The grant funding would be used to support safe driving initiatives, specifically the creation and implementation of programing to reduce teen speeding.	Private	25,000
	GF/GP	\$0
75. ARP – Community Policing Competitive Grant Program	Gross	\$11,000,000
Includes \$11.0 million of federal authorization to support grants to law enforcement agencies for community policing programs to develop collaborative partnerships between law enforcement agencies and communities.	Federal	11,000,000
	GF/GP	\$0
76. ARP – Community Policing Grants	Gross	\$4,500,000
Includes \$4.5 million of federal authorization to be distributed by MSP to support community policing and engagement strategies, with allocations to be made as follows: \$3.0 million for the GIVE Model Pilot Program in Flint, \$1.0 million for the Bridge the Gap Police – Community Partnership Organization in Saginaw, and \$500,000 for the FORCE Detroit Community Violence Intervention Program.	Federal	4,500,000
	GF/GP	\$0
77. ARP – Police Athletic League	Gross	\$7,500,000
Includes \$7.5 million of federal authorization to support the existing PAL program in Detroit and to expand the PAL program into the Grand Rapids and Flint areas.	Federal	7,500,000
	GF/GP	\$0
78. Disaster and Emergency Contingency Fund	Gross	\$6,000,000
Appropriates \$6.0 million GF/GP for deposit into the Disaster and Emergency Contingency Fund to support response and recovery activities and financial assistance to local government units in the event of a disaster or emergency.	GF/GP	\$6,000,000

<u>FY 2021-22 Supplemental Appropriation Items</u>		<u>Appropriation Change</u>	
79. MCOLES Certification Fees		Gross	\$2,700,000
Includes \$2.7 million GF/GP to pay for MCOLES certification of law enforcement officers relocating to Michigan from out of state for employment by a local law enforcement agency or the Michigan State Police.		GF/GP	\$2,700,000
80. Narcotic Teams/Task Force – Training and Equipment		Gross	\$3,000,000
Includes \$3.0 million GF/GP to be distributed to joint narcotic teams and task forces for purchasing equipment and for training.		GF/GP	\$3,000,000
81. Public Safety Academy Assistance Program		Gross	\$30,000,000
Appropriates \$30.0 million GF/GP to be used to provide training academy recruit salaries (of up to \$4,000) to recruits from local public safety departments and to provide scholarships (of up to \$20,000) to local public safety department recruits on a first-come, first-served basis.		GF/GP	\$30,000,000
82. Traffic Stop Data Collection Enhancement		Gross	\$3,000,000
Appropriates \$3.0 million GF/GP to develop new tracking and documentation systems to facilitate easier review and analysis of data regarding traffic stops made by MSP troopers. Specific changes with the new systems include increased data collection and development of a benchmarking dashboard. These activities would help to address issues highlighted in the recent Michigan State University Traffic Stop Study.		GF/GP	\$3,000,000
TECHNOLOGY, MANAGEMENT, AND BUDGET			
83. Communications Radios and Towers		Gross	\$8,800,000
Includes \$8.8 million GF/GP to support construction or maintenance of radios and towers. Funding would be allocated as follows: \$1.0 million for radios in Midland County, \$3.0 million for towers in Barry County, and \$4.8 million for towers in Isabella County.		GF/GP	\$8,800,000
84. Michigan-Indiana Border Survey Transfer		Gross	(\$500,000)
Reflects the transfer of \$500,000 GF/GP to the Department of Licensing and Regulation Affairs (LARA) for conducting a cost estimate of the administration and remonumentation of Michigan-Indiana border and other requirements established in 2022 PA 81 and 2022 PA 82.		GF/GP	(\$500,000)
85. MPSCS Towers and Equipment		Gross	\$5,000,000
Includes \$5.0 million GF/GP to support construction or maintenance of towers, shelter equipment, state radio replacements, and any other associated equipment involved in maintaining or augmenting the Michigan Public Safety Communications System (MPSCS).		GF/GP	\$5,000,000
86. MiLogin Program Augmentation and Stabilization		Gross	\$2,500,000
Includes \$2.5 million GF/GP to support technical response activities for MiLogin resulting from increased users and adoption of the state's online single sign-on platform. Use of MiLogin platform increased dramatically during state employees' transition to remote work during the pandemic.		GF/GP	\$2,500,000
87. PFAS Remediation at EMHSTC		Gross	\$3,184,000
Includes authorization to receive \$3.2 million in state restricted State Site Cleanup Fund revenue to support PFAS remediation activities at the Emergency Management and Homeland Security Training Center (EMHSTC) of the Department of State of Police. Activities would include investigations, sewer-line replacement, diversion, disposal, mitigation, monitoring, and coordination with agency partners to ensure protection of public health and the environment. Funding would also reimburse DTMB for costs incurred for remediation efforts at EMHSTC that have already been completed.		Restricted	3,184,000
		GF/GP	\$0
TRANSPORTATION			
88. Aviation Services – Private Funding for Study		Gross	\$350,000
Includes \$350,000 of private funds to support a feasibility study related to the deployment of small unmanned aerial systems for just-in-time delivery, medical transport, or other small-scale uses.		Private	350,000
		GF/GP	\$0
89. IJJA Airport Infrastructure Grants		Gross	\$12,000,000
Includes \$12.0 million GF/GP to provide the state's share of required non-federal matching funds over the five-year life of the new capital grant program established under the Infrastructure Investment and Jobs Act (IJJA).		GF/GP	\$12,000,000

FY 2021-22 Supplemental Appropriation Items

TREASURY

90. Fire Gear Equipment Grants

Includes \$12.0 million GF/GP to provide fire gear equipment grants to local units to assist fire departments that are mainly on-call, part-time, or volunteer fire departments to purchase fire gear. Grants would be awarded through a competitive grant process and individual grants would be capped at \$10,000.

Gross \$12,000,000
GF/GP \$12,000,000

91. Wrongful Imprisonment Compensation Fund

Includes \$2.5 million GF/GP funding for the Wrongful Imprisonment Compensation Fund for anticipated claims in FY 2021-22.

Gross \$2,500,000
GF/GP \$2,500,000

FY 2021-22 Supplemental Boilerplate Items

GENERAL SECTIONS

Sec. 201. State Spending and State Appropriations Paid to Local Units of Government

States amount of state spending from state sources in the bill and amount of state spending to be paid to local units of government.

Sec. 202. Appropriations Subject to Management and Budget Act

Subjects appropriations to the Management and Budget Act, 1984 PA 431.

Sec. 203. State Administrative Board Transfers

Authorizes the legislature, by a concurrent resolution adopted by a majority of the members elected to and serving in each house, to inter-transfer funds if the State Administrative Board transfers funds.

Sec. 204. Appropriations Subject to Federal Audit and Reporting Requirements

Subjects' appropriations to applicable federal audit and reporting requirements; requires prompt action if instances of noncompliance are identified; requires the state budget director to notify appropriations committees and fiscal agencies of instances of noncompliance.

Sec. 205. Appropriations Subject to Public Law 117-2

Subjects federal COVID appropriations to federal rules and regulations included in the American Rescue Plan Act of 2021, Public Law 117-2, which generally limit expenditures to certain populations, purposes, and/or communities.

Sec. 206. Report on Status of Federal COVID Appropriations

Requires the state budget director to report on the status of all funds appropriated related to the coronavirus relief effort on a monthly basis until all funds are exhausted.

CAPITAL OUTLAY

Sec. 301. New State Psychiatric Hospital Complex

Requires DTMB to use funding for program and planning of a new complex of inpatient psychiatric facilities, a standalone facility for children and adolescents, and another standalone facility for adults; requires program and schematic documents; requires progress report every 6 months.

CIVIL RIGHTS

Sec. 351. ALPACT

Requires the department to provide and administer grants to local existing ALPACT coalitions to examine issues affecting police and community relations and to promote trust between law enforcement and the communities they serve; designates unexpended funds as a work project appropriation.

EDUCATION

Sec. 401. Biweekly Block Reimbursement Rate

Requires the department to implement a part-time, full-time payment model through an updated biweekly block reimbursement rate schedule, with 1 to 30 hours reimbursed as 30 hours, 31 to 60 hours reimbursed as 60 hours, and 61 to 90 hours reimbursed as 90 hours.

Sec. 402. Wonderschool Pilot Program

Requires funding to be used for a pilot program that provides quality support to Michigan providers who seek to adopt business practices that best serve Michigan families; requires the recipient to provide technical support, develop informational materials, and develop a software platform for child care providers.

FY 2021-22 Supplemental Boilerplate Items

Sec. 403. Mental Health Consultation

Requires funding to be used by the department, in collaboration with DHHS, to continue providing mental health consultation to child care providers through the network of infant and early childhood mental health consultation.

Sec. 404. Family Contribution Payments

Requires the department to pay for the required family contribution on behalf of families, for the entirety of FY 2021-22 and for FY 2022-23.

Sec. 405. ARP – Child Care Entitlement

Designates unexpended funds as a work project appropriation.

Sec. 406. ARP – Child Care Stabilization

Designates unexpended funds as a work project appropriation.

Sec. 407. ARP – Child Care Stimulus

Designates unexpended funds as a work project appropriation.

Sec. 408. Child Care Stabilization Grants

Requires the department to administer at least one new round of grants through the child care stabilization grant program before the end of FY 2021-22.

Sec. 409. ARP – ESSER Administration - Administrative Assistance and Monitoring Oversight

Requires funding to be used for administrative assistance and monitoring oversight of public schools, to identify ways to address students' academic and mental health needs, and to address learning loss due to the COVID-19 pandemic.

Sec. 410. ARP – ESSER Administration

Designates unexpended funds as a work project appropriation.

Sec. 411. Child Care Award

Designates unexpended funds as a work project appropriation.

Sec. 412. CRRSA – Child Care Stimulus

Designates unexpended funds as a work project appropriation.

ENVIRONMENT, GREAT LAKES, AND ENERGY

Sec. 451. Environmental Sustainability and Stewardship

Designates unexpended funds as a work project appropriation; program will provide grant assistance to public and private applicants for community energy management services, clean energy manufacturing, and energy policy initiatives.

HEALTH AND HUMAN SERVICES

Sec. 501. Weatherization Assistance

Designates unexpended funds as a work project appropriation.

Sec. 503. ARP – TANF Pandemic Emergency Assistance Fund

Designates unexpended funds as a work project appropriation.

Sec. 504. Child Caring Institution Non-Contracted Rates

Designates unexpended funds as a work project appropriation.

Sec. 505. COVID-19 ELC Environmental Public Health Emergency Response

Designates unexpended funds as a work project appropriation.

Sec. 506. COVID-19 ELC Special Projects

Designates unexpended funds as a work project appropriation.

Sec. 507. Emergency Medical Services Scholarships and Grants

Requires DHHS to work with the Department of Treasury to establish, implement, and operate a scholarship and grant program for emergency medical services training courses to address statewide shortage of paramedics; requires scholarships to be made available to high school students; requires program to allow all state-approved emergency medical services education programs to apply for grants; requires department to review shortage of paramedics, communicate funding availability, and award funding on a geographically diverse basis; designates unexpended funds as a work project appropriation.

Sec. 508. Family Violence Prevention and Services

Designates unexpended funds as a work project appropriation.

Sec. 509. Federal COVID Immunization and Vaccine Grant

Designates unexpended funds as a work project appropriation.

FY 2021-22 Supplemental Boilerplate Items

JUDICIARY

Sec. 551. Trial Court Backlog

Requires appropriation to be used to create a virtual backlog response docket supporting visiting judges and other costs to help reduce the backlog of criminal cases awaiting in-person proceedings in local courts; designates unexpended funds as a work project appropriation.

LABOR AND ECONOMIC OPPORTUNITY

Sec. 601. Worker's Compensation Board of Magistrates

Designates unexpended funds as a work project appropriation.

Sec. 602. ARP – Coronavirus Economic Development Administration State Tourism Grant

Requires funding to be used to support travel, tourism, and outdoor recreation sectors; allocates at least \$8.3 million for Pure Michigan marketing, \$1.0 million for competitive grants to support accessibility, and \$1.0 million for certain activities related to Pure Michigan marketing and to accessibility if approved by the United States Economic Development Administration; designates unexpended funds as a work project appropriation.

Sec. 603. Community Development Block Grant – Disaster Recovery

Designates unexpended funds as a work project appropriation.

Sec. 604. Corrections Officer Post-Secondary Grants

Requires funding to be allocated to the Michigan Community College Association to establish and administer a post-secondary grant program for corrections officers to pay for up to 15 college credit hours for current and new officers that have not completed required coursework for employment with the Department of Corrections.

Sec. 605. Broadband Equity, Access, and Deployment

Designates unexpended funds as a work project appropriation.

Sec. 606. Michigan One-Time Grant

Requires the appropriation to be allocated to Sturgis Hospital in Sturgis, Michigan.

LICENSING AND REGULATORY AFFAIRS

Sec. 651. Michigan-Indiana Border Study

Requires appropriation to be used to conduct a study of the administration and remonumentation of the Michigan-Indiana border and specifies the costs that must be estimated; designates unexpended funds as a work project appropriation.

Sec. 652. Homeowner Construction Lien Recovery Fund

Appropriates unexpended funds in the Homeowner Construction Lien Recovery Fund for payments of court-ordered homeowner construction lien recovery fund judgments entered prior to the repeal of the fund on August 23, 2010.

STATE POLICE

Sec. 701. Mobile Office and System Support Body-Worn Cameras

Designates unexpended funds as a work project appropriation.

Sec. 702. ARP – Community Policing Competitive Grant Program

Requires MCOLES to administer grants to law enforcement agencies for community policing; prohibits use of funds for hiring law enforcement personnel; establishes criteria for awarding grants; requires reporting on grant status; designates unexpended funds as a work project appropriation.

Sec. 703. ARP – Community Policing Grants

Requires funding to be distributed by MSP to support community policing and engagement strategies; allocates funding as follows: \$3.0 million for the GIVE Model Pilot Program in Flint, \$1.0 million for the Bridge the Gap Police – Community Partnership Organization in Saginaw, and \$500,000 for the FORCE Detroit Community Violence Intervention Program.

Sec. 704. ARP – Police Athletic League

Requires funds to be distributed to support police athletic league programs in the Detroit, Grand Rapids, and Flint areas; requires funding to be distributed over a 4-year period in installments of \$1.9 million per year; designates unexpended funds as a work project appropriation.

Sec. 705. Disaster and Emergency Contingency Fund

Requires GF/GP appropriation to be deposited into the Disaster and Emergency Contingency Fund.

Sec. 706. MCOLES Certification Fees

Requires funding be used to pay for MCOLES certification of law enforcement officers relocating to Michigan from out of state for employment by a local law enforcement agency or MSP; designates unexpended funds as a work project appropriation.

FY 2021-22 Supplemental Boilerplate Items

Sec. 707. Narcotic Teams/Task Force – Training and Equipment

Requires funding to be distributed, through a grant program, to joint narcotic teams and task forces for purchasing equipment and for training; requires MCOLES to report detailed expenditure data quarterly; designates unexpended funds as a work project appropriation.

Sec. 708. Public Safety Academy Assistance Programs

Requires funding to be used for providing training academy recruit salaries for recruits from local public safety departments, with salaries capped at \$4,000 for police cadets who are receiving tuition assistance under this section; requires funds to be distributed by MCOLES or the Department of Treasury through a competitive scholarship program for local public safety department recruits, with scholarships capped at \$20,000 on a first-come, first-served basis; stipulates requirements that applicants must meet to receive a scholarship; establishes a 25 scholarship cap for a particular local public safety department; authorizes MCOLES to use up to \$140,000 of the appropriation for administration; designates unexpended funds as a work project appropriation.

Sec. 709. Traffic Stop Data Collection Enhancement

Requires MSP to develop new tracking and documentation systems, including a benchmarking dashboard, to expand data collected during traffic stops and to allow for easier review and analysis of traffic stop data; designates unexpended funds as a work project appropriation.

TECHNOLOGY, MANAGEMENT, AND BUDGET

Sec. 751. Communications Radios and Towers

Requires appropriation to be allocated as follows: \$1.0 million for radios in Midland County, \$3.0 million for towers in Barry County, and \$4.8 million for towers in Isabella County; requires grant funding to support the integration of a county into the MPSCS or to expand interoperability of all local public safety entities within the county on the MPSCS.

Sec. 752. MPSCS Towers and Equipment

Requires appropriation to be used to support construction or maintenance of towers, shelter equipment, state radio replacements, and any other associated equipment involved in maintaining or augmenting the MPSCS; requires funding to be used to aid in maintenance and improvement of the statewide integration and interoperability of all state and local public safety communications resources; designates unexpended funds as a work project appropriation.

Sec. 753. PFAS Remediation

Designates unexpended funds as a work project appropriation; requires funding to be used to support PFAS remediation activities at the Michigan State Police, EMHSTC; lists specific remediation activities.

Sec. 754. Budget Stabilization Fund Deposit

Appropriates \$180.0 million from the state general fund for deposit into the Countercyclical Budget and Economic Stabilization Fund.

TREASURY

Sec. 801. Fire Gear Equipment Grants

Requires the department to provide fire gear equipment grants to local units to assist fire departments that are mainly on-call, part-time, or volunteer fire departments to purchase fire gear; requires grant to be awarded through a competitive grant process; caps individual grants at \$10,000; designates unexpended funds as a work project appropriation.

Sec. 802. Bottle Deposit Fund

Appropriates and directs distribution of revenue received from the Bottle Deposit Fund; aligns distribution language with statutory changes made in 2021 PA 139.

REPEALERS

Sec. 1101. Repeal Biweekly Block Reimbursement Rate Schedule

Repeals section 1011 of Article 3 of 2021 PA 87 which sets the biweekly block reimbursement rate schedule, and replaces it with section 401 in Article 15 of this bill.

Sec. 1102. Repeal Mental Health Consultation

Repeals section 1012 of Article 3 of 2021 PA 87 which requires the department to work in collaboration with DHHS to continue the network of infant and early childhood mental health consultation, which provides mental health consultation to child care providers, and replaces it with section 403 in Article 15 of this bill.

Sec. 1103. Repeal Family Contribution Payments

Repeals section 1025 of Article 3 of 2021 PA 87 which requires payment on a family's behalf of the child development and care program's required family contribution, and replaces it with section 404 in Article 15 of this bill.

FY 2021-22 Supplemental Boilerplate Items

Sec. 1104. Repeal ARP – Child Care Stabilization

Repeals section 1030 of Article 3 of 2021 PA 87 which designates unexpended funding from ARP – Child Care Stabilization as a work project, and replaces it with section 406 in Article 15 of this bill.

Sec. 1105. Repeal CRRSA – Child Care Stimulus

Repeals section 1031 of Article 3 of 2021 PA 87 which designates unexpended funding from CRRSA – Child Care Stimulus as a work project, and replaces it with section 412 in Article 15 of this bill.

Sec. 1106. Repeal ARP – Child Care Stimulus

Repeals section 1032 of Article 3 of 2021 PA 87 which designates unexpended funding from ARP – Child Care Stimulus as a work project, and replaces it with section 407 in Article 15 of this bill.

Sec. 1107. Repeal Child Care Award

Repeals section 1033 of Article 3 of 2021 PA 87 which designates unexpended funding from Child Care Award as a work project, and replaces it with section 411 in Article 15 of this bill.

Sec. 1108. Repeal ARP – Child Care Entitlement

Repeals section 1034 of Article 3 of 2021 PA 87 which designates unexpended funding from ARP – Child Care Entitlement as a work project, and replaces it with section 405 in Article 15 of this bill.

Sec. 1109. Repeal Michigan-Indiana Border Survey Boilerplate

Repeals section 892 of Article 5 of 2021 PA 87 which requires funding to be used to conduct a cost estimate of the administration and remonumentation of Michigan-Indiana border, and replaces it with section 651 in Article 15 of this bill.

Sec. 1110. Repeal Bottle Deposit Fund Boilerplate

Repeals section 910 of Article 5 of 2021 PA 87 which appropriates the disbursement of funding from the Bottle Deposit Fund to dealers by the Department of Treasury and replaces it with section 802 in Article 15 of this bill.