

HOUSE SUBSTITUTE FOR
SENATE BILL NO. 844

A bill to make, supplement, and adjust appropriations for various state departments and agencies for the fiscal years ending September 30, 2022 and September 30, 2023; to provide for certain conditions on appropriations; to provide for the expenditure of the appropriations; and to repeal acts and parts of acts.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1
2
3
4
5
6
7

PART 1

LINE-ITEM APPROPRIATIONS
FOR FISCAL YEAR 2022-2023

Sec. 101. There is appropriated for various state departments and agencies to supplement appropriations for the fiscal year ending September 30, 2023, from the following funds:

APPROPRIATION SUMMARY



1	GROSS APPROPRIATION	\$ 1,003,377,400
2	Interdepartmental grant revenues:	
3	Total interdepartmental grants and	
4	intradepartmental transfers	0
5	ADJUSTED GROSS APPROPRIATION	\$ 1,003,377,400
6	Federal revenues:	
7	Total federal revenues	0
8	Special revenue funds:	
9	Total local revenues	0
10	Total private revenues	0
11	Total other state restricted revenues	20,000,200
12	State general fund/general purpose	\$ 983,377,200
13	Sec. 102. DEPARTMENT OF HEALTH AND HUMAN	
14	SERVICES	
15	(1) APPROPRIATION SUMMARY	
16	GROSS APPROPRIATION	\$ 72,237,200
17	Interdepartmental grant revenues:	
18	Total interdepartmental grants and	
19	intradepartmental transfers	0
20	ADJUSTED GROSS APPROPRIATION	\$ 72,237,200
21	Federal revenues:	
22	Total federal revenues	0
23	Special revenue funds:	
24	Total local revenues	0
25	Total private revenues	0
26	Total other state restricted revenues	0
27	State general fund/general purpose	\$ 72,237,200
28	(2) CHILDREN'S SERVICES AGENCY - CHILD WELFARE	



1	Child care fund	\$	3,750,000
2	Foster care payments		21,250,000
3	GROSS APPROPRIATION	\$	25,000,000
4	Appropriated from:		
5	State general fund/general purpose	\$	25,000,000
6	(3) ONE-TIME APPROPRIATIONS		
7	Behavioral health care services and facilities	\$	15,000,000
8	Behavioral health facilities grants		1,500,000
9	Critical child welfare infrastructure		15,000,000
10	First responder and public safety staff mental		
11	health		7,500,000
12	Quality assurance assessment program		
13	overpayment reimbursement		4,237,200
14	Senior living and health care expansion		4,000,000
15	GROSS APPROPRIATION	\$	47,227,200
16	Appropriated from:		
17	State general fund/general purpose	\$	47,227,200
18	Sec. 103. DEPARTMENT OF LABOR AND ECONOMIC		
19	OPPORTUNITY		
20	(1) APPROPRIATION SUMMARY		
21	GROSS APPROPRIATION	\$	916,140,200
22	Interdepartmental grant revenues:		
23	Total interdepartmental grants and		
24	intradepartmental transfers		0
25	ADJUSTED GROSS APPROPRIATION	\$	916,140,200
26	Federal revenues:		
27	Total federal revenues		0
28	Special revenue funds:		



1	Total local revenues		0
2	Total private revenues		0
3	Total other state restricted revenues		20,000,200
4	State general fund/general purpose	\$	896,140,000
5	(2) MICHIGAN STATE HOUSING DEVELOPMENT		
6	AUTHORITY		
7	Full-time equated classified positions	20.0	
8	Housing and rental assistance--FTEs	20.0	\$ 0
9	GROSS APPROPRIATION	\$	0
10	Appropriated from:		
11	State general fund/general purpose	\$	0
12	(3) ONE-TIME APPROPRIATIONS		
13	<i>Bauserman v unemployment insurance agency</i>		
14	settlement agreement	\$	20,000,000
15	Critical industry program		100
16	Downtown placemaking grant		12,000,000
17	Economic development and workforce grants		240,000
18	Infrastructure improvement grant		7,500,000
19	Michigan community development financial		
20	institution fund grants		(75,000,000)
21	Michigan community development financial		
22	institution fund grants		75,000,000
23	Michigan enhancement grants		800,000
24	Michigan strategic site readiness program		100
25	Municipal information technology and		
26	cybersecurity upgrades		2,500,000
27	Strategic outreach and attraction reserve fund		846,100,000
28	Workforce and infrastructure grant		27,000,000



1	GROSS APPROPRIATION	\$	916,140,200
2	Appropriated from:		
3	Special revenue funds:		
4	Contingent fund, penalty and interest account		20,000,000
5	Strategic outreach and attraction reserve fund		200
6	State general fund/general purpose	\$	896,140,000
7	Sec. 104. DEPARTMENT OF MILITARY AND VETERANS		
8	AFFAIRS		
9	(1) APPROPRIATION SUMMARY		
10	GROSS APPROPRIATION	\$	15,000,000
11	Interdepartmental grant revenues:		
12	Total interdepartmental grants and		
13	intradepartmental transfers		0
14	ADJUSTED GROSS APPROPRIATION	\$	15,000,000
15	Federal revenues:		
16	Total federal revenues		0
17	Special revenue funds:		
18	Total local revenues		0
19	Total private revenues		0
20	Total other state restricted revenues		0
21	State general fund/general purpose	\$	15,000,000
22	(2) ONE-TIME APPROPRIATIONS		
23	Armory modernization	\$	15,000,000
24	GROSS APPROPRIATION	\$	15,000,000
25	Appropriated from:		
26	State general fund/general purpose	\$	15,000,000

PART 1A

LINE-ITEM APPROPRIATIONS



FOR FISCAL YEAR 2021-2022

Sec. 151. There is appropriated for various state departments and agencies to supplement appropriations for the fiscal year ending September 30, 2022, from the following funds:

APPROPRIATION SUMMARY

GROSS APPROPRIATION	\$ 133,127,100
----------------------------	-----------------------

Interdepartmental grant revenues:

Total interdepartmental grants and intradepartmental transfers	0
--	---

ADJUSTED GROSS APPROPRIATION	\$ 133,127,100
-------------------------------------	-----------------------

Federal revenues:

Total federal revenues	126,827,100
------------------------	-------------

Special revenue funds:

Total local revenues	0
----------------------	---

Total private revenues	0
------------------------	---

Total other state restricted revenues	2,900,000
---------------------------------------	-----------

State general fund/general purpose	\$ 3,400,000
---	---------------------

Sec. 152. DEPARTMENT OF CORRECTIONS**(1) APPROPRIATION SUMMARY**

GROSS APPROPRIATION	\$ 0
----------------------------	-------------

Interdepartmental grant revenues:

Total interdepartmental grants and intradepartmental transfers	0
--	---

ADJUSTED GROSS APPROPRIATION	\$ 0
-------------------------------------	-------------

Federal revenues:

Total federal revenues	57,000,000
------------------------	------------

Special revenue funds:

Total local revenues	0
----------------------	---



1	Total private revenues		0
2	Total other state restricted revenues		0
3	State general fund/general purpose	\$	(57,000,000)
4	(2) FIELD OPERATIONS ADMINISTRATION		
5	Field operations	\$	0
6	GROSS APPROPRIATION	\$	0
7	Appropriated from:		
8	Federal revenues:		
9	Coronavirus relief fund		24,700,000
10	State general fund/general purpose	\$	(24,700,000)
11	(3) HEALTH CARE		
12	Mental health and substance use disorder		
13	treatment services	\$	0
14	GROSS APPROPRIATION	\$	0
15	Appropriated from:		
16	Federal revenues:		
17	Coronavirus relief fund		32,300,000
18	State general fund/general purpose	\$	(32,300,000)
19	Sec. 153. DEPARTMENT OF ENVIRONMENT, GREAT		
20	LAKES, AND ENERGY		
21	(1) APPROPRIATION SUMMARY		
22	GROSS APPROPRIATION	\$	2,800,000
23	Interdepartmental grant revenues:		
24	Total interdepartmental grants and		
25	intradepartmental transfers		0
26	ADJUSTED GROSS APPROPRIATION	\$	2,800,000
27	Federal revenues:		
28	Total federal revenues		0



1	Special revenue funds:		
2	Total local revenues		0
3	Total private revenues		0
4	Total other state restricted revenues		2,800,000
5	State general fund/general purpose	\$	0
6	(2) ONE-TIME APPROPRIATIONS		
7	Drinking water declaration of emergency	\$	2,800,000
8	GROSS APPROPRIATION	\$	2,800,000
9	Appropriated from:		
10	Special revenue funds:		
11	Drinking water declaration of emergency reserve		
12	fund		2,800,000
13	State general fund/general purpose	\$	0
14	Sec. 154. DEPARTMENT OF LABOR AND ECONOMIC		
15	OPPORTUNITY		
16	(1) APPROPRIATION SUMMARY		
17	GROSS APPROPRIATION	\$	21,627,100
18	Interdepartmental grant revenues:		
19	Total interdepartmental grants and		
20	intradepartmental transfers		0
21	ADJUSTED GROSS APPROPRIATION	\$	21,627,100
22	Federal revenues:		
23	Total federal revenues		21,627,100
24	Special revenue funds:		
25	Total local revenues		0
26	Total private revenues		0
27	Total other state restricted revenues		0
28	State general fund/general purpose	\$	0



1	(2) UNEMPLOYMENT		
2	Unemployment insurance agency	\$	21,627,100
3	GROSS APPROPRIATION	\$	21,627,100
4	Appropriated from:		
5	Federal funds:		
6	DOL-ETA, unemployment insurance		21,627,100
7	State general fund/general purpose	\$	0
8	Sec. 155. DEPARTMENT OF MILITARY AND VETERANS		
9	AFFAIRS		
10	(1) APPROPRIATION SUMMARY		
11	GROSS APPROPRIATION	\$	3,400,000
12	Interdepartmental grant revenues:		
13	Total interdepartmental grants and		
14	intradepartmental transfers		0
15	ADJUSTED GROSS APPROPRIATION	\$	3,400,000
16	Federal revenues:		
17	Total federal revenues		0
18	Special revenue funds:		
19	Total local revenues		0
20	Total private revenues		0
21	Total other state restricted revenues		0
22	State general fund/general purpose	\$	3,400,000
23	(2) MICHIGAN VETERANS' FACILITY AUTHORITY		
24	Grand Rapids home for veterans	\$	3,400,000
25	GROSS APPROPRIATION	\$	3,400,000
26	Appropriated from:		
27	State general fund/general purpose	\$	3,400,000
28	Sec. 156. DEPARTMENT OF NATURAL RESOURCES		



1	(1) APPROPRIATION SUMMARY		
2	GROSS APPROPRIATION	\$	100,000
3	Interdepartmental grant revenues:		
4	Total interdepartmental grants and		
5	intradepartmental transfers		0
6	ADJUSTED GROSS APPROPRIATION	\$	100,000
7	Federal revenues:		
8	Total federal revenues		0
9	Special revenue funds:		
10	Total local revenues		0
11	Total private revenues		0
12	Total other state restricted revenues		100,000
13	State general fund/general purpose	\$	0
14	(2) WILDLIFE MANAGEMENT		
15	Wildlife management	\$	100,000
16	GROSS APPROPRIATION	\$	100,000
17	Appropriated from:		
18	Special revenue funds:		
19	Pheasant hunting license fees		100,000
20	State general fund/general purpose	\$	0
21	Sec. 157. DEPARTMENT OF STATE POLICE		
22	(1) APPROPRIATION SUMMARY		
23	GROSS APPROPRIATION	\$	105,200,000
24	Interdepartmental grant revenues:		
25	Total interdepartmental grants and		
26	intradepartmental transfers		0
27	ADJUSTED GROSS APPROPRIATION	\$	105,200,000
28	Federal revenues:		



1	Total federal revenues		48,200,000
2	Special revenue funds:		
3	Total local revenues		0
4	Total private revenues		0
5	Total other state restricted revenues		0
6	State general fund/general purpose	\$	57,000,000
7	(2) FIELD SERVICES		
8	Post operations	\$	0
9	GROSS APPROPRIATION	\$	0
10	Appropriated from:		
11	Federal revenues:		
12	Coronavirus relief fund		48,200,000
13	State general fund/general purpose	\$	(48,200,000)
14	(3) ONE-TIME APPROPRIATIONS		
15	Federal ineligible expenses	\$	105,200,000
16	GROSS APPROPRIATION	\$	105,200,000
17	Appropriated from:		
18	State general fund/general purpose	\$	105,200,000

PART 2

PROVISIONS CONCERNING APPROPRIATIONS
FOR FISCAL YEAR 2022-2023

GENERAL SECTIONS

24 Sec. 201. Pursuant to section 30 of article IX of the state
 25 constitution of 1963, total state spending from state sources under
 26 part 1 for the fiscal year ending September 30, 2023 is
 27 \$1,003,377,400.00 and total state spending from state sources to be
 28 paid to local units of government is \$64,000,000.00. The itemized
 29 statement below identifies appropriations from which spending to



1 local units of government will occur:

2	DEPARTMENT OF HEALTH AND HUMAN SERVICES	
3	Behavioral health care services and facilities	\$ 15,000,000
4		\$ 15,000,000
5	DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY	
6	Downtown placemaking grant	\$ \$12,000,000
7	Infrastructure improvement grant	7,500,000
8	Municipal information technology and	
9	cybersecurity upgrades	2,500,000
10	Workforce and infrastructure grant	27,000,000
11		\$ 49,000,000
12	TOTAL	\$ 64,000,000

13 Sec. 202. The appropriations made and expenditures authorized
 14 under this part and part 1 and the departments, commissions,
 15 boards, offices, and programs for which appropriations are made
 16 under this part and part 1 are subject to the management and budget
 17 act, 1984 PA 431, MCL 18.1101 to 18.1594.

18 Sec. 203. If the state administrative board, acting under
 19 section 3 of 1921 PA 2, MCL 17.3, transfers funds from an amount
 20 appropriated under this part and part 1, the legislature may, by a
 21 concurrent resolution adopted by a majority of the members elected
 22 to and serving in each house, inter-transfer funds within this part
 23 and part 1 for the particular department, board, commission,
 24 office, or institution.

25
 26 **DEPARTMENT OF HEALTH AND HUMAN SERVICES**

27 Sec. 301. (1) From the funds appropriated in part 1 for
 28 behavioral health care services and facilities, the department
 29 shall allocate \$15,000,000.00 to a CMHSP located in a county with a



1 population of at least 1,750,000, according to the most recent
2 federal decennial census for capital costs of an integrated care
3 center facility that includes a walk-in behavioral health crisis
4 services center. These funds shall be in addition to any funds
5 allocated to that CMHSP under 2022 PA 166.

6 (2) Funds allocated under this section do not constitute a
7 future guarantee of permitting approval for any project.

8 (3) The unexpended funds appropriated in part 1 for behavioral
9 health care services and facilities are designated as a work
10 project appropriation. Any unencumbered or unallotted funds shall
11 not lapse at the end of the fiscal year and shall be made available
12 for behavioral health care services and facilities. The following
13 is in compliance with section 451a of the management and budget
14 act, 1984 PA 431, MCL 18.1451a:

15 (a) The purpose of the project is to increase behavioral
16 health care service and facility capacity.

17 (b) The project will be accomplished by utilizing state
18 employees or contracts with service providers, or both.

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

20 (d) The tentative completion date is September 30, 2027.

21 (4) As used in this section, "CMHSP" means a community mental
22 health services program as that term is defined in section 100a of
23 the mental health code, 1974 PA 258, MCL 330.1100a.

24 Sec. 302. From the funds appropriated in part 1 for child care
25 fund and foster care payments, the department of health and human
26 services shall allocate \$25,000,000.00 to contracted child caring
27 institutions for enhanced rates for all children receiving services
28 under mental health and behavioral stabilization rates or the
29 developmentally disabled or cognitively impaired rates.



1 Sec. 303. (1) From the funds appropriated in part 1 for
2 critical child welfare infrastructure, the department of health and
3 human services shall allocate \$15,000,000.00 to create a grant
4 program for nonprofit organizations to provide affordable and
5 attainable housing for youth who are currently in foster care or
6 youth who have already aged out of foster care.

7 (2) To receive the funds appropriated under this section, a
8 nonprofit organization must apply for the grant program in a form
9 and manner prescribed by the department of health and human
10 services.

11 (3) From the funds appropriated in subsection (1), the
12 department of health and human services shall allocate
13 \$7,500,000.00 to a nonprofit organization located in a county with
14 a population between 1,000,000 and 1,500,000 according to the most
15 recent federal decennial census in a charter township with a
16 population between 44,000 and 45,000 according to the most recent
17 federal decennial census for an infrastructure project for the
18 construction, purchase, or renovation of facilities, whichever is
19 most economically feasible, to provide affordable and attainable
20 housing for youth aged 16 to 18 years who are currently in foster
21 care or youth who have already aged out of foster care. Before the
22 funds appropriated under this subsection are distributed to the
23 qualifying nonprofit organization, the nonprofit organization must
24 provide an implementation plan to the department of health and
25 human services. The department of health and human services may
26 approve or reject the implementation plan. The implementation plan
27 must include all of the following:

28 (a) An identification of not less than a 10% private
29 investment for the infrastructure project.



1 (b) How the infrastructure project would assist youth aged 16
2 to 18 years who are currently in foster care or youth who have
3 already aged out of foster care with employment, educational
4 opportunities, housing, community life, personal effectiveness, and
5 personal well-being.

6 (c) How the nonprofit organization plans to cover the ongoing
7 operational costs and ongoing maintenance of the infrastructure
8 project.

9 (d) How the nonprofit organization will track and report to
10 the department of health and human services the operational
11 outcomes and performance metrics that would show whether the
12 nonprofit organization's program model could be replicated to other
13 facilities across the state.

14 (4) By September 30, 2023, the department of health and human
15 services shall provide a report to the house and senate
16 appropriations subcommittees on health and human services, the
17 house and senate fiscal agencies, the house and senate policy
18 offices, and the state budget office on the number of grant
19 applications awarded, the approved implementation plan under
20 subsection (3), and any performance metrics reported by the
21 nonprofit organizations that were awarded grants.

22 Sec. 304. (1) From the funds appropriated in part 1 for first
23 responder and public safety staff mental health, the department
24 shall allocate \$7,500,000.00 toward a program to support
25 firefighters, police officers, emergency medical services
26 personnel, public safety telecommunicators, local correctional
27 officers, juvenile detention employees, and individuals working on
28 special teams such as internet sex crimes, sexual crimes against
29 children, or traffic fatalities suffering from post-traumatic



1 stress syndrome and other mental health conditions. The grant
2 program must primarily provide grants to behavioral health
3 providers and may also include funding to the Michigan crisis and
4 action line established under section 165 of the mental health
5 code, 1974 PA 258, MCL 330.1165, to improve information and
6 referrals for these services. The program must coordinate and
7 integrate with the Michigan crisis and access line established
8 under section 165 of the mental health code, 1974 PA 258, MCL
9 330.1165.

10 (2) The unexpended funds appropriated in part 1 for first
11 responder and public safety staff mental health are designated as a
12 work project appropriation. Unencumbered or unallotted funds shall
13 not lapse at the end of the fiscal year and shall be available for
14 expenditures under this section until the project has been
15 completed. The following is in compliance with section 451a of the
16 management and budget act, 1984 PA 431, MCL 18.1451a:

17 (a) The purpose of the project is to ensure that first
18 responder and public safety staff who are dealing with post-
19 traumatic stress syndrome and other mental health conditions have
20 access to enhanced mental health services.

21 (b) The project will be accomplished by utilizing state
22 employees, contracts with vendors, or local partners.

23 (c) The estimated cost of the project is \$7,500,000.00.

24 (d) The tentative completion date is September 30, 2027.

25 Sec. 305. From the funds appropriated in part 1 for behavioral
26 health facilities grants, the department must allocate funds on a
27 competitive basis to providers of behavioral health services for
28 facility improvements, additional capacity, or facility
29 acquisition, or all 3, with preference given to applicants that



1 would repurpose school facilities to support the provision of
2 mental health, primary care, and dental services not currently
3 subsidized through public or private insurance, focused on
4 underserved areas.

5 Sec. 306. From the funds appropriated in part 1 for quality
6 assurance assessment program overpayment reimbursement, the
7 department shall allocate \$4,237,200.00 to reimburse hospitals that
8 overpaid quality assurance assessment program tax payments. The
9 funds shall be distributed as follows:

10 (a) \$827,700.00 to a nonprofit hospital located in a city with
11 a population between 4,000 and 15,000 according to the most recent
12 federal decennial census, within a county with a population between
13 67,000 and 75,000 according to the most recent federal decennial
14 census.

15 (b) \$2,882,600.00 to a teaching hospital located in a charter
16 township with a population between 10,000 and 17,000 according to
17 the most recent federal decennial census, within a county with a
18 population between 297,000 and 405,000 according to the most recent
19 federal decennial census.

20 (c) \$202,700.00 to a critical access hospital that is located
21 in a village with a population between 1,000 and 2,000 according to
22 the most recent federal decennial census, within a county with a
23 population between 2,500 and 5,500 according to the most recent
24 federal decennial census.

25 (d) \$324,200.00 to an independent, nonprofit community
26 hospital that provides emergency, surgical, inpatient, outpatient,
27 and primary care services for patients of all ages. The hospital
28 must be located in a city with a population between 5,100 and 7,700
29 according to the most recent federal decennial census, within a



1 county with a population between 104,000 and 120,000 according to
2 the most recent federal decennial census.

3 Sec. 307. From the funds appropriated in part 1 for senior
4 living and health care expansion, the department shall allocate
5 \$4,000,000.00 to a 501(c) (3) nonprofit headquartered in a city with
6 a population between 76,600 and 80,000 according to the most recent
7 federal decennial census that was originally founded prior to 1947,
8 supports operation of at least 20 locations throughout this state,
9 and provides independent living, assisted living, skilled nursing,
10 and memory care services. Grant funds shall be used to expand
11 affordable housing for seniors and to expand programs for all-
12 inclusive care for the elderly.

13

14 **DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY**

15 Sec. 401. From the funds appropriated in part 1 for Michigan
16 enhancement grants, \$800,000.00 shall be awarded to a zoo located
17 in a township with a population between 2,750 and 2,800 in a county
18 with a population between 130,000 and 140,000 according to the most
19 recent federal decennial census to support recreational
20 improvements to the facility.

21 Sec. 402. From the funds appropriated in part 1 for economic
22 development and workforce grants, \$240,000.00 shall be allocated to
23 a township with a population between 90,000 and 95,000 according to
24 the most recent federal decennial census for the construction of a
25 culvert to allow pedestrian access to a county park.

26 Sec. 403. (1) From the funds appropriated in part 1 for
27 Michigan community development financial institution fund grants,
28 \$75,000,000.00 is transferred to and appropriated from the Michigan
29 community development financial institutions fund, which is created



1 by this section, for grants to eligible community development
2 financial institutions under this section and related expenditures
3 permitted under this section. The legislature finds and declares
4 that the appropriation described in this section is for a public
5 purpose, including promoting community economic revitalization and
6 community development through community development financial
7 institutions.

8 (2) By October 31, 2022, the Michigan strategic fund shall
9 develop a grant application, approval, agreement, and compliance
10 process consistent with this section adopted by a resolution of the
11 board and published and available on the Michigan strategic fund's
12 website.

13 (3) The application required under subsection (2) must include
14 all of the following:

15 (a) The name of the community development financial
16 institution applying for a grant from the CDFI fund.

17 (b) The location of the principal office of the applicant.

18 (c) Documentation indicating whether the applicant is a
19 Michigan CDFI or a multistate CDFI.

20 (d) The amount of the grant sought, not exceeding the maximum
21 eligible amount of the grant under subsections (4) to (6).

22 (e) If the community development financial institution is a
23 depository institution, the net assets of the depository
24 institution.

25 (f) If the community development financial institution is not
26 a depository institution, the amount of qualifying commitments made
27 by the community development financial institution during the 3
28 calendar years preceding the calendar year in which the application
29 is submitted.



1 (g) A description of the amount an applicant is eligible to
2 apply for under subsections (4) to (6).

3 (h) A description of the proposed use of the grant award by
4 the applicant for eligible activities consistent with the
5 requirements of this section, the community development banking and
6 financial institutions act of 1994, 12 USC 4701 to 4719, and any
7 other requirements applicable under federal law.

8 (i) Documentation of the applicant's certification as a
9 community development financial institution that meets the
10 eligibility requirements under 12 CFR 1805.201 by the community
11 development financial institutions fund established under section
12 104 of the community development banking and financial institutions
13 act of 1994, 12 USC 4703. The documentation required by this
14 subsection may include the list of community development financial
15 institutions in good standing maintained and published by the
16 federal fund.

17 (j) A statement that the applicant is in compliance with all
18 requirements applicable to the applicant under the community
19 development banking and financial institutions act of 1994, 12 USC
20 4701 to 4719.

21 (4) A community development financial institution that is a
22 depository institution is eligible for a grant award in the
23 following amount:

24 (a) Up to \$1,000,000.00 if the depository institution has
25 total net assets of less than \$500,000,000.00.

26 (b) Up to \$1,500,000.00 if the depository institution has
27 total net assets of \$500,000,000.00 to \$999,999,999.99.

28 (c) Up to \$2,000,000.00 if the depository institution has
29 total net assets of \$1,000,000,000.00 to \$1,999,999,999.99.



1 (d) Up to \$2,500,000.00 if the depository institution has
2 total net assets of \$2,000,000,000.00 or more.

3 (5) Except as otherwise provided in subsection (6), a
4 community development financial institution is eligible for a grant
5 award in the following amount:

6 (a) Up to \$500,000.00 if the community development financial
7 institution made qualifying commitments in an amount that averaged
8 less than \$1,000,000.00 per year during the 3 calendar years
9 preceding the calendar year in which an application for a grant is
10 submitted.

11 (b) Up to \$1,500,000.00 if the community development financial
12 institution made qualifying commitments in an amount that averaged
13 from \$1,000,000.00 to \$3,999,999.99 per year during the 3 calendar
14 years preceding the calendar year in which an application for a
15 grant is submitted.

16 (c) Up to \$2,500,000.00 if the community development financial
17 institution made qualifying commitments in an amount that averaged
18 from \$4,000,000.00 to \$5,999,999.99 per year during the 3 calendar
19 years preceding the calendar year in which an application for a
20 grant is submitted.

21 (d) Up to \$3,500,000.00 if the community development financial
22 institution made qualifying commitments in an amount that averaged
23 from \$6,000,000.00 to \$9,999,999.99 per year during the 3 calendar
24 years preceding the calendar year in which an application for a
25 grant is submitted.

26 (e) Up to \$4,000,000.00 if the community development financial
27 institution made qualifying commitments in an amount that averaged
28 at least \$10,000,000.00 per year during the 3 calendar years
29 preceding the calendar year in which an application for a grant is



1 submitted.

2 (6) A grant to a multistate CDFI under subsection (5) must not
3 exceed \$2,500,000.00.

4 (7) The Michigan strategic fund shall accept applications for
5 a grant under this section until November 30, 2022. The Michigan
6 strategic fund shall approve or deny a grant application within 49
7 days after the receipt of an administratively complete application
8 as determined by the Michigan strategic fund. If the application
9 complies with the requirements of this section, the Michigan
10 strategic fund shall approve the award of the grant in the amount
11 requested by the applicant. The Michigan strategic fund may deny a
12 grant application submitted under this section only for the
13 following reasons:

14 (a) The applicant does not satisfy all of the requirements
15 described in this section.

16 (b) Subject to subsection (9), there is insufficient money in
17 the CDFI fund to pay the grant amount requested.

18 (c) The applicant is not in compliance with applicable
19 requirements under the community development banking and financial
20 institutions act of 1994, 12 USC 4701 to 4719.

21 (8) If the Michigan strategic fund denies an application under
22 subsection (7), the applicant may provide additional information to
23 the Michigan strategic fund within 7 days of the notice of denial.
24 The Michigan strategic fund shall review and reconsider the
25 application and additional information within 28 days.

26 (9) If there is an insufficient amount of money in the CDFI
27 fund to pay the grants approved, the amount of each grant shall be
28 reduced proportionately by the Michigan strategic fund based upon
29 the amount of money available in the CDFI fund.



1 (10) Upon approval of an application, the Michigan strategic
2 fund and the applicant shall sign a written grant agreement
3 providing the terms of the grant agreement. A grant agreement must
4 include all of the following:

5 (a) A requirement that at least 80% of the grant award be used
6 for financial products and financial services or expenditures of
7 money or commitments to expend money to reduce the interest rate
8 otherwise applicable under a loan agreement or funding agreement.

9 (b) A restriction that no more than 10% of the grant award be
10 used for technical assistance activities described in 12 CFR
11 1805.303.

12 (c) A restriction that no more than 10% of the grant award be
13 used for administration and operations.

14 (d) A requirement that a grant award be committed under a loan
15 agreement or funding agreement or disbursed by the recipient within
16 3 years of the date that the recipient receives the grant award.

17 (e) A requirement that the entire amount of the grant award be
18 expended within this state.

19 (f) A requirement that the grant award recipient maintain its
20 certification as a community development financial institution
21 under 12 CFR 1805.201 while the grant agreement is in effect.

22 (g) A requirement that the grant award recipient comply with
23 all requirements applicable under the community development banking
24 and financial institutions act of 1994, 12 USC 4701 to 4719, while
25 the agreement is in effect.

26 (h) Provisions authorizing the Michigan strategic fund to
27 enforce the terms of the grant agreement, including a requirement
28 that a noncompliant recipient of a grant award repay the award for
29 deposit in the CDFI fund.



1 (i) A requirement for the grant award recipient to report on
2 activities consistent with the requirements of subsection (14).

3 (j) If the grant agreement includes a grant of federal money,
4 the grant agreement must require the recipient to comply with any
5 requirements applicable to the use of the federal money.

6 (11) A grant agreement may provide for the community
7 development financial institution that is the recipient of a grant
8 award to serve as an intermediary lender to another community
9 development financial institution consistent with the purposes of
10 this section if not prohibited by federal law applicable to the
11 expenditure of any federal grant money.

12 (12) If not prohibited by federal law applicable to the
13 expenditure of any federal grant money, a grant agreement must
14 permit a grant award recipient to assign the award to an affiliate
15 and for the affiliate to assume the obligations of the grant award
16 recipient if the affiliate satisfies all of the following:

17 (a) Is a community development financial institution.

18 (b) Is organized in the same manner as the grant award
19 recipient.

20 (c) Is controlled by the grant award recipient in 1 or both of
21 the following ways:

22 (i) The grant award recipient owns a majority of the stock of
23 the affiliate.

24 (ii) A majority of the members of the board of the affiliate
25 also are members of the board of the grant award recipient.

26 (13) Except as otherwise provided in subsection (14), the
27 Michigan strategic fund shall require the recipient of a grant
28 award under this section to report annually to the Michigan
29 strategic fund regarding its activities under this section



1 beginning on the May 1 following the calendar year in which the
2 grant award was received by the recipient. The Michigan strategic
3 fund shall publish on its website a standard form for the report.
4 Except as otherwise provided in subsection (14), the report must
5 include all of the following information:

6 (a) A copy of the recipient's most recent confirmation of
7 recertification as a community development financial institution
8 issued by the community development financial institutions fund
9 under 12 CFR 1805.201, which may include the list of community
10 development financial institutions in good standing maintained and
11 published by the federal fund.

12 (b) A list of financial products and services provided during
13 the prior calendar year that includes all of the following:

14 (i) The name of each transaction.

15 (ii) A transition tracking number for each transaction.

16 (iii) The date of each transaction.

17 (iv) The amount of each transaction.

18 (v) The total project cost for each transaction if other
19 funding was involved.

20 (vi) The physical address of the borrower or customer for each
21 transaction.

22 (vii) The census tract of the borrower or customer for each
23 transaction.

24 (viii) An indication of whether the census tract in which the
25 transaction is located is an eligible investment area.

26 (ix) A description of the projected economic impact of the
27 transaction.

28 (x) A description of any financial products or financial
29 services provided.



1 (c) A description of technical assistance provided during the
2 prior calendar year.

3 (d) A summary of expenditures for administration and
4 operations provided during the prior calendar year that includes
5 all of the following:

6 (i) A description of administration and operations costs
7 incurred.

8 (ii) Professional fees and expenses incurred.

9 (iii) A summary of any other eligible expenses for
10 administration and operation.

11 (14) A grant award recipient is not required to provide a
12 report under this section for any calendar year in which it did not
13 loan or otherwise commit or disburse grant award money. The
14 Michigan strategic fund shall not include information in the report
15 required under subsection (13) if information that otherwise would
16 be included in a report under subsection (13) is either of the
17 following:

18 (a) Exempt from disclosure or confidential as proprietary
19 business or financial information under the community development
20 banking and financial institutions act of 1994, 12 USC 4701 to
21 4719.

22 (b) Exempt from disclosure under the freedom of information
23 act, 1976 PA 442, MCL 15.231 to 15.246.

24 (15) Except as otherwise provided in subsection (3), the
25 Michigan strategic fund may expend up to 4% of the appropriation
26 provided from the CDFI fund for the costs it incurs in
27 administering the programs and activities under this section.

28 (16) The unexpended portion of money in the CDFI fund provided
29 for grants under this section is considered a work project



1 appropriation in accordance with section 451a of the management and
2 budget act, 1984 PA 431, MCL 18.1451a. The following apply to the
3 work project:

4 (a) The purpose of the project is to provide grants to
5 eligible community development financial institutions under this
6 section.

7 (b) All grants will be distributed in accordance with this
8 section and the grant guidelines as part of the application process
9 and grant agreements between the Michigan strategic fund and grant
10 recipients.

11 (c) The estimated cost of the work project is \$75,000,000.00.

12 (d) The tentative completion date for the work project is
13 September 30, 2027.

14 (17) As used in this section:

15 (a) "CDFI fund" means the Michigan community development
16 financial institutions fund created in subsection (1).

17 (b) "Community development financial institution" means that
18 term as defined in section 103 of the community development banking
19 and financial institutions act of 1994, 12 USC 4702, but is limited
20 to a community development financial institution that satisfies all
21 of the following:

22 (i) Is an entity that meets the eligibility requirements
23 described in 12 CFR 1805.200.

24 (ii) Is certified as a community development financial
25 institution that meets the eligibility requirements under 12 CFR
26 1805.201 by the community development financial institutions fund
27 established under section 104 of the community development banking
28 and financial institutions act of 1994, 12 USC 4703.

29 (iii) Maintains 1 or more physical offices within this state.



1 (iv) Employs 2 or more individuals at a physical office within
2 this state, including employees of an affiliate of the community
3 development financial institution that provides services to the
4 community development financial institution.

5 (v) Is a Michigan CDFI or a multistate CDFI.

6 (c) "Depository institution" means any of the following:

7 (i) A bank as that term is defined in section 3(a) of the
8 federal deposit insurance act, 12 USC 1813.

9 (ii) A savings association as that term is defined in section
10 3(b) of the federal deposit insurance act, 12 USC 1813.

11 (iii) A credit union as that term is defined in section 102 of
12 the credit union act, 2003 PA 215, MCL 490.102.

13 (iv) A depository institution holding company as that term is
14 defined in 12 CFR 1805.104.

15 (d) "Eligible activities" means activities described in 12 CFR
16 1805.301, and includes credit enhancements, loan loss reserves,
17 equity investments, expenditures of money or commitments to expend
18 money to reduce the interest rate otherwise applicable under a loan
19 agreement or funding agreement, and grants related to these
20 activities.

21 (e) "Federal fund" means the federal community development
22 financial institutions fund within the United States Department of
23 Treasury.

24 (f) "Financial products" means that term as defined in 12 CFR
25 1805.104.

26 (g) "Financial services" means that term as defined in 12 CFR
27 1805.104.

28 (h) "Michigan CDFI" means a community development financial
29 institution that satisfies all of the following:



1 (i) Is certified as a community development financial
2 institution that meets the eligibility requirements under 12 CFR
3 1805.201 by the community development financial institutions fund
4 established under section 104 of the community development banking
5 and financial institutions act of 1994, 12 USC 4703.

6 (ii) Is headquartered at an address in this state, as
7 recognized by the federal fund.

8 (iii) Has a target market that includes this state, as
9 recognized by the federal fund.

10 (iv) Serves 1 or more targeted populations located within this
11 state.

12 (i) "Multistate CDFI" means a community development financial
13 institution that is not a Michigan CDFI but is a community
14 development financial institution that committed under a loan
15 agreement or other funding agreement of at least \$10,000,000.00 in
16 financial products and financial services to a target market within
17 this state under the community development banking and financial
18 institutions act of 1994, 12 USC 4701 to 4719, during the 5
19 calendar years preceding the calendar year in which an application
20 for a grant is submitted.

21 (j) "Qualifying commitment" means funding committed by a
22 community development financial institution under a loan agreement
23 or other funding agreement in target markets or targeted
24 populations in this state that is either of the following:

25 (i) Financial products or financial services committed under
26 the community development banking and financial institutions act of
27 1994, 12 USC 4701 to 4719.

28 (ii) An additional credit enhancement, loan loss reserve, or
29 equity investment committed by the community development financial



1 institution or an affiliate of the community development financial
2 institution.

3 (k) "Target market" means that term as defined in 12 CFR
4 1805.104.

5 (l) "Targeted population" means that term as defined in 12 CFR
6 1805.104.

7 Sec. 404. (1) Up to \$100,000,000.00 in funds from COVID-19
8 emergency rental assistance that were appropriated in 2021 PA 133
9 and 2022 PA 53 is appropriated for the creation or rehabilitation
10 of affordable housing, in accordance with federal regulations and
11 as specified by the United States Department of Treasury.

12 (2) The funds appropriated in subsection (1) are designated as
13 a work project appropriation, and any unencumbered or unallotted
14 funds shall not lapse at the end of the fiscal year and shall be
15 available for expenditures for projects under this section until
16 the projects have been completed. The following is in compliance
17 with section 451a of the management and budget act, 1984 PA 431,
18 MCL 18.1451a:

19 (a) The purpose of the work project is to support the creation
20 or rehabilitation of affordable housing.

21 (b) The projects will be accomplished by utilizing state
22 employees or by contracts.

23 (c) The total estimated cost of the work project is
24 \$100,000,000.00.

25 (d) The tentative completion date is September 30, 2027.

26 Sec. 405. The Michigan state housing development authority may
27 increase capacity by a total of 25.0 limited-term FTE positions for
28 housing programs administered by the Michigan state housing
29 development authority.



1 Sec. 406. In addition to the funds appropriated in part 1,
2 there is appropriated an amount not to exceed \$846,100,000.00 for
3 state restricted contingency authorization for the department of
4 labor and economic opportunity. These funds are not available for
5 expenditure until they have been transferred to another line item
6 in part 1 under section 393(2) of the management and budget act,
7 1984 PA 431, MCL 18.1393.

8 Sec. 407. The funds appropriated in part 1 for the critical
9 industry program must be used for program activities pursuant to
10 section 88s of the Michigan strategic fund act, 1984 PA 270, MCL
11 125.2088s.

12 Sec. 408. (1) The funds appropriated in part 1 for the
13 Michigan strategic site readiness program must be used for program
14 activities pursuant to section 88t of the Michigan strategic fund
15 act, 1984 PA 270, MCL 125.2088t. It is the intent of the
16 legislature that funds transferred from the strategic outreach and
17 attraction reserve fund to the Michigan strategic site readiness
18 program under this act must be used as outlined under subsections
19 (2), (3), (4), (5), and (6).

20 (2) From the funds in part 1 for the Michigan strategic site
21 readiness program, \$25,000,000.00 shall be used by the Michigan
22 strategic fund to make grants to regional and local economic
23 development organizations as provided for under section 88t(11) of
24 the Michigan strategic fund act, 1984 PA 270, MCL 125.2088t, or
25 other eligible applicant as provided for under section 88t(16)(b)
26 of the Michigan strategic fund act, 1984 PA 270, MCL 125.2088t,
27 which may be used for site assessments to identify the improvements
28 and associated costs required to bring each site to a state of
29 readiness; for engineering, design, and other predevelopment work



1 required to commence construction on site improvements; and to
2 develop a spending plan and proposal for capital investments in
3 site readiness. Subject to the approval of the Michigan strategic
4 fund or its designee, local and regional economic development
5 organizations may also use such funds for the acquisition of
6 property or interests in property. Pursuant to section 88t(11) of
7 the Michigan strategic fund act, 1984 PA 270, MCL 125.2088t, the
8 grantee for each site receiving funding under this program must use
9 a consistent statewide rating system to identify the level of
10 readiness for each site and must submit each site to a statewide
11 inventory of large strategic sites.

12 (3) From the funds in part 1 for the Michigan strategic site
13 readiness program, \$100,000,000.00 shall be used by the Michigan
14 strategic fund to make grants to eligible applicants for
15 improvements to strategic sites for which an end-user has not been
16 identified, as provided for under section 88t(5) of the Michigan
17 strategic fund act, 1984 PA 270, MCL 125.2088t. Eligible applicants
18 receiving funding under this subsection may enter into subgrant
19 agreements with other entities as necessary and expedient to
20 implement the improvements. Of the funds appropriated through this
21 subsection, not less than \$75,000,000.00 shall be allocated to
22 eligible applicants applying based on a site assessment and
23 investment proposal developed pursuant to the Michigan strategic
24 site readiness program. The Michigan strategic fund shall otherwise
25 follow the evaluation and selection criteria set forth in section
26 88t(5) of the Michigan strategic fund act, 1984 PA 270, MCL
27 125.2088t, and the procedures and conditions set forth in the
28 Michigan strategic fund act, 1984 PA 270, MCL 125.2001 to 125.2094.

29 (4) From the funds in part 1 for Michigan strategic site



1 readiness program, \$75,000,000.00 shall be used by the Michigan
2 strategic fund for the assessment and development of mega-strategic
3 sites as set forth in this subsection. Of the funds appropriated
4 through this subsection, up to \$1,500,000.00 shall be used for the
5 development of a mega-strategic site strategic plan that addresses
6 the criteria in section 88t(6) of the Michigan strategic fund act,
7 1984 PA 270, MCL 125.2088t. The mega-strategic site strategic plan
8 shall be developed utilizing a national site selection consultant
9 that specializes in mega-strategic sites and in consultation with
10 strategic industry and utility partners, and shall be submitted to
11 the governor, the speaker of the house of representatives, and the
12 senate majority leader not later than 180 days after the date of
13 enactment of this act. Upon the completion and submission of such
14 plan, the remaining funds provided through this subsection shall be
15 used for grants to eligible applicants for land assembly and
16 improvements to mega-strategic sites for which an end-user has not
17 been identified, as provided for in section 88t of the Michigan
18 strategic fund act, 1984 PA 270, MCL 125.2088t. Eligible applicants
19 receiving funding under this subsection may enter into subgrant
20 agreements with other entities as necessary and expedient to
21 implement the improvements. The Michigan strategic fund shall
22 otherwise follow the procedures and requirements set forth in the
23 Michigan strategic fund act, 1984 PA 270, MCL 125.2001 to 125.2094,
24 in making grants to eligible applicants using funds under this
25 subsection.

26 (5) From the funds in part 1 for Michigan strategic site
27 readiness program, \$50,000,000.00 shall be used by the Michigan
28 strategic fund to make grants to eligible applicants for
29 improvements to strategic sites for which an end-user has been



1 identified, as provided for under section 88t(7) of the Michigan
2 strategic fund act, 1984 PA 270, MCL 125.2088t. Eligible applicants
3 receiving funding under this subsection may enter into subgrant
4 agreements with other entities as necessary and expedient to
5 implement the improvements. Funds appropriated through this
6 subsection must be used to make multiple awards. The Michigan
7 strategic fund shall otherwise follow the evaluation and selection
8 criteria set forth in section 88t of the Michigan strategic fund
9 act, 1984 PA 270, MCL 125.2088t, and the procedures and
10 requirements set forth in the Michigan strategic fund act, 1984 PA
11 270, MCL 125.2001 to 125.2094.

12 (6) From the funds in part 1 for Michigan strategic site
13 readiness program, \$100,000,000.00 shall be used by the Michigan
14 strategic fund to make grants to eligible applicants to remediate
15 or redevelop landfill facilities for future economic development,
16 or both. The Michigan strategic fund shall give priority to
17 projects located at sites that meet all of the following criteria:

18 (a) The site was used as a landfill and contains solid waste
19 placed on or under the property.

20 (b) The site has not been actively used for solid waste
21 disposal in the immediately preceding 15 years.

22 (c) The current owner of the site did not cause or contribute
23 to the solid waste disposal at the site.

24 (d) The current owner of the site has agreed to contribute an
25 amount equal to at least 10% of the total grant amount toward
26 necessary environmental remediation costs.

27 (e) Private investment into the project will total at least
28 \$15,000,000.00, exclusive of environmental remediation costs.

29 Sec. 409. The funds appropriated in part 1 for the strategic



1 outreach and attraction reserve fund must be deposited into the
2 strategic outreach and attraction reserve fund established in
3 section 4 of the Michigan trust fund act, 2000 PA 489, MCL 12.254.

4 Sec. 410. The legislature finds and declares that
5 appropriations described in part 1 for the critical industry
6 program and the Michigan strategic site readiness program are for a
7 public purpose and serve the health, safety, and general welfare of
8 the residents of this state.

9 Sec. 411. (1) Funds appropriated in part 1 for workforce and
10 infrastructure grant shall be awarded to a township with a
11 population between 11,800 and 11,950 according to the most recent
12 federal decennial census for sewer and other infrastructure
13 improvements in that township or within the jurisdiction of another
14 local unit of government under an agreement with that local unit of
15 government, or both, to facilitate private investment of at least
16 \$200,000,000.00.

17 (2) A grant award under subsection (1) shall be issued no
18 earlier than November 29, 2022 and shall not be awarded to an
19 otherwise eligible recipient that has received or been approved to
20 receive a grant under section 88t of the Michigan strategic fund
21 act, 1984 PA 270, MCL 125.2088t, after September 15, 2022.

22 Sec. 412. The funds appropriated in part 1 for infrastructure
23 improvement grant shall be awarded to a city with a population of
24 60,000 to 63,000 according to the most recent decennial census.
25 Grant funds must be used for the construction of a new bypass road
26 that would directly or indirectly result in the city's acquisition
27 of at least 40 acres of land to use for public recreation purposes.

28 Sec. 413. The funds appropriated in part 1 for downtown
29 placemaking grant shall be awarded to a city with a population of



1 20,600 to 20,700 located in a county with a population of 99,000 to
2 100,000 according to the most recent federal decennial census to
3 work with the city's downtown development authority to remove
4 blight; incentivize new residential development; create new parks,
5 open spaces, trails, and other public amenities; and provide for
6 river cleanup to improve recreation and drinking water.

7 Sec. 414. The funds appropriated in part 1 for municipal
8 information technology and cybersecurity upgrades shall be awarded
9 to a city with a population of 100,000 to 110,000 according to the
10 most recent federal decennial census for information technology
11 upgrades including, but not limited to, physical security for data
12 centers, information technology infrastructure, and cybersecurity
13 upgrades.

14 Sec. 415. (1) From the funds appropriated in part 1 for
15 Michigan enhancement grants and economic development and workforce
16 grants, the department shall execute a grant agreement with each
17 recipient, pursuant to subsection (2). All grant funds are
18 considered direct appropriations and, subject to receipt of all
19 information under subsections (2) and (3), shall be disbursed by
20 the department, as determined by the grant agreement. Any funds
21 that are granted to a state department are appropriated in that
22 department for the purpose of the intended grant. An initial
23 disbursement of 50% shall be provided to the grantee upon execution
24 of the grant agreement.

25 (2) The department shall execute a grant agreement with each
26 recipient in order to receive funding. The grant agreement shall
27 include, but is not limited to, all of the following:

28 (a) All necessary identifying information for the recipient,
29 including any necessary tax identification information.



1 (b) A description of the project for which the grant funds
2 will be expended, including tentative timelines and the estimated
3 budget. No expenditures outside of the project purpose, as stated
4 in the executed grant agreement, shall be reimbursed from
5 appropriations in part 1. Funds appropriated in part 1 may be used
6 only for expenditures that occur on or after the effective date of
7 this act, unless specifically authorized in section 401 or 402.

8 (c) A requirement that after the initial 50% disbursement,
9 additional funds shall be disbursed only after verification that
10 the initial payment has been fully expended, in accordance with the
11 project purpose. The remaining funds shall be disbursed in a manner
12 specified in the grant agreement. The grantee must provide
13 sufficient documentation, as determined by the department, to
14 verify that all expenditures were made in accordance with the
15 project purpose.

16 (d) A requirement for quarterly reports from the recipient to
17 the department that provide the status of the project and an
18 accounting of all funds expended by the recipient.

19 (e) A clawback provision that allows this state to recoup or
20 otherwise collect any funds that are declined, unspent, or
21 otherwise misused.

22 (3) The grantee shall respond to all reasonable information
23 requests from the department related to grant expenditures and
24 retain grant records for a period of not less than 3 years, and the
25 grant may be subject to audit and site visits as determined by the
26 department. The grant agreement required under subsection (2) shall
27 include signed assurance by the chief executive officer or other
28 executive officer of the grant recipient that this requirement will
29 be met.



1 (4) All funds awarded shall be expended by the recipient, and
 2 projects completed, by September 30, 2026. If at that time, as
 3 evidenced by the quarterly reports, any unexpended funds remain,
 4 those funds shall be returned by the grantee to the state treasury.
 5 The state budget director may, on a case-by-case basis, extend this
 6 deadline, upon request by a grant recipient.

7 (5) If a grantee does not provide information sufficient to
 8 execute a grant agreement by May 1, 2023, funds associated with
 9 that grant shall be returned to the state treasury.

10 (6) The department shall provide quarterly updates on the
 11 accounting and status of each project to the senate and house
 12 appropriations committees, the senate and house fiscal agencies,
 13 and the state budget office.

14

15 **REPEALERS**

16 Section 501. (1) Sections 991 and 1097 of article 5 of 2022 PA
 17 166 are repealed.

18 (2) Section 818 of article 5 of 2021 PA 87 is repealed.

19

20

PART 2A

21

PROVISIONS CONCERNING APPROPRIATIONS

22

FOR FISCAL YEAR 2021-2022

23

GENERAL SECTIONS

24 Sec. 1201. Pursuant to section 30 of article IX of the state
 25 constitution of 1963, total state spending from state sources under
 26 part 1A for the fiscal year ending September 30, 2022 is
 27 \$6,300,000.00 and total state spending from state sources to be
 28 paid to local units of government is \$2,800,000.00. The itemized
 29 statement below identifies appropriations from which spending to



1 local units of government will occur:

2 **DEPARTMENT OF ENVIRONMENT, GREAT LAKES, AND**
 3 **ENERGY**

4	Drinking water declaration of emergency	\$	2,800,000
5	TOTAL	\$	2,800,000

6 Sec. 1202. The appropriations made and expenditures authorized
 7 under this part and part 1A and the departments, commissions,
 8 boards, offices, and programs for which appropriations are made
 9 under this part and part 1A are subject to the management and
 10 budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

11 Sec. 1203. If the state administrative board, acting under
 12 section 3 of 1921 PA 2, MCL 17.3, transfers funds from an amount
 13 appropriated under this part and part 1A, the legislature may, by a
 14 concurrent resolution adopted by a majority of the members elected
 15 to and serving in each house, inter-transfer funds within this part
 16 and part 1A for the particular department, board, commission,
 17 office, or institution.

18 Sec. 1204. Funds appropriated in part 1A must be allocated and
 19 expended in a manner consistent with federal rules and regulations.

20 Sec. 1205. Funds appropriated in part 1A are subject to
 21 applicable federal audit and reporting requirements. Prompt action
 22 shall be taken if instances of noncompliance are identified,
 23 including noncompliance identified in an audit finding. If any
 24 instance of noncompliance is identified, including noncompliance
 25 identified in an audit finding, the state budget director shall
 26 take necessary and immediate action to rectify it. The state budget
 27 director shall notify the senate and house appropriations
 28 committees and the senate and house fiscal agencies when an
 29 instance of noncompliance is identified.



1 Sec. 1206. The state budget director shall report on the
 2 status of funds appropriated in part 1A, and all funds appropriated
 3 related to the coronavirus relief effort, to the senate and house
 4 appropriations committees and the senate and house fiscal agencies
 5 on a monthly basis until all funds are exhausted.

6
 7 **DEPARTMENT OF ENVIRONMENT, GREAT LAKES, AND ENERGY**

8 Sec. 1301. The unexpended funds appropriated in part 1A for
 9 drinking water declaration of emergency are designated as a work
 10 project appropriation, and any unencumbered or unallotted funds
 11 shall not lapse at the end of the fiscal year and shall be
 12 available for expenditures for projects under this section until
 13 the projects have been completed. The following is in compliance
 14 with section 451a of the management and budget act, 1984 PA 431,
 15 MCL 18.1451a:

16 (a) The purpose of the project is for lead service line
 17 replacement and restoration, mandatory filter replacement, and
 18 water testing for the city of Flint.

19 (b) The project will be accomplished by utilizing state
 20 employees or contracts with service providers, or both.

21 (c) The total estimated cost of the project is \$2,800,000.00.

22 (d) The tentative completion date is September 30, 2026.

23
 24 **DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY**

25 Sec. 1401. The federal funds appropriated in part 1A for the
 26 unemployment insurance agency come from Michigan's distribution of
 27 federal Reed act dollars, authorized in the temporary extended
 28 unemployment compensation act of 2002, Public Law 107-147, and
 29 shall be used to cover administrative costs of the unemployment



1 insurance agency. Pursuant to section 26(c)(2) of the Michigan
2 employment security act, 1936 (Ex Sess) PA 1, MCL 421.26, these
3 funds shall be transferred from the unemployment trust fund to the
4 administration fund created in section 10 of the Michigan
5 employment security act, 1936 (Ex Sess) PA 1, MCL 421.10. The state
6 budget director is authorized to make the accounting transactions
7 necessary for the implementation of this appropriation.

8 Sec. 1402. The unexpended funds appropriated in part 1A for
9 the unemployment insurance agency are designated as a work project
10 appropriation, and any unencumbered or unallotted funds shall not
11 lapse at the end of the fiscal year and shall be available for
12 expenditures for projects under this section until the projects
13 have been completed. The following is in compliance with section
14 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

15 (a) The purpose of the work project is to support
16 administrative costs of the unemployment insurance agency.

17 (b) The projects will be accomplished by utilizing state
18 employees or by contracts.

19 (c) The total estimated cost of the work project is
20 \$21,627,100.00.

21 (d) The tentative completion date is September 30, 2023.
22

23 **DEPARTMENT OF NATURAL RESOURCES**

24 Sec. 1451. The unexpended funds appropriated in part 1A for
25 wildlife management are designated as a work project appropriation,
26 and any unencumbered or unallotted funds shall not lapse at the end
27 of the fiscal year and shall be available for expenditures for
28 projects under this section until the projects have been completed.
29 The following is in compliance with section 451a of the management



1 and budget act, 1984 PA 431, MCL 18.1451a:

2 (a) The purpose of the work project is to support the pheasant
3 release program.

4 (b) The projects will be accomplished by utilizing state
5 employees or by contracts.

6 (c) The total estimated cost of the work project is
7 \$100,000.00.

8 (d) The tentative completion date is September 30, 2023.
9

10 **DEPARTMENT OF STATE POLICE**

11 Sec. 1501. The unexpended funds appropriated in part 1A for
12 federal ineligible expenses are designated as a work project
13 appropriation, and any unencumbered or unallotted funds shall not
14 lapse at the end of the fiscal year and shall be available for
15 expenditures for projects under this section until the projects
16 have been completed. The following is in compliance with section
17 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

18 (a) The purpose of the project is to support expenses that are
19 determined to be ineligible for federal reimbursement.

20 (b) The project will be accomplished by utilizing state
21 employees, contracts with vendors, or local partners.

22 (c) The estimated cost of the project is \$105,200,000.00.

23 (d) The tentative completion date is September 30, 2026.
24

25 **DEPARTMENT OF TECHNOLOGY, MANAGEMENT, AND BUDGET**

26 Sec. 1601. In addition to the funds appropriated in part 1A,
27 the department of technology, management, and budget may receive
28 and expend money from the Michigan law enforcement officers
29 memorial monument fund as provided in the Michigan law enforcement



1 officers memorial act, 2004 PA 177, MCL 28.781 to 28.786. Any
2 deposits made under this section and unencumbered funds are
3 restricted revenues and shall be carried over into succeeding
4 fiscal years.

