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

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for various state departments and agencies to supplement appropriations for the fiscal year ending September 30, 2022, from the following funds:

<table>
<thead>
<tr>
<th>APPROPRIATION SUMMARY</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>GROSS APPROPRIATION</td>
<td>$ 184,600,000</td>
</tr>
</tbody>
</table>
Interdepartmental grant revenues:

Total interdepartmental grants and
intradepartmental transfers 0

ADJUSTED GROSS APPROPRIATION $ 184,600,000

Federal revenues:

Total federal revenues 184,600,000

Special revenue funds:

Total local revenues 0

Total private revenues 0

Total other state restricted revenues 0

State general fund/general purpose $ 0

Sec. 102. DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY

(1) APPROPRIATION SUMMARY

GROSS APPROPRIATION $ 61,500,000

Interdepartmental grant revenues:

Total interdepartmental grants and
intradepartmental transfers 0

ADJUSTED GROSS APPROPRIATION $ 61,500,000

Federal revenues:

Total federal revenues 61,500,000

Special revenue funds:

Total local revenues 0

Total private revenues 0

Total other state restricted revenues 0

State general fund/general purpose $ 0

(2) ONE-TIME APPROPRIATIONS

ARP – convention and visitors bureau relief $ 30,000,000
ARP – Michigan stages survival grants 6,500,000
ARP – Michigan community development financial institution fund grants 25,000,000

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>GROSS APPROPRIATION</strong></td>
<td>$ 61,500,000</td>
</tr>
</tbody>
</table>

Appropriated from:

Federal revenues:

- Coronavirus state fiscal recovery fund 61,500,000

State general fund/general purpose $ 0

Sec. 103. DEPARTMENT OF TREASURY

(1) APPROPRIATION SUMMARY

- **GROSS APPROPRIATION** $ 123,100,000
- Interdepartmental grant revenues:
  - Total interdepartmental grants and intradepartmental transfers 0
- **ADJUSTED GROSS APPROPRIATION** $ 123,100,000
- Federal revenues:
  - Total federal revenues 123,100,000
- Special revenue funds:
  - Total local revenues 0
  - Total private revenues 0
  - Total other state restricted revenues 0
- State general fund/general purpose $ 0

(2) ONE-TIME APPROPRIATIONS

ARP – affected health and fitness industry business relief $ 53,000,000
ARP – food law fee refund offset 5,000,000
ARP – health occupation license fees credits and prorations 8,900,000
ARP - liquor control commission fee waivers 9,000,000
ARP - Michigan movie theater survival grants 18,000,000
ARP - occupational code fee credits and 
prorations 17,700,000
ARP - server training requirement program 10,000,000
ARP - skilled trades regulation act fee credits 
and prorations 1,500,000

GROSS APPROPRIATION $123,100,000

Appropriated from:

Federal revenues:
Coronavirus state fiscal recovery fund 123,100,000

State general fund/general purpose $0

PART 2
PROVISIONS CONCERNING APPROPRIATIONS

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state 
constitution of 1963, total state spending from state sources under 
part 1 for the fiscal year ending September 30, 2022 is $0.00 and 
total state spending from state sources to be paid to local units 
of government is $0.00.

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

Sec. 203. Funds appropriated in part 1 are subject to 
applicable federal audit and reporting requirements. Prompt action 
must be taken if instances of noncompliance are identified,
including noncompliance identified in an audit finding. If any instance of noncompliance is identified, including noncompliance identified in an audit finding, the state budget director shall take necessary and immediate action to rectify it. The state budget director shall notify the senate and house appropriations committees and the senate and house fiscal agencies when an instance of noncompliance is identified.

Sec. 204. Funds appropriated in part 1 from the federal American rescue plan act of 2021, Public Law 117-2, must be allocated and expended in a manner consistent with federal rules and regulations.

Sec. 205. The state budget director shall report on the status of funds appropriated in part 1, and all funds appropriated related to the coronavirus relief effort, to the senate and house appropriations committees and the senate and house fiscal agencies on a monthly basis until all funds are exhausted.

DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY

Sec. 301. (1) From the funds appropriated in part 1 for ARP - convention and visitors bureau relief, $30,000,000.00 shall be awarded to a statewide nonprofit organization representing Michigan's convention and visitors bureaus to provide grants to all convention and visitors bureaus for the purpose of mitigating losses due to the COVID-19 pandemic and promoting hospitality, tourism, and travel.

(2) The statewide nonprofit organization representing Michigan's convention and visitors bureaus must develop a method of allocating 100% of the available funds to each convention and visitors bureau based on each convention and visitors bureau's size
relative to the size of all convention and visitors bureaus.

(3) Program guidelines and rules for administering the program and awarding grants must be developed by the statewide nonprofit organization representing Michigan's convention and visitors bureaus and be made available on a publicly accessible internet site.

(4) Not more than 1% of the funds appropriated in part 1 for ARP – convention and visitors bureau relief may be used by the statewide nonprofit organization representing Michigan's convention and visitors bureaus for administrative costs related to this section.

(5) The Michigan strategic fund must ensure that the statewide nonprofit organization representing Michigan's convention and visitors bureaus submits a report that includes, but is not limited to, the amount awarded to each convention and visitors bureau, a statement of economic losses realized by the grantee due to the COVID-19 pandemic, and a detailed plan for the use of the funds by the grantee. The report must be submitted to the Michigan strategic fund not later than September 1, 2022. After receipt of the report, the Michigan strategic fund shall submit the report to the senate and house appropriations committees, the senate and house fiscal agencies, and the state budget office by September 30, 2022.

(6) As used in this section, "convention and visitors bureau" means an entity that receives funds under any of the following acts:

(a) 1974 PA 263, MCL 141.861 to 141.867, commonly known as the accommodations tax act.

(b) Convention and tourism marketing act, 1980 PA 383, MCL 141.881 to 141.889.
(c) Community convention or tourism marketing act, 1980 PA 395, MCL 141.871 to 141.880.

(d) State convention facility development act, 1985 PA 106, MCL 207.621 to 207.640.

(e) Regional tourism marketing act, 1989 PA 244, MCL 141.891 to 141.900.

(f) Regional convention and tourism promotion act, 2010 PA 254, MCL 141.1431 to 141.1437.

(g) Convention and tourism promotion act, 2007 PA 25, MCL 141.1321 to 141.1328.

Sec. 302. (1) From the funds appropriated in part 1 for ARP - Michigan stages survival grants, not more than $6,500,000.00 shall be used by the Michigan strategic fund to create and operate a Michigan stages survival grant program to provide Michigan stages survival grants to eligible businesses in this state.

(2) The Michigan stages survival grant program shall be used to provide grants to eligible live music and entertainment venues and promoters that have realized a significant financial hardship as a result of the COVID-19 emergency. Grant applications shall be accepted, reviewed, and approved by a statewide organization representing independent live music and entertainment venues and the Michigan strategic fund shall distribute the funds based on the recommendation of that organization. Grant applicants must have the opportunity to correct technical errors after submitting their applications, if necessary. The statewide organization representing independent live music and entertainment venues administering the Michigan stages survival grant program may receive up to 2.2% of the funds appropriated in part 1 for ARP - Michigan stages survival grants for administration of the Michigan stages survival grant.
program. The Michigan strategic fund shall not utilize any of the funds appropriated in part 1 for ARP - Michigan stages survival grants for administration.

(3) Grants made available to eligible businesses under the program must meet all of the following conditions:

(a) Must not exceed $100,000.00.
(b) Must be used only for working capital to support payroll expenses, rent, mortgage payments, utility expenses, or costs related to normal business operations.
(c) Must not be awarded to a convention center in a city with a population over 500,000 that was eligible for funds under the state convention facility development act, 1985 PA 106, MCL 207.621 to 207.640.

(4) The Michigan strategic fund must develop and post on the Michigan strategic fund website application, program operation, award, and reporting criteria for the program.

(5) The Michigan strategic fund shall submit a monthly report to the senate and house appropriations committees, the senate and house fiscal agencies, and the state budget office that provides a listing of grants awarded in the previous month and the name of the recipient of each grant provided under the program. The Michigan strategic fund shall submit a summary of all grants awarded under the program, by industry, over the course of the current fiscal year by September 30, 2022.

(6) As used in this section:

(a) "Eligible business" means a business that meets all of the following criteria:

(i) Received at least 33% of 2019 gross revenue from the sale of tickets for live music or entertainment events or receives at
least 70% of its earned revenue through cover charges or ticket
sales, production fees or production reimbursements, nonprofit
educational initiatives, or the sale of event beverages, food, or
merchandise.

(ii) Certifies that second quarter revenue from April 1 through
June 30, 2020 was not greater than 25% of second quarter revenue
from April 1 through June 30, 2019.

(iii) If the business is a live venue operator, must not have,
or be majority owned or controlled by an entity with any of the
following:

(A) Securities listed on a national securities exchange as an
issuer.

(B) Venues owned and operated with offices in more than 1
county.

(C) Venues owned and operated in more than 2 states.

(D) Venues employing more than 30 employees, determined on a
full-time basis.

(iv) Is a business located in Michigan that was in existence on

(b) "Michigan stages survival grant" or "grant" means a
Michigan stages survival grant made to an eligible business under
this section.

Sec. 303. The entity administering the distribution of the
grant or award under section 301 or 302 shall, to the extent
practicable, reduce the grant or award provided under section 301
or 302 by an amount equal to the grant or award received under
section 401 of 2021 PA 132.

Sec. 304. (1) From the money appropriated in part 1 for ARP -
Michigan community development financial institution fund grants,
$25,000,000.00 is appropriated and transferred to the Michigan community development financial institutions fund, which is created by this section, for grants to eligible community development financial institutions under this section. The legislature finds and declares that the appropriation described in this section is for a public purpose, including promoting community economic revitalization and community development through community financial institutions.

(2) Within 84 days of the effective date of this act, the Michigan strategic fund shall develop a grant application, approval, agreement, and compliance process consistent with this section adopted by a resolution of the board and published and available on the Michigan strategic fund’s website.

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

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

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

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

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

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

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

(g) A description of the applicant's eligibility for funding under subsections (4) to (6).

(h) A description of the proposed use of the grant award by the applicant for eligible activities consistent with the requirements of this act and the community development banking and financial institutions act of 1994, 12 USC 4701 to 4719.

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

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

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

(a) Up to $2,000,000.00 if the depository institution has total net assets of less than $500,000,000.00.

(b) Up to $3,000,000.00 if the depository institution has total net assets of $500,000,000.00 to $999,999,999.99.

(c) Up to $4,000,000.00 if the depository institution has total net assets of $1,000,000,000.00 to $1,999,999,999.99.
(d) Up to $5,000,000.00 if the depository institution has total net assets of $2,000,000,000.00 or more.

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

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

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

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

(d) Up to $7,000,000.00 if the community development financial institution made qualifying commitments in an amount that averaged from $6,000,000.00 to $9,999,999.00 per year during the 3 calendar years preceding the calendar year in which an application for a grant is submitted.

(e) Up to $8,000,000.00 if the community development financial institution made qualifying commitments in an amount that averaged at least $10,000,000.00 per year during the 3 calendar years preceding the calendar year in which an application for a grant is submitted.
submitted.

(6) A grant to a multistate CDFI under subsection (5) must not exceed $5,000,000.00.

(7) The Michigan strategic fund shall accept initial applications for a grant under this act until April 30, 2022. The Michigan strategic fund shall approve or deny a grant application within 63 days after the receipt of an administratively complete application as determined by the Michigan strategic fund. If the application complies with the requirements of this section, the Michigan strategic fund shall approve the award of the grant in the amount requested by the applicant. The Michigan strategic fund may deny a grant application submitted under this section only for the following reasons:

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

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

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

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

(9) If there is an insufficient amount of money in the CDFI fund to pay the grants approved, the amount of each grant shall be reduced proportionately by the Michigan strategic fund based upon the amount of money available in the CDFI fund.
Upon approval of an application, the Michigan strategic fund and the applicant shall sign a written grant agreement providing the terms of the grant agreement. A grant agreement must include all of the following:

(a) A requirement that at least 80% of the grant award be used for financial products and financial services.

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

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

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

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

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

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

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

(i) A requirement for the grant award recipient to report on activities consistent with the requirements of subsection (14).
(11) A grant agreement may provide for the community development financial institution that is the recipient of a grant award to serve as an intermediary lender to another community development financial institution consistent with the purposes of this act.

(12) A grant agreement must permit a grant award recipient to assign the award to an affiliate and for the affiliate to assume the obligations of the grant award recipient if the affiliate satisfies all of the following:

(a) Is a community development financial institution.

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

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

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

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

(13) Except as otherwise provided in subsection (14), the Michigan strategic fund shall require the recipient of a grant award under this act to report annually to the Michigan strategic fund regarding its activities under this section beginning on the May 1 following the calendar year in which the grant award was received by the recipient. The Michigan strategic fund shall publish on its website a standard form for the report. Except as otherwise provided in subsection (14), the report must include all of the following information:

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

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

(i) The name of each transaction.

(ii) A transition tracking number for each transaction.

(iii) The date of each transaction.

(iv) The amount of each transaction.

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

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

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

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

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

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

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

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

(i) A description of administration and operations costs incurred.
(ii) Professional fees and expenses incurred.

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

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

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

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

(15) Except as otherwise provided in subsection (3), not more than 4% of the appropriation provided from the CDFI fund may be used for administering the programs and activities incurred in administering this section.

(16) The unexpended portion of money in the CDFI fund provided for grants under this section is considered a work project appropriation in accordance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a. The following apply to the project:

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

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

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

(d) The tentative completion date for the work project is September 30, 2025.

(17) As used in this section:

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

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

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

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

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

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

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

(c) "Depository institution" means any of the following:
(i) A bank as that term is defined in section 3(a) of the federal deposit insurance act, 12 USC 1813(a).

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

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

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

(d) "Eligible activities" means activities described in 12 CFR 1805.301, and includes credit enhancements, loan loss reserves, and equity investments.

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

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

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

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

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

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

   (iii) Has a target market that includes this state, as recognized by the federal fund.
(iv) Serves 1 or more targeted populations located within this state.

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

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

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

(ii) An additional credit enhancement, loan loss reserve, or equity investment committed by the community development financial institution or an affiliate of the community development financial institution.

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

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

DEPARTMENT OF TREASURY

Sec. 401. (1) From the funds appropriated in part 1 for ARP -
affected health and fitness industry business relief, $53,000,000.00 shall be used by the department of treasury to create and operate an affected health and fitness industry business relief program to provide grants to affected health and fitness industry businesses in this state that have realized a financial hardship as a result of the COVID-19 emergency. The department of treasury shall provide grants to affected health and fitness industry businesses as defined in this section to be utilized for purposes described in subsection (2)(d). The Michigan department of treasury shall oversee the grant application, review, and approval process.

(2) Grants made available to affected health and fitness industry businesses under the program must meet all of the following conditions:

(a) Subject to subdivisions (b) and (c), must not exceed the lesser of an amount equal to the financial hardship of the affected health and fitness industry business or $250,000.00 per physical location.

(b) An affected health and fitness industry business that was in operation on October 1, 2019 must be subject to the following grant limitations:

(i) Affected health and fitness industry businesses that submit a completed grant application and certify a decline in total sales in Michigan of 20% or more for calendar year 2020 when compared to calendar year 2019 are eligible to receive a grant equal to 100% of the amount calculated in subdivision (a) subject to subsection (5).

(ii) Affected health and fitness industry businesses that submit a completed grant application and certify a decline in total sales in Michigan greater than or equal to 15%, but less than 20%,
for calendar year 2020 when compared to calendar year 2019 are
eligible to receive a grant equal to 75% of the amount calculated
in subdivision (a) subject to subsection (5).

(iii) Affected health and fitness industry businesses that
submit a completed grant application and certify a decline in total
sales in Michigan greater than or equal to 10%, but less than 15%,
for calendar year 2020 when compared to calendar year 2019 are
eligible to receive a grant equal to 50% of the amount calculated
in subdivision (a) subject to subsection (5).

(iv) Affected health and fitness industry businesses that
submit a completed grant application and certify a decline in total
sales in Michigan greater than or equal to 5%, but less than 10%,
for calendar year 2020 when compared to calendar year 2019 are
eligible to receive a grant equal to 25% of the amount calculated
in subdivision (a) subject to subsection (5).

(c) An affected health and fitness industry business that was
not in operation on October 1, 2019, but started operations before
June 1, 2020, is eligible to receive a grant equal to 25% of the
amount calculated in subdivision (a) subject to subsection (5) if
the affected health and fitness industry business submits a
completed grant application and certifies that it was closed or
partially closed due to an executive order or epidemic order issued
by the Michigan department of health and human services.

(d) Grant awards must be used in compliance with federal
guidelines.

(3) An affected health and fitness industry business is
considered to have qualified for a grant under this section if, and
only if, the affected health and fitness industry business submits
a completed grant application, submits any supporting documentation
required by the department of treasury to verify financial
hardship, and certifies and attests, under penalty of perjury, to 1
of the following:

(a) The business was in operation on October 1, 2019, and was
either an eligible self-employed individual, independent
contractor, or sole proprietorship with no employees, or the
business had employees for which it paid salaries or wages and
payroll taxes or paid independent contractors, and the affected
health and fitness industry business was adversely impacted by the
COVID-19 pandemic as indicated by a decline in total sales in
Michigan of at least 5% for calendar year 2020 when compared to
calendar year 2019.

(b) The business was not in operation on October 1, 2019, but
started operations before June 1, 2020, and was either an eligible
self-employed individual, independent contractor, or sole
proprietorship with no employees, or had employees for which it
paid salaries or wages and payroll taxes or paid independent
contractors, and the affected health and fitness industry business
was adversely impacted by the COVID-19 pandemic through a closure
or partial closure due to an executive order or epidemic order
issued by the Michigan department of health and human services.

(4) Any affected health and fitness industry business that
falsifies certification under subsection (3) shall forfeit any
payments under this section and shall repay this state all payments
it has received under this section.

(5) If the amount appropriated under this section is not
sufficient to fully pay grant awards under this section, payments
shall be prorated on an equal basis among all affected health and
fitness industry businesses that qualified for a grant under this
section. The department of treasury may make the proration calculation after April 1, 2022.

(6) The department of treasury must develop and post on the department website the application affected health and fitness industry businesses must use to apply for a grant, including the certification language under subsection (3), and program operation, award, and reporting criteria for the program not later than March 1, 2022. Affected health and fitness industry businesses shall have until April 1, 2022 to submit program grant applications. The department of treasury shall disburse grant awards not later than July 1, 2022.

(7) Any funds not awarded by July 1, 2022 must be reallocated and redistributed to the grant recipients in an amount equal to the grantees proportionate share of the initial award under this section. The total amount awarded after distributions under this subsection may exceed the total under subsection (2)(a).

(8) Not more than 1% of the funds appropriated in part 1 for ARP – affected health and fitness industry business relief, or an amount equal to actual costs incurred, whichever is less, may be used by the department for administrative costs related to this section.

(9) The department of treasury shall submit a report to the senate and house appropriations committees, the senate and house fiscal agencies, and the state budget office that provides a listing of the grant amounts awarded, the prorated percentage, and the name of the recipient of each grant provided under this section. The department of treasury shall submit a summary of all grants awarded under this section, by industry, by September 30, 2022.
(10) As used in this section:

(a) "Affected health and fitness industry business" means a business that is not tax exempt under the internal revenue code of 1986, 26 USC 1 to 9834, that is not a government entity, that is not permanently closed, and that is any of the following:

(i) An exercise facility.
(ii) A health club.
(iii) A pilates studio.
(iv) A yoga studio.
(v) A cross fit studio.
(vi) A rowing club.
(vii) A cycling club.

(b) "Exercise facility" means a facility in which individuals participate in individual or group physical activity, including a gymnasium, fitness center, or exercise studio.

(c) "Financial hardship" means an amount equal to an affected health and fitness industry business's decline in total sales in Michigan capped at an amount equal to the sum of modified occupancy costs, including rent, common area maintenance, insurance, and personal property taxes paid during calendar year 2020. Rent and personal property taxes may include deferred rent and personal property taxes if the affected health and fitness industry business provides documented proof of the deferred rent and personal property taxes agreed to by the landlord.

(d) "Total sales in Michigan" means total sales by the affected health and fitness industry business in this state plus apportioned Paycheck Protection Program receipts.

(e) "Apportioned Paycheck Protection Program receipts" means forgiven loans received under the Paycheck Protection Program.
established under the coronavirus aid, relief, and economic
security act, Public Law 116-136, the paycheck protection program
and health care enhancement act, Public Law 116-139, the paycheck
protection program flexibility act of 2020, Public Law 116-142, the
consolidated appropriations act, 2021, Public Law 116-260, and the
PPP extension act of 2021, Public Law 117-6, multiplied by a
fraction the numerator of which is total sales of the affected
health and fitness industry business in Michigan in the calendar
year and the denominator is total sales of the affected health and
fitness industry business everywhere during the calendar year.

Sec. 402. (1) The funds appropriated in part 1 for ARP - food
law fee refund offset must be deposited in the dairy and food
safety fund created in section 4117 of the food law, 2000 PA 92,
MCL 289.4117, to offset any resulting revenue reduction due to the
enactment of House Bill No. 4561 of the 101st Legislature.

(2) Funds appropriated in part 1 for ARP - food law fee refund
offset shall not be expended unless House Bill No. 4561 of the
101st Legislature is enacted into law.

Sec. 403. (1) The funds appropriated in part 1 for ARP -
health occupation license fees credits and prorations must be
deposited in the following funds to offset any revenue reductions
resulting from license and certification fee credits and prorations
due to the enactment of House Bill No. 4558 of the 101st
Legislature:

(a) The health professions regulatory fund created in section
16315 of the public health code, 1978 PA 368, MCL 333.16315.

(b) The nurse professional fund created in section 16315 of
the public health code, 1978 PA 368, MCL 333.16315.

(c) The pain management education and controlled substances
electronic monitoring and antidiversion fund created in section 16315 of the public health code, 1978 PA 368, MCL 333.16315.

(2) Funds appropriated in part 1 for ARP - health occupation license fees credits and prorations shall not be expended unless House Bill No. 4558 of the 101st Legislature is enacted into law.

Sec. 404. (1) The funds appropriated in part 1 for ARP - liquor control commission fee waivers must be used to offset revenue reductions resulting from fee waivers or prorations due to the enactment of House Bill No. 4557 of the 101st Legislature. Funds appropriated in part 1 must be proportionally allocated based on revenue loss to the funds and purposes associated with the fees as provided for in the Michigan liquor control code of 1998, 1998 PA 58, MCL 436.1101 to 436.2303.

(2) Funds appropriated in part 1 for ARP - liquor control commission fee waivers shall not be expended unless House Bill No. 4557 of the 101st Legislature is enacted into law.

Sec. 405. (1) From the funds appropriated in part 1 for ARP - Michigan movie theater survival grants, $18,000,000.00 shall be used by the department of treasury to create and operate a Michigan movie theater survival grant program to provide Michigan movie theater survival grants to eligible businesses in this state.

(2) The Michigan movie theater survival grant program shall be used to provide grants to eligible movie theaters that have realized a significant financial hardship as a result of the COVID-19 emergency. Grant applications shall be accepted, reviewed, and approved by the department of treasury. The department of treasury shall not utilize any of the funds appropriated in part 1 for ARP - Michigan movie theater survival grants for administration.

(3) Grants made available to eligible businesses under the
program must meet all of the following conditions:

(a) Must equal $15,000.00 per movie theater screen.
(b) Must be used only for working capital to support payroll expenses, rent, mortgage payments, utility expenses, or costs related to normal business operations.
(4) The department of treasury must develop and post on the department of treasury website application, program operation, award, and reporting criteria for the program.
(5) The department of treasury shall submit a monthly report to the senate and house appropriations committees, the senate and house fiscal agencies, and the state budget office that provides a listing of grants awarded in the previous month and the name of the recipient of each grant provided under the program. The department of treasury shall submit a summary of all grants awarded under the program, by eligible business, over the course of the current fiscal year by September 30, 2022.
(6) As used in this section:
(a) "Eligible business" means a movie theater located in this state.
(b) "Michigan movie theater survival grant" or "grant" means a Michigan movie theater survival grant made to an eligible business under this section.
Sec. 406. (1) The funds appropriated in part 1 for ARP - occupational code fee credits and prorations must be deposited in the following funds to offset any resulting revenue reductions due to the enactment of House Bill No. 4559 of the 101st Legislature:
(a) The licensing and regulation fund created in section 3 of the state license fee act, 1979 PA 152, MCL 338.2203.
(b) The accountancy enforcement fund created in section 11 of
the state license fee act, 1979 PA 152, MCL 338.2211.
(c) The real estate education fund created in section 37 of
the state license fee act, 1979 PA 152, MCL 338.2237.
(d) The real estate enforcement fund created in section 37 of
the state license fee act, 1979 PA 152, MCL 338.2237.
(e) The real estate appraiser education fund created in
section 38 of the state license fee act, 1979 PA 152, MCL 338.2238.
(2) Funds appropriated in part 1 for ARP - occupational code
fee credits and prorations shall not be expended unless House Bill
No. 4559 of the 101st Legislature is enacted into law.
Sec. 407. (1) From the funds appropriated in part 1 for ARP -
server training requirement program, $10,000,000.00 shall be
awarded to a statewide nonprofit organization representing
Michigan's beverage alcohol industry to provide reimbursements to
individuals or businesses seeking server training as required by
the Michigan liquor control commission. The purpose of the program
is to aid Michigan's restaurants, bars, and taverns in their
recovery from the COVID-19 pandemic. The statewide nonprofit
organization representing Michigan's beverage alcohol industry must
establish program guidelines and an application process for
individuals and businesses seeking reimbursement for the costs
associated with a server training requirement and make them
available on a publicly accessible internet site. Grant awards must
not exceed the cost of the certification.
(2) Not more than 1% of the funds appropriated in part 1 for
ARP - server training requirement program may be used by the
statewide nonprofit organization representing Michigan's beverage
alcohol industry for administrative costs related to this section.
(3) The department of treasury must ensure that the statewide
nonprofit organization representing Michigan's beverage alcohol industry submits a report that includes, but is not limited to, aggregate data on the number of individuals and businesses that applied for and received reimbursement under this program. The report must be submitted to the department of treasury not later than September 1 each year the program is in operation. After receipt of the report, the department of treasury shall submit the report to the senate and house appropriations committees, the senate and house fiscal agencies, and the state budget office by September 30.

(4) Any funds not awarded by the statewide nonprofit by December 31, 2024 must revert back to the department of treasury.

Sec. 408. (1) The funds appropriated in part 1 for ARP-skilled trades regulation act fee credits and prorations must be deposited in the state construction code fund created in section 22 of the Stille-DeRossett-Hale single state construction code act, 1972 PA 230, MCL 125.1522, to offset any resulting revenue reduction due to the enactment of House Bill No. 4560 of the 101st Legislature.

(2) Funds appropriated in part 1 for ARP-skilled trades regulation act fee credits and prorations shall not be expended unless House Bill No. 4560 of the 101st Legislature is enacted into law.

Sec. 409. The entity administering the distribution of the grant or award under section 401 or 405 shall, to the extent practicable, reduce the grant or award provided under section 401 or 405 by an amount equal to the grant or award received under section 401 of 2021 PA 132.