

**STATE OF MICHIGAN
101ST LEGISLATURE
REGULAR SESSION OF 2022**

Introduced by Senators Bumstead, Victory, McBroom, Runestad, Daley, MacDonald, Bizon, Zorn, Theis, Outman, Nesbitt, Horn, Lauwers, VanderWall, Johnson, Stamas, Barrett and Schmidt

ENROLLED SENATE BILL No. 565

AN ACT 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:

APPROPRIATION SUMMARY	
GROSS APPROPRIATION	\$ 4,709,989,100
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers	0
ADJUSTED GROSS APPROPRIATION	\$ 4,709,989,100
Federal revenues:	
Total federal revenues	4,133,407,700
Special revenue funds:	
Total local revenues	4,991,500
Total private revenues	0
Total other state restricted revenues	0
State general fund/general purpose	\$ 571,589,900

Sec. 102. DEPARTMENT OF ENVIRONMENT, GREAT LAKES, AND ENERGY

(1) APPROPRIATION SUMMARY	
GROSS APPROPRIATION	\$ 1,944,297,900
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers	0

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2022

ADJUSTED GROSS APPROPRIATION	\$	1,944,297,900
Federal revenues:		
Total federal revenues		1,814,728,000
Special revenue funds:		
Total local revenues		0
Total private revenues		0
Total other state restricted revenues		0
State general fund/general purpose	\$	129,569,900
(2) WATER INFRASTRUCTURE		
Water state revolving funds	\$	506,097,900
GROSS APPROPRIATION	\$	506,097,900
Appropriated from:		
Federal revenues:		
Infrastructure investment and jobs act fund		469,728,000
State general fund/general purpose	\$	36,369,900
(3) ONE-TIME APPROPRIATIONS		
ARP - healthy hydration	\$	50,000,000
ARP - drinking water asset management		20,000,000
ARP - Michigan water use advisory council		10,000,000
ARP - water state revolving funds		1,265,000,000
Dam risk reduction program		43,200,000
Failing septic system loan program		35,000,000
PFAS remediation grant program		15,000,000
GROSS APPROPRIATION	\$	1,438,200,000
Appropriated from:		
Federal revenues:		
Coronavirus state fiscal recovery fund		1,345,000,000
State general fund/general purpose	\$	93,200,000
Sec. 103. DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY		
(1) APPROPRIATION SUMMARY		
GROSS APPROPRIATION	\$	1,040,999,000
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		0
ADJUSTED GROSS APPROPRIATION	\$	1,040,999,000
Federal revenues:		
Total federal revenues		964,879,000
Special revenue funds:		
Total local revenues		0
Total private revenues		0
Total other state restricted revenues		0
State general fund/general purpose	\$	76,120,000
(2) ONE-TIME APPROPRIATIONS		
ARP - homeowner assistance fund	\$	121,406,100
ARP - housing and community development fund		50,000,000
ARP - Michigan statewide broadband service grant program		250,630,400
ARP - missing middle gap program		50,000,000
ARP - residential clean energy improvements		50,000,000
Community development block grant - disaster recovery		59,898,000
COVID-19 emergency rental assistance		382,944,500
Demolition of former Deerfield Correctional Facility		1,120,000
Michigan one-time grant		50,000,000
Mobility futures initiative		25,000,000
GROSS APPROPRIATION	\$	1,040,999,000

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Appropriated from:		
Federal revenues:		
Coronavirus capital projects fund	\$	250,630,400
Coronavirus state fiscal recovery fund		150,000,000
Federal funds		121,406,100
Federal revenues		382,944,500
HUD-CPD, community development block grant		59,898,000
State general fund/general purpose	\$	76,120,000

Sec. 104. DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS

(1) APPROPRIATION SUMMARY		
GROSS APPROPRIATION	\$	25,000,000
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		0
ADJUSTED GROSS APPROPRIATION	\$	25,000,000
Federal revenues:		
Total federal revenues		0
Special revenue funds:		
Total local revenues		0
Total private revenues		0
Total other state restricted revenues		0
State general fund/general purpose	\$	25,000,000
(2) ONE-TIME APPROPRIATIONS		
Low carbon energy infrastructure enhancement and development	\$	25,000,000
GROSS APPROPRIATION	\$	25,000,000
Appropriated from:		
State general fund/general purpose	\$	25,000,000

Sec. 105. DEPARTMENT OF NATURAL RESOURCES

(1) APPROPRIATION SUMMARY		
GROSS APPROPRIATION	\$	450,000,000
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		0
ADJUSTED GROSS APPROPRIATION	\$	450,000,000
Federal revenues:		
Total federal revenues		450,000,000
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 - local parks and trail infrastructure grants	\$	200,000,000
ARP - state parks and trail infrastructure		250,000,000
GROSS APPROPRIATION	\$	450,000,000
Appropriated from:		
Federal revenues:		
Coronavirus state fiscal recovery fund		450,000,000
State general fund/general purpose	\$	0

Sec. 106. DEPARTMENT OF TECHNOLOGY, MANAGEMENT, AND BUDGET

(1) APPROPRIATION SUMMARY		
GROSS APPROPRIATION	\$	30,000,000

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2022

Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers	\$	0
ADJUSTED GROSS APPROPRIATION	\$	30,000,000
Federal revenues:		
Total federal revenues		30,000,000
Special revenue funds:		
Total local revenues		0
Total private revenues		0
Total other state restricted revenues		0
State general fund/general purpose	\$	0
(2) SPECIAL PROGRAMS		
ARP - Michigan infrastructure office	\$	5,000,000
GROSS APPROPRIATION	\$	5,000,000
Appropriated from:		
Federal revenues:		
Coronavirus state fiscal recovery fund		5,000,000
State general fund/general purpose	\$	0
(3) ONE-TIME APPROPRIATIONS		
ARP - Coronavirus response activities	\$	25,000,000
GROSS APPROPRIATION	\$	25,000,000
Appropriated from:		
Federal revenues:		
Coronavirus state fiscal recovery fund		25,000,000
State general fund/general purpose	\$	0
Sec. 107. STATE DEPARTMENT OF TRANSPORTATION		
(1) APPROPRIATION SUMMARY		
GROSS APPROPRIATION	\$	644,746,200
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		0
ADJUSTED GROSS APPROPRIATION	\$	644,746,200
Federal revenues:		
Total federal revenues		551,654,700
Special revenue funds:		
Total local revenues		4,991,500
Total private revenues		0
Total other state restricted revenues		0
State general fund/general purpose	\$	88,100,000
(2) ROAD AND BRIDGE PROGRAMS		
Local federal aid and road and bridge construction	\$	79,166,700
State trunkline federal aid and road and bridge construction		237,500,000
GROSS APPROPRIATION	\$	316,666,700
Appropriated from:		
Federal revenues:		
Federal aid - transportation programs		316,666,700
State general fund/general purpose	\$	0
(3) PUBLIC TRANSPORTATION SERVICES		
Passenger transportation services	\$	227,900
GROSS APPROPRIATION	\$	227,900
Appropriated from:		
Federal revenues:		
Federal aid - transportation programs		227,900
State general fund/general purpose	\$	0

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(4) LOCAL BUS TRANSIT		
Nonurban operating/capital	\$	9,817,700
GROSS APPROPRIATION	\$	9,817,700
Appropriated from:		
Federal revenues:		
Federal aid - transportation programs		9,817,700
State general fund/general purpose	\$	0
(5) INTERCITY PASSENGER		
Intercity services	\$	1,558,800
Marine passenger service		2,652,000
GROSS APPROPRIATION	\$	4,210,800
Appropriated from:		
Federal revenues:		
Federal aid - transportation programs		4,210,800
State general fund/general purpose	\$	0
(6) PUBLIC TRANSPORTATION DEVELOPMENT		
Service initiatives	\$	7,677,200
Specialized services		3,227,400
Transit capital		41,000,000
GROSS APPROPRIATION	\$	51,904,600
Appropriated from:		
Federal revenues:		
Federal aid - transportation programs		51,904,600
State general fund/general purpose	\$	0
(7) CAPITAL OUTLAY - AIRPORT IMPROVEMENT PROGRAMS		
Airport safety, protection, and improvement program	\$	4,991,500
IIJA airport infrastructure grants		92,827,000
GROSS APPROPRIATION	\$	97,818,500
Appropriated from:		
Federal revenues:		
Federal aid - transportation programs		92,827,000
Special revenue funds:		
Local funds, aero		4,991,500
State general fund/general purpose	\$	0
(8) ONE-TIME BASIS ONLY		
ARP - pump station back-up generators	\$	66,000,000
Detroit new center intermodal facility		10,000,000
Michigan infrastructure grants		88,100,000
GROSS APPROPRIATION	\$	164,100,000
Appropriated from:		
Federal revenues:		
Coronavirus state fiscal recovery fund		66,000,000
Federal aid - transportation programs		10,000,000
State general fund/general purpose	\$	88,100,000
Sec. 108. DEPARTMENT OF TREASURY		
(1) APPROPRIATION SUMMARY		
GROSS APPROPRIATION	\$	574,946,000
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		0
ADJUSTED GROSS APPROPRIATION	\$	574,946,000
Federal revenues:		
Total federal revenues		322,146,000

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Special revenue funds:		
Total local revenues	\$	0
Total private revenues		0
Total other state restricted revenues		0
State general fund/general purpose	\$	252,800,000
(2) ONE-TIME APPROPRIATIONS		
2020 census city, village, and township hold harmless	\$	46,000,000
Grants for dam projects		206,800,000
Nonentitlement Coronavirus local fiscal recovery fund grants		322,146,000
GROSS APPROPRIATION	\$	574,946,000
Appropriated from:		
Federal revenues:		
Coronavirus local fiscal recovery fund		322,146,000
State general fund/general purpose	\$	252,800,000

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 fiscal year ending September 30, 2022 is \$571,589,900.00 and total state spending from state sources to be paid to local units of government is \$101,900,000.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF ENVIRONMENT, GREAT LAKES, AND ENERGY		
Dam risk reduction program	\$	3,000,000
PFAS remediation grant program		15,000,000
Subtotal	\$	18,000,000
STATE TRANSPORTATION DEPARTMENT		
Michigan infrastructure grants	\$	31,100,000
Subtotal	\$	31,100,000
DEPARTMENT OF TREASURY		
2020 census city, village, and township hold harmless	\$	46,000,000
Grants for dam projects		6,800,000
Subtotal	\$	52,800,000
TOTAL	\$	101,900,000

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

Sec. 204. 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. 205. Funds appropriated in part 1 from the federal government must be allocated and expended in a manner consistent with federal rules and regulations.

Sec. 206. 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 ENVIRONMENT, GREAT LAKES, AND ENERGY

Sec. 301. From the funds appropriated in part 1 for water state revolving funds, a total of \$162,416,000.00 must be allocated to support eligible clean water projects as follows:

(a) \$154,316,000.00 to support wastewater systems, including work at wastewater treatment plants, sewer collection systems, pump stations, and other projects eligible under the infrastructure investment and jobs act, Public Law 117-58.

(b) \$8,100,000.00 to support addressing emerging contaminants.

Sec. 302. (1) From the funds appropriated in part 1 for water state revolving funds, a total of \$307,312,000.00 must be allocated to support eligible drinking water infrastructure projects as follows:

(a) \$88,150,000.00 to support drinking water state revolving fund existing programs.

(b) \$138,818,000.00 to support lead service line replacement.

(c) \$37,018,000.00 to support addressing emerging contaminants, which money must be used to the greatest extent possible for the consolidation and contamination risk reduction program.

(d) \$43,326,000.00 to provide assistance for small and disadvantaged communities.

(2) Funds appropriated in part 1 for water state revolving funds may be used for upgrading or repairing water treatment plants, water mains, service lines, and other related water infrastructure projects.

Sec. 303. The unexpended funds appropriated in part 1 for water state revolving funds are designated as a work project appropriation. Any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for projects under this section until the projects have been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to support clean water and drinking water projects.

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

(c) The total estimated cost of the project is \$506,097,900.00.

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

Sec. 304. (1) From the funds appropriated in part 1 for ARP – healthy hydration, the department of environment, Great Lakes, and energy must work with the department of education to implement a program to reimburse school districts, nonpublic schools, and child care centers for filtered drinking water stations, tap-mounted water filters, water filter pitchers, or universal cartridge water filters featuring molded collars for the purpose of filtering organic and manmade materials and chemicals from drinking water in locations of need.

(2) To be eligible for funding, school districts and nonpublic schools must provide 50% matching funds to access healthy hydration funding. Child care centers are not required to provide matching funds.

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

(a) The purpose of the project is to implement a program to reimburse school districts, nonpublic schools, and child care centers for filtered drinking water stations, tap-mounted water filters, water filter pitchers, or universal cartridge water filters.

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

(c) The total estimated cost of the project is \$50,000,000.00.

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

Sec. 305. (1) Funds appropriated in part 1 for ARP – drinking water asset management must be allocated for grants of up to \$1,000,000.00 for the creation of asset management plans or distribution system material inventories, or both, for drinking water systems. Grants must not require a local match and must follow existing eligibility requirements. Not less than 25% of funds must be allocated for grants to systems serving a population of not more than 10,000 according to the most recent federal decennial census, excluding state correctional facility prisoner populations.

(2) The unexpended funds appropriated in part 1 for ARP – drinking water asset management are designated as a work project appropriation. Any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditure for projects under this section until the projects have been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is for the creation of asset management plans or distribution system material inventories, or both, for drinking water systems.

- (b) The project will be accomplished by utilizing state employees or contracts with service providers, or both.
- (c) The total estimated cost of the project is \$20,000,000.00.
- (d) The tentative completion date is September 30, 2026.

Sec. 306. (1) From the funds appropriated in part 1 for ARP – Michigan water use advisory council, the department of environment, Great Lakes, and energy must work in collaboration with the council to provide funds to address recommendations included in the Michigan water use advisory council 2020 report. The department of environment, Great Lakes, and energy may contract with service providers, utilize state employees, or provide grants.

(2) The unexpended funds appropriated in part 1 for ARP – Michigan water use advisory council are designated as a work project appropriation. Any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for projects under this section until the projects have been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to address recommendations included in the Michigan water use advisory council 2020 report.

- (b) The project will be accomplished by utilizing state employees or contracts with service providers, or both.
- (c) The total estimated cost of the project is \$10,000,000.00.
- (d) The tentative completion date is September 30, 2026.

Sec. 307. (1) From the funds appropriated in part 1 for ARP – water state revolving funds, the department of environment, Great Lakes, and energy must allocate \$515,000,000.00 for clean water infrastructure improvements and public health risk reduction efforts as described in this section.

(2) From the funds appropriated in part 1 for ARP – water state revolving funds, the department of environment, Great Lakes, and energy may hire or contract for 2.0 limited-term staff in support of clean water infrastructure improvements.

(3) The department of environment, Great Lakes, and energy must maximize the geographic distribution of funds by doing all of the following:

(a) Capping the maximum award amount at not more than \$20,000,000.00 per project, unless otherwise provided in this section.

(b) Ensuring that a minimum of 25% of the funds allocated under this section are awarded to communities with a population of less than 10,000 according to the most recent federal decennial census, excluding state correctional facility prisoner populations.

(4) From the funds allocated in subsection (1), up to \$20,000,000.00 must be allocated to address substantial public health risks. Grants under this subsection must not exceed \$2,000,000.00 per project. Eligible projects include those that meet 1 or more of the following criteria:

(a) Have a signed administrative consent order or a consent judgment that exists with the department of environment, Great Lakes, and energy.

(b) Have a local health department official determination or equivalent determination in place.

(c) For failing wastewater sewage lagoon treatment systems, have a determination based in part by information provided in the most recent national pollutant discharge elimination system permit application.

(d) Have a department of environment, Great Lakes, and energy determination that there is an immediate and substantial public health risk under the natural resource and environmental protection act, 1994 PA 451, MCL 324.101 to 324.90106.

(5) From the funds allocated in subsection (1), the department of environment, Great Lakes, and energy must allocate all of the following:

(a) An amount not to exceed \$72,000,000.00 to be awarded as a grant to a county with a population between 880,000 and 890,000 according to the most recent federal decennial census for priority wastewater infrastructure projects to address combined sewer overflows, pumping capacity, and sewer rehabilitation.

(b) An amount not to exceed \$25,000,000.00 for the Great Lakes Water Authority.

(6) Funds allocated under subsection (5) do not constitute a future guarantee of permitting approval for any project.

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

(a) The purpose of the project is to improve clean water infrastructure.

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

(c) The total estimated cost of the project is \$515,000,000.00.

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

Sec. 308. (1) From the funds appropriated in part 1 for ARP – water state revolving funds, the department of environment, Great Lakes, and energy must allocate \$750,000,000.00 for drinking water improvements as described in this section, including, but not limited to, lead service line replacements, water main improvements, and water treatment plant upgrades.

(2) From the funds appropriated in part 1 for ARP – water state revolving funds, the department of environment, Great Lakes, and energy may hire or contract for 2.0 limited-term staff in support of drinking water improvements.

(3) The department of environment, Great Lakes, and energy must maximize the geographic distribution of funds by doing both of the following:

(a) Capping the maximum award amount at no more than \$20,000,000.00 per project unless otherwise provided for in this section.

(b) Ensuring that a minimum of 25% of the funds allocated under this section are awarded to communities with a population of less than 10,000 according to the most recent federal decennial census, excluding state correctional facility prisoner populations.

(4) The department of environment, Great Lakes, and energy must ensure that, not including allocations in subsections (5) and (6), not less than 25% of funds appropriated in this section are allocated for projects that include lead service line replacement.

(5) From the funds allocated in subsection (1), the department of environment, Great Lakes, and energy must allocate at least \$18,000,000.00 for the consolidation and contamination risk reduction program to provide drinking water assistance to remove or reduce PFAS or other contaminants. Of the amount described in this subsection, \$8,580,800.00 must be allocated to extend the water main to residential properties impacted by contamination in a county with a population of between 25,200 and 25,250 according to the most recent federal decennial census. Funds allocated under this subsection do not constitute a future guarantee of permitting approval for any project.

(6) From the funds allocated in subsection (1), the department of environment, Great Lakes, and energy must allocate all of the following:

(a) An amount not to exceed \$45,000,000.00 for lead service line replacement, water main improvements, and other necessary infrastructure improvements, restoration, and support in a city with a population of between 9,100 and 9,200 in a county with a population of between 154,300 and 154,350 according to the most recent federal decennial census.

(b) An amount not to exceed \$75,000,000.00 for lead service line replacement in a city with a population of between 639,000 and 640,000 in a county with a population of between 1,793,500 and 1,793,600 according to the most recent federal decennial census.

(c) \$5,850,000.00 to be awarded as a grant to a county with a population of between 400,000 and 410,000 according to the most recent federal decennial census for a water tower and back-up system.

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

(a) The purpose of the project is to improve drinking water infrastructure.

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

(c) The total estimated cost of the project is \$750,000,000.00.

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

Sec. 309. (1) From the funds appropriated in part 1 for dam risk reduction program, \$15,000,000.00 must be allocated to the department of environment, Great Lakes, and energy for department resources and expenses related to permitting, inspection, review, and consulting for projects associated with flooding and dam management related to dam failure in May 2020. Of this amount, \$3,000,000.00 must be granted to a county with a population of between 82,000 and 84,000 according to the most recent federal decennial census for the creation of a water management plan related to flooding issues and \$3,000,000.00 must be spent on projects that are in-kind services qualifying as all or a portion of the nonfederal cost sharing contribution of a sponsor that has been awarded 1 or more technical and financial assistance grants under the United States Department of Agriculture emergency federal erosion and watershed protection program for recovery measures in a county with a population of between 82,000 and 84,000 and a county with a population of between 25,350 and 25,400 according to the most recent federal decennial census.

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

(3) Funds allocated under this section shall be distributed as reimbursements for approved costs.

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

(a) The purpose of the project is to support projects associated with flooding and dam management.

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

(c) The total estimated cost of the project is \$43,200,000.00.

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

Sec. 310. (1) From the funds appropriated in part 1 for failing septic system loan program, the department of environment, Great Lakes, and energy must establish and support a loan program that provides low or no interest loans to municipalities, residents, and other entities deemed necessary by the department of environment, Great Lakes, and energy to protect public health and the environment through addressing failing septic systems.

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

(a) The purpose of the project is to protect public health by addressing failing septic systems.

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

(c) The total estimated cost of the project is \$35,000,000.00.

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

Sec. 311. (1) Funds appropriated in part 1 for PFAS remediation grant program must be allocated to a county with a population between 170,000 and 180,000 according to the most recent federal decennial census for PFAS remediation activities at a former industrial site contiguous with Muskegon Lake with no viable ownership entity. Remediation activities must address groundwater, drinking water, surface water, and fishery resources.

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

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

(a) The purpose of the project is for PFAS remediation activities at a former industrial site contiguous with Muskegon Lake with no viable ownership entity.

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

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

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

DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY

Sec. 351. (1) Funds appropriated in part 1 for ARP – homeowner assistance fund must be administered by the department of labor and economic opportunity by the terms set forth in section 3206 of the American rescue plan act of 2021, 15 USC 9058d, authorizing the United States Department of Treasury to make payments to certain recipients to be used to mitigate financial hardships associated with the coronavirus pandemic by providing funds to eligible entities for the purpose of preventing homeowner mortgage delinquencies, defaults, foreclosures, loss of utilities or home energy services, and displacements of homeowners experiencing financial hardship after January 21, 2020.

(2) The department of labor and economic opportunity must collaborate with the Michigan state housing development authority (MSHDA) acting as the eligible entity. Further collaboration will be completed with financial institutions across the state, and nonprofits approved by MSHDA and the United States Department of Housing and Urban Development. As used in this section, “eligible entity” means any of the following:

(a) A state.

(b) The Department of Hawaiian Home Lands.

(c) Each Indian tribe, and any Indian tribe that opted out of receiving a grant allocation under the Native American housing block grants program formula in fiscal year 2019-2020.

(3) The homeowner assistance fund program must operate in accordance with rules and guidance published by the United States Department of Treasury to serve mortgage delinquent households with reinstatement funds, funding for delinquent property taxes, and the payment of funds to remedy a utility delinquency to preserve their housing and avoid foreclosure.

Sec. 352. (1) Funds appropriated in part 1 for ARP – housing and community development fund must be allocated to the Michigan state housing development authority to expand access to affordable and attainable housing for individuals or communities disproportionately impacted by the COVID-19 pandemic. Funds must be deposited into the restricted Michigan housing and community development fund created in section 58a of the state housing development authority act of 1966, 1966 PA 346, MCL 125.1458a. All funds in the Michigan housing and community development fund are appropriated and available for expenditure for projects as described in sections 58b and 58c of the state housing development authority act of 1966, 1966 PA 346, MCL 125.1458b and 125.1458c.

(2) The Michigan state housing development authority must develop program guidelines and eligibility criteria for the program and must post that information on its publicly accessible website. Program guidelines must comply with federal regulations established by the American rescue plan act of 2021, Public Law 117-2, including all regulations and requirements around the use of the state fiscal recovery fund. Efforts must be made to ensure a broad geographic distribution of funds awarded under the program to both urban and rural communities, to the extent allowable under federal regulations. Clear and objective scoring criteria must be established, published, and strictly followed to govern the allocation of the funding with the primary objective of leveraging the funds for maximum total investment and housing production.

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

(a) The purpose of the project is to expand access to affordable and attainable housing for populations or regions disproportionately impacted by COVID-19.

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

(c) The total estimated cost of the project is \$50,000,000.00.

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

Sec. 353. (1) From the funds appropriated in part 1 for ARP – missing middle gap program, \$50,000,000.00 must be used by the Michigan state housing development authority to create a missing middle housing gap program to increase the supply of housing stock supporting the growth and economic mobility of employees by providing cost defrayment to developers investing in, constructing, or substantially rehabilitating properties that are targeted to household incomes between 185% and 300% of the federal poverty level.

(2) As used in this section:

(a) “Agreement” means an agreement between a developer and the authority pursuant to subsection (8).

(b) “Agreement counterparty” means the counterparty to an agreement, including the developer or any transferee or assignee of the developer’s rights and obligations under an agreement pursuant to subsection (8).

(c) “Area median income” means the median income for the area as published annually by the United States Department of Housing and Urban Development.

(d) “Attainable” means rent or a sale price resulting in a final mortgage payment no higher than 30% of the gross annual income of a missing middle household.

(e) “Authority” means the Michigan state housing development authority created by the state housing development authority act of 1966, 1966 PA 346, MCL 125.1401 to 125.1499c.

(f) “Energy efficient housing unit” means a housing unit that receives individually, or as part of a project, either a home energy rating system index score of 60 or below or that has received an energy star rating of 75 or higher.

(g) “Federal poverty level” means the federal poverty guideline published annually by the United States Department of Health and Human Services.

(h) “Final mortgage payment” means a mortgage payment calculated by the developer that must include principal, interest, taxes, insurance, private mortgage insurance, association fees or lease payments, or fees related to participation in a community land trust in accordance with financing assumptions consistent with market conditions as determined by the program administrator.

(i) “Housing unit” means a dwelling of less than 2,000 square feet, available for sale or lease on a permanent or year-round basis, that has a permanent foundation, electrical, heating and cooling, plumbing, bathing and restroom facilities, kitchen, and sleeping spaces, all of which meet building code requirements sufficient to achieve a certificate of occupancy.

(j) “Local support” means 1 or a combination of the following forms of support provided by a local unit of government:

(i) Financial contributions or grants in an amount equal to or exceeding \$5,000.00.

(ii) A tax abatement provided to a project in accordance with state law.

(iii) Tax increment revenues captured by a local unit of government and committed to a project in accordance with a tax increment finance and development plan.

(iv) Land transferred from the local unit of government at a cost of not more than \$1,000.00 per housing unit.

(v) Any other form of support provided by a local unit of government determined by the program administrator to constitute local support for purposes of this section.

(k) "Local unit of government" means a city, village, township, county, or any intergovernmental, metropolitan, or local department, agency, or authority, or other local political subdivision.

(l) "Program administrator" means the executive director of the authority.

(m) "Missing middle household" means a household earning between 185% and 300% of the federal poverty level.

(n) "Project" means the construction or substantial rehabilitation of 1 or more housing units made available at a price or lease rate that is accessible to a missing middle household.

(o) "Rural community" means any geography designated by the United States Department of Agriculture office of rural development as rural for purposes of its single-family housing guaranteed loan program.

(p) "Substantial rehabilitation" means rehabilitation of a housing unit that becomes an energy efficient housing unit and that requires a financial investment of at least \$25,000.00.

(3) All of the following apply regarding the missing middle housing gap program:

(a) The missing middle housing gap program is created under the jurisdiction and control of the authority and may be administered by the authority in accordance with the provisions of this section. In developing program guidelines and design, the authority must receive the concurrence of the executive director of the state land bank.

(b) The authority must expend funds under this section only for the purposes of making awards as provided in subsection (4) and paying the costs of administering the program, which may not exceed 4% of the total program amount.

(c) The authority must develop and implement the use of forms, applications, agreements, and any other documents necessary or appropriate to implement this section and carry out its duties under this section.

(d) At least 30% of the dollar amount of awards under this section must be allocated to projects in rural communities.

(e) Not more than 15% of the dollar amount of awards under this section must be allocated to projects in any single city, village, or township.

(4) All of the following apply regarding the approval and award of a grant under this section:

(a) Subject to subdivisions (b) and (c), upon satisfaction of the conditions set forth in subsection (6), the program administrator may approve and make a grant to a developer for a project consisting of the following amounts for each housing unit of the following types:

(i) A single-family detached home, townhome, or condominium with 2 or fewer bedrooms may receive up to \$40,000.00.

(ii) A single-family detached home, townhome, or condominium with 3 or more bedrooms may receive up to \$50,000.00.

(iii) A multifamily attached home, townhome, condominium, or apartment building may receive up to \$35,000.00 per housing unit with no bedrooms or 1 bedroom, and may receive up to \$40,000.00 per housing unit with 2 or more bedrooms.

(b) Subject to subdivision (c), in addition to the amounts under subdivision (a), the program administrator may approve and award to a project 1 or more of the following supplemental amounts:

(i) In a county where the countywide area median income is lower than the statewide area median income, an additional \$10,000.00 to a housing unit serving household incomes at 185% to 225% of the federal poverty level.

(ii) In a county where the countywide area median income is 80% or less than the statewide area median income, an additional amount of up to 25% of the amount awarded under subdivision (a).

(iii) An additional amount of up to \$10,000.00 to a housing unit that the program administrator determines qualifies as an energy efficient housing unit.

(c) The maximum amount that may be awarded to a project for a housing unit under this section is limited to the actual labor and material cost of construction or substantial rehabilitation of the housing unit.

(5) To qualify as a developer under this section, the developer must satisfy all of the following conditions:

(a) The developer must be a tax-exempt organization under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, authorized to do business in this state.

(b) The developer must pass a criminal and civil background check of key employees satisfactory to the program administrator.

(c) The developer must not be under debarment with the United States government.

(d) The developer must demonstrate to the program administrator that its mission or business model is consistent with the intent of this section, that it has a record of completing multiple projects similar to the

proposed project, and that it has the ability to implement rent restrictions and purchaser restrictions for the term of the agreement for the project. The developer may contract with 1 or more entities that will provide materials or services to the developer for the development of the project.

(6) All of the following conditions apply to a grant award under this section:

(a) To qualify for a grant under this section, a project must meet all of the following conditions, as determined by the program administrator:

(i) The project must consist of new construction, substantial rehabilitation, or a combination of both.

(ii) The developer must demonstrate site control, provide architectural drawings, identify the project general contractor, and provide a preliminary budget reflecting the ability to complete the project with funds distributed on a reimbursement basis.

(iii) The construction quality, design, and location of the project must be appropriate for the area in which the project will be developed. The program administrator may require pre-approval of designs and plans and may condition approval on certain minimum design and quality of construction standards.

(iv) The developer must demonstrate that it has not received and will not receive low-income housing tax credits for the project.

(v) The developer must demonstrate that the project has received or will receive local support.

(vi) The developer must propose a method or methods by which it will ensure to the satisfaction of the program administrator that each housing unit will remain attainable for a period of 10 years following the disbursement of funds to the developer.

(b) Application for approval under this subsection must be made in the form and manner prescribed by the program administrator and must include all of the following:

(i) Estimated total number of total housing units in development within the project.

(ii) Estimated number of housing units in the project qualifying for a grant under this section.

(iii) Estimated total square footage of the project.

(iv) Estimated total project costs.

(v) Estimated total project costs not arising from a grant under this section.

(c) Applications for awards under this section must be reviewed in the order in which the program administrator receives them, and the program administrator must approve or deny an application for a grant under this section within 30 days of receipt.

(7) To receive a distribution of funds from a grant approved under subsection (6), a project must meet all of the following conditions, as applicable:

(a) For a project consisting of 1 to 4 housing units, the developer must secure a certificate of occupancy within 24 months from the date of execution of the agreement for the project.

(b) For a project consisting of 5 or more housing units, the developer must secure a certificate of occupancy within 36 months from the date of execution of the agreement for the project.

(c) The developer may seek an extension of the time periods described in subdivisions (a) and (b) from the program administrator.

(d) The developer must have implemented the method or methods approved to ensure a project is attainable as described in subsection (6)(a)(vi).

(8) The terms and conditions for the distribution of awarded funds must be set forth in an agreement between the agreement counterparty and the program administrator as follows:

(a) The agreement may contain continuing obligations of the agreement counterparty for the term of the agreement, which must be 10 years from the date funds are distributed under the agreement.

(b) A developer may convey the project and transfer or assign the developer's rights and obligations under the related agreement to a third party only after the developer has satisfied the conditions of subsection (7) and received the distribution of grant funds.

(c) The agreement must require that the agreement counterparty provide all of the following information to the program administrator as of the date of the certificate of occupancy for the project:

(i) Total number of total housing units developed within the project.

(ii) Number of housing units in the project qualifying for the grant.

(iii) Total square footage of project.

(iv) Total project costs.

(v) Total project costs not arising from a grant under this section.

(d) The agreement must require that the agreement counterparty provide the following information annually during the term of the agreement:

(i) For a project consisting of housing units for sale, the price of each housing unit within the project sold during the reporting year.

(ii) For a project consisting of housing units for rent, each of the following:

(A) A statement of the rental rate of each housing unit for rent within the project during the reporting year.

(B) A statement of the income stated on tenant applications for the project during the reporting year.

(C) A statement of the occupancy rate of the project during the reporting year.

(9) The program administrator may in any year adjust any dollar amount provided in this section by a percentage equal to or less than the Consumer Price Index for that year.

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

(a) The purpose of the project is to expand access to housing stock for households between 185% to 300% of the federal poverty level.

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

(c) The total estimated cost of the project is \$50,000,000.00.

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

Sec. 354. (1) Funds appropriated in part 1 for ARP – residential clean energy improvements must be allocated to the Michigan state housing development authority to incentivize energy efficiency and health improvements that promote health or safety for single-family and multifamily residential properties and to provide energy assistance. Funds shall be available for both owner-occupied and rental properties and must be allocated as follows:

(a) From the funds appropriated in part 1 for ARP – residential clean energy improvements, \$10,000,000.00 must be allocated to provide homeowner rehabilitation assistance to address structural or mechanical repairs that enhance livability of homes for existing owner-occupied homeowners and rental property homeowners.

(b) From the funds appropriated in part 1 for ARP – residential clean energy improvements, \$20,000,000.00 must be allocated for activities tied to stabilization and enhancement of Michigan neighborhoods by nonprofit 501(c)(3) agencies and local units of government.

(c) From the funds appropriated in part 1 for ARP – residential clean energy improvements, \$15,000,000.00 must be allocated to a city with a population between 639,000 and 640,000 according to the most recent federal decennial census and must be used to invest in and repair homes which will promote public health and safety and increase property values.

(d) From the funds appropriated in part 1 for ARP – residential clean energy improvements, \$5,000,000.00 must be allocated for energy assistance programming administered by a 501(c)(3) nonprofit that manages a low-income home energy assistance program in a city with a population between 639,000 and 640,000 according to the most recent federal decennial census.

(2) The Michigan state housing development authority may work in coordination with other state agencies for the effective and efficient administration of the programs allocated in subsection (1).

(3) The Michigan state housing development authority must develop program guidelines and eligibility criteria for the program and must post that information on its publicly accessible website. Program guidelines must be in compliance with federal regulations established by the American rescue plan act of 2021, Public Law 117-2, including all regulations and requirements around the use of the state fiscal recovery fund. Efforts must be made to ensure a broad geographic distribution of funds awarded under the program to both urban and rural communities, to the extent allowable under federal regulations.

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

(a) The purpose of the project is to support residential clean energy improvements.

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

(c) The total estimated cost of the project is \$50,000,000.00.

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

Sec. 355. The unexpended funds appropriated in part 1 for community development block grant – disaster recovery are designated as a work project appropriation. Any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for projects under this section until the projects have been completed. The following is in compliance with section 451a(1) of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to support disaster recovery efforts.

- (b) The project will be accomplished by utilizing state employees or contracts with service providers, or both.
- (c) The total estimated cost of the project is \$59,898,000.00.
- (d) The tentative completion date is September 30, 2026.

Sec. 356. (1) Funds appropriated in part 1 for COVID-19 emergency rental assistance must be administered by the department of labor and economic opportunity by the terms set forth in section 3201 of the American rescue plan act of 2021, 15 USC 9058c, authorizing the United States Department of Treasury to make payments to or on behalf of eligible households for emergency rental and utility assistance.

(2) The department of labor and economic opportunity must collaborate with the department of health and human services, judiciary, local community action agencies, local nonprofit agencies, and legal aid organizations to operate an emergency rental and utility assistance program.

(3) The emergency rental and utility assistance program must operate in accordance with federal rules and guidance published by the United States Department of Treasury to serve eligible households with rental and utility assistance to preserve their housing and avoid eviction.

(4) Eligible households are limited to those households that meet all of the following requirements:

(a) Provide documentation that they were facing back rent before the effective date of this act.

(b) Provide a copy of a state ID or passport to provide proof of residency in this state.

(c) Provide all available documentation of proof of earned and unearned income for household members that live at the property and that are 18 years of age or older. Self-attestation is not considered proof of earned and unearned income documentation for individuals who are not self-employed, sole proprietors, or independent contractors. For individuals who are self-employed, sole proprietors, or independent contractors, proof of earned and unearned income may include tax returns, paycheck stubs, business licenses or fees, or any other form of proof of employment.

(5) Rental assistance must be paid directly to the landlord, unless the landlord is unwilling to complete the application process, in which case the funds may be provided to the tenant. If paid directly to the tenant, the tenant must certify that they will pay their landlord within 5 days of receipt of funding. The department of labor and economic opportunity must establish a process to verify landlords have received payment. Landlords who are unwilling to complete the application process on behalf of their tenants are not obligated to accept payment from tenants who receive funds directly for COVID-19 emergency rental assistance.

(6) The funds appropriated in this section must not be used for rent owed for occupancies after September 30, 2022.

(7) By September 30, 2022, the department of labor and economic opportunity shall provide a report to the senate and house appropriations committees, the senate and house fiscal agencies, and the state budget office on the number and percentage of individuals reporting earned and unearned income, number and percentage of individuals reporting as self-employed, sole proprietors, or independent contractors, number and percentage of individuals reporting no earned and unearned income, average amount of earned income reported on a monthly basis for those individuals that reported earned income, and average amount of unearned income on a monthly basis for those individuals that reported unearned income.

Sec. 357. Funds appropriated in part 1 for demolition of former Deerfield Correctional Facility must be allocated to the land bank fast track authority to be used for demolition and environmental remediation costs of clearing and cleaning the area for future redevelopment. Funds must be used to support demolishing all structures and abating contamination.

Sec. 358. From the funds appropriated in part 1 for Michigan one-time grant, \$50,000,000.00 must be awarded to a company for potash extraction infrastructure located in an industrial district in a county with a population of between 22,800 and 22,900 and in a township with a population of between 1,300 and 1,400 according to the most recent federal decennial census.

Sec. 359. (1) Funds appropriated in part 1 for ARP – Michigan statewide broadband service grant program must be used to operate a Michigan broadband program, consistent with the Coronavirus capital projects fund, section 604 of the American rescue plan act of 2021, 42 USC 804.

(2) After receiving funding to implement this section, and after federal approval, the department of labor and economic opportunity must allocate funding for grants under this section.

(3) The department of labor and economic opportunity must administer broadband infrastructure grants as provided in this section. Infrastructure grants must only be allocated for projects that support the provision of broadband service in unserved areas and must be issued based on a competitive process. The process must be based on technology neutral and scalable network standards, and result in awards to applicants proposing projects based on objective and efficient procedures.

(4) Except as otherwise provided in this subsection, the department of labor and economic opportunity must not directly or indirectly award infrastructure grants to a governmental entity or educational institution, or affiliate, to operate or construct broadband infrastructure. Unless another internet service provider has directly applied for an infrastructure grant in the same unserved area, the department of labor and economic opportunity may award grants to governmental entities for infrastructure grants only for a public-private partnership, with internet service providers who are contracted to either own, operate, or maintain broadband infrastructure or service in unserved areas. An eligible public-private partnership must demonstrate a competitive bidding process and comply with applicable state laws.

(5) The department of labor and economic opportunity must not impose an open network architecture requirement, rate regulation, or other term or condition of service as a condition of a broadband infrastructure grant.

(6) The department of labor and economic opportunity must establish objective criteria for determining infrastructure grants and publish the criteria on its website within 60 days after funds are released by the federal government. The criteria for determining the award of infrastructure grant funds must include, but not be limited to, all of the following:

- (a) The applicant's experience and financial wherewithal.
- (b) The readiness to build, operate, and maintain the project.
- (c) The long-term viability of the project.
- (d) The scalability of the network.
- (e) Demonstrated community support, partnerships, or an economic impact that will directly support job creation.
- (f) The applicant's ability and commitment to provide or participate in discounted broadband service or low-income subsidy programs, if required by the Coronavirus capital projects fund.

(7) In addition to criteria in subsection (6), the department of labor and economic opportunity must establish at least the following priorities for the awarding of infrastructure grants:

(a) Projects designed upon completion will support the delivery of broadband service of at least 100 megabits per second downstream, 20 megabits per second upstream, and scalable to at least 100 megabits per second upstream. A priority must be given to projects capable of providing service at faster speeds.

(b) Projects that will provide broadband connections to the most unserved areas at the highest speeds, and for the lowest grant amount per area.

- (c) Projects for areas that currently have no internet access.
- (d) Demonstrated community support, partnerships, or economic impact that will directly support job creation.
- (e) Technical, managerial, and financial capabilities of the applicant.
- (f) The applicant's ability and commitment to provide or participate in discounted broadband service or low-income subsidy programs, if required by the Coronavirus capital projects fund.

(8) Not more than 60 days after the department of labor and economic opportunity publishes criteria, infrastructure grant applicants must submit applications for eligible projects. If necessary, the department of labor and economic opportunity may establish subsequent application rounds consistent with this section.

(9) An applicant for an infrastructure grant under this section must provide at least all of the following:

(a) The area of the project in an unserved area, including specific street or address level locations, in a manner approved by the department of labor and economic opportunity.

(b) The type of facilities or equipment that will be supported by a grant.

(c) Any objective data regarding the lack of broadband service in an unserved area that will be supported by a grant.

(d) The number of locations, including households, businesses, or community institutions, in an area approved for an infrastructure grant, that will have access to broadband service.

(e) Any objective data that an infrastructure grant has demonstrated community support, economic impact, and economic development efforts that will directly support job creation.

(f) The total cost of the project and a detailed budget and schedule for the project.

(g) All sources of funding or in-kind contributions for the project in addition to any grant award.

(h) The applicant's experience and financial wherewithal.

(i) Demonstrated commitment to broadband adoption activities that will support the proposed project.

(j) Whether the project proposed in connection with an infrastructure grant is scalable to higher download and upload speeds.

(k) As applicable, the useful life of the high-speed broadband service proposed to be deployed.

(10) The applicant's trade secrets, financial information, and proprietary information submitted under this section as part of an application or reporting requirements are exempt from disclosure under the freedom of information act, 1976 PA 442, MCL 15.231 to 15.246.

(11) After scoring and considering infrastructure grant applications, the department of labor and economic opportunity must make grant recommendations and publish summaries, redacted according to section 14 of the freedom of information act, 1976 PA 442, MCL 15.244, on its website within 10 days, regarding the proposed geographic broadband service area and the proposed broadband service speeds for each application that receives an award recommendation.

(12) Before granting an award of an infrastructure grant to an applicant, the department of labor and economic opportunity must establish a period of at least 45 days after the date the award recommendations are published on the department of labor and economic opportunity's website, during which time the department of labor and economic opportunity must accept comments or objections concerning each application. The department of labor and economic opportunity must consider all reasonable comments or objections received, and investigate them as needed, in deciding whether an applicant is eligible for a grant. If an objection submitted by a provider contains information that requires an investigation and the objection is found to be inaccurate, the provider must reimburse the department of labor and economic opportunity for the cost of verifying the information. The department of labor and economic opportunity must not count any delays due to an objection in processing a valid infrastructure grant against an applicant.

(13) The department of labor and economic opportunity must not award an infrastructure grant to an applicant if verifiable information is made available that shows 1 or more of the following:

(a) At least 1 internet service provider has deployed internet service capable of providing service at a speed of at least 100 megabits per second downstream and 20 megabits per second upstream to a street address or addresses within the proposed project area. For middle mile infrastructure grants, at least 1 internet service provider has deployed the middle mile infrastructure and is in operation for the same area as the grant applicant.

(b) The department of labor and economic opportunity received a sworn statement from an officer of an internet service provider that the proposed project includes an area where construction of a network to provide internet service of at least 100 megabits per second downstream and 20 megabits per second upstream is underway and the construction is scheduled to be completed within 1 year after the date of the application.

(c) The department of labor and economic opportunity received a sworn statement from an officer of an internet service provider that the proposed project includes, provisionally or otherwise, funding for the expansion of internet services of at least 100 megabits per second downstream and 20 megabits per second upstream from a state or federal program, for an area where an internet service provider has been selected. This subdivision does not apply to an area once either of the following has occurred:

(i) The internet service provider does not complete the requirements for obtaining the funding described in this subdivision.

(ii) The time period for the internet service provider to meet its obligation described in this subdivision has expired and the area remains unserved.

(14) At the time an infrastructure grant is awarded to an applicant, the department of labor and economic opportunity must immediately provide notice on its website of each grant, including the name of the entity, the grant amount, and the area impacted.

(15) The department of labor and economic opportunity must require an applicant awarded an infrastructure grant to demonstrate compliance with grant criteria and federal reporting or auditing rules. Applicants must submit a semiannual report from the time the applicant receives the grant through 1 year after completion of the project funded, subject to the following:

(a) Reports must be made available on the department of labor and economic opportunity's website with any proprietary information redacted.

(b) Reports must be in a format specified by the department of labor and economic opportunity and give an accounting by the applicant of the use of the money received and the progress toward fulfilling the objectives for the grant funds.

(16) Notwithstanding the requirements of this section, the department of labor and economic opportunity may utilize up to 35% of funds appropriated in part 1 for grants to applicants for middle mile facilities infrastructure that will support the provision of broadband service of at least 100 megabits per second downstream, 20 megabits per second upstream, and scalable to at least 100 megabits per second upstream exclusively to unserved areas. In addition to applicable grant criteria in this section, the department of labor and economic opportunity may award grants for middle mile facilities that allow utilization by multiple internet service providers.

(17) The department of labor and economic opportunity must utilize multiple forms of objective data to evaluate the existence of broadband service throughout the state and implement this section, including, but not limited to, any granular state or federal broadband maps, community input, speed tests, or surveys.

(18) The department of labor and economic opportunity must utilize the same criteria and process in this section for awarding grants for middle mile and last mile infrastructure.

(19) From the funds appropriated in part 1, up to 5% must be used to operate a broadband office, as provided in Executive Directive No. 2021-02. This funding is intended to support operations of the office for the duration of the availability of the federal grants, with no additional state resources required. The department of labor and economic opportunity must do all of the following:

(a) Administer funds in part 1 and any other funding for activities that expand access to broadband service or address broadband needs.

(b) Establish budgeting procedures, employ personnel, and contract with consultants, according to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

(c) Serve as the state point of contact for broadband, develop broadband plans, and execute agreements.

(d) Provide technical assistance, conduct outreach, and coordinate broadband efforts among state agencies.

(e) Adopt compliance, reporting, and auditing policies.

(f) Collect data and measure results to inform funding allocations and the public on the status of broadband in this state.

(20) Funds appropriated in part 1 for ARP – Michigan statewide broadband service grant program may be used by the department of labor and economic opportunity to hire up to 8.0 employees to support the efforts of the broadband office. A report must be submitted no later than September 30, 2022, detailing the consolidation of broadband functions into this office, including recommendations for corresponding staffing reductions from all other departments.

(21) As used in this section:

(a) “Applicant” means an internet service provider or eligible subrecipient of the Coronavirus capital projects fund, consistent with subsection (4).

(b) “Area” means a collection of street-level locations or addresses identified by a subrecipient or the state and utilized in this section.

(c) “Department” means the office created in Executive Order No. 2021-02.

(d) “Broadband service” means the facilities infrastructure or services that directly support the transport of data across a network that enables continuous end-user internet connection at a symmetrical rate of at least 100 megabits per second downstream and upstream. For purposes of determining unserved areas or census blocks in this section, the department of labor and economic opportunity must utilize a standard of 100 megabits per second downstream and 20 megabits per second upstream. For areas or census blocks determined that have unique geographic or topographic barriers, the department of labor and economic opportunity must award grants for projects that upon completion support the provision of broadband service of at least 100 megabits per second downstream and 20 megabits per second upstream, provided the facilities will be scaled to symmetrical speeds.

(e) “Infrastructure” means the facilities and eligible project costs that directly support the provision of broadband service consistent with the Coronavirus capital projects fund. Facilities include, but may not be limited to, fiber, coaxial cable, conduit, backhaul, middle mile, transport, internet exchanges, routers, microwave capacity, and attaching structures.

(f) “Internet service provider” means any of the following:

(i) An entity holding a license under the Michigan telecommunications act, 1991 PA 179, MCL 484.2101 to 484.2603.

(ii) An entity holding a franchise under the uniform video services local franchise act, 2006 PA 480, MCL 484.3301 to 484.3315.

(iii) An entity currently providing broadband service in this state.

(g) “Middle mile infrastructure” means high-capacity broadband infrastructure that traverses long distances to connect communities to the internet backbone, does not connect directly to end-user locations, and enables interconnecting internet service providers to provide last-mile broadband service of at least 100 megabits per second download and 20 megabits per second upload and scalable to faster speeds.

(h) “Person” includes an individual, community organization, cooperative association, corporation, federally recognized Indian tribe, limited liability company, nonprofit corporation, partnership, or political subdivision of this state.

(i) “Unserved area” means 1 or more of the following:

(i) A census block or area defined in this section lacking access to internet service of at least 100 megabits per second downstream and 20 megabits per second upstream from at least 1 internet service provider.

(ii) An area lacking access to internet service of at least 100 megabits per second downstream and 20 megabits per second upstream from at least 1 internet service provider according to the Federal Communications Commission’s broadband data collection program, upon its completion, or state-level granular maps completed by the department of labor and economic opportunity after the effective date of this act.

(22) The unexpended funds appropriated in part 1 for ARP – Michigan statewide broadband service grant program are designated as a work project appropriation. Any unencumbered or unallotted funds shall not lapse

at the end of the fiscal year and shall be available for expenditures for projects under this section until the projects have been completed. The following is in compliance with section 451a(l) of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to operate a Michigan broadband program, consistent with the Coronavirus capital projects fund, section 604 of the American rescue plan act of 2021, 42 USC 804.

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

(c) The total estimated cost of the project is \$250,630,400.00.

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

Sec. 360. (1) Funds appropriated in part 1 for mobility futures initiative must be used to invest in rapidly evolving industries, infrastructure, and workforce opportunities available in the mobility sphere in order to position Michigan as a global leader in mobility and electrification. The department of labor and economic opportunity's office of future mobility and electrification, created through Executive Directive No. 2020-1, must coordinate these initiatives.

(2) Funds appropriated in part 1 must be allocated in the following manner:

(a) A total of \$15,000,000.00 for transitioning and growing this state's mobility workforce and industry. Funds may be used to support a statewide platform and development of new training curriculum to grow the next generation electric vehicle workforce, for addressing shortages in the mobility industry's talent pipeline, and providing planning services for communities at risk of losing an anchor employer tied to the internal combustion engine auto manufacturing industry.

(b) A total of \$7,000,000.00 for providing safer, greener, and more accessible mobility services. These funds may be used for a grant program that addresses mobility and safety challenges across this state, and for a partnership with the state transportation department to pilot a mobility wallet program that removes transit barriers and drives equity across the transportation sector.

(c) A total of \$3,000,000.00 to lead the nation in mobility innovation by developing and commercializing mobility technologies through a new network of mobility innovation hubs that will support mobility companies on their next stage of growth.

(3) The department of labor and economic opportunity shall report to the senate and house appropriations subcommittees, the senate and house fiscal agencies, and the state budget office by September 30, 2022 on the status of the initiatives and objectives achieved.

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

(a) The purpose of the project is to provide support for the mobility futures initiative.

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

(c) The total estimated cost of the project is \$25,000,000.00.

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

Sec. 361. From the funds appropriated in part 1, the department of labor and economic opportunity may hire or contract for 10.0 limited-term staff for MSHDA to administer programs funded under this act.

DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS

Sec. 401. (1) From the funds appropriated in part 1 for low carbon energy infrastructure enhancement and development, funding must be expended only for grants to businesses, nonprofit organizations, and units of local government for the purposes of planning, developing, designing, acquiring, or constructing low carbon energy facilities, which may include, but are not limited to, natural gas facilities, combined heat and power facilities, renewable natural gas facilities, and electrification programs.

(2) The Michigan public service commission must develop program guidelines and implement an application process for the grant program within 6 months after the effective date of this act and must first prioritize and approve grants that do all of the following:

(a) Are supported by a cost-benefit analysis.

(b) Facilitate the largest number of end-use customers achieving access to low carbon energy facilities at the lowest total cost.

(c) Reduce customer energy cost burdens.

(d) Support the reduction of emissions.

(3) Grant applicants must do all of the following:

(a) Perform an impact study that includes an analysis of potential cost savings, environmental impacts, and local economic benefits of the proposed low carbon energy facilities. A utility, at its sole discretion, may prepare a single impact study covering the utility's service territory that accounts for likely proposals, evaluates regional opportunities, and minimizes or eliminates the need for repetitive studies. Sufficient detail must be provided in the study to allow the Michigan public service commission to evaluate each low carbon energy facility proposed.

(b) Submit a proposal that details the associated costs and benefits of the proposal, including all of the following:

(i) The cost impact to potential new customers, including a cost-benefit analysis demonstrating the impact and cost savings to customers that are directly part of the infrastructure development proposal. The cost-benefit analysis must include all of the following:

(A) A summary of the project, including detailed cost estimates for completion, project timing, and locations impacted.

(B) A prospective list outlining the volume of potential customers that would be impacted by the project development.

(C) A comprehensive analysis of prospective customers' energy costs using those customers' current energy supply versus the proposed new energy supply source and other alternative energy sources that may be available, including all of the following:

(I) The forecasted annual energy costs of a customer's current energy supply in direct comparison with the proposed new energy supply source and other alternative energy sources that may be available.

(II) Any installation or project costs that are the customer's responsibility.

(III) A detailed comparison of the scope 1, scope 2, and scope 3 emissions, as defined by the Environmental Protection Agency, associated with the energy supply within the proposal versus the current energy supply being used by prospective customers and other alternative energy sources that may be available, including all of the following:

(1) The calculated emissions savings for an average customer under the different energy supply options.

(2) Any supporting details for the emissions calculation, including any models and detail on assumptions.

(ii) An analysis to demonstrate impact on the local economy and this state's economy, including all of the following:

(A) The number of jobs created during the project.

(B) The potential impact to the small business community within the local area where the grant or loan is proposed to be spent.

(C) The cost savings to other customers due to the grant being used to supplement spending and revenue in other areas.

(iii) A detailed summary indicating any support from customers and communities associated with the project plans for the infrastructure development, including all of the following:

(A) Any outreach campaigns or events conducted, including dates, times, and number of households reached.

(B) A list of any customers or businesses that have expressed or signaled interest in supporting the project development.

(iv) An analysis of the anticipated community health impacts related to the proposed low carbon energy facility.

(4) In addition to the requirements of subsection (3), an applicant applying for a grant to be used to develop RNG infrastructure shall include all of the following:

(a) The project details, including the location of biogas and the proposed interconnection.

(b) The cost estimates for the interconnection, metering, and gas conditioning equipment needed to connect to an existing pipeline system.

(c) A summary of the environmental and health impacts of the project, including the forecasted emission reductions.

(d) Any local economic impact from the RNG infrastructure development.

(e) The end-use application for the RNG infrastructure with a focus on projects being used for opportunities in this state.

(5) After receiving an application under this section, the Michigan public service commission must allow local units of government, environmental groups, and business interests directly affected by the proposal 45 days to review the application and provide comments. The Michigan public service commission must give the applicant 15 days after the comments have been received from interested parties, at the applicant's discretion, to modify or maintain their initial proposal.

(6) The Michigan public service commission must review all proposals and award grants to applicants it determines have met the criteria in this section. All grants must include full and timely cost recovery from the fund for the infrastructure requirements of the affected utility made necessary by the grant.

(7) Grant recipients under this section must submit a report to the Michigan public service commission detailing how the grant money was used within 30 days after the completion of the relevant project.

(8) As used in this section, “renewable natural gas” or “RNG” means methane derived from organic waste material and degradable carbon sources including, but not limited to, agricultural waste, manure, municipal waste, plant materials, sewage, green waste, or food waste.

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

(a) The purpose of the project is to support improvements to low carbon energy infrastructure projects.

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

(c) The total estimated cost of the project is \$25,000,000.00.

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

DEPARTMENT OF NATURAL RESOURCES

Sec. 451. (1) From the funds in part 1 for ARP – local parks and trail infrastructure grants, a total of \$135,000,000.00 must be allocated as designated in the following subdivisions for catalytic park and recreation projects and facilities that provide and promote outdoor recreation opportunities for the public, promote the tourism industry and its recovery, and spur economic development and recovery in local communities across the state that have been adversely impacted by the COVID-19 pandemic:

(a) \$60,000,000.00 must be allocated to a city with a population between 639,000 and 640,000 according to the most recent federal decennial census for a 29-mile recreational greenway project connecting multiple neighborhoods and municipalities that promotes and enhances public recreation, equity, tourism, and economic development and recovery.

(b) \$55,000,000.00 must be allocated to a nonprofit organization that is responsible for building and place-management in the urban core of a city with a population between 198,000 and 199,000 according to the most recent federal decennial census for a 28-mile recreational greenway project connecting multiple regional, city, and community trail and park systems that promotes and enhances public recreation, equity, tourism, and economic development and recovery.

(c) \$20,000,000.00 must be awarded to a 501(c)(3) nonprofit entity in a county with a population of between 14,300 and 14,400 according to the most recent federal decennial census dedicated to promoting recreation, sports, and tourism in the western Upper Peninsula of Michigan for the development or improvement of facilities, specifically strategic capital investments that would modernize ski-jumping/flying facilities for summer- and winter-based sporting events and other year-round outdoor recreational activities pursuant to a grant agreement. Funds may be expended for planning and engineering, infrastructure, construction, or costs associated with renovation and improvements to ensure year-round national and international competitive sports and tourism use.

(2) These funds must be expended in compliance with federal regulations established by the American rescue plan act of 2021, Public Law 117-2, including all regulations and requirements around the use of the state fiscal recovery fund.

Sec. 452. (1) From the funds in part 1 for the ARP – local parks and trail infrastructure grants, a total of \$65,000,000.00 must be allocated for the department of natural resources to establish a competitive grant program to modernize local parks and develop new local public recreation opportunities. Projects may include the development, renovation, or redevelopment of public recreation facilities, and the provision of recreation-focused equipment and programs at public recreation spaces. The program must help to support and enhance tourism and related economic sectors in local communities across the state that have been adversely impacted by the COVID-19 pandemic.

(2) The department of natural resources must develop program guidelines and eligibility criteria in consultation with public recreation stakeholders to award grants for the benefit of local park and recreation systems. Once developed, program guidelines and eligibility criteria for the program must be posted on the department of natural resources’ publicly accessible website at least 30 days prior to the application deadline.

(3) Eligible applicants shall include a local unit of government or public authority legally constituted to provide public recreation. A regional or statewide organization or consortium of local units of government or public authorities legally constituted to provide public recreation may be considered an eligible applicant.

(4) Funds may be expended for activities such as, but not limited to, project review, planning, architecture and engineering services, construction, oversight, and compliance activities associated with state and federal requirements, as applicable.

(5) These funds must be expended in compliance with federal regulations established by the American rescue plan act of 2021, Public Law 117-2, including all regulations and requirements around the use of the state fiscal recovery fund.

Sec. 453. (1) From the funds appropriated in part 1 for ARP – state parks and trail infrastructure, the department of natural resources must develop, improve, repair, and maintain state parks, state recreation areas, and state-designated trails. Improvements to the state’s recreation areas will help to support and enhance tourism and related economic sectors in communities across the state that have been adversely impacted by the COVID-19 pandemic.

(2) Funds may be expended for activities such as, but not limited to, project review, planning, architecture and engineering services, construction, oversight, and compliance activities associated with state and federal requirements, as applicable. Funding not to exceed \$30,200,000.00 may be expended to develop a new state park in a county with a population of between 406,000 and 407,000 and in a city with a population between 81,000 and 82,000 according to the most recent federal decennial census.

(3) These funds must be expended in compliance with federal regulations established by the American rescue plan act of 2021, Public Law 117-2, including all regulations and requirements around the use of the state fiscal recovery fund.

DEPARTMENT OF TECHNOLOGY, MANAGEMENT, AND BUDGET

Sec. 501. (1) Funds appropriated in part 1 for ARP – Michigan infrastructure office must be allocated by the department of technology, management, and budget for Michigan infrastructure office activities that assist with the interagency coordination of infrastructure investments across state government agencies and with other federal, state, and local partners. Funds may be used to support the Michigan infrastructure office in its effort to maximize investments and infrastructure programs that support long-term growth, opportunity, and equity across the state of Michigan from both directly secured resources and from resources that are otherwise made available for the state under the federal infrastructure investment and jobs act, Public Law 117-58.

(2) The Michigan infrastructure office may include 5.0 term-limited employees to perform the functions of this office for a term that ends when the funds appropriated in part 1 are exhausted.

(3) The unexpended funds appropriated in part 1 for ARP – Michigan infrastructure office are designated as a work project appropriation. Any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be made available for expenditures for the Michigan infrastructure office. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to provide temporary support for the Michigan infrastructure office to ensure that resources the state has access to under the infrastructure investment and jobs act, Public Law 117-58, and other sources are used effectively and efficiently to fix the state’s infrastructure.

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

(c) The total estimated cost of the project is \$5,000,000.00.

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

Sec. 502. (1) Funds appropriated in part 1 for ARP – Coronavirus response activities must be allocated by the department of technology, management, and budget for coronavirus response activities. Funds may be used to support the COVID-19 office of accountability created in Executive Directive No. 2020-5.

(2) The unexpended funds appropriated in part 1 for ARP – Coronavirus response activities are designated as a work project appropriation. Any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be made available for expenditures for the COVID-19 office of accountability in accordance with Executive Directive No. 2020-5. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to provide temporary support for the COVID-19 office of accountability to ensure that resources are secured, monitored, and spent in response to the pandemic in accordance with all applicable state and federal requirements.

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

(c) The total estimated cost of the project is \$25,000,000.00.

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

STATE DEPARTMENT OF TRANSPORTATION

Sec. 551. Funds appropriated in part 1 for ARP – pump station back-up generators must be used to support a statewide program for the implementation of redundant electrical service for stormwater pumping stations serving state trunkline highways. Expenditures are for the purpose of stormwater management and are in accordance with section 9901 of the American rescue plan act of 2021, 42 USC 802, and eligibility criteria specified in section 603(c) of the federal water pollution control act, 33 USC 1383.

Sec. 552. Funds appropriated in part 1 for Michigan infrastructure grants must be allocated as follows:

(a) \$3,000,000.00 must be awarded for a local road project aimed at reducing congestion on Secor Road located in a county with a population of between 154,800 and 154,900 according to the most recent federal decennial census.

(b) \$25,000,000.00 must be allocated to the Wayne County Airport Authority.

(c) \$8,000,000.00 must be allocated to support a freeway sound mitigation project in a county with a population of between 406,000 and 406,500 according to the most recent federal decennial census.

(d) \$4,000,000.00 must be allocated to support a freeway sound mitigation project in a county with a population of between 1,274,000 and 1,274,500 according to the most recent federal decennial census.

(e) \$2,150,000.00 must be allocated to support a road project located in a county with a population of between 1,793,500 and 1,794,000 according to the most recent federal decennial census.

(f) \$2,000,000.00 must be allocated to the Capital Region Airport Authority.

(g) \$1,000,000.00 must be allocated to support a freeway sound mitigation study in a county with a population of between 1,793,500 and 1,794,000 according to the most recent federal decennial census.

(h) \$1,000,000.00 must be allocated to support a road project located in a county with a population of between 406,000 and 406,500 according to the most recent federal decennial census.

(i) \$500,000.00 must be allocated to the Michigan International Technology Center.

(j) \$350,000.00 must be allocated to support a sidewalk project in a county with a population of between 1,274,000 and 1,274,500 according to the most recent federal decennial census.

(k) \$1,100,000.00 must be allocated for a local bridge project to replace the Main Street bridge over rail lines located in a village with a population of between 2,525 and 2,575 in a county with a population of between 75,500 and 75,600 according to the most recent federal decennial census.

(l) \$40,000,000.00 must be allocated to support the reconstruction and widening into a boulevard alignment of M-37 between 76th Street and 92nd Street in a county with a population of between 650,000 and 660,000 according to the most recent federal decennial census.

DEPARTMENT OF TREASURY

Sec. 601. (1) Each city, village, or township in which the 2020 revenue sharing population, as defined in section 3 of the Glenn Steil state revenue sharing act of 1971, 1971 PA 140, MCL 141.903, per the 2020 federal decennial statewide census, was lower than the city's, village's, or township's 2010 revenue sharing population, as defined in section 3 of the Glenn Steil state revenue sharing act of 1971, 1971 PA 140, MCL 141.903, per the 2010 federal decennial statewide census, qualifies to receive a 2020 census city, village, and township hold harmless payment from the funds appropriated in part 1 for the 2020 census city, village, and township hold harmless payments.

(2) Each city, village, or township that qualifies for a 2020 census city, village, and township hold harmless payment shall receive an amount equal to the overpayment as described in section 3 of the Glenn Steil state revenue sharing act of 1971, 1971 PA 140, MCL 141.903. Overpayment amounts must be calculated based on the revenue sharing distributions issued on or after October 1, 2020 through March 1, 2022.

(3) The amounts distributed to each city, village, or township under this section shall be prorated, as necessary, based on the total amount appropriated in part 1 for the 2020 census city, village, and township hold harmless payments.

Sec. 602. (1) From the funds appropriated in part 1 for grants for dam projects, \$200,000,000.00 must be allocated to a task force that is a 501(c)(3) nonprofit and is delegated authority for a county with a population between 82,000 and 84,000 and a county with a population between 25,350 and 25,400 according to the most recent federal decennial census for the four lakes special assessment district under part 307, inland lake levels, and part 315, dam safety, of the natural resources and environmental protection act, 1994 PA 451, MCL 324.30701 to 324.30723 and 324.31501 to 324.31529.

(2) Fund recipients for funds allocated under subsection (1) must be able to demonstrate a 20% local match, which may include, but is not limited to, the existence of a special assessment district established under part 307 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.30701 to 324.30723; funds committed or expended for the stated project from federal or private grant funds; or costs expended for engineering, design, remediation, or construction using local resources, or in-kind support; or other applicable resources. This demonstration is not required before funds are transferred to a fund recipient but must be made before all funds allocated under this section to that recipient are expended.

(3) From the funds appropriated in part 1 for grants for dam projects, \$6,800,000.00 must be allocated for the lake dredging and dam emergency spillway project in a county with a population of between 30,800 and 30,900 according to the most recent federal decennial census. Funding may be used for dredging equipment, dam replacement, dam walkway, piers, and control structures.

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

(5) Funds allocated under this section shall be distributed as reimbursements for approved costs.

(6) Fund recipients for funds allocated under subsection (3) must be able to demonstrate a 20% local match.

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

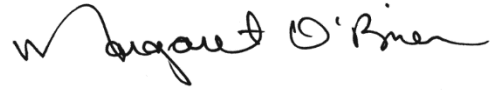
(a) The purpose of the project is to support projects associated with flooding and dam management.

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

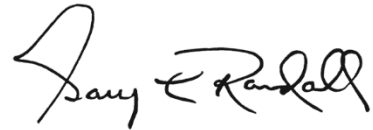
(c) The total estimated cost of the project is \$206,800,000.00.

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

This act is ordered to take immediate effect.



Secretary of the Senate



Clerk of the House of Representatives

Approved _____

Governor