

SUBSTITUTE FOR  
SENATE BILL NO. 800

A bill to make, supplement, adjust, and consolidate appropriations for various state departments and agencies, the judicial branch, and the legislative branch for the fiscal years ending September 30, 2017 and other fiscal years; to provide for certain conditions on appropriations; and to provide for the expenditure of the appropriations.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 ARTICLE I  
2 DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT  
3 PART 1  
4 LINE-ITEM APPROPRIATIONS  
5 Sec. 101. There is appropriated for the department of  
6 agriculture and rural development for the fiscal year ending

1 September 30, 2017, from the following funds:

2 **DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT**

3 APPROPRIATION SUMMARY

|    |                                                        |       |               |
|----|--------------------------------------------------------|-------|---------------|
| 4  | Full-time equated unclassified positions.....          | 6.0   |               |
| 5  | Full-time equated classified positions.....            | 473.0 |               |
| 6  | GROSS APPROPRIATION.....                               |       | \$ 93,091,300 |
| 7  | Interdepartmental grant revenues:                      |       |               |
| 8  | IDG from LARA (LCC), liquor quality testing fees ..... |       | 220,100       |
| 9  | IDG from MDEQ, biosolids.....                          |       | 103,100       |
| 10 | Total interdepartmental grants and intradepartmental   |       |               |
| 11 | transfers .....                                        |       | 323,200       |
| 12 | ADJUSTED GROSS APPROPRIATION.....                      |       | \$ 92,768,100 |
| 13 | Federal revenues:                                      |       |               |
| 14 | USDA, multiple grants.....                             |       | 6,363,700     |
| 15 | EPA, multiple grants.....                              |       | 1,313,100     |
| 16 | HHS, multiple grants.....                              |       | 2,520,600     |
| 17 | Department of Interior.....                            |       | 273,800       |
| 18 | Total federal revenues.....                            |       | 10,471,200    |
| 19 | Special revenue funds:                                 |       |               |
| 20 | Private - Slow the Spread Foundation.....              |       | 21,100        |
| 21 | Private - commodity group revenue.....                 |       | 109,600       |
| 22 | Total private revenues.....                            |       | 130,700       |
| 23 | Agriculture preservation fund.....                     |       | 609,800       |
| 24 | Agriculture equine industry development fund.....      |       | 3,667,200     |
| 25 | Agriculture licensing and inspection fees.....         |       | 4,107,400     |
| 26 | Animal welfare fund.....                               |       | 193,300       |
| 27 | Commodity inspection fees.....                         |       | 516,000       |

|    |                                                       |               |
|----|-------------------------------------------------------|---------------|
| 1  | Consumer and industry food safety education fund..... | 355,400       |
| 2  | Dairy and food safety fund.....                       | 4,983,800     |
| 3  | Feed control fund.....                                | 1,135,200     |
| 4  | Fertilizer control fund.....                          | 762,600       |
| 5  | Freshwater protection fund.....                       | 6,401,300     |
| 6  | Gasoline inspection and testing fund.....             | 1,990,200     |
| 7  | Grain dealers fee fund.....                           | 615,000       |
| 8  | Horticulture fund.....                                | 38,800        |
| 9  | Industry support funds.....                           | 433,300       |
| 10 | Migratory labor housing fund.....                     | 167,800       |
| 11 | Nonretail liquor fees.....                            | 904,200       |
| 12 | Private forestland enhancement fund.....              | 288,200       |
| 13 | Refined petroleum fund.....                           | 2,373,200     |
| 14 | Rural development fund.....                           | 2,000,000     |
| 15 | Testing fees.....                                     | 293,100       |
| 16 | Weights and measures regulation fees.....             | 793,500       |
| 17 | Total other state restricted revenues.....            | 32,629,300    |
| 18 | State general fund/general purpose.....               | \$ 49,536,900 |
| 19 | State general fund/general purpose schedule:          |               |
| 20 | Ongoing state general fund/general                    |               |
| 21 | purpose .....                                         | 49,336,800    |
| 22 | One-time state general fund/general                   |               |
| 23 | purpose .....                                         | 200,100       |
| 24 | <b>Sec. 102. DEPARTMENTWIDE</b>                       |               |
| 25 | Full-time equated unclassified positions.....         | 6.0           |
| 26 | Full-time equated classified positions.....           | 32.0          |
| 27 | Commissions and boards.....                           | \$ 23,800     |

|    |                                                      |                |
|----|------------------------------------------------------|----------------|
| 1  | Unclassified positions.....                          | 545,900        |
| 2  | Executive direction--9.0 FTE positions.....          | 1,413,500      |
| 3  | Operational services--19.0 FTE positions.....        | 1,882,700      |
| 4  | Statistical reporting service--1.0 FTE position..... | 153,600        |
| 5  | Emergency management--3.0 FTE positions.....         | 614,600        |
| 6  | Accounting service center.....                       | 1,141,600      |
| 7  | Building occupancy charges.....                      | <u>631,200</u> |
| 8  | GROSS APPROPRIATION.....                             | \$ 6,406,900   |
| 9  | Appropriated from:                                   |                |
| 10 | Federal revenues:                                    |                |
| 11 | HHS, multiple grants.....                            | 331,900        |
| 12 | Special revenue funds:                               |                |
| 13 | Private - commodity group revenue.....               | 79,100         |
| 14 | Agriculture preservation fund.....                   | 15,200         |
| 15 | Agriculture licensing and inspection fees.....       | 263,900        |
| 16 | Commodity inspection fees.....                       | 1,100          |
| 17 | Dairy and food safety fund.....                      | 416,900        |
| 18 | Feed control fund.....                               | 38,900         |
| 19 | Fertilizer control fund.....                         | 24,000         |
| 20 | Freshwater protection fund.....                      | 67,500         |
| 21 | Gasoline inspection and testing fund.....            | 80,000         |
| 22 | Grain dealers fee fund.....                          | 7,900          |
| 23 | Industry support funds.....                          | 54,300         |
| 24 | Migratory labor housing fund.....                    | 28,600         |
| 25 | Nonretail liquor fees.....                           | 28,100         |
| 26 | State general fund/general purpose.....              | \$ 4,969,500   |
| 27 | <b>Sec. 103. INFORMATION AND TECHNOLOGY</b>          |                |

|    |                                                        |    |                  |
|----|--------------------------------------------------------|----|------------------|
| 1  | Information technology services and projects .....     | \$ | <u>1,768,500</u> |
| 2  | GROSS APPROPRIATION.....                               | \$ | 1,768,500        |
| 3  | Appropriated from:                                     |    |                  |
| 4  | Interdepartmental grant revenues:                      |    |                  |
| 5  | IDG from LARA, liquor quality testing fees .....       |    | 3,200            |
| 6  | Special revenue funds:                                 |    |                  |
| 7  | Agriculture preservation fund.....                     |    | 200              |
| 8  | Agriculture licensing and inspection fees .....        |    | 93,800           |
| 9  | Dairy and food safety fund.....                        |    | 61,200           |
| 10 | Freshwater protection fund.....                        |    | 100              |
| 11 | Gasoline inspection and testing fund.....              |    | 31,800           |
| 12 | Nonretail liquor fees.....                             |    | 500              |
| 13 | State general fund/general purpose.....                | \$ | 1,577,700        |
| 14 | <b>Sec. 104. FOOD AND DAIRY</b>                        |    |                  |
| 15 | Full-time equated classified positions .....           |    | 123.0            |
| 16 | Food safety and quality assurance--93.0 FTE positions  | \$ | 14,755,400       |
| 17 | Milk safety and quality assurance--30.0 FTE positions  |    | <u>4,260,100</u> |
| 18 | GROSS APPROPRIATION.....                               | \$ | 19,015,500       |
| 19 | Appropriated from:                                     |    |                  |
| 20 | Federal revenues:                                      |    |                  |
| 21 | USDA, multiple grants.....                             |    | 136,300          |
| 22 | HHS, multiple grants.....                              |    | 1,193,800        |
| 23 | Special revenues funds:                                |    |                  |
| 24 | Consumer and industry food safety education fund ..... |    | 355,400          |
| 25 | Dairy and food safety fund.....                        |    | 4,434,500        |
| 26 | State general fund/general purpose .....               | \$ | 12,895,500       |
| 27 | <b>Sec. 105. ANIMAL INDUSTRY</b>                       |    |                  |

|    |                                                        |      |                |
|----|--------------------------------------------------------|------|----------------|
| 1  | Full-time equated classified positions.....            | 60.0 |                |
| 2  | Animal disease prevention and response--60.0 FTE       |      |                |
| 3  | positions .....                                        |      | \$ 9,054,500   |
| 4  | Indemnification--livestock depredation.....            |      | <u>50,000</u>  |
| 5  | GROSS APPROPRIATION.....                               |      | \$ 9,104,500   |
| 6  | Appropriated from:                                     |      |                |
| 7  | Federal revenues:                                      |      |                |
| 8  | USDA, multiple grants.....                             |      | 527,900        |
| 9  | Department of Interior.....                            |      | 50,800         |
| 10 | HHS, multiple grants.....                              |      | 46,600         |
| 11 | Special revenue funds:                                 |      |                |
| 12 | Private - commodity group revenue.....                 |      | 30,500         |
| 13 | Agriculture licensing and inspection fees.....         |      | 59,300         |
| 14 | Animal welfare fund.....                               |      | 193,300        |
| 15 | State general fund/general purpose.....                |      | \$ 8,196,100   |
| 16 | <b>Sec. 106. PESTICIDE AND PLANT PEST MANAGEMENT</b>   |      |                |
| 17 | Full-time equated classified positions.....            | 92.0 |                |
| 18 | Pesticide and plant pest management--86.0 FTE          |      |                |
| 19 | positions .....                                        |      | \$ 13,672,000  |
| 20 | Producer security/grain dealers--6.0 FTE positions ... |      | <u>653,500</u> |
| 21 | GROSS APPROPRIATION.....                               |      | \$ 14,325,500  |
| 22 | Appropriated from:                                     |      |                |
| 23 | Federal revenues:                                      |      |                |
| 24 | USDA, multiple grants.....                             |      | 843,800        |
| 25 | EPA, multiple grants.....                              |      | 533,100        |
| 26 | Department of Interior.....                            |      | 101,700        |
| 27 | HHS, multiple grants.....                              |      | 325,000        |

|    |                                                       |                |  |
|----|-------------------------------------------------------|----------------|--|
| 1  | Special revenue funds:                                |                |  |
| 2  | Private - Slow the Spread Foundation.....             | 21,100         |  |
| 3  | Agriculture licensing and inspection fees.....        | 3,611,600      |  |
| 4  | Commodity inspection fees.....                        | 514,900        |  |
| 5  | Feed control fund.....                                | 948,600        |  |
| 6  | Fertilizer control fund.....                          | 738,600        |  |
| 7  | Freshwater protection fund.....                       | 153,900        |  |
| 8  | Grain dealers fee fund.....                           | 607,100        |  |
| 9  | Horticulture fund.....                                | 38,800         |  |
| 10 | Industry support funds.....                           | 246,400        |  |
| 11 | State general fund/general purpose.....               | \$ 5,640,900   |  |
| 12 | <b>Sec. 107. ENVIRONMENTAL STEWARDSHIP</b>            |                |  |
| 13 | Full-time equated classified positions.....           | 55.0           |  |
| 14 | MAEAP - environmental stewardship--23.0 FTE positions | \$ 9,146,800   |  |
| 15 | Farmland and open space preservation--7.0 FTE         |                |  |
| 16 | positions .....                                       | 1,422,100      |  |
| 17 | Qualified forest program--9.0 FTE positions .....     | 2,582,700      |  |
| 18 | Migrant labor housing--9.0 FTE positions .....        | 1,199,400      |  |
| 19 | Right-to-farm--3.0 FTE positions .....                | 577,600        |  |
| 20 | Intercounty drain--4.0 FTE positions .....            | <u>484,400</u> |  |
| 21 | GROSS APPROPRIATION.....                              | \$ 15,413,000  |  |
| 22 | Appropriated from:                                    |                |  |
| 23 | Interdepartmental grant revenues:                     |                |  |
| 24 | IDG from MDEQ, biosolids.....                         | 103,100        |  |
| 25 | Federal revenues:                                     |                |  |
| 26 | USDA, multiple grants.....                            | 922,300        |  |
| 27 | Department of Interior.....                           | 121,300        |  |

|    |                                                       |      |                  |
|----|-------------------------------------------------------|------|------------------|
| 1  | EPA, multiple grants.....                             |      | 608,300          |
| 2  | Special revenue funds:                                |      |                  |
| 3  | Agriculture preservation fund.....                    |      | 594,400          |
| 4  | Freshwater protection fund.....                       |      | 6,179,800        |
| 5  | Migratory labor housing fund.....                     |      | 139,200          |
| 6  | Private forestland enhancement fund.....              |      | 288,200          |
| 7  | State general fund/general purpose.....               | \$   | 6,456,400        |
| 8  | <b>Sec. 108. LABORATORY PROGRAM</b>                   |      |                  |
| 9  | Full-time equated classified positions.....           | 96.0 |                  |
| 10 | Laboratory services--42.0 FTE positions.....          | \$   | 6,411,000        |
| 11 | USDA monitoring--13.0 FTE positions.....              |      | 1,616,500        |
| 12 | Diagnostic center for population and animal health... |      | 1,000,000        |
| 13 | Consumer protection program--41.0 FTE positions.....  |      | <u>5,817,400</u> |
| 14 | GROSS APPROPRIATION.....                              | \$   | 14,844,900       |
| 15 | Appropriated from:                                    |      |                  |
| 16 | Interdepartmental grant revenues:                     |      |                  |
| 17 | IDG from LARA, liquor quality testing fees.....       |      | 216,900          |
| 18 | Federal revenues:                                     |      |                  |
| 19 | USDA, multiple grants.....                            |      | 1,617,400        |
| 20 | EPA, multiple grants.....                             |      | 171,700          |
| 21 | HHS, multiple grants.....                             |      | 623,300          |
| 22 | Special revenue funds:                                |      |                  |
| 23 | Agriculture licensing and inspection fees.....        |      | 78,800           |
| 24 | Dairy and food safety fund.....                       |      | 71,200           |
| 25 | Feed control fund.....                                |      | 147,700          |
| 26 | Gasoline inspection and testing fund.....             |      | 1,878,400        |
| 27 | Refined petroleum fund.....                           |      | 2,373,200        |



|    |                                                        |      |                  |
|----|--------------------------------------------------------|------|------------------|
| 1  | Testing fees.....                                      |      | 293,100          |
| 2  | Weights and measures regulation fees.....              |      | 793,500          |
| 3  | State general fund/general purpose.....                | \$   | 6,579,700        |
| 4  | <b>Sec. 109. AGRICULTURAL DEVELOPMENT</b>              |      |                  |
| 5  | Full-time equated classified positions.....            | 15.0 |                  |
| 6  | Agricultural development--11.0 FTE positions.....      | \$   | 3,604,200        |
| 7  | Grape and wine program--3.0 FTE positions.....         |      | 921,000          |
| 8  | Rural development fund grant program--1.0 FTE position |      | 2,000,000        |
| 9  | Value-added grants.....                                |      | <u>1,500,000</u> |
| 10 | GROSS APPROPRIATION.....                               | \$   | 8,025,200        |
| 11 | Appropriated from:                                     |      |                  |
| 12 | Federal revenues:                                      |      |                  |
| 13 | USDA, multiple grants.....                             |      | 2,316,000        |
| 14 | Special revenue funds:                                 |      |                  |
| 15 | Industry support funds.....                            |      | 132,600          |
| 16 | Nonretail liquor fees.....                             |      | 875,600          |
| 17 | Rural development fund.....                            |      | 2,000,000        |
| 18 | State general fund/general purpose.....                | \$   | 2,701,000        |
| 19 | <b>Sec. 110. FAIRS AND EXPOSITIONS</b>                 |      |                  |
| 20 | Fairs and racing.....                                  | \$   | 256,600          |
| 21 | County fairs capital improvement grants.....           |      | 300,000          |
| 22 | Shows and expositions.....                             |      | 20,000           |
| 23 | Purses and supplements - fairs/licensed tracks.....    |      | 708,300          |
| 24 | Licensed tracks - light horse racing.....              |      | 40,300           |
| 25 | Light horse racing - breeders' awards.....             |      | 20,000           |
| 26 | Standardbred breeders' awards.....                     |      | 345,900          |
| 27 | Standardbred purses and supplements - licensed tracks  |      | 671,800          |

|    |                                                   |                |
|----|---------------------------------------------------|----------------|
| 1  | Standardbred sire stakes.....                     | 275,000        |
| 2  | Thoroughbred supplements - licensed tracks.....   | 601,900        |
| 3  | Thoroughbred breeders' awards.....                | 368,600        |
| 4  | Thoroughbred sire stakes.....                     | <u>378,800</u> |
| 5  | GROSS APPROPRIATION.....                          | \$ 3,987,200   |
| 6  | Appropriated from:                                |                |
| 7  | Special revenue funds:                            |                |
| 8  | Agriculture equine industry development fund..... | 3,667,200      |
| 9  | State general fund/general purpose.....           | \$ 320,000     |
| 10 | <b>Sec. 111. ONE-TIME APPROPRIATIONS</b>          |                |
| 11 | Eastern market food innovation zone.....          | \$ 200,000     |
| 12 | Muskegon farmer's market food incubator.....      | <u>100</u>     |
| 13 | GROSS APPROPRIATION.....                          | \$ 200,100     |
| 14 | Appropriated from:                                |                |
| 15 | State general fund/general purpose.....           | \$ 200,100     |

## PART 2

## PROVISIONS CONCERNING APPROPRIATIONS

FOR FISCAL YEAR 2016-2017

**GENERAL SECTIONS**

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2016-2017 is \$82,166,200.00 and state spending from state resources to be paid to local units of government for fiscal year 2016-2017 is \$4,750,000.00. The itemized statement below identifies appropriations from which spending to

1 local units of government will occur:

2 DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT

|   |                                      |    |                  |
|---|--------------------------------------|----|------------------|
| 3 | MAEAP environmental stewardship..... | \$ | 3,250,000        |
| 4 | Qualified forest program.....        |    | <u>1,500,000</u> |
| 5 | TOTAL.....                           | \$ | 4,750,000        |

6 Sec. 202. The appropriations authorized under part 1 and this  
 7 part are subject to the management and budget act, 1984 PA 431, MCL  
 8 18.1101 to 18.1594.

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

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

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

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

15 (d) "Fiscal agencies" means the Michigan house fiscal agency  
 16 and the Michigan senate fiscal agency.

17 (e) "FTE" means full-time equated.

18 (f) "HHS-FDA" means the United States Department of Health and  
 19 Human Services - Food and Drug Administration.

20 (g) "IDG" means interdepartmental grant.

21 (h) "LARA" means the Michigan department of licensing and  
 22 regulatory affairs.

23 (i) "LCC" means the Michigan liquor control commission.

24 (j) "MAEAP" means the Michigan agriculture environmental  
 25 assurance program.

26 (k) "MDEQ" means the Michigan department of environmental  
 27 quality.

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

2 (m) "MOU" means memorandum of understanding.

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

6 (o) "TB" means tuberculosis.

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

8 Sec. 205. In addition to the metrics required under section  
9 447 of the management and budget act, 1984 PA 431, MCL 18.1447, for  
10 each new program or program enhancement for which funds in excess  
11 of \$500,000.00 are appropriated in part 1, the department shall  
12 provide not later than November 1, 2016 a list of program-specific  
13 metrics intended to measure its performance based on a return on  
14 taxpayer investment. The department shall deliver the program-  
15 specific metrics to members of the senate and house subcommittees  
16 that have subject matter jurisdiction for this budget, fiscal  
17 agencies, and the state budget director. The department shall  
18 provide an update on its progress in tracking program-specific  
19 metrics and the status of program success at an appropriations  
20 subcommittee meeting called for by the subcommittee chair.

21 Sec. 206. (1) In addition to the funds appropriated in part 1,  
22 there is appropriated an amount not to exceed \$5,000,000.00 for  
23 federal contingency funds. These funds are not available for  
24 expenditure until they have been transferred to another line item  
25 in part 1 under section 393(2) of the management and budget act,  
26 1984 PA 431, MCL 18.1393.

27 (2) In addition to the funds appropriated in part 1, there is

1 appropriated an amount not to exceed \$6,000,000.00 for state  
2 restricted contingency funds. These funds are not available for  
3 expenditure until they have been transferred to another line item  
4 in part 1 under section 393(2) of the management and budget act,  
5 1984 PA 431, MCL 18.1393.

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

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

18 Sec. 207. The department shall cooperate with the department  
19 of technology, management, and budget to maintain a searchable  
20 website accessible by the public at no cost that includes, but is  
21 not limited to, all of the following:

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

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

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

27 (d) The number of active department employees by job

1 classification.

2 (e) Job specifications and wage rates.

3 Sec. 208. The departments and agencies receiving  
4 appropriations in part 1 shall use the Internet to fulfill the  
5 reporting requirements of this part. This requirement may include  
6 transmission of reports via electronic mail to the recipients  
7 identified for each reporting requirement, or it may include  
8 placement of reports on an Internet or Intranet site.

9 Sec. 209. Funds appropriated in part 1 shall not be used for  
10 the purchase of foreign goods or services, or both, if  
11 competitively priced and of comparable quality American goods or  
12 services, or both, are available. Preference shall be given to  
13 goods or services, or both, manufactured or provided by Michigan  
14 businesses, if they are competitively priced and of comparable  
15 quality. In addition, preference shall be given to goods or  
16 services, or both, that are manufactured or provided by Michigan  
17 businesses owned and operated by veterans, if they are  
18 competitively priced and of comparable quality.

19 Sec. 210. The director shall take all reasonable steps to  
20 ensure businesses in deprived and depressed communities compete for  
21 and perform contracts to provide services or supplies, or both.  
22 Each director shall strongly encourage firms with which the  
23 department contracts to subcontract with certified businesses in  
24 depressed and deprived communities for services, supplies, or both.

25 Sec. 212. The department and agencies receiving appropriations  
26 in part 1 shall receive and retain copies of all reports funded  
27 from appropriations in part 1. Federal and state guidelines for

1 short-term and long-term retention of records shall be followed.  
2 The department may electronically retain copies of reports unless  
3 otherwise required by federal and state guidelines.

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

7 Sec. 218. The departments and agencies receiving  
8 appropriations in part 1 shall prepare a report on out-of-state  
9 travel expenses not later than January 1 of each year. The travel  
10 report shall be a listing of all travel by classified and  
11 unclassified employees outside this state in the immediately  
12 preceding fiscal year that was funded in whole or in part with  
13 funds appropriated in the department's budget. The report shall be  
14 submitted to the house and senate appropriations committees, the  
15 house and senate fiscal agencies, and the state budget director.  
16 The report shall include the following information:

17 (a) The dates of each travel occurrence.

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

23 Sec. 228. Not later than November 30, the state budget office  
24 shall prepare and transmit a report that provides for estimates of  
25 the total general fund/general purpose appropriation lapses at the  
26 close of the prior fiscal year. This report shall summarize the  
27 projected year-end general fund/general purpose appropriation

1 lapses by major departmental program or program areas. The report  
2 shall be transmitted to the chairpersons of the senate and house of  
3 representatives standing committees on appropriations and the  
4 senate and house fiscal agencies.

5       Sec. 229. Within 14 days after the release of the executive  
6 budget recommendation, the department shall cooperate with the  
7 state budget office to provide the senate and house appropriations  
8 chairs, the senate and house appropriations subcommittees on  
9 agriculture and rural development, respectively, and the senate and  
10 house fiscal agencies with an annual report on estimated state  
11 restricted fund balances, state restricted fund projected revenues,  
12 and state restricted fund expenditures for the fiscal years ending  
13 September 30, 2016 and September 30, 2017.

14       Sec. 230. Funds appropriated in part 1 shall not be used by a  
15 principal executive department, state agency, or authority to hire  
16 a person to provide legal services that are the responsibility of  
17 the attorney general. This prohibition does not apply to legal  
18 services for bonding activities and for those outside services that  
19 the attorney general authorizes.

20       Sec. 231. The department shall maintain, on a publicly  
21 accessible website, a department scorecard that identifies, tracks,  
22 and regularly updates key metrics that are used to monitor and  
23 improve the agency's performance.

24       Sec. 232. Total authorized appropriations from all sources  
25 under part 1 for legacy costs for the fiscal year ending September  
26 30, 2017 is \$11,911,300.00. From this amount, total agency  
27 appropriations for pension-related legacy costs are estimated at



1 \$6,604,500.00. Total agency appropriations for retiree health care  
2 legacy costs are estimated at \$5,306,800.00.

3 **DEPARTMENTWIDE**

4 Sec. 301. (1) Pursuant to the appropriations in part 1, the  
5 department may receive and expend revenue and use that revenue to  
6 cover necessary expenses related to publications, audit and  
7 licensing functions, livestock sales, certification of nursery  
8 stock, and laboratory analyses as specified in the following:

9 (a) Management services publications.

10 (b) Management services audit and licensing functions.

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

13 (d) Pesticide and plant pest management grading services.

14 (e) Laboratory support testing for testing horses in draft  
15 horse pulling contests at county fairs when local jurisdictions  
16 request state assistance.

17 (f) Laboratory support analyses to determine foreign  
18 substances in horses engaged in racing or pulling contests at  
19 tracks.

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

23 (h) Laboratory support test samples for other agencies and  
24 organizations.

25 (i) Fruit and vegetable inspection at shipping and termination  
26 points and processing plants.

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

9           (3) The department shall notify the subcommittees and the  
10 fiscal agencies 30 days prior to proposing changes in fees  
11 authorized under this section or under section 5 of 1915 PA 91, MCL  
12 285.35.

13           (4) The department shall post on its website a list detailing  
14 all the fees charged by the department under the authorization  
15 provided in this section, including, but not limited to, rates,  
16 number of individuals paying each fee, and the revenue generated by  
17 each fee in the previous fiscal year. Notification of the location  
18 of the report on the website shall be sent to the subcommittees,  
19 fiscal agencies, and state budget office by February 1 of each  
20 year.

21           Sec. 302. Of the funds appropriated in part 1 that are other  
22 than line-item grants, the department shall not provide grants to  
23 local government agencies, institutions of higher education, or  
24 nonprofit organizations unless the department provides notice of  
25 the grant to the subcommittees and fiscal agencies at least 10 days  
26 before the grant is issued. The grants shall be used to support  
27 research or other related activities for the purpose of enhancing

1 the agricultural industries in this state.

2       Sec. 303. It is the intent of the legislature that the  
3 department use revenue from licensing and inspection fees to  
4 increase the use of technology in licensing and inspection  
5 activities to make licensing and inspection functions, including  
6 reporting, more efficient. The department shall work to ensure that  
7 all license and registration applications can be completed online  
8 through a secure web portal.

9 **FOOD AND DAIRY**

10       Sec. 402. The department shall provide information on  
11 significant food-borne outbreaks and emergencies, including any  
12 enforcement actions taken related to food safety during the  
13 immediately preceding fiscal year in the food and dairy annual  
14 report and post that report on the department's website no later  
15 than April 1. The department shall provide electronic notification  
16 of where the report can be found on the department's website to the  
17 appropriation subcommittees, fiscal agencies, and state budget  
18 office.

19       Sec. 403. The department will establish an on-farm food safety  
20 program to assist farmers impacted by the new Food and Drug  
21 Administration food safety modernization act, Public Law 111-353  
22 requirements. The purpose of this new program is to create a state  
23 and local partnership to provide training, education, and technical  
24 assistance to Michigan farmers in order for them to be compliant  
25 with these federal requirements. The department will track the  
26 outcomes of the program to determine the number of farmers that

1 were provided assistance and the number of farms that complete a  
2 food safety plan as a result of this program.

### 3 ANIMAL INDUSTRY

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

10 Sec. 453. (1) From the funds appropriated in part 1, the  
11 department may provide for indemnity as provided for pursuant to  
12 the animal industry act, 1988 PA 466, MCL 287.701 to 287.746.

13 (2) From the funds appropriated in part 1 for indemnification  
14 - livestock depredation, the department may provide for indemnity  
15 as provided for pursuant to the wildlife depredations  
16 indemnification act, 2012 PA 487, MCL 285.361 to 285.365.

17 Sec. 457. On or before October 15 of the current fiscal year  
18 and on a quarterly basis thereafter, the department shall report to  
19 the senate and house agriculture committees, the subcommittees, and  
20 the fiscal agencies on the department's progress toward meeting the  
21 USDA requirements as outlined in the March 2014 bovine TB program  
22 review. The report shall include, but is not limited to,  
23 information and data on: wildlife risk mitigation plan  
24 implementation in the modified accredited zone; implementation of a  
25 movement certificate process; progress toward annual surveillance  
26 test requirements; efforts to work with slaughter facilities in

1 Michigan, as well as those that slaughter a significant number of  
2 animals from Michigan; educational programs and information for  
3 Michigan's livestock community; any other item the legislature  
4 should be aware of that will promote or hinder efforts to achieve  
5 bovine TB-free status for Michigan.

6 Sec. 458. From the funds appropriated in part 1 for animal  
7 industry, the department shall provide inspection and testing of  
8 aquaculture facilities and aquaculture researchers as provided  
9 under section 7 of the Michigan aquaculture development act, 1996  
10 PA 199, MCL 286.877.

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

## 20 ENVIRONMENTAL STEWARDSHIP

21 Sec. 501. The funds appropriated in part 1 for environmental  
22 stewardship/MAEAP shall be used to support department agriculture  
23 pollution prevention programs, including groundwater and freshwater  
24 protection programs under part 87 of the Michigan natural resources  
25 and environmental protection act, 1994 PA 451, MCL 324.8701 to  
26 324.8717, and technical assistance in implementing conservation

1 grants available under the federal farm bill of 2014.

2       Sec. 504. (1) Federal revenues authorized by and available  
3 from the federal government in excess of the appropriation in part  
4 1 under section 107 are appropriated and may be received and  
5 expended by the department for purposes authorized under state law  
6 and subject to federal requirements.

7       (2) The department shall notify the subcommittees and fiscal  
8 agencies prior to expending federal revenues received and  
9 appropriated under subsection (1).

10       Sec. 508. (1) The appropriations in part 1 for qualified  
11 forest affidavit program are for the purpose of increasing the  
12 knowledge of nonindustrial private forestland owners of sound  
13 forest management practices and increasing the amount of commercial  
14 timber production from those lands.

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

19 **LABORATORY PROGRAM**

20       Sec. 601. The program will increase turnaround times in the  
21 Geagley laboratory from 30%-50% to 75%-80% and implement a risk-  
22 based inspection program on devices and package content in the  
23 consumer protection program in the current fiscal year. The purpose  
24 of these programs is to ensure the protection of consumers from  
25 economic harm due to labeling or measurement fraud and to ensure  
26 the safety of the food supply. The department will track the

1 outcome of the program by measuring sample analysis turnaround  
2 times and the percentage of compliant measurement devices inspected  
3 in the fiscal year.

#### 4 **AGRICULTURE DEVELOPMENT**

5 Sec. 701. (1) The department shall establish and administer a  
6 rural development value-added grant program. The program shall  
7 promote the expansion of value-added agricultural production,  
8 processing, and access within the state.

9 (2) In addition to the funds appropriated in part 1, the  
10 department of agriculture and rural development may receive and  
11 expend funds received from outside sources for rural development  
12 value-added grants.

13 (3) The department shall award grants on a competitive basis  
14 from the funds appropriated in part 1 for rural development value-  
15 added grants. Grantees will be required to provide a cash match and  
16 identify measurable project outcomes. Eligible grantees may  
17 include, but are not limited to, individuals, partnerships,  
18 cooperatives, private or public corporations, and local units of  
19 government. Grantees will be required to identify measurable  
20 project outcomes.

21 (4) A joint evaluation committee shall be selected by the  
22 director with representatives with agriculture, business, and  
23 economic development expertise. The joint evaluation committee  
24 shall identify criteria, evaluate applications, and provide  
25 recommendations to the director for final approval of grant awards.

26 (5) The department may expend money from the funds

1 appropriated in part 1 for the rural development value-added grants  
2 for administering the program.

3 (6) The unexpended portion of the rural development value-  
4 added grant program is considered a work project appropriation in  
5 accordance with the management and budget act, 1984 PA 431, MCL  
6 18.1101 to 18.1594.

7 (7) The department shall provide an interim report no later  
8 than March 15 of the current fiscal year and a year-end report no  
9 later than September 30 of the current fiscal year to the  
10 subcommittees and the fiscal agencies, including the grantees,  
11 award amount, match funding, and project outcomes.

12 (8) The department shall make available on the agency's  
13 website a list of the grantees, award amount, match funding, and  
14 project outcomes. The department shall electronically notify the  
15 appropriations subcommittees, fiscal agencies, and state budget  
16 office of the location of this list.

17 Sec. 702. The department will work with the rural development  
18 fund board to establish a process and criteria for funding projects  
19 as well as establishing metrics and measurable outcomes for the  
20 program. The funds appropriated from the rural development fund  
21 must be used in accordance with the provisions outlined in 2012 PA  
22 411.

23 Sec. 706. On or before April 1, the department shall report to  
24 the house and senate appropriations subcommittees on agriculture  
25 and rural development, and the house and senate fiscal agencies, on  
26 the department's agriculture development and export market  
27 development activities. The report shall include the following



1 information on any grants awarded during the prior fiscal year:

2 (a) The name of the grantee.

3 (b) The amount of the grant.

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

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

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

8 Sec. 709. (1) Not later than April 1 of the current fiscal  
9 year, the department shall provide a report to the subcommittees  
10 and the fiscal agencies describing the activities of the grape and  
11 wine industry council established under section 303 of the Michigan  
12 liquor control code of 1998, 1998 PA 58, MCL 436.1303.

13 (2) The report shall include all of the following:

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

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

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

## 22 **FAIRS AND EXPOSITIONS**

23 Sec. 801. All appropriations from the agriculture equine  
24 industry development fund shall be spent on equine-related  
25 purposes. No funds from the agriculture equine industry development  
26 fund shall be expended for nonequine-related purposes without prior

1 approval of the legislature.

2       Sec. 802. All appropriations from the agriculture equine  
3 industry development fund, except for the Michigan gaming control  
4 board's regulatory expenses and the department's expenses to  
5 administer horse racing programs and laboratory analysis, shall be  
6 reduced proportionately if revenues to the agriculture equine  
7 industry development fund decline during the preceding fiscal year  
8 to a level lower than the amounts appropriated in part 1.

9       Sec. 805. (1) The department shall establish and administer a  
10 county fairs capital improvement grant program. The program shall  
11 assist in the promotion of building improvements or other capital  
12 improvements at county fairgrounds of the state.

13       (2) The department shall award grants on a competitive basis  
14 to county fair organizations from the funds appropriated in part 1  
15 for county fairs capital improvements grants. Grantees will be  
16 required to provide a dollar-for-dollar cash match with grant  
17 awards and identify measurable project outcomes.

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

21       (4) The department may expend money from the funds  
22 appropriated in part 1 for the county fairs capital improvement  
23 grants for administering the program.

24       (5) The unexpended portion of the county fairs capital  
25 improvement grant program is considered a work project  
26 appropriation in accordance with the management and budget act,  
27 1984 PA 431, MCL 18.1101 to 18.1594.

1           (6) The department shall provide a year-end report no later  
2 than December 1, 2017 to the subcommittees and the fiscal agencies,  
3 including the grantees, award amount, match funding, and project  
4 outcomes.

5           Sec. 806. (1) The amount appropriated in part 1 for shows and  
6 expositions shall be expended for the purpose of financial support,  
7 promotion, prizes, and premiums of equine, livestock, and other  
8 agricultural commodity expositions in Michigan.

9           (2) The department shall award grants for the purposes  
10 stipulated in subsection (1) on a competitive basis to persons  
11 organizing shows and expositions from the funds appropriated in  
12 part 1 for shows and expositions. Grantees will be required to  
13 provide a dollar-for-dollar cash match with grant awards and  
14 identify measurable project outcomes.

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

18           (4) The unexpended portion of the appropriation for shows and  
19 expositions is considered a work project appropriation in  
20 accordance with the management and budget act, 1984 PA 431, MCL  
21 18.1101 to 18.1594.

22           (5) The department shall provide a year-end report no later  
23 than December 1, 2017 to the subcommittees and the fiscal agencies,  
24 including the grantees, award amount, match funding, and project  
25 outcomes.

## PART 2A

## PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS

FOR FISCAL YEAR 2017-2018

**GENERAL SECTIONS**

Sec. 1201. It is the intent of the legislature to provide appropriations for the fiscal year ending on September 30, 2018 for the line items listed in part 1. The fiscal year 2017-2018 appropriations are anticipated to be the same as those for fiscal year 2016-2017, except that the line items will be adjusted for changes in caseload and related costs, federal fund match rates, economic factors, and available revenue. These adjustments will be determined after the January 2017 consensus revenue estimating conference.

## ARTICLE V

## DEPARTMENT OF CORRECTIONS

## PART 1

## LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of corrections for the fiscal year ending September 30, 2017, from the following funds:

**DEPARTMENT OF CORRECTIONS**

## APPROPRIATION SUMMARY

|                                               |          |
|-----------------------------------------------|----------|
| Average population .....                      | 0        |
| Full-time equated unclassified positions..... | 16.0     |
| Full-time equated classified positions.....   | 13,792.9 |

|    |                                                      |                  |
|----|------------------------------------------------------|------------------|
| 1  | GROSS APPROPRIATION.....                             | \$ 2,020,807,400 |
| 2  | Interdepartmental grant revenues:                    |                  |
| 3  | Total interdepartmental grants and intradepartmental |                  |
| 4  | transfers .....                                      | 0                |
| 5  | ADJUSTED GROSS APPROPRIATION.....                    | \$ 2,020,807,400 |
| 6  | Federal revenues:                                    |                  |
| 7  | Total federal revenues.....                          | 5,523,700        |
| 8  | DED-OESE, title I.....                               | 917,800          |
| 9  | DED-OSERS.....                                       | 117,600          |
| 10 | DED-OVAE, adult education.....                       | 360,600          |
| 11 | DED-vocational education equipment.....              | 155,300          |
| 12 | DED, youthful offender/Specter grant.....            | 206,000          |
| 13 | DOJ-BOP, federal prisoner reimbursement.....         | 411,000          |
| 14 | DOJ-second chance act reentry initiative.....        | 500,000          |
| 15 | DOJ, office of justice programs, RSAT.....           | 250,200          |
| 16 | DOJ, prison rape elimination act grant.....          | 674,700          |
| 17 | DOJ, prisoner reintegration.....                     | 250,000          |
| 18 | DOJ, state criminal assistance program.....          | 1,034,800        |
| 19 | SSA-SSI, incentive payment.....                      | 272,000          |
| 20 | Federal revenues and reimbursements.....             | 373,700          |
| 21 | Special revenue funds:                               |                  |
| 22 | Total local revenues.....                            | 8,692,800        |
| 23 | Local revenues.....                                  | 8,487,400        |
| 24 | Local - community tether program reimbursement.....  | 205,400          |
| 25 | Total private revenues.....                          | 0                |
| 26 | Total other state restricted revenues.....           | 37,133,000       |
| 27 | Correctional industries revolving fund.....          | 11,197,900       |

## Senate Bill No. 800 as amended May 4, 2016

|    |                                                         |                  |
|----|---------------------------------------------------------|------------------|
| 1  | Jail reimbursement program fund.....                    | 5,900,000        |
| 2  | Local corrections officer training fund.....            | 100,000          |
| 3  | Reentry center offender reimbursements.....             | 24,300           |
| 4  | Parole and probation oversight fees.....                | 4,428,600        |
| 5  | Parole and probation oversight fees set-aside.....      | 1,634,800        |
| 6  | Prisoner health care copayments.....                    | 257,200          |
| 7  | Public works user fees.....                             | 1,000,000        |
| 8  | Resident stores.....                                    | 3,372,600        |
| 9  | Program and special equipment fund.....                 | 6,634,600        |
| 10 | Tether program, participant contributions.....          | 2,480,900        |
| 11 | State restricted fees, out-of-state prisoners.....      | 99,800           |
| 12 | State restricted revenues and reimbursements.....       | 2,300            |
| 13 | State general fund/general purpose.....                 | \$ 1,969,457,900 |
| 14 | <b>Sec. 102. EXECUTIVE</b>                              |                  |
| 15 | Full-time equated unclassified positions..... 16.0      |                  |
| 16 | Full-time equated classified positions..... 20.0        |                  |
| 17 | Unclassified positions--16.0 FTE positions.....         | \$ 1,793,800     |
| 18 | Executive direction--20.0 FTE positions.....            | <u>4,208,600</u> |
| 19 | GROSS APPROPRIATION.....                                | \$ 6,002,400     |
| 20 | Appropriated from:                                      |                  |
| 21 | State general fund/general purpose.....                 | \$ 6,002,400     |
| 22 | <b>Sec. 103. PRISONER REENTRY AND COMMUNITY SUPPORT</b> |                  |
| 23 | Full-time equated classified positions..... 343.4       |                  |
| 24 | Prisoner reentry local service providers.....           | \$ 13,208,600    |
| 25 | Prisoner reentry MDOC programs.....                     | 9,124,100        |
| 26 | Prisoner reentry federal grants.....                    | 750,000          |
| 27 | Public safety initiative.....                           | <<3,000,000>>    |

## Senate Bill No. 800 as amended May 4, 2016

|    |                                                        |                    |
|----|--------------------------------------------------------|--------------------|
| 1  | Reentry services--70.0 FTE positions .....             | 14,965,100         |
| 2  | Education program--273.4 FTE positions .....           | 39,555,500         |
| 3  | Community corrections comprehensive plans and services | 12,158,000         |
| 4  | Felony drunk driver jail reduction and community       |                    |
| 5  | treatment program .....                                | 1,440,100          |
| 6  | Residential services.....                              | 15,475,500         |
| 7  | Goodwill flip the script.....                          | <u>2,500,000</u>   |
| 8  | GROSS APPROPRIATION.....                               | \$ <<112,176,900>> |
| 9  | Appropriated from:                                     |                    |
| 10 | Federal revenues:                                      |                    |
| 11 | DOJ-second chance act reentry initiative .....         | 500,000            |
| 12 | DOJ, prisoner reintegration.....                       | 250,000            |
| 13 | DED-vocational education equipment .....               | 155,300            |
| 14 | DED-OESE, title I.....                                 | 917,800            |
| 15 | DED-OVAE, adult education.....                         | 360,600            |
| 16 | DED-OSERS.....                                         | 117,600            |
| 17 | DED, youthful offender/Specter grant .....             | 206,000            |
| 18 | Special revenue funds:                                 |                    |
| 19 | Program and special equipment fund.....                | 5,213,200          |
| 20 | State general fund/general purpose .....               | \$ <<104,456,400>> |
| 21 | <b>Sec. 104. BUDGET AND OPERATIONS ADMINISTRATION</b>  |                    |
| 22 | Full-time equated classified positions.....            | 247.0              |
| 23 | Budget and operations administration--185.0 FTE        |                    |
| 24 | positions .....                                        | 24,696,700         |
| 25 | Prison industries operations--62.0 FTE positions ..... | 9,837,400          |
| 26 | New custody staff training.....                        | \$ 9,216,500       |
| 27 | Compensatory buyout and union leave bank .....         | 100                |

## Senate Bill No. 800 as amended May 4, 2016

|    |                                                     |                   |
|----|-----------------------------------------------------|-------------------|
| 1  | Worker's compensation.....                          | 14,171,300        |
| 2  | Rent.....                                           | 2,349,100         |
| 3  | Equipment and special maintenance.....              | 1,559,700         |
| 4  | Administrative hearings officers.....               | 3,407,100         |
| 5  | Judicial data warehouse user fees.....              | 50,000            |
| 6  | Sheriffs' coordinating and training office.....     | 100,000           |
| 7  | Prosecutorial and detainer expenses.....            | 5,001,000         |
| 8  | County jail reimbursement program.....              | <u>13,597,100</u> |
| 9  | GROSS APPROPRIATION.....                            | \$ 83,986,000     |
| 10 | Appropriated from:                                  |                   |
| 11 | Special revenue funds:                              |                   |
| 12 | Jail reimbursement program fund.....                | 5,900,000         |
| 13 | Program and special equipment fund.....             | \$ 100            |
| 14 | Local corrections officer training fund.....        | 100,000           |
| 15 | Correctional industries revolving fund.....         | 10,451,800        |
| 16 | DOJ-prison rape elimination act grant.....          | 674,700           |
| 17 | State general fund/general purpose.....             | \$ 66,859,400     |
| 18 | <b>Sec. 105. FIELD OPERATIONS ADMINISTRATION</b>    |                   |
| 19 | Full-time equated classified positions..... 2,194.6 |                   |
| 20 | Field operations--1,881.9 FTE positions.....        | \$ 213,669,400    |
| 21 | Parole board operations--33.0 FTE positions.....    | 3,812,000         |
| 22 | Parole/probation services.....                      | 940,000           |
| 23 | Detroit Detention Center--63.1 FTE positions.....   | 8,487,400         |
| 24 | Detroit Reentry Center--216.6 FTE positions.....    | 27,073,900        |
| 25 | Supervising region incentive program.....           | 3,000,000         |
| 26 | Criminal justice reinvestment.....                  | <<15,000,000>>    |
| 27 | Parole sanction certainty pilot program.....        | <u>1,440,000</u>  |



## Senate Bill No. 800 as amended May 4, 2016

|    |                                                         |                    |
|----|---------------------------------------------------------|--------------------|
| 1  | GROSS APPROPRIATION.....                                | \$ <<273,422,700>> |
| 2  | Appropriated from:                                      |                    |
| 3  | Local revenues.....                                     | 8,487,400          |
| 4  | Special revenue funds:                                  |                    |
| 5  | Local - community tether program reimbursement .....    | 205,400            |
| 6  | Reentry center offender reimbursements .....            | 24,300             |
| 7  | Parole and probation oversight fees .....               | 4,428,600          |
| 8  | Parole and probation oversight fees set-aside .....     | 940,000            |
| 9  | Tether program, participant contributions .....         | 2,480,900          |
| 10 | State general fund/general purpose .....                | \$ <<256,856,100>> |
| 11 | <b>Sec. 106. CORRECTIONAL FACILITIES ADMINISTRATION</b> |                    |
| 12 | Full-time equated classified positions..... 319.0       |                    |
| 13 | Correctional facilities administration--21.0 FTE        |                    |
| 14 | positions .....                                         | \$ 5,046,600       |
| 15 | Prison food service.....                                | 53,868,900         |
| 16 | Transportation--211.0 FTE positions .....               | 22,738,200         |
| 17 | Central records--52.0 FTE positions .....               | 6,015,600          |
| 18 | Inmate legal services.....                              | 790,900            |
| 19 | Housing inmates in federal institutions .....           | 611,000            |
| 20 | Prison store operations--35.0 FTE positions .....       | 3,372,600          |
| 21 | Leased beds and alternatives to leased beds .....       | 5,250,000          |
| 22 | Public works programs .....                             | 1,000,000          |
| 23 | Cost-effective housing initiative .....                 | 100                |
| 24 | Inmate housing fund.....                                | <u>100</u>         |
| 25 | GROSS APPROPRIATION.....                                | \$ 98,694,000      |
| 26 | Appropriated from:                                      |                    |
| 27 | Federal revenues:                                       |                    |

|    |                                                      |                  |
|----|------------------------------------------------------|------------------|
| 1  | DOJ-BOP, federal prisoner reimbursement .....        | 411,000          |
| 2  | SSA-SSI, incentive payment .....                     | 272,000          |
| 3  | Special revenue funds:                               |                  |
| 4  | Correctional industries revolving fund .....         | 569,000          |
| 5  | Public works user fees .....                         | 1,000,000        |
| 6  | Resident stores .....                                | 3,372,600        |
| 7  | State general fund/general purpose .....             | \$ 93,069,400    |
| 8  | <b>Sec. 107. HEALTH CARE</b>                         |                  |
| 9  | Full-time equated classified positions .....         | 1,483.9          |
| 10 | Health care administration--21.0 FTE positions ..... | \$ 3,690,800     |
| 11 | Prisoner health care services .....                  | 68,380,400       |
| 12 | Vaccination program .....                            | 691,200          |
| 13 | Interdepartmental grant to health and human          |                  |
| 14 | services, eligibility specialists .....              | 100,000          |
| 15 | Mental health services and support--372.0 FTE        |                  |
| 16 | positions .....                                      | 60,465,700       |
| 17 | Clinical complexes--1,070.9 FTE positions .....      | 140,871,700      |
| 18 | Healthy Michigan plan administration--12.0 FTE       |                  |
| 19 | positions .....                                      | 1,100,700        |
| 20 | Substance abuse testing and treatment services--8.0  |                  |
| 21 | FTE positions .....                                  | 21,590,600       |
| 22 | Hepatitis C treatment .....                          | <u>4,400,000</u> |
| 23 | GROSS APPROPRIATION .....                            | \$ 301,291,100   |
| 24 | Appropriated from:                                   |                  |
| 25 | Federal revenues:                                    |                  |
| 26 | DOJ, office of justice programs, RSAT .....          | 250,200          |
| 27 | Federal revenues and reimbursements .....            | 373,700          |

|    |                                                     |                      |
|----|-----------------------------------------------------|----------------------|
| 1  | Special revenue funds:                              |                      |
| 2  | Prisoner health care copayments .....               | 257,200              |
| 3  | State general fund/general purpose .....            | \$ 300,410,000       |
| 4  | <b>Sec. 108. CORRECTIONAL FACILITIES</b>            |                      |
| 5  | Average population .....                            | 0                    |
| 6  | Full-time equated classified positions.....         | 9,185.0              |
| 7  | Correctional facilities (28 facilities)--           | 9,013.0              |
| 8  | FTE positions .....                                 | \$ 1,065,325,700     |
| 9  | Capital outlay.....                                 | 14,000,000           |
| 10 | Northern region administration and support--        | 48.0 FTE             |
| 11 | positions .....                                     | 4,509,900            |
| 12 | Southern region administration and support--        | 124.0                |
| 13 | FTE positions .....                                 | <u>24,098,000</u>    |
| 14 | GROSS APPROPRIATION.....                            | \$ 1,107,933,600     |
| 15 | Appropriated from:                                  |                      |
| 16 | Federal revenues:                                   |                      |
| 17 | DOJ, state criminal assistance program.....         | 1,034,800            |
| 18 | Special revenue funds:                              |                      |
| 19 | State restricted fees, out-of-state prisoners ..... | 99,800               |
| 20 | State restricted revenues and reimbursements .....  | 2,300                |
| 21 | State general fund/general purpose .....            | \$ 1,106,796,700     |
| 22 | <b>Sec. 109. INFORMATION TECHNOLOGY</b>             |                      |
| 23 | Information technology services and projects .....  | \$ <u>28,813,300</u> |
| 24 | GROSS APPROPRIATION.....                            | \$ 28,813,300        |
| 25 | Appropriated from:                                  |                      |
| 26 | Special revenue funds:                              |                      |
| 27 | Correctional industries revolving fund.....         | 177,100              |

|    |                                                    |                |
|----|----------------------------------------------------|----------------|
| 1  | Parole and probation oversight fees set-aside..... | 694,800        |
| 2  | Program and special equipment fund.....            | 440,000        |
| 3  | State general fund/general purpose.....            | \$ 27,501,400  |
| 4  | <b>Sec. 110. ONE-TIME APPROPRIATIONS</b>           |                |
| 5  | New custody training staff--one time.....          | \$ 7,506,100   |
| 6  | Ballistic vests--one time.....                     | <u>981,300</u> |
| 7  | GROSS APPROPRIATION.....                           | \$ 8,487,400   |
| 8  | Appropriated from:                                 |                |
| 9  | Special revenue funds:                             |                |
| 10 | Program and special equipment fund.....            | 981,300        |
| 11 | State general fund/general purpose.....            | \$ 7,506,100   |

## PART 2

## PROVISIONS CONCERNING APPROPRIATIONS

FOR FISCAL YEAR 2016-2017

## GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2016-2017 is \$2,006,590,900.00 and state spending from state resources to be paid to local units of government for fiscal year 2016-2017 is \$115,670,600.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

## DEPARTMENT OF CORRECTIONS

Field operations - assumption of county

|                       |    |            |
|-----------------------|----|------------|
| probation staff ..... | \$ | 61,749,900 |
|-----------------------|----|------------|

|    |                                                        |                  |
|----|--------------------------------------------------------|------------------|
| 1  | Community corrections comprehensive plans              |                  |
| 2  | and services .....                                     | 12,158,000       |
| 3  | Reentry services - intensive detention reentry program | 1,500,000        |
| 4  | Residential services.....                              | 15,475,500       |
| 5  | County jail reimbursement program.....                 | 13,597,100       |
| 6  | Felony drunk driver jail reduction and                 |                  |
| 7  | community treatment program .....                      | 1,440,100        |
| 8  | Leased beds and alternatives to leased beds .....      | 5,250,000        |
| 9  | Public safety initiative.....                          | <u>4,500,000</u> |
| 10 | TOTAL.....                                             | \$ 115,670,600   |

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

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

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

19       (b) "Cost per prisoner" means the sum total of the funds  
20 appropriated under part 1 for the following, divided by the  
21 projected prisoner population in fiscal year 2016-2017:

- 22       (i) Correctional facilities.
- 23       (ii) Northern and southern region administration and support.
- 24       (iii) Clinical and mental health services and support.
- 25       (iv) Prisoner health care services.
- 26       (v) Vaccination program.
- 27       (vi) Prison food service and federal school lunch program.

- 1           (vii) Transportation.
- 2           (viii) Inmate legal services.
- 3           (ix) Correctional facilities administration.
- 4           (x) Central records.
- 5           (xi) Worker's compensation.
- 6           (xii) New custody staff training.
- 7           (xiii) Prison store operations.
- 8           (xiv) Education program.
- 9           (c) "DAG" means the United States Department of Agriculture.
- 10          (d) "DAG-FNS" means the DAG Food and Nutrition Service.
- 11          (e) "DED" means the United States Department of Education.
- 12          (f) "DED-OESE" means the DED Office of Elementary and
- 13 Secondary Education.
- 14          (g) "DED-OSERS" means the DED Office of Special Education and
- 15 Rehabilitative Services.
- 16          (h) "DED-OVAE" means the DED Office of Vocational and Adult
- 17 Education.
- 18          (i) "Department" or "MDOC" means the Michigan department of
- 19 corrections.
- 20          (j) "DOJ" means the United States Department of Justice.
- 21          (k) "DOJ-BOP" means the DOJ Bureau of Prisons.
- 22          (l) "DOJ-OJP" means the DOJ Office of Justice Programs.
- 23          (m) "EPIC program" means the department's effective process
- 24 improvement and communication program.
- 25          (n) "Evidence-based practices" or "EBP" means a decision-
- 26 making process that integrates the best available research,
- 27 clinician expertise, and client characteristics.

1 (o) "FTE" means full-time equated.

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

7 (q) "IDG" means interdepartmental grant.

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

11 (s) "MDHHS" means the Michigan department of health and human  
12 services.

13 (t) "MDSP" means the Michigan department of state police.

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

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

23 (w) "OCC" means office of community corrections.

24 (x) "Offender eligibility criteria" means particular criminal  
25 violations, state felony sentencing guidelines descriptors, and  
26 offender characteristics developed by advisory boards and approved  
27 by local units of government that identify the offenders suitable

1 for community corrections programs funded through the office of  
2 community corrections.

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

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

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

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

21 (ii) A currently incarcerated felon or misdemeanor who is  
22 granted early release from incarceration to a community corrections  
23 program or who is granted early release from incarceration as a  
24 result of a community corrections program.

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



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

4           (ii) Obtained housing.

5           (iii) Obtained a state identification card.

6           (cc) "Recidivism" means the return of an individual to prison  
7 within 3 years after he or she is released either with a new  
8 sentence to prison or as a technical violator of parole conditions.

9           (dd) "RSAT" means residential substance abuse treatment.

10          (ee) "Serious emotional disturbance" means that term as  
11 defined in section 100d(2) of the mental health code, 1974 PA 328,  
12 MCL 330.1100d.

13          (ff) "Serious mental illness" means that term as defined in  
14 section 100d(3) of the mental health code, 1974 PA 328, MCL  
15 330.1100d.

16          (gg) "SSA" means the United States Social Security  
17 Administration.

18          (hh) "SSA-SSI" means SSA supplemental security income.

19          Sec. 206. The department shall not take disciplinary action  
20 against an employee or a prisoner for communicating with a member  
21 of the legislature or his or her staff.

22          Sec. 208. The departments and agencies receiving  
23 appropriations in part 1 shall use the Internet to fulfill the  
24 reporting requirements of this part. This requirement may include  
25 transmission of reports via electronic mail to the recipients  
26 identified for each reporting requirement or it may include  
27 placement of reports on an Internet or Intranet site.

1       Sec. 209. Funds appropriated in part 1 shall not be used for  
2 the purchase of foreign goods or services, or both, if  
3 competitively priced and of comparable quality American goods or  
4 services, or both, are available. Preference shall be given to  
5 goods or services, or both, manufactured or provided by Michigan  
6 businesses, if they are competitively priced and of comparable  
7 quality. In addition, preference should be given to goods or  
8 services, or both, that are manufactured or provided by Michigan  
9 businesses owned and operated by veterans, if they are  
10 competitively priced and of comparable quality.

11       Sec. 211. The department may charge fees and collect revenues  
12 in excess of appropriations in part 1 not to exceed the cost of  
13 offender services and programming, employee meals, parolee loans,  
14 academic/vocational services, custody escorts, compassionate  
15 visits, union steward activities, and public works programs and  
16 services provided to local units of government or private nonprofit  
17 organizations. The revenues and fees collected are appropriated for  
18 all expenses associated with these services and activities.

19       Sec. 212. On a quarterly basis, the department shall report on  
20 the number of full-time equated positions in pay status by civil  
21 service classification to the senate and house appropriations  
22 subcommittees on corrections, the legislative corrections  
23 ombudsman, and the senate and house fiscal agencies. This report  
24 shall include a detailed accounting of the long-term vacancies that  
25 exist within each department. As used in this subsection, "long-  
26 term vacancy" means any full-time equated position that has not  
27 been filled at any time during the past 12 and 24 calendar months.

1       Sec. 214. The department shall receive and retain copies of  
2 all reports funded from appropriations in part 1. Federal and state  
3 guidelines for short-term and long-term retention of records shall  
4 be followed. The department may electronically retain copies of  
5 reports unless otherwise required by federal and state guidelines.

6       Sec. 216. The department shall prepare a report on out-of-  
7 state travel expenses not later than January 1 of each year. The  
8 travel report shall be a listing of all travel by classified and  
9 unclassified employees outside this state in the immediately  
10 preceding fiscal year that was funded in whole or in part with  
11 funds appropriated in the department's budget. The report shall be  
12 submitted to the senate and house standing committees on  
13 appropriations, the senate and house fiscal agencies, and the state  
14 budget director. The report shall include the following  
15 information:

16       (a) The dates of each travel occurrence.

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

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

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

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

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

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

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

26           Sec. 220. Not later than November 30, the state budget office  
27 shall prepare and transmit a report that provides for estimates of

1 the total general fund/general purpose appropriation lapses at the  
2 close of the fiscal year. This report shall summarize the projected  
3 year-end general fund/general purpose appropriation lapses by major  
4 departmental program or program areas. The report shall be  
5 transmitted to the chairpersons of the senate and house of  
6 representatives standing committees on appropriations and the  
7 senate and house fiscal agencies.

8 Sec. 221. The department shall cooperate with the department  
9 of technology, management, and budget to maintain a searchable  
10 website accessible by the public at no cost that includes, but is  
11 not limited to, all of the following for the department:

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

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

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

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

19 (e) Job specifications and wage rates.

20 Sec. 223. (1) In addition to the funds appropriated in part 1,  
21 there is appropriated an amount not to exceed \$10,000,000.00 for  
22 federal contingency funds. These funds are not available for  
23 expenditure until they have been transferred to another line item  
24 in part 1 under section 393(2) of the management and budget act,  
25 1984 PA 431, MCL 18.1393.

26 (2) In addition to the funds appropriated in part 1, there is  
27 appropriated an amount not to exceed \$10,000,000.00 for state

1 restricted contingency funds. These funds are not available for  
2 expenditure until they have been transferred to another line item  
3 in part 1 under section 393(2) of the management and budget act,  
4 1984 PA 431, MCL 18.1393.

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

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

17 Sec. 229. Within 14 days after the release of the executive  
18 budget recommendation, the department shall cooperate with the  
19 state budget office to provide the chairpersons of the senate and  
20 house appropriations committees, the chairpersons of the senate and  
21 house appropriations subcommittees on corrections, and the senate  
22 and house fiscal agencies with an annual report on estimated state  
23 restricted fund balances, state restricted fund projected revenues,  
24 and state restricted fund expenditures for the fiscal years ending  
25 September 30, 2016 and September 30, 2017.

26 Sec. 230. Funds appropriated in part 1 shall not be used by  
27 the department to hire a person to provide legal services that are

1 the responsibility of the attorney general. This prohibition does  
2 not apply to legal services for bonding activities and for those  
3 outside services that the attorney general authorizes.

4 Sec. 231. The department shall maintain, on a publicly  
5 accessible website, a department scorecard that identifies, tracks,  
6 and regularly updates key metrics that are used to monitor and  
7 improve the department's performance.

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

13 Sec. 246. Total authorized appropriations from all sources  
14 under part 1 for legacy costs for the fiscal year ending September  
15 30, 2017 are \$337,858,200.00. From this amount, total department  
16 appropriations for pension-related legacy costs are estimated at  
17 \$187,327,100.00. Total department appropriations for retiree health  
18 care legacy costs are estimated at \$150,531,100.00.

19 Sec. 247. In addition to the metrics required under section  
20 447 of the management and budget act, 1984 PA 431, MCL 18.1447, for  
21 each new program or program enhancement for which funds in excess  
22 of \$500,000.00 are appropriated in part 1, the department shall  
23 provide not later than November 1 a list of program-specific  
24 metrics intended to measure its performance based on a return on  
25 taxpayer investment. The department shall deliver the program-  
26 specific metrics to members of the senate and house subcommittees  
27 that have subject matter jurisdiction for this budget, the senate

1 and house fiscal agencies, and the state budget director. The  
2 department shall provide an update on its progress in tracking  
3 program-specific metrics and the status of program success at an  
4 appropriations subcommittee meeting called for by the subcommittee  
5 chair.

6 **EXECUTIVE**

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

16       Sec. 304. The department shall maintain a staff savings  
17 initiative program in conjunction with the EPIC program for  
18 employees to submit suggestions for saving costs for the  
19 department. The department shall consider each suggestion in a  
20 timely manner. By March 1, the department shall report to the  
21 senate and house appropriations subcommittees on corrections, the  
22 legislative corrections ombudsman, the senate and house fiscal  
23 agencies, and the state budget director on any savings proposals,  
24 the date implemented, the amount of the expected savings, and any  
25 process improvements that can be implemented in other areas of the  
26 department. The report shall also include any rejected savings



1 proposal and the reason that the proposal was refused.

2 **PRISONER REENTRY AND COMMUNITY SUPPORT**

3       Sec. 401. The department shall submit 3-year and 5-year prison  
4 population projection updates concurrent with submission of the  
5 executive budget recommendation to the senate and house  
6 appropriations subcommittees on corrections, the legislative  
7 corrections ombudsman, the senate and house fiscal agencies, and  
8 the state budget director. The report shall include explanations of  
9 the methodology and assumptions used in developing the projection  
10 updates.

11       Sec. 402. By March 1, the department shall provide a report on  
12 prisoner reentry expenditures and allocations to the members of the  
13 senate and house appropriations subcommittees on corrections, the  
14 legislative corrections ombudsman, the senate and house fiscal  
15 agencies, and the state budget director. At a minimum, the report  
16 shall include information on both of the following:

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

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

25       Sec. 403. By February 1, the department shall report to the  
26 senate and house appropriations subcommittees on corrections, the

1 legislative corrections ombudsman, the senate and house fiscal  
2 agencies, and the state budget director on the department's EPIC  
3 program. The report shall include the following: the exact scope  
4 and purpose of the EPIC program, the areas of the department that  
5 have received any EPIC resources, the line items in part 1 that are  
6 expected to recognize savings due to the EPIC program, the  
7 identified areas of the department where the EPIC program has  
8 changed the department's policy, and the number of the full-time  
9 equivalent positions in the department that are assigned to the  
10 EPIC program during the prior fiscal year.

11 Sec. 404. The department shall not increase spending in part 1  
12 for reentry services above \$14,965,100.00 until it has issued a  
13 request for information for reentry services, substance abuse, and  
14 sex offender contracts and assessed the value of each program.

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

22 Sec. 407. By April 1, the department shall place the  
23 statistical report from the immediately preceding calendar year on  
24 an Internet site. The statistical report shall include, but not be  
25 limited to, the information as provided in the 2004 statistical  
26 report.

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

1 offenders.

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

14       (2) It is the intent of the legislature that the workforce  
15 development programming continue through the entire duration of the  
16 prisoner's incarceration to encourage employment upon release.

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

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

1 corrections plans shall include an explanation of how the public  
2 safety will be maintained, the goals for the local jurisdiction,  
3 offender target populations intended to be affected, offender  
4 eligibility criteria for purposes outlined in the plan, and how the  
5 plans will meet the following objectives, consistent with section  
6 8(4) of the community corrections act, 1988 PA 511, MCL 791.408:

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

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

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

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

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

20 (f) Contribute to offender success.

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

1 commitment rates, and jail utilization.

2 (3) Funds awarded for residential services in part 1 shall  
3 provide for a per diem reimbursement of not more than \$47.50 for  
4 nonaccredited facilities, or of not more than \$48.50 for facilities  
5 that have been accredited by the American Corrections Association  
6 or a similar organization as approved by the department.

7 Sec. 411. The comprehensive corrections plans shall also  
8 include, where appropriate, descriptive information on the full  
9 range of sanctions and services that are available and utilized  
10 within the local jurisdiction and an explanation of how jail beds,  
11 residential services, the special alternative incarceration  
12 program, probation detention centers, the electronic monitoring  
13 program for probationers, and treatment and rehabilitative services  
14 will be utilized to support the objectives and priorities of the  
15 comprehensive corrections plans and the purposes and priorities of  
16 section 8(4) of the community corrections act, 1988 PA 511, MCL  
17 791.408, that contribute to the success of offenders. The plans  
18 shall also include, where appropriate, provisions that detail how  
19 the local communities plan to respond to sentencing guidelines  
20 found in chapter XVII of the code of criminal procedure, 1927 PA  
21 175, MCL 777.1 to 777.69, and use the county jail reimbursement  
22 program under section 414. The state community corrections board  
23 shall encourage local community corrections advisory boards to  
24 include in their comprehensive corrections plans strategies to  
25 collaborate with local alcohol and drug treatment agencies of the  
26 MDHHS for the provision of alcohol and drug screening, assessment,  
27 case management planning, and delivery of treatment to alcohol- and

1 drug-involved offenders.

2       Sec. 412. (1) As part of the March biannual report specified  
3 in section 12(2) of the community corrections act, 1988 PA 511, MCL  
4 791.412, that requires an analysis of the impact of that act on  
5 prison admissions and jail utilization, the department shall submit  
6 to the senate and house appropriations subcommittees on  
7 corrections, the legislative corrections ombudsman, the senate and  
8 house fiscal agencies, and the state budget director the following  
9 information for each county and counties consolidated for  
10 comprehensive corrections plans:

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

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

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

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

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

27       (f) Data on the use of funding made available under the felony

1 drunk driver jail reduction and community treatment program.

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

5 Sec. 413. (1) The department shall identify and coordinate  
6 information regarding the availability of and the demand for  
7 community corrections programs, jail-based community corrections  
8 programs, jail-based probation violation sanctions, and all state-  
9 required jail data.

10 (2) The department is responsible for the collection,  
11 analysis, and reporting of all state-required jail data.

12 (3) As a prerequisite to participation in the programs and  
13 services offered through the department, counties shall provide  
14 necessary jail data to the department.

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

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

23 (a) The felon's sentencing guidelines recommended range upper  
24 limit is more than 18 months, the felon's sentencing guidelines  
25 recommended range lower limit is 12 months or less, the felon's  
26 prior record variable score is 35 or more points, and the felon's  
27 sentence is not for commission of a crime in crime class G or crime

1 class H or a nonperson crime in crime class F under chapter XVII of  
2 the code of criminal procedure, 1927 PA 175, MCL 777.1 to 777.69.

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

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

11 (3) State reimbursement under this subsection shall be \$60.00  
12 per diem per diverted offender for offenders with a presumptive  
13 prison guideline score, \$50.00 per diem per diverted offender for  
14 offenders with a straddle cell guideline for a group 1 crime, and  
15 \$35.00 per diem per diverted offender for offenders with a straddle  
16 cell guideline for a group 2 crime. Reimbursements shall be paid  
17 for sentences up to a 1-year total.

18 (4) As used in this subsection:

19 (a) "Group 1 crime" means a crime in 1 or more of the  
20 following offense categories: arson, assault, assaultive other,  
21 burglary, criminal sexual conduct, homicide or resulting in death,  
22 other sex offenses, robbery, and weapon possession as determined by  
23 the department of corrections based on specific crimes for which  
24 counties received reimbursement under the county jail reimbursement  
25 program in fiscal year 2007 and fiscal year 2008, and listed in the  
26 county jail reimbursement program document titled "FY 2007 and FY  
27 2008 Group One Crimes Reimbursed", dated March 31, 2009.



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

5 (c) "In the custody of the sheriff" means that the convicted  
6 felon has been sentenced to the county jail and is either housed in  
7 the county jail or has been released from jail and is being  
8 monitored through the use of the sheriff's electronic monitoring  
9 system.

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

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

24 Sec. 416. Allowable uses of felony drunk driver jail reduction  
25 and community treatment program funding shall include reimbursing  
26 counties for transportation, treatment costs, and housing felony  
27 drunk drivers during a period of assessment for treatment and case

1 planning. Reimbursements for housing during the assessment process  
2 shall be at the rate of \$43.50 per day per offender, up to a  
3 maximum of 5 days per offender.

4 Sec. 417. (1) By March 1, the department shall report to the  
5 members of the senate and house appropriations subcommittees on  
6 corrections, the legislative corrections ombudsman, the senate and  
7 house fiscal agencies, and the state budget director on each of the  
8 following programs from the previous fiscal year:

9 (a) The county jail reimbursement program.

10 (b) The felony drunk driver jail reduction and community  
11 treatment program.

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

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

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

21 (b) Expenditures by location.

22 (c) The impact on jail utilization.

23 (d) The impact on prison admissions.

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

26 Sec. 418. (1) The department shall collaborate with the state  
27 court administrative office on facilitating changes to Michigan

1 court rules that would require the court to collect at the time of  
2 sentencing the state operator's license, state identification card,  
3 or other documentation used to establish the identity of the  
4 individual to be admitted to the department. The department shall  
5 maintain those documents in the prisoner's personal file.

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

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

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

22 (2) The department shall provide monthly electronic mail  
23 reports to the senate and house appropriations subcommittees on  
24 corrections, the legislative corrections ombudsman, the senate and  
25 house fiscal agencies, and the state budget director. The reports  
26 shall include information on end-of-month prisoner populations in  
27 county jails, the net operating capacity according to the most

1 recent certification report, identified by date, and end-of-month  
2 data, year-to-date data, and comparisons to the prior year for the  
3 following:

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

6 (b) Parole populations.

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

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

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

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

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

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

25 Sec. 421. (1) Funds appropriated in part 1 for the parole  
26 sanction certainty pilot program shall be distributed to an  
27 American Correctional Association accredited rehabilitation

1 organization operating in any of the following counties: Berrien,  
2 Calhoun, Genesee, Kalamazoo, Kent, Macomb, Muskegon, Oakland,  
3 Saginaw, and Wayne for operations and administration of the pilot  
4 program. The pilot program may be utilized as a condition of parole  
5 for technical parole violators to ensure public safety and justice  
6 through a program based on evidence-based tactics and programs.

7 (2) The program or programs selected shall report by March 30  
8 to the department, the senate and house appropriations  
9 subcommittees on corrections, the senate and house fiscal agencies,  
10 the legislative corrections ombudsman, and the state budget  
11 director. The report shall include program performance  
12 measurements, the number of individuals who participate in the  
13 pilot program, the number of individuals who return to prison after  
14 participating, and outcomes of participants who complete the  
15 program.

16 Sec. 422. (1) On a quarterly basis, the department shall issue  
17 a report to the senate and house appropriations subcommittees on  
18 corrections, the senate and house fiscal agencies, and the  
19 legislative corrections ombudsman, for the previous 4 quarters  
20 detailing the outcomes of prisoners who have been reviewed for  
21 parole. The report shall include all of the following:

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

23 (b) How many prisoners were granted parole.

24 (c) How many prisoners were denied parole.

25 (d) How many parole decisions were deferred.

26 (e) For each parole decision, all of the following:

27 (i) How many times each prisoner had been reviewed for parole

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1 before he or she was granted or denied parole during the reporting  
2 quarter.

3 (ii) How far each prisoner was past his or her earliest  
4 release date at the time of his or her most recent review.

5 (iii) Whether the prisoner was determined to have a high,  
6 medium, or low likelihood of parole.

7 (2) For each prisoner whose parole was denied or deferred, the  
8 report under subsection (1) shall give the reason for the denial or  
9 deferral. If the reason for denial or deferral is that the prisoner  
10 has not completed required programming, the report shall include  
11 all of the following:

12 (a) Whether the prisoner was offered the relevant programming.

13 (b) How many months before his or her earliest release date  
14 the prisoner was enrolled in the relevant program.

15 (c) If the prisoner failed to complete the program, whether it  
16 was because of the prisoner's behavior or circumstances outside of  
17 the prisoner's control.

<<Sec. 436. The funds appropriated in part 1 for the public  
safety initiative shall be distributed as follows:

(a) \$1,250,000.00 to the Saginaw County jail as reimbursement  
for housing individuals who have been arrested and are awaiting  
arraignment in Genesee County.

(b) \$1,250,000.00 to lease bed space from county jails outside  
of Genesee County to house offenders sentenced to jail in Genesee  
County.

(c) \$500,000.00 for electronic monitoring of offenders who would  
otherwise be sentenced to jail in Genesee County.>>

18 Sec. 437. (1) Funds appropriated in part 1 for Goodwill Flip  
19 the Script shall be distributed to a Michigan-chartered 501(c)(3)  
20 nonprofit corporation operating in a county with greater than  
21 1,500,000 people for administration and expansion of a program  
22 which serves a population of persons aged 16 to 29. The program  
23 shall target those who are entering the criminal justice system for  
24 the first or second time and shall assist those individuals through  
25 the following program types:

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

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

3 (c) Career development and continuing education for women.

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

11 **BUDGET AND OPERATIONS ADMINISTRATION**

12 Sec. 501. From the funds appropriated in part 1 for  
13 prosecutorial and detainer expenses, the department shall reimburse  
14 counties for housing and custody of parole violators and offenders  
15 being returned by the department from community placement who are  
16 available for return to institutional status and for prisoners who  
17 volunteer for placement in a county jail.

18 Sec. 502. Funds included in part 1 for the sheriffs'  
19 coordinating and training office are appropriated for and may be  
20 expended to defray costs of continuing education, certification,  
21 recertification, decertification, and training of local corrections  
22 officers, the personnel and administrative costs of the sheriffs'  
23 coordinating and training office, the local corrections officers  
24 advisory board, and the sheriffs' coordinating and training council  
25 under the local corrections officers training act, 2003 PA 125, MCL  
26 791.531 to 791.546.

1       Sec. 503. The department shall issue a quarterly report for  
2 all vendor contracts to the senate and house appropriations  
3 subcommittees on corrections, the senate and house fiscal agencies,  
4 and the legislative corrections ombudsman. The report shall cover  
5 the previous 4 quarters and include all of the following:

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

8       (b) The number, if any, of site visits completed by the  
9 department for each vendor.

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

13       Sec. 505. The department shall provide for the training of all  
14 custody staff in effective and safe ways of handling prisoners with  
15 mental illness and referring prisoners to mental health treatment  
16 programs. Mental health awareness training shall be incorporated  
17 into the training of new custody staff.

18       Sec. 508. The department shall issue a report for all  
19 correctional facilities to the senate and house appropriations  
20 subcommittees on corrections, the senate and house fiscal agencies,  
21 and the legislative corrections ombudsman by October 1 setting  
22 forth the following information for each facility: its name, street  
23 address, and date of construction; its current maintenance costs;  
24 any maintenance planned; its current utility costs; its expected  
25 future capital improvement costs; the current unspent balance of  
26 any authorized capital outlay projects, including the original  
27 authorized amount; and its expected future useful life.



1           Sec. 509. (1) The department shall conduct a study on the  
2 Michigan state industries program. The study shall focus on  
3 determining which industries within the 10 identified prosperity  
4 regions in this state have the maximum benefit to the prisoner  
5 population in providing marketable skills and leading to employable  
6 outcomes after release of the prisoner from a department facility.  
7 The report shall also include data on the current labor force  
8 trends in the prosperity regions of this state and how the  
9 operations of Michigan state industries can work in coordination  
10 with local communities to determine the industries that would  
11 produce the greatest number of employable prisoners upon release.

12           (2) By December 1, the department shall provide a report to  
13 the senate and house appropriations subcommittees on corrections,  
14 the senate and house fiscal agencies, and the legislative  
15 corrections ombudsman detailing the results and recommendations  
16 from the study on Michigan state industries described in subsection  
17 (1).

18           Sec. 511. (1) By February 1, the department shall provide a  
19 report to the senate and house appropriations subcommittees on  
20 corrections, the senate and house fiscal agencies, the legislative  
21 corrections ombudsman, and the state budget director which details  
22 the strategic plan of the department. The report shall contain  
23 strategies to decrease the overall recidivism rate, measurable  
24 plans to increase the rehabilitative function of correctional  
25 facilities, metrics to track and ensure prisoner readiness to re-  
26 enter society, and constructive actions for providing prisoners  
27 with life skills development.

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

#### **FIELD OPERATIONS ADMINISTRATION**

Sec. 601. (1) From the funds appropriated in part 1, the department shall conduct a statewide caseload audit of field agents. The audit shall address public protection issues and assess the ability of the field agents to complete their professional duties. The complete audit shall be submitted to the senate and house appropriations subcommittees on corrections, the legislative corrections ombudsman, the senate and house fiscal agencies, and the state budget office by March 1.

(2) It is the intent of the legislature that the department maintain a number of field agents sufficient to meet supervision and workload standards.

Sec. 602. (1) The funds appropriated in part 1 for the supervising region incentive program shall be used only for 1 or more of the following purposes:

(a) As an incentive to field operations administration regions that implement supervision practices, procedures, and sanctions directed at parole and probation revocation reduction within the region.

(b) To assist field operations administration regions to implement supervision practices, procedures, and sanctions directed

1 at parole and probation revocation reduction within the region.

2 (2) To be eligible to receive incentive funding under  
3 subsection (1), a field operations administration region shall  
4 enter into an agreement with the department to seek a 10% reduction  
5 in parole and probation revocations in the field operations  
6 administration region by implementing the practices, procedures,  
7 and sanctions, as applicable, under the parole sanction certainty  
8 act in chapter IIIB of the corrections code of 1953, 1953 PA 232,  
9 MCL 791.258 to 791.258g, or by other efforts to reduce parole and  
10 probation revocations. A field operations administration region  
11 shall develop its plan with the voluntary input of the sheriffs,  
12 courts, prosecutors, and community corrections.

13 (3) A field operations administration region shall only  
14 receive the incentive funds under subsection (1) if the field  
15 operations administration region achieves a 10% reduction in parole  
16 and probation revocations.

17 (4) Incentive funds received by a field operations  
18 administration region may only be used for the following purposes:

19 (a) The purchase and maintenance of monitoring technology.

20 (b) Job training.

21 (c) Substance abuse treatment.

22 (d) Mental health counseling and treatment.

23 (e) Approved parolee and probationer incentive programs.

24 (f) The hiring of additional supervising agents to reduce  
25 supervising agent caseloads.

26 (g) Reimbursement for jail services.

27 (5) By November 1, the department shall submit a report for

1 the previous fiscal year to the senate and house appropriations  
2 subcommittees on corrections, the senate and house fiscal agencies,  
3 and the legislative corrections ombudsman detailing all of the  
4 following:

5 (a) Which and how many of the 10 field operations  
6 administration regions are participating in the incentive funding  
7 program described in subsection (1).

8 (b) The total, if any, of the avoided costs of incarceration  
9 realized through the implementation of the supervision practices,  
10 procedures, and sanctions for probationers and parolees described  
11 in subsection (2).

12 (c) The total, if any, of the avoided costs to victims  
13 realized through the implementation of the supervision practices,  
14 procedures, and sanctions for probationers and parolees described  
15 in subsection (2).

16 (d) The total, if any, of the avoided costs of the probation  
17 or parole revocation process realized through the implementation of  
18 the supervision practices, procedures, and sanctions for  
19 probationers and parolees described in subsection (2).

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

26 (2) Program participant contributions and local program  
27 reimbursement for the curfew monitoring program appropriated in

1 part 1 are related to program expenditures and may be used to  
2 offset expenditures for this purpose.

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

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

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

27 Sec. 604. The funds appropriated in part 1 for criminal

1 justice reinvestment shall be used only to fund evidence-based  
2 programs designed to reduce recidivism among probationers and  
3 parolees. Any program to be funded from this section must first be  
4 reviewed by the criminal justice policy commission to determine the  
5 effectiveness of the program. Any contract funded from this section  
6 must issue a request for proposal and have bidders evaluated by a  
7 joint evaluation committee before a bid may be accepted.

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

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

22       (b) Monthly participant unsuccessful terminations, including  
23 cause.

24       (c) Number of successful terminations.

25       (d) End month population by facility/program.

26       (e) Average length of placement.

27       (f) Return to prison statistics.

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

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

5 (i) Comparison with prior year statistics.

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

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

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

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

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

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

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

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

22 Sec. 615. The department shall submit a report containing a  
23 list detailing the number of prisoners who have received life  
24 imprisonment sentences with the possibility of parole and who are  
25 currently eligible for parole to the senate and house  
26 appropriations subcommittees on corrections, the senate and house  
27 fiscal agencies, the legislative corrections ombudsman, and the



1 state budget director by January 1.

2       Sec. 616. The parole board shall review its policies related  
3 to the review and parole of those offenders serving a parolable  
4 life sentence with consideration given to those that do not pose an  
5 ongoing risk to society.

6 **HEALTH CARE**

7       Sec. 802. As a condition of expenditure of the funds  
8 appropriated in part 1, the department shall provide the senate and  
9 house of representatives appropriations subcommittees on  
10 corrections, the legislative corrections ombudsman, the senate and  
11 house fiscal agencies, and the state budget director with quarterly  
12 reports on physical and mental health care detailing quarterly and  
13 fiscal year-to-date expenditures itemized by vendor, allocations,  
14 status of payments from contractors to vendors, and projected year-  
15 end expenditures from accounts for prisoner health care, mental  
16 health care, pharmaceutical services, and durable medical  
17 equipment.

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

25       (2) The department shall assure that any such signed release  
26 forms follow a prisoner upon transfer to another department

1 facility or to the supervision of a parole officer.

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

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

12 Sec. 805. If a prisoner aged 26 years or under is determined  
13 not to be eligible for Medicaid, the department shall determine  
14 whether the prisoner is eligible for dependent health insurance  
15 coverage.

16 Sec. 806. From the funds appropriated in part 1 for mental  
17 health services and support, the department shall expand its mental  
18 health treatment and sex offender treatment programs. The purpose  
19 of this enhancement is to address increased caseloads, reduce the  
20 number of prisoners on the waiting list who are past their earliest  
21 release date, and reduce the percentage of prisoners readmitted to  
22 mental health programs at their previous level of care.

23 Sec. 807. The funds appropriated in part 1 for Hepatitis C  
24 treatment shall be used only to purchase specialty medication for  
25 Hepatitis C treatment in the prison population. In addition to the  
26 above appropriation, any rebates received from the medications used  
27 shall be used only to purchase specialty medication for Hepatitis C

1 treatment. On a quarterly basis, the department shall issue a  
2 report to the senate and house appropriations subcommittees on  
3 corrections, the senate and house fiscal agencies, and the  
4 legislative corrections ombudsman, showing for the previous 4  
5 quarters the total amount spent on specialty medication for the  
6 treatment of Hepatitis C, the number of prisoners that were  
7 treated, the amount of any rebates that were received from the  
8 purchase of specialty medication, and what outstanding rebates are  
9 expected to be received.

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

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

27       Sec. 814. The department shall assure that psychotropic

1 medications are available, when deemed medically necessary by a  
2 licensed medical service provider, to prisoners who have mental  
3 illness diagnoses but are not enrolled in corrections mental health  
4 services.

5 Sec. 816. By April 1, the department shall provide the members  
6 of the senate and house appropriations subcommittees on  
7 corrections, the senate and house fiscal agencies, the state budget  
8 director, and the legislative corrections ombudsman with a report  
9 on pharmaceutical expenditures and prescribing practices. In  
10 particular, the report shall provide the following information:

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

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

#### 15 **CORRECTIONAL FACILITIES ADMINISTRATION**

16 Sec. 901. The department shall enter into an agreement to  
17 lease the North Lake Correctional Facility in Baldwin, Michigan.  
18 Under the agreement, the department shall operate the facility and,  
19 in exchange for a payment that shall be negotiated by the parties  
20 to the agreement, house any prisoners for whom the current owner is  
21 currently contracted to provide custody if such an agreement is  
22 determined to be valuable to the department. The department shall  
23 utilize the excess facility capacity, if any, to effectively manage  
24 the population of prisoners under the jurisdiction of the  
25 department that are currently housed in other facilities operated  
26 by this state.

1       Sec. 902. From the funds appropriated in part 1 for the  
2       Education Program, the department shall use \$3,000,000.00 to expand  
3       the vocational village program.

4       Sec. 904. The department shall calculate the per prisoner/per  
5       day cost for each prisoner security custody level. This calculation  
6       shall include all actual direct and indirect costs for the previous  
7       fiscal year, including, but not limited to, the value of services  
8       provided to the department by other state agencies and the  
9       allocation of statewide legacy costs. To calculate the per  
10      prisoner/per day costs, the department shall divide these direct  
11      and indirect costs by the average daily population for each custody  
12      level. For multilevel facilities, the indirect costs that cannot be  
13      accurately allocated to each custody level can be included in the  
14      calculation on a per-prisoner basis for each facility. Marginal  
15      cost per prisoner by age cohort shall be calculated under the  
16      assumptions made by the department under prior marginal cost  
17      analysis. A report summarizing these calculations and the direct  
18      and indirect costs included in them shall be submitted to the  
19      senate and house appropriations subcommittees on corrections, the  
20      legislative corrections ombudsman, the senate and house fiscal  
21      agencies, and the state budget director not later than December 15.

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

26      Sec. 907. The department shall report by March 1 to the senate  
27      and house appropriations subcommittees on corrections, the

1 legislative corrections ombudsman, the senate and house fiscal  
2 agencies, and the state budget director on academic and vocational  
3 programs. The report shall provide information relevant to an  
4 assessment of the department's academic and vocational programs,  
5 including, but not limited to, all of the following:

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

8 (b) The number of prisoners enrolled in each program, the  
9 number of prisoners completing each program, the number of  
10 prisoners who fail each program, the number of prisoners who do not  
11 complete each program and the reason for not completing the  
12 program, the number of prisoners transferred to another facility  
13 while enrolled in a program and the reason for transfer, the number  
14 of prisoners enrolled who are repeating the program by reason, and  
15 the number of prisoners on waiting lists for each program, all  
16 itemized by facility.

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

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

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

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

1 (g) An explanation of the department's plans for academic and  
2 vocational programs, including plans to contract with intermediate  
3 school districts for high school equivalency and high school  
4 diploma programs.

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

8 Sec. 908. From the funds appropriated in part 1, the  
9 department shall explore the feasibility of establishing an online  
10 career high school education pilot program, or other alternatives  
11 to providing prisoners with a high school diploma in lieu of a high  
12 school equivalency. The department shall explore establishing  
13 outside partnerships to assist the department with providing high  
14 school diplomas. The department shall submit a report by April 1 to  
15 the senate and house appropriations subcommittees on corrections,  
16 the senate and house fiscal agencies, the legislative corrections  
17 ombudsman, and the state budget director that describes the  
18 necessary steps the department would have to take, the resources  
19 the department would need, and departmental organizational changes  
20 that would be required, and the feasibility of the department's  
21 forming outside partnerships to assist with providing prisoners  
22 with a high school diploma in lieu of a high school equivalency.

23 Sec. 910. The department shall allow the Michigan Braille  
24 transcribing fund program to operate at its current location. The  
25 donation of the building by the Michigan Braille transcribing fund  
26 at the G. Robert Cotton Correctional Facility in Jackson is  
27 acknowledged and appreciated. The department shall continue to

1 encourage the Michigan Braille transcribing fund program to produce  
2 high-quality materials for use by the visually impaired.

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

11       Sec. 912. The department shall report to the senate and house  
12 appropriations subcommittees on corrections, the legislative  
13 corrections ombudsman, the senate and house fiscal agencies, and  
14 the state budget director by March 1 on the ratio of correctional  
15 officers to prisoners for each correctional institution, the ratio  
16 of shift command staff to line custody staff, and the ratio of  
17 noncustody institutional staff to prisoners for each correctional  
18 institution.

19       Sec. 913. (1) It is the intent of the legislature that any  
20 prisoner required to complete a violence prevention program, sexual  
21 offender program, or other program as a condition of parole shall  
22 be placed on the wait list for the appropriate programming upon  
23 entrance to prison and transferred to a facility where that program  
24 is available in order to accomplish timely completion of that  
25 program prior to the expiration of his or her minimum sentence and  
26 eligibility for parole. Nothing in this section should be deemed to  
27 make parole denial appealable in court.



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

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

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

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

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

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

4       Sec. 925. By March 1, the department shall report to the  
5 senate and house appropriations subcommittees on corrections, the  
6 senate and house fiscal agencies, the legislative corrections  
7 ombudsman, and the state budget director on the annual number of  
8 prisoners in administrative segregation between October 1, 2015 and  
9 September 30, 2016, and the annual number of prisoners in  
10 administrative segregation between October 1, 2015 and September  
11 30, 2016 who at any time during the current or prior prison term  
12 were diagnosed with serious mental illness or have a developmental  
13 disorder and the number of days each of the prisoners with serious  
14 mental illness or a developmental disorder have been confined to  
15 administrative segregation.

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

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

26       (b) Provide appropriate placement for prisoners less than 18  
27 years of age who have serious mental illness, serious emotional

1 disturbance, or a serious developmental disorder and need to be  
2 housed separately from the general population. Prisoners less than  
3 18 years of age who have serious mental illness, serious emotional  
4 disturbance, or a serious developmental disorder shall not be  
5 removed from an existing placement as a punitive response to  
6 behavior caused by their serious mental illness, serious emotional  
7 disturbance, or a serious developmental disorder. Due to persistent  
8 high violence risk or severe disruptive behavior that is  
9 unresponsive to treatment, prisoners less than 18 years of age with  
10 serious emotional disturbance, serious mental illness, or serious  
11 developmental disorders may be placed in secure residential housing  
12 programs that will facilitate access to institutional programming  
13 and ongoing mental health services. A prisoner less than 18 years  
14 of age with serious mental illness, serious emotional disturbance,  
15 or a serious developmental disorder who is confined in these  
16 specialized housing programs shall be evaluated or monitored by a  
17 medical professional at a frequency of not less than every 12  
18 hours.

19 (c) Implement a specialized reentry program that recognizes  
20 the needs of prisoners less than 18 years old for supervised  
21 reentry.

22 Sec. 937. The department shall not issue a request for  
23 proposal (RFP) for a contract in excess of \$5,000,000.00, unless  
24 the department has first considered issuing a request for  
25 information (RFI) or a request for qualification (RFQ) relative to  
26 that contract to better enable the department to learn more about  
27 the market for the products or services that are the subject of the

1 future RFP. The department shall notify the department of  
2 technology, management, and budget of the evaluation process used  
3 to determine if an RFI or RFQ was not necessary prior to issuing  
4 the RFP.

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

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

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

24 Sec. 945. The department shall investigate options for  
25 increasing the visiting capacity at Central Michigan Correctional  
26 Facility - St. Louis in order to ease visiting room overcrowding.  
27 The department shall submit a report by April 1 to the senate and

1 house of representatives appropriations subcommittees on  
2 corrections, the senate and house fiscal agencies, the legislative  
3 corrections ombudsman, and the state budget director on progress  
4 being made to address visiting room overcrowding.

#### 5 INFORMATION TECHNOLOGY

6 Sec. 1000. From the funds appropriated in part 1 for  
7 information technology services and projects, the department shall  
8 expand bandwidth in 25 correctional facilities and 113 field  
9 operations offices. The purpose of this bandwidth expansion is to  
10 support critical information technology systems that provide  
11 platforms for several mandated programs and department cost savings  
12 efforts.

#### 13 MISCELLANEOUS

14 Sec. 1009. The department shall make an information packet for  
15 the families of incoming prisoners available on the department's  
16 website. The information packet shall be updated by February 1 of  
17 each year thereafter. The packet shall provide information on  
18 topics including, but not limited to: how to put money into  
19 prisoner accounts, how to make phone calls or create Jpay email  
20 accounts, how to visit in person, proper procedures for filing  
21 complaints or grievances, the rights of prisoners to physical and  
22 mental health care, how to utilize the offender tracking  
23 information system (OTIS), truth-in-sentencing and how it applies  
24 to minimum sentences, the parole process, and guidance on the  
25 importance of the role of families in the reentry process. The

1 department is encouraged to partner with external advocacy groups  
2 and actual families of prisoners in the packet-writing process to  
3 ensure that the information is useful and complete.

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

13 Sec. 1012. From the funds appropriated in part 1, priority may  
14 be given to funding reentry or rehabilitation programs that have  
15 been demonstrated to reduce prison violence and recidivism such as  
16 faith-based initiatives.

17 PART 2A

18 PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS

19 FOR FISCAL YEAR 2017-2018

20 **GENERAL SECTIONS**

21 Sec. 1201. It is the intent of the legislature to provide  
22 appropriations for the fiscal year ending on September 30, 2018 for  
23 the line items listed in part 1. The fiscal year 2017-2018  
24 appropriations are anticipated to be the same as those for fiscal  
25 year 2016-2017, except that the line items will be adjusted for

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1 changes in caseload and related costs, federal fund match rates,  
 2 economic factors, and available revenue. These adjustments will be  
 3 determined after the January 2017 consensus revenue estimating  
 4 conference.

## ARTICLE VI

## DEPARTMENT OF EDUCATION

## PART 1

## LINE-ITEM APPROPRIATIONS

9 Sec. 101. There is appropriated for the department of  
 10 education for the fiscal year ending September 30, 2017, from the  
 11 following funds:

## 12 DEPARTMENT OF EDUCATION

## 13 APPROPRIATION SUMMARY

|    |                                                      |             |                   |
|----|------------------------------------------------------|-------------|-------------------|
| 14 | Full-time equated unclassified positions.....        | 6.0         |                   |
| 15 | Full-time equated classified positions.....          | <<597.5>>   |                   |
| 16 | GROSS APPROPRIATION.....                             |             | \$<<321,709,200>> |
| 17 | Interdepartmental grant revenues:                    |             |                   |
| 18 | Total interdepartmental grants and intradepartmental |             |                   |
| 19 | transfers .....                                      |             | 0                 |
| 20 | ADJUSTED GROSS APPROPRIATION.....                    |             | \$<<321,709,200>> |
| 21 | Federal revenues:                                    |             |                   |
| 22 | IMLS, library services and technology act .....      | 5,610,100   |                   |
| 23 | Federal revenues .....                               | 215,490,700 |                   |
| 24 | Federal indirect funds .....                         | 4,255,000   |                   |
| 25 | Total federal revenues .....                         | 225,355,800 |                   |

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|    |                                                         |                    |
|----|---------------------------------------------------------|--------------------|
| 1  | Special revenue funds:                                  |                    |
| 2  | Local cost sharing (schools for deaf/blind) .....       | 5,233,000          |
| 3  | Local school district service fees .....                | 324,200            |
| 4  | Total local revenues .....                              | 5,557,200          |
| 5  | Gifts, bequests, and donations .....                    | 646,000            |
| 6  | Private foundations .....                               | 1,388,200          |
| 7  | Total private revenues .....                            | 2,034,200          |
| 8  | Total local and private revenues .....                  | 7,591,400          |
| 9  | Certification fees .....                                | 6,916,900          |
| 10 | Commodity distribution fees .....                       | 71,700             |
| 11 | Drinking water declaration of emergency reserve fund .  | 100                |
| 12 | Library fees .....                                      | 300,000            |
| 13 | Low incidence outreach fund .....                       | 300,000            |
| 14 | Student insurance revenue .....                         | 218,600            |
| 15 | Teacher testing fees .....                              | 423,400            |
| 16 | Training and orientation workshop fees .....            | 150,000            |
| 17 | Total other state restricted revenues .....             | 8,380,700          |
| 18 | State general fund/general purpose .....                | \$ <<80,381,300>>  |
| 19 | <b>Sec. 102. STATE BOARD OF EDUCATION/OFFICE OF THE</b> |                    |
| 20 | <b>SUPERINTENDENT</b>                                   |                    |
| 21 | Full-time equated unclassified positions .....          | 6.0                |
| 22 | Full-time equated classified positions .....            | <<11.0>>           |
| 23 | State board of education, per diem payments .....       | \$ 24,400          |
| 24 | Unclassified positions--6.0 FTE positions .....         | 827,200            |
| 25 | Education commission of the state .....                 | 120,800            |
| 26 | State board/superintendent operations--10.0 FTE         |                    |
| 27 | positions .....                                         | 1,888,700          |
|    | <<Chief information officer -- 1.0 FTE .....            | <u>100&gt;&gt;</u> |



## Senate Bill No. 800 as amended May 4, 2016

|    |                                                  |    |                |
|----|--------------------------------------------------|----|----------------|
| 1  | GROSS APPROPRIATION.....                         | \$ | <<2,861,200>>  |
| 2  | Appropriated from:                               |    |                |
| 3  | Federal revenues:                                |    |                |
| 4  | Federal revenues.....                            |    | 227,000        |
| 5  | Special revenue funds:                           |    |                |
| 6  | Private foundations.....                         |    | 28,100         |
| 7  | Certification fees.....                          |    | 771,400        |
| 8  | State general fund/general purpose.....          | \$ | <<1,834,700>>  |
| 9  | <b>Sec. 103. CENTRAL SUPPORT</b>                 |    |                |
| 10 | Full-time equated classified positions..... 23.6 |    |                |
| 11 | Central support--23.6 FTE positions.....         | \$ | 6,686,700      |
| 12 | Worker's compensation.....                       |    | 24,300         |
| 13 | Building occupancy charges - property management |    |                |
| 14 | services .....                                   |    | 3,196,200      |
| 15 | Training and orientation workshops.....          |    | 150,000        |
| 16 | Terminal leave payments.....                     |    | <u>353,300</u> |
| 17 | GROSS APPROPRIATION.....                         | \$ | 10,410,500     |
| 18 | Appropriated from:                               |    |                |
| 19 | Federal revenues:                                |    |                |
| 20 | Federal revenues.....                            |    | 3,690,100      |
| 21 | Federal indirect funds.....                      |    | 2,430,700      |
| 22 | Special revenue funds:                           |    |                |
| 23 | Private foundations.....                         |    | 1,000,000      |
| 24 | Certification fees.....                          |    | 399,300        |
| 25 | Teacher testing fees.....                        |    | 4,000          |
| 26 | Training and orientation workshop fees.....      |    | 150,000        |
| 27 | State general fund/general purpose.....          | \$ | 2,736,400      |

|    |                                                          |                     |
|----|----------------------------------------------------------|---------------------|
| 1  | <b>Sec. 104. INFORMATION TECHNOLOGY SERVICES</b>         |                     |
| 2  | Information technology operations.....                   | \$ <u>4,192,600</u> |
| 3  | GROSS APPROPRIATION.....                                 | \$ 4,192,600        |
| 4  | Appropriated from:                                       |                     |
| 5  | Federal revenues:                                        |                     |
| 6  | Federal revenues.....                                    | 616,900             |
| 7  | Federal indirect funds.....                              | 1,824,300           |
| 8  | Special revenue funds:                                   |                     |
| 9  | Certification fees.....                                  | 397,500             |
| 10 | State general fund/general purpose.....                  | \$ 1,353,900        |
| 11 | <b>Sec. 105. SPECIAL EDUCATION SERVICES</b>              |                     |
| 12 | Full-time equated classified positions..... 47.0         |                     |
| 13 | Special education operations--47.0 FTE positions.....    | \$ <u>9,320,500</u> |
| 14 | GROSS APPROPRIATION.....                                 | \$ 9,320,500        |
| 15 | Appropriated from:                                       |                     |
| 16 | Federal revenues:                                        |                     |
| 17 | Federal revenues.....                                    | 8,544,000           |
| 18 | Special revenue funds:                                   |                     |
| 19 | Private foundations.....                                 | 110,100             |
| 20 | Certification fees.....                                  | 44,700              |
| 21 | State general fund/general purpose.....                  | \$ 621,700          |
| 22 | <b>Sec. 106. MICHIGAN SCHOOLS FOR THE DEAF AND BLIND</b> |                     |
| 23 | Full-time equated classified positions..... 77.0         |                     |
| 24 | Michigan schools for the deaf and blind                  |                     |
| 25 | operations--76.0 FTE positions.....                      | \$ 12,812,700       |
| 26 | Camp Tuhsmeheeta--1.0 FTE position.....                  | 296,000             |
| 27 | Low incidence outreach program.....                      | 300,000             |

|    |                                                    |                     |
|----|----------------------------------------------------|---------------------|
| 1  | Private gifts - blind.....                         | 200,000             |
| 2  | Private gifts - deaf.....                          | <u>150,000</u>      |
| 3  | GROSS APPROPRIATION.....                           | \$ 13,758,700       |
| 4  | Appropriated from:                                 |                     |
| 5  | Federal revenues:                                  |                     |
| 6  | Federal revenues.....                              | 7,048,600           |
| 7  | Special revenue funds:                             |                     |
| 8  | Local cost sharing (schools for deaf/blind) .....  | 5,233,000           |
| 9  | Local school district service fees.....            | 312,500             |
| 10 | Gifts, bequests, and donations.....                | 646,000             |
| 11 | Low incidence outreach fund.....                   | 300,000             |
| 12 | Student insurance revenue.....                     | 218,600             |
| 13 | State general fund/general purpose.....            | \$ 0                |
| 14 | <b>Sec. 107. PROFESSIONAL PREPARATION SERVICES</b> |                     |
| 15 | Full-time equated classified positions.....        | 33.0                |
| 16 | Professional preparation operations--33.0 FTE      |                     |
| 17 | positions .....                                    | \$ <u>5,653,900</u> |
| 18 | GROSS APPROPRIATION.....                           | \$ 5,653,900        |
| 19 | Appropriated from:                                 |                     |
| 20 | Federal revenues:                                  |                     |
| 21 | Federal revenues.....                              | 1,464,100           |
| 22 | Special revenue funds:                             |                     |
| 23 | Certification fees.....                            | 3,546,700           |
| 24 | Teacher testing fees.....                          | 419,400             |
| 25 | State general fund/general purpose.....            | \$ 223,700          |
| 26 | <b>Sec. 108. MICHIGAN OFFICE OF GREAT START</b>    |                     |
| 27 | Full-time equated classified positions.....        | 66.0                |

|    |                                                        |                     |
|----|--------------------------------------------------------|---------------------|
| 1  | Michigan office of great start operations--65.0 FTE    |                     |
| 2  | positions .....                                        | \$ 23,177,400       |
| 3  | Child development and care external support .....      | 27,374,500          |
| 4  | Head start collaboration office--1.0 FTE position .... | 309,900             |
| 5  | Child development care public assistance .....         | <u>124,200,000</u>  |
| 6  | GROSS APPROPRIATION .....                              | \$ 175,061,800      |
| 7  | Appropriated from:                                     |                     |
| 8  | Federal revenues:                                      |                     |
| 9  | Federal revenues .....                                 | 137,156,500         |
| 10 | Special revenue funds:                                 |                     |
| 11 | Private foundations .....                              | 250,000             |
| 12 | Certification fees .....                               | 64,600              |
| 13 | State general fund/general purpose .....               | \$ 37,590,700       |
| 14 | <b>Sec. 109. STATE AID AND SCHOOL FINANCE SERVICES</b> |                     |
| 15 | Full-time equated classified positions..... 11.5       |                     |
| 16 | State aid and school finance operations--11.5 FTE      |                     |
| 17 | positions .....                                        | \$ <u>1,638,600</u> |
| 18 | GROSS APPROPRIATION .....                              | \$ 1,638,600        |
| 19 | Appropriated from:                                     |                     |
| 20 | State general fund/general purpose .....               | \$ 1,638,600        |
| 21 | <b>Sec. 110. AUDIT SERVICES</b>                        |                     |
| 22 | Full-time equated classified positions..... 4.5        |                     |
| 23 | Audit operations--4.5 FTE positions .....              | \$ <u>612,500</u>   |
| 24 | GROSS APPROPRIATION .....                              | \$ 612,500          |
| 25 | Appropriated from:                                     |                     |
| 26 | Federal revenues:                                      |                     |
| 27 | Federal indirect funds .....                           | 486,800             |

|    |                                                             |                      |
|----|-------------------------------------------------------------|----------------------|
| 1  | Special revenue funds:                                      |                      |
| 2  | Certification fees.....                                     | 62,300               |
| 3  | State general fund/general purpose.....                     | \$ 63,400            |
| 4  | <b>Sec. 111. ADMINISTRATIVE LAW SERVICES</b>                |                      |
| 5  | Full-time equated classified positions.....                 | 2.0                  |
| 6  | Administrative law operations--2.0 FTE positions.....       | \$ <u>1,364,300</u>  |
| 7  | GROSS APPROPRIATION.....                                    | \$ 1,364,300         |
| 8  | Appropriated from:                                          |                      |
| 9  | Federal revenues:                                           |                      |
| 10 | Federal revenues.....                                       | 564,200              |
| 11 | Special revenue funds:                                      |                      |
| 12 | Certification fees.....                                     | 701,500              |
| 13 | State general fund/general purpose.....                     | \$ 98,600            |
| 14 | <b>Sec. 112. ACCOUNTABILITY SERVICES</b>                    |                      |
| 15 | Full-time equated classified positions.....                 | 64.6                 |
| 16 | Accountability services operations--64.6 FTE positions..... | \$ <u>14,619,400</u> |
| 17 | GROSS APPROPRIATION.....                                    | \$ 14,619,400        |
| 18 | Appropriated from:                                          |                      |
| 19 | Federal revenues:                                           |                      |
| 20 | Federal revenues.....                                       | 13,476,200           |
| 21 | State general fund/general purpose.....                     | \$ 1,143,200         |
| 22 | <b>Sec. 113. SCHOOL SUPPORT SERVICES</b>                    |                      |
| 23 | Full-time equated classified positions.....                 | 83.6                 |
| 24 | School support services operations--83.6 FTE positions..... | \$ <u>15,495,200</u> |
| 25 | GROSS APPROPRIATION.....                                    | \$ 15,495,200        |
| 26 | Appropriated from:                                          |                      |
| 27 | Federal revenues:                                           |                      |

|    |                                                         |                     |
|----|---------------------------------------------------------|---------------------|
| 1  | Federal revenues.....                                   | 14,455,700          |
| 2  | Special revenue funds:                                  |                     |
| 3  | Local school district service fees.....                 | 11,700              |
| 4  | Commodity distribution fees.....                        | 71,700              |
| 5  | Certification fees.....                                 | 86,900              |
| 6  | State general fund/general purpose.....                 | \$ 869,200          |
| 7  | <b>Sec. 114. FIELD SERVICES</b>                         |                     |
| 8  | Full-time equated classified positions.....             | 45.0                |
| 9  | Field services operations--45.0 FTE positions.....      | \$ <u>9,349,200</u> |
| 10 | GROSS APPROPRIATION.....                                | \$ 9,349,200        |
| 11 | Appropriated from:                                      |                     |
| 12 | Federal revenues:                                       |                     |
| 13 | Federal revenues.....                                   | 8,599,200           |
| 14 | Special revenue funds:                                  |                     |
| 15 | Certification fees.....                                 | 37,300              |
| 16 | State general fund/general purpose.....                 | \$ 712,700          |
| 17 | <b>Sec. 115. EDUCATIONAL IMPROVEMENT AND INNOVATION</b> |                     |
| 18 | <b>SERVICES</b>                                         |                     |
| 19 | Full-time equated classified positions.....             | 49.7                |
| 20 | Educational improvement and innovation                  |                     |
| 21 | operations--49.7 FTE positions.....                     | \$ <u>9,689,900</u> |
| 22 | GROSS APPROPRIATION.....                                | \$ 9,689,900        |
| 23 | Appropriated from:                                      |                     |
| 24 | Federal revenues:                                       |                     |
| 25 | Federal revenues.....                                   | 6,596,600           |
| 26 | Special revenue funds:                                  |                     |
| 27 | Certification fees.....                                 | 565,100             |

|    |                                                          |      |                  |
|----|----------------------------------------------------------|------|------------------|
| 1  | State general fund/general purpose.....                  | \$   | 2,528,200        |
| 2  | <b>Sec. 116. CAREER AND TECHNICAL EDUCATION</b>          |      |                  |
| 3  | Full-time equated classified positions.....              | 29.0 |                  |
| 4  | Career and technical education operations--29.0 FTE      |      |                  |
| 5  | positions .....                                          | \$   | <u>5,220,800</u> |
| 6  | GROSS APPROPRIATION.....                                 | \$   | 5,220,800        |
| 7  | Appropriated from:                                       |      |                  |
| 8  | Federal revenues:                                        |      |                  |
| 9  | Federal revenues.....                                    |      | 3,887,400        |
| 10 | State general fund/general purpose.....                  | \$   | 1,333,400        |
| 11 | <b>Sec. 117. LIBRARY OF MICHIGAN</b>                     |      |                  |
| 12 | Full-time equated classified positions.....              | 33.0 |                  |
| 13 | Library of Michigan operations--31.0 FTE positions ...   | \$   | 4,797,400        |
| 14 | Library services and technology program--1.0 FTE         |      |                  |
| 15 | position .....                                           |      | 5,610,100        |
| 16 | State aid to libraries.....                              |      | 9,876,000        |
| 17 | Michigan eLibrary.....                                   |      | 1,752,300        |
| 18 | Renaissance zone reimbursements.....                     |      | <u>5,300,000</u> |
| 19 | GROSS APPROPRIATION.....                                 | \$   | 27,335,800       |
| 20 | Appropriated from:                                       |      |                  |
| 21 | Federal revenues:                                        |      |                  |
| 22 | IMLS, library services and technology act.....           |      | 5,610,100        |
| 23 | Special revenue funds:                                   |      |                  |
| 24 | Library fees.....                                        |      | 300,000          |
| 25 | State general fund/general purpose.....                  | \$   | 21,425,700       |
| 26 | <b>Sec. 118. EDUCATOR TALENT AND POLICY COORDINATION</b> |      |                  |
| 27 | Full-time equated classified positions.....              | 17.0 |                  |

|    |                                                        |    |                  |
|----|--------------------------------------------------------|----|------------------|
| 1  | School reform office operations--17.0 FTE positions .. | \$ | <u>2,574,200</u> |
| 2  | GROSS APPROPRIATION.....                               | \$ | 2,574,200        |
| 3  | Appropriated from:                                     |    |                  |
| 4  | Federal revenues:                                      |    |                  |
| 5  | Federal revenues.....                                  |    | 627,400          |
| 6  | Special revenue funds:                                 |    |                  |
| 7  | Certification fees.....                                |    | 239,600          |
| 8  | State general fund/general purpose.....                | \$ | 1,707,200        |
| 9  | <b>Sec. 119. ONE-TIME BASIS ONLY APPROPRIATIONS</b>    |    |                  |
| 10 | Certification fees subsidy.....                        | \$ | 500,000          |
| 11 | Voluntary water testing.....                           |    | 4,000,000        |
| 12 | Drinking water declaration of emergency.....           |    | <u>8,050,100</u> |
| 13 | GROSS APPROPRIATION.....                               | \$ | 12,550,100       |
| 14 | Appropriated from:                                     |    |                  |
| 15 | Federal revenues:                                      |    |                  |
| 16 | Federal revenues.....                                  |    | 8,050,000        |
| 17 | Special revenue funds:                                 |    |                  |
| 18 | Drinking water declaration of emergency reserve fund . |    | 100              |
| 19 | State general fund/general purpose.....                | \$ | 4,500,000        |

20 PART 2

21 PROVISIONS CONCERNING APPROPRIATIONS

22 FOR FISCAL YEAR 2016-2017

23 **GENERAL SECTIONS**

24 Sec. 201. Pursuant to section 30 of article IX of the state  
 25 constitution of 1963, total state spending from state resources



under part 1 for fiscal year 2016-2017 is <<\$88,762,000.00>> and state spending from state resources to be paid to local units of government for fiscal year 2016-2017 is \$18,676,000.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF EDUCATION

|                                      |    |                  |
|--------------------------------------|----|------------------|
| Voluntary water testing.....         | \$ | 3,500,000        |
| State aid to libraries.....          |    | 9,876,000        |
| Renaissance zone reimbursements..... |    | <u>5,300,000</u> |
| Total department of education.....   | \$ | 18,676,000       |

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

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

(a) "ACT" means the American College Testing Corporation.

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

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

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

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

1       Sec. 205. Funds appropriated in part 1 shall not be used for  
2 the purchase of foreign goods or services, or both, if  
3 competitively priced and of comparable quality American goods or  
4 services, or both, are available. Preference shall be given to  
5 goods or services, or both, manufactured or provided by Michigan  
6 businesses, if they are competitively priced and of comparable  
7 quality. In addition, preference should be given to goods or  
8 services, or both, that are manufactured or provided by Michigan  
9 businesses owned and operated by veterans, if they are  
10 competitively priced and of comparable quality.

11       Sec. 206. The state superintendent of public instruction shall  
12 take all reasonable steps to ensure businesses in deprived and  
13 depressed communities compete for and perform contracts to provide  
14 services or supplies, or both. The state superintendent of public  
15 instruction shall strongly encourage firms with which the  
16 department contracts to subcontract with certified businesses in  
17 depressed and deprived communities for services, supplies, or both.

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

1 (a) The dates of each travel occurrence.

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

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

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

21 Sec. 210. (1) In addition to the funds appropriated in part 1,  
22 there is appropriated an amount not to exceed \$10,000,000.00 for  
23 federal contingency funds. These funds are not available for  
24 expenditure until they have been transferred to another line item  
25 in part 1 under section 393(2) of the management and budget act,  
26 1984 PA 431, MCL 18.1393.

27 (2) In addition to the funds appropriated in part 1, there is

1 appropriated an amount not to exceed \$700,000.00 for state  
2 restricted contingency funds. These funds are not available for  
3 expenditure until they have been transferred to another line item  
4 in part 1 under section 393(2) of the management and budget act,  
5 1984 PA 431, MCL 18.1393.

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

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

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

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

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

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

27 (d) The number of active department employees by job

1 classification.

2 (e) Job specifications and wage rates.

3 Sec. 212. Within 14 days after the release of the executive  
4 budget recommendation, the department shall cooperate with the  
5 state budget office to provide the senate and house appropriations  
6 chairs, the senate and house appropriations subcommittees  
7 responsible for the department budget, and the senate and house  
8 fiscal agencies with an annual report on estimated state restricted  
9 fund balances, state restricted fund projected revenues, and state  
10 restricted fund expenditures for the fiscal years ending September  
11 30, 2016 and September 30, 2017.

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

16 Sec. 214. Total authorized appropriations from all sources  
17 under part 1 for legacy costs for the fiscal year ending September  
18 30, 2017 are estimated at \$16,971,500.00. From this amount, total  
19 agency appropriations for pension-related legacy costs are  
20 estimated at \$9,410,700.00. Total agency appropriations for retiree  
21 health care legacy costs are estimated at \$7,560,800.00.

22 Sec. 215. The department shall provide through the Internet  
23 the state board of education agenda and all supporting documents,  
24 and shall notify the state budget director and the senate and house  
25 fiscal agencies that the agenda and supporting documents are  
26 available on the Internet, at the time the agenda and supporting  
27 documents are provided to state board of education members.

1       Sec. 216. To the extent that the state continues to identify  
2 schools as meeting proficiency targets, before publishing a list of  
3 schools or districts determined to have failed to make adequate  
4 yearly progress as required by the no child left behind act of  
5 2001, Public Law 107-110, the department shall allow a school or  
6 district to appeal that determination. Those appeals shall be  
7 addressed before designations may be published.

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

14       Sec. 218. The department shall not seek a federal waiver from  
15 the no child left behind act of 2001, Public Law 107-110, or an  
16 amendment to the federal waiver, until after notification of the  
17 content to both the house and senate appropriations committees and  
18 the state budget director.

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

23       Sec. 220. The department shall post on its website a link to  
24 the federal Institute of Education Sciences' What Works  
25 Clearinghouse. The department also shall work to disseminate  
26 knowledge about the What Works Clearinghouse to districts and  
27 intermediate districts so that it may be used to improve reading

1 proficiency for pupils in grades K to 3.

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

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

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

18       Sec. 224. In addition to the metrics required under section  
19 447 of the management and budget act, 1984 PA 431, MCL 18.1447, for  
20 each new program or program enhancement for which funds in excess  
21 of \$500,000.00 are appropriated in part 1, the department shall  
22 provide not later than November 1, 2016 a list of program-specific  
23 metrics intended to measure its performance based on a return on  
24 taxpayer investment. The department shall deliver the program-  
25 specific metrics to members of the senate and house subcommittees  
26 that have subject matter jurisdiction for this budget, fiscal  
27 agencies, and the state budget director. The department shall

1 provide an update on its progress in tracking program-specific  
2 metrics and the status of program success at an appropriations  
3 subcommittee meeting called for by the subcommittee chair.

4 Sec. 225. The department shall not enter into a contract  
5 funded under part 1 that exceeds \$1,000,000.00 or seek a federal  
6 waiver from the no child left behind act of 2001, Public Law 107-  
7 110, or an amendment to the federal waiver, until after  
8 notification of the content to both the house and senate  
9 appropriations committees.

10 Sec. 226. From the funds appropriated in part 1, the  
11 department shall coordinate with the other departments to  
12 streamline state services and resources, reduce duplication, and  
13 increase efficiency. This includes, but is not limited to, working  
14 with the department of technology, management, and budget to  
15 coordinate with the school reform office, working with the  
16 department of treasury to coordinate with the financial  
17 independence team and overseeing deficit districts, and working  
18 with the department of health and human services and department of  
19 licensing and regulatory affairs to coordinate with early childhood  
20 programs and overseeing child care providers.

21 **STATE BOARD OF EDUCATION/OFFICE OF THE SUPERINTENDENT**

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

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



1 (b) State board of education - member other than president -  
2 \$100.00 per day.

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

5 Sec. 302. From the amount appropriated in part 1 to the state  
6 board of education, not more than \$35,000.00 for the fiscal year  
7 ending September 30, 2017 shall be expended for in-state travel and  
8 out-of-state travel directly related to the duties of the state  
9 board of education.

10 **MICHIGAN SCHOOLS FOR THE DEAF AND BLIND**

11 Sec. 401. The employees at the Michigan schools for the deaf  
12 and blind who work on a school-year basis are considered annual  
13 employees for purposes of service credits, retirement, and  
14 insurance benefits.

15 Sec. 402. For each student enrolled at the Michigan schools  
16 for the deaf and blind, the department shall assess the  
17 intermediate school district of residence 100% of the cost of  
18 operating the student's instructional program. The amount shall  
19 exclude room and board related costs and the cost of weekend  
20 transportation between the school and the student's home.

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

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

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

9           Sec. 407. Revenue received by the Michigan schools for the  
10 deaf and blind from gifts, bequests, donations, and local district  
11 service fees that is unexpended at the end of the state fiscal year  
12 may be carried over to the succeeding fiscal year and shall not  
13 revert to the general fund.

14          Sec. 408. For the funds appropriated in part 1 for the low  
15 incidence outreach fund, the funds collected by the Michigan  
16 schools for the deaf and the low incidence outreach program for  
17 document reproduction and services; conferences, workshops, and  
18 training classes; and the use of specialized equipment, facilities,  
19 and software are appropriated for all expenses necessary to provide  
20 the required services. These funds are available for expenditure  
21 when they are received and may be carried forward into the next  
22 succeeding fiscal year.

### 23   PROFESSIONAL PREPARATION SERVICES

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

1 personnel.

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

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

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

21 **FIELD SERVICES**

22       Sec. 701. (1) From the funds appropriated in part 1 for field  
23 services operations, the department shall produce a report  
24 detailing the progress made by districts with grades K-3 receiving  
25 at-risk funding under section 31a of the state school aid act of  
26 1979, 1979 PA 94, MCL 388.1631a, in implementing multitiered

1 systems of supports in the prior school fiscal year.

2 (2) The report shall include, at a minimum:

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

6 (b) A list of districts determined by the department to have  
7 successfully implemented multitiered systems of supports.

8 (c) A list of best practices that the department has  
9 identified that may be used by districts to implement multitiered  
10 systems of supports.

11 (d) Other information the department determines would be  
12 useful to understanding the status of districts' implementation of  
13 effective multitiered systems of supports.

14 (3) The report shall be provided to the state budget director,  
15 the house and senate subcommittees that oversee the department of  
16 education and school aid budgets, and the house and senate fiscal  
17 agencies by September 30, 2017.

18 **LIBRARY OF MICHIGAN**

19 Sec. 801. For the funds appropriated in part 1 for library  
20 fees, the funds collected by the department for document  
21 reproduction and services; conferences, workshops, and training  
22 classes; and the use of specialized equipment, facilities, and  
23 software are appropriated for all expenses necessary to provide the  
24 required services. These funds are available for expenditure when  
25 they are received and may be carried forward into the next  
26 succeeding fiscal year.

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

5       Sec. 804. (1) The funds appropriated in part 1 for renaissance  
6 zone reimbursements shall be used to reimburse public libraries  
7 under section 12 of the Michigan renaissance zone act, 1996 PA 376,  
8 MCL 125.2692, for taxes levied in 2016. The allocations shall be  
9 made not later than 60 days after the department of treasury  
10 certifies to the department and to the state budget director that  
11 the department of treasury has received all necessary information  
12 to properly determine the amounts due to each eligible recipient.

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

#### 17 **SPECIAL EDUCATION SERVICES**

18       Sec. 901. From the increased funds in part 1 for special  
19 education operations, the department shall perform the following  
20 activities:

21       (a) Design and distribute information about federal and state  
22 mandates regarding the rights and protections of students with  
23 disabilities, including, but not limited to, individualized  
24 education programs to ensure that parents and legal guardians are  
25 fully informed about laws, rules, procedural safeguards, problem-  
26 solving options, and any other information the department

1 determines is necessary so that parents and legal guardians may be  
2 able to provide meaningful input in collaboration with districts to  
3 develop and implement an individualized education program.

4 (b) Train mediators who are knowledgeable about the dispute  
5 resolution system and state and federal mandates pertaining to the  
6 rights and protections of students with disabilities outlined in  
7 the federal individuals with disabilities education act, 20 USC  
8 1400 to 1482, and the Michigan Administrative Rules for special  
9 education programs and services, R 340.1701 to R 340.1862 of the  
10 Michigan administrative code. This annual training will include  
11 coursework, resources, and materials.

#### 12 **MICHIGAN OFFICE OF GREAT START**

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

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

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

23 (c) The grant recipients.

24 (d) The activities funded by each grant.

25 (e) An analysis of each grant recipient's success in  
26 addressing the development of a comprehensive system of early

1 childhood services and supports.

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

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

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

12 (b) How many on-site visits a single licensing consultant has  
13 made since the start of the 2016-2017 fiscal year.

14 (c) The types of on-site visits and the number of visits for  
15 each type that a single consultant has made since the start of  
16 fiscal year 2016-2017.

17 (d) The number of providers that have improved their quality  
18 rating since the start of fiscal year 2016-2017 compared to the  
19 same time period in fiscal year 2015-2016.

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

24 (2) The progress reports shall be sent to the state budget  
25 director, the house and senate subcommittees that oversee the  
26 department of education, and the house and senate fiscal agencies  
27 by April 1, 2017 and September 30, 2017.

1       Sec. 1008. From the amount appropriated in part 1 for office  
2 of great start operations, the department shall work with the  
3 department of health and human services to coordinate services  
4 provided to families for home visits, reduce duplication of state  
5 services and spending, and increase efficiencies including the home  
6 visits funded under section 32p of the state school aid act of  
7 1979, 1979 PA 94, MCL 388.1632p.

#### 8   ACCOUNTABILITY SERVICES

9       Sec. 1021. Using the funds appropriated in part 1, the  
10 department shall work in collaboration with the department of  
11 technology, management, and budget to renegotiate the contract with  
12 the ACT to ensure that it registers, issues, and ships to schools a  
13 printed national career readiness certificate (NCRC) to each  
14 Michigan student who takes the ACT WorkKeys test, successfully  
15 completes the exam, qualifies for the certificate, and ensures that  
16 the renegotiated contract results in minimal or no additional costs  
17 to the state. If a renegotiation cannot be completed that results  
18 in minimal or no additional costs to the state, the department  
19 shall rebid the contract for the workskills portion of the Michigan  
20 merit exam (MME).

#### 21   ONE-TIME APPROPRIATIONS

22       Sec. 1101. (1) From the funds appropriated in part 1 for  
23 drinking water declaration of emergency, the department shall  
24 allocate funding to address the child care needs in a city in which  
25 a declaration of emergency was issued because of drinking water



1 contamination. Funds shall be used to support the following  
2 activities in the city:

3 (a) Pilot the expansion of child development and care  
4 eligibility to children ages birth to 3 for 1/2-day child care  
5 services by removing household income as a determinate of  
6 eligibility.

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

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

13 Sec. 1102. (1) From the funds appropriated in part 1 for  
14 voluntary water testing, there is allocated an amount not to exceed  
15 \$4,000,000.00 for 2016-2017 for reimbursements to districts and  
16 intermediate districts for costs associated with testing for lead  
17 in water and for the purchase of filtration devices. Funds  
18 appropriated for voluntary water testing are intended to ensure  
19 that districts and intermediate districts are providing safe  
20 drinking water.

21 (2) Not later than April 1, 2016, the department, in  
22 collaboration with the department of environmental quality and the  
23 department of licensing and regulatory affairs, shall develop a  
24 strategic statewide plan for the voluntary testing for lead in  
25 water by districts and intermediate districts served by municipal  
26 water systems that provides criteria for prioritizing what  
27 facilities, water pipes, and plumbing fixtures should be tested. At

1 a minimum, the age of the facility should be considered, as well as  
2 fixtures that are high-risk such as drinking fountains, ice makers,  
3 kitchen taps, or any other fixtures that deliver water commonly  
4 used for consumption. The plan shall also identify the proper  
5 sampling and analysis protocols for testing for lead in water and  
6 measures for reducing lead exposure as recommended by the United  
7 States Environmental Protection Agency.

8 (3) Not later than April 30, 2016, the department shall  
9 provide notice to all districts and intermediate districts of the  
10 strategic statewide plan and the application process for  
11 reimbursement of voluntary testing for lead in water and for the  
12 purchase of filtration devices.

13 (4) The application for reimbursement shall include the  
14 collection of data that, at a minimum, allows the department to  
15 prepare a report to the governor, the legislature, the house and  
16 senate fiscal agencies, and the state budget director not later  
17 than 60 days after the end of the state fiscal year containing the  
18 following information:

19 (a) The total number of fixtures within the facilities of the  
20 district or intermediate district providing water for consumption  
21 that met the prioritization criteria contained in the statewide  
22 strategic plan.

23 (b) The total number of fixtures tested for lead using the  
24 sampling and analysis protocols recommended in the statewide  
25 strategic plan.

26 (c) The number of fixtures tested that showed elevated levels  
27 of lead.

1 (d) The number of filtration devices purchased and unit costs.

2 (e) A description of the measures implemented by the district  
3 or intermediate district to reduce elevated levels of lead.

4 (f) Any financial or other information that the department  
5 determines would be necessary to properly reimburse districts and  
6 intermediate districts.

7 (g) Assurance that the district or intermediate district has  
8 posted the testing results on its website in a form and manner  
9 approved by the department.

10 (5) If eligible testing requests for reimbursement exceed the  
11 appropriation contained in the voluntary water testing line item,  
12 those reimbursement requests shall be prorated on an equal dollar  
13 basis.

14 (6) As used in this section, "eligible testing request" means  
15 a reimbursement request for reasonable costs not to exceed  
16 \$1,000.00 per school building associated with water testing or  
17 purchase of water filtration devices that occurred after October 1,  
18 2015, that meets the prioritization criteria in the statewide  
19 strategic plan, and that has been tested according to the sampling  
20 and analysis protocols contained in the statewide strategic plan.  
21 To be eligible for reimbursement of water filtration devices, a  
22 school building must have first tested its water for elevated lead  
23 levels and the test results indicated elevated lead levels in the  
24 water above acceptable levels.

25 (7) For purposes of this section, a state-approved nonpublic  
26 school is considered to be a district.

## PART 2A

## PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS

FOR FISCAL YEAR 2017-2018

**GENERAL SECTIONS**

Sec. 1201. It is the intent of the legislature to provide appropriations for the fiscal year ending on September 30, 2018 for the line items listed in part 1. The fiscal year 2017-2018 appropriations are anticipated to be the same as those for fiscal year 2016-2017, except that the line items will be adjusted for changes in caseload and related costs, federal fund match rates, economic factors, and available revenue. These adjustments will be determined after the January 2017 consensus revenue estimating conference.

## ARTICLE VII

## DEPARTMENT OF ENVIRONMENTAL QUALITY

## PART 1

## LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of environmental quality for the fiscal year ending September 30, 2017, from the following funds:

**DEPARTMENT OF ENVIRONMENTAL QUALITY**

## APPROPRIATION SUMMARY

Full-time equated unclassified positions..... 6.0

Full-time equated classified positions..... 1,232.0

GROSS APPROPRIATION..... \$ 513,499,400

|    |                                                      |             |             |
|----|------------------------------------------------------|-------------|-------------|
| 1  | Interdepartmental grant revenues:                    |             |             |
| 2  | Total interdepartmental grants and intradepartmental |             |             |
| 3  | transfers .....                                      | 9,225,700   |             |
| 4  | ADJUSTED GROSS APPROPRIATION.....                    | \$          | 504,273,700 |
| 5  | Federal revenues:                                    |             |             |
| 6  | Federal funds.....                                   | 138,687,200 |             |
| 7  | Special revenue funds:                               |             |             |
| 8  | Private funds.....                                   | 555,300     |             |
| 9  | Total other state restricted revenues.....           | 317,344,800 |             |
| 10 | State general fund/general purpose.....              | \$          | 47,686,400  |
| 11 | State general fund/general purpose schedule:         |             |             |
| 12 | Ongoing state general fund/general                   |             |             |
| 13 | purpose .....                                        | 35,336,400  |             |
| 14 | One-time state general fund/general                  |             |             |
| 15 | purpose .....                                        | 12,350,000  |             |
| 16 | FUND SOURCE SUMMARY                                  |             |             |
| 17 | Full-time equated unclassified positions.....        | 6.0         |             |
| 18 | Full-time equated classified positions.....          | 1,232.0     |             |
| 19 | GROSS APPROPRIATION.....                             | \$          | 513,499,400 |
| 20 | Interdepartmental grant revenues:                    |             |             |
| 21 | IDG, MDOT - Michigan transportation fund.....        | 1,335,100   |             |
| 22 | IDG, MDSP.....                                       | 1,744,500   |             |
| 23 | IDT, interdivisional charges.....                    | 2,053,400   |             |
| 24 | IDT, laboratory services.....                        | 4,092,700   |             |
| 25 | Total interdepartmental grants and intradepartmental |             |             |
| 26 | transfers .....                                      | 9,225,700   |             |
| 27 | ADJUSTED GROSS APPROPRIATION.....                    | \$          | 504,273,700 |

|    |                                                       |             |
|----|-------------------------------------------------------|-------------|
| 1  | Federal revenues:                                     |             |
| 2  | Federal funds.....                                    | 138,687,200 |
| 3  | Special revenue funds:                                |             |
| 4  | Private funds.....                                    | 555,300     |
| 5  | Air emissions fees.....                               | 12,132,700  |
| 6  | Aquatic nuisance control fund.....                    | 913,200     |
| 7  | Campground fund.....                                  | 315,100     |
| 8  | Clean Michigan initiative - clean water fund.....     | 3,417,100   |
| 9  | Clean Michigan initiative - contaminated sediments... | 2,265,000   |
| 10 | Clean Michigan initiative - nonpoint source.....      | 2,000,000   |
| 11 | Clean Michigan initiative - response activities.....  | 14,900,000  |
| 12 | Cleanup and redevelopment fund.....                   | 19,394,700  |
| 13 | Community pollution prevention fund.....              | 250,000     |
| 14 | Electronic waste recycling fund.....                  | 327,100     |
| 15 | Environmental education fund.....                     | 166,200     |
| 16 | Environmental pollution prevention fund.....          | 7,977,300   |
| 17 | Environmental protection fund.....                    | 2,429,900   |
| 18 | Environmental response fund.....                      | 3,773,600   |
| 19 | Fees and collections.....                             | 407,500     |
| 20 | Financial instruments.....                            | 9,416,500   |
| 21 | Drinking water declaration of emergency reserve fund. | 100         |
| 22 | Great Lakes protection fund.....                      | 391,100     |
| 23 | Groundwater discharge permit fees.....                | 1,751,000   |
| 24 | Infrastructure construction fund.....                 | 50,900      |
| 25 | Land and water permit fees.....                       | 3,217,000   |
| 26 | Landfill maintenance trust fund.....                  | 31,000      |
| 27 | Medical waste emergency response fund.....            | 330,800     |

|    |                                                        |             |
|----|--------------------------------------------------------|-------------|
| 1  | Metallic mining surveillance fee revenue .....         | 100,400     |
| 2  | Mineral well regulatory fee revenue .....              | 220,600     |
| 3  | Nonferrous metallic mineral surveillance .....         | 358,900     |
| 4  | NPDES fees .....                                       | 4,542,100   |
| 5  | Oil and gas regulatory fund .....                      | 5,103,500   |
| 6  | Orphan well fund .....                                 | 2,408,600   |
| 7  | Public swimming pool fund .....                        | 650,300     |
| 8  | Public utility assessments .....                       | 262,000     |
| 9  | Public water supply fees .....                         | 4,914,000   |
| 10 | Refined petroleum fund .....                           | 42,473,800  |
| 11 | Revitalization revolving loan fund .....               | 103,100     |
| 12 | Revolving loan revenue bonds .....                     | 11,400,000  |
| 13 | Sand extraction fee revenue .....                      | 92,500      |
| 14 | Scrap tire regulatory fund .....                       | 5,080,800   |
| 15 | Septage waste contingency fund .....                   | 18,400      |
| 16 | Septage waste program fund .....                       | 525,000     |
| 17 | Settlement funds .....                                 | 425,400     |
| 18 | Sewage sludge land application fees .....              | 1,128,400   |
| 19 | Small business pollution prevention revolving loan     |             |
| 20 | fund .....                                             | 165,100     |
| 21 | Soil erosion and sedimentation control training fund . | 169,600     |
| 22 | Solid waste management fund - staff account .....      | 5,058,000   |
| 23 | Stormwater permit fees .....                           | 3,149,500   |
| 24 | Strategic water quality initiatives fund .....         | 116,193,700 |
| 25 | Underground storage tank cleanup fund .....            | 20,011,400  |
| 26 | Wastewater operator training fees .....                | 584,200     |
| 27 | Water analysis fees .....                              | 2,239,600   |

|    |                                                    |                  |
|----|----------------------------------------------------|------------------|
| 1  | Water pollution control revolving fund.....        | 3,724,400        |
| 2  | Water quality protection fund.....                 | 100,000          |
| 3  | Water use reporting fees.....                      | 283,700          |
| 4  | Total other state restricted revenues.....         | 317,344,800      |
| 5  | State general fund/general purpose.....            | \$ 47,686,400    |
| 6  | <b>Sec. 102. EXECUTIVE OPERATIONS</b>              |                  |
| 7  | Full-time equated unclassified positions..... 6.0  |                  |
| 8  | Full-time equated classified positions..... 13.0   |                  |
| 9  | Unclassified salaries--6.0 FTE positions.....      | \$ 754,000       |
| 10 | Executive direction--13.0 FTE positions.....       | <u>2,099,400</u> |
| 11 | GROSS APPROPRIATION.....                           | \$ 2,853,400     |
| 12 | Appropriated from:                                 |                  |
| 13 | Federal revenues:                                  |                  |
| 14 | Federal funds.....                                 | 27,600           |
| 15 | Special revenue funds:                             |                  |
| 16 | Environmental protection fund.....                 | 304,900          |
| 17 | Environmental response fund.....                   | 173,100          |
| 18 | Oil and gas regulatory fund.....                   | 226,900          |
| 19 | Refined petroleum fund.....                        | 601,000          |
| 20 | Settlement funds.....                              | 11,600           |
| 21 | State general fund/general purpose.....            | \$ 1,508,300     |
| 22 | <b>Sec. 103. OFFICE OF THE GREAT LAKES</b>         |                  |
| 23 | Full-time equated classified positions..... 12.0   |                  |
| 24 | Office of the Great Lakes--12.0 FTE positions..... | \$ 2,170,700     |
| 25 | Coastal management grants.....                     | <u>1,250,000</u> |
| 26 | GROSS APPROPRIATION.....                           | \$ 3,420,700     |
| 27 | Appropriated from:                                 |                  |



|    |                                                       |                      |
|----|-------------------------------------------------------|----------------------|
| 1  | Federal revenues:                                     |                      |
| 2  | Federal funds.....                                    | 2,037,900            |
| 3  | Special revenue funds:                                |                      |
| 4  | Great Lakes protection fund.....                      | 369,400              |
| 5  | Settlement funds.....                                 | 113,700              |
| 6  | State general fund/general purpose.....               | \$ 899,700           |
| 7  | <b>Sec. 104. GREAT LAKES RESTORATION INITIATIVE</b>   |                      |
| 8  | Full-time equated classified positions..... 6.0       |                      |
| 9  | Great Lakes restoration initiative--6.0 FTE positions | \$ <u>15,090,700</u> |
| 10 | GROSS APPROPRIATION.....                              | \$ 15,090,700        |
| 11 | Appropriated from:                                    |                      |
| 12 | Federal revenues:                                     |                      |
| 13 | Federal funds.....                                    | 15,090,700           |
| 14 | Special revenue funds:                                |                      |
| 15 | State general fund/general purpose.....               | \$ 0                 |
| 16 | <b>Sec. 105. DEPARTMENT SUPPORT SERVICES</b>          |                      |
| 17 | Full-time equated classified positions..... 34.0      |                      |
| 18 | Central support services--34.0 FTE positions .....    | \$ 4,147,800         |
| 19 | Accounting service center.....                        | 1,391,400            |
| 20 | Administrative hearings.....                          | 381,200              |
| 21 | Automated data processing.....                        | 2,053,400            |
| 22 | Building occupancy charges.....                       | 4,582,800            |
| 23 | Environmental support projects.....                   | 5,000,000            |
| 24 | Rent - privately owned property.....                  | <u>2,240,600</u>     |
| 25 | GROSS APPROPRIATION.....                              | \$ 19,797,200        |
| 26 | Appropriated from:                                    |                      |
| 27 | Interdepartmental grant revenues:                     |                      |

|    |                                               |           |
|----|-----------------------------------------------|-----------|
| 1  | IDG, MDSP.....                                | 60,100    |
| 2  | IDT, interdivisional charges.....             | 2,053,400 |
| 3  | IDT, laboratory services.....                 | 153,300   |
| 4  | Special revenue funds:                        |           |
| 5  | Air emissions fees.....                       | 1,258,400 |
| 6  | Campground fund.....                          | 14,300    |
| 7  | Cleanup and redevelopment fund.....           | 1,438,700 |
| 8  | Electronic waste recycling fund.....          | 15,300    |
| 9  | Environmental pollution prevention fund.....  | 778,800   |
| 10 | Environmental response fund.....              | 217,800   |
| 11 | Fees and collections.....                     | 26,900    |
| 12 | Financial instruments.....                    | 7,261,900 |
| 13 | Great Lakes protection fund.....              | 14,100    |
| 14 | Groundwater discharge permit fees.....        | 182,600   |
| 15 | Land and water permit fees.....               | 528,500   |
| 16 | Medical waste emergency response fund.....    | 16,100    |
| 17 | Metallic mining surveillance fee revenue..... | 4,500     |
| 18 | Mineral well regulatory fee revenue.....      | 8,100     |
| 19 | Nonferrous metallic mineral surveillance..... | 800       |
| 20 | NPDES fees.....                               | 224,300   |
| 21 | Oil and gas regulatory fund.....              | 598,500   |
| 22 | Orphan well fund.....                         | 47,400    |
| 23 | Public swimming pool fund.....                | 24,600    |
| 24 | Public utility assessments.....               | 19,500    |
| 25 | Public water supply fees.....                 | 174,300   |
| 26 | Refined petroleum fund.....                   | 1,610,700 |
| 27 | Sand extraction fee revenue.....              | 3,800     |

|    |                                                        |                |
|----|--------------------------------------------------------|----------------|
| 1  | Scrap tire regulatory fund.....                        | 152,600        |
| 2  | Septage waste program fund.....                        | 18,100         |
| 3  | Settlement funds.....                                  | 37,200         |
| 4  | Sewage sludge land application fees.....               | 116,500        |
| 5  | Small business pollution prevention revolving loan     |                |
| 6  | fund .....                                             | 17,400         |
| 7  | Soil erosion and sedimentation control training fund.  | 17,000         |
| 8  | Solid waste management fund - staff account.....       | 306,400        |
| 9  | Stormwater permit fees.....                            | 115,200        |
| 10 | Wastewater operator training fees.....                 | 31,000         |
| 11 | Water analysis fees.....                               | 138,100        |
| 12 | Water use reporting fees.....                          | 22,200         |
| 13 | State general fund/general purpose.....                | \$ 2,088,800   |
| 14 | <b>Sec. 106. OFFICE OF ENVIRONMENTAL ASSISTANCE</b>    |                |
| 15 | Full-time equated classified positions.....            | 38.0           |
| 16 | Office of environmental assistance--38.0 FTE positions | \$ 6,257,700   |
| 17 | Pollution prevention local grants.....                 | <u>250,000</u> |
| 18 | GROSS APPROPRIATION.....                               | \$ 6,507,700   |
| 19 | Appropriated from:                                     |                |
| 20 | Federal revenues:                                      |                |
| 21 | Federal funds.....                                     | 704,800        |
| 22 | Special revenue funds:                                 |                |
| 23 | Private funds.....                                     | 364,200        |
| 24 | Air emissions fees.....                                | 136,300        |
| 25 | Community pollution prevention fund.....               | 250,000        |
| 26 | Environmental education fund.....                      | 166,200        |
| 27 | Environmental pollution prevention fund.....           | 1,501,300      |

|    |                                                        |               |
|----|--------------------------------------------------------|---------------|
| 1  | Fees and collections.....                              | 120,100       |
| 2  | Settlement funds.....                                  | 262,900       |
| 3  | Small business pollution prevention revolving loan     |               |
| 4  | fund .....                                             | 134,400       |
| 5  | State general fund/general purpose..... \$             | 2,867,500     |
| 6  | <b>Sec. 107. WATER RESOURCE DIVISION</b>               |               |
| 7  | Full-time equated classified positions..... 316.0      |               |
| 8  | Land and water interface permit programs--82.0 FTE     |               |
| 9  | positions .....                                        | \$ 11,659,600 |
| 10 | Program direction and project assistance--27.0 FTE     |               |
| 11 | positions .....                                        | 3,030,700     |
| 12 | Water withdrawal assessment program--4.0 FTE positions | 1,423,500     |
| 13 | Water quality and use initiative/general--5.0 FTE      |               |
| 14 | positions .....                                        | 1,645,700     |
| 15 | Real-time beach monitoring program.....                | 500,000       |
| 16 | Wetlands program.....                                  | 1,000,000     |
| 17 | Aquatic nuisance control program--6.0 FTE positions .. | 913,200       |
| 18 | Expedited water/wastewater permits--1.0 FTE position . | 50,900        |
| 19 | Fish contaminant monitoring.....                       | 316,100       |
| 20 | Groundwater discharge--22.0 FTE positions .....        | 3,215,900     |
| 21 | NPDES nonstormwater program--83.0 FTE positions .....  | 13,003,900    |
| 22 | Surface water--86.0 FTE positions .....                | 15,871,800    |
| 23 | Federal - Great Lakes remedial action plan grants .... | 583,800       |
| 24 | Federal - nonpoint source water pollution grants ..... | 4,083,300     |
| 25 | Contaminated lake and river sediment cleanup program . | 1,565,000     |
| 26 | Nonpoint source pollution prevention and control       |               |
| 27 | project program .....                                  | 2,000,000     |

|    |                                                        |                |
|----|--------------------------------------------------------|----------------|
| 1  | Wetland mitigation banking grants and loans .....      | 3,000,000      |
| 2  | Water quality protection grants .....                  | <u>100,000</u> |
| 3  | GROSS APPROPRIATION .....                              | \$ 63,963,400  |
| 4  | Appropriated from:                                     |                |
| 5  | Interdepartmental grant revenues:                      |                |
| 6  | IDG, MDOT - Michigan transportation fund .....         | 1,249,000      |
| 7  | Federal revenues:                                      |                |
| 8  | Federal funds .....                                    | 19,479,100     |
| 9  | Special revenue funds:                                 |                |
| 10 | Aquatic nuisance control fund .....                    | 913,200        |
| 11 | Clean Michigan initiative - clean water fund .....     | 3,417,100      |
| 12 | Clean Michigan initiative - contaminated sediments ... | 1,565,000      |
| 13 | Clean Michigan initiative - nonpoint source .....      | 2,000,000      |
| 14 | Environmental response fund .....                      | 204,800        |
| 15 | Groundwater discharge permit fees .....                | 1,472,900      |
| 16 | Infrastructure construction fund .....                 | 50,900         |
| 17 | Land and water permit fees .....                       | 2,345,100      |
| 18 | NPDES fees .....                                       | 4,144,500      |
| 19 | Refined petroleum fund .....                           | 442,300        |
| 20 | Sewage sludge land application fees .....              | 950,200        |
| 21 | Soil erosion and sedimentation control training fund . | 139,600        |
| 22 | Stormwater permit fees .....                           | 2,945,900      |
| 23 | Strategic water quality initiatives fund .....         | 3,000,000      |
| 24 | Wastewater operator training fees .....                | 280,700        |
| 25 | Water pollution control revolving fund .....           | 821,900        |
| 26 | Water quality protection fund .....                    | 100,000        |
| 27 | Water use reporting fees .....                         | 245,100        |

|    |                                                       |      |                  |
|----|-------------------------------------------------------|------|------------------|
| 1  | State general fund/general purpose.....               | \$   | 18,196,100       |
| 2  | <b>Sec. 108. LAW ENFORCEMENT DIVISION</b>             |      |                  |
| 3  | Full-time equated classified positions.....           | 14.0 |                  |
| 4  | Environmental investigations--14.0 FTE positions..... | \$   | <u>2,837,200</u> |
| 5  | GROSS APPROPRIATION.....                              | \$   | 2,837,200        |
| 6  | Appropriated from:                                    |      |                  |
| 7  | Interdepartmental grant revenues:                     |      |                  |
| 8  | IDT, laboratory services.....                         |      | 15,800           |
| 9  | Federal revenues:                                     |      |                  |
| 10 | Federal funds.....                                    |      | 575,700          |
| 11 | Special revenue funds:                                |      |                  |
| 12 | Air emissions fees.....                               |      | 56,300           |
| 13 | Campground fund.....                                  |      | 2,100            |
| 14 | Cleanup and redevelopment fund.....                   |      | 187,600          |
| 15 | Electronic waste recycling fund.....                  |      | 1,600            |
| 16 | Environmental pollution prevention fund.....          |      | 107,500          |
| 17 | Environmental response fund.....                      |      | 40,300           |
| 18 | Fees and collections.....                             |      | 4,100            |
| 19 | Financial instruments.....                            |      | 519,100          |
| 20 | Great Lakes protection fund.....                      |      | 1,500            |
| 21 | Groundwater discharge permit fees.....                |      | 18,800           |
| 22 | Land and water permit fees.....                       |      | 77,700           |
| 23 | Medical waste emergency response fund.....            |      | 2,400            |
| 24 | Metallic mining surveillance fee revenue.....         |      | 700              |
| 25 | Mineral well regulatory fee revenue.....              |      | 1,200            |
| 26 | NPDES fees.....                                       |      | 32,300           |
| 27 | Oil and gas regulatory fund.....                      |      | 86,600           |

|    |                                                       |                      |
|----|-------------------------------------------------------|----------------------|
| 1  | Orphan well fund.....                                 | 7,100                |
| 2  | Public swimming pool fund.....                        | 3,700                |
| 3  | Public utility assessments.....                       | 2,000                |
| 4  | Public water supply fees.....                         | 26,500               |
| 5  | Refined petroleum fund.....                           | 362,500              |
| 6  | Sand extraction fee revenue.....                      | 600                  |
| 7  | Scrap tire regulatory fund.....                       | 29,200               |
| 8  | Septage waste program fund.....                       | 2,700                |
| 9  | Sewage sludge land application fees.....              | 12,200               |
| 10 | Small business pollution prevention revolving loan    |                      |
| 11 | fund .....                                            | 2,600                |
| 12 | Soil erosion and sedimentation control training fund. | 2,600                |
| 13 | Solid waste management fund - staff account.....      | 40,800               |
| 14 | Stormwater permit fees.....                           | 17,500               |
| 15 | Wastewater operator training fees.....                | 4,600                |
| 16 | Water analysis fees.....                              | 18,200               |
| 17 | Water use reporting fees.....                         | 3,100                |
| 18 | State general fund/general purpose.....               | \$ 570,000           |
| 19 | <b>Sec. 109. AIR QUALITY DIVISION</b>                 |                      |
| 20 | Full-time equated classified positions.....           | 188.0                |
| 21 | Air quality programs--188.0 FTE positions.....        | \$ <u>27,231,500</u> |
| 22 | GROSS APPROPRIATION.....                              | \$ 27,231,500        |
| 23 | Appropriated from:                                    |                      |
| 24 | Federal revenues:                                     |                      |
| 25 | Federal funds.....                                    | 7,450,200            |
| 26 | Special revenue funds:                                |                      |
| 27 | Air emissions fees.....                               | 10,015,300           |

|    |                                                        |                  |
|----|--------------------------------------------------------|------------------|
| 1  | Environmental pollution prevention fund.....           | 1,362,000        |
| 2  | Fees and collections.....                              | 205,300          |
| 3  | Oil and gas regulatory fund.....                       | 137,200          |
| 4  | Refined petroleum fund.....                            | 3,657,200        |
| 5  | State general fund/general purpose.....                | \$ 4,404,300     |
| 6  | <b>Sec. 110. RESOURCE MANAGEMENT DIVISION</b>          |                  |
| 7  | Full-time equated classified positions.....            | 305.0            |
| 8  | Drinking water and environmental health--106.0 FTE     |                  |
| 9  | positions .....                                        | \$ 14,901,900    |
| 10 | Hazardous waste management program--45.0 FTE positions | 6,946,100        |
| 11 | Low-level radioactive waste authority--2.0 FTE         |                  |
| 12 | positions .....                                        | 232,600          |
| 13 | Medical waste program--2.0 FTE positions .....         | 302,300          |
| 14 | Municipal assistance--29.0 FTE positions .....         | 4,800,500        |
| 15 | Radiological protection program--12.0 FTE positions .. | 1,966,500        |
| 16 | Scrap tire regulatory program--10.0 FTE positions .... | 1,334,700        |
| 17 | Oil, gas and mineral services--59.0 FTE positions .... | 6,794,800        |
| 18 | Recycling initiative--3.0 FTE positions .....          | 1,008,700        |
| 19 | Solid waste management program--37.0 FTE positions ... | 5,026,400        |
| 20 | Drinking water program grants .....                    | 830,000          |
| 21 | Noncommunity water grants .....                        | 2,000,000        |
| 22 | Septage waste compliance grants .....                  | 275,000          |
| 23 | Strategic water quality initiative grants and loans .. | 97,000,000       |
| 24 | Water pollution control and drinking water revolving   |                  |
| 25 | fund .....                                             | 84,993,000       |
| 26 | Scrap tire grants .....                                | <u>3,500,000</u> |
| 27 | GROSS APPROPRIATION.....                               | \$ 231,912,500   |



|    |                                                  |            |
|----|--------------------------------------------------|------------|
| 1  | Appropriated from:                               |            |
| 2  | Interdepartmental grant revenues:                |            |
| 3  | IDG, MDSP.....                                   | 1,658,600  |
| 4  | Federal revenues:                                |            |
| 5  | Federal funds.....                               | 86,027,300 |
| 6  | Special revenue funds:                           |            |
| 7  | Campground fund.....                             | 290,300    |
| 8  | Electronic waste recycling fund.....             | 303,700    |
| 9  | Environmental pollution prevention fund.....     | 3,768,300  |
| 10 | Fees and collections.....                        | 34,500     |
| 11 | Medical waste emergency response fund.....       | 302,300    |
| 12 | Metallic mining surveillance fee revenue.....    | 92,500     |
| 13 | Mineral well regulatory fee revenue.....         | 206,400    |
| 14 | Nonferrous metallic mineral surveillance.....    | 357,800    |
| 15 | Oil and gas regulatory fund.....                 | 3,727,700  |
| 16 | Orphan well fund.....                            | 2,324,600  |
| 17 | Public swimming pool fund.....                   | 606,900    |
| 18 | Public utility assessments.....                  | 232,600    |
| 19 | Public water supply fees.....                    | 4,257,700  |
| 20 | Refined petroleum fund.....                      | 682,500    |
| 21 | Revolving loan revenue bonds.....                | 11,400,000 |
| 22 | Sand extraction fee revenue.....                 | 85,800     |
| 23 | Scrap tire regulatory fund.....                  | 4,834,700  |
| 24 | Septage waste contingency fund.....              | 18,400     |
| 25 | Septage waste program fund.....                  | 492,900    |
| 26 | Solid waste management fund - staff account..... | 4,539,600  |
| 27 | Strategic water quality initiatives fund.....    | 98,193,700 |

|    |                                                         |                  |
|----|---------------------------------------------------------|------------------|
| 1  | Wastewater operator training fees .....                 | 248,700          |
| 2  | Water pollution control revolving fund .....            | 2,858,900        |
| 3  | State general fund/general purpose .....                | \$ 4,366,100     |
| 4  | <b>Sec. 111. REMEDIATION AND REDEVELOPMENT DIVISION</b> |                  |
| 5  | Full-time equated classified positions .....            | 291.0            |
| 6  | Contaminated site investigations, cleanup and           |                  |
| 7  | revitalization--127.0 FTE positions .....               | \$ 13,859,200    |
| 8  | Federal cleanup project management--40.0 FTE positions  | 6,934,500        |
| 9  | Laboratory services--39.0 FTE positions .....           | 6,175,300        |
| 10 | Emergency cleanup actions .....                         | 4,000,000        |
| 11 | Environmental cleanup support .....                     | 1,840,000        |
| 12 | Environmental cleanup and redevelopment program .....   | 29,900,000       |
| 13 | Refined petroleum product cleanup program--85.0 FTE     |                  |
| 14 | positions .....                                         | 34,475,700       |
| 15 | Superfund cleanup .....                                 | <u>1,000,000</u> |
| 16 | GROSS APPROPRIATION .....                               | \$ 98,184,700    |
| 17 | Appropriated from:                                      |                  |
| 18 | Interdepartmental grant revenues:                       |                  |
| 19 | IDT, laboratory services .....                          | 3,858,800        |
| 20 | Federal revenues:                                       |                  |
| 21 | Federal funds .....                                     | 6,305,400        |
| 22 | Special revenue funds:                                  |                  |
| 23 | Private funds .....                                     | 191,100          |
| 24 | Clean Michigan initiative - response activities .....   | 14,900,000       |
| 25 | Cleanup and redevelopment fund .....                    | 17,006,600       |
| 26 | Environmental protection fund .....                     | 2,037,600        |
| 27 | Environmental response fund .....                       | 2,972,000        |

|    |                                                     |                      |
|----|-----------------------------------------------------|----------------------|
| 1  | Landfill maintenance trust fund.....                | 31,000               |
| 2  | Public water supply fees.....                       | 307,500              |
| 3  | Refined petroleum fund.....                         | 33,462,600           |
| 4  | Revitalization revolving loan fund.....             | 103,100              |
| 5  | Strategic water quality initiatives fund.....       | 15,000,000           |
| 6  | Water analysis fees.....                            | 2,009,000            |
| 7  | State general fund/general purpose.....             | \$ 0                 |
| 8  | <b>Sec. 112. UNDERGROUND STORAGE TANK AUTHORITY</b> |                      |
| 9  | Full-time equated classified positions.....         | 5.0                  |
| 10 | Underground storage tank cleanup program--5.0 FTE   |                      |
| 11 | positions .....                                     | \$ <u>20,011,400</u> |
| 12 | GROSS APPROPRIATION.....                            | \$ 20,011,400        |
| 13 | Appropriated from:                                  |                      |
| 14 | Special revenue funds:                              |                      |
| 15 | Underground storage tank cleanup fund.....          | 20,011,400           |
| 16 | State general fund/general purpose.....             | \$ 0                 |
| 17 | <b>Sec. 113. INFORMATION TECHNOLOGY</b>             |                      |
| 18 | Information technology services and projects .....  | \$ <u>8,638,900</u>  |
| 19 | GROSS APPROPRIATION.....                            | \$ 8,638,900         |
| 20 | Appropriated from:                                  |                      |
| 21 | Interdepartmental grant revenues:                   |                      |
| 22 | IDG, MDOT - Michigan transportation fund.....       | 86,100               |
| 23 | IDG, MDSP.....                                      | 25,800               |
| 24 | IDT, laboratory services.....                       | 64,800               |
| 25 | Federal revenues:                                   |                      |
| 26 | Federal funds.....                                  | 988,500              |
| 27 | Special revenue funds:                              |                      |

|    |                                               |           |
|----|-----------------------------------------------|-----------|
| 1  | Air emissions fees.....                       | 666,400   |
| 2  | Campground fund.....                          | 8,400     |
| 3  | Cleanup and redevelopment fund.....           | 761,800   |
| 4  | Electronic waste recycling fund.....          | 6,500     |
| 5  | Environmental pollution prevention fund.....  | 459,400   |
| 6  | Environmental protection fund.....            | 87,400    |
| 7  | Environmental response fund.....              | 165,600   |
| 8  | Fees and collections.....                     | 16,600    |
| 9  | Financial instruments.....                    | 1,635,500 |
| 10 | Great Lakes protection fund.....              | 6,100     |
| 11 | Groundwater discharge permit fees.....        | 76,700    |
| 12 | Land and water permit fees.....               | 265,700   |
| 13 | Medical waste emergency response fund.....    | 10,000    |
| 14 | Metallic mining surveillance fee revenue..... | 2,700     |
| 15 | Mineral well regulatory fee revenue.....      | 4,900     |
| 16 | Nonferrous metallic mineral surveillance..... | 300       |
| 17 | NPDES fees.....                               | 141,000   |
| 18 | Oil and gas regulatory fund.....              | 326,600   |
| 19 | Orphan well fund.....                         | 29,500    |
| 20 | Public swimming pool fund.....                | 15,100    |
| 21 | Public utility assessments.....               | 7,900     |
| 22 | Public water supply fees.....                 | 148,000   |
| 23 | Refined petroleum fund.....                   | 1,655,000 |
| 24 | Sand extraction fee revenue.....              | 2,300     |
| 25 | Scrap tire regulatory fund.....               | 64,300    |
| 26 | Septage waste program fund.....               | 11,300    |
| 27 | Sewage sludge land application fees.....      | 49,500    |

|    |                                                        |                  |
|----|--------------------------------------------------------|------------------|
| 1  | Small business pollution prevention revolving loan     |                  |
| 2  | fund .....                                             | 10,700           |
| 3  | Soil erosion and sedimentation control training fund.  | 10,400           |
| 4  | Solid waste management fund - staff account .....      | 171,200          |
| 5  | Stormwater permit fees .....                           | 70,900           |
| 6  | Wastewater operator training fees .....                | 19,200           |
| 7  | Water analysis fees .....                              | 74,300           |
| 8  | Water pollution control revolving fund .....           | 43,600           |
| 9  | Water use reporting fees .....                         | 13,300           |
| 10 | State general fund/general purpose .....               | \$ 435,600       |
| 11 | <b>Sec. 114. ONE-TIME BASIS ONLY APPROPRIATIONS</b>    |                  |
| 12 | Full-time equated classified positions..... 10.0       |                  |
| 13 | Contaminated lake and river sediment cleanup program.  | \$ 700,000       |
| 14 | Drinking water declaration of emergency--10.0 FTE      |                  |
| 15 | positions .....                                        | 5,400,100        |
| 16 | Oil, gas and mineral services (one-time) .....         | 4,000,000        |
| 17 | Water pollution control and drinking water revolving   |                  |
| 18 | fund .....                                             | <u>2,950,000</u> |
| 19 | GROSS APPROPRIATION .....                              | \$ 13,050,100    |
| 20 | Appropriated from:                                     |                  |
| 21 | Special revenue funds:                                 |                  |
| 22 | Clean Michigan initiative - contaminated sediments ... | 700,000          |
| 23 | Drinking water declaration of emergency reserve fund.  | 100              |
| 24 | State general fund/general purpose .....               | \$ 12,350,000    |

25 PART 2

PROVISIONS CONCERNING APPROPRIATIONS  
FOR FISCAL YEAR 2016-2017

**GENERAL SECTIONS**

Sec. 201. In accordance with the provisions of section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for the fiscal year ending September 30, 2017 is \$365,031,200.00 and state appropriations paid to local units of government are \$3,750,000.00. The following itemized list identifies appropriations from which appropriations to local units of government will occur:

DEPARTMENT OF ENVIRONMENTAL QUALITY

|                                              |    |                |
|----------------------------------------------|----|----------------|
| Drinking water and environmental health..... | \$ | 212,000        |
| Drinking water program grants.....           |    | 157,000        |
| Emergency cleanup actions.....               |    | 106,000        |
| Noncommunity water grants.....               |    | 1,700,000      |
| Scrap tire grants.....                       |    | 500,000        |
| Pollution prevention local grants.....       |    | 250,000        |
| Real-time beach monitoring program.....      |    | 500,000        |
| Septage waste compliance grants.....         |    | 100,000        |
| Solid waste management program.....          |    | 65,000         |
| Surface water.....                           |    | <u>160,000</u> |
| TOTAL.....                                   | \$ | 3,750,000      |

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

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

(a) "Department" means the department of environmental

1 quality.

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

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

4 (d) "IDG" means interdepartmental grant.

5 (e) "IDT" means intradepartmental transfer.

6 (f) "MDOT" means the state transportation department.

7 (g) "MDSP" means the department of state police.

8 (h) "NPDES" means national pollution discharge elimination  
9 system.

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

16 Sec. 205. Funds appropriated in part 1 shall not be used for  
17 the purchase of foreign goods or services, or both, if  
18 competitively priced and of comparable quality American goods or  
19 services, or both, are available. Preference shall be given to  
20 goods or services, or both, manufactured or provided by Michigan  
21 businesses and associated subcontractors if they are competitively  
22 priced and of comparable quality. In addition, preference shall be  
23 given to goods or services, or both, that are manufactured or  
24 provided by Michigan businesses owned and operated by veterans, if  
25 they are competitively priced and of comparable quality.

26 Sec. 206. The director shall take all reasonable steps to  
27 ensure businesses in deprived and depressed communities compete for

1 and perform contracts to provide services or supplies, or both. The  
2 director shall strongly encourage firms with which the department  
3 contracts to subcontract with certified businesses in depressed and  
4 deprived communities for services, supplies, or both.

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

15       (a) The dates of each travel occurrence.

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

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

27       Sec. 209. Not later than November 30, the state budget office



1 shall prepare and transmit a report that provides for estimates of  
2 the total general fund/general purpose appropriation lapses at the  
3 close of the prior fiscal year. This report shall summarize the  
4 projected year-end general fund/general purpose appropriation  
5 lapses by major departmental program or program areas. The report  
6 shall be transmitted to the chairpersons of the senate and house  
7 appropriations committees and the senate and house fiscal agencies.

8       Sec. 210. (1) In addition to the funds appropriated in part 1,  
9 there is appropriated an amount not to exceed \$30,000,000.00 for  
10 federal contingency funds. These funds are not available for  
11 expenditure until they have been transferred to another line item  
12 in part 1 under section 393(2) of the management and budget act,  
13 1984 PA 431, MCL 18.1393.

14       (2) In addition to the funds appropriated in part 1, there is  
15 appropriated an amount not to exceed \$5,000,000.00 for state  
16 restricted contingency funds. These funds are not available for  
17 expenditure until they have been transferred to another line item  
18 in part 1 under section 393(2) of the management and budget act,  
19 1984 PA 431, MCL 18.1393.

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

26       (4) In addition to the funds appropriated in part 1, there is  
27 appropriated an amount not to exceed \$500,000.00 for private

1 contingency funds. These funds are not available for expenditure  
2 until they have been transferred to another line item in part 1  
3 under section 393(2) of the management and budget act, 1984 PA 431,  
4 MCL 18.1393.

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

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

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

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

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

16 (e) Job specifications and wage rates.

17 Sec. 212. Within 14 days after the release of the executive  
18 budget recommendation, the department shall cooperate with the  
19 state budget office to provide the senate and house appropriations  
20 chairs, the senate and house appropriations subcommittee chairs,  
21 and the senate and house fiscal agencies with an annual report on  
22 estimated state restricted fund balances, state restricted fund  
23 projected revenues, and state restricted fund expenditures for the  
24 fiscal years ending September 30, 2016 and September 30, 2017.

25 Sec. 213. The department shall maintain, on a publicly  
26 accessible website, a department scorecard that identifies, tracks,  
27 and regularly updates key metrics that are used to monitor and

1 improve the agency's performance.

2       Sec. 214. Total authorized appropriations from all sources  
3 under part 1 for legacy costs for the fiscal year ending September  
4 30, 2017 are \$33,238,200.00. From this amount, total agency  
5 appropriations for pension-related legacy costs are estimated at  
6 \$18,429,800.00. Total agency appropriations for retiree health care  
7 legacy costs are estimated at \$14,808,400.00.

8       Sec. 215. In addition to the metrics required under section  
9 447 of the management and budget act, 1984 PA 431, MCL 18.1447, for  
10 each new program or program enhancement for which funds in excess  
11 of \$500,000.00 are appropriated in part 1, the department shall  
12 provide not later than November 1, 2016 a list of program-specific  
13 metrics intended to measure its performance based on a return on  
14 taxpayer investment. The department shall deliver the program-  
15 specific metrics to members of the senate and house subcommittees  
16 that have subject matter jurisdiction for this budget, fiscal  
17 agencies, and the state budget director. The department shall  
18 provide an update on its progress in tracking program-specific  
19 metrics and the status of program success at an appropriations  
20 subcommittee meeting called for by the subcommittee chair.

21       Sec. 216. (1) The department shall report all of the following  
22 information relative to allocations made from appropriations for  
23 the environmental cleanup and redevelopment program, state cleanup,  
24 emergency actions, superfund cleanup, the revitalization revolving  
25 loan program, the brownfield grants and loans program, the leaking  
26 underground storage tank cleanup program, the contaminated lake and  
27 river sediments cleanup program, the refined petroleum product

1 cleanup program, and the environmental protection bond projects  
2 under section 19508(7) of the natural resources and environmental  
3 protection act, 1994 PA 451, MCL 324.19508, to the state budget  
4 director, the senate and house appropriations subcommittees on  
5 environmental quality, and the senate and house fiscal agencies:

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

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

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

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

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

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

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

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

21 (a) The status of all state-owned facilities that are on the  
22 list compiled under part 201 of the natural resources and  
23 environmental protection act, 1994 PA 451, MCL 324.20101 to  
24 324.20142.

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

1 (c) The total amount of bonds issued for the environmental  
2 protection bond program pursuant to part 193 of the natural  
3 resources and environmental protection act, 1994 PA 451, MCL  
4 324.19301 to 324.19306, and bonds issued pursuant to the clean  
5 Michigan initiative act, 1998 PA 284, MCL 324.95101 to 324.95108.

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

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

14 (2) Unexpended and unencumbered amounts remaining from  
15 appropriations from the environmental protection bond fund  
16 contained in 2003 PA 173, 2005 PA 109, 2006 PA 343, 2011 PA 63, and  
17 2012 PA 236 are appropriated for expenditure for any site listed in  
18 this part and part 1 and any site listed in the public acts  
19 referenced in this section.

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

27 (4) Unexpended and unencumbered amounts remaining from

1 appropriations from the refined petroleum fund activities contained  
2 in 2007 PA 121, 2008 PA 247, 2009 PA 118, 2010 PA 189, 2011 PA 63,  
3 2012 PA 200, 2013 PA 59, 2014 PA 252, and 2015 PA 84 are  
4 appropriated for expenditure for any site listed in this part and  
5 part 1 and any site listed in the public acts referenced in this  
6 section.

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

13 Sec. 218. The departments and agencies receiving  
14 appropriations in part 1 shall receive and retain copies of all  
15 reports funded from appropriations in part 1. Federal and state  
16 guidelines for short-term and long-term retention of records shall  
17 be followed. The department may electronically retain copies of  
18 reports unless otherwise required by federal and state guidelines.

19 Sec. 219. Unexpended settlement revenues at the end of the  
20 fiscal year may be carried forward into the settlement fund in the  
21 succeeding fiscal year up to a maximum carryforward of  
22 \$2,500,000.00.

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

26 Sec. 221. (1) Funds appropriated in part 1 shall not be used  
27 by the department to promulgate a rule that will apply to a small

1 business and that will have a disproportionate economic impact on  
2 small businesses because of the size of those businesses if the  
3 department fails to reduce the disproportionate economic impact of  
4 the rule on small businesses as provided under section 40 of the  
5 administrative procedures act of 1969, 1969 PA 306, MCL 24.240.

6 (2) As used in this section:

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

9 (b) "Small business" means that term as defined under section  
10 7a of the administrative procedures act of 1969, 1969 PA 306, MCL  
11 24.207a.

12 Sec. 223. Part 1 provides authorizations to fund classified  
13 positions during the fiscal year ending September 30, 2017. Line-  
14 item appropriations include limitations on the number of payroll  
15 hours to be funded, on the basis of 2,088 hours per each FTE  
16 position. The department shall report the number of funded FTE  
17 positions within 15 days after the effective date of this part. The  
18 number of classified employees compensated through each line item  
19 is limited by the authorized FTE positions indicated in part 1, as  
20 adjusted for the number of reported funded FTE positions. The  
21 report shall be provided to the house and senate appropriations  
22 subcommittees on environmental quality and the house and senate  
23 fiscal agencies.

#### 24 **REMEDICATION DIVISION**

25 Sec. 301. Revenues remaining in the interdepartmental  
26 transfers, laboratory services at the end of the fiscal year shall

1 carry forward into the succeeding fiscal year.

2       Sec. 302. The unexpended funds appropriated in part 1 for  
3 emergency cleanup actions, the environmental cleanup and  
4 redevelopment program, and the refined petroleum product cleanup  
5 program are considered work project appropriations and any  
6 unencumbered or unallotted funds are carried forward into the  
7 succeeding fiscal year. The following is in compliance with section  
8 451a(1) of the management and budget act, 1984 PA 431, MCL  
9 18.1451a:

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

12       (b) The projects will be accomplished by contract.

13       (c) The total estimated cost of all projects is identified in  
14 each line-item appropriation.

15       (d) The tentative completion date is September 30, 2021.

16       Sec. 303. Effective October 1, 2016, surplus funds not to  
17 exceed \$1,000,000.00 in the cleanup and redevelopment trust fund  
18 are appropriated to the environmental protection fund created in  
19 section 503a of the natural resources and environmental protection  
20 act, 1994 PA 451, MCL 324.503a.

21       Sec. 304. Effective October 1, 2016, surplus funds not to  
22 exceed \$1,000,000.00 in the community pollution prevention fund  
23 created in section 3f of 1976 IL 1, MCL 445.573f, are appropriated  
24 to the environmental protection fund created in section 503a of the  
25 natural resources and environmental protection act, 1994 PA 451,  
26 MCL 324.503a.

27       Sec. 305. It is the intent of the legislature to repay the



1 refined petroleum fund for the \$70,000,000.00 that was transferred  
 2 to the environmental protection fund created in section 503a of the  
 3 natural resources and environmental protection act, 1994 PA 451,  
 4 MCL 324.503a, as part of the resolution for the fiscal year 2006-  
 5 2007 budget.

6       Sec. 306. (1) The funds appropriated in part 1 for the refined  
 7 petroleum product cleanup program shall be used to fund cleanup  
 8 activities on the following sites:

| 9 Site Name                        | County    |
|------------------------------------|-----------|
| 10 Long Lake Super Market          | Alpena    |
| 11 Geyer Motor Sales               | Cheboygan |
| 12 Procter Gamble                  | Cheboygan |
| 13 501 Leonard                     | Kent      |
| 14 1603 Diamond                    | Kent      |
| 15 Blanchard Grocery               | Montcalm  |
| 16 Mark & Penny Case               | Branch    |
| 17 Clark Service Station #1027     | Kalamazoo |
| 18 Action Auto #4                  | Genesee   |
| 19 Linden Multi-site Contamination | Genesee   |
| 20 13169 Northline Road            | Wayne     |

21       (2) The department shall provide a report to the legislature  
 22 on the amount actually spent at each site listed in subsection (1)  
 23 and give a detailed account of the work actually performed at each  
 24 site.

25       Sec. 310. (1) Upon approval by the state budget director, the  
 26 department may expend from the general fund of the state an amount  
 27 to meet the cash-flow requirements of projects funded under any of

1 the following that are financed from bond proceeds and for which  
2 bonds have been authorized but not yet issued:

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

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

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

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

12 Sec. 311. Not later than June 1, 2016, the department shall  
13 provide a report to the house committee on natural resources, the  
14 house appropriations subcommittee on environmental quality, the  
15 senate committee on natural resources, and the senate  
16 appropriations subcommittee on environmental quality detailing the  
17 remediation and redevelopment actions funded by the May 12, 2015  
18 Calhoun County circuit court settlement between the State of  
19 Michigan and Enbridge Energy related to the July 2010 oil spill in  
20 Talmadge Creek and the Kalamazoo River.

21 Sec. 312. From funds appropriated in part 1, the department  
22 shall do both of the following:

23 (a) Conduct a study on the effects of long-term exposure to  
24 perfluorinated compounds.

25 (b) Conduct a workgroup to establish cleanup criteria for  
26 perfluorinated compounds under part 201 of the natural resources  
27 and environmental protection act, 1994 PA 451, MCL 324.20101 to

1 324.20142.

2 **WATER RESOURCES DIVISION**

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

11 Sec. 407. The unexpended funds appropriated in part 1 for the  
12 contaminated lake and river sediment cleanup program are considered  
13 work project appropriations and any unencumbered or unallotted  
14 funds are carried forward into the succeeding fiscal year. The  
15 following is in compliance with section 451a(1) of the management  
16 and budget act, 1984 PA 431, MCL 18.1451a:

17 (a) The purpose of the projects to be carried forward is to  
18 provide contaminated sediment cleanup.

19 (b) The projects will be accomplished by contract.

20 (c) The total estimated cost of all projects is \$2,265,000.

21 (d) The tentative completion date is September 30, 2021.

22 Sec. 410. From the funds appropriated in part 1, the  
23 department shall compile a report on the status of the  
24 implementation plan for the western Lake Erie basin collaborative  
25 agreement. The department shall submit the report to the house and  
26 senate appropriations subcommittees on environmental quality and

1 the house and senate fiscal agencies by March 1.

2 **UNDERGROUND STORAGE TANK AUTHORITY**

3 Sec. 701. The unexpended funds appropriated in part 1 for the  
4 underground storage tank cleanup program are considered work  
5 project appropriations, and any unencumbered or unallotted funds  
6 are carried forward into the succeeding fiscal year. The following  
7 is in compliance with section 451a(1) of the management and budget  
8 act, 1984 PA 431, MCL 18.1451a:

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

11 (b) The projects will be accomplished by contract.

12 (c) The total estimated cost of all projects is  
13 \$20,000,000.00.

14 (d) The tentative completion date is September 30, 2020.

15 **ONE-TIME APPROPRIATIONS**

16 Sec. 801. From the funds appropriated in part 1 for drinking  
17 water declaration of emergency, the department shall allocate funds  
18 to address the following in a city in which a declaration of  
19 emergency was issued because of drinking water contamination:

20 (a) Funding to change the source of water serving the  
21 distressed community's public water supply to an alternative  
22 reliable source of water.

23 (b) Staff, lab and testing, and contract costs.

Senate Bill No. 800 as amended May 4, 2016

1 ARTICLE VIII  
 2 GENERAL GOVERNMENT  
 3 PART 1

4 LINE-ITEM APPROPRIATIONS

5 Sec. 101. There is appropriated for the legislature, the  
 6 executive, the department of attorney general, the department of  
 7 state, the department of treasury, the department of technology,  
 8 management, and budget, the department of civil rights, the  
 9 department of talent and economic development, and certain state  
 10 purposes related thereto for the fiscal year ending September 30,  
 11 2017, from the following funds:

12 **TOTAL GENERAL GOVERNMENT**

13 APPROPRIATION SUMMARY

|    |                                                      |               |                      |
|----|------------------------------------------------------|---------------|----------------------|
| 14 | Full-time equated unclassified positions.....        | 50.0          |                      |
| 15 | Full-time equated classified positions.....          | 8,697.7       |                      |
| 16 | GROSS APPROPRIATION.....                             |               | \$ <<4,894,405,800>> |
| 17 | Interdepartmental grant revenues:                    |               |                      |
| 18 | Total interdepartmental grants and intradepartmental |               |                      |
| 19 | transfers .....                                      | 760,158,300   |                      |
| 20 | ADJUSTED GROSS APPROPRIATION.....                    |               | \$ <<4,134,247,500>> |
| 21 | Federal revenues:                                    |               |                      |
| 22 | Total federal revenues.....                          | 832,523,500   |                      |
| 23 | Special revenue funds:                               |               |                      |
| 24 | Total local revenues.....                            | 12,021,000    |                      |
| 25 | Total private revenues.....                          | 6,064,500     |                      |
| 26 | Total other state restricted revenues.....           | 2,136,895,100 |                      |
| 27 | State general fund/general purpose.....              |               | \$ <<1,146,744,400>> |

|    |                                                      |               |            |
|----|------------------------------------------------------|---------------|------------|
| 1  | State general fund/general purpose schedule:         |               |            |
| 2  | Ongoing state general fund/general                   |               |            |
| 3  | purpose .....                                        | 1,084,643,100 |            |
| 4  | One-time state general fund/general                  |               |            |
| 5  | purpose .....                                        | 63,100,000    |            |
| 6  | <b>Sec. 102. DEPARTMENT OF ATTORNEY GENERAL</b>      |               |            |
| 7  | <b>(1) APPROPRIATION SUMMARY</b>                     |               |            |
| 8  | Full-time equated unclassified positions.....        | 6.0           |            |
| 9  | Full-time equated classified positions.....          | 527.0         |            |
| 10 | GROSS APPROPRIATION.....                             | \$            | 97,085,800 |
| 11 | Interdepartmental grant revenues:                    |               |            |
| 12 | Total interdepartmental grants and intradepartmental |               |            |
| 13 | transfers .....                                      |               | 28,989,700 |
| 14 | ADJUSTED GROSS APPROPRIATION.....                    | \$            | 68,096,100 |
| 15 | Federal revenues:                                    |               |            |
| 16 | Total federal revenues.....                          |               | 9,476,700  |
| 17 | Special revenue funds:                               |               |            |
| 18 | Total local revenues.....                            |               | 0          |
| 19 | Total private revenues.....                          |               | 0          |
| 20 | Total other state restricted revenues.....           |               | 17,578,900 |
| 21 | State general fund/general purpose.....              | \$            | 41,040,500 |
| 22 | State general fund/general purpose schedule:         |               |            |
| 23 | Ongoing state general fund/general                   |               |            |
| 24 | purpose .....                                        | 39,140,500    |            |
| 25 | One-time state general fund/general                  |               |            |
| 26 | purpose .....                                        | 1,900,000     |            |

|    |                                                       |       |                  |
|----|-------------------------------------------------------|-------|------------------|
| 1  | (2) ATTORNEY GENERAL OPERATIONS                       |       |                  |
| 2  | Full-time equated unclassified positions.....         | 6.0   |                  |
| 3  | Full-time equated classified positions.....           | 522.5 |                  |
| 4  | Attorney general.....                                 | \$    | 112,500          |
| 5  | Unclassified positions--5.0 FTE positions.....        |       | 754,000          |
| 6  | Attorney general operations--479.5 FTE positions..... |       | 84,500,000       |
| 7  | Child support enforcement--25.0 FTE positions.....    |       | 3,503,800        |
| 8  | Prosecuting attorneys coordinating council--12.0 FTE  |       |                  |
| 9  | positions .....                                       |       | 2,142,600        |
| 10 | Public safety initiative--1.0 FTE position.....       |       | 905,800          |
| 11 | Sexual assault law enforcement--5.0 FTE positions.... |       | <u>1,713,500</u> |
| 12 | GROSS APPROPRIATION.....                              | \$    | 93,632,200       |
| 13 | Appropriated from:                                    |       |                  |
| 14 | Interdepartmental grant revenues:                     |       |                  |
| 15 | IDG from MDHHS, health policy.....                    |       | 206,900          |
| 16 | IDG from MDHHS, medical services administration.....  |       | 691,200          |
| 17 | IDG from MDHHS, WIC.....                              |       | 152,500          |
| 18 | IDG from department of corrections.....               |       | 660,300          |
| 19 | IDG from MDE.....                                     |       | 595,600          |
| 20 | IDG from MDEQ.....                                    |       | 2,009,000        |
| 21 | IDG from MDHHS, human services.....                   |       | 5,932,500        |
| 22 | IDG from TED, workforce development agency.....       |       | 89,600           |
| 23 | IDG from MDIFS, financial and insurance services..... |       | 1,213,000        |
| 24 | IDG from MDLARA, fireworks safety fund.....           |       | 83,000           |
| 25 | IDG from MDLARA, health professions.....              |       | 3,037,400        |
| 26 | IDG from MDLARA, licensing and regulation fees.....   |       | 335,600          |
| 27 | IDG from MDLARA, Michigan occupational safety and     |       |                  |

|    |                                                        |           |
|----|--------------------------------------------------------|-----------|
| 1  | health administration .....                            | 107,700   |
| 2  | IDG from MDLARA, remonumentation fees .....            | 106,100   |
| 3  | IDG from MDLARA, securities fees .....                 | 188,300   |
| 4  | IDG from MDLARA, unlicensed builders .....             | 334,700   |
| 5  | IDG from MDTMB .....                                   | 463,800   |
| 6  | IDG from MDTMB, civil service commission .....         | 305,900   |
| 7  | IDG from MDTMB, risk management revolving fund .....   | 1,468,400 |
| 8  | IDG from MDMVA .....                                   | 164,900   |
| 9  | IDG from MDOS, children's protection registry .....    | 45,000    |
| 10 | IDG from MDOT, comprehensive transportation fund ..... | 204,500   |
| 11 | IDG from MDOT, state aeronautics fund .....            | 177,600   |
| 12 | IDG from MDOT, state trunkline fund .....              | 2,429,200 |
| 13 | IDG from MDSP .....                                    | 257,300   |
| 14 | IDG from Michigan state housing development authority  | 676,600   |
| 15 | IDG from treasury .....                                | 6,874,000 |
| 16 | IDG from TED, strategic fund .....                     | 179,100   |
| 17 | Federal revenues:                                      |           |
| 18 | DAG, state administrative match grant/food stamps .... | 137,000   |
| 19 | Federal funds .....                                    | 3,145,100 |
| 20 | HHS, medical assistance, medigrant .....               | 384,800   |
| 21 | HHS-OS, state Medicaid fraud control units .....       | 5,688,600 |
| 22 | National criminal history improvement program .....    | 121,200   |
| 23 | Special revenue funds:                                 |           |
| 24 | Antitrust enforcement collections .....                | 762,600   |
| 25 | Attorney general's operations fund .....               | 767,000   |
| 26 | Auto repair facilities fees .....                      | 327,400   |
| 27 | Franchise fees .....                                   | 382,400   |



|    |                                                        |                     |
|----|--------------------------------------------------------|---------------------|
| 1  | Game and fish protection fund.....                     | 751,100             |
| 2  | Human trafficking commission fund.....                 | 390,000             |
| 3  | Liquor purchase revolving fund.....                    | 1,459,200           |
| 4  | Manufactured housing fees.....                         | 250,600             |
| 5  | Merit award trust fund.....                            | 495,700             |
| 6  | Michigan employment security act - administrative fund | 2,241,500           |
| 7  | Prisoner reimbursement.....                            | 625,200             |
| 8  | Prosecuting attorneys training fees.....               | 411,500             |
| 9  | Public utility assessments.....                        | 2,077,300           |
| 10 | Real estate enforcement fund.....                      | 100,700             |
| 11 | Reinstatement fees.....                                | 257,700             |
| 12 | Retirement funds.....                                  | 1,042,200           |
| 13 | Second injury fund.....                                | 821,700             |
| 14 | Self-insurers security fund.....                       | 571,200             |
| 15 | Silicosis and dust disease fund.....                   | 225,700             |
| 16 | State building authority revenue.....                  | 120,900             |
| 17 | State casino gaming fund.....                          | 1,861,900           |
| 18 | State lottery fund.....                                | 345,100             |
| 19 | Utility consumers fund.....                            | 780,800             |
| 20 | Waterways fund.....                                    | 140,000             |
| 21 | Worker's compensation administrative revolving fund..  | 369,500             |
| 22 | State general fund/general purpose.....                | \$ 37,586,900       |
| 23 | <b>(3) INFORMATION TECHNOLOGY</b>                      |                     |
| 24 | Information technology services and projects.....      | \$ <u>1,553,600</u> |
| 25 | GROSS APPROPRIATION.....                               | \$ 1,553,600        |
| 26 | Appropriated from:                                     |                     |
| 27 | State general fund/general purpose.....                | \$ 1,553,600        |

1       **(4) ONE-TIME BASIS ONLY APPROPRIATIONS**

2       Full-time equated unclassified positions..... 4.5

3       Prescription drug abuse enforcement--4.5 FTE positions \$           700,000

4       Prosecuting attorneys coordinating council NextGen

5       IT system ..... 1,200,000

6       GROSS APPROPRIATION..... \$           1,900,000

7       Appropriated from:

8       State general fund/general purpose..... \$           1,900,000

9       **Sec. 103. DEPARTMENT OF CIVIL RIGHTS**

10      **(1) APPROPRIATION SUMMARY**

11      Full-time equated unclassified positions..... 6.0

12      Full-time equated classified positions..... 132.0

13      GROSS APPROPRIATION..... \$           16,746,900

14      Interdepartmental grant revenues:

15      Total interdepartmental grants and intradepartmental

16      transfers ..... 293,600

17      ADJUSTED GROSS APPROPRIATION..... \$           16,453,300

18      Federal revenues:

19      Total federal revenues..... 2,763,000

20      Special revenue funds:

21      Total local revenues..... 0

22      Total private revenues..... 18,700

23      Total other state restricted revenues..... 151,900

24      State general fund/general purpose..... \$           13,519,700

25      State general fund/general purpose schedule:

26      Ongoing state general fund/general

|    |                                                    |            |                |
|----|----------------------------------------------------|------------|----------------|
| 1  | purpose .....                                      | 13,294,700 |                |
| 2  | One-time state general fund/general                |            |                |
| 3  | purpose .....                                      | 225,000    |                |
| 4  | <b>(2) CIVIL RIGHTS OPERATIONS</b>                 |            |                |
| 5  | Full-time equated unclassified positions.....      | 6.0        |                |
| 6  | Full-time equated classified positions.....        | 130.0      |                |
| 7  | Unclassified positions--6.0 FTE positions.....     | \$         | 660,300        |
| 8  | Civil rights operations--121.0 FTE positions ..... |            | 13,831,700     |
| 9  | Division on deaf and hard of hearing--7.0 FTE      |            |                |
| 10 | positions .....                                    |            | 948,600        |
| 11 | Hispanic/Latino commission of Michigan--1.0 FTE    |            |                |
| 12 | position .....                                     |            | 261,000        |
| 13 | Asian Pacific American affairs commission--1.0 FTE |            |                |
| 14 | position .....                                     |            | <u>112,400</u> |
| 15 | GROSS APPROPRIATION.....                           | \$         | 15,814,000     |
| 16 | Appropriated from:                                 |            |                |
| 17 | Interdepartmental grant revenues:                  |            |                |
| 18 | IDG from DTMB.....                                 |            | 293,600        |
| 19 | Federal revenues:                                  |            |                |
| 20 | EEOC, state and local antidiscrimination agency    |            |                |
| 21 | contracts .....                                    |            | 1,211,500      |
| 22 | HUD, grant.....                                    |            | 1,536,500      |
| 23 | Special revenue funds:                             |            |                |
| 24 | Private revenues.....                              |            | 18,700         |
| 25 | Division on deafness fund.....                     |            | 93,400         |
| 26 | State restricted revenues.....                     |            | 58,500         |
| 27 | State general fund/general purpose.....            | \$         | 12,601,800     |

1       **(3) INFORMATION TECHNOLOGY**

2       Information technology services and projects ..... \$ 707,900

3       GROSS APPROPRIATION..... \$ 707,900

4       Appropriated from:

5       Federal revenues:

6       EEOC, state and local antidiscrimination agency

7       contracts ..... 15,000

8       State general fund/general purpose ..... \$ 692,900

9       **(4) ONE-TIME BASIS ONLY APPROPRIATIONS**

10      Full-time equated classified positions..... 2.0

11      Civil rights operations--1.0 FTE position ..... \$ 125,000

12      Commission on Middle Eastern American affairs--1.0

13      FTE position ..... 100,000

14      GROSS APPROPRIATION..... \$ 225,000

15      Appropriated from:

16      State general fund/general purpose ..... \$ 225,000

17      **Sec. 104. EXECUTIVE OFFICE**

18      **(1) APPROPRIATION SUMMARY**

19      Full-time equated unclassified positions..... 10.0

20      Full-time equated classified positions..... 74.2

21      GROSS APPROPRIATION..... \$ 5,636,300

22      Interdepartmental grant revenues:

23      Total interdepartmental grants and intradepartmental

24      transfers ..... 0

25      ADJUSTED GROSS APPROPRIATION..... \$ 5,636,300

26      Federal revenues:

|    |                                                      |                  |
|----|------------------------------------------------------|------------------|
| 1  | Total federal revenues.....                          | 0                |
| 2  | Special revenue funds:                               |                  |
| 3  | Total local revenues.....                            | 0                |
| 4  | Total private revenues.....                          | 0                |
| 5  | Total other state restricted revenues.....           | 0                |
| 6  | State general fund/general purpose.....              | \$ 5,636,300     |
| 7  | State general fund/general purpose schedule:         |                  |
| 8  | Ongoing state general fund/general                   |                  |
| 9  | purpose .....                                        | 5,636,300        |
| 10 | One-time state general fund/general                  |                  |
| 11 | purpose .....                                        | 0                |
| 12 | <b>(2) EXECUTIVE OFFICE OPERATIONS</b>               |                  |
| 13 | Full-time equated unclassified positions.....        | 10.0             |
| 14 | Full-time equated classified positions.....          | 74.2             |
| 15 | Governor.....                                        | \$ 159,300       |
| 16 | Lieutenant governor.....                             | 111,600          |
| 17 | Executive office--74.2 FTE positions.....            | 4,108,100        |
| 18 | Unclassified positions--8.0 FTE positions.....       | <u>1,257,300</u> |
| 19 | GROSS APPROPRIATION.....                             | \$ 5,636,300     |
| 20 | Appropriated from:                                   |                  |
| 21 | State general fund/general purpose.....              | \$ 5,636,300     |
| 22 | <b>Sec. 105. LEGISLATURE</b>                         |                  |
| 23 | <b>(1) APPROPRIATION SUMMARY</b>                     |                  |
| 24 | GROSS APPROPRIATION.....                             | \$ 166,205,500   |
| 25 | Interdepartmental grant revenues:                    |                  |
| 26 | Total interdepartmental grants and intradepartmental |                  |

|    |                                                        |    |                  |
|----|--------------------------------------------------------|----|------------------|
| 1  | transfers .....                                        |    | 5,558,600        |
| 2  | ADJUSTED GROSS APPROPRIATION.....                      | \$ | 160,646,900      |
| 3  | Federal revenues:                                      |    |                  |
| 4  | Total federal revenues.....                            |    | 0                |
| 5  | Special revenue funds:                                 |    |                  |
| 6  | Total local revenues.....                              |    | 0                |
| 7  | Total private revenues.....                            |    | 400,000          |
| 8  | Total other state restricted revenues.....             |    | 6,245,200        |
| 9  | State general fund/general purpose.....                | \$ | 154,001,700      |
| 10 | State general fund/general purpose schedule:           |    |                  |
| 11 | Ongoing state general fund/general                     |    |                  |
| 12 | purpose .....                                          |    | 154,001,700      |
| 13 | One-time state general fund/general                    |    |                  |
| 14 | purpose .....                                          |    | 0                |
| 15 | <b>(2) LEGISLATURE</b>                                 |    |                  |
| 16 | Senate.....                                            | \$ | 34,523,700       |
| 17 | Senate automated data processing.....                  |    | 2,500,000        |
| 18 | Senate fiscal agency.....                              |    | 3,779,600        |
| 19 | House of representatives.....                          |    | 53,095,900       |
| 20 | House automated data processing.....                   |    | 2,200,000        |
| 21 | House fiscal agency.....                               |    | <u>3,779,600</u> |
| 22 | GROSS APPROPRIATION.....                               | \$ | 99,878,800       |
| 23 | Appropriated from:                                     |    |                  |
| 24 | State general fund/general purpose.....                | \$ | 99,878,800       |
| 25 | <b>(3) LEGISLATIVE COUNCIL</b>                         |    |                  |
| 26 | Legislative council.....                               | \$ | 11,981,200       |
| 27 | Legislative service bureau automated data processing . |    | 1,426,600        |

|    |                                                 |                     |
|----|-------------------------------------------------|---------------------|
| 1  | Criminal justice data collection and management |                     |
| 2  | program .....                                   | 1,500,000           |
| 3  | Worker's compensation.....                      | 151,400             |
| 4  | National association dues.....                  | 454,700             |
| 5  | Legislative corrections ombudsman.....          | <u>729,200</u>      |
| 6  | GROSS APPROPRIATION.....                        | \$ 16,243,100       |
| 7  | Appropriated from:                              |                     |
| 8  | Special revenue funds:                          |                     |
| 9  | Private - gifts and bequests revenues.....      | 400,000             |
| 10 | State general fund/general purpose.....         | \$ 15,843,100       |
| 11 | <b>(4) LEGISLATIVE RETIREMENT SYSTEM</b>        |                     |
| 12 | General nonretirement expenses.....             | \$ <u>4,962,800</u> |
| 13 | GROSS APPROPRIATION.....                        | \$ 4,962,800        |
| 14 | Appropriated from:                              |                     |
| 15 | Special revenue funds:                          |                     |
| 16 | Court fees.....                                 | 1,154,600           |
| 17 | State general fund/general purpose.....         | \$ 3,808,200        |
| 18 | <b>(5) PROPERTY MANAGEMENT</b>                  |                     |
| 19 | Cora Anderson building.....                     | \$ 11,426,700       |
| 20 | Farnum building and other properties.....       | <u>2,851,800</u>    |
| 21 | GROSS APPROPRIATION.....                        | \$ 14,278,500       |
| 22 | Appropriated from:                              |                     |
| 23 | State general fund/general purpose.....         | \$ 14,278,500       |
| 24 | <b>(6) STATE CAPITOL HISTORIC SITE</b>          |                     |
| 25 | General operations.....                         | \$ 4,269,200        |
| 26 | Restoration, renewal and maintenance.....       | <u>3,121,200</u>    |
| 27 | GROSS APPROPRIATION.....                        | \$ 7,390,400        |

|    |                                                       |                   |
|----|-------------------------------------------------------|-------------------|
| 1  | Appropriated from:                                    |                   |
| 2  | Special revenue funds:                                |                   |
| 3  | Capitol historic site fund.....                       | 3,121,200         |
| 4  | State general fund/general purpose.....               | \$ 4,269,200      |
| 5  | <b>(7) OFFICE OF THE AUDITOR GENERAL</b>              |                   |
| 6  | Unclassified positions.....                           | \$ 329,400        |
| 7  | Field operations.....                                 | <u>23,122,500</u> |
| 8  | GROSS APPROPRIATION.....                              | \$ 23,451,900     |
| 9  | Appropriated from:                                    |                   |
| 10 | Interdepartmental grant revenues:                     |                   |
| 11 | IDG from MDLARA, liquor purchase revolving fund.....  | 28,700            |
| 12 | IDG from MDHHS, human services.....                   | 30,600            |
| 13 | IDG from legislative retirement system.....           | 29,200            |
| 14 | IDG from MDOT, comprehensive transportation fund..... | 39,000            |
| 15 | IDG from MDOT, Michigan transportation fund.....      | 315,800           |
| 16 | IDG from MDOT, state aeronautics fund.....            | 30,300            |
| 17 | IDG from MDOT, state trunkline fund.....              | 733,500           |
| 18 | IDG, single audit act.....                            | 2,913,100         |
| 19 | IDG, commercial mobile radio system emergency         |                   |
| 20 | telephone fund .....                                  | 36,800            |
| 21 | IDG, contract audit administration fees.....          | 41,400            |
| 22 | IDG, deferred compensation funds.....                 | 54,400            |
| 23 | IDG, Michigan finance authority.....                  | 330,800           |
| 24 | IDG, Michigan economic development corporation.....   | 96,300            |
| 25 | IDG, Michigan education trust fund.....               | 70,800            |
| 26 | IDG, Michigan justice training commission fund.....   | 40,900            |
| 27 | IDG, Michigan strategic fund.....                     | 169,100           |



|    |                                                       |                |
|----|-------------------------------------------------------|----------------|
| 1  | IDG, office of retirement services.....               | 218,400        |
| 2  | IDG, other restricted funding sources.....            | 379,500        |
| 3  | Special revenue funds:                                |                |
| 4  | 21st century jobs fund.....                           | 96,300         |
| 5  | Brownfield development fund.....                      | 28,100         |
| 6  | Clean Michigan initiative implementation bond fund... | 54,500         |
| 7  | Game and fish protection fund.....                    | 31,300         |
| 8  | MDTMB, civil service commission.....                  | 166,200        |
| 9  | Michigan state housing development authority fees.... | 113,500        |
| 10 | Michigan veterans' trust fund.....                    | 35,500         |
| 11 | Motor transport revolving fund.....                   | 7,400          |
| 12 | Office services revolving fund.....                   | 10,000         |
| 13 | State disbursement unit, office of child support..... | 57,400         |
| 14 | State services fee fund.....                          | 1,357,900      |
| 15 | Waterways fund.....                                   | 11,300         |
| 16 | State general fund/general purpose.....               | \$ 15,923,900  |
| 17 | <b>Sec. 106. DEPARTMENT OF STATE</b>                  |                |
| 18 | <b>(1) APPROPRIATION SUMMARY</b>                      |                |
| 19 | Full-time equated unclassified positions..... 6.0     |                |
| 20 | Full-time equated classified positions..... 1,587.0   |                |
| 21 | GROSS APPROPRIATION.....                              | \$ 238,915,600 |
| 22 | Interdepartmental grant revenues:                     |                |
| 23 | Total interdepartmental grants and intradepartmental  |                |
| 24 | transfers .....                                       | 20,000,000     |
| 25 | ADJUSTED GROSS APPROPRIATION.....                     | \$ 218,915,600 |
| 26 | Federal revenues:                                     |                |

|    |                                                     |                  |
|----|-----------------------------------------------------|------------------|
| 1  | Total federal revenues.....                         | 1,460,000        |
| 2  | Special revenue funds:                              |                  |
| 3  | Total local revenues.....                           | 0                |
| 4  | Total private revenues.....                         | 100              |
| 5  | Total other state restricted revenues.....          | 190,345,900      |
| 6  | State general fund/general purpose.....             | \$ 27,109,600    |
| 7  | State general fund/general purpose schedule:        |                  |
| 8  | Ongoing state general fund/general                  |                  |
| 9  | purpose .....                                       | 17,109,600       |
| 10 | One-time state general fund/general                 |                  |
| 11 | purpose .....                                       | 10,000,000       |
| 12 | <b>(2) EXECUTIVE DIRECTION</b>                      |                  |
| 13 | Full-time equated classified positions.....         | 30.0             |
| 14 | Secretary of state.....                             | \$ 112,500       |
| 15 | Unclassified positions--5.0 FTE positions.....      | 628,800          |
| 16 | Operations--30.0 FTE positions.....                 | <u>4,567,200</u> |
| 17 | GROSS APPROPRIATION.....                            | \$ 5,308,500     |
| 18 | Appropriated from:                                  |                  |
| 19 | Special revenue funds:                              |                  |
| 20 | Auto repair facilities fees.....                    | 68,700           |
| 21 | Children's protection registry fund.....            | 270,700          |
| 22 | Driver fees.....                                    | 276,000          |
| 23 | Enhanced driver license and enhanced official state |                  |
| 24 | personal identification card fund.....              | 216,700          |
| 25 | Expedient service fees.....                         | 66,300           |
| 26 | Parking ticket court fines.....                     | 9,200            |
| 27 | Personal identification card fees.....              | 32,300           |

|    |                                                     |                      |
|----|-----------------------------------------------------|----------------------|
| 1  | Reinstatement fees - operator licenses .....        | 248,900              |
| 2  | Transportation administration collection fund ..... | 2,499,800            |
| 3  | Vehicle theft prevention fees .....                 | 40,400               |
| 4  | State general fund/general purpose .....            | \$ 1,579,500         |
| 5  | <b>(3) DEPARTMENT SERVICES</b>                      |                      |
| 6  | Full-time equated classified positions .....        | 117.0                |
| 7  | Operations--117.0 FTE positions .....               | \$ <u>25,315,100</u> |
| 8  | GROSS APPROPRIATION .....                           | \$ 25,315,100        |
| 9  | Appropriated from:                                  |                      |
| 10 | Special revenue funds:                              |                      |
| 11 | Abandoned vehicle fees .....                        | 481,100              |
| 12 | Driver fees .....                                   | 731,000              |
| 13 | Driver improvement course fund .....                | 308,600              |
| 14 | Enhanced driver license and enhanced official state |                      |
| 15 | personal identification card fund .....             | 329,400              |
| 16 | Expedient service fees .....                        | 273,600              |
| 17 | Marine safety fund .....                            | 85,200               |
| 18 | Personal identification card fees .....             | 193,700              |
| 19 | Reinstatement fees - operator licenses .....        | 537,700              |
| 20 | Scrap tire fund .....                               | 78,100               |
| 21 | Transportation administration collection fund ..... | 21,714,300           |
| 22 | State general fund/general purpose .....            | \$ 582,400           |
| 23 | <b>(4) LEGAL SERVICES</b>                           |                      |
| 24 | Full-time equated classified positions .....        | 83.0                 |
| 25 | Operations--83.0 FTE positions .....                | \$ <u>14,501,500</u> |
| 26 | GROSS APPROPRIATION .....                           | \$ 14,501,500        |
| 27 | Appropriated from:                                  |                      |

|    |                                                     |         |                |
|----|-----------------------------------------------------|---------|----------------|
| 1  | Special revenue funds:                              |         |                |
| 2  | Auto repair facilities fees.....                    |         | 3,363,800      |
| 3  | Driver education provider and instructor fund.....  |         | 25,400         |
| 4  | Driver fees.....                                    |         | 2,193,800      |
| 5  | Driver responsibility fees.....                     |         | 1,000,000      |
| 6  | Enhanced driver license and enhanced official state |         |                |
| 7  | personal identification card fund.....              |         | 504,900        |
| 8  | Personal identification card fees.....              |         | 61,700         |
| 9  | Reinstatement fees - operator licenses.....         |         | 1,463,900      |
| 10 | Transportation administration collection fund.....  |         | 4,311,100      |
| 11 | Vehicle theft prevention fees.....                  |         | 1,092,600      |
| 12 | State general fund/general purpose.....             | \$      | 484,300        |
| 13 | <b>(5) CUSTOMER DELIVERY SERVICES</b>               |         |                |
| 14 | Full-time equated classified positions.....         | 1,312.0 |                |
| 15 | Branch operations--922.0 FTE positions.....         | \$      | 85,709,100     |
| 16 | Central operations--388.0 FTE positions.....        |         | 50,115,300     |
| 17 | Motorcycle safety education administration--2.0 FTE |         |                |
| 18 | positions .....                                     |         | 335,500        |
| 19 | Motorcycle safety education grants.....             |         | 1,800,000      |
| 20 | Credit and debit assessment services.....           |         | 6,000,000      |
| 21 | Organ donor program.....                            |         | <u>129,100</u> |
| 22 | GROSS APPROPRIATION.....                            | \$      | 144,089,000    |
| 23 | Appropriated from:                                  |         |                |
| 24 | Interdepartmental grant revenues:                   |         |                |
| 25 | IDG from MDOT, Michigan transportation fund.....    |         | 20,000,000     |
| 26 | Federal revenues:                                   |         |                |
| 27 | Federal funds.....                                  |         | 1,460,000      |

|    |                                                     |              |
|----|-----------------------------------------------------|--------------|
| 1  | Special revenue funds:                              |              |
| 2  | Private funds.....                                  | 100          |
| 3  | Abandoned vehicle fees.....                         | 204,500      |
| 4  | Auto repair facilities fees.....                    | 910,400      |
| 5  | Child support clearance fees.....                   | 363,600      |
| 6  | Credit and debit assessment service fees.....       | 6,000,000    |
| 7  | Driver education provider and instructor fund.....  | 49,600       |
| 8  | Driver fees.....                                    | 25,355,100   |
| 9  | Driver improvement course fund.....                 | 1,246,200    |
| 10 | Enhanced driver license and enhanced official state |              |
| 11 | personal identification card fund.....              | 9,021,200    |
| 12 | Expedient service fees.....                         | 2,603,600    |
| 13 | Marine safety fund.....                             | 1,420,400    |
| 14 | Michigan state police auto theft fund.....          | 123,700      |
| 15 | Mobile home commission fees.....                    | 507,500      |
| 16 | Motorcycle safety fund.....                         | 1,835,500    |
| 17 | Off-road vehicle title fees.....                    | 170,400      |
| 18 | Parking ticket court fines.....                     | 1,629,800    |
| 19 | Personal identification card fees.....              | 2,319,700    |
| 20 | Recreation passport fee.....                        | 1,000,000    |
| 21 | Reinstatement fees - operator licenses.....         | 2,358,000    |
| 22 | Snowmobile registration fee revenue.....            | 390,000      |
| 23 | Thomas Daley gift of life fund.....                 | 50,000       |
| 24 | Transportation administration collection fund.....  | 60,920,300   |
| 25 | Vehicle theft prevention fees.....                  | 742,200      |
| 26 | State general fund/general purpose.....             | \$ 3,407,200 |
| 27 | <b>(6) ELECTION REGULATION</b>                      |              |

|    |                                                     |      |                      |
|----|-----------------------------------------------------|------|----------------------|
| 1  | Full-time equated classified positions.....         | 45.0 |                      |
| 2  | Election administration and services--45.0 FTE      |      |                      |
| 3  | positions .....                                     |      | \$ 7,169,100         |
| 4  | County clerk education and training fund.....       |      | 100,000              |
| 5  | Fees to local units.....                            |      | <u>109,800</u>       |
| 6  | GROSS APPROPRIATION.....                            |      | \$ 7,378,900         |
| 7  | Appropriated from:                                  |      |                      |
| 8  | Special revenue funds:                              |      |                      |
| 9  | Notary education and training fund.....             |      | 100,000              |
| 10 | Notary fee fund.....                                |      | 343,500              |
| 11 | State general fund/general purpose.....             |      | \$ 6,935,400         |
| 12 | <b>(7) DEPARTMENTWIDE APPROPRIATIONS</b>            |      |                      |
| 13 | Building occupancy charges/rent.....                |      | \$ 9,792,000         |
| 14 | Worker's compensation.....                          |      | <u>254,400</u>       |
| 15 | GROSS APPROPRIATION.....                            |      | \$ 10,046,400        |
| 16 | Appropriated from:                                  |      |                      |
| 17 | Special revenue funds:                              |      |                      |
| 18 | Auto repair facilities fees.....                    |      | 133,200              |
| 19 | Driver fees.....                                    |      | 708,800              |
| 20 | Enhanced driver license and enhanced official state |      |                      |
| 21 | personal identification card fund.....              |      | 326,000              |
| 22 | Parking ticket court fines.....                     |      | 441,500              |
| 23 | Transportation administration collection fund.....  |      | 5,904,200            |
| 24 | State general fund/general purpose.....             |      | \$ 2,532,700         |
| 25 | <b>(8) INFORMATION TECHNOLOGY</b>                   |      |                      |
| 26 | Information technology services and projects.....   |      | \$ <u>22,276,200</u> |
| 27 | GROSS APPROPRIATION.....                            |      | \$ 22,276,200        |

## Senate Bill No. 800 as amended May 4, 2016

|    |                                                     |                      |
|----|-----------------------------------------------------|----------------------|
| 1  | Appropriated from:                                  |                      |
| 2  | Special revenue funds:                              |                      |
| 3  | Administrative order processing fee.....            | 11,700               |
| 4  | Auto repair facilities fees.....                    | 129,300              |
| 5  | Driver fees.....                                    | 787,400              |
| 6  | Enhanced driver license and enhanced official state |                      |
| 7  | personal identification card fund.....              | 327,500              |
| 8  | Expedient service fees.....                         | 1,085,100            |
| 9  | Parking ticket court fines.....                     | 89,000               |
| 10 | Personal identification card fees.....              | 173,300              |
| 11 | Reinstatement fees - operator licenses.....         | 592,300              |
| 12 | Transportation administration collection fund.....  | 17,311,500           |
| 13 | Vehicle theft prevention fees.....                  | 181,000              |
| 14 | State general fund/general purpose.....             | \$ 1,588,100         |
| 15 | <b>(9) ONE-TIME BASIS ONLY APPROPRIATIONS</b>       |                      |
| 16 | Election administration and services.....           | \$ <u>10,000,000</u> |
| 17 | GROSS APPROPRIATION.....                            | \$ 10,000,000        |
| 18 | Appropriated from:                                  |                      |
| 19 | Special revenue funds:                              |                      |
| 20 | State general fund/general purpose.....             | \$ 10,000,000        |

21 **Sec. 107. DEPARTMENT OF TALENT AND ECONOMIC**  
 22 **DEVELOPMENT**

23 **(1) APPROPRIATION SUMMARY**

|    |                                               |                      |
|----|-----------------------------------------------|----------------------|
| 24 | Full-time equated unclassified positions..... | 6.0                  |
| 25 | Full-time equated classified positions.....   | 1,609.0              |
| 26 | GROSS APPROPRIATION.....                      | \$ <<1,141,680,500>> |

## Senate Bill No. 800 as amended May 4, 2016

|    |                                                        |                      |
|----|--------------------------------------------------------|----------------------|
| 1  | Interdepartmental grant revenues:                      |                      |
| 2  | Total interdepartmental grants and intradepartmental   |                      |
| 3  | transfers .....                                        | 0                    |
| 4  | ADJUSTED GROSS APPROPRIATION .....                     | \$ <<1,141,680,500>> |
| 5  | Federal revenues:                                      |                      |
| 6  | Total federal revenues .....                           | 773,944,800          |
| 7  | Special revenue funds:                                 |                      |
| 8  | Total local revenues .....                             | 500,000              |
| 9  | Total private revenues .....                           | 5,619,000            |
| 10 | Total other state restricted revenues .....            | 192,341,600          |
| 11 | State general fund/general purpose .....               | \$ <<169,275,100>>   |
| 12 | State general fund/general purpose schedule:           |                      |
| 13 | Ongoing state general fund/general                     |                      |
| 14 | purpose .....                                          | <<16,386,200>>       |
| 15 | One-time state general fund/general                    |                      |
| 16 | purpose .....                                          | 17,386,100           |
| 17 | <b>(2) EXECUTIVE DIRECTION</b>                         |                      |
| 18 | Full-time equated unclassified positions .....         | 6.0                  |
| 19 | Full-time equated classified positions .....           | 1.0                  |
| 20 | Unclassified positions--6.0 FTE positions .....        | \$ 897,400           |
| 21 | Executive direction and operations--1.0 FTE position . | <u>812,900</u>       |
| 22 | GROSS APPROPRIATION .....                              | \$ 1,710,300         |
| 23 | Appropriated from:                                     |                      |
| 24 | Federal revenues:                                      |                      |
| 25 | DOL, federal funds .....                               | 247,600              |
| 26 | DOL, unemployment insurance .....                      | 931,600              |
| 27 | Special revenue funds:                                 |                      |



|    |                                                        |                  |
|----|--------------------------------------------------------|------------------|
| 1  | Michigan state housing development authority fees      |                  |
| 2  | and charges .....                                      | 400,800          |
| 3  | State general fund/general purpose .....               | \$ 130,300       |
| 4  | <b>(3) MICHIGAN STRATEGIC FUND</b>                     |                  |
| 5  | Full-time equated classified positions.....            | 194.0            |
| 6  | Administrative services--34.0 FTE positions .....      | \$ 5,743,600     |
| 7  | Job creation services--160.0 FTE positions .....       | 22,198,400       |
| 8  | Pure Michigan.....                                     | 34,000,000       |
| 9  | Entrepreneurship ecosystem.....                        | 19,400,000       |
| 10 | Business attraction and community revitalization ..... | 102,500,000      |
| 11 | Community development block grants .....               | 47,000,000       |
| 12 | Arts and cultural program.....                         | 10,150,000       |
| 13 | Community college skilled trades equipment program...  | 4,600,000        |
| 14 | Facility for rare isotope beams .....                  | <u>7,300,000</u> |
| 15 | GROSS APPROPRIATION.....                               | \$ 252,892,000   |
| 16 | Appropriated from:                                     |                  |
| 17 | Federal revenues:                                      |                  |
| 18 | DOL, unemployment insurance .....                      | 287,000          |
| 19 | DOL, federal funds .....                               | 2,326,300        |
| 20 | NFAH-NEA, promotion of the arts, partnership           |                  |
| 21 | agreements .....                                       | 1,050,000        |
| 22 | HUD-CPD, community development block grant .....       | 49,773,300       |
| 23 | Special revenue funds:                                 |                  |
| 24 | Private - special project advances .....               | 250,000          |
| 25 | Private - Michigan council for the arts fund .....     | 100,000          |
| 26 | Industry support fees .....                            | 5,500            |
| 27 | Michigan promotion fund .....                          | 400,000          |

|    |                                                       |                   |
|----|-------------------------------------------------------|-------------------|
| 1  | MSHDA fees and charges.....                           | 4,609,000         |
| 2  | 21st century jobs trust fund.....                     | 75,000,000        |
| 3  | State general fund/general purpose.....               | \$ 119,090,900    |
| 4  | <b>(4) TALENT INVESTMENT AGENCY</b>                   |                   |
| 5  | Full-time equated classified positions.....           | 1,092.0           |
| 6  | Executive direction--7.0 FTE positions.....           | \$ 1,175,600      |
| 7  | Work opportunity program.....                         | 500,000           |
| 8  | Community ventures--7.0 FTE positions.....            | 9,800,000         |
| 9  | Workforce program administration--225.0 FTE positions | 33,169,900        |
| 10 | Workforce development programs.....                   | 387,022,900       |
| 11 | Skilled trades training program.....                  | 35,600,000        |
| 12 | Unemployment insurance agency--853.0 FTE positions... | 139,065,500       |
| 13 | Information technology services and projects.....     | <u>22,501,000</u> |
| 14 | GROSS APPROPRIATION.....                              | \$ 628,834,900    |
| 15 | Appropriated from:                                    |                   |
| 16 | Federal revenues:                                     |                   |
| 17 | DOL-ETA unemployment insurance.....                   | 139,457,500       |
| 18 | DAG, employment and training.....                     | 3,499,400         |
| 19 | DED-OESE, GEAR-UP.....                                | 4,730,700         |
| 20 | DED-OVAE, adult education.....                        | 20,000,000        |
| 21 | DED-OVAE, basic grants to states.....                 | 19,000,000        |
| 22 | DOL-ETA, workforce investment act.....                | 173,988,600       |
| 23 | DOL, federal funds.....                               | 109,353,800       |
| 24 | Federal funds.....                                    | 5,940,200         |
| 25 | Social security act, temporary assistance to needy    |                   |
| 26 | families .....                                        | 70,698,800        |
| 27 | Special revenue funds:                                |                   |

|    |                                                         |                     |
|----|---------------------------------------------------------|---------------------|
| 1  | Local revenues.....                                     | 500,000             |
| 2  | Private funds.....                                      | 5,269,000           |
| 3  | Contingent fund, penalty and interest.....              | 46,535,300          |
| 4  | Default loan collection.....                            | 152,500             |
| 5  | State general fund/general purpose.....                 | \$ 29,709,100       |
| 6  | <b>(5) LAND BANK FAST TRACK AUTHORITY</b>               |                     |
| 7  | Full-time equated classified positions.....             | 6.0                 |
| 8  | Land bank fast track authority--6.0 FTE positions....   | \$ <u>5,256,400</u> |
| 9  | GROSS APPROPRIATION.....                                | \$ 5,256,400        |
| 10 | Appropriated from:                                      |                     |
| 11 | Federal revenues:                                       |                     |
| 12 | Federal funds.....                                      | 1,000,000           |
| 13 | Special revenue funds:                                  |                     |
| 14 | Land bank fast track fund.....                          | 297,800             |
| 15 | State general fund/general purpose.....                 | \$ 3,958,600        |
| 16 | <b>(6) MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY</b> |                     |
| 17 | Full-time equated classified positions.....             | 316.0               |
| 18 | Payments on behalf of tenants.....                      | \$ 166,860,000      |
| 19 | Housing and rental assistance--316.0 FTE positions...   | 51,248,200          |
| 20 | Lighthouse preservation program.....                    | 307,500             |
| 21 | Rent and administrative support.....                    | 3,721,000           |
| 22 | Michigan state housing development authority            |                     |
| 23 | technology services and projects.....                   | <u>3,585,500</u>    |
| 24 | GROSS APPROPRIATION.....                                | \$ 225,722,200      |
| 25 | Appropriated from:                                      |                     |
| 26 | Federal revenues:                                       |                     |
| 27 | HUD, lower income housing assistance.....               | 166,860,000         |

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1 Special revenue funds:  
 2 Michigan state housing development authority fees  
 3 and charges ..... 58,554,700  
 4 Michigan lighthouse preservation fund..... 307,500  
 5 State general fund/general purpose..... \$ 0  
 6 **(7) ONE-TIME BASIS ONLY APPROPRIATIONS**  
 7 Business attraction and community revitalization..... \$ 13,000,000  
 8 Community ventures - challenge match..... 1,000,000  
 9 Statewide data system integration..... 8,778,500  
 10 Special grants..... <<4,486,000>>  
 11 Smart zone grant..... 100  
 12 <<Kalamazoo valley community college - healthy  
 living campus ..... 100>>  
 12 GROSS APPROPRIATION..... \$ <<27,264,700>>  
 13 Appropriated from:  
 14 Federal revenues:  
 15 Federal funds..... 4,800,000  
 16 Special revenue funds:  
 17 State restricted funds..... 6,078,500  
 18 State general fund/general purpose..... \$ <<16,386,200>>  
 19 **Sec. 108. DEPARTMENT OF TECHNOLOGY, MANAGEMENT, AND**  
 20 **BUDGET**  
 21 **(1) APPROPRIATION SUMMARY**  
 22 Full-time equated unclassified positions..... 6.0  
 23 Full-time equated classified positions..... 2,862.0  
 24 GROSS APPROPRIATION..... \$ <<1,316,141,200>>  
 25 Interdepartmental grant revenues:  
 26 Total interdepartmental grants and intradepartmental

## Senate Bill No. 800 as amended May 4, 2016

|    |                                                       |                    |
|----|-------------------------------------------------------|--------------------|
| 1  | transfers .....                                       | 694,054,100        |
| 2  | ADJUSTED GROSS APPROPRIATION.....                     | \$ <<622,087,200>> |
| 3  | Federal revenues:                                     |                    |
| 4  | Total federal revenues.....                           | 4,958,200          |
| 5  | Special revenue funds:                                |                    |
| 6  | Total local revenues.....                             | 2,320,000          |
| 7  | Total private revenues.....                           | 0                  |
| 8  | Total other state restricted revenues.....            | 114,340,800        |
| 9  | State general fund/general purpose.....               | \$ <<500,468,200>> |
| 10 | State general fund/general purpose schedule:          |                    |
| 11 | Ongoing state general fund/general                    |                    |
| 12 | purpose .....                                         | 470,968,100        |
| 13 | One-time state general fund/general                   |                    |
| 14 | purpose .....                                         | 29,500,000         |
| 15 | <b>(2) EXECUTIVE DIRECTION</b>                        |                    |
| 16 | Full-time equated unclassified positions.....         | 6.0                |
| 17 | Full-time equated classified positions.....           | 12.0               |
| 18 | Unclassified positions--6.0 FTE positions.....        | \$ 1,001,400       |
| 19 | Executive operations--12.0 FTE positions.....         | <u>2,376,000</u>   |
| 20 | GROSS APPROPRIATION.....                              | \$ 3,377,400       |
| 21 | Appropriated from:                                    |                    |
| 22 | Interdepartmental grant revenues:                     |                    |
| 23 | IDG from building occupancy and parking charges ..... | 249,700            |
| 24 | IDG from technology user fees.....                    | 2,074,400          |
| 25 | Special revenue funds:                                |                    |
| 26 | Special revenue, internal service, and pension trust  |                    |
| 27 | funds .....                                           | 289,200            |

|    |                                                        |       |                  |
|----|--------------------------------------------------------|-------|------------------|
| 1  | State general fund/general purpose .....               | \$    | 764,100          |
| 2  | <b>(3) DEPARTMENT SERVICES</b>                         |       |                  |
| 3  | Full-time equated classified positions.....            | 720.5 |                  |
| 4  | Administrative services--138.5 FTE positions .....     | \$    | 20,389,400       |
| 5  | Budget and financial management--135.0 FTE positions . |       | 17,913,100       |
| 6  | Office of the state employer--23.0 FTE positions ..... |       | 3,417,300        |
| 7  | Design and construction services--40.0 FTE positions . |       | 6,477,000        |
| 8  | Business support services--97.0 FTE positions .....    |       | 11,469,600       |
| 9  | Building operation services--210.0 FTE positions ..... |       | 92,416,200       |
| 10 | Building occupancy charges, rent, and utilities .....  |       | 7,494,200        |
| 11 | Motor vehicle fleet--35.0 FTE positions .....          |       | 74,260,100       |
| 12 | Information technology services and projects .....     |       | 32,630,500       |
| 13 | Bureau of labor market information and                 |       |                  |
| 14 | strategies--42.0 FTE positions.....                    |       | <u>5,475,100</u> |
| 15 | GROSS APPROPRIATION.....                               | \$    | 271,942,500      |
| 16 | Appropriated from:                                     |       |                  |
| 17 | Interdepartmental grant revenues:                      |       |                  |
| 18 | IDG from accounting service centers user charges ..... |       | 2,698,000        |
| 19 | IDG from building occupancy and parking charges .....  |       | 94,647,900       |
| 20 | IDG from MDLARA.....                                   |       | 100,000          |
| 21 | IDG from motor transport fund.....                     |       | 74,260,100       |
| 22 | IDG from MDHHS, community health.....                  |       | 484,500          |
| 23 | IDG from MDHHS, human services.....                    |       | 215,400          |
| 24 | IDG from user fees.....                                |       | 6,754,000        |
| 25 | IDG from technology user fees.....                     |       | 7,658,600        |
| 26 | Federal revenues:                                      |       |                  |
| 27 | Federal funds.....                                     |       | 4,958,200        |

|    |                                                        |                  |  |
|----|--------------------------------------------------------|------------------|--|
| 1  | Special revenue funds:                                 |                  |  |
| 2  | Local - MPSCS subscriber and maintenance fees .....    | 61,700           |  |
| 3  | Local revenues .....                                   | 35,000           |  |
| 4  | Deferred compensation .....                            | 2,600            |  |
| 5  | Health management funds .....                          | 2,257,200        |  |
| 6  | MAIN user charges .....                                | 4,337,600        |  |
| 7  | Pension trust funds .....                              | 10,082,000       |  |
| 8  | Special revenue, internal service, and pension trust   |                  |  |
| 9  | funds .....                                            | 17,168,300       |  |
| 10 | Other agency charges .....                             | 1,178,700        |  |
| 11 | State restricted indirect funds .....                  | 3,392,200        |  |
| 12 | State general fund/general purpose .....               | \$ 41,650,500    |  |
| 13 | <b>(4) TECHNOLOGY SERVICES</b>                         |                  |  |
| 14 | Full-time equated classified positions .....           | 1,487.5          |  |
| 15 | Education services--29.0 FTE positions .....           | \$ 4,106,500     |  |
| 16 | Health and human services--617.5 FTE positions .....   | 291,972,300      |  |
| 17 | Public protection--154.5 FTE positions .....           | 55,832,600       |  |
| 18 | Resources services--146.5 FTE positions .....          | 20,283,500       |  |
| 19 | Transportation services--89.5 FTE positions .....      | 31,739,300       |  |
| 20 | General services--331.5 FTE positions .....            | 98,027,300       |  |
| 21 | Enterprisewide information technology investments .... | 65,000,000       |  |
| 22 | Homeland security initiative/cyber security--13.0      |                  |  |
| 23 | FTE positions .....                                    | 14,118,200       |  |
| 24 | Michigan public safety communications system--100.0    |                  |  |
| 25 | FTE positions .....                                    | 40,094,800       |  |
| 26 | Enterprise identity management--6.0 FTE positions .... | <u>6,700,000</u> |  |
| 27 | GROSS APPROPRIATION .....                              | \$ 627,874,500   |  |

## Senate Bill No. 800 as amended May 4, 2016

|    |                                                        |                    |
|----|--------------------------------------------------------|--------------------|
| 1  | Appropriated from:                                     |                    |
| 2  | Interdepartmental grant revenues:                      |                    |
| 3  | IDG from technology user fees .....                    | 501,961,500        |
| 4  | Special revenue funds:                                 |                    |
| 5  | Local - MPSCS subscriber and maintenance fees .....    | 2,223,300          |
| 6  | State general fund/general purpose .....               | \$ 123,689,700     |
| 7  | <b>(5) STATEWIDE APPROPRIATIONS</b>                    |                    |
| 8  | Professional development fund - NERES .....            | \$ 250,000         |
| 9  | Professional development fund - UAW .....              | <u>700,000</u>     |
| 10 | GROSS APPROPRIATION .....                              | \$ 950,000         |
| 11 | Appropriated from:                                     |                    |
| 12 | Interdepartmental grant revenues:                      |                    |
| 13 | IDG from employer contributions .....                  | 950,000            |
| 14 | State general fund/general purpose .....               | \$ 0               |
| 15 | <b>(6) SPECIAL PROGRAMS</b>                            |                    |
| 16 | Full-time equated classified positions .....           | 192.0              |
| 17 | Building occupancy charges - property management       |                    |
| 18 | services for executive/legislative building            |                    |
| 19 | occupancy .....                                        | \$ 1,154,500       |
| 20 | Retirement services--167.0 FTE positions .....         | 28,724,900         |
| 21 | Public safety officers survivor benefits program ..... | 58,000             |
| 22 | Office of children's ombudsman--14.0 FTE positions ... | 1,801,600          |
| 23 | Public private partnership .....                       | 1,500,000          |
| 24 | School reform office operations--11.0 FTE              |                    |
| 25 | positions .....                                        | 2,318,300          |
| 26 | Regional property grants .....                         | 100                |
| 27 | <<Office of urban initiatives .....                    | <u>100&gt;&gt;</u> |
|    | GROSS APPROPRIATION .....                              | \$ <<35,557,500>>  |



## Senate Bill No. 800 as amended May 4, 2016

|    |                                                       |                   |                |
|----|-------------------------------------------------------|-------------------|----------------|
| 1  | Appropriated from:                                    |                   |                |
| 2  | Special revenue funds:                                |                   |                |
| 3  | Deferred compensation.....                            | 2,800,000         |                |
| 4  | Pension trust funds.....                              | 20,548,100        |                |
| 5  | Public private partnership investment fund.....       | 1,500,000         |                |
| 6  | State general fund/general purpose.....               | \$                | <<10,709,400>> |
| 7  | <b>(7) STATE BUILDING AUTHORITY RENT</b>              |                   |                |
| 8  | State building authority rent - state agencies.....   | \$                | 49,665,800     |
| 9  | State building authority rent - department of         |                   |                |
| 10 | corrections .....                                     | 21,029,900        |                |
| 11 | State building authority rent - universities.....     | 144,995,300       |                |
| 12 | State building authority rent - community colleges... | <u>30,879,600</u> |                |
| 13 | GROSS APPROPRIATION.....                              | \$                | 246,570,600    |
| 14 | Appropriated from:                                    |                   |                |
| 15 | State general fund/general purpose.....               | \$                | 246,570,600    |
| 16 | <b>(8) CIVIL SERVICE COMMISSION</b>                   |                   |                |
| 17 | Full-time equated classified positions.....           | 450.0             |                |
| 18 | Agency services--74.0 FTE positions.....              | \$                | 13,103,100     |
| 19 | Executive direction--40.0 FTE positions.....          | 8,894,300         |                |
| 20 | Employee benefits--16.0 FTE positions.....            | 5,704,000         |                |
| 21 | Human resources operations--320.0 FTE positions.....  | 38,463,100        |                |
| 22 | Information technology services and projects.....     | <u>3,354,300</u>  |                |
| 23 | GROSS APPROPRIATION.....                              | \$                | 69,518,800     |
| 24 | Appropriated from:                                    |                   |                |
| 25 | Interdepartmental grant revenues:                     |                   |                |
| 26 | Federal revenues:                                     |                   |                |
| 27 | Special revenue funds:                                |                   |                |

|    |                                                      |                   |
|----|------------------------------------------------------|-------------------|
| 1  | State restricted funds 1%.....                       | 30,702,500        |
| 2  | State restricted indirect funds.....                 | 8,592,200         |
| 3  | State sponsored group insurance.....                 | 8,640,200         |
| 4  | State general fund/general purpose.....              | \$ 21,583,900     |
| 5  | <b>(9) CAPITAL OUTLAY</b>                            |                   |
| 6  | Major special maintenance, remodeling, and additions |                   |
| 7  | for state agencies .....                             | \$ 2,000,000      |
| 8  | Enterprisewide special maintenance for state         |                   |
| 9  | facilities .....                                     | <u>26,000,000</u> |
| 10 | GROSS APPROPRIATION.....                             | \$ 28,000,000     |
| 11 | Appropriated from:                                   |                   |
| 12 | Interdepartmental grant revenues:                    |                   |
| 13 | IDG from building occupancy charges.....             | 2,000,000         |
| 14 | State general fund/general purpose.....              | \$ 26,000,000     |
| 15 | <b>(10) ONE-TIME BASIS ONLY APPROPRIATIONS</b>       |                   |
| 16 | Capitol area reconfiguration project.....            | \$ 7,500,000      |
| 17 | ITIF one-time augmentation.....                      | 7,000,000         |
| 18 | Enterprisewide special maintenance for state         |                   |
| 19 | facilities .....                                     | 10,000,000        |
| 20 | ORS IT modernization and enterprise mandates .....   | 2,850,000         |
| 21 | Legal services.....                                  | <u>5,000,000</u>  |
| 22 | GROSS APPROPRIATION.....                             | \$ 32,350,000     |
| 23 | Appropriated from:                                   |                   |
| 24 | Special revenue funds:                               |                   |
| 25 | Pension trust funds.....                             | 2,850,000         |
| 26 | State general fund/general purpose.....              | \$ 29,500,000     |

## Senate Bill No. 800 as amended May 4, 2016

1     **Sec. 109. DEPARTMENT OF TREASURY**

2     **(1) APPROPRIATION SUMMARY**

3     Full-time equated unclassified positions..... 10.0

4     Full-time equated classified positions..... 1,906.5

5     GROSS APPROPRIATION..... \$ <<1,911,933,900>>

6     Interdepartmental grant revenues:

7     Total interdepartmental grants and intradepartmental

8     transfers ..... 11,262,300

9     ADJUSTED GROSS APPROPRIATION..... \$ <<1,900,731,600>>

10    Federal revenues:

11    Total federal revenue..... 39,920,800

12    Special revenue funds:

13    Total local revenues..... 9,201,000

14    Total private revenues..... 26,700

15    Total other state restricted revenues..... 1,615,890,800

16    State general fund/general purpose..... \$ <<235,692,300>>

17    State general fund/general purpose schedule:

18    Ongoing state general fund/general

19    purpose ..... <<231,603,400>>

20    One-time state general fund/general

21    purpose ..... 4,088,900

22    **(2) EXECUTIVE DIRECTION**

23    Full-time equated unclassified positions..... 10.0

24    Full-time equated classified positions..... 52.0

25    Unclassified positions--10.0 FTE positions..... \$ 995,500

26    Executive direction and operations--52.0 FTE positions     9,328,400

27    GROSS APPROPRIATION..... \$ 10,323,900

## Senate Bill No. 800 as amended May 4, 2016

|    |                                                        |                   |  |
|----|--------------------------------------------------------|-------------------|--|
| 1  | Appropriated from:                                     |                   |  |
| 2  | Federal revenues:                                      |                   |  |
| 3  | DED-OPSE, federal lenders allowance .....              | 20,000            |  |
| 4  | DED-OPSE, higher education act of 1965, insured loans  | 45,000            |  |
| 5  | Special revenue funds:                                 |                   |  |
| 6  | Local - city income tax fund .....                     | 101,900           |  |
| 7  | Delinquent tax collection revenue .....                | 2,159,800         |  |
| 8  | State lottery fund .....                               | 288,700           |  |
| 9  | State services fee fund .....                          | 328,200           |  |
| 10 | State general fund/general purpose .....               | \$ 7,380,300      |  |
| 11 | <b>(3) LOCAL GOVERNMENT PROGRAMS</b>                   |                   |  |
| 12 | Full-time equated classified positions .....           | 111.0             |  |
| 13 | Supervision of the general property tax law--86.0      |                   |  |
| 14 | FTE positions .....                                    | \$ 14,590,200     |  |
| 15 | Property tax assessor training--4.0 FTE positions .... | 1,040,400         |  |
| 16 | Local finance--21.0 FTE positions .....                | 2,607,000         |  |
| 17 | <<Financial data analytical tool reimbursement .....   | 100>>             |  |
| 17 | GROSS APPROPRIATION .....                              | \$ <<18,237,700>> |  |
| 18 | Appropriated from:                                     |                   |  |
| 19 | Special revenue funds:                                 |                   |  |
| 20 | Local - assessor training fees .....                   | 1,040,400         |  |
| 21 | Local - audit charges .....                            | 825,800           |  |
| 22 | Local - equalization study chargebacks .....           | 40,000            |  |
| 23 | Local - revenue from local government .....            | 100,000           |  |
| 24 | Delinquent tax collection revenue .....                | 1,514,700         |  |
| 25 | Land reutilization fund .....                          | 2,044,000         |  |
| 26 | Municipal finance fees .....                           | 544,900           |  |
| 27 | State general fund/general purpose .....               | \$ <<12,127,900>> |  |

|    |                                                       |    |                  |
|----|-------------------------------------------------------|----|------------------|
| 1  | <b>(4) DEPARTMENTWIDE APPROPRIATIONS</b>              |    |                  |
| 2  | Rent and building occupancy charges - property        |    |                  |
| 3  | management services .....                             | \$ | 6,047,400        |
| 4  | Worker's compensation insurance premium.....          |    | <u>36,400</u>    |
| 5  | GROSS APPROPRIATION.....                              | \$ | 6,083,800        |
| 6  | Appropriated from:                                    |    |                  |
| 7  | Special revenue funds:                                |    |                  |
| 8  | Delinquent tax collection revenue.....                |    | 2,890,600        |
| 9  | State general fund/general purpose.....               | \$ | 3,193,200        |
| 10 | <b>(5) TAX PROGRAMS</b>                               |    |                  |
| 11 | Full-time equated classified positions.....           |    | 774.0            |
| 12 | Tax compliance--340.0 FTE positions.....              | \$ | 45,075,300       |
| 13 | Tax and economic policy--75.0 FTE positions.....      |    | 11,570,600       |
| 14 | Tax processing--331.0 FTE positions.....              |    | 37,376,900       |
| 15 | Health insurance claims fund--15.0 FTE positions..... |    | 2,070,500        |
| 16 | Home heating assistance.....                          |    | 3,086,200        |
| 17 | Bottle act implementation.....                        |    | 250,000          |
| 18 | Tobacco tax enforcement--13.0 FTE positions.....      |    | <u>1,509,100</u> |
| 19 | GROSS APPROPRIATION.....                              | \$ | 100,938,600      |
| 20 | Appropriated from:                                    |    |                  |
| 21 | Interdepartmental grant revenues:                     |    |                  |
| 22 | IDG from MDOT, Michigan transportation fund.....      |    | 2,284,100        |
| 23 | IDG from MDOT, state aeronautics fund.....            |    | 72,200           |
| 24 | Federal revenues:                                     |    |                  |
| 25 | HHS-SSA, low-income energy assistance.....            |    | 3,086,200        |
| 26 | Special revenue funds:                                |    |                  |
| 27 | Bottle deposit fund.....                              |    | 250,000          |

|    |                                                       |                  |
|----|-------------------------------------------------------|------------------|
| 1  | Delinquent tax collection revenue.....                | 70,557,200       |
| 2  | Emergency 911 fund.....                               | 158,700          |
| 3  | Health insurance claims assessment fund.....          | 2,070,500        |
| 4  | Tobacco tax revenue.....                              | 4,109,300        |
| 5  | Waterways fund.....                                   | 107,100          |
| 6  | State general fund/general purpose.....               | \$ 18,243,300    |
| 7  | <b>(6) FINANCIAL AND ADMINISTRATIVE SERVICES</b>      |                  |
| 8  | Full-time equated classified positions.....           | 381.0            |
| 9  | Departmental services--88.0 FTE positions.....        | \$ 9,180,500     |
| 10 | Unclaimed property--29.0 FTE positions.....           | 4,835,300        |
| 11 | Office of collections--202.0 FTE positions.....       | 26,255,100       |
| 12 | Office of accounting services--24.0 FTE positions.... | 2,491,400        |
| 13 | Office of financial services--38.0 FTE positions..... | <u>4,478,500</u> |
| 14 | GROSS APPROPRIATION.....                              | \$ 47,240,800    |
| 15 | Appropriated from:                                    |                  |
| 16 | Interdepartmental grant revenues:                     |                  |
| 17 | IDG from accounting service center user charges.....  | 494,500          |
| 18 | IDG from MDHHS, human, title IV-D.....                | 776,000          |
| 19 | IDG, levy/warrant cost assessment fees.....           | 2,335,000        |
| 20 | IDG, state agency collection fees.....                | 4,353,400        |
| 21 | IDG, data/collection services fees.....               | 336,600          |
| 22 | Special revenue funds:                                |                  |
| 23 | Delinquent tax collection revenue.....                | 27,387,100       |
| 24 | Escheats revenue.....                                 | 4,835,300        |
| 25 | Garnishment fees.....                                 | 2,638,600        |
| 26 | Justice system fund.....                              | 428,100          |
| 27 | State restricted indirect funds.....                  | 278,600          |

|    |                                                        |                  |
|----|--------------------------------------------------------|------------------|
| 1  | Treasury fees.....                                     | 47,200           |
| 2  | State general fund/general purpose.....                | \$ 3,330,400     |
| 3  | <b>(7) FINANCIAL PROGRAMS</b>                          |                  |
| 4  | Full-time equated classified positions..... 210.5      |                  |
| 5  | Investments--82.0 FTE positions.....                   | \$ 20,594,200    |
| 6  | John R. Justice grant program.....                     | 288,100          |
| 7  | Common cash and debt management--21.5 FTE positions .. | 1,666,200        |
| 8  | Dual enrollment payments.....                          | 1,507,600        |
| 9  | Student financial assistance programs--25.5 FTE        |                  |
| 10 | positions .....                                        | 2,683,300        |
| 11 | Michigan finance authority - bond finance              |                  |
| 12 | programs--72.5 FTE positions .....                     | 38,856,600       |
| 13 | Financial independence team--9.0 FTE positions .....   | <u>3,729,500</u> |
| 14 | GROSS APPROPRIATION.....                               | \$ 69,325,500    |
| 15 | Appropriated from:                                     |                  |
| 16 | Interdepartmental grant revenues:                      |                  |
| 17 | IDG, fiscal agent service fees.....                    | 210,500          |
| 18 | Federal revenues:                                      |                  |
| 19 | DED-OPSE, federal lenders allowance.....               | 10,686,100       |
| 20 | DED-OPSE, higher education act of 1965, insured loans  | 25,169,600       |
| 21 | Federal - John R. Justice grant.....                   | 288,100          |
| 22 | Special revenue funds:                                 |                  |
| 23 | Defined contribution administrative fee revenue .....  | 100,000          |
| 24 | MFA, bond and loan program revenue.....                | 2,944,600        |
| 25 | Michigan merit award trust fund.....                   | 1,163,800        |
| 26 | Retirement funds.....                                  | 19,016,000       |
| 27 | School bond fees.....                                  | 854,300          |

|    |                                                        |                   |
|----|--------------------------------------------------------|-------------------|
| 1  | Treasury fees .....                                    | 1,694,600         |
| 2  | State general fund/general purpose .....               | \$ 7,197,900      |
| 3  | <b>(8) DEBT SERVICE</b>                                |                   |
| 4  | Quality of life bond .....                             | \$ 28,687,000     |
| 5  | Clean Michigan initiative .....                        | 89,477,000        |
| 6  | Great Lakes water quality bond .....                   | <u>18,873,000</u> |
| 7  | GROSS APPROPRIATION .....                              | \$ 137,037,000    |
| 8  | Appropriated from:                                     |                   |
| 9  | Special revenue funds:                                 |                   |
| 10 | State general fund/general purpose .....               | \$ 137,037,000    |
| 11 | <b>(9) GRANTS</b>                                      |                   |
| 12 | Convention facility development distribution .....     | \$ 90,950,000     |
| 13 | Senior citizen cooperative housing tax exemption       |                   |
| 14 | program .....                                          | 10,520,000        |
| 15 | Emergency 911 payments .....                           | 27,000,000        |
| 16 | Health and safety fund grants .....                    | <u>9,000,000</u>  |
| 17 | GROSS APPROPRIATION .....                              | \$ 137,470,000    |
| 18 | Appropriated from:                                     |                   |
| 19 | Special revenue funds:                                 |                   |
| 20 | Emergency 911 fund .....                               | 27,000,000        |
| 21 | Convention facility development fund .....             | 90,950,000        |
| 22 | Health and safety fund .....                           | 9,000,000         |
| 23 | State general fund/general purpose .....               | \$ 10,520,000     |
| 24 | <b>(10) BUREAU OF STATE LOTTERY</b>                    |                   |
| 25 | Full-time equated classified positions .....           | 183.0             |
| 26 | Lottery operations--183.0 FTE positions .....          | \$ 24,760,300     |
| 27 | Lottery information technology services and projects . | <u>5,239,600</u>  |



|    |                                                   |       |                   |
|----|---------------------------------------------------|-------|-------------------|
| 1  | GROSS APPROPRIATION.....                          | \$    | 29,999,900        |
| 2  | Appropriated from:                                |       |                   |
| 3  | Special revenue funds:                            |       |                   |
| 4  | State lottery fund.....                           |       | 29,999,900        |
| 5  | State general fund/general purpose.....           | \$    | 0                 |
| 6  | <b>(11) CASINO GAMING</b>                         |       |                   |
| 7  | Full-time equated classified positions.....       | 142.0 |                   |
| 8  | Michigan gaming control board.....                | \$    | 50,000            |
| 9  | Casino gaming control administration--132.0 FTE   |       |                   |
| 10 | positions .....                                   |       | 26,196,700        |
| 11 | Casino gaming information technology services and |       |                   |
| 12 | projects .....                                    |       | 2,012,700         |
| 13 | Racing commission--10.0 FTE positions.....        |       | <u>2,462,600</u>  |
| 14 | GROSS APPROPRIATION.....                          | \$    | 30,722,000        |
| 15 | Appropriated from:                                |       |                   |
| 16 | Special revenue funds:                            |       |                   |
| 17 | Casino gambling agreements.....                   |       | 942,700           |
| 18 | Equine development fund.....                      |       | 2,085,300         |
| 19 | Laboratory fees.....                              |       | 700,000           |
| 20 | State services fee fund.....                      |       | 26,994,000        |
| 21 | State general fund/general purpose.....           | \$    | 0                 |
| 22 | <b>(12) PAYMENTS IN LIEU OF TAXES</b>             |       |                   |
| 23 | Commercial forest reserve.....                    | \$    | 3,368,100         |
| 24 | Purchased lands.....                              |       | 8,425,100         |
| 25 | Swamp and tax reverted lands.....                 |       | <u>15,605,600</u> |
| 26 | GROSS APPROPRIATION.....                          | \$    | 27,398,800        |
| 27 | Appropriated from:                                |       |                   |

|    |                                                        |                     |
|----|--------------------------------------------------------|---------------------|
| 1  | Special revenue funds:                                 |                     |
| 2  | Private funds.....                                     | 26,700              |
| 3  | Game and fish protection fund.....                     | 2,919,700           |
| 4  | Michigan natural resources trust fund.....             | 2,004,600           |
| 5  | Michigan state waterways fund.....                     | 253,200             |
| 6  | State general fund/general purpose.....                | \$ 22,194,600       |
| 7  | <b>(13) REVENUE SHARING</b>                            |                     |
| 8  | Constitutional state general revenue sharing grants .. | \$ 781,501,400      |
| 9  | City, village, and township revenue sharing.....       | 244,536,600         |
| 10 | County incentive program.....                          | 43,894,200          |
| 11 | County revenue sharing.....                            | 175,576,700         |
| 12 | Financially distressed cities, villages, or townships  | <u>5,000,000</u>    |
| 13 | GROSS APPROPRIATION.....                               | \$ 1,250,508,900    |
| 14 | Appropriated from:                                     |                     |
| 15 | Sales tax.....                                         | 1,250,508,900       |
| 16 | State general fund/general purpose.....                | \$ 0                |
| 17 | <b>(14) STATE BUILDING AUTHORITY</b>                   |                     |
| 18 | Full-time equated classified positions..... 4.0        |                     |
| 19 | State building authority--4.0 FTE positions .....      | \$ <u>725,200</u>   |
| 20 | GROSS APPROPRIATION.....                               | \$ 725,200          |
| 21 | Appropriated from:                                     |                     |
| 22 | Special revenue funds:                                 |                     |
| 23 | State building authority revenue.....                  | 725,200             |
| 24 | State general fund/general purpose.....                | \$ 0                |
| 25 | <b>(15) CITY INCOME TAX ADMINISTRATION PROGRAM</b>     |                     |
| 26 | Full-time equated classified positions..... 49.0       |                     |
| 27 | City income tax administration--49.0 FTE positions ... | \$ <u>5,879,100</u> |

|    |                                                     |    |                   |
|----|-----------------------------------------------------|----|-------------------|
| 1  | GROSS APPROPRIATION.....                            | \$ | 5,879,100         |
| 2  | Appropriated from:                                  |    |                   |
| 3  | Local revenue funds:                                |    |                   |
| 4  | Local - city income tax fund.....                   |    | 5,879,100         |
| 5  | State general fund/general purpose.....             | \$ | 0                 |
| 6  | <b>(16) INFORMATION TECHNOLOGY</b>                  |    |                   |
| 7  | Treasury operations information technology services |    |                   |
| 8  | and projects .....                                  | \$ | <u>30,813,800</u> |
| 9  | GROSS APPROPRIATION.....                            | \$ | 30,813,800        |
| 10 | Appropriated from:                                  |    |                   |
| 11 | Interdepartmental grant revenues:                   |    |                   |
| 12 | IDG from MDOT, Michigan transportation fund.....    |    | 400,000           |
| 13 | Federal revenues:                                   |    |                   |
| 14 | DED-OPSE, federal lenders allowance.....            |    | 625,800           |
| 15 | Special revenue funds:                              |    |                   |
| 16 | Local - city income tax fund.....                   |    | 1,213,800         |
| 17 | Delinquent tax collection revenue.....              |    | 17,300,100        |
| 18 | Tobacco tax revenue.....                            |    | 129,000           |
| 19 | Retirement funds.....                               |    | 766,300           |
| 20 | State general fund/general purpose.....             | \$ | 10,378,800        |
| 21 | <b>(17) ONE-TIME BASIS ONLY APPROPRIATIONS</b>      |    |                   |
| 22 | City, village, and township revenue sharing.....    | \$ | 446,400           |
| 23 | Voting machine replacement reimbursement.....       |    | 5,000,000         |
| 24 | Free individual e-file.....                         |    | 2,842,500         |
| 25 | Student loan delinquency pilot.....                 |    | <u>1,000,000</u>  |
| 26 | GROSS APPROPRIATION.....                            | \$ | 9,288,900         |
| 27 | Appropriated from:                                  |    |                   |

1 Special revenue funds:

|   |                                         |              |
|---|-----------------------------------------|--------------|
| 2 | Sales tax.....                          | 5,200,000    |
| 3 | State general fund/general purpose..... | \$ 4,088,900 |

4 PART 2

5 PROVISIONS CONCERNING APPROPRIATIONS

6 FOR FISCAL YEAR 2016-2017

7 GENERAL SECTIONS

8 Sec. 201. (1) Pursuant to section 30 of article IX of the  
 9 state constitution of 1963, total state spending from state  
 10 resources under part 1 for fiscal year 2016-2017 is  
 11 \$3,280,788,100.00 and state spending from state resources to be  
 12 paid to local units of government for fiscal year 2016-2017 is  
 13 \$1,454,622,100.00. The itemized statement below identifies  
 14 appropriations from which spending to local units of government  
 15 will occur:

16 DEPARTMENT OF STATE

|    |                               |                  |
|----|-------------------------------|------------------|
| 17 | Fees to local units.....      | \$ 109,800       |
| 18 | Motorcycle safety grants..... | <u>1,101,500</u> |
| 19 | Subtotal.....                 | \$ 1,211,300     |

20 DEPARTMENT OF TREASURY

|    |                                                       |               |
|----|-------------------------------------------------------|---------------|
| 21 | Senior citizen cooperative housing tax exemption..... | \$ 10,520,000 |
| 22 | Health and safety fund grants.....                    | 9,000,000     |
| 23 | Constitutional state general revenue sharing grants.. | 781,501,400   |
| 24 | City, village, and township revenue sharing.....      | 244,983,000   |
| 25 | Convention facility development fund distribution.... | 90,950,000    |

|    |                                                        |                      |
|----|--------------------------------------------------------|----------------------|
| 1  | Emergency 9-1-1 payments.....                          | 23,800,000           |
| 2  | Financially distressed cities, villages, or townships  | 5,000,000            |
| 3  | County incentive program.....                          | 43,894,200           |
| 4  | County revenue sharing payments.....                   | 175,576,700          |
| 5  | Airport parking distribution pursuant to section 909 . | 24,601,900           |
| 6  | Payments in lieu of taxes.....                         | 27,398,800           |
| 7  | Voting machine replacement reimbursement.....          | <u>5,000,000</u>     |
| 8  | Subtotal.....                                          | \$ 1,442,226,000     |
| 9  | DEPARTMENT OF TALENT AND ECONOMIC DEVELOPMENT          |                      |
| 10 | Welfare-to-work programs.....                          | \$ <u>11,224,800</u> |
| 11 | Subtotal.....                                          | \$ <u>11,224,800</u> |
| 12 | TOTAL GENERAL GOVERNMENT.....                          | \$ 1,454,662,100     |

13       (2) Pursuant to section 30 of article IX of the state  
14 constitution of 1963, total state spending from state sources for  
15 fiscal year 2016-2017 is estimated at \$31,097,900,800.00 in the  
16 2016-2017 appropriations acts and total state spending from state  
17 sources paid to local units of government for fiscal year 2016-2017  
18 is estimated at \$17,235,542,800.00. The state-local proportion is  
19 estimated at 55.4% of total state spending from state resources.

20       (3) If payments to local units of government and state  
21 spending from state sources for fiscal year 2016-2017 are different  
22 than the amounts estimated in subsection (2), the state budget  
23 director shall report the payments to local units of government and  
24 state spending from state sources that were made for fiscal year  
25 2016-2017 to the senate and house of representatives standing  
26 committees on appropriations within 30 days after the final book-  
27 closing for fiscal year 2016-2017.

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

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

5       (a) "ATM" means automated teller machine.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

10 (v) "IDG" means interdepartmental grant.

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

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

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

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

16 (aa) "MDLARA" means the Michigan department of licensing and  
17 regulatory affairs.

18 (bb) "MDEQ" means the Michigan department of environmental  
19 quality.

20 (cc) "MDHHS" means the Michigan department of health and human  
21 services.

22 (dd) "MDMVA" means the Michigan department of military and  
23 veterans affairs.

24 (ee) "MDOT" means the Michigan department of transportation.

25 (ff) "MDSP" means the Michigan department of state police.

26 (gg) "MDTMB" means the Michigan department of technology,  
27 management, and budget.

1 (hh) "MEDC" means the Michigan economic development  
2 corporation, which is the public body corporate created under  
3 section 28 of article VII of the state constitution of 1963 and the  
4 urban cooperation act of 1967, 1967 (Ex Sess) PA 7, MCL 124.501 to  
5 124.512, by contractual interlocal agreement effective April 5,  
6 1999, between local participating economic development corporations  
7 formed under the economic development corporations act, 1974 PA  
8 338, MCL 125.1601 to 125.1636, and the Michigan strategic fund.

9 (ii) "MFA" means the Michigan finance authority.

10 (jj) "MPE" means the Michigan public employees.

11 (kk) "MSF" means the Michigan strategic fund.

12 (ll) "MSHDA" means the Michigan state housing development  
13 authority.

14 (mm) "NERE" means nonexclusively represented employees.

15 (nn) "NFAH-NEA" means the National Foundation of the Arts and  
16 the Humanities - National Endowment for the Arts.

17 (oo) "PA" means public act.

18 (pp) "PATH" means Partnership. Accountability. Training. Hope.

19 (qq) "Qualified employee" means an individual currently on  
20 probation or parole under the department of corrections.

21 (rr) "Qualified job" means a full-time job created by the  
22 employer or another full-time job previously held by another  
23 employee who separated from employment voluntarily or for cause.

24 (ss) "RFP" means a request for a proposal.

25 (tt) "SEIU" means Service Employees International Union.

26 (uu) "WDA" means the workforce development agency.

27 (vv) "WIC" means women, infants, and children.



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1       Sec. 206. The departments and agencies receiving  
2       appropriations in part 1 shall cooperate with the department of  
3       technology, management, and budget to maintain a searchable website  
4       that is updated at least quarterly and that is accessible by the  
5       public at no cost that includes, but is not limited to, all of the  
6       following for each department or agency:

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

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

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

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

14          (e) Job specifications and wage rates.

15       << Sec. 207. Concurrent with submission of the fiscal year  
16       2017-2018 executive budget recommendation, the state budget office  
17       shall provide the senate and house appropriations committees, the  
18       senate and house appropriations subcommittees on each state  
19       department, and the senate and house fiscal agencies and policy  
20       offices, with a report that lists each new program or program  
21       enhancement for which funds in excess of \$500,000.00 are appropriated  
22       in part 1 of each departmental appropriation act. The listing of  
23       new or enhanced programs shall be ranked in the order of estimated  
24       return on taxpayer investment determined by the state budget office.  
25       The program performance shall use program-specific metrics, in  
26       addition to the metrics required under section 447 of the management  
27       and budget act, 1984 PA 431, MCL 18.1447, to measure the return

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1 on taxpayer investment. The state budget office shall use the  
2 estimated performance of the new program or program enhancement as  
3 the basis for any increase in funds appropriated from the prior  
4 fiscal year. The state budget office shall provide a report on  
5 each department's status in meeting the program specific metrics  
6 and the progress in meeting the estimated return on taxpayer  
7 investment for each program, by September 30 of the 2016-2017  
8 fiscal year, to the senate and house appropriations committees,  
the senate and house appropriations subcommittees on each state  
department, and the senate and house fiscal agencies and policy  
offices.

9       Sec. 208. The departments and agencies receiving  
10 appropriations in part 1 shall use the Internet to fulfill the  
11 reporting requirements of this part. This requirement may include  
12 transmission of reports via electronic mail to the recipients  
13 identified for each reporting requirement, or it may include  
14 placement of reports on an Internet or Intranet site.

15       Sec. 209. Funds appropriated in part 1 shall not be used for  
16 the purchase of foreign goods or services, or both, if  
17 competitively priced and of comparable quality American goods or  
18 services, or both, are available. Preference shall be given to  
19 goods or services, or both, manufactured or provided by Michigan  
20 businesses, if they are competitively priced and of comparable  
21 quality. In addition, preference should be given to goods or  
22 services, or both, that are manufactured or provided by Michigan  
23 businesses owned and operated by veterans, if they are  
24 competitively priced and of comparable quality.

25       Sec. 210. The director of each department and agency receiving  
26 appropriations in part 1 shall take all reasonable steps to ensure  
27 businesses in deprived and depressed communities compete for and

perform contracts to provide services or supplies, or both. Each director shall strongly encourage firms with which the department contracts to subcontract with certified businesses in depressed and deprived communities for services, supplies, or both.

Sec. 211. (1) Pursuant to section 352 of the management and budget act, 1984 PA 431, MCL 18.1352, which provides for a transfer of state general fund revenue into or out of the countercyclical budget and economic stabilization fund, the calculations required by section 352 of the management and budget act, 1984 PA 431, MCL 18.1352, are determined as follows:

|                                        | <u>2015</u>   | <u>2016</u>   | <u>2017</u>   |
|----------------------------------------|---------------|---------------|---------------|
| Michigan personal income (millions).   | \$420,279     | \$438,771     | \$457,200     |
| less: transfer payments.....           | <u>91,444</u> | <u>95,376</u> | <u>99,573</u> |
| Subtotal .....                         | \$328,835     | \$343,395     | \$357,627     |
| Divided by: Detroit Consumer Price     |               |               |               |
| Index for 12 months ending June 30     | 2.195         | 2.204         | 2.248         |
| Equals: real adjusted Michigan         |               |               |               |
| personal income.....                   | \$149,811     | \$155,821     | \$159,097     |
| Percentage change.....                 | N/A           | 4.0%          | 2.1%          |
| Growth rate in excess of 2%?.....      | N/A           | 2.0%          | 0.1%          |
| Equals: countercyclical budget and     |               |               |               |
| economic stabilization fund pay-in     |               |               |               |
| calculation for the fiscal year ending |               |               |               |
| September 30, 2017 (millions).....     | N/A           | \$196.9       | N/A           |
| Growth rate less than 0%?.....         | N/A           | NO            | NO            |
| Equals: countercyclical budget and     |               |               |               |
| economic stabilization fund pay-out    |               |               |               |

1 calculation for the fiscal year ending  
2 September 30, 2017 (millions)..... N/A N/A \$0.0

3 (2) Notwithstanding subsection (1), there is appropriated for  
4 the fiscal year ending September 30, 2017, from GF/GP revenue for  
5 deposit into the countercyclical budget and economic stabilization  
6 fund the sum of \$0.

7 Sec. 212. The departments and agencies receiving  
8 appropriations in part 1 shall receive and retain copies of all  
9 reports funded from appropriations in part 1. Federal and state  
10 guidelines for short-term and long-term retention of records shall  
11 be followed. The department may electronically retain copies of  
12 reports unless otherwise required by federal and state guidelines.

13 Sec. 213. Funds appropriated in part 1 shall not be used by  
14 this state, a department, an agency, or an authority of this state  
15 to purchase an ownership interest in a casino enterprise or a  
16 gambling operation as those terms are defined in the Michigan  
17 gaming control and revenue act, 1996 IL 1, MCL 432.201 to 432.226.

18 Sec. 215. A department or state agency shall not take  
19 disciplinary action against an employee for communicating with a  
20 member of the legislature or his or her staff.

21 Sec. 216. The departments and agencies receiving  
22 appropriations in part 1 shall prepare a report on out-of-state  
23 travel expenses not later than January 1 of each year. The travel  
24 report shall be a listing of all travel by classified and  
25 unclassified employees outside this state in the immediately  
26 preceding fiscal year that was funded in whole or in part with  
27 funds appropriated in the department's budget. The report shall be

1 submitted to the house and senate standing committees on  
2 appropriations, the house and senate fiscal agencies, and the state  
3 budget director. The report shall include the following  
4 information:

5 (a) The dates of each travel occurrence.

6 (b) The total transportation and related costs of each travel  
7 occurrence, including the proportion funded with state GF/GP  
8 revenues, the proportion funded with state restricted revenues, the  
9 proportion funded with federal revenues, and the proportion funded  
10 with other revenues.

11 Sec. 219. The departments and agencies receiving  
12 appropriations in part 1 shall maintain, on a publicly accessible  
13 website, a department or agency scorecard that identifies, tracks,  
14 and regularly updates key metrics that are used to monitor and  
15 improve the department's or agency's performance.

16 Sec. 221. Each department and agency shall report no later  
17 than April 1 on each specific policy change made to implement a  
18 public act affecting the department that took effect during the  
19 prior calendar year to the senate and house of representatives  
20 standing committees on appropriations subcommittees on general  
21 government, the joint committee on administrative rules, and the  
22 senate and house fiscal agencies.

23 Sec. 226. Funds appropriated in part 1 shall not be used by a  
24 principal executive department, state agency, or authority to hire  
25 a person to provide legal services that are the responsibility of  
26 the attorney general. This prohibition does not apply to legal  
27 services for bonding activities and for those activities that the

1 attorney general authorizes.

2       Sec. 227. Within 14 days after the release of the executive  
3 budget recommendation, the departments and agencies receiving  
4 appropriations in part 1 shall cooperate with the state budget  
5 director to provide the chairs of the senate and house of  
6 representatives standing committees on appropriations, the chairs  
7 of the senate and house of representatives standing committees on  
8 appropriations subcommittees on general government, and the senate  
9 and house fiscal agencies with an annual report on estimated state  
10 restricted fund balances, state restricted fund projected revenues,  
11 and state restricted fund expenditures for the fiscal years ending  
12 September 30, 2016 and September 30, 2017.

13       Sec. 228. Not later than November 30, the state budget office  
14 shall prepare and transmit a report that provides for estimates of  
15 the total GF/GP appropriation lapses at the close of the prior  
16 fiscal year. This report shall summarize the projected year-end  
17 GF/GP appropriation lapses by major departmental program or program  
18 areas. The report shall be transmitted to the chairpersons of the  
19 senate and house of representatives standing committees on  
20 appropriations and the senate and house fiscal agencies.

21       Sec. 229. If the office of the auditor general has identified  
22 an initiative or made a recommendation that is related to savings  
23 and efficiencies in an audit report for an executive branch  
24 department or agency, the department or agency shall report within  
25 6 months of the release of the audit on their efforts and progress  
26 made toward achieving the savings and efficiencies identified in  
27 the audit report. The report shall be submitted to the chairs of

1 the senate and house of representatives standing committees on  
2 appropriations, the chairs of the senate and house of  
3 representatives standing committees with jurisdiction over matters  
4 relating to the department that is audited, and the senate and  
5 house fiscal agencies.

6       Sec. 233. In addition to the GF/GP appropriations for special  
7 maintenance, remodeling, and addition - state facilities in part 1,  
8 there is also appropriated related federal and state restricted  
9 funds up to the amounts that will be earned based upon the  
10 initiatives undertaken with the funds in part 1. The state budget  
11 director shall determine and authorize the appropriate manner for  
12 implementing this section.

13       Sec. 234. In addition to the GF/GP appropriations for  
14 enterprisewide information technology investments in part 1, there  
15 is also appropriated related federal and state restricted funds up  
16 to the amounts that will be earned based upon the initiatives  
17 undertaken with the funds in part 1. The state budget director  
18 shall determine and authorize the appropriate manner for  
19 implementing this section.

20       Sec. 235. By April 1, the state budget director shall submit a  
21 report to the senate and house appropriations committees and the  
22 senate and house fiscal agencies. The report shall recommend a  
23 contingency plan for each federal funding source included in the  
24 state budget of \$10,000,000.00 or more in the event that the  
25 federal government reduces funding to the state through that source  
26 by 10% or greater.

1 **DEPARTMENT OF ATTORNEY GENERAL**

2       Sec. 301. (1) In addition to the funds appropriated in part 1,  
3 there is appropriated an amount not to exceed \$1,500,000.00 for  
4 federal contingency funds. These funds are not available for  
5 expenditure until they have been transferred to another line item  
6 in part 1 under section 393(2) of the management and budget act,  
7 1984 PA 431, MCL 18.1393.

8       (2) In addition to the funds appropriated in part 1, there is  
9 appropriated an amount not to exceed \$1,500,000.00 for state  
10 restricted contingency funds. These funds are not available for  
11 expenditure until they have been transferred to another line item  
12 in part 1 under section 393(2) of the management and budget act,  
13 1984 PA 431, MCL 18.1393.

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

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

26       Sec. 302. (1) The attorney general shall perform all legal  
27 services, including representation before courts and administrative



1 agencies rendering legal opinions and providing legal advice to a  
2 principal executive department or state agency. A principal  
3 executive department or state agency shall not employ or enter into  
4 a contract with any other person for services described in this  
5 section.

6 (2) The attorney general shall defend judges of all state  
7 courts if a claim is made or a civil action is commenced for  
8 injuries to persons or property caused by the judge through the  
9 performance of the judge's duties while acting within the scope of  
10 his or her authority as a judge.

11 (3) The attorney general shall perform the duties specified in  
12 1846 RS 12, MCL 14.28 to 14.35, and 1919 PA 232, MCL 14.101 to  
13 14.102, and as otherwise provided by law.

14 Sec. 303. The attorney general may sell copies of the biennial  
15 report in excess of the 350 copies that the attorney general may  
16 distribute on a gratis basis. Gratis copies shall not be provided  
17 to members of the legislature. Electronic copies of biennial  
18 reports shall be made available on the department of attorney  
19 general's website. The attorney general shall sell copies of the  
20 report at not less than the actual cost of the report and shall  
21 deposit the money received into the general fund.

22 Sec. 304. The department of attorney general is responsible  
23 for the legal representation for state of Michigan state employee  
24 worker's disability compensation cases. The risk management  
25 revolving fund revenue appropriation in part 1 is to be satisfied  
26 by billings from the department of attorney general for the actual  
27 costs of legal representation, including salaries and support

1 costs.

2       Sec. 305. In addition to the funds appropriated in part 1, not  
3 more than \$400,000.00 shall be reimbursed per fiscal year for food  
4 stamp fraud cases heard by the third circuit court of Wayne County  
5 that were initiated by the department of attorney general pursuant  
6 to the existing contract between the department of health and human  
7 services, the Prosecuting Attorneys Association of Michigan, and  
8 the department of attorney general. The source of this funding is  
9 money earned by the department of attorney general under the  
10 agreement after the allowance for reimbursement to the department  
11 of attorney general for costs associated with the prosecution of  
12 food stamp fraud cases. It is recognized that the federal funds are  
13 earned by the department of attorney general for its documented  
14 progress on the prosecution of food stamp fraud cases according to  
15 the United States Department of Agriculture regulations and that,  
16 once earned by this state, the funds become state funds.

17       Sec. 306. Any proceeds from a lawsuit initiated by or  
18 settlement agreement entered into on behalf of this state against a  
19 manufacturer of tobacco products by the attorney general are state  
20 funds and are subject to appropriation as provided by law.

21       Sec. 307. (1) In addition to the antitrust revenues in part 1,  
22 antitrust, securities fraud, consumer protection or class action  
23 enforcement revenues, or attorney fees recovered by the department,  
24 not to exceed \$250,000.00, are appropriated to the department for  
25 antitrust, securities fraud, and consumer protection or class  
26 action enforcement cases.

27       (2) Any unexpended funds from antitrust, securities fraud, or

1 consumer protection or class action enforcement revenues at the end  
2 of the fiscal year, including antitrust funds in part 1, may be  
3 carried forward for expenditure in the following fiscal year up to  
4 the maximum authorization of \$250,000.00.

5 Sec. 308. (1) In addition to the funds appropriated in part 1,  
6 there is appropriated up to \$1,500,000.00 from litigation expense  
7 reimbursements awarded to the state.

8 (2) The funds may be expended for the payment of court  
9 judgments, settlements, arbitration awards or other administrative  
10 and litigation decisions, attorney fees, and litigation costs,  
11 assessed against the office of the governor, the department of the  
12 attorney general, the governor, or the attorney general when acting  
13 in an official capacity as the named party in litigation against  
14 the state. The funds may also be expended for the payment of state  
15 costs incurred under section 16 of chapter X of the code of  
16 criminal procedure, 1927 PA 175, MCL 770.16.

17 (3) Unexpended funds at the end of the fiscal year may be  
18 carried forward for expenditure in the following year, up to a  
19 maximum authorization of \$1,500,000.00.

20 Sec. 309. From the prisoner reimbursement funds appropriated  
21 in part 1, the department may spend up to \$625,200.00 on activities  
22 related to the state correctional facility reimbursement act, 1935  
23 PA 253, MCL 800.401 to 800.406. In addition to the funds  
24 appropriated in part 1, if the department collects in excess of  
25 \$1,131,000.00 in gross annual prisoner reimbursement receipts  
26 provided to the general fund, the excess, up to a maximum of  
27 \$1,000,000.00, is appropriated to the department of attorney

1 general and may be spent on the representation of the department of  
2 corrections and its officers, employees, and agents, including, but  
3 not limited to, the defense of litigation against the state, its  
4 departments, officers, employees, or agents in civil actions filed  
5 by prisoners.

6       Sec. 310. (1) For the purposes of providing title IV-D child  
7 support enforcement funding, the department of health and human  
8 services, as the state IV-D agency, shall maintain a cooperative  
9 agreement with the attorney general for federal IV-D funding to  
10 support the child support enforcement activities within the office  
11 of the attorney general.

12       (2) The attorney general or his or her designee shall, to the  
13 extent allowable under federal law, have access to any information  
14 used by the state to locate parents who fail to pay court-ordered  
15 child support.

16       Sec. 312. The department of attorney general shall not receive  
17 and expend funds in addition to those authorized in part 1 for  
18 legal services provided specifically to other state departments or  
19 agencies except for costs for expert witnesses, court costs, or  
20 other nonsalary litigation expenses associated with a pending legal  
21 action.

22       Sec. 313. From the funds appropriated in part 1 for attorney  
23 general operations, the department shall allocate \$600,000.00 for  
24 the investigation and prosecution of mortgage fraud.

25       Sec. 314. From the lawsuits settlement proceeds fund in the  
26 department of treasury, there is appropriated to the department of  
27 attorney general up to \$2,600,000.00 for fiscal year 2016-2017 to

1 be allocated for costs and associated expenses related to the  
2 declaration of emergency due to drinking water contamination.

3 Sec. 314a. (1) From the funds appropriated in part 1 for  
4 attorney general operations, the department of attorney general  
5 shall allocate \$700,000.00 for investigations, crime victim rights,  
6 prosecutions, and appeals for retroactive juvenile life without  
7 parole cases.

8 (2) The attorney general's office shall submit a detailed  
9 expenditure report to the house and senate appropriations  
10 subcommittees on general government and the judiciary, the senate  
11 and house fiscal agencies, and the state budget director by  
12 September 30 detailing how the funds provided in subsection (1)  
13 were expended.

14 Sec. 315. Total authorized appropriations from all sources  
15 under part 1 for legacy costs for the fiscal year ending September  
16 30, 2017 are \$18,361,000.00. From this amount, total agency  
17 appropriations for pension-related legacy costs are estimated at  
18 \$10,096,700.00. Total agency appropriations for retiree health care  
19 legacy costs are estimated at \$8,264,300.00.

20 Sec. 316. (1) From the funds appropriated in part 1 for sexual  
21 assault law enforcement efforts, the department shall use the funds  
22 for testing of backlogged sexual assault kits across the state. The  
23 funding provided in part 1 shall be distributed in the following  
24 order of priority:

25 (a) To eliminate all county sexual assault kit backlogs  
26 outside of Wayne County.

27 (b) To assist local prosecutors with investigations and

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1 prosecutions of viable cases.

2 (c) To provide victim services.

3 (2) The department of attorney general shall provide a  
4 detailed work and spending plan outlining anticipated litigation  
5 action and expenditures resulting from findings of the sexual  
6 assault kit testing. The spending plan shall be transmitted to the  
7 state budget office, the senate and house fiscal agencies, and the  
8 senate and house of representatives standing committees on  
9 appropriations subcommittees on general government. The  
10 appropriation shall not be available for expenditure until the work  
11 plan is approved by the state budget director. The state budget  
12 office shall notify the senate and house of representatives

13 standing committees on appropriations subcommittees on general  
14 government at least 15 days prior to release of the funds.

15 (3) The department of attorney general shall provide a report  
16 by January 30 providing updated information related to the work and  
17 spending plan listed in subsection (2) and provide an update on  
18 expenditures made in relation to assisting local prosecutions and  
19 investigations and providing victim services. The report shall be  
20 distributed to the state budget office and the chairs of the senate  
21 and house of representatives standing committees on appropriations  
22 subcommittees on general government, as well as the senate and  
23 house fiscal agencies.

<<Sec. 317. (1) The department of attorney general shall  
provide a report by July 1 providing a detailed accounting of all  
funds spent by the department of attorney general for any legal  
costs or associated expenses related to the declaration of emergency  
due to drinking water contamination, and the investigations and  
any resulting prosecutions resulting thereof. The report shall be  
made available on the department of attorney general's publically  
accessible website and shall be distributed to the state budget  
director, the chairs of the senate and house of representatives  
standing committees on appropriations subcommittees on general  
government, as well as the senate and house fiscal agencies.

(2) At the conclusion of all Attorney General investigations  
related to the declaration of emergency due to drinking water  
contamination, all materials related to all of those investigations  
shall be preserved at an academic institution or other facility  
capable of preserving all related documents.>>

#### 24 DEPARTMENT OF CIVIL RIGHTS

25 Sec. 401. (1) In addition to the funds appropriated in part 1,  
26 there is appropriated an amount not to exceed \$2,000,000.00 for

1 federal contingency funds. These funds are not available for  
2 expenditure until they have been transferred to another line item  
3 in part 1 under section 393(2) of the management and budget act,  
4 1984 PA 431, MCL 18.1393.

5 (2) In addition to the funds appropriated in part 1, there is  
6 appropriated an amount not to exceed \$750,000.00 for private  
7 contingency funds. These funds are not available for expenditure  
8 until they have been transferred to another line item in part 1  
9 under section 393(2) of the management and budget act, 1984 PA 431,  
10 MCL 18.1393.

11 Sec. 402. (1) In addition to the appropriations contained in  
12 part 1, the department of civil rights may receive and expend funds  
13 from local or private sources for all of the following purposes:

14 (a) Developing and presenting training for employers on equal  
15 employment opportunity law and procedures.

16 (b) The publication and sale of civil rights related  
17 informational material.

18 (c) The provision of copy material made available under  
19 freedom of information requests.

20 (d) Other copy fees, subpoena fees, and witness fees.

21 (e) Developing, presenting, and participating in mediation  
22 processes for certain civil rights cases.

23 (f) Workshops, seminars, and recognition or award programs  
24 consistent with the programmatic mission of the individual unit  
25 sponsoring or coordinating the programs.

26 (g) Staffing costs for all activities included in this  
27 subsection.

1           (2) The department of civil rights shall annually report to  
2 the state budget director, the senate and house of representatives  
3 standing committees on appropriations, and the senate and house  
4 fiscal agencies the amount of funds received and expended for  
5 purposes authorized under this section.

6           Sec. 403. The department of civil rights may contract with  
7 local units of government to review equal employment opportunity  
8 compliance of potential contractors and may charge for and expend  
9 amounts received from local units of government for the purpose of  
10 developing and providing these contractual services.

11          Sec. 404. (1) The department of civil rights shall prepare and  
12 transmit a detailed report that includes, but is not limited to,  
13 the following information for the most recent fiscal year:

14           (a) A detailed description of the department operations.

15           (b) A detailed description of all subunits within the  
16 department, including FTE positions associated with each subunit,  
17 responsibilities of each subunit, and all revenues and expenditures  
18 for each subunit.

19           (c) The number of complaints by type of complaint.

20           (d) The average cost of, and time expended, investigating  
21 complaints.

22           (e) The percentage of complaints that are meritorious and  
23 worthy of investigation or settlement and the percentage of  
24 complaints that have no merit.

25           (f) A listing of amounts awarded to claimants.

26           (g) Expenditures associated with complaint investigation and  
27 enforcement.



1 (h) A listing of complaint investigations closed per FTE  
2 position for each of the past 5 years.

3 (i) A listing of complaint evaluations completed per FTE  
4 position for each of the past 5 years.

5 (j) Productivity projections for the current fiscal year,  
6 including investigations closed per FTE, complaint evaluations  
7 completed per FTE, and average time expended investigating  
8 complaints.

9 (2) The report required under subsection (1) shall be posted  
10 online and transmitted electronically not later than November 30 to  
11 the state budget director, the chairpersons of the senate and house  
12 of representatives standing committees on appropriations, the  
13 senate and house appropriations subcommittees on general  
14 government, and the senate and house fiscal agencies.

15 Sec. 405. The department of civil rights shall notify the  
16 office of the state budget, senate and house of representatives  
17 standing committees on appropriations, and senate and house fiscal  
18 agencies prior to submitting a report or complaint to the United  
19 States Commission on Civil Rights or other federal departments.

20 Sec. 410. Total authorized appropriations from all sources  
21 under part 1 for legacy costs for the fiscal year ending September  
22 30, 2017 are \$3,062,000.00. From this amount, total agency  
23 appropriations for pension-related legacy costs are estimated at  
24 \$1,697,800.00. Total agency appropriations for retiree health care  
25 legacy costs are estimated at \$1,364,200.00.

26 **LEGISLATURE**

1       Sec. 600. The senate, the house of representatives, or an  
2 agency within the legislative branch may receive, expend, and  
3 transfer funds in addition to those authorized in part 1.

4       Sec. 601. (1) Funds appropriated in part 1 to an entity within  
5 the legislative branch shall not be expended or transferred to  
6 another account without written approval of the authorized agent of  
7 the legislative entity. If the authorized agent of the legislative  
8 entity notifies the state budget director of its approval of an  
9 expenditure or transfer before the year-end book-closing date for  
10 that legislative entity, the state budget director shall  
11 immediately make the expenditure or transfer. The authorized  
12 legislative entity agency shall be designated by the speaker of the  
13 house of representatives for house entities, the senate majority  
14 leader for senate entities, and the legislative council for  
15 legislative council entities.

16       (2) Funds appropriated within the legislative branch, to a  
17 legislative council component, shall not be expended by any agency  
18 or other subgroup included in that component without the approval  
19 of the legislative council.

20       Sec. 602. The senate may charge rent and assess charges for  
21 utility costs. The amounts received for rent charges and utility  
22 assessments are appropriated to the senate for the renovation,  
23 operation, and maintenance of the Farnum Building and other  
24 properties.

25       Sec. 603. The appropriation contained in part 1 for national  
26 association dues is to be distributed by the legislative council.

27       Sec. 604. (1) The appropriation in part 1 to the Michigan

1 state capitol historic site includes funds to operate the  
2 legislative parking facilities in the capitol area. The Michigan  
3 state capitol commission shall establish rules regarding the  
4 operation of the legislative parking facilities.

5 (2) The Michigan state capitol commission shall collect a fee  
6 from state employees and the general public using certain  
7 legislative parking facilities. The revenues received from the  
8 parking fees shall be allocated by the Michigan state capitol  
9 commission.

10 Sec. 605. The appropriation in part 1 to the legislative  
11 council for publication of the Michigan manual is a work project  
12 account. The unexpended portion remaining on September 30 shall not  
13 lapse and shall be carried forward into the subsequent fiscal year  
14 for use in paying the associated biennial costs of publication of  
15 the Michigan manual.

16 Sec. 606. The appropriations in part 1 to the legislative  
17 branch, for property management, shall be used to purchase  
18 equipment and services for building maintenance in order to ensure  
19 a safe and productive work environment. These funds are designated  
20 as work project appropriations and shall not lapse at the end of  
21 the fiscal year, and shall continue to be available for expenditure  
22 until the project has been completed. The total cost is estimated  
23 at \$2,000,000.00, and the tentative completion date is September  
24 30, 2020.

25 Sec. 607. The appropriations in part 1 to the legislative  
26 branch, for automated data processing, shall be used to purchase  
27 equipment, software, and services in order to support and implement

1 data processing requirements and technology improvements. These  
2 funds are designated as work project appropriations in accordance  
3 with section 451a of the management and budget act, 1984 PA 431,  
4 MCL 18.1451a, and shall not lapse at the end of the fiscal year,  
5 and shall continue to be available for expenditure until the  
6 project has been completed. The total cost is estimated at  
7 \$2,000,000.00, and the tentative completion date is September 30,  
8 2020.

9 Sec. 608. In addition to funds appropriated in part 1, the  
10 Michigan capitol committee publications save the flags fund account  
11 may accept contributions, gifts, bequests, devises, grants, and  
12 donations. Those funds that are not expended in the fiscal year  
13 ending September 30 shall not lapse at the close of the fiscal  
14 year, and shall be carried forward for expenditure in the following  
15 fiscal years.

16 Sec. 615. Total authorized appropriations from all sources  
17 under part 1 for legacy costs for the fiscal year ending September  
18 30, 2017 are \$21,279,600.00. From this amount, total agency  
19 appropriations for pension-related legacy costs are estimated at  
20 \$11,998,700.00. Total agency appropriations for retiree health care  
21 legacy costs are estimated at \$9,280,900.00.

22 Sec. 618. It is the intent of the legislature that all  
23 administrative functions and associated funding for the Michigan  
24 legislative retirement system shall be transferred from the  
25 legislative council to the department of technology, management,  
26 and budget before the end of the 2016-2017 fiscal year.

27 Sec. 619. (1) From the amount appropriated in part 1 for the

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1 criminal justice data collection and management program, an amount  
2 not to exceed \$1,500,000.00 shall be used by the criminal justice  
3 policy commission to provide <<semi-annual>> reports to the legislature  
4 <<due by February 15 and July 15>>. The report shall include the  
following

5 criminal justice data:

6 (a) The population, full capacity figures, and number of  
7 correctional officers for each of the following:

8 (i) State correctional facilities.

9 (ii) Local jails.

10 (iii) County jails.

11 (b) The statewide number of parolees and parole officers.

12 (c) The statewide number of persons on probation through a  
13 circuit court or a district court and the statewide number of  
14 circuit court and district court probation officers.

15 (d) The statewide percentage of persons who are arrested  
16 within 3 years and within 5 years of release from each of the  
17 following:

18 (i) A state correctional facility.

19 (ii) A local jail.

20 (iii) A county jail.

21 (e) The statewide percentage of persons who are arrested  
22 within 3 years and within 5 years of being paroled from a state  
23 correctional facility.

24 (f) The statewide percentage of persons who are arrested  
25 within 3 years and within 5 years of being placed on probation  
26 through a circuit court or a district court.

27 (g) The statewide percentage of persons who are convicted of a

1 criminal offense within 3 years and within 5 years of release from  
2 each of the following:

3 (i) A state correctional facility.

4 (ii) A local jail.

5 (iii) A county jail.

6 (h) The statewide percentage of persons who are convicted of a  
7 criminal offense within 3 years and within 5 years of being paroled  
8 from a state correctional facility.

9 (i) The statewide percentage of persons who are convicted of a  
10 criminal offense within 3 years and within 5 years of being placed  
11 on probation through a circuit court or a district court.

12 (j) The statewide percentage of persons who return to a state  
13 correctional facility within 3 years of release and within 5 years  
14 of release from each of the following:

15 (i) A state correctional facility.

16 (ii) A local jail.

17 (iii) A county jail.

18 (k) The statewide percentage of persons who return to a state  
19 correctional facility within 3 years and within 5 years of being  
20 paroled from a state correctional facility.

21 (l) The statewide percentage of persons on probation through a  
22 circuit court or a district court who are remanded to a state  
23 correctional facility within 3 years of placement on probation and  
24 within 5 years of placement on probation.

25 (m) Sentencing information for all offenders.

<<(n) The report also shall include a listing of all programs  
designed to reduce recidivism in each of the following:

(i) A state correctional facility.

(ii) A local jail.

(iii) A county jail.

(iv) All persons currently on parole.

(v) All persons currently on probation.

(o) For all programs listed in subdivision (n), the report also shall include all of the following:

(i) The duration of the program.

(ii) The total cost of providing the program.

(iii) The dropout rate amongst program participants for each of the programs listed in subdivision (n).

(iv) The percentage of program participants who are arrested within 3 years and within 5 years of completion of the program for each program listed in subdivision (n).

(v) The percentage of program participants who are convicted of a criminal offense within 3 years and within 5 years of completion of the program for each program listed in subdivision (n).

(vi) The percentage of program participants who return to a state correctional facility, a local jail, or a county jail within 3 years and within 5 years of completion of the program for each program listed in subdivision (n).>>

26 (2) Funds described in section (1) shall be used to address

27 criminal justice data deficiencies identified under subsection (1).

1 If there are initial data deficiencies in the reports required  
2 under subsection (1), the criminal justice policy commission shall  
3 include recommendations for the closure of any data gaps in each of  
4 these reports and the status of any activities related to these  
5 recommendations. The criminal justice policy commission shall issue  
6 a report to the legislature by March 1, 2017, accounting for all  
7 funds spent under this section that will include recommendations  
8 for the funding requirements for subsequent year projects that  
9 would facilitate the collection of the data in subsection (1) on a  
10 statewide basis.

11 **LEGISLATIVE AUDITOR GENERAL**

12 Sec. 620. Pursuant to section 53 of article IV of the state  
13 constitution of 1963, the auditor general shall conduct audits of  
14 the judicial branch. The audits may include the supreme court and  
15 its administrative units, the court of appeals, and trial courts.

16 Sec. 621. (1) The auditor general shall take all reasonable  
17 steps to ensure that certified minority- and women-owned and  
18 operated accounting firms, and accounting firms owned and operated  
19 by persons with disabilities participate in the audits of the  
20 books, accounts, and financial affairs of each principal executive  
21 department, branch, institution, agency, and office of this state.

22 (2) The auditor general shall strongly encourage firms with  
23 which the auditor general contracts to perform audits of the  
24 principal executive departments and state agencies to subcontract  
25 with certified minority- and women-owned and operated accounting  
26 firms, and accounting firms owned and operated by persons with



1 disabilities.

2 (3) The auditor general shall compile an annual report  
3 regarding the number of contracts entered into with certified  
4 minority- and women-owned and operated accounting firms, and  
5 accounting firms owned and operated by persons with disabilities.  
6 The auditor general shall deliver the report to the state budget  
7 director and the senate and house of representatives standing  
8 committees on appropriations subcommittees on general government by  
9 November 1 of each year.

10 Sec. 622. From the funds appropriated in part 1 to the  
11 legislative auditor general, the auditor general's salary and the  
12 salaries of the remaining 2.0 FTE unclassified positions shall be  
13 set by the speaker of the house of representatives, the senate  
14 majority leader, the house of representatives minority leader, and  
15 the senate minority leader.

16 Sec. 623. Any audits, reviews, or investigations requested of  
17 the auditor general by the legislature or by legislative  
18 leadership, legislative committees, or individual legislators shall  
19 include an estimate of the additional costs involved and, when  
20 those costs exceed \$50,000.00, should provide supplemental funding.  
21 The auditor general shall determine whether to perform those  
22 activities in keeping with Audit Directive No. 29, which describes  
23 the office of the auditor general's policy on responding to  
24 legislative requests.

25 **DEPARTMENT OF STATE**

26 Sec. 701. (1) In addition to the funds appropriated in part 1,

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

6 (2) In addition to the funds appropriated in part 1, there is  
7 appropriated an amount not to exceed \$7,500,000.00 for state  
8 restricted contingency funds. These funds are not available for  
9 expenditure until they have been transferred to another line item  
10 in part 1 under section 393(2) of the management and budget act,  
11 1984 PA 431, MCL 18.1393.

12 (3) In addition to the funds appropriated in part 1, there is  
13 appropriated an amount not to exceed \$50,000.00 for local  
14 contingency funds. These funds are not available for expenditure  
15 until they have been transferred to another line item in part 1  
16 under section 393(2) of the management and budget act, 1984 PA 431,  
17 MCL 18.1393.

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

24 Sec. 703. From the funds appropriated in part 1, the  
25 department of state shall sell copies of records including, but not  
26 limited to, records of motor vehicles, off-road vehicles,  
27 snowmobiles, watercraft, mobile homes, personal identification

1 cardholders, drivers, and boat operators and shall charge \$8.00 per  
2 record sold only as authorized in section 208b of the Michigan  
3 vehicle code, 1949 PA 300, MCL 257.208b, section 7 of 1972 PA 222,  
4 MCL 28.297, and sections 80130, 80315, 81114, and 82156 of the  
5 natural resources and environmental protection act, 1994 PA 451,  
6 MCL 324.80130, 324.80315, 324.81114, and 324.82156. The revenue  
7 received from the sale of records shall be credited to the  
8 transportation administration collection fund created under section  
9 810b of the Michigan vehicle code, 1949 PA 300, MCL 257.810b.

10 Sec. 704. From the funds appropriated in part 1, the secretary  
11 of state may enter into agreements with the department of  
12 corrections for the manufacture of vehicle registration plates 15  
13 months before the registration year in which the registration  
14 plates will be used.

15 Sec. 705. (1) The department of state may accept gifts,  
16 donations, contributions, and grants of money and other property  
17 from any private or public source to underwrite, in whole or in  
18 part, the cost of a departmental publication that is prepared and  
19 disseminated under the Michigan vehicle code, 1949 PA 300, MCL  
20 257.1 to 257.923. A private or public funding source may receive  
21 written recognition in the publication and may furnish a traffic  
22 safety message, subject to departmental approval, for inclusion in  
23 the publication. The department may reject a gift, donation,  
24 contribution, or grant. The department may furnish copies of a  
25 publication underwritten, in whole or in part, by a private source  
26 to the underwriter at no charge.

27 (2) The department of state may sell and accept paid

1 advertising for placement in a departmental publication that is  
2 prepared and disseminated under the Michigan vehicle code, 1949 PA  
3 300, MCL 257.1 to 257.923. The department may charge and receive a  
4 fee for any advertisement appearing in a departmental publication  
5 and shall review and approve the content of each advertisement. The  
6 department may refuse to accept advertising from any person or  
7 organization. The department may furnish a reasonable number of  
8 copies of a publication to an advertiser at no charge.

9 (3) Pending expenditure, the funds received under this section  
10 shall be deposited in the Michigan department of state publications  
11 fund created by section 211 of the Michigan vehicle code, 1949 PA  
12 300, MCL 257.211. Funds given, donated, or contributed to the  
13 department from a private source are appropriated and allocated for  
14 the purpose for which the revenue is furnished. Funds granted to  
15 the department from a public source are allocated and may be  
16 expended upon receipt. The department shall not accept a gift,  
17 donation, contribution, or grant if receipt is conditioned upon a  
18 commitment of state funding at a future date. Revenue received from  
19 the sale of advertising is appropriated and may be expended upon  
20 receipt.

21 (4) Any unexpended revenues received under this section shall  
22 be carried over into subsequent fiscal years and shall be available  
23 for appropriation for the purposes described in this section.

24 (5) On March 1 of each year, the department of state shall  
25 file a report with the senate and house of representatives standing  
26 committees on appropriations, the senate and house fiscal agencies,  
27 and the state budget director. The report shall include all of the

1 following information:

2 (a) The amount of gifts, contributions, donations, and grants  
3 of money received by the department under this section for the  
4 prior fiscal year.

5 (b) A listing of the expenditures made from the amounts  
6 received by the department as reported in subdivision (a).

7 (c) A listing of any gift, donation, contribution, or grant of  
8 property other than funding received by the department under this  
9 section for the prior year.

10 (d) The total revenue received from the sale of paid  
11 advertising accepted under this section and a statement of the  
12 total number of advertising transactions.

13 (6) In addition to copies delivered without charge as the  
14 secretary of state considers necessary, the department of state may  
15 sell copies of manuals and other publications regarding the sale,  
16 ownership, or operation or regulation of motor vehicles, with  
17 amendments, at prices to be established by the secretary of state.  
18 As used in this subsection, the term "manuals and other  
19 publications" includes videos and proprietary electronic  
20 publications. All funds received from sales of these manuals and  
21 other publications shall be credited to the Michigan department of  
22 state publications fund.

23 Sec. 707. Funds collected by the department of state under  
24 section 211 of the Michigan vehicle code, 1949 PA 300, MCL 257.211,  
25 are appropriated for all expenses necessary to provide for the  
26 costs of the publication. Funds are allotted for expenditure when  
27 they are received by the department of treasury and shall not lapse

1 to the general fund at the end of the fiscal year.

2       Sec. 708. From the funds appropriated in part 1, the  
3 department of state shall use available balances at the end of the  
4 state fiscal year to provide payment to the department of state  
5 police in the amount of \$332,000.00 for the services provided by  
6 the traffic accident records program as first appropriated in 1990  
7 PA 196 and 1990 PA 208.

8       Sec. 709. From the funds appropriated in part 1, the  
9 department of state may restrict funds from miscellaneous revenue  
10 to cover cash shortages created from normal branch office  
11 operations. This amount shall not exceed \$50,000.00 of the total  
12 funds available in miscellaneous revenue.

13       Sec. 710. (1) Commemorative and specialty license plate fee  
14 revenue collected by the department of state and deposited into the  
15 transportation administration collection fund created in section  
16 810b of the Michigan vehicle code, 1949 PA 300, MCL 257.810b, is  
17 authorized for expenditure up to the amount of revenue collected  
18 but not to exceed the amount appropriated to the department of  
19 state in part 1 to administer commemorative and specialty license  
20 plate programs.

21       (2) Commemorative and specialty license plate fee revenue  
22 collected by the department of state and deposited in the  
23 transportation administration collection fund created in section  
24 810b of the Michigan vehicle code, 1949 PA 300, MCL 257.810b, in  
25 addition to the amount appropriated in part 1 to the department of  
26 state, shall remain in the transportation administration collection  
27 fund created in section 810b of the Michigan vehicle code, 1949 PA

1 300, MCL 257.810b, and be available for future appropriation.

2 Sec. 711. Collector plate and fund-raising registration plate  
3 revenues collected by the department of state are appropriated and  
4 allotted for distribution to the recipient university or public or  
5 private agency overseeing a state-sponsored goal when received.  
6 Distributions shall occur on a quarterly basis or as otherwise  
7 authorized by law. Any revenues remaining at the end of the fiscal  
8 year shall not lapse to the general fund but shall remain available  
9 for distribution to the university or agency in the next fiscal  
10 year.

11 Sec. 712. The department of state may produce and sell copies  
12 of a training video designed to inform registered automotive repair  
13 facilities of their obligations under Michigan law. The price shall  
14 not exceed the cost of production and distribution. The money  
15 received from the sale of training videos shall revert to the  
16 department of state and be placed in the auto repair facility  
17 account.

18 Sec. 713. (1) The department of state, in collaboration with  
19 the gift of life transplantation society or its successor federally  
20 designated organ procurement organization, may develop and  
21 administer a public information campaign concerning the Michigan  
22 organ donor program.

23 (2) The department of state may solicit funds from any private  
24 or public source to underwrite, in whole or in part, the public  
25 information campaign authorized by this section. The department may  
26 accept gifts, donations, contributions, and grants of money and  
27 other property from private and public sources for this purpose. A

1 private or public funding source underwriting the public  
2 information campaign, in whole or in substantial part, shall  
3 receive sponsorship credit for its financial backing.

4 (3) Funds received under this section, including grants from  
5 state and federal agencies, shall not lapse to the general fund at  
6 the end of the fiscal year but shall remain available for  
7 expenditure for the purposes described in this section.

8 (4) Funding appropriated in part 1 for the organ donor program  
9 shall be used for producing a pamphlet to be distributed with  
10 driver licenses and personal identification cards regarding organ  
11 donations. The funds shall be used to update and print a pamphlet  
12 that will explain the organ donor program and encourage people to  
13 become donors by marking a checkoff on driver license and personal  
14 identification card applications.

15 (5) The pamphlet shall include a return reply form addressed  
16 to the gift of life organization. Funding appropriated in part 1  
17 for the organ donor program shall be used to pay for return postage  
18 costs.

19 (6) In addition to the appropriations in part 1, the  
20 department of state may receive and expend funds from the organ and  
21 tissue donation education fund for administrative expenses.

22 Sec. 714. (1) Except as otherwise provided under subsection  
23 (2), at least 180 days before closing a branch office or  
24 consolidating a branch office and at least 60 days before  
25 relocating a branch office, the department of state shall inform  
26 members of the senate and house of representatives standing  
27 committees on appropriations and legislators who represent affected



1 areas regarding the details of the proposal. The information  
2 provided shall be in written form and include all analyses done  
3 regarding criteria for changes in the location of branch offices,  
4 including, but not limited to, branch transactions, revenue, and  
5 the impact on citizens of the affected area. The impact on citizens  
6 shall include information regarding additional distance to branch  
7 office locations resulting from the plan. The written notice  
8 provided by the department of state shall also include detailed  
9 estimates of costs and savings that will result from the overall  
10 changes made to the branch office structure and the same level of  
11 detail regarding costs for new leased facilities and expansions of  
12 current leased space.

13 (2) If the consolidation of a branch office is with another  
14 branch office that is located within the same local unit of  
15 government or the relocation of a branch office is to another  
16 location that is located within the same local unit of government,  
17 the department of state is not required to provide the notification  
18 or written information described in subsection (1).

19 (3) As used in this section, "local unit of government" means  
20 a city, village, township, or county.

21 Sec. 715. (1) Any service assessment collected by the  
22 department of state from the user of a credit or debit card under  
23 section 3 of 1995 PA 144, MCL 11.23, may be used by the department  
24 for necessary expenses related to that service and may be remitted  
25 to a credit or debit card company, bank, or other financial  
26 institution.

27 (2) The service assessment imposed by the department of state

1 for credit and debit card services may be based either on a  
2 percentage of each individual credit or debit card transaction, or  
3 on a flat rate per transaction, or both, scaled to the amount of  
4 the transaction. However, the department shall not charge any  
5 amount for a service assessment which exceeds the costs billable to  
6 the department for service assessments.

7 (3) If there is a balance of service assessments received from  
8 credit and debit card services remaining on September 30, the  
9 balance may be carried forward to the following fiscal year and  
10 appropriated for the same purpose.

11 (4) As used in this section, "service assessment" means and  
12 includes costs associated with service fees imposed by credit and  
13 debit card companies and processing fees imposed by banks and other  
14 financial institutions.

15 Sec. 716b. The department of state shall provide a report that  
16 calculates the total amount of funds expended for the business  
17 application modernization project to date from the inception of the  
18 program. The report shall contain information on the original start  
19 and completion dates for the project, the original cost to complete  
20 the project, and a listing of all revisions to project completion  
21 dates and costs. The report shall include the total amount of funds  
22 paid to the state by the contract provider for penalties. The  
23 report shall be submitted to the senate and house of  
24 representatives standing committees on appropriations, the senate  
25 and house fiscal agencies, and the state budget director by January  
26 1.

27 Sec. 717. (1) The department of state may accept nonmonetary

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1 gifts, donations, or contributions of property from any private or  
2 public source to support, in whole or in part, the operation of a  
3 departmental function relating to licensing, regulation, or safety.  
4 The department may recognize a private or public contributor for  
5 making the contribution. The department may reject a gift,  
6 donation, or contribution.

7 (2) The department of state shall not accept a gift, donation,  
8 or contribution under subsection (1) if receipt of the gift,  
9 donation, or contribution is conditioned upon a commitment of  
10 future state funding.

11 (3) On March 1 of each year, the department of state shall  
12 file a report with the senate and house of representatives standing  
13 committees on appropriations, the senate and house fiscal agencies,  
14 and the state budget director. The report shall list any gift,  
15 donation, or contribution received by the department under  
16 subsection (1) for the prior calendar year.

<<Sec. 718. From the funds appropriated in part 1 to the  
department of state, branch operations, the department shall maintain  
a full service secretary of state branch office in Buena Vista  
Township.>>

17 Sec. 721. From the funds appropriated in part 1, the  
18 department of state may collect ATM commission fees from companies  
19 that have ATMs located in secretary of state branch offices. The  
20 commission received from the use of these ATMs shall be credited to  
21 the transportation administration collection fund created under  
22 section 810b of the Michigan vehicle code, 1949 PA 300, MCL  
23 257.810b.

24 Sec. 722. (1) From the increased funds appropriated in part 1  
25 for information technology services and projects, the department of  
26 state shall establish a legacy modernization project beginning in  
27 the current fiscal year. The purpose of this program expansion is

1 modernization of the entire system and removal of existing programs  
2 from the legacy mainframes.

3 (2) The department of state shall provide a report on the  
4 status of the legacy modernization project that includes, but is  
5 not limited to, itemization of all expenditures made on behalf of  
6 the project, anticipated completion date of the project, time frame  
7 of each phase of the project, the cost of the project, the number  
8 of employees assigned to implement each phase of the project, the  
9 contracts entered into for the project, anticipated overall cost of  
10 the project, and any other information the department considers  
11 necessary. The plan shall be distributed to the senate and house of  
12 representatives standing committees on appropriations subcommittees  
13 on general government, as well as the senate and house fiscal  
14 agencies, and the state budget director by January 1.

15 Sec. 723. From the increased funds appropriated in part 1 for  
16 elections administration and services, the department of state  
17 shall establish funding available for the replacement of voting  
18 machines. The purpose of this program expansion is replacement of  
19 existing voting machines in the local jurisdictions.

20 Sec. 725. Total authorized appropriations from all sources  
21 under part 1 for legacy costs for the fiscal year ending September  
22 30, 2017 are \$31,874,100.00. From this amount, total agency  
23 appropriations for pension-related legacy costs are estimated at  
24 \$17,673,400.00. Total agency appropriations for retiree health care  
25 legacy costs are estimated at \$14,200,700.00.

26 **DEPARTMENT OF TALENT AND ECONOMIC DEVELOPMENT**

1       Sec. 800. (1) In addition to the funds appropriated in part 1,  
2 there is appropriated an amount not to exceed \$30,000,000.00 for  
3 federal contingency funds. These funds are not available for  
4 expenditure until they have been transferred to another line item  
5 in part 1 under section 393(2) of the management and budget act,  
6 1984 PA 431, MCL 18.1393.

7       (2) In addition to the funds appropriated in part 1, there is  
8 appropriated an amount not to exceed \$10,000,000.00 for state  
9 restricted contingency funds. These funds are not available for  
10 expenditure until they have been transferred to another line item  
11 in part 1 under section 393(2) of the management and budget act,  
12 1984 PA 431, MCL 18.1393.

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

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

25       Sec. 800a. Total authorized appropriations from all sources  
26 under part 1 for legacy costs for the fiscal year ending September  
27 30, 2017 are \$35,083,100.00. From this amount, total agency

1 appropriations for pension-related legacy costs are estimated at  
2 \$19,452,700.00. Total agency appropriations for retiree health care  
3 legacy costs are estimated at \$15,630,400.00.

4 **MICHIGAN STRATEGIC FUND - HOUSING AND COMMUNITY DEVELOPMENT**

5 Sec. 801. MSHDA shall annually present a report to the state  
6 budget office and the subcommittees on the status of the  
7 authority's housing production goals under all financing programs  
8 established or administered by the authority. The report shall give  
9 special attention to efforts to raise affordable multifamily  
10 housing production goals.

11 Sec. 802. MSHDA shall report to the subcommittees, the state  
12 budget director, and the fiscal agencies by December 1 on the  
13 status of the loans entered into by the Michigan broadband  
14 development authority.

15 Sec. 803. In addition to the funds appropriated in part 1, the  
16 funds collected by state historic preservation programs for  
17 document reproduction and services and application fees are  
18 appropriated for all expenses necessary to provide the required  
19 services. These funds are available for expenditure when they are  
20 received and may be carried forward into the succeeding fiscal  
21 year.

22 Sec. 804. In addition to the amounts appropriated in part 1,  
23 the land bank fast track authority may expend revenues received  
24 under the land bank fast track act, 2003 PA 258, MCL 124.751 to  
25 124.774, for the purposes authorized by the act, including, but not  
26 limited to, the acquisition, lease, management, demolition,  
27 maintenance, or rehabilitation of real or personal property,

1 payment of debt service for notes or bonds issued by the authority,  
2 and other expenses to clear or quiet title property held by the  
3 authority.

#### 4 **MICHIGAN STRATEGIC FUND**

5 Sec. 805. In addition to the appropriations in part 1, Travel  
6 Michigan may receive and expend private revenue related to the use  
7 of "Pure Michigan" and all other copyrighted slogans and images.  
8 This revenue may come from the direct licensing of the name and  
9 image or from the royalty payments from various merchandise sales.  
10 Revenue collected is appropriated for the marketing of the state as  
11 a travel destination. The funds are available for expenditure when  
12 they are received by the department of treasury. The fund shall  
13 provide a report that lists the revenues by source received from  
14 the use of "Pure Michigan" and all other copyrighted slogans and  
15 images. The report shall provide a detailed list of expenditures of  
16 revenues received under this section. The report shall be provided  
17 to the appropriations subcommittees on general government, the  
18 fiscal agencies, and the state budget office by June 1.

19 Sec. 807. (1) The fund shall provide reports to the relevant  
20 subcommittees, the state budget director, and the fiscal agencies  
21 concerning the activities of the MEDC grants and investment  
22 programs financed from the fund using investment, Indian gaming  
23 revenues, or other revenues. The report shall provide a list of  
24 individual grants, loans, and investments made from the fund or by  
25 the MEDC from the funds appropriated in part 1 and shall include  
26 the name of the recipient, the amount awarded to the recipient, and  
27 the purpose of the grant. The activities report shall also include,

1 but not be limited to, the following programs funded in part 1:

2 (a) Travel Michigan, including any expenditures authorized  
3 under section 89b of the Michigan strategic fund act, 1984 PA 270,  
4 MCL 125.2089b, to supplement the Michigan promotion program or Pure  
5 Michigan programs. The report shall include the number of  
6 commercials produced, the types of media purchased, and the target  
7 of tourism promotion used in Michigan tourism promotion material.

8 (b) Business attraction, retention, and growth, including any  
9 expenditures authorized under section 89b of the Michigan strategic  
10 fund act, 1984 PA 270, MCL 125.2089b, to supplement the Michigan  
11 business marketing program. The report shall include the number of  
12 commercials produced, the markets in which media buys have been  
13 made, and any web-based products that were created as a result of  
14 this appropriation.

15 (c) Business services.

16 (d) Community development block grants.

17 (e) Strategic fund administration.

18 (f) Renaissance zones.

19 (g) 21st century investment program.

20 (h) Business and clean air ombudsman.

21 (i) Michigan business development program.

22 (j) Community revitalization program.

23 (k) Film incentives.

24 (l) Any other programs of the fund.

25 (m) Jobs for Michigan investment fund.

26 (n) Core community fund.

27 (2) As a condition of the expenditure of funds appropriated in



1 part 1 for business attraction and community revitalization and  
2 film incentives, the fund shall submit a report to the chairpersons  
3 of the senate and house of representatives standing committees on  
4 appropriations, the chairpersons of the senate and house of  
5 representatives standing committees on appropriations subcommittees  
6 on general government, the senate and house fiscal agencies, and  
7 the state budget office that provides performance metrics for the  
8 Michigan business development program, community revitalization  
9 program, and film incentives. The report shall include, but is not  
10 limited to, all of the following for all appropriated funds that  
11 are available during the fiscal year:

12 (a) Total verified jobs created, as required by statute,  
13 compared to total committed jobs.

14 (b) Total actual private investment compared to total  
15 projected private investment.

16 (c) An estimate of the return on investment to the state as a  
17 result of the incentives.

18 (d) A listing of projects previously awarded incentives that  
19 were revoked and the reason for revocation.

20 (e) A listing of projects that had incentive contracts amended  
21 by the fund or MEDC. The listing shall include a detailed listing  
22 of the amendments made to the contract.

23 (3) The reports in subsections (1) and (2) shall be submitted  
24 by February 15. The report for each program in subsection (1)(a)  
25 through (f) shall include details on all revenue sources, actual  
26 expenditures, and number of FTEs for that program for the previous  
27 fiscal year.

1       Sec. 808. As a condition of receiving funds under part 1, any  
2 interlocal agreement entered into by the fund shall include  
3 language which states that if a local unit of government has a  
4 contract or memorandum of understanding with a private economic  
5 development agency, the MEDC will work cooperatively with that  
6 private organization in that local area.

7       Sec. 809. (1) Of the funds appropriated to the fund or through  
8 grants to the MEDC, no funds shall be expended for the purchase of  
9 options on land or the purchase of land unless at least 1 of the  
10 following conditions applies:

11       (a) The land is located in an economically distressed area.

12       (b) The land is obtained through a purchase or exercise of an  
13 option at the invitation of the local unit of government and local  
14 economic development agency.

15       (2) Consideration may be given to purchases where the proposed  
16 use of the land is consistent with a regional land use plan, will  
17 result in the redevelopment of an economically distressed area, can  
18 be supported by existing infrastructure, and will not cause shifts  
19 in population away from the area's population centers.

20       (3) As used in this section, "economically distressed area"  
21 means an area in a city, village, or township that has been  
22 designated as blighted; a city, village, or township that shows  
23 negative population change from 1970 and a poverty rate and  
24 unemployment rate greater than the statewide average; or an area  
25 certified as a neighborhood enterprise zone under the neighborhood  
26 enterprise zone act, 1992 PA 147, MCL 207.771 to 207.786.

27       Sec. 811. (1) From the appropriations in part 1 to the fund

1 and granted or transferred to the MEDC, any unexpended or  
2 unencumbered balance shall be disposed of in accordance with the  
3 requirements in the management and budget act, 1984 PA 431, MCL  
4 18.1101 to 18.1594, unless carryforward authorization has been  
5 otherwise provided for.

6 (2) Any encumbered funds shall be used for the same purposes  
7 for which funding was originally appropriated in this part and part  
8 1.

9 Sec. 812. (1) As a condition of receiving funds under part 1,  
10 the fund shall ensure that the MEDC and the fund comply with all of  
11 the following:

12 (a) The freedom of information act, 1976 PA 442, MCL 15.231 to  
13 15.246.

14 (b) The open meetings act, 1976 PA 267, MCL 15.261 to 15.275.

15 (c) Annual audits of all financial records by the auditor  
16 general or his or her designee.

17 (d) All reports required by law to be submitted to the  
18 legislature.

19 (2) If the MEDC is unable for any reason to perform duties  
20 under this part, the fund may exercise those duties.

21 Sec. 813. As a condition for receiving the appropriations in  
22 part 1, any staff of the MEDC involved in private fund-raising  
23 activities shall not be party to any decisions regarding the  
24 awarding of grants, incentives, or tax abatements from the fund,  
25 the MEDC, or the Michigan economic growth authority.

26 Sec. 820. Federal pass-through funds to local institutions and  
27 governments that are received in amounts in addition to those

1 included in part 1 and that do not require additional state  
2 matching funds are appropriated for the purposes intended. The  
3 department may carry forward into the succeeding fiscal year  
4 unexpended federal pass-through funds to local institutions and  
5 governments that do not require additional state matching funds.  
6 The department shall report the amount and source of the funds to  
7 the senate and house appropriations subcommittees on general  
8 government, the senate and house fiscal agencies, and the state  
9 budget office within 10 business days after receiving any  
10 additional pass-through funds.

11       Sec. 824. From the funds appropriated in part 1 for business  
12 attraction and community revitalization, not less than  
13 \$20,000,000.00 shall be granted by the fund board for brownfield  
14 redevelopment and historic preservation projects under the  
15 community revitalization program authorized by chapter 8C of the  
16 Michigan strategic fund act, 1984 PA 270, MCL 125.2090 to  
17 125.2090d.

18       Sec. 832. (1) The department shall report to the  
19 subcommittees, the state budget director, and the fiscal agencies  
20 on the status of the film incentives at the same time as it submits  
21 the annual report required under section 455 of the Michigan  
22 business tax act, 2007 PA 36, MCL 208.1455. The department of  
23 treasury and the fund shall provide the department of talent and  
24 economic development with the data necessary to prepare the report.  
25 Incentives included in the report shall include all of the  
26 following:

27       (a) The tax credit provided under section 455 of the Michigan

1 business tax act, 2007 PA 36, MCL 208.1455.

2 (b) The tax credit provided under section 457 of the Michigan  
3 business tax act, 2007 PA 36, MCL 208.1457.

4 (c) The tax credit provided under section 459 of the Michigan  
5 business tax act, 2007 PA 36, MCL 208.1459.

6 (d) The amount of any tax credit claimed under former section  
7 367 of the income tax act of 1967, 1967 PA 281.

8 (e) Any tax credits provided for film and digital media  
9 production under the Michigan economic growth authority act, 1995  
10 PA 24, MCL 207.801 to 207.810.

11 (f) Loans to an eligible production company or film and  
12 digital media private equity fund authorized under section 88d(3),  
13 (4), and (5) of the Michigan strategic fund act, 2005 PA 225, MCL  
14 125.2088d.

15 (2) The report shall include all of the following information:

16 (a) For each tax credit, the number of contracts signed, the  
17 projected expenditures qualifying for the credit, and the estimated  
18 value of the credits. For loans, the number of loans made under  
19 each section, the interest rate of those loans, the loan amount,  
20 the percent of the projected budget of each production financed by  
21 those loans, the estimated interest earnings from the loan, the  
22 total funding awarded for each of the following:

23 (i) Direct production expenditures.

24 (ii) Michigan personnel expenditures.

25 (iii) Crew personnel expenditures.

26 (iv) Qualified personnel expenditures.

27 (v) Postproduction expenditures.

1 (vi) Qualified facility or infrastructure expenditures.

2 (vii) Spending for program administration.

3 (b) For credits authorized under section 455 of the Michigan  
4 business tax act, 2007 PA 36, MCL 208.1455, for productions  
5 completed by December 31, the expenditures of each production  
6 eligible for the credit that has filed a request for certificate of  
7 completion with the film office, broken down into expenditures for  
8 goods, services, or salaries and wages and showing separately  
9 expenditures in each local unit of government, including  
10 expenditures for personnel, whether or not they were made to a  
11 Michigan entity, and whether or not they were taxable under the  
12 laws of this state. For loans, the report shall include the number  
13 of loans that have been fully repaid, with principal and interest  
14 shown separately, and the number of loans that are delinquent or in  
15 default, and the amount of principal that is delinquent or is in  
16 default.

17 (c) For each of the tax credit incentives and loan incentives  
18 listed in subsection (1), a breakdown for each project or  
19 production showing each of the following:

20 (i) The number of temporary jobs created.

21 (ii) The number of permanent jobs created.

22 (iii) The number of persons employed in Michigan as a result  
23 of the incentive, on a full-time equated basis.

24 (3) For any information not included in the report due to the  
25 provisions of section 455(6), 457(6), or 459(6) of the Michigan  
26 business tax act, 2007 PA 36, MCL 208.1455, 208.1457, and 208.1459,  
27 the report shall do all of the following:

1 (a) Indicate how the information would describe the commercial  
2 and financial operations or intellectual property of the company.

3 (b) Attest that the information has not been publicly  
4 disseminated at any time.

5 (c) Describe how disclosure of the information may put the  
6 company at a competitive disadvantage.

7 (4) Any information not disclosed due to the provisions of  
8 section 455(6), 457(6), or 459(6) of the Michigan business tax act,  
9 2007 PA 36, MCL 208.1455, 208.1457, and 208.1459, shall be  
10 presented at the lowest level of aggregation that would no longer  
11 describe the commercial and financial operations or intellectual  
12 property of the company.

13 Sec. 835. (1) From the appropriation in part 1, the Michigan  
14 council for arts and cultural affairs shall administer an arts and  
15 cultural grant program that maintains an equitable geographic  
16 distribution of funding and utilizes past arts and cultural grant  
17 programs as a guideline for administering this program. The council  
18 shall do all of the following:

19 (a) On or before October 1, the fund shall publish proposed  
20 application criteria, instructions, and forms for use by eligible  
21 applicants. The fund shall provide at least a 2-week period for  
22 public comment before finalizing the application criteria,  
23 instructions, and forms.

24 (b) A nonrefundable application fee may be assessed for each  
25 application. Application fees shall be deposited in the council for  
26 the arts fund and are appropriated for expenses necessary to  
27 administer the programs. These funds are available for expenditure

1 when they are received and may be carried forward to the following  
2 fiscal year.

3 (c) Grants are to be made to public and private arts and  
4 cultural entities.

5 (d) Within 1 business day after the award announcements, the  
6 council shall provide to each member of the legislature and the  
7 fiscal agencies a list of all grant recipients and the total award  
8 given to each recipient, sorted by county.

9 (2) The appropriation in part 1 for arts and cultural program  
10 shall not be used for the administration of the grant program.

11 Sec. 836. (1) The general fund/general purpose funds  
12 appropriated in part 1 to the business attraction and community  
13 revitalization funds shall be transferred to the 21st century jobs  
14 trust fund per section 90b(3) of the Michigan strategic fund act,  
15 1984 PA 270, MCL 125.2090b.

16 (2) Funds transferred to the 21st century jobs trust fund  
17 under subsection (1) are appropriated and available for allocation  
18 as authorized in the Michigan strategic fund act, 1984 PA 270, MCL  
19 125.2001 to 125.2094.

20 Sec. 838. (1) From the funds appropriated in part 1, the  
21 department shall work with Michigan State University to gather  
22 information and create an annual progress report on the  
23 construction of the Facility for Rare Isotope Beams. The report  
24 shall include, but is not limited to, the following information:

25 (a) If construction is ahead of the scheduled timeline made  
26 with the United States Department of Energy at the end of the  
27 previous fiscal year and the number of weeks.



1 (b) If the cost of construction is under or over the amount  
2 projected for the previous fiscal year and the amount.

3 (c) The number of Michigan companies that have been contracted  
4 for the project, the total amount of those contracts, and number of  
5 permanent and temporary employees employed in the previous fiscal  
6 year.

7 (2) The department shall report to the state budget director,  
8 appropriations subcommittees, senate and house appropriation  
9 subcommittees on general government, and senate and house fiscal  
10 agencies by February 15.

11 Sec. 840. As a condition of receiving funds in part 1, the  
12 department of talent and economic development shall utilize MAIN,  
13 or a successor MDTMB-administered administrative information system  
14 used across state government, as an appropriation and expenditure  
15 reporting system to track all financial transactions with  
16 individual vendors, contractual partners, grantees, recipients of  
17 business incentives, and recipients of other economic assistance.  
18 Encumbrances and expenditures shall be reported in a timely manner.

19 Sec. 841. From the funds appropriated in part 1 for business  
20 attraction and community revitalization, the fund shall request the  
21 transfer by the state treasurer of not more than 60% of the funds  
22 prior to April 1.

23 Sec. 842. For the funds appropriated in part 1 for business  
24 attraction and community revitalization, the fund shall report  
25 quarterly on the amount of funds considered appropriated, pre-  
26 encumbered, encumbered, and expended. The report shall also include  
27 a listing of appropriations for business attraction and community

1 revitalization, or a predecessor, in 2011 PA 63, 2012 PA 200, 2013  
2 PA 59, and 2014 PA 252, that were considered appropriated, pre-  
3 encumbered, encumbered, or expended that have lapsed back to the  
4 fund for any purpose. The report shall be submitted to the  
5 chairpersons of the senate and house of representatives standing  
6 committees on appropriations, the chairpersons of the senate and  
7 house of representatives standing committees on appropriations  
8 subcommittees on general government, the senate and house fiscal  
9 agencies, and the state budget office.

10       Sec. 844. From the appropriations in part 1 for business  
11 attraction and community revitalization, \$500,000.00 shall be  
12 allocated to a consortium that develops unmanned aerial systems  
13 technology and has a teaming agreement or partnership with a  
14 Federal Aviation Administration designated testing site. The  
15 consortium must also be working with a community college that has  
16 received a skilled trades equipment fund grant and is using a  
17 portion of the grant to purchase equipment for unmanned aerial  
18 systems technology for education.

19       Sec. 845. From the funds appropriated in part 1 for  
20 entrepreneurship eco-system, the fund shall allocate \$1,000,000.00  
21 to the Van Andel Institute to be used for matching federal funds,  
22 private and nonprofit grants, and private contributions.

23       Sec. 846. (1) From the funds appropriated in part 1 for  
24 special grants, \$250,000.00 in general fund dollars shall be  
25 awarded to a village that has a population of less than 1,200 for  
26 capital repayments on a water tower that has deteriorated lead  
27 paint inside of the well, operates a wellhead protection plan, is

1 over 30 years old, and has \$100,000.00 in matching funds.

2 (2) From the funds appropriated in part 1 for special grants,  
3 \$960,000.00 in general fund dollars shall be awarded as a grant to  
4 a financially distressed city that has a level 3, high-priority  
5 capital improvement that has a cost estimate above \$10,000,000.00,  
6 has local matching dollars, and has previously applied to the  
7 financially distressed cities, villages, and townships fund, but  
8 has not been awarded any previous grants.

9 (3) From the funds appropriated in part 1 for special grants,  
10 \$800,000.00 in general fund dollars shall be awarded as a parking  
11 redevelopment grant to a state park that is less than 50 acres and  
12 is connected to a multi-city trolley system.

13 (4) From the funds appropriated in part 1 for special grants,  
14 \$2,100,000.000 in penalties and interest fund dollars shall be used  
15 to increase funding to the Jobs for America's Graduates program in  
16 Michigan in the talent investment agency.

17 (5) From the funds appropriated in part 1 for special grants,  
18 \$76,000.00 in general fund dollars shall be expended as a grant to  
19 a local intermediate school district as matching for the purchase  
20 of a plasma cutting machine. The grant shall be awarded to an  
21 intermediate school district that operates a zero-emission  
22 classroom building.

23 (6) From the funds appropriated in part 1 for special grants,  
24 \$300,000.00 in general fund dollars shall be expended to support  
25 the urban search and rescue task force. In distributing funds under  
26 this section, the department of treasury shall require the task  
27 force to provide to the department the following information:

## Senate Bill No. 800 as amended May 4, 2016

1 (a) A final year-end report providing information on all  
2 revenue received by source and expenditures by categories, with the  
3 funds distributed to the task force under section 606(9) of article  
4 XVI of 2014 PA 252 discretely presented.

5 (b) Detail on the proposed expenditure of the funds  
6 distributed under this section.

7 (c) A final year-end report providing information on all  
8 revenue received by source and expenditures by categories, with the  
9 funds distributed under this section discretely presented.

10 <<

13 >>

14 Sec. 847. (1) The fund shall report to the senate and house of  
15 representatives appropriations subcommittees on general government,  
16 the senate and house fiscal agencies, and the state budget office  
17 by November 1 on the annual cost of the Michigan economic growth  
18 authority tax credits. The report shall include for each year the  
19 board-approved credit amount, adjusted for credit amendments where  
20 applicable, and the actual and projected value of tax credits for  
21 each year from 1995 to the expiration of the credit program. For  
22 years for which credit claims are complete, the report shall  
23 include the total of actual certificated credit amounts. For years  
24 for which claims are still pending or not yet submitted, the report  
25 shall include a combination of actual credits where available and  
26 projected credits. Credit projections shall be based on updated  
27 estimates of employees, wages, and benefits for eligible companies.

## Senate Bill No. 800 as amended May 4, 2016

(2) In addition to the report under subsection (1), the fund shall report to the senate and house of representatives appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget office by November 1 on the annual cost of all other certificated credits by program, for each year until the credits expire or can no longer be collected. The report shall include estimates on the brownfield redevelopment credit, film credits, MEGA photovoltaic technology credit, MEGA polycrystalline silicon manufacturing credit, MEGA vehicle battery credit, and other certificated credits.

Sec. 848. From the funds appropriated in part 1 for smart zone grant, the department shall award a grant of up to \$100.00 to a regional smart zone that operates a technology innovation center and has an economic area partnership with a board that has representation from a university, a community college, 2 local units of government, and a county. The smart zone must have created at least 50 jobs and generated at least \$1,000,000.00 in fiscal year 2015-2016 to receive the grant.

<<Sec. 849. From the funds appropriated in part 1 for entrepreneurship eco-system, \$100.00 shall be allocated as an aerospace supplier expansion grant to a Michigan association that has a developmental plan for an aerospace supplier network.>>

Sec. 850. From the funds appropriated in part 1 for entrepreneurship ecosystem, the department shall award a \$100.00 1-time grant to a public or private technology university to start up a business and technology accelerator. The accelerator shall be operated by the university, have federal matching dollars, and have partnerships or alliance agreements with Michigan Works!, businesses, and a local unit of government.

**TALENT INVESTMENT AGENCY**

Sec. 860. The talent investment agency shall administer the

1 PATH training program in accordance with the requirements of  
2 section 407(d) of title IV of the social security act, 42 USC 607,  
3 the state social welfare act, 1939 PA 280, MCL 400.1 to 400.119b,  
4 and all other applicable laws and regulations.

5 Sec. 861. From the funds appropriated in part 1 for workforce  
6 programs subgrantees, the talent investment agency may allocate  
7 funding for grants to nonprofit organizations that offer programs  
8 pursuant to the workforce investment act of 1998, 29 USC 2801 to  
9 2945, or the workforce innovation and opportunity act, 29 USC 3101  
10 to 3361, eligible youth focusing on pre-apprenticeship and  
11 apprenticeship activities, entrepreneurship, work-readiness skills,  
12 job shadowing, and financial literacy. Organizations eligible for  
13 funding under this section must have the capacity to provide  
14 similar programs in urban areas, as determined by the United States  
15 Bureau of the Census according to the most recent federal decennial  
16 census. Additionally, programs eligible for funding under this  
17 section must include the participation of local business partners.  
18 The talent investment agency shall develop other appropriate  
19 eligibility requirements to ensure compliance with applicable  
20 federal rules and regulations.

21 Sec. 862. The talent investment agency shall make available,  
22 in person or by telephone, 1 disabled veterans outreach program  
23 specialist or local veterans employment representative to Michigan  
24 Works! service centers, as resources permit, during hours of  
25 operation, and shall continue to make the appropriate placement of  
26 veterans and disabled veterans a priority.

27 Sec. 863. (1) In addition to the funds appropriated in part 1,

1 any unencumbered and unrestricted federal workforce investment act  
2 of 1998, 29 USC 2801 to 2945, workforce innovation and opportunity  
3 act, 29 USC 3101 to 3361, or trade adjustment assistance funds  
4 available from prior fiscal years are appropriated for the purposes  
5 originally intended.

6 (2) The talent investment agency shall report by February 15  
7 to the subcommittees, the fiscal agencies, and the state budget  
8 office on the amount by fiscal year of federal workforce investment  
9 act of 1998, 29 USC 2801 to 2945, workforce innovation and  
10 opportunity act, 29 USC 3101 to 3361, funds appropriated under this  
11 section.

12 Sec. 865. The talent investment agency shall provide a report  
13 by March 1 to the senate and house of representatives standing  
14 committees on appropriations subcommittees on general government,  
15 the state budget director, and the fiscal agencies on the status of  
16 the skilled trades training program funded in part 1. The report  
17 shall include the following:

18 (a) The number of awardees participating in the program and  
19 the names of those awardees organized by major industry group.

20 (b) The amount of funding received by each awardee under the  
21 program.

22 (c) Amount of funding leveraged from each awardee or other  
23 funding source for each awardee project.

24 (d) Training models established by each awardee.

25 (e) The number of individuals enrolled in a skilled trades  
26 training program by awardee.

27 (f) The number of individuals who completed the program and

1 were hired by awardee.

2 (g) The number of applications received and the number of  
3 applications approved for each region.

4 Sec. 866. As a condition of receiving funds in part 1 for the  
5 skilled trades training program, the talent investment agency shall  
6 administer the program as follows:

7 (a) The talent investment agency shall work cooperatively with  
8 grantees to maximize the amount of funds from part 1 that are  
9 available for direct training.

10 (b) The talent investment agency, workforce development  
11 partners, including regional Michigan Works! agencies, and  
12 employers shall collaborate and work cooperatively to prioritize  
13 and streamline the expenditure of the funds appropriated in part 1.  
14 The talent investment agency shall ensure that the skilled trades  
15 training program provides a collaborative statewide network of  
16 workforce and employee skill development partners that addresses  
17 the employee talent needs throughout the state.

18 (c) The talent investment agency shall ensure that grants are  
19 utilized for individual skill enhancement for employees of Michigan  
20 businesses including the development of additional opportunities  
21 for apprenticeship programs and more advance-tech training  
22 programs. Funds shall not be distributed to program and process  
23 centered training organization employers.

24 (d) The talent investment agency shall develop program goals  
25 and detailed guidance for prospective participants to follow to  
26 qualify under the program. The program goals and detailed guidance  
27 shall be posted on the talent investment agency website and



1 distributed to workforce development partners, including local  
2 Michigan Works! agencies, by October 1. Periodic assessments of  
3 employer and employee needs shall be evaluated on a regional basis,  
4 and the talent investment agency shall identify solutions and goals  
5 to be implemented to satisfy those needs. The talent investment  
6 agency shall notify the senate and house of representatives  
7 standing committees on appropriations, the senate and house of  
8 representatives standing committees on appropriations subcommittees  
9 on general government, the senate and house fiscal agencies, and  
10 the state budget office on any program goal, solution, or guidance  
11 changes not fewer than 14 days prior to the finalization and  
12 publication of the changes. Revenue received by the talent  
13 investment agency for the skilled trades training program may be  
14 expended for the purpose of those programs.

15 (e) Up to \$5,000,000.00 of the funds may be expended to match  
16 federal funds when a Michigan company has utilized its favored  
17 status designation from the investing in manufacturing communities  
18 partnership to receive an award from the federal government.

19 Advance Michigan is the multijurisdictional collaborative working  
20 with this partnership. The intent of Advance Michigan is to assist  
21 businesses in securing federal funding opportunities and provide  
22 matching funds in support of advancing Michigan as a global center  
23 for advanced automotive manufacturing. The intent of these funds  
24 will involve improving and increasing the skill level of employees  
25 in skilled trades in the automotive industry and the manufacturing  
26 processes within the changing manufacturing environment.

27 (f) Use the temporary assistance for needy families (TANF)

1 funds to train recipients of the family independence program (FIP)  
2 and individuals that are eligible for the temporary assistance for  
3 needy families program. The talent investment agency shall develop  
4 and implement guidelines on how to use these funds in cooperation  
5 with the department of health and human services in order to meet  
6 federal guidelines prior to expending TANF funds. Individuals and  
7 awardees that are funded using TANF dollars shall be broken out for  
8 the reports required in section 865.

9       Sec. 868. (1) Of the funds appropriated in part 1 for the  
10 workforce training programs, the talent investment agency shall  
11 provide a report by February 15 to the senate and house of  
12 representatives standing committees on appropriations subcommittees  
13 on general government, the state budget director, and the fiscal  
14 agencies on the status of the workforce training programs. The  
15 report shall include the following:

16       (a) The amount of funding allocated to each Michigan Works!  
17 agency and the total funding allocated to the workforce training  
18 programs statewide by fund source.

19       (b) The number of participants enrolled in education or  
20 training programs by each Michigan Works! agency.

21       (c) The average duration of training for training program  
22 participants by each Michigan Works! agency.

23       (d) The number of participants enrolled in remedial education  
24 programs and the number of participants enrolled in literacy  
25 programs.

26       (e) The number of participants enrolled in programs at 2-year  
27 institutions.

1 (f) The number of participants enrolled in 4-year  
2 institutions.

3 (g) The number of participants enrolled in proprietary schools  
4 or other technical training programs.

5 (h) The actual revenues received by the fund source and fund  
6 appropriated for each discrete workforce development program area.

7 (i) The number of participants who secured employment in  
8 Michigan within 1 year of completing a training program.

9 (j) The number of participants who completed a training  
10 program and secured employment in a field related to their  
11 training.

12 (k) The average wage earned by participants who completed a  
13 training program and secured employment within 1 year.

14 (l) The actual revenues received by the fund source and fund  
15 appropriated for each discrete workforce development program area.

16 (2) Data collection for the report shall be for the prior  
17 state fiscal year.

18 Sec. 869. (1) From the funds appropriated in part 1 for the  
19 work opportunity program, the department shall establish and  
20 implement a work opportunity employer reimbursement program that  
21 uses the funds to provide grants to employers for the hiring of  
22 qualified employees.

23 (2) The grant program shall require that an employer applying  
24 to receive a grant shall employ at least 1 qualified employee in a  
25 qualified new job for a minimum of 120 hours.

26 (3) An employer that wishes to apply for a grant shall submit  
27 an application to the department containing the information

1 required by the department, including the following:

2 (a) The employer's federal employer identification number or  
3 the department of treasury number assigned to the employer.

4 (b) The qualified employee's department of corrections number  
5 and status of his or her parole, probation, or release.

6 (c) The amount of first-year wages.

7 (4) If the department approves a grant, the department shall  
8 notify the employer. Upon confirmation that the employer has hired  
9 a qualified employee who worked at least 120 hours in a qualified  
10 new job, the department shall approve and disburse the grant funds  
11 to the employer as follows:

12 (a) An amount equal to 25% of the qualified first-year wages  
13 or \$1,500.00 whichever is less.

14 (b) For a qualified employee who worked more than 400 hours,  
15 an amount equal to 40% of the qualified first-year wages or  
16 \$2,400.00, whichever is less.

17 (5) The work opportunity employer reimbursement fund shall be  
18 created within the department of treasury. This fund may receive  
19 revenue from other assets and sources for deposit into the fund.  
20 The state treasurer or his or her designee shall be the fiduciary  
21 of the fund and direct the investment of the fund. The state  
22 treasurer shall credit to the fund interest and earnings from fund  
23 investments. Any amount remaining in the fund at the end of the  
24 fiscal year shall not lapse to the general fund and shall remain in  
25 the fund.

26 (6) The Michigan talent investment agency shall administer the  
27 fund for auditing purposes and shall expend funds for at least 1 of

1 the following reasons:

2 (a) Grants issued pursuant to the grant program.

3 (b) Not more than 10% of the money appropriated from the fund  
4 for employment of not more than 1 FTE to administer the grant  
5 program.

6 (7) The department shall prepare a report for the state budget  
7 director and the senate and house standing committees on  
8 corrections. The report shall include the money and amounts  
9 received by the fund, the balance of the fund, the total  
10 expenditures from the fund, and the number of grants issued with  
11 the money from the fund.

12 Sec. 876. The unemployment insurance agency shall provide the  
13 senate and house appropriations subcommittees on general  
14 government, senate and house fiscal agencies, and the state budget  
15 office with quarterly status reports on the implementation of and  
16 improvements to the agency's integrated system project. The  
17 quarterly status reports shall include, but not be limited to, a  
18 summary of the expenditures for the project, a summary of the tasks  
19 completed, and a summary of the tasks anticipated to be completed  
20 in the subsequent quarter.

21 Sec. 877. The department of talent and economic development  
22 shall report quarterly to the members of the house and senate  
23 committees on appropriations, the senate and house fiscal agencies,  
24 and the state budget director on the percentage of unemployment  
25 claimants that meet the certification requirements for receiving  
26 benefits by using the Internet Michigan web account manager system  
27 or any application developed for that purpose. The department of

1 talent and economic development shall implement improvements to the  
2 Internet Michigan web account manager system that promote greater  
3 ease of access and security with a goal of reaching 75% of users  
4 certifying by using the Internet Michigan web account manager  
5 system or another system that reduces staff face time and Michigan  
6 automated response voice interactive network telephone system  
7 usage.

8       Sec. 878. (1) From the funds appropriated in part 1 for the  
9 unemployment insurance agency, the department of talent and  
10 economic development shall maintain customer service standards for  
11 employers and claimants making use of the various means by which  
12 they can access the system.

13       (2) The department of talent and economic development shall  
14 identify specific outcomes and performance metrics for this  
15 initiative, including, but not limited to, the following:

16       (a) Unemployment benefit fund balance.

17       (b) Process improvement - fiscal integrity.

18       (c) Process improvement - determination timeliness.

19       (d) Process improvement - determination quality.

20       Sec. 879. (1) From the funds appropriated in part 1 for the  
21 career technology and skilled trades training programs, the  
22 department of talent and economic development shall expand  
23 workforce training and re-employment services to better connect  
24 workers to in-demand jobs.

25       (2) The department shall identify specific outcomes and  
26 performance metrics for this initiative, including, but not limited  
27 to, the following:

1 (a) New apprenticeships.

2 (b) The jobs created, jobs retained, training completion rate,  
3 employment retention rate at 6 months, and hourly wage rate at 6  
4 months for the skilled trades training program.

5 Sec. 880. (1) The talent investment agency shall extend the  
6 interagency agreement with the department of health and human  
7 services for the duration of the current fiscal year, which  
8 concerns TANF funding to provide job readiness and welfare-to-work  
9 programming. The interagency agreement shall include specific  
10 outcome and performance reporting requirements as described in this  
11 section. TANF funding provided to the talent investment agency in  
12 the current fiscal year is contingent on compliance with the data  
13 and reporting requirements described in this section. The  
14 interagency agreement shall require the talent investment agency to  
15 provide all of the following items for the previous year to the  
16 senate and house appropriations committees by January 1 of the  
17 current fiscal year:

18 (a) An itemized spending report on TANF funding, including all  
19 of the following:

20 (i) Direct services to clients.

21 (ii) Administrative expenditures.

22 (b) The number of family independence program clients served  
23 through the TANF funding, including all of the following:

24 (i) The number and percentage who obtained employment through  
25 Michigan Works!

26 (ii) The number and percentage who fulfilled their TANF work  
27 requirement through other job readiness programming.

1 (iii) Average TANF spending per client.

2 (iv) The number and percentage of clients who were referred to  
3 Michigan Works! but did not receive a job or job readiness  
4 placement and the reasons why.

5 (2) Not later than March 1 of the current fiscal year, the  
6 department shall provide to the senate and house appropriations  
7 subcommittees on the department budget, the senate and house fiscal  
8 agencies, and the senate and house policy offices an annual report  
9 on the following matters itemized by Michigan Works! agency: the  
10 number of referrals to Michigan Works! job readiness programs, the  
11 number of referrals to Michigan Works! job readiness programs who  
12 became a participant in the Michigan Works! job readiness programs,  
13 the number of participants who obtained employment, and the cost  
14 per participant case.

15 Sec. 881. (1) The one-time appropriation in part 1 for  
16 community ventures - challenge match shall only be expended upon  
17 commitment of matching dollars from private sources. For every  
18 \$1.00 the department receives from a private source for the  
19 purposes of the community ventures - challenge match, the  
20 department shall expend \$1.00 from the one-time appropriation in  
21 part 1, until exhaustion of the appropriation as well as up to  
22 \$1,000,000.00 in ongoing appropriations. Funds received from  
23 private sources for the community ventures - challenge match are  
24 appropriated and shall be expended for the purposes of the  
25 community ventures program.

26 (2) The department shall identify specific outcomes and  
27 performance measures for this initiative, including, but not



1 limited to, the following:

2 (a) The number of commitments from private sources, including  
3 the dollar amount committed and source.

4 (b) Additional participants served with challenge funds.

5 (c) Jobs created and the average wage.

6 Sec. 882. (1) From the one-time funds appropriated in part 1  
7 for statewide system for data integration, the department shall  
8 establish new information technology systems to integrate data for  
9 talent and pipeline development to track and report workforce  
10 development activities and provide for sustained and expanded  
11 longitudinal data analysis between state departments.

12 (2) The department shall identify specific outcomes and  
13 performance metrics for this initiative, including, but not limited  
14 to, the following:

15 (a) Job placements and retention at 6 months.

16 (b) Apprenticeships completed.

17 (c) Average wage.

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

19 Sec. 901. (1) In addition to the funds appropriated in part 1,  
20 there is appropriated an amount not to exceed \$4,000,000.00 for  
21 federal contingency funds. These funds are not available for  
22 expenditure until they have been transferred to another line item  
23 in part 1 under section 393(2) of the management and budget act,  
24 1984 PA 431, MCL 18.1393.

25 (2) In addition to the funds appropriated in part 1, there is  
26 appropriated an amount not to exceed \$8,000,000.00 for state

1 restricted contingency funds. These funds are not available for  
2 expenditure until they have been transferred to another line item  
3 in part 1 under section 393(2) of the management and budget act,  
4 1984 PA 431, MCL 18.1393.

5 (3) In addition to the funds appropriated in part 1, there is  
6 appropriated an amount not to exceed \$150,000.00 for local  
7 contingency funds. These funds are not available for expenditure  
8 until they have been transferred to another line item in part 1  
9 under section 393(2) of the management and budget act, 1984 PA 431,  
10 MCL 18.1393.

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

17 Sec. 902. Proceeds in excess of necessary costs incurred in  
18 the conduct of transfers or auctions of state surplus, salvage, or  
19 scrap property made pursuant to section 267 of the management and  
20 budget act, 1984 PA 431, MCL 18.1267, are appropriated to the  
21 department of technology, management, and budget to offset costs  
22 incurred in the acquisition and distribution of federal surplus  
23 property. The department of technology, management, and budget  
24 shall provide consolidated Internet auction services through the  
25 state's contractors for all local units of government.

26 Sec. 903. (1) The department of technology, management, and  
27 budget may receive and expend funds in addition to those authorized

1 by part 1 for maintenance and operation services provided  
2 specifically to other principal executive departments or state  
3 agencies, the legislative branch, the judicial branch, or private  
4 tenants, or provided in connection with facilities transferred to  
5 the operational jurisdiction of the department of technology,  
6 management, and budget.

7 (2) The department of technology, management, and budget may  
8 receive and expend funds in addition to those authorized by part 1  
9 for real estate, architectural, design, and engineering services  
10 provided specifically to other principal executive departments or  
11 state agencies, the legislative branch, the judicial branch, or  
12 private tenants.

13 (3) The department of technology, management, and budget may  
14 receive and expend funds in addition to those authorized in part 1  
15 for mail pickup and delivery services provided specifically to  
16 other principal executive departments and state agencies, the  
17 legislative branch, or the judicial branch.

18 (4) The department of technology, management, and budget may  
19 receive and expend funds in addition to those authorized in part 1  
20 for purchasing services provided specifically to other principal  
21 executive departments and state agencies, the legislative branch,  
22 or the judicial branch.

23 Sec. 904. (1) The source of financing in part 1 for statewide  
24 appropriations shall be funded by assessments against longevity and  
25 insurance appropriations throughout state government in a manner  
26 prescribed by the department of technology, management, and budget.  
27 Funds shall be used as specified in joint labor/management

1 agreements or through the coordinated compensation hearings  
2 process. Any deposits made under this subsection and any  
3 unencumbered funds are restricted revenues, may be carried over  
4 into the succeeding fiscal years, and are appropriated.

5 (2) In addition to the funds appropriated in part 1 for  
6 statewide appropriations, the department of technology, management,  
7 and budget may receive and expend funds in such additional amounts  
8 as may be specified in joint labor/management agreements or through  
9 the coordinated compensation hearings process in the same manner  
10 and subject to the same conditions as prescribed in subsection (1).

11 Sec. 905. To the extent a specific appropriation is required  
12 for a detailed source of financing included in part 1 for the  
13 department of technology, management, and budget appropriations  
14 financed from special revenue and internal service and pension  
15 trust funds, or MAIN user charges, the specific amounts are  
16 appropriated within the special revenue internal service and  
17 pension trust funds in portions not to exceed the aggregate amount  
18 appropriated in part 1.

19 Sec. 906. In addition to the funds appropriated in part 1 to  
20 the department of technology, management, and budget, the  
21 department may receive and expend funds from other principal  
22 executive departments and state agencies to implement  
23 administrative leave bank transfer provisions as may be specified  
24 in joint labor/management agreements. The amounts may also be  
25 transferred to other principal executive departments and state  
26 agencies under the joint agreement and any amounts transferred  
27 under the joint agreement are authorized for receipt and

1 expenditure by the receiving principal executive department or  
2 state agency. Any amounts received by the department of technology,  
3 management, and budget under this section and intended, under the  
4 joint labor/management agreements, to be available for use beyond  
5 the close of the fiscal year and any unencumbered funds may be  
6 carried over into the succeeding fiscal year.

7       Sec. 907. The source of financing in part 1 for the Michigan  
8 administrative information network shall be funded by proportionate  
9 charges assessed against the respective state funds benefiting from  
10 this project in the amounts determined by the department.

11       Sec. 908. (1) Deposits against the interdepartmental grant  
12 from building occupancy and parking charges appropriated in part 1  
13 shall be collected, in part, from state agencies, the legislative  
14 branch, and the judicial branch based on estimated costs associated  
15 with maintenance and operation of buildings managed by the  
16 department of technology, management, and budget. To the extent  
17 excess revenues are collected due to estimates of building  
18 occupancy charges exceeding actual costs, the excess revenues may  
19 be carried forward into succeeding fiscal years for the purpose of  
20 returning funds to state agencies.

21       (2) Appropriations in part 1 to the department of technology,  
22 management, and budget, for management and budget services from  
23 building occupancy charges and parking charges, may be increased to  
24 return excess revenue collected to state agencies.

25       Sec. 909. On a quarterly basis, the department of technology,  
26 management, and budget shall notify the chairpersons of the senate  
27 and house of representatives standing committees on appropriations,

1 the chairpersons of the senate and house of representatives  
2 standing committees on appropriations subcommittees on general  
3 government, the house and senate fiscal agencies, and the state  
4 budget director on any revisions that increase or decrease current  
5 contracts by more than \$500,000.00 for computer software  
6 development, hardware acquisition, or quality assurance.

7       Sec. 910. The department of technology, management, and budget  
8 shall maintain an Internet website that contains notice of all  
9 invitations for bids and requests for proposals over \$50,000.00  
10 issued by the department or by any state agency operating under  
11 delegated authority. The department shall not accept an invitation  
12 for bid or request for proposal in less than 14 days after the  
13 notice is made available on the Internet website, except in  
14 situations where it would be in the best interest of the state and  
15 documented by the department. In addition to the requirements of  
16 this section, the department may advertise the invitations for bids  
17 and requests for proposals in any manner the department determines  
18 appropriate, in order to give the greatest number of individuals  
19 and businesses the opportunity to make bids or requests for  
20 proposals.

21       Sec. 911. The department of technology, management, and budget  
22 may receive and expend funds from the Vietnam veterans memorial  
23 monument fund as provided in the Michigan Vietnam veterans memorial  
24 act, 1988 PA 234, MCL 35.1051 to 35.1057. Funds are appropriated  
25 and allocated when received and may be expended upon receipt.

26       Sec. 912. The Michigan veterans' memorial park commission may  
27 receive and expend money from any source, public or private,

1 including, but not limited to, gifts, grants, donations of money,  
2 and government appropriations, for the purposes described in  
3 Executive Order No. 2001-10. Funds are appropriated and allocated  
4 when received and may be expended upon receipt. Any deposits made  
5 under this section and unencumbered funds are restricted revenues  
6 and may be carried over into succeeding fiscal years.

7       Sec. 913. (1) Funds in part 1 for motor vehicle fleet are  
8 appropriated to the department of technology, management, and  
9 budget for administration and for the acquisition, lease,  
10 operation, maintenance, repair, replacement, and disposal of state  
11 motor vehicles.

12       (2) The appropriation in part 1 for motor vehicle fleet shall  
13 be funded by revenue from rates charged to principal executive  
14 departments and agencies for utilizing vehicle travel services  
15 provided by the department. Revenue in excess of the amount  
16 appropriated in part 1 from the motor transport fund and any  
17 unencumbered funds are restricted revenues and may be carried over  
18 into the succeeding fiscal year.

19       (3) Pursuant to the department of technology, management, and  
20 budget's authority under sections 213 and 215 of the management and  
21 budget act, 1984 PA 431, MCL 18.1213 and 18.1215, the department  
22 shall maintain a plan regarding the operation of the motor vehicle  
23 fleet. The plan shall include the number of vehicles assigned to,  
24 or authorized for use by, state departments and agencies, efforts  
25 to reduce travel expenditures, the number of cars in the motor  
26 vehicle fleet, the number of miles driven by fleet vehicles, and  
27 the number of gallons of fuel consumed by fleet vehicles. The plan

1 shall include a calculation of the amount of state motor vehicle  
2 fuel taxes that would have been incurred by fleet vehicles if fleet  
3 vehicles were required by law to pay motor fuel taxes. The plan  
4 shall include a description of fleet garage operations, the goods  
5 sold and services provided by the fleet garage, the cost to operate  
6 the fleet garage, the number of fleet garage locations, and the  
7 number of employees assigned to each fleet garage. The plan may be  
8 adjusted during the fiscal year based on needs and cost savings to  
9 achieve the maximum value and efficiency from the state motor  
10 fleet. Within 60 days after the close of the fiscal year, the  
11 department shall provide a report to the senate and house of  
12 representatives standing committees on appropriations, the senate  
13 and house fiscal agencies, and the state budget director detailing  
14 the current plan and changes made to the plan during the fiscal  
15 year.

16 (4) The department of technology, management, and budget may  
17 charge state agencies for fuel cost increases that exceed \$3.04 per  
18 gallon of unleaded gasoline. The department shall notify state  
19 agencies, in writing or by electronic mail, at least 30 days before  
20 implementing additional charges for fuel cost increases. Revenues  
21 received from these charges are appropriated upon receipt.

22 (5) The state budget director, upon notification to the senate  
23 and house of representatives standing committees on appropriations,  
24 may adjust spending authorization and the IDG from motor transport  
25 fund in the department of technology, management, and budget in  
26 order to ensure that the appropriations for motor vehicle fleet in  
27 the department budget equal the expenditures for motor vehicle



1 fleet in the budgets for all executive branch agencies.

2       Sec. 914. The department of technology, management, and budget  
3 shall develop a plan regarding the use of the funds appropriated in  
4 part 1 for the enterprisewide information technology investment  
5 projects. The plan shall include, but not be limited to, a  
6 description of proposed information technology investment projects,  
7 the time frame for completion of the information technology  
8 investment projects, the proposed cost of the information  
9 technology investment projects, the number of employees assigned to  
10 implement each information technology investment project, the  
11 contracts entered into for each information technology investment  
12 project, and any other information the department deems necessary.  
13 The plan shall be distributed to the senate and house of  
14 representatives standing committees on appropriations subcommittees  
15 on general government, the senate and house fiscal agencies, and  
16 the state budget director on a quarterly basis. The submitted plan  
17 shall also include anticipated spending reductions or overages for  
18 each of the proposed information technology investment projects.  
19 The department of technology, management, and budget shall notify  
20 the senate and house of representatives standing committees on  
21 appropriations subcommittees on general government, the senate and  
22 house fiscal agencies, and the state budget director when a project  
23 funded under an information technology investment project line item  
24 in part 1 is expected to require a transfer of dollars from another  
25 project in excess of \$500,000.00.

26       Sec. 914a. The funds appropriated in part 1 for information  
27 technology investment projects shall be used for the modernization

1 of state information technology systems, improvement of the state's  
2 cyber security framework, and to achieve efficiencies.

3 Sec. 916. An RFP issued for the purpose of privatization shall  
4 include all factors used in evaluating and determining price.

5 Sec. 918. In addition to the funds appropriated in part 1, the  
6 department of technology, management, and budget may receive and  
7 expend money from the Michigan law enforcement officers memorial  
8 monument fund as provided in the Michigan law enforcement officers  
9 memorial act, 2004 PA 177, MCL 28.781 to 28.787.

10 Sec. 920. The department shall make available to the public a  
11 list of all parcels of real property owned by the state that are  
12 available for purchase. The list shall be posted on the Internet  
13 through the department's website.

14 Sec. 921. The department of technology, management, and budget  
15 shall annually update the office space consolidation project plan,  
16 including the use of the funds appropriated pursuant to  
17 2012 PA 200 for the space consolidation fund. By February 15, the  
18 department shall report to the senate and house of representatives  
19 committees on appropriations subcommittees on general government  
20 and the senate and house fiscal agencies on the revised plan and  
21 plan implementation. The report shall include, but is not limited  
22 to, the description of the proposed office space to be  
23 consolidated, the time frame for completion of the office space  
24 consolidation, the proposed itemized cost of the office space  
25 consolidation, the number of employees assigned to implement the  
26 office space consolidation, the contracts entered into for the  
27 office space consolidation, information on completed projects,

1 anticipated savings, savings achieved, and any other information  
2 the department deems necessary.

3       Sec. 922. The department of technology, management, and budget  
4 shall compile a report by January 1 pertaining to the salaries of  
5 unclassified employees, as well as gubernatorial appointees, within  
6 all state departments and agencies. The report shall enumerate each  
7 unclassified employee and gubernatorial appointee and his or her  
8 annual salary individually. The report shall be distributed to the  
9 chairs of the senate and house of representatives standing  
10 committees on appropriations subcommittees on general government,  
11 as well as the senate and house fiscal agencies and be made  
12 available electronically.

13       Sec. 922b. (1) A public-private partnership investment fund is  
14 created in MDTMB. Subject to subsections (2) and (3), public-  
15 private partnership investments shall include, but are not limited  
16 to, all of the following:

17       (a) Capital asset improvements including buildings, land, or  
18 structures.

19       (b) Energy resource exploration, extraction, generation, and  
20 sales.

21       (c) Financial and investment incentive opportunities.

22       (d) Infrastructure construction, maintenance, and operation.

23       (e) Public-private sector joint ventures that provide economic  
24 benefit to an area or to the state.

25       (2) Public-private investments shall not include projects,  
26 consultant expenses, staff effort, or any other activity related to  
27 the development, financing, construction, operation, or

1 implementation of the Detroit River International Crossing or any  
2 successor project unless the project is approved by the legislature  
3 and signed into law.

4 (3) The state budget director shall determine whether or not a  
5 specific public-private partnership investment opportunity  
6 qualifies for funding under subsection (1).

7 (4) Investment development revenue, including a portion of the  
8 proceeds from the sale of any public-private partnership investment  
9 designated in subsection (1), shall be deposited into the fund  
10 created in subsection (1) and shall be available for  
11 administration, development, financing, marketing, and operating  
12 expenditures associated with public-private partnerships, unless  
13 otherwise provided by law. Public-private partnership investments  
14 authorized in subsection (1) are authorized for public or private  
15 operation or sale consistent with state law. Expenditures from the  
16 fund are authorized for investment purposes as designated in  
17 subsection (1) to enhance the marketable value of each investment.  
18 The unencumbered balance remaining in the fund at the end of the  
19 fiscal year may be carried forward for appropriation in future  
20 years.

21 (5) An annual report shall be transmitted to the senate and  
22 house of representatives standing committees on appropriations, the  
23 senate and house fiscal agencies, and the state budget office not  
24 later than December 31 of each year. This report shall detail both  
25 of the following:

26 (a) The revenue and expenditure activity in the fund for the  
27 preceding fiscal year.

1 (b) Public-private partnership investments as identified under  
2 subsection (1).

3 (6) MDTMB shall monitor the revenue deposited in the public-  
4 private partnership investment fund created in subsection (1). If  
5 the revenue in the fund is insufficient to pay the amount  
6 appropriated in part 1 for public-private partnership investment,  
7 then MDTMB shall propose a legislative transfer to fund the line  
8 from the appropriations in part 1.

9 Sec. 922c. The funds appropriated in part 1 shall not be used  
10 to support any staff effort, projects, consultant expenses, or any  
11 other activity related to the development, financing, construction,  
12 operation, or implementation of the Detroit River International  
13 Crossing or any successor project unless the project is approved by  
14 the legislature and signed into law.

15 Sec. 922d. By December 31, 2016, the department shall provide  
16 a report to the senate and house appropriations subcommittees on  
17 general government and the senate and house fiscal agencies that  
18 identifies fee and rate schedules to be used by state departments  
19 and agencies for services, including information technology,  
20 provided by the department during fiscal year 2016-2017. The report  
21 shall also identify changes from fees and rates charged in fiscal  
22 year 2015-2016 and include an explanation of the factors that  
23 justify each fee and rate increase.

24 Sec. 922e. Total authorized appropriations from all sources  
25 under part 1 for legacy costs for the fiscal year ending September  
26 30, 2017 are \$78,962,000.00. From this amount, total agency  
27 appropriations for pension-related legacy costs are estimated at

1 \$43,795,600.00. Total agency appropriations for retiree health care  
2 legacy costs are estimated at \$35,166,400.00.

3 Sec. 922g. The department of technology, management, and  
4 budget shall report by April 1 to the senate and house  
5 appropriations subcommittees on general government and the senate  
6 and house fiscal agencies on legal service fund expenditures. The  
7 report shall itemize expenditures by case, purpose, and department  
8 involved.

9 Sec. 922i. (1) From the funds appropriated in part 1, the  
10 department shall assure all of the following:

11 (a) That public schools that are placed in the state school  
12 reform/redesign school district or under a chief executive officer  
13 under section 1280c of the revised school code, 1976 PA 451, MCL  
14 380.1280c, remain in compliance with all applicable state and  
15 federal law concerning special education.

16 (b) That students at public schools described in subdivision  
17 (a) with individualized education programs are afforded special  
18 education services in accordance with applicable state and federal  
19 law concerning special education.

20 (2) The department shall report to the legislature on the  
21 number of students in public schools described in subsection (1)(a)  
22 who have an individualized education program and the performance  
23 results of those students after the change in governance of the  
24 public school.

25 Sec. 922j. From the funds appropriated in part 1 for the  
26 office of good government, the department of technology,  
27 management, and budget shall expand the scope of the office of good

1 government. The purpose of this program expansion is to broaden the  
2 office's support of transformative good government initiatives  
3 related to employee engagement and process improvement.

4 Sec. 922k. From the funds appropriated in part 1 for the  
5 public safety officers survivor benefits program, an amount not to  
6 exceed \$58,000.00 shall be allocated to cover the costs of enhanced  
7 survivor benefits for local public safety officers as prescribed in  
8 Enrolled Senate Bill No. 218 of the 98th Legislature.

9 Sec. 922l. From the funds appropriated in part 1, the  
10 department shall establish a system that collaborates with other  
11 departments to keep track of the performance of vendors in  
12 fulfilling contract obligations. The performance of these vendors  
13 will be recorded and used to determine future contracts awarded in  
14 the procurement process.

15 Sec. 922m. (1) From the funds appropriated in part 1, with the  
16 exception of subsection (2), the department of technology,  
17 management, and budget shall establish a publicly accessible portal  
18 on the department webpage that displays all open bids for all  
19 departments.

20 (2) The department of technology, management, and budget may  
21 determine that open bids remain viewable to only certified vendors  
22 if it is determined that the contract proposal contains high-  
23 security or sensitive information.

24 (3) The department of technology, management, and budget shall  
25 make open bids available for public viewing by no later than  
26 February 15, 2017. The department of technology, management, and  
27 budget shall notify the state budget director, senate, and house of

1 representatives when contract proposals are viewable to the public.  
2 The department of technology, management, and budget shall annually  
3 disclose the number of bids that are determined to not be viewable  
4 to the public under subsection (2) for the immediately preceding  
5 fiscal year.

6 Sec. 922n. From the funds appropriated in part 1 for the  
7 school reform office, the office shall make an effort to coordinate  
8 with the department of education to streamline state services and  
9 resources, reduce duplication, and increase efficiency.

10 Sec. 922o. From the funds appropriated in part 1 for the  
11 school reform office, the office shall perform 1 public hearing in  
12 the school district of a school that the office is considering for  
13 appointment of a CEO or dissolution. The office shall give notice  
14 to the district prior to the public hearing. The public hearing  
15 shall include an outline of the plan for academic improvement for  
16 the school in consideration and a projected time frame of the  
17 office's involvement with the school.

#### 18 **INFORMATION TECHNOLOGY**

19 Sec. 923. (1) The department of technology, management, and  
20 budget may sell and accept paid advertising for placement on any  
21 state website under its jurisdiction. The department shall review  
22 and approve the content of each advertisement. The department may  
23 refuse to accept advertising from any person or organization or  
24 require modification to advertisements based upon criteria  
25 determined by the department. Revenue received under this  
26 subsection shall be used for operating costs of the department and



1 for future technology enhancements to state of Michigan e-  
2 government initiatives. Funds received under this subsection shall  
3 be limited to \$250,000.00. Any funds in excess of \$250,000.00 shall  
4 be deposited in the state general fund.

5 (2) The department of technology, management, and budget may  
6 accept gifts, donations, contributions, bequests, and grants of  
7 money from any public or private source to assist with the  
8 underwriting or sponsorship of state webpages or services offered  
9 on those webpages. A private or public funding source may receive  
10 recognition in the webpage. The department of technology,  
11 management, and budget may reject any gift, donation, contribution,  
12 bequest, or grant.

13 (3) Funds accepted by the department of technology,  
14 management, and budget under subsection (1) or (2) are appropriated  
15 and allotted when received and may be expended upon approval of the  
16 state budget director. The state budget office shall notify the  
17 senate and house of representatives standing committees on  
18 appropriations subcommittees on general government and the senate  
19 and house fiscal agencies within 10 days after the approval is  
20 given.

21 Sec. 924. The department of technology, management, and budget  
22 may enter into agreements to supply spatial information and  
23 technical services to other principal executive departments, state  
24 agencies, local units of government, and other organizations. The  
25 department of technology, management, and budget may receive and  
26 expend funds in addition to those authorized in part 1 for  
27 providing information and technical services, publications, maps,

1 and other products. The department of technology, management, and  
2 budget may expend amounts received for salaries, supplies, and  
3 equipment necessary to provide informational products and technical  
4 services. Prior to December 1 of each year, the department shall  
5 provide a report to the senate and house of representatives  
6 standing committees on appropriations subcommittees on general  
7 government and the state budget director, detailing the sources of  
8 funding and expenditures made under this section.

9       Sec. 925. The legislature shall have access to all historical  
10 and current data contained within MAIN pertaining to state  
11 departments. State departments shall have access to all historical  
12 and current data contained within MAIN.

13       Sec. 926. When used in this part and part 1, "information  
14 technology services" means services involving all aspects of  
15 managing and processing information, including, but not limited to,  
16 all of the following:

17       (a) Application and mobile development and maintenance.

18       (b) Desktop computer support and management.

19       (c) Cyber security.

20       (d) Social media.

21       (e) Mainframe computer support and management.

22       (f) Server support and management.

23       (g) Local area network support and management, including, but  
24 not limited to, wired and wireless network build-out, support, and  
25 management.

26       (h) Information technology project management.

27       (i) Information technology planning and budget management.

1 (j) Telecommunication services, infrastructure, and support.

2 Sec. 927. (1) Funds appropriated in part 1 for the Michigan  
3 public safety communications system shall be expended upon approval  
4 of an expenditure plan by the state budget director.

5 (2) The department of technology, management, and budget shall  
6 assess all subscribers of the Michigan public safety communications  
7 system reasonable access and maintenance fees and deposit the fees  
8 in the Michigan public safety communications systems fees fund.

9 (3) All money received by the department of technology,  
10 management, and budget under this section shall be expended for the  
11 support and maintenance of the Michigan public safety  
12 communications system.

13 (4) The department of technology, management, and budget shall  
14 provide a report to the senate and house of representatives  
15 standing committees on appropriations, the senate and house fiscal  
16 agencies, and the state budget director on April 15, indicating the  
17 amount of revenue collected under this section and expended for  
18 support and maintenance of the Michigan public safety  
19 communications system for the immediately preceding 6-month period.  
20 Any deposits made under this section and unencumbered funds are  
21 restricted revenues and shall be carried forward into succeeding  
22 fiscal years.

23 Sec. 928. The department of technology, management, and budget  
24 shall submit a report for the immediately preceding fiscal year  
25 ending September 30 to the senate and house of representatives  
26 standing committees on appropriations subcommittees on general  
27 government and the senate and house fiscal agencies by March 1. The

1 report shall include the following:

2 (a) The total amount of funding appropriated for information  
3 technology services and projects, by funding source, for all  
4 principal executive departments and agencies.

5 (b) A listing of the expenditures made from the amounts  
6 received by the department of technology, management, and budget as  
7 reported in subdivision (a).

8 Sec. 929. The department of technology, management, and budget  
9 shall provide a report that analyzes and makes recommendations on  
10 the life-cycle of information technology hardware and software. The  
11 report shall be submitted to the senate and house of  
12 representatives standing committees on appropriations subcommittees  
13 on general government and the senate and house fiscal agencies by  
14 March 1.

15 Sec. 930. By December 31, the department shall provide a  
16 report that lists all information technology-related change orders  
17 and follow-on contracts, greater than \$50,000.00, whether they are  
18 bid, exercise options, or no-bid, and the amount of each change  
19 order or contract extension contract entered into by the department  
20 to the senate and house of representatives standing committees on  
21 appropriations subcommittees on general government, the senate and  
22 house fiscal agencies, and the state budget director.

23 Sec. 931. (1) The information, communications, and technology  
24 innovation fund, established pursuant to 2011 PA 63, 2012 PA 200,  
25 and 2013 PA 59, shall be administered by the department of  
26 technology, management, and budget for the purpose of providing a  
27 revolving, self-sustaining resource for financing information,

1 communications, and technology innovation projects. From the funds  
2 appropriated to the information, communications, and technology  
3 innovation fund by 2011 PA 63, 2012 PA 200, and 2013 PA 59, or  
4 received by the information, communications, and technology  
5 innovation fund under subsections (2) and (3), the department of  
6 technology, management, and budget may issue loans to state  
7 agencies, local units of government, colleges and universities in  
8 this state, school districts, other public entities that provide  
9 public sector services, and nonprofit organizations that provide  
10 public sector services, as determined by the department of  
11 technology, management, and budget in support of information,  
12 communications, and technology innovation projects.

13 (2) In addition to funds appropriated by 2011 PA 63, 2012 PA  
14 200, and 2013 PA 59, the information, communications, and  
15 technology innovation fund may accept contributions, gifts,  
16 bequests, devises, grants, and donations.

17 (3) In addition to the funds appropriated by 2011 PA 63, 2012  
18 PA 200, and 2013 PA 59, money received by the department of  
19 technology, management, and budget as repayment of information,  
20 communications, and technology innovation project loans, or other  
21 reimbursement or revenue received by the department of technology,  
22 management, and budget as a result of information, communications,  
23 and technology innovation project loans, interest earned on that  
24 money, or subsection (2) revenue, shall be deposited in the  
25 information, communications, and technology innovation fund and is  
26 appropriated for information, communications, and technology  
27 innovation fund projects described in subsection (1). At the close

1 of the fiscal year, any unencumbered funds remaining in the  
2 information, communications, and technology innovation fund shall  
3 remain in the fund and be carried forward into the succeeding  
4 fiscal year.

5 (4) This section is not effective if legislation is enacted  
6 that creates and provides for the administration and use of the  
7 information, communications, and technology innovation fund.

8 Sec. 932. (1) The department of technology, management, and  
9 budget shall inform the senate and house appropriations  
10 subcommittees on general government and the senate and house fiscal  
11 agencies within 30 days of any potential or actual penalties  
12 assessed by the federal government for failure of the Michigan  
13 child support enforcement system to achieve certification by the  
14 federal government.

15 (2) If potential penalties are assessed by the federal  
16 government, the department of technology, management, and budget  
17 shall submit a report to the senate and house appropriations  
18 subcommittees on general government and the senate and house fiscal  
19 agencies within 90 days specifying the department's plans to avoid  
20 actual penalties and ensure federal certification of the Michigan  
21 child support enforcement system.

22 Sec. 933. (1) The state budget director, upon notification to  
23 the senate and house of representatives standing committees on  
24 appropriations, may adjust spending authorization and user fees in  
25 the department of technology, management, and budget in order to  
26 ensure that the appropriations for information technology in the  
27 department budget equal the appropriations for information

1 technology in the budgets for all executive branch agencies.

2 (2) If during the course of the fiscal year a transfer or  
3 supplemental to or from the information technology line item within  
4 an agency budget is made under section 393 of the management and  
5 budget act, 1984 PA 431, MCL 18.1393, there is appropriated an  
6 equal amount of user fees in the department of technology,  
7 management, and budget budget to accommodate an increase or  
8 decrease in spending authorization.

9 Sec. 934. (1) Revenue collected from licenses issued under the  
10 antenna site management project shall be deposited into the antenna  
11 site management revolving fund created for this purpose in the  
12 department of technology, management, and budget. The department  
13 may receive and expend money from the fund for costs associated  
14 with the antenna site management project, including the cost of a  
15 third-party site manager. Any excess revenue remaining in the fund  
16 at the close of the fiscal year shall be proportionately  
17 transferred to the appropriate state restricted funds as designated  
18 in statute or by constitution.

19 (2) An antenna shall not be placed on any site pursuant to  
20 this section without complying with the respective local zoning  
21 codes and local unit of government processes.

22 Sec. 935. In addition to the funds appropriated in part 1, the  
23 funds collected by the department for supplying census-related  
24 information and technical services, publications, statistical  
25 studies, population projections and estimates, and other  
26 demographic products are appropriated for all expenses necessary to  
27 provide the required services. These funds are available for

1 expenditure when they are received and may be carried forward into  
2 the next succeeding fiscal year.

3       Sec. 936. From the increased funds appropriated in part 1 for  
4 the information technology investment fund, the department of  
5 technology, management, and budget shall provide for the  
6 modernization of state information technology systems, and  
7 integrate state system interfaces to improve customer service.

8       Sec. 937. From the funds appropriated in part 1 for cyber  
9 security improvements, the department shall increase cyber security  
10 information technology investment projects in the current fiscal  
11 year. The purpose of this program expansion will be to provide  
12 cyber security enhancements for network security improvements,  
13 development of a comprehensive security framework and asset  
14 security program, implementation of an enterprise-wide data loss  
15 prevention process and governance, risk and compliance program, and  
16 development of security dashboards and security reporting  
17 processes.

18       Sec. 938. From the increased funds appropriated in part 1 for  
19 enterprise identity management, the department shall expand the  
20 enterprise identity management program in the current fiscal year.  
21 The purpose of this program expansion is to provide an enterprise-  
22 wide single sign-on and identity management tool to establish,  
23 manage, and authenticate user identities for state information  
24 technology systems.

25       Sec. 939. From the funds appropriated in part 1 for office of  
26 retirement services ongoing support of technology, the department  
27 shall expand the office of retirement services' information



1 technology capability in the current fiscal year. The purpose of  
2 this new program or program expansion is to provide a 90% customer  
3 contact satisfaction level.

#### 4 **STATE BUILDING AUTHORITY RENT**

5 Sec. 942. (1) The state building authority rent appropriations  
6 in part 1 may also be expended for the payment of required premiums  
7 for insurance on facilities owned by the state building authority  
8 or payment of costs that may be incurred as the result of any  
9 deductible provisions in such insurance policies.

10 (2) If the amount appropriated in part 1 for state building  
11 authority rent is not sufficient to pay the rent obligations and  
12 insurance premiums and deductibles identified in subsection (1) for  
13 state building authority projects, there is appropriated from the  
14 general fund of the state the amount necessary to pay such  
15 obligations.

#### 16 **CIVIL SERVICE COMMISSION**

17 Sec. 950. (1) In accordance with section 5 of article XI of  
18 the state constitution of 1963, all restricted funds shall be  
19 assessed a sum not less than 1% of the total aggregate payroll paid  
20 from those funds for financing the civil service commission on the  
21 basis of actual 1% restricted sources total aggregate payroll of  
22 the classified service for the preceding fiscal year. This  
23 includes, but is not limited to, restricted funds appropriated in  
24 part 1 of any appropriations act. Unexpended 1% appropriated funds  
25 shall be returned to each 1% fund source at the end of the fiscal

1 year.

2 (2) The appropriations in part 1 are estimates of actual  
3 charges based on payroll appropriations. With the approval of the  
4 state budget director, the commission is authorized to adjust  
5 financing sources for civil service charges based on actual payroll  
6 expenditures, provided that such adjustments do not increase the  
7 total appropriation for the civil service commission.

8 (3) The financing from restricted sources shall be credited to  
9 the civil service commission by the end of the second fiscal  
10 quarter.

11 Sec. 951. Except where specifically appropriated for this  
12 purpose, financing from restricted sources shall be credited to the  
13 civil service commission. For restricted sources of funding within  
14 the general fund that have the legislative authority for carryover,  
15 if current spending authorization or revenues are insufficient to  
16 accept the charge, the shortage shall be taken from carryforward  
17 balances of that funding source. Restricted revenue sources that do  
18 not have carryforward authority shall be utilized to satisfy  
19 commission operating deducts first and civil service obligations  
20 second. General fund dollars are appropriated for any shortfall,  
21 pursuant to approval by the state budget director.

22 Sec. 952. The appropriation in part 1 to the civil service  
23 commission, for state-sponsored group insurance, flexible spending  
24 accounts, and COBRA, represents amounts, in part, included within  
25 the various appropriations throughout state government for the  
26 current fiscal year to fund the flexible spending account program  
27 included within the civil service commission. Deposits against

1 state-sponsored group insurance, flexible spending accounts, and  
2 COBRA for the flexible spending account program shall be made from  
3 assessments levied during the current fiscal year in a manner  
4 prescribed by the civil service commission. Unspent employee  
5 contributions to the flexible spending accounts may be used to  
6 offset administrative costs for the flexible spending account  
7 program, with any remaining balance of unspent employee  
8 contributions to be lapsed to the general fund.

9 **CAPITAL OUTLAY**

10 Sec. 960. As used in sections 861 through 867:

11 (a) "Board" means the state administrative board.

12 (b) "Community college" means a community college organized  
13 under the community college act of 1966, 1966 PA 331, MCL 389.1 to  
14 389.195, or under part 25 of the revised school code, 1976 PA 451,  
15 MCL 380.1601 to 380.1607, and does not include a state agency or  
16 university.

17 (c) "Department" means the department of technology,  
18 management, and budget.

19 (d) "Director" means the director of the department of  
20 technology, management, and budget.

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

23 (f) "State agency" means an agency of state government. State  
24 agency does not include a community college or university.

25 (g) "State building authority" means the authority created  
26 under 1964 PA 183, MCL 830.411 to 830.425.

1 (h) "University" means a 4-year university supported by the  
2 state. University does not include a community college or a state  
3 agency.

4 Sec. 961. Each capital outlay project authorized in this part  
5 and part 1 or any previous capital outlay act shall comply with the  
6 procedures required by the management and budget act, 1984 PA 431,  
7 MCL 18.1101 to 18.1594.

8 Sec. 962. (1) The department shall provide the JCOS, state  
9 budget director, and the senate and house fiscal agencies with  
10 reports as considered necessary relative to the status of each  
11 planning or construction project financed by the state building  
12 authority, by this part and part 1, or by previous acts.

13 (2) Before the end of each fiscal year, the department shall  
14 report to the JCOS, state budget director, and the senate and house  
15 fiscal agencies for each capital outlay project other than lump  
16 sums all of the following:

17 (a) The account number and name of each construction project.

18 (b) The balance remaining in each account.

19 (c) The date of the last expenditure from the account.

20 (d) The anticipated date of occupancy if the project is under  
21 construction.

22 (e) The appropriations history for the project.

23 (f) The professional service contractor.

24 (g) The amount of the project financed with federal funds.

25 (h) The amount of the project financed through the state  
26 building authority.

27 (i) The total authorized cost for the project and the state

1 authorized share if different than the total.

2 (3) Before the end of each fiscal year, the department shall  
3 report the following for each project by a state agency,  
4 university, or community college that is authorized for planning  
5 but is not yet authorized for construction:

6 (a) The name of the project and account number.

7 (b) Whether a program statement is approved.

8 (c) Whether schematics are approved by the department.

9 (d) Whether preliminary plans are approved by the department.

10 (e) The name of the professional service contractor.

11 (4) As used in this section, "project" includes appropriation  
12 line items made for purchase of real estate.

13 Sec. 964. The appropriations in part 1 for capital outlay  
14 shall be carried forward at the end of the fiscal year consistent  
15 with the provisions of section 248 of the management and budget  
16 act, 1984 PA 431, MCL 18.1248.

17 Sec. 965. (1) A site preparation economic development fund is  
18 created in the department. As used in this section, "economic  
19 development sites" means those state-owned sites declared as  
20 surplus property pursuant to section 251 of the management and  
21 budget act, 1984 PA 431, MCL 18.1251, that would provide economic  
22 benefit to the area or to the state. The Michigan economic  
23 development corporation board and the state budget director shall  
24 determine whether or not a specific state-owned site qualifies for  
25 inclusion in the fund created under this subsection.

26 (2) Proceeds from the sale of any sites designated in  
27 subsection (1) shall be deposited into the fund created in

1 subsection (1) and shall be available for site preparation  
2 expenditures, unless otherwise provided by law. The economic  
3 development sites authorized in subsection (1) are authorized for  
4 sale consistent with state law. Expenditures from the fund are  
5 authorized for site preparation activities that enhance the  
6 marketable sale value of the sites. Site preparation activities  
7 include, but are not limited to, demolition, environmental studies  
8 and abatement, utility enhancement, and site excavation.

9 (3) A cash advance in an amount of not more than  
10 \$25,000,000.00 is authorized from the general fund to the site  
11 preparation economic development fund.

12 (4) An annual report shall be transmitted to the senate and  
13 house of representatives standing committees on appropriations not  
14 later than December 31 of each year. This report shall detail both  
15 of the following:

16 (a) The revenue and expenditure activity in the fund for the  
17 preceding fiscal year.

18 (b) The sites identified as economic development sites under  
19 subsection (1).

20 Sec. 967. Proceeds from the sale of the Farnum Building shall  
21 be subsequently appropriated to the department in accordance with  
22 any legislation enacted that authorizes the sale of that property.  
23 If the net proceeds from the sale of the Farnum Building are less  
24 than the \$7,000,000.00 authorized for senate relocation costs in  
25 section 896 of article VIII of 2014 PA 252, an amount equal to the  
26 difference between the net sale proceeds and \$7,000,000.00 shall be  
27 appropriated by the legislature to the department.

1 **CAPITAL OUTLAY - UNIVERSITIES AND COMMUNITY COLLEGES**

2       Sec. 973. (1) This section applies only to projects for  
3 community colleges.

4       (2) State support is directed towards the remodeling and  
5 additions, special maintenance, or construction of certain  
6 community college buildings. The community college shall obtain or  
7 provide for site acquisition and initial main utility installation  
8 to operate the facility. Funding shall be composed of local and  
9 state shares and not more than 50% of a capital outlay project, not  
10 including a lump-sum special maintenance project or remodeling and  
11 addition project, for a community college shall be appropriated  
12 from state and federal funds, unless otherwise appropriated by the  
13 legislature.

14       (3) An expenditure under this part and part 1 is authorized  
15 when the release of the appropriation is approved by the board upon  
16 the recommendation of the director. The director may recommend to  
17 the board the release of any appropriation in part 1 only after the  
18 director is assured that the legal entity operating the community  
19 college to which the appropriation is made has complied with this  
20 part and part 1 and has matched the amounts appropriated as  
21 required by this part and part 1. A release of funds in part 1  
22 shall not exceed 50% of the total cost of planning and construction  
23 of any project, not including lump-sum remodeling and additions and  
24 special maintenance, unless otherwise appropriated by the  
25 legislature. Further planning and construction of a project  
26 authorized by this part and part 1 or applicable sections of the  
27 management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594,

1 shall be in accordance with the purpose and scope as defined and  
2 delineated in the approved program statements and planning  
3 documents. This part and part 1 are applicable to all projects for  
4 which planning appropriations were made in previous acts.

5 (4) The community college shall take the steps necessary to  
6 secure available federal construction and equipment money for  
7 projects funded for construction in this part and part 1 if an  
8 application was not previously made. If there is a reasonable  
9 expectation that a prior year unfunded application may receive  
10 federal money in a subsequent year, the college shall take whatever  
11 action necessary to keep the application active.

12 Sec. 974. If university and community college matching  
13 revenues are received in an amount less than the appropriations for  
14 capital projects contained in this part and part 1, the state funds  
15 shall be reduced in proportion to the amount of matching revenue  
16 received.

17 Sec. 975. (1) The director may require that community colleges  
18 and universities that have an authorized project listed in part 1  
19 submit documentation regarding the project match and governing  
20 board approval of the authorized project not more than 60 days  
21 after the beginning of the fiscal year.

22 (2) If the documentation required by the director under  
23 subsection (1) is not submitted, or does not adequately  
24 authenticate the availability of the project match or board  
25 approval of the authorized project, the authorization may  
26 terminate. The authorization terminates 30 days after the director  
27 notifies the JCOS of the intent to terminate the project unless the



1 JCOS convenes to extend the authorization.

2 **DEPARTMENT OF TREASURY**

3 **OPERATIONS**

4 Sec. 1001. (1) In addition to the funds appropriated in part  
5 1, there is appropriated an amount not to exceed \$1,000,000.00 for  
6 federal contingency funds. These funds are not available for  
7 expenditure until they have been transferred to another line item  
8 in part 1 under section 393(2) of the management and budget act,  
9 1984 PA 431, MCL 18.1393.

10 (2) In addition to the funds appropriated in part 1, there is  
11 appropriated an amount not to exceed \$10,000,000.00 for state  
12 restricted contingency funds. These funds are not available for  
13 expenditure until they have been transferred to another line item  
14 in part 1 under section 393(2) of the management and budget act,  
15 1984 PA 431, MCL 18.1393.

16 (3) In addition to the funds appropriated in part 1, there is  
17 appropriated an amount not to exceed \$200,000.00 for local  
18 contingency funds. These funds are not available for expenditure  
19 until they have been transferred to another line item in part 1  
20 under section 393(2) of the management and budget act, 1984 PA 431,  
21 MCL 18.1393.

22 (4) In addition to the funds appropriated in part 1, there is  
23 appropriated an amount not to exceed \$40,000.00 for private  
24 contingency funds. These funds are not available for expenditure  
25 until they have been transferred to another line item in part 1  
26 under section 393(2) of the management and budget act, 1984 PA 431,

1 MCL 18.1393.

2       Sec. 1002. (1) Amounts needed to pay for interest, fees,  
3 principal, mandatory and optional redemptions, arbitrage rebates as  
4 required by federal law, and costs associated with the payment,  
5 registration, trustee services, credit enhancements, and issuing  
6 costs in excess of the amount appropriated to the department of  
7 treasury in part 1 for debt service on notes and bonds that are  
8 issued by the state under sections 14, 15, and 16 of article IX of  
9 the state constitution of 1963 as implemented by 1967 PA 266, MCL  
10 17.451 to 17.455, are appropriated.

11       (2) In addition to the amount appropriated to the department  
12 of treasury for debt service in part 1, there is appropriated an  
13 amount for fiscal year cash-flow borrowing costs to pay for  
14 interest on interfund borrowing made under 1967 PA 55, MCL 12.51 to  
15 12.53.

16       (3) In addition to the amount appropriated to the department  
17 of treasury for debt service in part 1, there is appropriated all  
18 repayments received by the state on loans made from the school bond  
19 loan fund not required to be deposited in the school loan revolving  
20 fund by or pursuant to section 4 of 1961 PA 112, MCL 388.984, to  
21 the extent determined by the state treasurer, for the payment of  
22 debt service, including, without limitation, optional and mandatory  
23 redemptions, on bonds, notes or commercial paper issued by the  
24 state pursuant to 1961 PA 112, MCL 388.981 to 388.985.

25       Sec. 1002a. The department of treasury shall notify the senate  
26 and house of representatives standing committees on appropriations,  
27 the senate and house fiscal agencies, and the state budget office

1 not more than 30 days after a refunding or restructuring bond issue  
2 is sold. The notification shall compare the annual debt service  
3 prior to the refinancing or restructuring, the annual debt service  
4 after the refinancing or restructuring, the change in the principal  
5 and interest over the duration of the debt, and the projected  
6 change in the present value of the debt service due to the  
7 refinancing and restructuring.

8       Sec. 1003. (1) From the funds appropriated in part 1, the  
9 department of treasury may contract with private collection  
10 agencies and law firms to collect taxes and other accounts due this  
11 state. In addition to the amounts appropriated in part 1 to the  
12 department of treasury, there are appropriated amounts necessary to  
13 fund collection costs and fees not to exceed 25% of the collections  
14 or 2.5% plus operating costs, whichever amount is prescribed by  
15 each contract. The appropriation to fund collection costs and fees  
16 for the collection of taxes or other accounts due this state are  
17 from the fund or account to which the revenues being collected are  
18 recorded or dedicated. However, if the taxes collected are  
19 constitutionally dedicated for a specific purpose, the  
20 appropriation of collection costs and fees are from the general  
21 purpose account of the general fund.

22       (2) From the funds appropriated in part 1, the department of  
23 treasury may contract with private collections agencies and law  
24 firms to collect defaulted student loans and other accounts due the  
25 Michigan guaranty agency. In addition to the amounts appropriated  
26 in part 1 to the department of treasury, there are appropriated  
27 amounts necessary to fund collection costs and fees not to exceed

1 24.34% of the collection or a lesser amount as prescribed by the  
2 contract. The appropriation to fund collection costs and fees for  
3 the auditing and collection of defaulted student loans due the  
4 Michigan guaranty agency is from the fund or account to which the  
5 revenues being collected are recorded or dedicated.

6 (3) The department of treasury shall submit a report for the  
7 immediately preceding fiscal year ending September 30 to the state  
8 budget director and the senate and house of representatives  
9 standing committees on appropriations not later than November 30  
10 stating the agencies or law firms employed, the amount of  
11 collections for each, the costs of collection, and other pertinent  
12 information relating to determining whether this authority should  
13 be continued.

14 Sec. 1004. (1) The department of treasury, through its bureau  
15 of investments, may charge an investment service fee against the  
16 applicable retirement funds. The fees may be expended for necessary  
17 salaries, wages, contractual services, supplies, materials,  
18 equipment, travel, worker's compensation insurance premiums, and  
19 grants to the civil service commission and state employees'  
20 retirement funds. Service fees shall not exceed the aggregate  
21 amount appropriated in part 1. The department of treasury shall  
22 maintain accounting records in sufficient detail to enable the  
23 retirement funds to be reimbursed periodically for fee revenue that  
24 is determined by the department of treasury to be surplus.

25 (2) In addition to the funds appropriated in part 1 from the  
26 retirement funds to the department of treasury, there is  
27 appropriated from retirement funds an amount sufficient to pay for

1 the services of money managers, investment advisors, investment  
2 consultants, custodians, and other outside professionals, the state  
3 treasurer considers necessary to prudently manage the retirement  
4 funds' investment portfolios. The state treasurer shall report  
5 annually to the senate and house of representatives standing  
6 committees on appropriations and the state budget office concerning  
7 the performance of each portfolio by investment advisor.

8       Sec. 1004a. (1) There is appropriated an amount sufficient to  
9 recognize and pay expenditures for financial services provided by  
10 financial institutions as provided under section 1 of 1861 PA 111,  
11 MCL 21.181.

12       (2) The appropriations under subsection (1) shall be funded by  
13 restricting revenues from common cash interest earnings and  
14 investment earnings in an amount sufficient to record these  
15 expenditures. If the amounts of common cash interest earnings are  
16 insufficient to cover these costs, then miscellaneous revenues  
17 shall be used to fund the remaining balance of these expenditures.

18       Sec. 1005. A revolving fund known as the municipal finance fee  
19 fund is created in the department of treasury. Fees are established  
20 under the revised municipal finance act, 2001 PA 34, MCL 141.2101  
21 to 141.2821, and the fees collected shall be credited to the  
22 municipal finance fee fund and may be carried forward for future  
23 appropriation.

24       Sec. 1006. (1) The department of treasury shall charge for  
25 audits as permitted by state or federal law or under contractual  
26 arrangements with local units of government, other principal  
27 executive departments, or state agencies. However, the charge shall

1 not be more than the actual cost for performing the audit. A report  
2 detailing audits performed and audit charges for the immediately  
3 preceding fiscal year shall be submitted to the state budget  
4 director and the senate and house fiscal agencies not later than  
5 November 30.

6 (2) A revolving fund known as the audit charges fund is  
7 created in the department of treasury. The contractual charges  
8 collected shall be credited to the audit charges fund and may be  
9 carried forward for future appropriation.

10 Sec. 1007. A revolving fund known as the assessor  
11 certification and training fund is created in the department of  
12 treasury. The assessor certification and training fund shall be  
13 used to organize and operate a property assessor certification and  
14 training program. Each participant certified and trained shall pay  
15 to the department of treasury examination fees not to exceed \$50.00  
16 per examination and certification fees not to exceed \$175.00.  
17 Training courses shall be offered in assessment administration.  
18 Each participant shall pay a fee to cover the expenses incurred in  
19 offering the optional programs to certified assessing personnel and  
20 other individuals interested in an assessment career opportunity.  
21 The fees collected shall be credited to the assessor certification  
22 and training fund.

23 Sec. 1008. The amount appropriated in part 1 to the department  
24 of treasury, home heating assistance program, is to cover the  
25 costs, including data processing, of administering federal home  
26 heating credits to eligible claimants and to administer the  
27 supplemental fuel cost payment program for eligible tax credit and

1 welfare recipients.

2       Sec. 1009. Revenue from the airport parking tax act, 1987 PA  
3 248, MCL 207.371 to 207.383, is appropriated and shall be  
4 distributed under section 7a of the airport parking tax act, 1987  
5 PA 248, MCL 207.377a.

6       Sec. 1010. The disbursement by the department of treasury from  
7 the bottle deposit fund to dealers as required by section 3c(2) of  
8 1976 IL 1, MCL 445.573c, is appropriated.

9       Sec. 1011. (1) There is appropriated an amount sufficient to  
10 recognize and pay refundable income tax credits as provided by the  
11 management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

12       (2) The appropriations under subsection (1) shall be funded by  
13 restricting income tax revenue in an amount sufficient to record  
14 these expenditures.

15       Sec. 1012. A plaintiff in a garnishment action involving this  
16 state shall pay to the state treasurer 1 of the following:

17       (a) A fee of \$6.00 at the time a writ of garnishment of  
18 periodic payments is served upon the state treasurer, as provided  
19 in section 4012 of the revised judicature act of 1961, 1961 PA 236,  
20 MCL 600.4012.

21       (b) A fee of \$6.00 at the time any other writ of garnishment  
22 is served upon the state treasurer, except that the fee shall be  
23 reduced to \$5.00 for each writ of garnishment for individual income  
24 tax refunds or credits filed by magnetic media.

25       Sec. 1013. (1) The department of treasury may contract with  
26 private firms to appraise and, if necessary, appeal the assessments  
27 of senior citizen cooperative housing units. Payment for this

1 service shall be from savings resulting from the appraisal or  
2 appeal process.

3 (2) Of the funds appropriated in part 1 to the department of  
4 treasury for the senior citizens' cooperative housing tax exemption  
5 program, a portion may be utilized for a program audit of the  
6 program. The department of treasury shall forward copies of any  
7 audit report completed to the senate and house of representatives  
8 standing committees on appropriations subcommittees on general  
9 government and to the state budget office. The department of  
10 treasury may utilize up to 1% of the funds for program  
11 administration and auditing.

12 Sec. 1014. The department of treasury may provide a \$200.00  
13 annual prize from the Ehlers internship award account in the gifts,  
14 bequests, and deposit fund to the runner-up of the Rosenthal prize  
15 for interns. The Ehlers internship award account is interest  
16 bearing.

17 Sec. 1015. Pursuant to section 61 of the Michigan campaign  
18 finance act, 1976 PA 388, MCL 169.261, there is appropriated from  
19 the general fund to the state campaign fund an amount equal to the  
20 amounts designated for tax year 2015. Except as otherwise provided  
21 in this section, the amount appropriated shall not revert to the  
22 general fund and shall remain in the state campaign fund. Any  
23 amounts remaining in the state campaign fund in excess of  
24 \$10,000,000.00 on December 31 shall revert to the general fund.

25 Sec. 1016. The department of treasury may make available to  
26 interested entities otherwise unavailable customized unclaimed  
27 property listings of nonconfidential information in its possession.



1 The charge for this information is as follows: 1 to 100,000 records  
2 at 2.5 cents per record and 100,001 or more records at .5 cents per  
3 record. The revenue received from this service shall be deposited  
4 to the appropriate revenue account or fund. The department shall  
5 submit an annual report on or before June 1 to the state budget  
6 director and the senate and house of representatives standing  
7 committees on appropriations that states the amount of revenue  
8 received from the sale of information.

9       Sec. 1017. (1) There is appropriated for write-offs and  
10 advances an amount equal to total write-offs and advances for  
11 departmental programs, but not to exceed current year  
12 authorizations that would otherwise lapse to the general fund.

13       (2) The department of treasury shall submit a report for the  
14 immediately preceding fiscal year to the state budget director and  
15 the senate and house fiscal agencies not later than November 30  
16 stating the amounts appropriated for write-offs and advances under  
17 subsection (1).

18       Sec. 1019. (1) From funds appropriated in part 1, the  
19 department of treasury may contract with private auditing firms to  
20 audit for and collect unclaimed property due this state in  
21 accordance with the uniform unclaimed property act, 1995 PA 29, MCL  
22 567.221 to 567.265. In addition to the amounts appropriated in part  
23 1 to the department of treasury, there are appropriated amounts  
24 necessary to fund auditing and collection costs and fees not to  
25 exceed 12% of the collections, or a lesser amount as prescribed by  
26 the contract. The appropriation to fund collection costs and fees  
27 for the auditing and collection of unclaimed property due this

1 state is from the fund or account to which the revenues being  
2 collected are recorded or dedicated.

3 (2) The department of treasury shall submit a report for the  
4 immediately preceding fiscal year ending September 30 to the state  
5 budget director and the senate and house of representatives  
6 standing committees on appropriations not later than November 30  
7 stating the auditing firms employed, the amount of collections for  
8 each, the costs of collection, and other pertinent information  
9 relating to determining whether this authority should be continued.

10 Sec. 1024. (1) In addition to the funds appropriated in part  
11 1, the department of treasury may receive and expend principal  
12 residence audit fund revenue for administration of principal  
13 residence audits under the general property tax act, 1893 PA 206,  
14 MCL 211.1 to 211.155.

15 (2) The department of treasury shall submit a report for the  
16 immediately preceding fiscal year to the state budget director and  
17 the senate and house fiscal agencies not later than December 31  
18 stating the amount of exemptions denied and the revenue received  
19 under the program.

20 Sec. 1026. Unexpended appropriations of the John R. Justice  
21 grant program are designated as work project appropriations and  
22 shall not lapse at the end of the fiscal year and shall continue to  
23 be available for expenditure until the project has been completed.  
24 The following is in compliance with section 451a of the management  
25 and budget act, 1984 PA 431, MCL 18.1451a:

26 (a) The purpose of the project is to provide student loan  
27 forgiveness to qualified public defenders and prosecutors.

1 (b) The project will be accomplished by utilizing state  
2 employees or contracts with private vendors, or both.

3 (c) The total estimated cost of the project is \$287,700.00.

4 (d) The tentative completion date is September 30, 2017.

5 Sec. 1027. The department of treasury shall submit annual  
6 progress reports to the senate and house of representatives  
7 standing committees on appropriations subcommittees on general  
8 government and the senate and house fiscal agencies, regarding  
9 personal property tax audits. The report shall include the number  
10 of audits, revenue generated, and number of complaints received by  
11 the department related to the audits.

12 Sec. 1028. The department of treasury may provide receipt,  
13 warrant and cash processing, data, collection, investment, fiscal  
14 agent, levy and warrant cost assessment, writ of garnishment, and  
15 other user services on a contractual basis for other principal  
16 executive departments and state agencies. Funds for the services  
17 provided are appropriated and shall be expended for salaries and  
18 wages, fees, supplies, and equipment necessary to provide the  
19 services. Any unobligated balance of the funds received shall  
20 revert to the general fund of this state as of September 30.

21 Sec. 1030. (1) The department of treasury shall provide  
22 accounts receivable collections services to other principal  
23 executive departments and state agencies under 1927 PA 375, MCL  
24 14.131 to 14.134. The department of treasury shall deduct a fee  
25 equal to the cost of collections from all receipts except  
26 unrestricted general fund collections. Fees shall be credited to a  
27 restricted revenue account and appropriated to the department of

1 treasury to pay for the cost of collections. The department of  
2 treasury shall maintain accounting records in sufficient detail to  
3 enable the respective accounts to be reimbursed periodically for  
4 fees deducted that are determined by the department of treasury to  
5 be surplus to the actual cost of collections.

6 (2) The department of treasury shall submit a report for the  
7 immediately preceding fiscal year to the state budget director and  
8 the senate and house fiscal agencies not later than November 30  
9 stating the principal executive departments and state agencies  
10 served, funds collected, and costs of collection under subsection  
11 (1).

12 Sec. 1031. (1) The appropriation in part 1 to the department  
13 of treasury for treasury fees shall be assessed against all  
14 restricted funds that receive common cash earnings or other  
15 investment income. Treasury fees include all costs, including  
16 administrative overhead, relating to the investment of each  
17 restricted fund. The fee assessed against each restricted fund will  
18 be based on the size of the restricted fund (the absolute value of  
19 the average daily cash balance plus the market value of investments  
20 in the prior fiscal year) and the level of effort necessary to  
21 maintain the restricted fund as required by each department. The  
22 department of treasury shall provide a report to the state budget  
23 director, the senate and house of representatives standing  
24 committees on appropriations subcommittees on general government,  
25 and the senate and house fiscal agencies by November 30 of each  
26 year identifying the fees assessed against each restricted fund and  
27 the methodology used for assessment.

1           (2) In addition to the funds appropriated in part 1, the  
2 department of treasury may receive and expend investment fees  
3 relating to new restricted funding sources that participate in  
4 common cash earnings or other investment income during the current  
5 fiscal year. When a new restricted fund is created starting on or  
6 after October 1, that restricted fund shall be assessed a fee using  
7 the same criteria identified in subsection (1).

8           Sec. 1032. Revenue received under the Michigan education trust  
9 act, 1986 PA 316, MCL 390.1421 to 390.1442, may be expended by the  
10 board of directors of the Michigan education trust for necessary  
11 salaries, wages, supplies, contractual services, equipment,  
12 worker's compensation insurance premiums, and grants to the civil  
13 service commission and state employees' retirement fund.

14           Sec. 1034. (1) The department of treasury may expend revenues  
15 received under the hospital finance authority act, 1969 PA 38, MCL  
16 331.31 to 331.84, the shared credit rating act, 1985 PA 227, MCL  
17 141.1051 to 141.1076, the higher education facilities authority  
18 act, 1969 PA 295, MCL 390.921 to 390.934, the Michigan public  
19 educational facilities authority, Executive Reorganization Order  
20 No. 2002-3, MCL 12.192, the Michigan tobacco settlement finance  
21 authority act, 2005 PA 226, MCL 129.261 to 129.279, the land bank  
22 fast track act, 2003 PA 258, MCL 124.751 to 124.774, part 505 of  
23 the natural resources and environmental protection act, 1994 PA  
24 451, MCL 324.50501 to 324.50522, the state housing development  
25 authority act of 1966, 1966 PA 346, MCL 125.1401 to 125.1499c, and  
26 the Michigan finance authority, Executive Reorganization Order No.  
27 2010-2, MCL 12.194, for necessary salaries, wages, supplies,

1 contractual services, equipment, worker's compensation insurance  
2 premiums, grants to the civil service commission and state  
3 employees' retirement fund, and other expenses as allowed under  
4 those acts.

5 (2) The department of treasury shall report by January 31 to  
6 the senate and house appropriations subcommittees, the senate and  
7 house fiscal agencies, and the state budget director on the amount  
8 and purpose of expenditures made under subsection (1) from funds  
9 received in addition to those appropriated in part 1. The report  
10 shall also include a listing of reimbursement of revenue, if any.  
11 The report shall cover the previous fiscal year.

12 Sec. 1035. The funds appropriated in part 1 for dual  
13 enrollment payments for an eligible student enrolled in a state-  
14 approved nonpublic school shall be distributed as provided under  
15 the postsecondary enrollment options act, 1996 PA 160, MCL 388.511  
16 to 388.524, and the career and technical preparation act, 2000 PA  
17 258, MCL 388.1901 to 388.1913, in a form and manner as determined  
18 by the department of treasury.

19 Sec. 1036. (1) From the one-time funds appropriated in part 1  
20 for student loan delinquency counseling, the department shall  
21 request competitive proposals from service providers interested in  
22 piloting student loan delinquency counseling services for Michigan  
23 student loan borrowers. The competitive proposal for the pilot  
24 shall include all of the following:

25 (a) Provide 1-on-1 student loan counseling assistance and  
26 financial educational services for interested individuals who are  
27 delinquent on their student loan payments. This counseling shall

1 ensure that more individuals know about their student loan payment  
2 options and that borrowers have access to budgeting assistance and  
3 comprehensive debt management programs.

4 (b) Require that borrowers voluntarily opt into student loan  
5 delinquency counseling.

6 (c) Promote service through statement inserts, electronic  
7 mails, or mailings, or through participating loan servicers or  
8 colleges and universities.

9 (d) Pilot the services for no more than 3 years.

10 (e) Provide the department with the information necessary for  
11 reporting requirements to use for evaluation of the program.

12 (f) Be able to begin the pilot by January 2, 2017.

13 (2) The department shall release the RFP by October 3 with a  
14 due date of November 4. During this time, the department shall have  
15 a question-and-answer event with prospective providers 2 weeks  
16 before proposals are due. The department shall select and notify  
17 the awarded vendor no later than 1 month after the RFP due date.  
18 The department shall ensure that the pilot begins by January 2.

19 (3) The department of treasury shall issue a status report  
20 using information provided by the vendor that includes the  
21 following:

22 (a) Number of borrowers counseled.

23 (b) Number of student loans and amount of balances owed by  
24 counseled borrowers.

25 (c) Number and dollar amount of delinquent student loans  
26 brought current.

27 (d) Number and dollar amount of delinquent student loans

1 defaulted.

2 (e) Number and dollar amount of student loans enrolled in a  
3 repayment program.

4 (f) Number and dollar amount of student loans in deferment or  
5 forbearance.

6 (g) At selected time frames after the initial counseling  
7 session, the difference between current student loan balances and  
8 the balances at the time of initial counseling.

9 (h) Number and dollar amount of defaulted student loans  
10 rehabilitated.

11 (i) Borrower's credit score at the time of counseling.

12 (j) Borrower's credit score at selected time frames after  
13 initial counseling session.

14 (k) Results from customer surveys regarding the participant's  
15 perceived value and usefulness of the services.

16 (4) The department of treasury will evaluate the proposals by  
17 using the following criteria:

18 (a) 20% based on demonstrated experience in providing student  
19 loan delinquency counseling.

20 (b) 25% based on demonstrated experience in providing debt  
21 management and debt counseling.

22 (c) 10% based on demonstrated experience in providing  
23 budgeting and financial information.

24 (d) 10% based on responses to questionnaire.

25 (e) 20% based on an implementation plan of the pilot program.

26 (f) 15% based on the proposed staffing and budget for the  
27 pilot program.



1       Sec. 1037. From the funds appropriated in part 1, the  
2 department of treasury shall submit a report to the state budget  
3 director and the senate and house standing committees on  
4 appropriations not later than March 31 regarding the performance of  
5 the Michigan accounts receivable collections system. The report  
6 shall include, but is not limited to:

7       (a) Information regarding the effectiveness of the  
8 department's current collection strategies, including use of  
9 vendors or contractors.

10       (b) The amount of delinquent accounts and collection referrals  
11 to vendors and contractors.

12       (c) The liquidation rates for declining delinquent accounts.

13       (d) The profile of uncollected delinquent accounts, including  
14 specific uncollected amounts by category.

15       (e) The department's strategy to manage delinquent accounts  
16 once those accounts exceed the vendor's or contractor's contracted  
17 collectible period.

18       (f) A summary of the strategies used in other states,  
19 including, but not limited to, secondary placement services, and  
20 assessing the benefits of those strategies.

21       Sec. 1040. (1) From the funds appropriated in part 1 for  
22 unclassified salaries, the department of treasury shall ensure that  
23 the state capitol historic site fund receive, in addition to the  
24 amounts described in section 12 of the tobacco products tax act,  
25 1993 PA 327, MCL 205.432, any amounts remaining in the restoration,  
26 renewal, and maintenance line item in part 1.

27       (2) In the event that Detroit CPI results in decreased

1 statutory payments to the state capitol historic fund, the  
2 department of treasury shall not take punitive measures or decrease  
3 payments to the fund and shall ensure full payment from the amounts  
4 available in the restoration, renewal, and maintenance line item in  
5 part 1.

6 Sec. 1044. If the department of treasury hires a pension plan  
7 consultant using any of the funds appropriated in part 1, the  
8 department shall retain any report provided to the department by  
9 that consultant and shall make that report available upon request  
10 to the senate and house of representatives standing committees on  
11 appropriations subcommittees on general government, the senate and  
12 house fiscal agencies, and the state budget director.

13 Sec. 1045. The appraisal quality assurance project manager of  
14 the department of treasury shall conduct a review of local unit  
15 assessment administration practices, procedures, and records, also  
16 known as the audit of minimal assessing requirements, in at least 1  
17 assessment jurisdiction per county.

18 Sec. 1046. Revenue collected in the convention facility  
19 development fund is appropriated and shall be distributed under  
20 sections 8 and 9 of the state convention facility development act,  
21 1985 PA 106, MCL 207.628 and 207.629.

22 Sec. 1047. Financial independence teams shall cooperate with  
23 the fiscal responsibility section to coordinate and streamline  
24 efforts in identifying and addressing fiscal emergencies in school  
25 districts and intermediate school districts.

26 Sec. 1048. Total authorized appropriations from all sources  
27 under part 1 for legacy costs for the fiscal year ending September

1 30, 2017 are \$49,651,800.00. From this amount, total agency  
2 appropriations for pension-related legacy costs are estimated at  
3 \$27,530,500.00. Total agency appropriations for retiree health care  
4 legacy costs are estimated at \$22,121,300.00.

5 Sec. 1049. (1) From the funds appropriated in part 1, the  
6 department of treasury may contract with private agencies to  
7 prevent the disbursement of fraudulent tax refunds. In addition to  
8 the amounts appropriated in part 1 to the department of treasury,  
9 there are appropriated amounts necessary to pay contract costs or  
10 fund operations designed to reduce fraudulent income tax refund  
11 payments not to exceed \$1,600,000.00 of the refunds identified as  
12 potentially fraudulent and for which payment of the refund is  
13 denied. The appropriation to fund fraud prevention efforts is from  
14 the fund or account to which the revenues being collected are  
15 recorded or dedicated.

16 (2) The department of treasury shall submit a report for the  
17 immediately preceding fiscal year ending September 30 to the state  
18 budget director and the senate and house of representatives  
19 standing committees on appropriations not later than November 30  
20 stating the number of refund claims denied due to the fraud  
21 prevention operations, the amount of refunds denied, the costs of  
22 the fraud prevention operations, and other pertinent information  
23 relating to determining whether this authority should be continued.

24 Sec. 1049b. From the funds appropriated in part 1 for the city  
25 income tax administration program, the department of treasury shall  
26 administer the city income tax administration program in the  
27 current year.

1       Sec. 1049d. From the funds appropriated in part 1 for  
2       financial review commission, the department shall expand financial  
3       review commission efforts in the current fiscal year.

4       Sec. 1049e. From the funds appropriated in part 1 for the  
5       state essential services assessment program, the department of  
6       treasury shall administer the state essential services assessment  
7       program in the current year. The program will provide the  
8       department the ability to collect the new state essential services  
9       assessment which is a phased-in replacement of locally collected  
10      personal property taxes on eligible manufacturing personal  
11      property.

12      Sec. 1049f. Revenue from the tobacco products tax act, 1993 PA  
13      327, MCL 205.421 to 205.436, related to counties with a 2000  
14      population of more than 2,000,000 is appropriated and shall be  
15      distributed under section 12(4)(d) of the tobacco products tax act,  
16      1993 PA 327, MCL 205.432.

<<Sec. 1049h. (1) The funds appropriated in part 1 for  
financial data analytical tool reimbursement, shall be used for  
the reimbursement to counties, cities, villages, and townships for  
the licensing of data analytical tools described under this section.  
The reimbursement is for those entities that choose to use data  
analytical tools to assist the jurisdiction and that enters into a  
new or continues an existing licensing agreement for a data  
analytical tool with 1 of the vendors approved by the department  
of technology, management and budget under (2) by October 15, 2016.  
Funds allocated under this under this section are intended to  
provide counties, cities, villages, and townships with financial  
forecasting and transparency reporting tools to help improve the  
financial health of districts and to improve communication with the  
public, resulting in increased fund balances for counties, cities,  
villages, and townships.

(2) Not later than October 15, 2015, the department of  
technology, management, and budget shall review vendors for data  
analytical tools and provide counties, cities, villages, and  
townships with a list of at least 2 and up to 4 approved vendors  
for a reimbursement paid under this section. For a vendor to be  
eligible for reimbursement paid under this section, it must meet  
at least all of the following:

(a) Analyze financial data.

- (b) Provide an early warning measure.
- (c) Provide peer jurisdiction comparison of financial data.
- (d) Allow for shared services and collaboration.
- (e) Model future budgets and forecasts for at least 3 subsequent fiscal years.
- (f) Meet the transparency and accountability requirements for the communities that are eligible to receive city, village, and township statutory revenue sharing or county incentive program revenue sharing.

(3) Funds allocated under this section shall be paid to counties, cities, villages, and townships as a reimbursement for already having a licensing agreement or for entering into a licensing agreement not later than December 1, 2016 with a vendor approved under (2) to implement a data analytical tool. Reimbursement will be prorated for the portion of the state fiscal year not covered by the licensing agreement. However, a licensing agreement that takes effect after October 1, 2016 and before December 1, 2016 will not be prorated if the term of agreement is at least 1 year. Reimbursement under this section shall be made as follows:

(a) All counties, cities, villages, and townships seeking reimbursement shall submit requests not later than December 1, 2016 indicating the cost paid for the financial data analytical tool.

(b) The Department of Treasury shall determine the sum of the funding requests under subdivision (a) and, if there are sufficient funds, shall pay 1/2 of the costs submitted under subdivision (a). If there are insufficient funds to pay ½ of the costs submitted under subdivision (a), then reimbursement shall be made on an equal percentage basis.

(c) Funds remaining after the calculation and payments made under subdivision (b) shall be distributed on an equal per-capita basis to local jurisdictions that have purchased a financial data analytical tool approved under (2).>>

#### **REVENUE SHARING**

17       Sec. 1050. The funds appropriated in part 1 for constitutional  
18 revenue sharing shall be distributed by the department of treasury  
19 to cities, villages, and townships, as required under section 10 of  
20 article IX of the state constitution of 1963. Revenue collected in  
21 accordance with section 10 of article IX of the state constitution  
22 of 1963 in excess of the amount appropriated in part 1 for  
23 constitutional revenue sharing is appropriated for distribution to  
24 cities, villages, and townships, on a population basis as required  
25 under section 10 of article IX of the state constitution of 1963.

26       Sec. 1052. (1) The funds appropriated in part 1 for city,

1 village, and township revenue sharing are for grants to cities,  
2 villages, and townships such that, subject to fulfilling the  
3 requirements under subsection (3), each city, village, or township  
4 is eligible to receive 98.45% of its eligible payment under section  
5 952 of article VIII of 2015 PA 84. For purposes of this subsection,  
6 any city, village, or township that completely merges with another  
7 city, village, or township will be treated as a single entity, such  
8 that when determining the eligible payment under section 952 of  
9 article VIII of 2015 PA 84 for the combined single entity, the  
10 amount each of the merging local units was eligible to receive  
11 under section 952 of article VIII of 2015 PA 84 is summed. For  
12 purposes of this subsection, population is determined in the same  
13 manner as under section 3 of the Glenn Steil state revenue sharing  
14 act of 1971, 1971 PA 140, MCL 141.903. In addition, any city or  
15 village that according to the 2010 federal decennial census is  
16 determined to have population in more than 1 county shall be  
17 treated as a single entity when determining the eligible payment  
18 under section 952 of article VIII of 2015 PA 84.

19 (2) The funds appropriated in part 1 for the county incentive  
20 program are to be used for grants to counties such that each county  
21 is eligible to receive an amount equal to 102% of the amount by  
22 which the balance in its revenue sharing reserve fund under section  
23 44a of the general property tax act, 1893 PA 206, MCL 211.44a, for  
24 the county's most recent fiscal year that ends prior to the January  
25 1 of the state's fiscal year is less than the amount calculated  
26 under section 44a(14) of the general property tax act, 1893 PA 206,  
27 MCL 211.44a, for the county fiscal year that begins in the state's

1 fiscal year. The amount calculated under this subsection shall be  
2 adjusted as necessary to reflect partial county fiscal years and  
3 prorated based on the total amount appropriated for distribution to  
4 all eligible counties. Except as otherwise provided under this  
5 subsection, payments under this subsection will be distributed to  
6 an eligible county subject to the county's fulfilling the  
7 requirements under subsection (3).

8 (3) For purposes of accountability and transparency, each  
9 eligible city, village, township, or county shall certify by  
10 December 1, or the first day of a payment month, that it has  
11 produced a citizen's guide of its most recent local finances,  
12 including a recognition of its unfunded liabilities; a performance  
13 dashboard; a debt service report containing a detailed listing of  
14 its debt service requirements, including, at a minimum, the  
15 issuance date, issuance amount, type of debt instrument, a listing  
16 of all revenues pledged to finance debt service by debt instrument,  
17 and a listing of the annual payment amounts until maturity; and a  
18 projected budget report, including, at a minimum, the current  
19 fiscal year and a projection for the immediately following fiscal  
20 year. The projected budget report shall include revenues and  
21 expenditures and an explanation of the assumptions used for the  
22 projections. Each eligible city, village, township, or county shall  
23 include in any mailing of general information to its citizens the  
24 Internet website address location for its citizen's guide,  
25 performance dashboard, debt service report, and projected budget  
26 report or the physical location where these documents are available  
27 for public viewing in the city, village, township, or county

1 clerk's office. Each city, village, township, and county applying  
2 for a payment under this subsection shall submit a copy of the  
3 citizen's guide, a copy of the performance dashboard, a copy of the  
4 debt service report, and a copy of the projected budget report to  
5 the department of treasury. The department of treasury shall  
6 develop detailed guidance for a city, village, township, or county  
7 to follow to meet the requirements of this subsection. The detailed  
8 guidance shall be posted on the department of treasury website and  
9 distributed to cities, villages, townships, and counties by October  
10 1.

11 (4) City, village, and township revenue sharing payments and  
12 county incentive program payments are subject to the following  
13 conditions:

14 (a) The city, village, township, or county shall certify to  
15 the department that it has met the required criteria for subsection  
16 (3) and submitted the required citizen's guide, performance  
17 dashboard, debt service report, and projected budget report as  
18 required by subsection (3). A department of treasury review of the  
19 citizen's guide, dashboard, or reports is not required in order for  
20 a city, village, township, or county to receive a payment under  
21 subsection (1) or (2). The department shall develop a certification  
22 process and method for cities, villages, townships, and counties to  
23 follow.

24 (b) Subject to subdivisions (c), (d), and (e), if a city,  
25 village, township, or county meets the requirements of subsection  
26 (3), the city, village, township, or county shall receive its full  
27 potential payment under this section.



## Senate Bill No. 800 as amended May 4, 2016

1 (c) Cities, villages, and townships eligible to receive a  
2 payment under subsection (1) shall receive 1/6 of their eligible  
3 payment on the last business day of October, December, February,  
4 April, June, and August. Payments under subsection (1) shall be  
5 issued to cities, villages, and townships until the specified due  
6 date for subsection (3). After the specified due date for  
7 subsection (3), payments shall be made to a city, village, or  
8 township only if that city, village, or township has complied with  
9 subdivision (a).

10 (d) Payments under subsection (2) shall be issued to counties  
11 until the specified due date for subsection (3). After the  
12 specified due date for subsection (3), payments shall be made to a  
13 county only if that county has complied with subdivision (a).

14 (e) If a city, village, township, or county does not <<submit the  
15 required certification, citizen's guide, performance dashboard,  
16 debt service report, and projected budget report by December 1 or  
17 the first day of a payment month, the city village, township, or  
18 county shall either defer or forfeit the payment. In order to  
19 qualify for a deferred payment of a previously forfeited payment, a  
city, village, township, or county shall submit the required  
certification, citizen's guide, performance dashboard, debt service  
report, and projected budget report by February 1. The deferred  
payment shall be paid on the last business day of August.>>

20 (f) Any city, village, township, or county that falsifies  
21 certification documents shall forfeit any future city, village, and  
22 township revenue sharing payments or county incentive program  
23 payments and shall repay to this state all payments it has received  
24 under this section.

25 (g) City, village, and township revenue sharing payments and  
26 county incentive program payments under this section shall be  
27 distributed on the last business day of October, December,

1 February, April, June, and August.

2 (h) Payments distributed under this section may be withheld  
3 pursuant to sections 17a and 21 of the Glenn Steil state revenue  
4 sharing act of 1971, 1971 PA 140, MCL 141.917a and 141.921.

5 (5) The unexpended funds appropriated in part 1 for city,  
6 village, and township revenue sharing and the county incentive  
7 program shall be available for expenditure under the program for  
8 financially distressed cities, villages, or townships after the  
9 approval of transfers by the legislature pursuant to section 393(2)  
10 of the management and budget act, 1984 PA 431, MCL 18.1393.

11 Sec. 1055. (1) The funds appropriated in part 1 for county  
12 revenue sharing shall be distributed by the department of treasury  
13 to eligible counties in amounts equal to 102% of the payments  
14 determined pursuant to the Glenn Steil state revenue sharing act of  
15 1971, 1971 PA 140, MCL 141.901 to 141.921.

16 (2) The department of treasury shall annually certify to the  
17 state budget director the amount each county is authorized to  
18 expend from its revenue sharing reserve fund.

19 Sec. 1056. (1) The funds appropriated in part 1 for  
20 financially distressed cities, villages, and townships shall be  
21 granted by the department of treasury to cities, villages, and  
22 townships that have 1 or more conditions that indicate probable  
23 financial distress, as determined by the department of treasury. A  
24 city, village, or township with 1 or more conditions that indicate  
25 probable financial distress may apply in a manner determined by the  
26 department of treasury for a grant to pay for specific projects or  
27 services that move the city, village, or township toward financial

1 stability. Grants are to be used for specific projects or services  
2 that move the city, village, or township toward financial  
3 stability. The city, village, or township may use, but is not  
4 limited to using, the grants under this section to make payments to  
5 reduce unfunded accrued liability; to repair or replace critical  
6 infrastructure and equipment owned or maintained by the city,  
7 village, or township; to reduce debt obligations; or for costs  
8 associated with a transition to shared services with another  
9 jurisdiction. The department of treasury shall award no more than  
10 \$2,000,000.00 to any city, village, or township under this section.

11 (2) The department of treasury shall provide a report to the  
12 senate and house of representatives appropriations subcommittees on  
13 general government, the senate and house fiscal agencies, and the  
14 state budget office by March 31. The report shall include a list by  
15 grant recipient of the date each grant was approved, the amount of  
16 the grant, and a description of the project or projects that will  
17 be paid by the grant.

18 (3) The unexpended funds appropriated in part 1 for  
19 financially distressed cities, villages, and townships are  
20 designated as a work project appropriation, and any unencumbered or  
21 unallotted funds shall not lapse at the end of the fiscal year and  
22 shall be available for expenditure for projects under this section  
23 until the projects have been completed. The following is in  
24 compliance with section 451a of the management and budget act, 1984  
25 PA 431, MCL 18.1451a:

26 (a) The purpose of the project is to provide assistance to  
27 financially distressed cities, villages, and townships under this

1 section.

2 (b) The projects will be accomplished by grants to cities,  
3 villages, and townships approved by the department of treasury.

4 (c) The total estimated cost of all projects is \$5,000,000.00.

5 (d) The tentative completion date is September 30, 2021.

6 Sec. 1058. (1) The funds appropriated in part 1 for voting  
7 machine replacement reimbursement shall be used for payments to  
8 cities, villages, townships, and counties that have purchased new  
9 voting machines in a purchase that is approved by the department of  
10 state and meets the specifications established by the department of  
11 state. The reimbursement amount per machine shall be established by  
12 the department of treasury in cooperation with the department of  
13 state and shall be equal to \$5,000,000.00 divided by the projected  
14 number of new voting machines required statewide during the next 3  
15 years as determined by the department of state.

16 (2) The department of treasury shall report to the senate and  
17 house of representatives appropriations subcommittees on general  
18 government, the senate and house fiscal agencies, and the state  
19 budget office by May 1 on the reimbursement payment available per  
20 machine, the cities, villages, townships, and counties that have  
21 received funding under this section, and the number of voting  
22 machines purchased by each city, village, township, and county.

23 (3) The unexpended funds appropriated in part 1 for voting  
24 machine replacement reimbursement are designated as a work project  
25 appropriation, and any unencumbered or unallotted funds shall not  
26 lapse at the end of the fiscal year and shall be available for  
27 expenditure for projects under this section until the projects have

1 been completed. The following is in compliance with section 451a of  
2 the management and budget act, 1984 PA 432, MCL 138.1451a:

3 (a) The purpose of the project is to provide assistance to  
4 cities, villages, townships, and counties that purchase new voting  
5 machines that are approved by and meet the specifications  
6 established by the department of state.

7 (b) The funds will be disbursed as reimbursement payments for  
8 approved purchases of voting machines that meet the specifications  
9 determined by the department of state.

10 (c) The total estimated cost of all projects is \$5,000,000.00.

11 (d) The tentative completion date is September 30, 2021.

12 **BUREAU OF STATE LOTTERY**

13 Sec. 1060. In addition to the funds appropriated in part 1 to  
14 the bureau of state lottery, there is appropriated from state  
15 lottery fund revenues the amount necessary for, and directly  
16 related to, implementing and operating lottery games under the  
17 McCauley-Traxler-Law-Bowman-McNeely lottery act, 1972 PA 239, MCL  
18 432.1 to 432.47, and activities under the Traxler-McCauley-Law-  
19 Bowman bingo act, 1972 PA 382, MCL 432.101 to 432.120, including  
20 expenditures for contractually mandated payments for vendor  
21 commissions, contractually mandated payments for instant tickets  
22 intended for resale, the contractual costs of providing and  
23 maintaining the online system communications network, and incentive  
24 and bonus payments to lottery retailers.

25 Sec. 1063. The bureau of state lottery shall inform all  
26 lottery retailers that the cash side of MDHHS bridge cards cannot  
27 be used to purchase lottery tickets.

1       Sec. 1064. For the bureau of state lottery, there is  
2 appropriated 1% of the lottery's prior fiscal year's gross sales or  
3 \$25,000,000.00, whichever is less, for promotion and advertising.

4       **CASINO GAMING**

5       Sec. 1071. From the revenue collected by the Michigan gaming  
6 control board regarding the total annual assessment of each casino  
7 licensee, \$2,000,000.00 is appropriated and shall be deposited in  
8 the compulsive gaming prevention fund as described in section  
9 12a(5) of the Michigan gaming control and revenue act, 1996 IL 1,  
10 MCL 432.212a.

11       Sec. 1073. (1) Funds appropriated in part 1 for local  
12 government programs may be used to provide assistance to a local  
13 revenue sharing board referenced in an agreement authorized by the  
14 Indian gaming regulatory act, Public Law 100-497.

15       (2) A local revenue sharing board described in subsection (1)  
16 shall comply with the open meetings act, 1976 PA 267, MCL 15.261 to  
17 15.275, and the freedom of information act, 1976 PA 442, MCL 15.231  
18 to 15.246.

19       (3) A county treasurer is authorized to receive and administer  
20 funds received for and on behalf of a local revenue sharing board.  
21 Funds appropriated in part 1 for local government programs may be  
22 used to audit local revenue sharing board funds held by a county  
23 treasurer. This section does not limit the ability of local units  
24 of government to enter into agreements with federally recognized  
25 Indian tribes to provide financial assistance to local units of  
26 government or to jointly provide public services.

27       (4) A local revenue sharing board described in subsection (1)

1 shall comply with all applicable provisions of any agreement  
2 authorized by the Indian gaming regulatory act, Public Law 100-497,  
3 in which the local revenue sharing board is referenced, including,  
4 but not limited to, the disbursal of tribal casino payments  
5 received under applicable provisions of the tribal-state class III  
6 gaming compact in which those funds are received.

7 (5) The director of the department of state police and the  
8 executive director of the Michigan gaming control board are  
9 authorized to assist the local revenue sharing boards in  
10 determining allocations to be made to local public safety  
11 organizations.

12 (6) The Michigan gaming control board shall submit a report by  
13 September 30 to the senate and house of representatives standing  
14 committees on appropriations and the state budget director on the  
15 receipts and distribution of revenues by local revenue sharing  
16 boards.

17 Sec. 1074. If revenues collected in the state services fee  
18 fund are less than the amounts appropriated from the fund,  
19 available revenues shall be used to fully fund the appropriation in  
20 part 1 for casino gaming regulation activities before distributions  
21 are made to other state departments and agencies. If the remaining  
22 revenue in the fund is insufficient to fully fund appropriations to  
23 other state departments or agencies, the shortfall shall be  
24 distributed proportionally among those departments and agencies.

25 Sec. 1076. The executive director of the Michigan gaming  
26 control board may pay rewards of not more than \$5,000.00 to a  
27 person who provides information that results in the arrest and

1 conviction on a felony or misdemeanor charge for a crime that  
2 involves the horse racing industry. A reward paid pursuant to this  
3 section shall be paid out of the appropriation in part 1 for the  
4 racing commission.

5       Sec. 1077. All appropriations from the Michigan agriculture  
6 equine industry development fund, except for the racing commission  
7 and laboratory analysis program appropriations, shall be reduced  
8 proportionately if revenues to the Michigan agriculture equine  
9 industry development fund decline during the fiscal year ending  
10 September 30, 2017 to a level lower than the amount appropriated in  
11 part 1.

12       Sec. 1078. The Michigan gaming control board shall use actual  
13 expenditure data in determining the actual regulatory costs of  
14 conducting racing dates and shall provide that data to the senate  
15 and house appropriations subcommittees on agriculture and general  
16 government and the senate and house fiscal agencies. The Michigan  
17 gaming control board shall not be reimbursed for more than the  
18 actual regulatory cost of conducting race dates. If a certified  
19 horsemen's organization funds more than the actual regulatory cost,  
20 the balance shall remain in the agriculture equine industry  
21 development fund to be used to fund subsequent race dates conducted  
22 by race meeting licensees with which the certified horsemen's  
23 organization has contracts. If a certified horsemen's organization  
24 funds less than the actual regulatory costs of the additional horse  
25 racing dates, the Michigan gaming control board shall reduce the  
26 number of future race dates conducted by race meeting licensees  
27 with which the certified horsemen's organization has contracts.



1 Prior to the reduction in the number of authorized race dates due  
2 to budget deficits, the executive director of the Michigan gaming  
3 control board shall provide notice to the certified horsemen's  
4 organizations with an opportunity to respond with alternatives. In  
5 determining actual costs, the Michigan gaming control board shall  
6 take into account that each specific breed may require different  
7 regulatory mechanisms.

8       Sec. 1079. In addition to the funds appropriated in part 1,  
9 the Michigan gaming control board may receive and expend state  
10 lottery fund revenue in an amount not to exceed \$4,000,000.00 for  
11 necessary expenses incurred in the licensing and regulation of  
12 millionaire parties pursuant to Executive Order No. 2012-4. In  
13 accordance with section 8 of the Traxler-McCauley-Law-Bowman bingo  
14 act, 1972 PA 382, MCL 432.108, the amount of necessary expenses  
15 shall not exceed the amount of revenue received under that act. The  
16 Michigan gaming control board shall provide a report to the senate  
17 and house of representatives appropriations subcommittees on  
18 general government, the senate and house fiscal agencies, and the  
19 state budget office by April 15. The report shall include, but not  
20 be limited to, total expenditures related to the licensing and  
21 regulating of millionaire parties, steps taken to ensure charities  
22 are receiving revenue due to them, progress on promulgating rules  
23 to ensure compliance with the Traxler-McCauley-Law-Bowman bingo  
24 act, 1972 PA 382, MCL 432.101 to 432.120, and any enforcement  
25 actions taken.

26 **STATE BUILDING AUTHORITY**

1       Sec. 1100. (1) Subject to section 242 of the management and  
2 budget act, 1984 PA 431, MCL 18.1242, and upon the approval of the  
3 state building authority, the department of treasury may expend  
4 from the general fund of the state during the fiscal year an amount  
5 to meet the cash flow requirements of those state building  
6 authority projects solely for lease to a state agency identified in  
7 both part 1 and this section, and for which state building  
8 authority bonds or notes have not been issued, and for the sole  
9 acquisition by the state building authority of equipment and  
10 furnishings for lease to a state agency as permitted by 1964 PA  
11 183, MCL 830.411 to 830.425, for which the issuance of bonds or  
12 notes is authorized by a legislative appropriation act that is  
13 effective for the fiscal year ending September 30, 2015. Any  
14 general fund advances for which state building authority bonds have  
15 not been issued shall bear an interest cost to the state building  
16 authority at a rate not to exceed that earned by the state  
17 treasurer's common cash fund during the period in which the  
18 advances are outstanding and are repaid to the general fund of the  
19 state.

20       (2) Upon sale of bonds or notes for the projects identified in  
21 part 1 or for equipment as authorized by a legislative  
22 appropriation act and in this section, the state building authority  
23 shall credit the general fund of the state an amount equal to that  
24 expended from the general fund plus interest, if any, as defined in  
25 this section.

26       (3) For state building authority projects for which bonds or  
27 notes have been issued and upon the request of the state building

1 authority, the state treasurer shall make advances without interest  
2 from the general fund as necessary to meet cash flow requirements  
3 for the projects, which advances shall be reimbursed by the state  
4 building authority when the investments earmarked for the financing  
5 of the projects mature.

6 (4) In the event that a project identified in part 1 is  
7 terminated after final design is complete, advances made on behalf  
8 of the state building authority for the costs of final design shall  
9 be repaid to the general fund in a manner recommended by the  
10 director.

11 Sec. 1102. (1) State building authority funding to finance  
12 construction or renovation of a facility that collects revenue in  
13 excess of money required for the operation of that facility shall  
14 not be released to a university or community college unless the  
15 institution agrees to reimburse that excess revenue to the state  
16 building authority. The excess revenue shall be credited to the  
17 general fund to offset rent obligations associated with the  
18 retirement of bonds issued for that facility. The auditor general  
19 shall annually identify and present an audit of those facilities  
20 that are subject to this section. Costs associated with the  
21 administration of the audit shall be charged against money  
22 recovered pursuant to this section.

23 (2) As used in this section, "revenue" includes state  
24 appropriations, facility opening money, other state aid, indirect  
25 cost reimbursement, and other revenue generated by the activities  
26 of the facility.

27 Sec. 1103. The state building authority shall provide to the

JCOS and senate and house fiscal agencies a report relative to the status of construction projects associated with state building authority bonds as of September 30 of each year, on or before October 15, or not more than 30 days after a refinancing or restructuring bond issue is sold. The report shall include, but is not limited to, the following:

(a) A list of all completed construction projects for which state building authority bonds have been sold, and which bonds are currently active.

(b) A list of all projects under construction for which sale of state building authority bonds is pending.

(c) A list of all projects authorized for construction or identified in an appropriations act for which approval of schematic/preliminary plans or total authorized cost is pending that have state building authority bonds identified as a source of financing.

#### REVENUE STATEMENT

Sec. 1201. Pursuant to section 18 of article V of the state constitution of 1963, fund balances and estimates are presented in the following statement:

#### BUDGET RECOMMENDATIONS BY OPERATING FUNDS

(Amounts in millions)

Fiscal Year 2016-2017

Beginning

Available   Estimated   Ending

|    | <u>Fund</u>                       | <u>Balance</u> | <u>Revenue</u> | <u>Balance</u> |
|----|-----------------------------------|----------------|----------------|----------------|
| 1  |                                   |                |                |                |
| 2  | OPERATING FUNDS                   |                |                |                |
| 3  | General fund/general purpose 0110 | 152.9          | 9,893.9        | 14.9           |
| 4  | General fund/special purpose      | 875.0          | 28,609.1       | 664.2          |
| 5  | Special Revenue Funds:            |                |                |                |
| 6  | Countercyclical budget and        |                |                |                |
| 7  | economic stabilization 0111       | 611.0          | 17.9           | 628.9          |
| 8  | Game and fish protection 0112     | 3.5            | 82.9           | 3.7            |
| 9  | Michigan employment security      |                |                |                |
| 10 | act administration 0113           | 0.0            | 42.1           | 0.0            |
| 11 | State aeronautics 0114            | 2.7            | 17.6           | 0.0            |
| 12 | Michigan veterans'                |                |                |                |
| 13 | benefit trust 0115                | 0.0            | 3.7            | 0.0            |
| 14 | State trunkline 0116              | 0.0            | 1,001.5        | 0.0            |
| 15 | Michigan state waterways 0117     | 8.2            | 30.8           | 6.5            |
| 16 | Blue Water Bridge 0118            | 18.9           | 23.6           | 0.0            |
| 17 | Michigan transportation 0119      | 0.0            | 2,514.9        | 0.0            |
| 18 | Comprehensive transportation 0120 | 3.8            | 316.7          | 0.0            |
| 19 | School aid 0122                   | 47.9           | 12,527.6       | 15.4           |
| 20 | 21st century jobs fund 0383       | 81.6           | 75.0           | 65.9           |
| 21 | Detroit public schools            |                |                |                |
| 22 | trust fund NEW                    | 0.0            | 72.0           | 0.0            |
| 23 | Game and fish protection          |                |                |                |
| 24 | trust 0124                        | 0.0            | 15.9           | 0.0            |
| 25 | State park improvement 0125       | 12.6           | 57.5           | 7.9            |
| 26 | Forest development 0126           | 12.7           | 40.9           | 8.2            |
| 27 | Michigan natural resources        |                |                |                |

|    |                               |      |           |            |           |
|----|-------------------------------|------|-----------|------------|-----------|
| 1  | trust                         | 0129 | 13.4      | 32.9       | 30.6      |
| 2  | Michigan state parks          |      |           |            |           |
| 3  | endowment                     | 0130 | 0.5       | 40.9       | 0.5       |
| 4  | Safety education and training | 0131 | 5.2       | 9.6        | 4.5       |
| 5  | Bottle deposit                | 0136 | 5.7       | 14.9       | 2.6       |
| 6  | State construction code       | 0138 | 7.2       | 8.4        | 7.4       |
| 7  | Children's trust              | 0139 | 1.8       | 1.2        | 1.2       |
| 8  | State casino gaming           | 0140 | 1.7       | 0.3        | 2.0       |
| 9  | Michigan nongame fish and     |      |           |            |           |
| 10 | wildlife                      | 0143 | 0.4       | 0.5        | 0.3       |
| 11 | Michigan merit award trust    | 0154 | 48.7      | 28.6       | 0.0       |
| 12 | Outdoor recreation legacy     | 0162 | 1.1       | 3.0        | 1.1       |
| 13 | Off-road vehicle account      | 0163 | 5.7       | 7.2        | 5.4       |
| 14 | Snowmobile account            | 0164 | 5.6       | 11.6       | 5.5       |
| 15 | Silicosis dust disease and    |      |           |            |           |
| 16 | logging                       | 0870 | 1.4       | 0.9        | 1.2       |
| 17 | Utility consumer              |      |           |            |           |
| 18 | representation                | 0893 | 1.6       | 1.2        | 1.5       |
| 19 | TOTALS                        |      | \$1,930.8 | \$55,504.8 | \$1,479.4 |

20 PART 2A

21 PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS

22 FOR FISCAL YEAR 2017-2018

23 **GENERAL SECTIONS**

24 Sec. 1301. It is the intent of the legislature to provide

25 appropriations for the fiscal year ending on September 30, 2018 for

1 the line items listed in part 1. The fiscal year 2017-2018  
 2 appropriations are anticipated to be the same as those for fiscal  
 3 year 2016-2017, except that the line items will be adjusted for  
 4 changes in caseload and related costs, federal fund match rates,  
 5 economic factors, and available revenue. These adjustments will be  
 6 determined after the January 2017 consensus revenue estimating  
 7 conference.

8 ARTICLE X  
 9 DEPARTMENT OF HEALTH AND HUMAN SERVICES  
 10 PART 1

11 LINE-ITEM APPROPRIATIONS

12 Sec. 101. There is appropriated for the department of health  
 13 and human services for the fiscal year ending September 30, 2017,  
 14 from the following funds:

15 **DEPARTMENT OF HEALTH AND HUMAN SERVICES**

16 APPROPRIATION SUMMARY

|    |                                                      |                   |
|----|------------------------------------------------------|-------------------|
| 17 | Full-time equated unclassified positions.....        | 6.0               |
| 18 | Full-time equated classified positions.....          | 15,499.5          |
| 19 | Average population .....                             | 893.0             |
| 20 | GROSS APPROPRIATION.....                             | \$ 24,783,861,400 |
| 21 | Interdepartmental grant revenues:                    |                   |
| 22 | Total interdepartmental grants and intradepartmental |                   |
| 23 | transfers .....                                      | 13,513,700        |
| 24 | ADJUSTED GROSS APPROPRIATION.....                    | \$ 24,770,347,700 |
| 25 | Federal revenues:                                    |                   |

|    |                                                        |                  |
|----|--------------------------------------------------------|------------------|
| 1  | Social security act, temporary assistance for needy    |                  |
| 2  | families .....                                         | 550,606,300      |
| 3  | Capped federal revenues.....                           | 594,089,100      |
| 4  | Total other federal revenues.....                      | 16,651,967,700   |
| 5  | Special revenue funds:                                 |                  |
| 6  | Total local revenues.....                              | 123,892,300      |
| 7  | Total private revenues.....                            | 156,279,300      |
| 8  | Total local and private revenues.....                  | 280,171,600      |
| 9  | Merit award trust fund.....                            | 74,772,800       |
| 10 | Total other state restricted revenues.....             | 2,267,972,800    |
| 11 | State general fund/general purpose.....                | \$ 4,350,767,400 |
| 12 | <b>Sec. 102. DEPARTMENTWIDE ADMINISTRATION</b>         |                  |
| 13 | Full-time equated unclassified positions..... 6.0      |                  |
| 14 | Full-time equated classified positions..... 674.2      |                  |
| 15 | Director and other unclassified--6.0 FTE positions ... | \$ 1,119,300     |
| 16 | Departmental administration and management--480.2      |                  |
| 17 | FTE positions .....                                    | 75,482,600       |
| 18 | Demonstration projects--7.0 FTE positions.....         | 6,905,100        |
| 19 | Developmental disabilities council and                 |                  |
| 20 | projects--10.0 FTE positions .....                     | 3,067,000        |
| 21 | Information technology projects and services.....      | 152,233,500      |
| 22 | Michigan Medicaid information system.....              | 50,201,200       |
| 23 | Office of inspector general--177.0 FTE positions ..... | 21,633,000       |
| 24 | Rent and state office facilities.....                  | 62,783,800       |
| 25 | State office of administrative hearings and rules .... | 11,140,300       |
| 26 | Terminal pay and other employee costs.....             | 5,686,100        |
| 27 | Worker's compensation program.....                     | <u>7,956,500</u> |



|    |                                                     |       |                   |
|----|-----------------------------------------------------|-------|-------------------|
| 1  | GROSS APPROPRIATION.....                            | \$    | 398,208,400       |
| 2  | Appropriated from:                                  |       |                   |
| 3  | Interdepartmental grant revenues:                   |       |                   |
| 4  | IDG from department of education.....               |       | 2,979,000         |
| 5  | Federal revenues:                                   |       |                   |
| 6  | Social security act, temporary assistance for needy |       |                   |
| 7  | families .....                                      |       | 33,546,800        |
| 8  | Capped federal revenues.....                        |       | 42,314,000        |
| 9  | Total other federal revenues.....                   |       | 145,588,400       |
| 10 | Special revenue funds:                              |       |                   |
| 11 | Total local revenues.....                           |       | 16,400            |
| 12 | Total private revenues.....                         |       | 23,842,000        |
| 13 | Total other state restricted revenues.....          |       | 2,836,300         |
| 14 | State general fund/general purpose.....             | \$    | 147,085,500       |
| 15 | <b>Sec. 103. CHILD SUPPORT ENFORCEMENT</b>          |       |                   |
| 16 | Full-time equated classified positions.....         | 185.7 |                   |
| 17 | Child support enforcement operations--179.7 FTE     |       |                   |
| 18 | positions .....                                     |       | 22,151,300        |
| 19 | Legal support contracts.....                        |       | 113,359,100       |
| 20 | Child support incentive payments.....               |       | 24,409,600        |
| 21 | State disbursement unit--6.0 FTE positions.....     |       | 8,101,700         |
| 22 | Child support automation.....                       |       | <u>41,877,600</u> |
| 23 | GROSS APPROPRIATION.....                            | \$    | 209,899,300       |
| 24 | Appropriated from:                                  |       |                   |
| 25 | Federal revenues:                                   |       |                   |
| 26 | Capped federal revenues.....                        |       | 11,395,000        |
| 27 | Total other federal revenues.....                   |       | 163,998,000       |

|    |                                                        |                  |
|----|--------------------------------------------------------|------------------|
| 1  | Special revenue funds:                                 |                  |
| 2  | State general fund/general purpose .....               | \$ 34,506,300    |
| 3  | <b>Sec. 104. COMMUNITY SERVICES AND OUTREACH</b>       |                  |
| 4  | Full-time equated classified positions.....            | 70.6             |
| 5  | Bureau of community services and outreach--16.0 FTE    |                  |
| 6  | positions .....                                        | 2,103,700        |
| 7  | Community services block grant .....                   | 25,840,000       |
| 8  | Weatherization assistance .....                        | 16,340,000       |
| 9  | School success partnership program .....               | 450,000          |
| 10 | Homeless programs .....                                | 15,721,900       |
| 11 | Domestic violence prevention and treatment--14.6 FTE   |                  |
| 12 | positions .....                                        | 15,766,200       |
| 13 | Rape prevention and services--0.5 FTE position .....   | 5,097,300        |
| 14 | Child advocacy centers--0.5 FTE position .....         | 2,000,000        |
| 15 | Michigan community service commission--15.0 FTE        |                  |
| 16 | positions .....                                        | 11,621,300       |
| 17 | Housing and support services .....                     | 13,031,000       |
| 18 | Grants administration services--13.0 FTE positions ... | 2,165,100        |
| 19 | Justice assistance grants .....                        | 59,279,300       |
| 20 | Crime victim rights services grants .....              | 16,870,000       |
| 21 | Community services and outreach administration--11.0   |                  |
| 22 | FTE positions .....                                    | <u>2,159,300</u> |
| 23 | GROSS APPROPRIATION .....                              | \$ 188,445,100   |
| 24 | Appropriated from:                                     |                  |
| 25 | Federal revenues:                                      |                  |
| 26 | Social security act, temporary assistance for needy    |                  |
| 27 | families .....                                         | 11,673,100       |

|    |                                                        |               |
|----|--------------------------------------------------------|---------------|
| 1  | Capped federal revenues.....                           | 66,215,400    |
| 2  | Total other federal revenues.....                      | 75,923,600    |
| 3  | Special revenue funds:                                 |               |
| 4  | Private - collections.....                             | 44,100        |
| 5  | Compulsive gambling prevention fund.....               | 1,043,100     |
| 6  | Sexual assault victims' prevention and treatment fund  | 3,000,000     |
| 7  | Child advocacy centers fund.....                       | 2,000,000     |
| 8  | Crime victims rights fund.....                         | 15,327,200    |
| 9  | State general fund/general purpose.....                | \$ 13,218,600 |
| 10 | <b>Sec. 105. CHILDREN'S SERVICES AGENCY - CHILD</b>    |               |
| 11 | <b>WELFARE</b>                                         |               |
| 12 | Full-time equated classified positions.....            | 3,848.2       |
| 13 | Children's services administration--169.0 FTE          |               |
| 14 | positions .....                                        | 19,513,200    |
| 15 | Title IV-E compliance and accountability office--4.0   |               |
| 16 | FTE positions .....                                    | 421,300       |
| 17 | Child welfare field staff - caseload                   |               |
| 18 | compliance--2,511.0 FTE positions.....                 | 230,862,600   |
| 19 | Child welfare field staff - noncaseload                |               |
| 20 | compliance--320.0 FTE positions.....                   | 33,671,400    |
| 21 | Education planners--15.0 FTE positions .....           | 1,521,100     |
| 22 | Peer coaches--45.5 FTE positions.....                  | 5,702,100     |
| 23 | Child welfare first line supervisors--578.0 FTE        |               |
| 24 | positions .....                                        | \$ 72,313,800 |
| 25 | Second line supervisors and technical staff--54.0      |               |
| 26 | FTE positions .....                                    | 8,833,600     |
| 27 | Permanency resource managers--28.0 FTE positions ..... | 3,170,200     |

|    |                                                        |                |
|----|--------------------------------------------------------|----------------|
| 1  | Contractual services, supplies, and materials .....    | 9,280,000      |
| 2  | Settlement monitor.....                                | 1,885,800      |
| 3  | Foster care payments.....                              | 190,265,000    |
| 4  | Guardianship assistance program.....                   | 11,966,500     |
| 5  | Child care fund.....                                   | 186,750,200    |
| 6  | Child care fund administration--4.2 FTE positions .... | 592,900        |
| 7  | Adoption subsidies.....                                | 223,365,400    |
| 8  | Adoption support services--10.0 FTE positions .....    | 27,276,700     |
| 9  | Youth in transition--4.5 FTE positions .....           | 15,301,900     |
| 10 | Child welfare medical/psychiatric evaluations .....    | 10,435,500     |
| 11 | Psychotropic oversight.....                            | 618,200        |
| 12 | Performance based funding implementation--3.0 FTE      |                |
| 13 | positions .....                                        | 1,778,900      |
| 14 | Family support subsidy.....                            | 16,951,400     |
| 15 | Interstate compact.....                                | 179,600        |
| 16 | Strong families/safe children.....                     | 12,350,100     |
| 17 | Family preservation programs--23.0 FTE positions ....  | 38,872,800     |
| 18 | Family preservation and prevention services            |                |
| 19 | administration--9.0 FTE positions.....                 | 1,291,300      |
| 20 | Child abuse and neglect - children's justice           |                |
| 21 | act--1.0 FTE position .....                            | 621,800        |
| 22 | Children's trust fund--12.0 FTE positions .....        | 3,323,400      |
| 23 | Attorney general contract.....                         | 4,321,800      |
| 24 | Prosecuting attorney contracts.....                    | 3,061,700      |
| 25 | Child protection.....                                  | 800,300        |
| 26 | Child welfare licensing--57.0 FTE positions .....      | 6,549,800      |
| 27 | Child welfare administration travel.....               | <u>375,000</u> |

|    |                                                        |                  |
|----|--------------------------------------------------------|------------------|
| 1  | GROSS APPROPRIATION.....                               | \$ 1,144,225,300 |
| 2  | Appropriated from:                                     |                  |
| 3  | Interdepartmental grant revenues:                      |                  |
| 4  | IDG from department of education.....                  | 90,200           |
| 5  | Federal revenues:                                      |                  |
| 6  | Social security act, temporary assistance for needy    |                  |
| 7  | families .....                                         | 319,543,200      |
| 8  | Capped federal revenues.....                           | 106,541,100      |
| 9  | Total other federal revenues.....                      | 259,242,500      |
| 10 | Special revenue funds:                                 |                  |
| 11 | Private - collections.....                             | 2,424,000        |
| 12 | Local funds - county chargeback.....                   | 14,194,000       |
| 13 | Children's trust fund.....                             | 2,090,500        |
| 14 | State general fund/general purpose.....                | \$ 440,099,800   |
| 15 | <b>Sec. 106. CHILDREN'S SERVICES AGENCY - JUVENILE</b> |                  |
| 16 | <b>JUSTICE</b>                                         |                  |
| 17 | Full-time equated classified positions.....            | 111.5            |
| 18 | W.J. Maxey training school.....                        | \$ 750,000       |
| 19 | Bay pines center--42.0 FTE positions.....              | 4,933,300        |
| 20 | Shawono center--42.0 FTE positions.....                | 5,021,400        |
| 21 | County juvenile officers.....                          | 3,904,300        |
| 22 | Community support services--3.0 FTE positions.....     | 2,110,500        |
| 23 | Juvenile justice, administration and                   |                  |
| 24 | maintenance--22.0 FTE positions.....                   | 3,543,700        |
| 25 | Committee on juvenile justice administration--2.5      |                  |
| 26 | FTE positions .....                                    | 350,700          |
| 27 | Committee on juvenile justice grants.....              | 3,000,000        |

|    |                                                       |                   |
|----|-------------------------------------------------------|-------------------|
| 1  | In-home community care.....                           | 400,000           |
| 2  | Juvenile justice vision 20/20.....                    | <u>1,000,000</u>  |
| 3  | GROSS APPROPRIATION.....                              | \$ 25,013,900     |
| 4  | Appropriated from:                                    |                   |
| 5  | Federal revenues:                                     |                   |
| 6  | Capped federal revenues.....                          | 8,018,200         |
| 7  | Total other federal revenues.....                     | 10,200            |
| 8  | Special revenue funds:                                |                   |
| 9  | Local funds - state share education funds.....        | 1,324,200         |
| 10 | Local funds - county chargeback.....                  | 4,512,000         |
| 11 | State general fund/general purpose.....               | \$ 11,149,300     |
| 12 | <b>Sec. 107. PUBLIC ASSISTANCE</b>                    |                   |
| 13 | Full-time equated classified positions.....           | 8.0               |
| 14 | Family independence program.....                      | \$ 112,494,600    |
| 15 | State disability assistance payments.....             | 12,353,900        |
| 16 | Food assistance program benefits.....                 | 2,348,117,400     |
| 17 | State supplementation.....                            | 63,357,400        |
| 18 | State supplementation administration.....             | 2,381,100         |
| 19 | Low-income home energy assistance program.....        | 174,951,600       |
| 20 | Food bank funding.....                                | 1,795,000         |
| 21 | Multicultural integration funding.....                | 13,303,800        |
| 22 | Indigent burial.....                                  | 4,300,000         |
| 23 | Emergency services local office allocations.....      | 10,357,500        |
| 24 | Michigan energy assistance program--1.0 FTE position. | 50,000,000        |
| 25 | Refugee assistance program--7.0 FTE positions.....    | <u>27,986,100</u> |
| 26 | GROSS APPROPRIATION.....                              | \$ 2,821,398,400  |
| 27 | Appropriated from:                                    |                   |

|    |                                                        |                |
|----|--------------------------------------------------------|----------------|
| 1  | Federal revenues:                                      |                |
| 2  | Social security act, temporary assistance for needy    |                |
| 3  | families .....                                         | 67,697,500     |
| 4  | Capped federal revenues .....                          | 203,100,300    |
| 5  | Total other federal revenues .....                     | 2,342,649,300  |
| 6  | Special revenue funds:                                 |                |
| 7  | Child support collections .....                        | 10,863,700     |
| 8  | Supplemental security income recoveries .....          | 5,470,900      |
| 9  | Public assistance recoupment revenue .....             | 6,290,000      |
| 10 | Low-income energy assistance fund .....                | 50,000,000     |
| 11 | Michigan merit award trust fund .....                  | 30,100,000     |
| 12 | State general fund/general purpose .....               | \$ 105,226,700 |
| 13 | <b>Sec. 108. FIELD OPERATIONS AND SUPPORT SERVICES</b> |                |
| 14 | Full-time equated classified positions .....           | 6,546.5        |
| 15 | Public assistance field staff--4,703.5 FTE positions . | \$ 476,994,400 |
| 16 | Contractual services, supplies, and materials .....    | 16,282,000     |
| 17 | Medical/psychiatric evaluations .....                  | 1,420,100      |
| 18 | Donated funds positions--538.0 FTE positions .....     | 60,878,700     |
| 19 | Training and program support--65.0 FTE positions ..... | 10,252,400     |
| 20 | Volunteer services and reimbursement .....             | 942,400        |
| 21 | Field policy and administration--66.0 FTE positions .. | 10,262,400     |
| 22 | Adult services field staff--425.0 FTE positions .....  | 43,807,400     |
| 23 | Nutrition education--2.0 FTE positions .....           | 23,042,700     |
| 24 | Employment and training support services .....         | 4,219,100      |
| 25 | Michigan rehabilitation services--526.0 FTE positions  | 131,221,800    |
| 26 | Independent living .....                               | 12,031,600     |
| 27 | Electronic benefit transfer (EBT) .....                | 8,509,000      |

|    |                                                        |                  |
|----|--------------------------------------------------------|------------------|
| 1  | Administrative support workers--221.0 FTE positions .. | 12,453,700       |
| 2  | Elder Law of Michigan MiCAFE contract .....            | 350,000          |
| 3  | Field staff travel .....                               | <u>8,103,900</u> |
| 4  | GROSS APPROPRIATION .....                              | \$ 820,771,600   |
| 5  | Appropriated from:                                     |                  |
| 6  | Interdepartmental grant revenues:                      |                  |
| 7  | IDG from department of corrections .....               | 101,200          |
| 8  | IDG from department of education .....                 | 7,678,800        |
| 9  | Federal revenues:                                      |                  |
| 10 | Social security act, temporary assistance for needy    |                  |
| 11 | families .....                                         | 103,039,700      |
| 12 | Capped federal revenues .....                          | 155,145,200      |
| 13 | Federal supplemental security income .....             | 8,588,600        |
| 14 | Total other federal revenues .....                     | 255,177,400      |
| 15 | Special revenue funds:                                 |                  |
| 16 | Local funds - donated funds .....                      | 11,137,600       |
| 17 | Local vocational rehabilitation match .....            | 6,534,600        |
| 18 | Private funds - donated funds .....                    | 18,440,200       |
| 19 | Private funds - gifts, bequests, and donations .....   | 1,854,600        |
| 20 | Rehabilitation service fees .....                      | 400,000          |
| 21 | Second injury fund .....                               | 40,000           |
| 22 | State general fund/general purpose .....               | \$ 252,633,700   |
| 23 | <b>Sec. 109. DISABILITY DETERMINATION SERVICES</b>     |                  |
| 24 | Full-time equated classified positions .....           | 587.4            |
| 25 | Disability determination operations--583.3 FTE         |                  |
| 26 | positions .....                                        | \$ 111,392,700   |
| 27 | Retirement disability determination--4.1 FTE positions | 602,900          |



|    |                                                           |                  |
|----|-----------------------------------------------------------|------------------|
| 1  | Legal services association of Michigan contract .....     | <u>500,000</u>   |
| 2  | GROSS APPROPRIATION.....                                  | \$ 112,495,600   |
| 3  | Appropriated from:                                        |                  |
| 4  | Interdepartmental grant revenues:                         |                  |
| 5  | IDG from DTMB - office of retirement services .....       | 778,300          |
| 6  | Federal revenues:                                         |                  |
| 7  | Total other federal revenues .....                        | 107,784,000      |
| 8  | State general fund/general purpose .....                  | \$ 3,933,300     |
| 9  | <b>Sec. 110. BEHAVIORAL HEALTH PROGRAM ADMINISTRATION</b> |                  |
| 10 | <b>AND SPECIAL PROJECTS</b>                               |                  |
| 11 | Full-time equated classified positions.....               | 100.0            |
| 12 | Behavioral health program administration--99.0 FTE        |                  |
| 13 | positions .....                                           | \$ 54,571,700    |
| 14 | Gambling addiction--1.0 FTE position .....                | 3,005,900        |
| 15 | Protection and advocacy services support .....            | 194,400          |
| 16 | Federal and other special projects .....                  | 2,535,600        |
| 17 | Office of recipient rights .....                          | <u>2,700,000</u> |
| 18 | GROSS APPROPRIATION.....                                  | \$ 63,007,600    |
| 19 | Appropriated from:                                        |                  |
| 20 | Federal revenues:                                         |                  |
| 21 | Social security act, temporary assistance for needy       |                  |
| 22 | families .....                                            | 180,500          |
| 23 | Total other federal revenues .....                        | 32,845,100       |
| 24 | Special revenue funds:                                    |                  |
| 25 | Total private revenues .....                              | 1,004,700        |
| 26 | Total other state restricted revenues .....               | 3,005,900        |
| 27 | State general fund/general purpose .....                  | \$ 25,971,400    |

|    |                                                           |                  |
|----|-----------------------------------------------------------|------------------|
| 1  | <b>Sec. 111. BEHAVIORAL HEALTH SERVICES</b>               |                  |
| 2  | Full-time equated classified positions.....               | 9.5              |
| 3  | Medicaid mental health services.....                      | \$ 2,287,190,200 |
| 4  | Community mental health non-Medicaid services.....        | 117,050,400      |
| 5  | Medicaid substance use disorder services.....             | 49,964,500       |
| 6  | Civil service charges.....                                | 1,499,300        |
| 7  | Federal mental health block grant--2.5 FTE positions .    | 15,454,600       |
| 8  | State disability assistance program substance use         |                  |
| 9  | disorder services .....                                   | 2,018,800        |
| 10 | Community substance use disorder prevention,              |                  |
| 11 | education, and treatment .....                            | 73,811,800       |
| 12 | Children's waiver home care program.....                  | 20,660,000       |
| 13 | Nursing home PAS/ARR-OBRA--7.0 FTE positions.....         | 12,272,000       |
| 14 | Children with serious emotional disturbance waiver...     | 12,647,900       |
| 15 | Health homes.....                                         | 3,369,000        |
| 16 | Healthy Michigan plan - behavioral health.....            | 226,210,300      |
| 17 | Autism services.....                                      | 63,036,800       |
| 18 | University autism programs.....                           | <u>2,500,000</u> |
| 19 | GROSS APPROPRIATION.....                                  | \$ 2,887,685,600 |
| 20 | Appropriated from:                                        |                  |
| 21 | Federal revenues:                                         |                  |
| 22 | Total other federal revenues.....                         | 1,894,982,900    |
| 23 | Special revenue funds:                                    |                  |
| 24 | Total local revenues.....                                 | 25,475,800       |
| 25 | Total other state restricted revenues.....                | 22,512,700       |
| 26 | State general fund/general purpose.....                   | \$ 944,714,200   |
| 27 | <b>Sec. 112. STATE PSYCHIATRIC HOSPITALS AND FORENSIC</b> |                  |

|    |                                                        |         |                  |
|----|--------------------------------------------------------|---------|------------------|
| 1  | <b>MENTAL HEALTH SERVICES</b>                          |         |                  |
| 2  | Total average population .....                         | 893.0   |                  |
| 3  | Full-time equated classified positions.....            | 2,181.9 |                  |
| 4  | Caro Regional Mental Health Center - psychiatric       |         |                  |
| 5  | hospital - adult--461.3 FTE positions.....             | \$      | 57,270,900       |
| 6  | Average population .....                               | 185.0   |                  |
| 7  | Kalamazoo Psychiatric Hospital - adult--466.1 FTE      |         |                  |
| 8  | positions .....                                        |         | 65,674,600       |
| 9  | Average population .....                               | 189.0   |                  |
| 10 | Walter P. Reuther Psychiatric Hospital -               |         |                  |
| 11 | adult--420.8 FTE positions .....                       |         | 56,872,000       |
| 12 | Average population .....                               | 234.0   |                  |
| 13 | Hawthorn Center - psychiatric hospital - children      |         |                  |
| 14 | and adolescents--226.4 FTE positions.....              |         | 29,142,500       |
| 15 | Average population .....                               | 75.0    |                  |
| 16 | Center for forensic psychiatry--607.3 FTE positions .. |         | 77,898,500       |
| 17 | Average population .....                               | 210.0   |                  |
| 18 | Revenue recapture.....                                 |         | 750,000          |
| 19 | IDEA, federal special education.....                   |         | 120,000          |
| 20 | Special maintenance.....                               |         | 924,600          |
| 21 | Purchase of medical services for residents of          |         |                  |
| 22 | hospitals and centers .....                            |         | 445,600          |
| 23 | Gifts and bequests for patient living and treatment    |         |                  |
| 24 | environment .....                                      |         | <u>1,000,000</u> |
| 25 | GROSS APPROPRIATION.....                               | \$      | 290,098,700      |
| 26 | Appropriated from:                                     |         |                  |
| 27 | Federal revenues:                                      |         |                  |

|    |                                                        |                  |
|----|--------------------------------------------------------|------------------|
| 1  | Total other federal revenues.....                      | 35,545,300       |
| 2  | Special revenue funds:                                 |                  |
| 3  | Other local revenues.....                              | 19,886,700       |
| 4  | Total private revenues.....                            | 1,000,000        |
| 5  | Total other state restricted revenues.....             | 19,238,100       |
| 6  | State general fund/general purpose.....                | \$ 214,428,600   |
| 7  | <b>Sec. 113. HEALTH POLICY</b>                         |                  |
| 8  | Full-time equated classified positions..... 32.8       |                  |
| 9  | Bone marrow transplant registry.....                   | \$ 250,000       |
| 10 | Certificate of need program administration--12.3 FTE   |                  |
| 11 | positions .....                                        | 2,803,800        |
| 12 | Health innovation grants.....                          | 1,500,000        |
| 13 | Health policy administration--15.1 FTE positions ..... | 1,564,100        |
| 14 | Human trafficking intervention services.....           | 200,000          |
| 15 | Michigan essential health provider.....                | 3,591,300        |
| 16 | Minority health grants and contracts.....              | 612,700          |
| 17 | Nurse education and research program--3.0 FTE          |                  |
| 18 | positions .....                                        | 780,900          |
| 19 | Primary care services--1.4 FTE positions.....          | 4,068,500        |
| 20 | Rural health services--1.0 FTE position.....           | <u>1,555,500</u> |
| 21 | GROSS APPROPRIATION.....                               | \$ 16,926,800    |
| 22 | Appropriated from:                                     |                  |
| 23 | Interdepartmental grant revenues:                      |                  |
| 24 | Interdepartmental grant from the department of         |                  |
| 25 | licensing and regulatory affairs.....                  | 780,900          |
| 26 | Interdepartmental grant from the department of         |                  |
| 27 | treasury, Michigan state hospital finance authority.   | 117,700          |

|    |                                                       |                      |
|----|-------------------------------------------------------|----------------------|
| 1  | Federal revenues:                                     |                      |
| 2  | Total other federal revenues .....                    | 6,631,300            |
| 3  | Special revenue funds:                                |                      |
| 4  | Total private revenues .....                          | 865,000              |
| 5  | Total other state restricted revenues .....           | 2,686,100            |
| 6  | State general fund/general purpose .....              | \$ 5,845,800         |
| 7  | <b>Sec. 114. LABORATORY SERVICES</b>                  |                      |
| 8  | Full-time equated classified positions.....           | 100.0                |
| 9  | Laboratory services--100.0 FTE positions .....        | \$ <u>20,520,500</u> |
| 10 | GROSS APPROPRIATION .....                             | \$ 20,520,500        |
| 11 | Appropriated from:                                    |                      |
| 12 | Interdepartmental grant revenues:                     |                      |
| 13 | Interdepartmental grant from the department of        |                      |
| 14 | environmental quality .....                           | 987,600              |
| 15 | Federal revenues:                                     |                      |
| 16 | Total other federal revenues .....                    | 2,326,300            |
| 17 | Special revenue funds:                                |                      |
| 18 | Total other state restricted revenues .....           | 10,403,900           |
| 19 | State general fund/general purpose .....              | \$ 6,802,700         |
| 20 | <b>Sec. 115. DISEASE CONTROL, PREVENTION, AND</b>     |                      |
| 21 | <b>EPIDEMIOLOGY</b>                                   |                      |
| 22 | Full-time equated classified positions.....           | 74.9                 |
| 23 | Epidemiology administration--43.6 FTE positions ..... | \$ 16,044,500        |
| 24 | Healthy homes program--8.0 FTE positions .....        | 4,255,000            |
| 25 | Immunization program--12.8 FTE positions .....        | 19,372,100           |
| 26 | Newborn screening follow-up and treatment             |                      |
| 27 | services--10.5 FTE positions .....                    | <u>7,253,500</u>     |

|    |                                                           |    |                         |
|----|-----------------------------------------------------------|----|-------------------------|
| 1  | GROSS APPROPRIATION.....                                  | \$ | 46,925,100              |
| 2  | Appropriated from:                                        |    |                         |
| 3  | Federal revenues:                                         |    |                         |
| 4  | Total other federal revenues.....                         |    | 28,704,900              |
| 5  | Special revenue funds:                                    |    |                         |
| 6  | Total private revenues.....                               |    | 2,339,400               |
| 7  | Total other state restricted revenues.....                |    | 9,501,300               |
| 8  | State general fund/general purpose.....                   | \$ | 6,379,500               |
| 9  | <b>Sec. 116. LOCAL HEALTH AND ADMINISTRATIVE SERVICES</b> |    |                         |
| 10 | Full-time equated classified positions.....               |    | 236.2                   |
| 11 | AIDS prevention, testing, and care programs--             |    | 47.7                    |
| 12 | FTE positions .....                                       | \$ | 70,605,900              |
| 13 | Cancer prevention and control program--                   |    | 13.0 FTE                |
| 14 | positions .....                                           |    | 15,051,600              |
| 15 | Chronic disease control and health promotion              |    |                         |
| 16 | administration--                                          |    | 27.4 FTE positions..... |
| 17 | Dental programs--                                         |    | 3.8 FTE positions.....  |
| 18 | Diabetes and kidney program--                             |    | 8.0 FTE positions.....  |
| 19 | Essential local public health services.....               |    | 40,921,800              |
| 20 | Health and wellness initiatives--                         |    | 11.7 FTE positions..    |
| 21 | Implementation of 1993 PA 133, MCL 333.17015 .....        |    | 20,000                  |
| 22 | Local health services--                                   |    | 1.3 FTE positions.....  |
| 23 | Medicaid outreach cost reimbursement to local health      |    |                         |
| 24 | departments .....                                         |    | 9,000,000               |
| 25 | Public health administration--                            |    | 7.0 FTE positions.....  |
| 26 | Sexually transmitted disease control program--            |    | 20.0                    |
| 27 | FTE positions .....                                       |    | 6,279,600               |

|    |                                                      |                   |
|----|------------------------------------------------------|-------------------|
| 1  | Smoking prevention program--12.0 FTE positions ..... | 2,142,100         |
| 2  | Violence prevention--2.9 FTE positions .....         | 2,122,500         |
| 3  | Vital records and health statistics--81.4 FTE        |                   |
| 4  | positions .....                                      | <u>11,932,300</u> |
| 5  | GROSS APPROPRIATION.....                             | \$ 180,097,200    |
| 6  | Appropriated from:                                   |                   |
| 7  | Federal revenues:                                    |                   |
| 8  | Capped federal revenues.....                         | 81,100            |
| 9  | Total other federal revenues.....                    | 71,396,700        |
| 10 | Special revenue funds:                               |                   |
| 11 | Total local revenues.....                            | 5,150,000         |
| 12 | Total private revenues.....                          | 39,028,400        |
| 13 | Total other state restricted revenues.....           | 20,164,900        |
| 14 | State general fund/general purpose.....              | \$ 44,276,100     |
| 15 | <b>Sec. 117. FAMILY, MATERNAL, AND CHILD HEALTH</b>  |                   |
| 16 | Full-time equated classified positions..... 110.8    |                   |
| 17 | Childhood lead program--2.5 FTE positions.....       | \$ 1,571,400      |
| 18 | Family, maternal, and children's health services     |                   |
| 19 | administration--49.3 FTE positions.....              | 8,460,900         |
| 20 | Family planning local agreements.....                | 8,912,800         |
| 21 | Local MCH services.....                              | 7,018,100         |
| 22 | Prenatal care outreach and service delivery          |                   |
| 23 | support--14.0 FTE positions .....                    | 19,322,600        |
| 24 | Special projects.....                                | 6,289,100         |
| 25 | Sudden infant death syndrome program.....            | 321,300           |
| 26 | Women, infants, and children program administration  |                   |
| 27 | and special projects--45.0 FTE positions.....        | 18,014,400        |

|    |                                                          |                    |
|----|----------------------------------------------------------|--------------------|
| 1  | Women, infants, and children program local               |                    |
| 2  | agreements and food costs .....                          | <u>256,285,000</u> |
| 3  | GROSS APPROPRIATION.....                                 | \$ 326,195,600     |
| 4  | Appropriated from:                                       |                    |
| 5  | Federal revenues:                                        |                    |
| 6  | Social security act, temporary assistance for needy      |                    |
| 7  | families .....                                           | 400,000            |
| 8  | Total other federal revenues.....                        | 254,324,000        |
| 9  | Special revenue funds:                                   |                    |
| 10 | Total local revenues.....                                | 75,000             |
| 11 | Total private revenues.....                              | 61,702,400         |
| 12 | State general fund/general purpose.....                  | \$ 9,694,200       |
| 13 | <b>Sec. 118. EMERGENCY MEDICAL SERVICES, TRAUMA, AND</b> |                    |
| 14 | <b>PREPAREDNESS</b>                                      |                    |
| 15 | Full-time equated classified positions.....              | 75.0               |
| 16 | Emergency medical services program--23.0 FTE positions   | \$ 6,563,600       |
| 17 | Bioterrorism preparedness--52.0 FTE positions .....      | <u>30,207,700</u>  |
| 18 | GROSS APPROPRIATION.....                                 | \$ 36,771,300      |
| 19 | Appropriated from:                                       |                    |
| 20 | Federal revenues:                                        |                    |
| 21 | Total other federal revenues.....                        | 31,332,300         |
| 22 | Special revenue funds:                                   |                    |
| 23 | Total other state restricted revenues.....               | 4,004,900          |
| 24 | State general fund/general purpose.....                  | \$ 1,434,100       |
| 25 | <b>Sec. 119. CHILDREN'S SPECIAL HEALTH CARE SERVICES</b> |                    |
| 26 | Full-time equated classified positions.....              | 46.8               |
| 27 | Children's special health care services                  |                    |



|    |                                                       |    |                    |
|----|-------------------------------------------------------|----|--------------------|
| 1  | administration--44.0 FTE positions.....               | \$ | 5,990,100          |
| 2  | Bequests for care and services--2.8 FTE positions.... |    | 1,534,800          |
| 3  | Outreach and advocacy.....                            |    | 5,510,000          |
| 4  | Nonemergency medical transportation.....              |    | 905,900            |
| 5  | Medical care and treatment.....                       |    | <u>238,595,000</u> |
| 6  | GROSS APPROPRIATION.....                              | \$ | 252,535,800        |
| 7  | Appropriated from:                                    |    |                    |
| 8  | Federal revenues:                                     |    |                    |
| 9  | Total other federal revenues.....                     |    | 116,399,200        |
| 10 | Special revenue funds:                                |    |                    |
| 11 | Total private revenues.....                           |    | 1,013,200          |
| 12 | Total other state restricted revenues.....            |    | 3,383,000          |
| 13 | State general fund/general purpose.....               | \$ | 131,740,400        |
| 14 | <b>Sec. 120. AGING AND ADULT SERVICES AGENCY</b>      |    |                    |
| 15 | Full-time equated classified positions.....           |    | 48.0               |
| 16 | Aging and adult services administration--48.0 FTE     |    |                    |
| 17 | positions .....                                       | \$ | 9,344,100          |
| 18 | Community services.....                               |    | 39,163,900         |
| 19 | Nutrition services.....                               |    | 44,044,000         |
| 20 | Employment assistance.....                            |    | 3,500,000          |
| 21 | Respite care program.....                             |    | 5,868,700          |
| 22 | Senior volunteer services.....                        |    | <u>4,465,300</u>   |
| 23 | GROSS APPROPRIATION.....                              | \$ | 106,386,000        |
| 24 | Appropriated from:                                    |    |                    |
| 25 | Federal revenues:                                     |    |                    |
| 26 | Capped federal revenues.....                          |    | 368,100            |
| 27 | Total other federal revenues.....                     |    | 58,193,700         |

|    |                                                        |                  |
|----|--------------------------------------------------------|------------------|
| 1  | Special revenue funds:                                 |                  |
| 2  | Total private revenues.....                            | 520,000          |
| 3  | Merit award trust fund.....                            | 4,068,700        |
| 4  | Total other state restricted revenues.....             | 1,400,000        |
| 5  | State general fund/general purpose.....                | \$ 41,835,500    |
| 6  | <b>Sec. 121. MEDICAL SERVICES ADMINISTRATION</b>       |                  |
| 7  | Full-time equated classified positions.....            | 450.5            |
| 8  | Medical services administration--395.5 FTE positions . | \$ 83,565,600    |
| 9  | Healthy Michigan plan administration--31.0 FTE         |                  |
| 10 | positions .....                                        | 68,412,400       |
| 11 | Electronic health record incentive program--24.0 FTE   |                  |
| 12 | positions .....                                        | 144,297,800      |
| 13 | Technology supporting integrated service delivery .... | <u>100</u>       |
| 14 | GROSS APPROPRIATION.....                               | \$ 296,275,900   |
| 15 | Appropriated from:                                     |                  |
| 16 | Federal revenues:                                      |                  |
| 17 | Social security act, temporary assistance for needy    |                  |
| 18 | families .....                                         | 4,180,000        |
| 19 | Capped federal revenues.....                           | 910,700          |
| 20 | Total other federal revenues.....                      | 241,146,800      |
| 21 | Special revenue funds:                                 |                  |
| 22 | Total local revenues.....                              | 107,300          |
| 23 | Total private revenues.....                            | 101,300          |
| 24 | Total other state restricted revenues.....             | 336,300          |
| 25 | State general fund/general purpose.....                | \$ 49,493,500    |
| 26 | <b>Sec. 122. MEDICAL SERVICES</b>                      |                  |
| 27 | Hospital services and therapy.....                     | \$ 1,150,265,400 |

|    |                                                        |                    |
|----|--------------------------------------------------------|--------------------|
| 1  | Hospital disproportionate share payments .....         | 45,000,000         |
| 2  | Physician services .....                               | 323,385,400        |
| 3  | Medicare premium payments .....                        | 458,763,500        |
| 4  | Pharmaceutical services .....                          | 617,729,900        |
| 5  | Home health services .....                             | 6,287,800          |
| 6  | Hospice services .....                                 | 99,232,000         |
| 7  | Transportation .....                                   | 20,094,000         |
| 8  | Auxiliary medical services .....                       | 5,489,200          |
| 9  | Dental services .....                                  | 273,827,900        |
| 10 | Ambulance services .....                               | 17,604,500         |
| 11 | Long-term care services .....                          | 1,665,789,800      |
| 12 | Integrated care organizations .....                    | 220,300,000        |
| 13 | Medicaid home- and community-based services waiver ... | 342,650,500        |
| 14 | Adult home help services .....                         | 327,864,500        |
| 15 | Personal care services .....                           | 9,639,800          |
| 16 | Program of all-inclusive care for the elderly .....    | 92,524,400         |
| 17 | Health plan services .....                             | 4,668,052,700      |
| 18 | Federal Medicare pharmaceutical program .....          | 261,845,200        |
| 19 | Maternal and child health .....                        | 20,279,500         |
| 20 | Healthy Michigan plan .....                            | 3,314,009,200      |
| 21 | Subtotal basic medical services program .....          | 13,940,635,200     |
| 22 | School-based services .....                            | 112,102,700        |
| 23 | Dental clinic program .....                            | 100                |
| 24 | Special Medicaid reimbursement .....                   | 368,887,600        |
| 25 | Subtotal special medical services payments .....       | <u>480,990,400</u> |
| 26 | GROSS APPROPRIATION .....                              | \$ 14,421,625,600  |
| 27 | Appropriated from:                                     |                    |

|    |                                                      |                  |
|----|------------------------------------------------------|------------------|
| 1  | Federal revenues:                                    |                  |
| 2  | Total other federal revenues .....                   | 10,440,738,800   |
| 3  | Special revenue funds:                               |                  |
| 4  | Total local revenues .....                           | 35,478,700       |
| 5  | Total private revenues .....                         | 2,100,000        |
| 6  | Merit award trust fund .....                         | 40,604,100       |
| 7  | Total other state restricted revenues .....          | 2,071,500,100    |
| 8  | State general fund/general purpose .....             | \$ 1,831,203,900 |
| 9  | <b>Sec. 123. ONE-TIME BASIS ONLY APPROPRIATIONS</b>  |                  |
| 10 | Full-time equated classified positions..... 1.0      |                  |
| 11 | Family preservation programs--1.0 FTE position ..... | \$ 3,133,300     |
| 12 | Integrated service delivery .....                    | 36,922,500       |
| 13 | Drinking water declaration of emergency .....        | 15,138,100       |
| 14 | MISACWIS implementation .....                        | 5,769,300        |
| 15 | Pharmacy reserve .....                               | 57,388,800       |
| 16 | Autism navigator .....                               | <u>100</u>       |
| 17 | GROSS APPROPRIATION .....                            | \$ 118,352,100   |
| 18 | Appropriated from:                                   |                  |
| 19 | Federal revenues:                                    |                  |
| 20 | Total other federal revenues .....                   | 78,438,400       |
| 21 | Social security act, temporary assistance for needy  |                  |
| 22 | families .....                                       | 10,345,500       |
| 23 | Special revenue funds:                               |                  |
| 24 | Total other state restricted revenues .....          | 473,900          |
| 25 | State general fund/general purpose .....             | \$ 29,094,300    |

## PART 2

## PROVISIONS CONCERNING APPROPRIATIONS

FOR FISCAL YEAR 2016-2017

**GENERAL SECTIONS**

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2016-2017 is \$6,693,513,000.00 and state spending from state resources to be paid to local units of government for fiscal year 2016-2017 is \$1,231,793,900.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

## DEPARTMENT OF HEALTH AND HUMAN SERVICES

## CHILDREN'S SERVICES AGENCY-CHILD WELFARE

|                      |    |            |
|----------------------|----|------------|
| Child care fund..... | \$ | 94,898,500 |
|----------------------|----|------------|

## CHILDREN'S SERVICES AGENCY-JUVENILE JUSTICE

|                               |    |           |
|-------------------------------|----|-----------|
| County juvenile officers..... | \$ | 3,100,000 |
|-------------------------------|----|-----------|

## PUBLIC ASSISTANCE

|                                  |    |        |
|----------------------------------|----|--------|
| Family independence program..... | \$ | 11,700 |
|----------------------------------|----|--------|

|                                           |  |         |
|-------------------------------------------|--|---------|
| State disability assistance payments..... |  | 966,000 |
|-------------------------------------------|--|---------|

|                                        |  |           |
|----------------------------------------|--|-----------|
| Multicultural integration funding..... |  | 3,795,900 |
|----------------------------------------|--|-----------|

## BEHAVIORAL HEALTH PROGRAM ADMINISTRATION AND SPECIAL PROJECTS

|                                                 |    |         |
|-------------------------------------------------|----|---------|
| Community residential and support services..... | \$ | 292,100 |
|-------------------------------------------------|----|---------|

|                                   |  |         |
|-----------------------------------|--|---------|
| Housing and support services..... |  | 667,400 |
|-----------------------------------|--|---------|

## BEHAVIORAL HEALTH SERVICES

|                                      |    |             |
|--------------------------------------|----|-------------|
| Medicaid mental health services..... | \$ | 791,137,400 |
|--------------------------------------|----|-------------|

|                                                    |  |             |
|----------------------------------------------------|--|-------------|
| Community mental health non-Medicaid services..... |  | 117,050,400 |
|----------------------------------------------------|--|-------------|

|                                               |  |            |
|-----------------------------------------------|--|------------|
| Medicaid substance use disorder services..... |  | 16,338,900 |
|-----------------------------------------------|--|------------|

|    |                                                            |    |            |
|----|------------------------------------------------------------|----|------------|
| 1  | State disability assistance program substance use          |    |            |
| 2  | disorder services .....                                    |    | 2,018,800  |
| 3  | Community substance use disorder prevention,               |    |            |
| 4  | education, and treatment .....                             |    | 14,553,400 |
| 5  | Children's waiver home care program.....                   |    | 6,880,000  |
| 6  | Nursing home PAS/ARR-OBRA.....                             |    | 2,724,900  |
| 7  | LABORATORY SERVICES                                        |    |            |
| 8  | Laboratory services.....                                   | \$ | 5,000      |
| 9  | EPIDEMIOLOGY AND INFECTIOUS DISEASE                        |    |            |
| 10 | Sexually transmitted disease control program.....          | \$ | 377,000    |
| 11 | LOCAL HEALTH ADMINISTRATION AND GRANTS                     |    |            |
| 12 | Essential local public health services.....                | \$ | 34,199,500 |
| 13 | Implementation of 1993 PA 133, MCL 333.17015 .....         |    | 300        |
| 14 | CHRONIC DISEASE AND INJURY PREVENTION AND HEALTH PROMOTION |    |            |
| 15 | AIDS prevention, testing, and care programs .....          | \$ | 606,100    |
| 16 | Cancer prevention and control program.....                 |    | 116,700    |
| 17 | FAMILY, MATERNAL, AND CHILDREN'S HEALTH SERVICES           |    |            |
| 18 | Prenatal care outreach and service delivery support ..     | \$ | 2,044,900  |
| 19 | CHILDREN'S SPECIAL HEALTH CARE SERVICES                    |    |            |
| 20 | Outreach and advocacy.....                                 | \$ | 2,204,000  |
| 21 | Medical care and treatment.....                            |    | 949,800    |
| 22 | CRIME VICTIM SERVICES COMMISSION                           |    |            |
| 23 | Crime victim rights services grants.....                   | \$ | 6,389,800  |
| 24 | AGING AND ADULT SERVICES AGENCY                            |    |            |
| 25 | Community services.....                                    | \$ | 13,333,500 |
| 26 | Nutrition services.....                                    |    | 14,287,000 |
| 27 | Respite care program.....                                  |    | 5,868,700  |

|   |                                        |                   |
|---|----------------------------------------|-------------------|
| 1 | Senior volunteer service programs..... | 1,127,900         |
| 2 | MEDICAL SERVICES                       |                   |
| 3 | Hospital services and therapy.....     | \$ 2,449,500      |
| 4 | Physician services.....                | 10,665,900        |
| 5 | Dental services.....                   | 1,202,000         |
| 6 | Long-term care services.....           | <u>81,530,900</u> |
| 7 | TOTAL OF PAYMENTS TO LOCAL UNITS       |                   |
| 8 | OF GOVERNMENT.....                     | \$ 1,231,793,900  |

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

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

13       (a) "AIDS" means acquired immunodeficiency syndrome.

14       (b) "CMHSP" means a community mental health services program  
15 as that term is defined in section 100a of the mental health code,  
16 1974 PA 258, MCL 330.1100a.

17       (c) "Department" means the department of health and human  
18 services.

19       (d) "Director" means the director of the department.

20       (e) "DSH" means disproportionate share hospital.

21       (f) "EPSDT" means early and periodic screening, diagnosis, and  
22 treatment.

23       (g) "Federal poverty level" means the poverty guidelines  
24 published annually in the Federal Register by the United States  
25 Department of Health and Human Services under its authority to  
26 revise the poverty line under 42 USC 9902.

27       (h) "FTE" means full-time equated.

1 (i) "GME" means graduate medical education.

2 (j) "Health plan" means, at a minimum, an organization that  
3 meets the criteria for delivering the comprehensive package of  
4 services under the department's comprehensive health plan.

5 (k) "HEDIS" means healthcare effectiveness data and  
6 information set.

7 (l) "HMO" means health maintenance organization.

8 (m) "IDEA" means the individuals with disabilities education  
9 act, 20 USC 1400 to 1482.

10 (n) "IDG" means interdepartmental grant.

11 (o) "MCH" means maternal and child health.

12 (p) "Medicaid" mean subchapter XIX of the social security act,  
13 42 USC 1396 to 1396w-5.

14 (q) "Medicare" means subchapter XVIII of the social security  
15 act, 42 USC 1395 to 1395///.

16 (r) "MiCAFE" means Michigan's coordinated access to food for  
17 the elderly.

18 (s) "MiChild" means the program described in section 1670.

19 (t) "MiSACWIS" means Michigan statewide automated child  
20 welfare information system.

21 (u) "MMIS" means Medicaid Management Information System.

22 (v) "PAS/ARR-OBRA" means the preadmission screening and annual  
23 resident review required under the omnibus budget reconciliation  
24 act of 1987, section 1919(e)(7) of the social security act, 42 USC  
25 1396r.

26 (w) "PIHP" means an entity designated by the department as a  
27 regional entity or a specialty prepaid inpatient health plan for



1 Medicaid mental health services, services to individuals with  
2 developmental disabilities, and substance use disorder services.  
3 Regional entities are described in section 204b of the mental  
4 health code, 1974 PA 258, MCL 330.1204b. Specialty prepaid  
5 inpatient health plans are described in section 232b of the mental  
6 health code, 1974 PA 258, MCL 330.1232b.

7 (x) "Settlement" means the settlement agreement entered in the  
8 case of Dwayne B. v Snyder, docket no. 2:06-cv-13548 in the United  
9 States District Court for the Eastern District of Michigan.

10 (y) "SSI" means supplemental security income.

11 (z) "Temporary assistance for needy families" or "TANF" or  
12 "title IV-A" means part A of subchapter IV of the social security  
13 act, 42 USC 601 to 619.

14 (aa) "Title IV-B" means part B of title IV of the social  
15 security act, 42 USC 620 to 629m.

16 (bb) "Title IV-D" means part D of title IV of the social  
17 security act, 42 USC 651 to 669b.

18 (cc) "Title IV-E" means part E of title IV of the social  
19 security act, 42 USC 670 to 679c.

20 (dd) "Title X" means subchapter VIII of the public health  
21 service act, 42 USC 300 to 300a-8, which establishes grants to  
22 states for family planning services.

23 Sec. 204. Concurrent with submission of the executive budget  
24 recommendation, the state budget office shall provide the senate  
25 and house appropriations committees, the senate and house  
26 appropriations subcommittees on the department budget, and the  
27 senate and house fiscal agencies and policy offices with a report

1 that lists each new program or program enhancement for which the  
2 funds in excess of \$500,000.00 are appropriated in part 1. The  
3 listing of new or enhanced programs shall be ranked in the order of  
4 estimated return on taxpayer investment determined by the state  
5 budget office. The program performance shall use program-specific  
6 metrics, in addition to the metrics required under section 447 of  
7 the management and budget act, 1984 PA 431, MCL 18.1447, to measure  
8 the return on taxpayer investment. The state budget office shall  
9 use the estimated performance of the new program or program  
10 enhancement as the basis for any increase in funds appropriated in  
11 part 1 from the prior fiscal year. The department shall provide a  
12 report on its status in meeting the program specific metrics and  
13 the progress in meeting the program's estimated return on taxpayer  
14 investment by September 30 of the current fiscal year to the senate  
15 and house appropriations subcommittees on the department budget and  
16 the senate and house fiscal agencies and policy offices.

17       Sec. 205. Pursuant to section 1b of the social welfare act,  
18 1939 PA 280, MCL 400.1b, the department shall treat part 1 and this  
19 part as a time-limited addendum to the social welfare act, 1939 PA  
20 280, MCL 400.1 to 400.119b.

21       Sec. 206. (1) In addition to the funds appropriated in part 1,  
22 there is appropriated an amount not to exceed \$400,000,000.00 for  
23 federal contingency funds. These funds are not available for  
24 expenditure until they have been transferred to another line item  
25 in part 1 under section 393(2) of the management and budget act,  
26 1984 PA 431, MCL 18.1393. These funds shall not be made available  
27 to increase TANF authorization.

1           (2) In addition to the funds appropriated in part 1, there is  
2 appropriated an amount not to exceed \$45,000,000.00 for state  
3 restricted contingency funds. These funds are not available for  
4 expenditure until they have been transferred to another line item  
5 in part 1 under section 393(2) of the management and budget act,  
6 1984 PA 431, MCL 18.1393.

7           (3) In addition to the funds appropriated in part 1, there is  
8 appropriated an amount not to exceed \$40,000,000.00 for local  
9 contingency funds. These funds are not available for expenditure  
10 until they have been transferred to another line item in part 1  
11 under section 393(2) of the management and budget act, 1984 PA 431,  
12 MCL 18.1393.

13           (4) In addition to the funds appropriated in part 1, there is  
14 appropriated an amount not to exceed \$60,000,000.00 for private  
15 contingency funds. These funds are not available for expenditure  
16 until they have been transferred to another line item in part 1  
17 under section 393(2) of the management and budget act, 1984 PA 431,  
18 MCL 18.1393.

19           Sec. 207. The department shall maintain, on a publicly  
20 accessible website, a department scorecard that identifies, tracks,  
21 and regularly updates key metrics that are used to monitor and  
22 improve the department's performance.

23           Sec. 208. Unless otherwise specified, the departments and  
24 agencies receiving appropriations in part 1 shall use the Internet  
25 to fulfill the reporting requirements of this part and part 1. This  
26 requirement shall include transmission of reports via electronic  
27 mail to the recipients identified for each reporting requirement,

1 and it shall include placement of reports on the Internet.

2       Sec. 209. Funds appropriated in part 1 shall not be used for  
3 the purchase of foreign goods or services, or both, if  
4 competitively priced and of comparable quality American goods or  
5 services, or both, are available. Preference shall be given to  
6 goods or services, or both, manufactured or provided by Michigan  
7 businesses if they are competitively priced and of comparable  
8 quality. In addition, preference should be given to goods or  
9 services, or both, that are manufactured or provided by Michigan  
10 businesses owned and operated by veterans if they are competitively  
11 priced and of comparable quality.

12       Sec. 210. The director shall take all reasonable steps to  
13 ensure businesses in deprived and depressed communities compete for  
14 and perform contracts to provide services or supplies, or both.  
15 Each director shall strongly encourage firms with which the  
16 department contracts to subcontract with certified businesses in  
17 depressed and deprived communities for services, supplies, or both.

18       Sec. 211. If the revenue collected by the department from fees  
19 and collections exceeds the amount appropriated in part 1, the  
20 revenue may be carried forward with the approval of the state  
21 budget director into the subsequent fiscal year. The revenue  
22 carried forward under this section shall be used as the first  
23 source of funds in the subsequent fiscal year.

24       Sec. 212. (1) On or before February 1 of the current fiscal  
25 year, the department shall report to the house and senate  
26 appropriations subcommittees on the department budget, the house  
27 and senate fiscal agencies, and the state budget director on the

1 detailed name and amounts of estimated federal, restricted,  
2 private, and local sources of revenue that support the  
3 appropriations in each of the line items in part 1.

4 (2) Upon the release of the next fiscal year executive budget  
5 recommendation, the department shall report to the same parties in  
6 subsection (1) on the amounts and detailed sources of federal,  
7 restricted, private, and local revenue proposed to support the  
8 total funds appropriated in each of the line items in part 1 of the  
9 next fiscal year executive budget proposal.

10 Sec. 213. The state departments, agencies, and commissions  
11 receiving tobacco tax funds and Healthy Michigan fund revenue from  
12 part 1 shall report by April 1 of the current fiscal year to the  
13 senate and house appropriations committees, the senate and house  
14 fiscal agencies, and the state budget director on the following:

15 (a) Detailed spending plan by appropriation line item  
16 including description of programs and a summary of organizations  
17 receiving these funds.

18 (b) Description of allocations or bid processes including need  
19 or demand indicators used to determine allocations.

20 (c) Eligibility criteria for program participation and maximum  
21 benefit levels where applicable.

22 (d) Outcome measures used to evaluate programs, including  
23 measures of the effectiveness of these programs in improving the  
24 health of Michigan residents.

25 (e) Any other information considered necessary by the house of  
26 representatives or senate appropriations committees or the state  
27 budget director.

1       Sec. 214. On a quarterly basis, the department shall report on  
2 the number of FTEs in pay status by type of staff.

3       Sec. 215. If a legislative objective of this part or of a bill  
4 or amendment to a bill to amend the social welfare act, 1939 PA  
5 280, MCL 400.1 to 400.119b, cannot be implemented because  
6 implementation would conflict with or violate federal regulations,  
7 the department shall notify the state budget director, the chairs  
8 of the house and senate subcommittees on the department budget, and  
9 the house and senate fiscal agencies and policy offices of that  
10 fact.

11       Sec. 216. (1) In addition to funds appropriated in part 1 for  
12 all programs and services, there is appropriated for write-offs of  
13 accounts receivable, deferrals, and for prior year obligations in  
14 excess of applicable prior year appropriations, an amount equal to  
15 total write-offs and prior year obligations, but not to exceed  
16 amounts available in prior year revenues.

17       (2) The department's ability to satisfy appropriation fund  
18 sources in part 1 shall not be limited to collections and accruals  
19 pertaining to services provided in the current fiscal year, but  
20 shall also include reimbursements, refunds, adjustments, and  
21 settlements from prior years.

22       Sec. 217. The departments and agencies receiving  
23 appropriations in part 1 shall prepare a report on out-of-state  
24 travel expenses not later than January 1 of each year. The travel  
25 report shall be a listing of all travel by classified and  
26 unclassified employees outside this state in the immediately  
27 preceding fiscal year that was funded in whole or in part with

1 funds appropriated in the department's budget. The report shall be  
2 submitted to the senate and house appropriations committees, the  
3 house and senate fiscal agencies, and the state budget director.

4 The report shall include the following information:

5 (a) The dates of each travel occurrence.

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

11 Sec. 219. (1) The department may contract with the Michigan  
12 Public Health Institute for the design and implementation of  
13 projects and for other public health-related activities prescribed  
14 in section 2611 of the public health code, 1978 PA 368, MCL  
15 333.2611. The department may develop a master agreement with the  
16 Institute to carry out these purposes for up to a 3-year period.  
17 The department shall report to the house and senate appropriations  
18 subcommittees on the department budget, the house and senate fiscal  
19 agencies, and the state budget director on or before January 1 of  
20 the current fiscal year all of the following:

21 (a) A detailed description of each funded project.

22 (b) The amount allocated for each project, the appropriation  
23 line item from which the allocation is funded, and the source of  
24 financing for each project.

25 (c) The expected project duration.

26 (d) A detailed spending plan for each project, including a  
27 list of all subgrantees and the amount allocated to each

1 subgrantee.

2 (2) On or before September 30 of the current fiscal year, the  
3 department shall provide to the same parties listed in subsection  
4 (1) a copy of all reports, studies, and publications produced by  
5 the Michigan Public Health Institute, its subcontractors, or the  
6 department with the funds appropriated in part 1 and allocated to  
7 the Michigan Public Health Institute.

8 Sec. 220. The department shall ensure that faith-based  
9 organizations are able to apply and compete for services, programs,  
10 or contracts that they are qualified and suitable to fulfill. The  
11 department shall not disqualify faith-based organizations solely on  
12 the basis of the religious nature of their organization or their  
13 guiding principles or statements of faith.

14 Sec. 222. (1) The department shall provide written  
15 notification to the chairpersons of the senate and house  
16 appropriations subcommittees on the budget for the department of  
17 any policy changes at least 30 days before the implementation date.

18 (2) The department shall make the entire policy and procedures  
19 manual available and accessible to the public via the department  
20 website.

21 (3) The department shall report no later than April 1 of the  
22 current fiscal year on each specific policy change made to  
23 implement a public act affecting the department that took effect  
24 during the prior calendar year to the house and senate  
25 appropriations subcommittees on the budget for the department, the  
26 joint committee on administrative rules, and the senate and house  
27 fiscal agencies. The department shall attach each policy bulletin



1 issued during the prior calendar year to this report.

2       Sec. 223. The department may establish and collect fees for  
3 publications, videos and related materials, conferences, and  
4 workshops. Collected fees shall be used to offset expenditures to  
5 pay for printing and mailing costs of the publications, videos and  
6 related materials, and costs of the workshops and conferences. The  
7 department shall not collect fees under this section that exceed  
8 the cost of the expenditures.

9       Sec. 224. The department may retain all of the state's share  
10 of food assistance overissuance collections as an offset to general  
11 fund/general purpose costs. Retained collections shall be applied  
12 against federal funds deductions in all appropriation units where  
13 department costs related to the investigation and recoupment of  
14 food assistance overissuances are incurred. Retained collections in  
15 excess of such costs shall be applied against the federal funds  
16 deducted in the departmentwide administration appropriation unit.

17       Sec. 225. (1) Sanctions, suspensions, conditions for  
18 provisional license status, and other penalties shall not be more  
19 stringent for private service providers than for public entities  
20 performing equivalent or similar services.

21       (2) Neither the department nor private service providers or  
22 licensees shall be granted preferential treatment or considered  
23 automatically to be in compliance with administrative rules based  
24 on whether they have collective bargaining agreements with direct  
25 care workers. Private service providers or licensees without  
26 collective bargaining agreements shall not be subjected to  
27 additional requirements or conditions of licensure based on their

1 lack of collective bargaining agreements.

2       Sec. 228. From the funds appropriated in part 1 for Healthy  
3 Michigan plan, \$1,000,000.00 shall be distributed to the Medicaid  
4 health plans to inform residents about Healthy Michigan plan  
5 incentives that have been shown to improve health outcomes. The  
6 incentives shall be limited to those health outcomes measured  
7 within the Healthy Michigan plan evaluation. The department shall  
8 not use funds appropriated in part 1 to advertise enrollment in the  
9 Healthy Michigan plan.

10       Sec. 229. (1) The department shall extend the interagency  
11 agreement with the talent investment agency for the duration of the  
12 current fiscal year, which concerns TANF funding to provide job  
13 readiness and welfare-to-work programming. The interagency  
14 agreement shall include specific outcome and performance reporting  
15 requirements as described in this section. TANF funding provided to  
16 the talent investment agency in the current fiscal year is  
17 contingent on compliance with the data and reporting requirements  
18 described in this section. The interagency agreement must require  
19 the talent investment agency to provide all of the following items  
20 by January 1 of the current fiscal year for the previous year to  
21 the senate and house appropriations committees on the department  
22 budget:

23       (a) An itemized spending report on TANF funding, including all  
24 of the following:

25       (i) Direct services to recipients.

26       (ii) Administrative expenditures.

27       (b) The number of family independence program (FIP) recipients

1 served through the TANF funding, including all of the following:

2 (i) The number and percentage who obtained employment through  
3 Michigan Works!

4 (ii) The number and percentage who fulfilled their TANF work  
5 requirement through other job readiness programming.

6 (iii) Average TANF spending per recipient.

7 (iv) The number and percentage of recipients who were referred  
8 to Michigan Works! but did not receive a job or job readiness  
9 placement and the reasons why.

10 (2) Not later than March 1 of the current fiscal year, the  
11 department shall provide to the senate and house appropriations  
12 subcommittees on the department budget, the senate and house fiscal  
13 agencies, and the senate and house policy offices an annual report  
14 on the following matters itemized by Michigan Works! agency: the  
15 number of referrals to Michigan Works! job readiness programs, the  
16 number of referrals to Michigan Works! job readiness programs who  
17 became a participant in the Michigan Works! job readiness programs,  
18 the number of participants who obtained employment, and the cost  
19 per participant case.

20 Sec. 230. The department shall not spend the funds  
21 appropriated in part 1 for the expansion of IT projects until an  
22 implementation plan has been issued by the department and the  
23 implementation plan is submitted to the senate and house  
24 appropriations subcommittees on the department budget, the senate  
25 and house fiscal agencies, and the state budget office. The  
26 implementation plan must include, but is not limited to, the  
27 following information:

1 (a) A specific list of steps necessary to define the project,  
2 to contract or hire staff to complete the project, and to perform  
3 the work necessary to successfully complete the project.

4 (b) A specific timeline for each of the steps listed in  
5 subdivision (a).

6 (c) A specific projection of total costs, broken down into  
7 categories, for each of the steps listed in subdivision (a).

8 (d) A list of outside resources to be hired or engaged to  
9 provide consultation services on the project, including estimated  
10 costs.

11 (e) A list of all expected improvements, outcomes, efficiency  
12 captures, customer service improvements, time savings, reduction in  
13 staff, and return on investment to taxpayers due to the project.

14 (f) A specific list of metrics for the legislature to monitor  
15 to help the legislature and public determine the level of progress  
16 from the project.

17 (g) Specific milestones and related outcomes that would  
18 trigger subsequent expenditures on the project.

19 (h) Specific requirements for a request for proposal for  
20 consulting services to execute the project, with a clear  
21 articulation of costs, timelines, outcomes, and return on  
22 investment.

23 Sec. 233. By the end of each fiscal quarter of the current  
24 fiscal year, the department shall report to the senate and house  
25 appropriations subcommittees on the department budget, the senate  
26 and house fiscal agencies, the senate and house policy offices, and  
27 state budget office on the status of the merger, executed according

1 to Executive Order No. 2015-4, of the department of community  
2 health and the department of human services to create the  
3 department of health and human services. The report must indicate  
4 changes from the prior report and shall include, but not be limited  
5 to, all of the following information:

6 (a) The impact on client service delivery or access to  
7 services, including the restructuring or consolidation of services.

8 (b) Any cost increases or reductions that resulted from rent  
9 or building occupancy changes.

10 (c) Facilities in use, including any office closures or  
11 consolidations, or new office locations, including hoteling  
12 stations.

13 (d) Current status of FTE positions, including the number of  
14 FTE positions that were eliminated or added due to duplication of  
15 efforts.

16 (e) Any other efficiencies, costs, or savings associated with  
17 the merger.

18 Sec. 240. The department shall notify the house and senate  
19 appropriations subcommittees on the department budget, the house  
20 and senate fiscal agencies, and the house and senate policy offices  
21 of any changes to a child welfare master contract template,  
22 including the adoption master contract template, the independent  
23 living plus master contract template, the placing agency foster  
24 care master contract template, and the residential foster care  
25 juvenile justice master contract template, not less than 30 days  
26 before the change takes effect.

27 Sec. 252. The appropriations in part 1 for Healthy Michigan

1 plan - behavioral health, Healthy Michigan plan administration, and  
2 Healthy Michigan plan are contingent on the provisions of the  
3 social welfare act, 1939 PA 280, MCL 400.1 to 400.119b, that were  
4 contained in 2013 PA 107 not being amended, repealed, or otherwise  
5 altered to eliminate the Healthy Michigan plan. If that occurs,  
6 then, upon the effective date of the amendatory act that amends,  
7 repeals, or otherwise alters those provisions, the remaining funds  
8 in the Healthy Michigan plan - behavioral health, Healthy Michigan  
9 plan administration, and Healthy Michigan plan line items shall  
10 only be used to pay previously incurred costs and any remaining  
11 appropriations shall not be allotted to support those line items.

12       Sec. 263. (1) Upon submission of a Medicaid waiver, a Medicaid  
13 state plan amendment, or a similar proposal to the Centers for  
14 Medicare and Medicaid Services, the department shall notify the  
15 house and senate appropriations subcommittees on the department  
16 budget, the house and senate fiscal agencies, and the state budget  
17 office of the submission.

18       (2) The department shall provide written or verbal biannual  
19 reports to the senate and house appropriations subcommittees on the  
20 department budget, the senate and house fiscal agencies, and the  
21 state budget office summarizing the status of any new or ongoing  
22 discussions with the Centers for Medicare and Medicaid Services or  
23 the United States Department of Health and Human Services regarding  
24 potential or future Medicaid waiver applications.

25       Sec. 264. The department shall not take disciplinary action  
26 against an employee for communicating with a member of the  
27 legislature or his or her staff.

1       Sec. 265. Within 14 days after the release of the executive  
2 budget recommendation, the department shall cooperate with the  
3 state budget office to provide the senate and house appropriations  
4 chairs, the senate and house appropriations subcommittees chairs,  
5 and the senate and house fiscal agencies with an annual report on  
6 estimated state restricted fund balances, state restricted fund  
7 projected revenues, and state restricted fund expenditures for the  
8 fiscal years ending September 30, 2016 and September 30, 2017.

9       Sec. 266. Requesting or receiving federal approval for a  
10 program waiver related to expanding a program to new cohort  
11 populations, or otherwise changing program eligibility  
12 requirements, does not convey authority to a state department or  
13 agency to execute the provisions contained in the waiver. The  
14 agency or department shall not expend funds appropriated in part 1  
15 on the execution or implementation of a waiver, as described in  
16 this section, until presented to and approved by the senate and  
17 house appropriations subcommittees on the department budget.

18       Sec. 270. The department shall advise the legislature of the  
19 receipt of a notification from the attorney general's office of a  
20 legal action in which expenses had been recovered pursuant to  
21 section 106(4) of the social welfare act, 1939 PA 280, MCL 400.106,  
22 or any other statute under which the department has the right to  
23 recover expenses. By November 1 and May 1 of the current fiscal  
24 year, the department shall submit a written report to the house and  
25 senate appropriations subcommittees on the department budget, the  
26 house and senate fiscal agencies, and the state budget office that  
27 includes, at a minimum, all of the following:

1 (a) The total amount recovered from the legal action.

2 (b) The program or service for which the money was originally  
3 expended.

4 (c) Details on the disposition of the funds recovered such as  
5 the appropriation or revenue account in which the money was  
6 deposited.

7 (d) A description of the facts involved in the legal action.

8 Sec. 274. (1) The department, in collaboration with the state  
9 budget office, shall submit to the house and senate appropriations  
10 subcommittees on the department budget, the house and senate fiscal  
11 agencies, and the house and senate policy offices 1 week after the  
12 day the governor submits to the legislature the budget for the  
13 ensuing fiscal year a report on spending and revenue projections  
14 for each of the capped federal funds listed below. The report shall  
15 contain actual spending and revenue in the previous fiscal year,  
16 spending and revenue projections for the current fiscal year as  
17 enacted, and spending and revenue projections within the executive  
18 budget proposal for the fiscal year beginning October 1, 2017 for  
19 each individual line item for the department budget. The report  
20 shall also include federal funds transferred to other departments.  
21 The capped federal funds shall include, but not be limited to, all  
22 of the following:

23 (a) TANF.

24 (b) Title XX social services block grant.

25 (c) Title IV-B part I child welfare services block grant.

26 (d) Title IV-B part II promoting safe and stable families  
27 funds.



1 (e) Low-income home energy assistance program.

2 (2) By February 15 of the current fiscal year, the department  
3 shall prepare an annual report of its efforts to identify  
4 additional TANF maintenance of effort sources and rationale for any  
5 increases or decreases from all of the following, but not limited  
6 to:

7 (a) Other departments.

8 (b) Local units of government.

9 (c) Private sources.

10 Sec. 276. Funds appropriated in part 1 shall not be used by a  
11 principal executive department, state agency, or authority to hire  
12 a person to provide legal services that are the responsibility of  
13 the attorney general. This prohibition does not apply to legal  
14 services for bonding activities and for those outside services that  
15 the attorney general authorizes.

16 Sec. 279. (1) All master contracts relating to human services  
17 as funded by the appropriations in sections 103, 104, 105, 106,  
18 107, 108, and 109 of part 1 shall be performance-based contracts  
19 that employ a client-centered results-oriented process that is  
20 based on measurable performance indicators and desired outcomes and  
21 includes the annual assessment of the quality of services provided.

22 (2) By February 1 of the current fiscal year, the department  
23 shall provide the senate and house appropriations subcommittees on  
24 the department budget, the senate and house fiscal agencies and  
25 policy offices, and the state budget office a report detailing  
26 measurable performance indicators, desired outcomes, and an  
27 assessment of the quality of services provided by the department

1 during the previous fiscal year.

2       Sec. 280. By the fifth business day of each month, the  
3 department shall provide a report to the house and senate  
4 appropriations committees, the house and senate fiscal agencies,  
5 the house and senate policy offices, and the state budget director  
6 that provides all of the following for each line item in part 1  
7 containing personnel-related costs, including the specific  
8 individual amounts for salaries and wages, payroll taxes, and  
9 fringe benefits:

10       (a) FTE authorization.

11       (b) Spending authorization for personnel-related costs, by  
12 fund source, under the spending plan.

13       (c) Actual year-to-date expenditures for personnel-related  
14 costs, by fund source, through the end of the prior month.

15       (d) The projected year-end balance or shortfall for personnel-  
16 related costs, by fund source, based on actual monthly spending  
17 levels through the end of the prior month.

18       (e) A specific plan for addressing any projected shortfall for  
19 personnel-related costs at either the gross or fund source level.

20       Sec. 287. Not later than November 30, the state budget office  
21 shall prepare and transmit a report that provides for estimates of  
22 the total general fund/general purpose appropriation lapses at the  
23 close of the prior fiscal year. This report shall summarize the  
24 projected year-end general fund/general purpose appropriation  
25 lapses by major departmental program or program areas. The report  
26 shall be transmitted to the chairpersons of the senate and house  
27 appropriations committees, and the senate and house fiscal

1 agencies.

2       Sec. 288. (1) Beginning October 1 of the current fiscal year,  
3 no less than 90% of a new department contract supported solely from  
4 state restricted funds or general fund/general purpose funds and  
5 designated in this part or part 1 for a specific entity for the  
6 purpose of providing services to individuals shall be expended for  
7 such services after the first year of the contract.

8       (2) The department may allow a contract to exceed the  
9 limitation on administrative and services costs if it can be  
10 demonstrated that an exception should be made to the provision in  
11 subsection (1).

12       (3) By September 30 of the current fiscal year, the department  
13 shall report to the house and senate appropriations subcommittees  
14 on the department budget, house and senate fiscal agencies, and  
15 state budget office on the rationale for all exceptions made to the  
16 provision in subsection (1) and the number of contracts terminated  
17 due to violations of subsection (1).

18       Sec. 290. Any public advertisement for state assistance shall  
19 also inform the public of the welfare fraud hotline operated by the  
20 department.

21       Sec. 291. (1) The department shall verify, using the e-verify  
22 system, that all new department employees, and new hire employees  
23 of contractors and subcontractors paid from funds appropriated in  
24 part 1, are legally present in the United States. The department  
25 may verify this information directly or may require contractors and  
26 subcontractors to verify the information and submit a certification  
27 to the department.

1           (2) By February 15 of the current fiscal year, the department  
2 shall submit to the house and senate appropriations subcommittees  
3 on the department budget, the house and senate fiscal agencies, and  
4 the house and senate policy offices a report on the number of new  
5 department employees and new hire employees of contractors and  
6 subcontractors that were found to not be legally present in the  
7 United States.

8           Sec. 292. The department shall cooperate with the department  
9 of technology, management, and budget to maintain a searchable  
10 website accessible by the public at no cost that includes, but is  
11 not limited to, all of the following for each department or agency:

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

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

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

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

19           (e) Job specifications and wage rates.

20           Sec. 293. By March 1 of the current fiscal year, the  
21 department shall provide to the senate and house appropriations  
22 subcommittees on the department budget, the senate and house fiscal  
23 agencies, and the senate and house policy offices an annual report  
24 on the supervisor-to-staff ratio by department divisions and  
25 subdivisions.

26           Sec. 294. From the funds appropriated in part 1 for the MMIS  
27 line item, \$20,000,000.00 in private revenue may be received from

1 and allocated for other states interested in participating as part  
2 of the broader MMIS.

3 Sec. 295. (1) From the funds appropriated in part 1 to  
4 agencies providing physical and behavioral health services to  
5 multicultural populations, the department shall competitively award  
6 grants in accordance with the requirements of subsection (2). The  
7 state is not liable for any spending above the contract amount.

8 (2) The department shall require each contractor described in  
9 subsection (1) that receives greater than \$1,000,000.00 in state  
10 grant funding to comply with performance-related metrics to  
11 maintain their eligibility for funding. The organizational metrics  
12 shall include, but not be limited to, all of the following:

13 (a) Each contractor or subcontractor shall have accreditations  
14 that attest to their competency and effectiveness as behavioral  
15 health and social service agencies.

16 (b) Each contractor or subcontractor shall have a mission that  
17 is consistent with the purpose of the multicultural agency.

18 (c) Each contractor shall validate that any subcontractors  
19 utilized within these appropriations share the same mission as the  
20 lead agency receiving funding.

21 (d) Each contractor or subcontractor shall demonstrate cost-  
22 effectiveness.

23 (e) Each contractor or subcontractor shall ensure their  
24 ability to leverage private dollars to strengthen and maximize  
25 service provision.

26 (f) Each contractor or subcontractor shall provide timely and  
27 accurate reports regarding the number of clients served, units of

1 service provision, and ability to meet their stated goals.

2 (3) The department shall require an annual report from the  
3 contractors described in subsection (2). The annual report, due 60  
4 days following the end of the contract period, shall include  
5 specific information on services and programs provided, the client  
6 base to which the services and programs were provided, information  
7 on any wraparound services provided, and the expenditures for those  
8 services. The department shall provide the annual reports to the  
9 senate and house appropriations subcommittees on health and human  
10 services, the senate and house fiscal agencies, and the state  
11 budget office.

12 Sec. 296. By February 1 of the current fiscal year, the  
13 department shall submit a report to the senate and house  
14 appropriations committees on the department budget, the senate and  
15 house fiscal agencies, the senate and house policy offices, and the  
16 state budget office detailing a proposal to enhance services  
17 provided by PIHPs through the Medicaid mental health services,  
18 Medicaid substance use disorder services, Healthy Michigan plan -  
19 behavioral health and autism services lines and reform payment  
20 processes with the result of more money going to high-value patient  
21 care. The report must include, but is not limited to, proposals on  
22 how to do all of the following:

23 (a) Increase access to high-value community-based services and  
24 resident choice of provider.

25 (b) Increase access to integrated behavioral and physical  
26 health services within community-based settings.

27 (c) Identify and increase the utilization of high-value

1 services and identify and decrease the utilization of low-value  
2 services.

3 (d) Integrate behavioral and physical health patient  
4 population risk stratification with opportunities for shared risk  
5 among contracted providers.

6 (e) Align behavioral and physical health care providers'  
7 clinical and claims data sharing.

8 Sec. 297. Total authorized appropriations from all sources  
9 under part 1 for legacy costs for the fiscal year ending September  
10 30, 2017 are \$364,972,800.00. From this amount, total agency  
11 appropriations for pension-related legacy costs are estimated at  
12 \$202,368,400.00. Total agency appropriations for retiree health  
13 care legacy costs are estimated at \$162,604,400.00.

14 Sec. 299. (1) No state department or agency shall issue a  
15 request for proposal (RFP) for a contract in excess of  
16 \$5,000,000.00, unless the department or agency has first considered  
17 issuing a request for information (RFI) or a request for  
18 qualification (RFQ) relative to that contract to better enable the  
19 department or agency to learn more about the market for the  
20 products or services that are the subject of the RFP. The  
21 department or agency shall notify the department of technology,  
22 management, and budget of the evaluation process used to determine  
23 if an RFI or RFQ was not necessary prior to issuing the RFP.

24 (2) From funds appropriated in part 1, for all RFPs issued  
25 during the current fiscal year where an existing service received  
26 proposals by multiple vendors, the department shall notify all  
27 vendors within 30 days of the RFP decision. The notification to

1 vendors shall include details on the RFP process, including the  
2 respective RFP scores and the respective cost for each vendor. If  
3 the highest scored RFP or lowest cost RFP does not receive the  
4 contract for an existing service offered by the department, the  
5 notification shall issue an explanation for the reasons that the  
6 highest scored RFP or lowest cost RFP did not receive the contract  
7 and detail the incremental cost target amount or service level  
8 required that was required to migrate the service to a new vendor.  
9 Additionally, the department shall include in the notification  
10 details as to why a cost or service difference is justifiable if  
11 the highest scored or lowest cost vendor does not receive the  
12 contract.

13 (3) The department shall submit to the senate and house  
14 appropriations subcommittees on the department budget, the senate  
15 and house fiscal agencies, the senate and house policy offices, and  
16 the state budget office by September 30 of the current fiscal year  
17 a report that summarizes all RFPs during the current fiscal year  
18 where an existing service received proposals by multiple vendors.  
19 The report shall list all finalized RFPs where there was a  
20 divergence from awarding the contract to the lowest cost or highest  
21 scoring vendor. The report shall also include the cost or service  
22 threshold required by department policy that must be satisfied in  
23 order for an existing contract to be received by new vendor.

#### 24 **DEPARTMENTWIDE ADMINISTRATION**

25 Sec. 307. (1) From the funds appropriated in part 1 for  
26 demonstration projects, \$500,000.00 shall be distributed as



1 provided in subsection (2). The amount distributed under this  
2 subsection shall not exceed 50% of the total operating expenses of  
3 the program described in subsection (2), with the remaining 50%  
4 paid by local United Way organizations and other nonprofit  
5 organizations and foundations.

6 (2) Funds distributed under subsection (1) shall be  
7 distributed to Michigan 2-1-1, a nonprofit corporation organized  
8 under the laws of this state that is exempt from federal income tax  
9 under section 501(c)(3) of the internal revenue code of 1986, 26  
10 USC 501(c)(3), and whose mission is to coordinate and support a  
11 statewide 2-1-1 system. Michigan 2-1-1 shall use the funds only to  
12 fulfill the Michigan 2-1-1 business plan adopted by Michigan 2-1-1  
13 in January 2005.

14 (3) Michigan 2-1-1 shall refer to the department any calls  
15 received reporting fraud, waste, or abuse of state-administered  
16 public assistance.

17 (4) Michigan 2-1-1 shall report annually to the department and  
18 the house and senate standing committees with primary jurisdiction  
19 over matters relating to human services and telecommunications on  
20 2-1-1 system performance, including, but not limited to, call  
21 volume by health and human service needs and unmet needs identified  
22 through caller data and customer satisfaction metrics.

23 Sec. 310. It is the intent of the legislature that the  
24 department shall work with youth-oriented nonprofit organizations  
25 to provide mentoring programming for children of incarcerated  
26 parents and other at-risk children.

27 Sec. 316. From the funds appropriated in part 1 for terminal

1 leave payouts and other employee costs, the department shall not  
2 spend in excess of its annual gross appropriation unless it  
3 identifies and requests a legislative transfer from another  
4 budgetary line item supporting administrative costs, as provided by  
5 section 393(2) of the management and budget act, 1984 PA 431, MCL  
6 18.1393.

7 **CHILD SUPPORT ENFORCEMENT**

8 Sec. 401. (1) The appropriations in part 1 assume a total  
9 federal child support incentive payment of \$26,500,000.00.

10 (2) From the federal money received for child support  
11 incentive payments, \$12,000,000.00 shall be retained by the state  
12 and expended for child support program expenses.

13 (3) From the federal money received for child support  
14 incentive payments, \$14,500,000.00 shall be paid to the counties  
15 based on each county's performance level for each of the federal  
16 performance measures as established in 45 CFR 305.2.

17 (4) If the child support incentive payment to the state from  
18 the federal government is greater than \$26,500,000.00, then 100% of  
19 the excess shall be retained by the state and is appropriated until  
20 the total retained by the state reaches \$15,397,400.00.

21 (5) If the child support incentive payment to the state from  
22 the federal government is greater than the amount needed to satisfy  
23 the provisions identified in subsections (1), (2), (3), and (4),  
24 the additional funds shall be subject to appropriation by the  
25 legislature.

26 (6) If the child support incentive payment to the state from

1 the federal government is less than \$26,500,000.00, then the state  
2 and county share shall each be reduced by 50% of the shortfall.

3 Sec. 409. (1) If statewide retained child support collections  
4 exceed \$38,300,000.00, 75% of the amount in excess of  
5 \$38,300,000.00 is appropriated to legal support contracts. This  
6 excess appropriation may be distributed to eligible counties to  
7 supplement and not supplant county title IV-D funding.

8 (2) Each county whose retained child support collections in  
9 the current fiscal year exceed its fiscal year 2004-2005 retained  
10 child support collections, excluding tax offset and financial  
11 institution data match collections in both the current year and  
12 fiscal year 2004-2005, shall receive its proportional share of the  
13 75% excess.

14 Sec. 410. (1) If title IV-D-related child support collections  
15 are escheated, the state budget director is authorized to adjust  
16 the sources of financing for the funds appropriated in part 1 for  
17 legal support contracts to reduce federal authorization by 66% of  
18 the escheated amount and increase general fund/general purpose  
19 authorization by the same amount. This budget adjustment is  
20 required to offset the loss of federal revenue due to the escheated  
21 amount being counted as title IV-D program income in accordance  
22 with federal regulations at 45 CFR 304.50.

23 (2) The department shall notify the chairs of the house and  
24 senate appropriations subcommittees on the department budget and  
25 the house and senate fiscal agencies within 15 days of the  
26 authorization adjustment in subsection (1).

1 **COMMUNITY SERVICES AND OUTREACH**

2       Sec. 450. (1) From the funds appropriated in part 1 for school  
3 success partnership program, the department shall allocate  
4 \$450,000.00 by December 1 of the current fiscal year to support the  
5 Northeast Michigan Community Service Agency programming, which will  
6 take place in each county in the Governor's Prosperity Region 3.  
7 The department shall require the following performance objectives  
8 be measured and reported for the duration of the state funding for  
9 the school success partnership program:

10       (a) Increasing school attendance and decreasing chronic  
11 absenteeism.

12       (b) Increasing academic performance based on grades with  
13 emphasis on math and reading.

14       (c) Identifying barriers to attendance and success and  
15 connecting families with resources to reduce these barriers.

16       (d) Increasing parent involvement with the parent's child's  
17 school and community.

18       (2) The Northeast Michigan Community Service Agency shall  
19 provide reports to the department on January 31 and June 30 of the  
20 current fiscal year on the number of children and families served  
21 and the services that were provided to families to meet the  
22 performance objectives identified in this section. The department  
23 shall distribute the reports within 1 week after receipt to the  
24 senate and house appropriations subcommittees on the department  
25 budget, the senate and house fiscal agencies, the senate and house  
26 policy offices, and the state budget office.

27       Sec. 452. From the funds appropriated in part 1 for justice

1 assistance grants, the department shall continue to support  
2 forensic nurse examiner programs to facilitate training for  
3 improved evidence collection for the prosecution of sexual assault.  
4 The funds shall be used for program coordination and training.

#### 5 CHILD WELFARE SERVICES

6 Sec. 501. (1) A goal is established that not more than 27% of  
7 all children in foster care at any given time during the current  
8 fiscal year will have been in foster care for 24 months or more.

9 (2) By March 1 of the current fiscal year, the department  
10 shall provide to the senate and house appropriations subcommittees  
11 on the department budget, the senate and house fiscal agencies, the  
12 senate and house policy offices, and the state budget office a  
13 report describing the steps that will be taken to achieve the  
14 specific goal established in this section and on the percentage of  
15 children who currently are in foster care and who have been in  
16 foster care a total of 24 or more months.

17 Sec. 502. From the funds appropriated in part 1 for foster  
18 care, the department shall provide 50% reimbursement to Indian  
19 tribal governments for foster care expenditures for children who  
20 are under the jurisdiction of Indian tribal courts and who are not  
21 otherwise eligible for federal foster care cost sharing.

22 Sec. 503. (1) In accordance with the final report of the  
23 Michigan child welfare performance-based funding task force issued  
24 in response to section 503 of article X of 2013 PA 59, the  
25 department shall continue to develop actuarially sound case rates  
26 for necessary out-of-home child welfare services that achieve

1 permanency by the department and private child placing agencies in  
2 a prospective payment system under a performance-based funding  
3 model.

4 (2) The department shall continue to develop a prospective  
5 rate payment system for private agencies that includes funding for  
6 adoption incentive payments. The full cost prospective rate payment  
7 system will identify and cover contractual costs paid through the  
8 case rate developed by an independent actuary.

9 (3) By October 1, 2016, the department shall provide to the  
10 senate and house appropriations committees on the department  
11 budget, the senate and house fiscal agencies and policy offices,  
12 and the state budget office a report on the full cost analysis of  
13 the performance-based funding model. The report shall include  
14 background information on the project and give details about the  
15 contractual costs covered through the case rate.

16 (4) In accordance with the final report of the Michigan child  
17 welfare performance-based funding task force issued in response to  
18 section 503 of article X of 2013 PA 59, the department shall  
19 implement a 5-year independent, third-party evaluation of the  
20 performance-based funding model. The evaluator shall be selected  
21 through a competitive process by a rating committee that includes,  
22 but is not limited to, representatives from the department and  
23 private child placing agencies.

24 (5) The department shall only implement the performance-based  
25 funding model into additional counties where the department,  
26 private child welfare agencies, the county, and the court operating  
27 within that county have signed a memorandum of understanding that

1 incorporates the intentions of the concerned parties in order to  
2 implement the performance-based funding model.

3 (6) The department, in conjunction with members from both the  
4 house of representatives and senate, private child placing  
5 agencies, the courts, and counties shall implement the  
6 recommendations that are described in the workgroup report that was  
7 provided in section 503 of article X of 2013 PA 59 to establish a  
8 performance-based funding for public and private child welfare  
9 services providers. The department shall provide a quarterly report  
10 on the status of the performance-based contracting model to the  
11 senate and house appropriations subcommittees on the department  
12 budget, the senate and house standing committees on families and  
13 human services, and the senate and house fiscal agencies and policy  
14 offices.

15 (7) From the funds appropriated in part 1 for the performance-  
16 based funding model pilot in Kent County, the department may  
17 develop a master agreement with a consortium, recognized by the  
18 Internal Revenue Service as tax-exempt as defined under section  
19 501(c)(3) of the internal revenue code of 1986, 26 USC 501,  
20 consisting of a network of affiliated child welfare service  
21 providers, to accept and comprehensively assess referred youth,  
22 assign cases to members of its continuum or leverage services from  
23 other entities, and make appropriate case management decisions  
24 during the duration of a case. The consortium shall operate an  
25 integrated continuum of care structure, with services provided by  
26 both private and public agencies, based on individual case needs.  
27 The consortium shall demonstrate significant organizational

1 capacity and competencies, including experience with managing risk-  
2 based contracts, financial strength, experienced staff and  
3 leadership, and appropriate governance structure.

4 Sec. 504. (1) From the funds appropriated in part 1 for  
5 performance-based funding implementation, the department shall  
6 provide \$500,000.00 in 1-time funding to support a portion of the  
7 first-year start-up costs to operate a consortium in Kent County  
8 for a performance-based child welfare contracting pilot program.  
9 Allowable start-up costs include \$300,000.00 for administration,  
10 facilities, initial salaries, and wages and \$200,000.00 for  
11 information technology infrastructure.

12 (2) The department may establish a master agreement with a  
13 consortium in Kent County for a performance-based child welfare  
14 contracting pilot program. The consortium must be recognized by  
15 this state as a nonprofit organization and must have submitted an  
16 application to the Internal Revenue Service for 501(c)(3) status.  
17 The consortium shall consist of a network of affiliated child  
18 welfare service providers that will accept and comprehensively  
19 assess referred youth, assign cases to members of its continuum or  
20 leverage services from other entities, and make appropriate case  
21 management decisions during the duration of a case.

22 (3) The consortium shall operate an integrated continuum of  
23 care structure, with services provided by private or public  
24 agencies, based on individual case needs. The consortium shall  
25 demonstrate significant organizational capacity and competencies,  
26 including financial strength, experienced staff and leadership, and  
27 appropriate governance structure.



1           (4) By March 1 of the current fiscal year, the consortium  
2 shall provide to the department and the house and senate  
3 appropriations subcommittees on the department budget a report on  
4 the Kent County consortium, including, but not limited to, actual  
5 expenditures, number of children placed by agencies in the  
6 consortium, fund balance of the consortium, and the status of the  
7 consortium evaluation.

8           Sec. 505. By March 1 of the current fiscal year, the  
9 department and Wayne County shall provide to the senate and house  
10 appropriations committees on the department budget, the senate and  
11 house fiscal agencies and policy offices, and the state budget  
12 office a report for youth served in the previous fiscal year and in  
13 the first quarter of the current fiscal year outlining the number  
14 of youth served within each juvenile justice system, the type of  
15 setting for each youth, performance outcomes, and financial costs  
16 or savings.

17           Sec. 507. The department's ability to satisfy appropriation  
18 deducts in part 1 for foster care private collections shall not be  
19 limited to collections and accruals pertaining to services provided  
20 only in the current fiscal year but may include revenues collected  
21 during the current fiscal year for services provided in prior  
22 fiscal years.

23           Sec. 508. (1) In addition to the amount appropriated in part 1  
24 for children's trust fund grants, money granted or money received  
25 as gifts or donations to the children's trust fund created by 1982  
26 PA 249, MCL 21.171 to 21.172, is appropriated for expenditure.

27           (2) The department and the child abuse and neglect prevention

1 board shall collaborate to ensure that administrative delays are  
2 avoided and the local grant recipients and direct service providers  
3 receive money in an expeditious manner. The department and board  
4 shall make available the children's trust fund contract funds to  
5 grantees within 31 days of the start date of the funded project.

6 Sec. 511. The department shall provide quarterly reports to  
7 the senate and house appropriations subcommittees on the department  
8 budget, the senate and house standing committees on families and  
9 human services, and the senate and house fiscal agencies and policy  
10 offices on the number and percentage of children who received  
11 timely health examinations after entry into foster care and the  
12 number and percentage of children entering foster care who received  
13 a required mental health examination after entry into foster care.

14 Sec. 513. (1) The department shall not expend funds  
15 appropriated in part 1 to pay for the direct placement by the  
16 department of a child in an out-of-state facility unless all of the  
17 following conditions are met:

18 (a) There is no appropriate placement available in this state  
19 as determined by the department interstate compact office.

20 (b) An out-of-state placement exists that is nearer to the  
21 child's home than the closest appropriate in-state placement as  
22 determined by the department interstate compact office.

23 (c) The out-of-state facility meets all of the licensing  
24 standards of this state for a comparable facility.

25 (d) The out-of-state facility meets all of the applicable  
26 licensing standards of the state in which it is located.

27 (e) The department has done an on-site visit to the out-of-

1 state facility, reviewed the facility records, reviewed licensing  
2 records and reports on the facility, and believes that the facility  
3 is an appropriate placement for the child.

4 (2) The department shall not expend money for a child placed  
5 in an out-of-state facility without approval of the deputy director  
6 for children's services. The department shall notify the  
7 appropriate state agency in that state including the name of the  
8 out-of-state provider who accepted the placement.

9 (3) The department shall submit an annual report to the state  
10 court administrative office, the house and senate appropriations  
11 subcommittees on the department budget, the house and senate fiscal  
12 agencies, and the house and senate policy offices on the number of  
13 Michigan children residing in out-of-state facilities at the time  
14 of the report, the total cost and average per diem cost of these  
15 out-of-state placements to this state, and a list of each such  
16 placement arranged by the Michigan county of residence for each  
17 child.

18 (4) The department shall submit an annual report by February  
19 15 of the current fiscal year on per diem costs of each residential  
20 care provider that has an established state rate and is located or  
21 doing business in this state.

22 (5) It is the intent of the legislature that the department  
23 shall work in conjunction with the courts and the state court  
24 administrative office to identify data needed to calculate  
25 statewide recidivism rates for adjudicated youth placed in either  
26 residential secure or nonsecure facilities, defined at 6 months  
27 after a youth is released from placement.

1           (6) By March 1 of the current fiscal year, the department  
2 shall notify the legislature on the status of efforts to accomplish  
3 the intent of subsection (5).

4           Sec. 514. The department shall make a comprehensive report  
5 concerning children's protective services (CPS) to the legislature,  
6 including the senate and house policy offices and the state budget  
7 director, by January 1 of the current fiscal year, that shall  
8 include all of the following:

9           (a) Statistical information including, at a minimum, all of  
10 the following:

11           (i) The total number of reports of child abuse or child  
12 neglect investigated under the child protection law, 1975 PA 238,  
13 MCL 722.621 to 722.638, and the number of cases classified under  
14 category I or category II and the number of cases classified under  
15 category III, category IV, or category V.

16           (ii) Characteristics of perpetrators of child abuse or child  
17 neglect and the child victims, such as age, relationship, race, and  
18 ethnicity and whether the perpetrator exposed the child victim to  
19 drug activity, including the manufacture of illicit drugs, that  
20 exposed the child victim to substance abuse, a drug house, or  
21 methamphetamine.

22           (iii) The mandatory reporter category in which the individual  
23 who made the report fits, or other categorization if the individual  
24 is not within a group required to report under the child protection  
25 law, 1975 PA 238, MCL 722.621 to 722.638.

26           (iv) The number of cases that resulted in the separation of  
27 the child from the parent or guardian and the period of time of

1 that separation, up to and including termination of parental  
2 rights.

3 (v) For the reported complaints of child abuse or child  
4 neglect by teachers, school administrators, and school counselors,  
5 the number of cases classified under category I or category II and  
6 the number of cases classified under category III, category IV, or  
7 category V.

8 (vi) For the reported complaints of child abuse or child  
9 neglect by teachers, school administrators, and school counselors,  
10 the number of cases that resulted in separation of the child from  
11 the parent or guardian and the period of time of that separation,  
12 up to and including termination of parental rights.

13 (b) New policies related to children's protective services  
14 including, but not limited to, major policy changes and court  
15 decisions affecting the children's protective services system  
16 during the immediately preceding 12-month period.

17 (c) The department policy, or changes to the department  
18 policy, regarding children who have been exposed to the production  
19 or manufacture of methamphetamines.

20 Sec. 515. By October 1, 2016, the department shall submit a  
21 report to the senate and house appropriations subcommittees on the  
22 department budget, the senate and house fiscal agencies, the senate  
23 and house policy offices, and the state budget office that provides  
24 an update on the privatization of child welfare services in Kent  
25 County as described in section 515 of article X of 2013 PA 59 and  
26 includes all of the following:

27 (a) Costs or savings that resulted from the program.

1 (b) Gaps in funding.

2 (c) Program successes.

3 (d) Challenges and barriers to a successful implementation.

4 Sec. 519. The department shall permit any private agency that  
5 has an existing contract with this state to provide foster care  
6 services to be also eligible to provide treatment foster care  
7 services.

8 Sec. 522. (1) From the funds appropriated in part 1 for youth  
9 in transition, the department shall allocate \$750,000.00 for  
10 college scholarships through the fostering futures scholarship  
11 program in the Michigan education trust to youths who were in  
12 foster care because of child abuse or child neglect and are  
13 attending a college located in this state. Of the funds  
14 appropriated, 100% shall be used to fund scholarships for the  
15 youths described in this section.

16 (2) Not later than March 1 of the current fiscal year, the  
17 department shall provide a report to the senate and house  
18 appropriations subcommittees on the department budget, the senate  
19 and house fiscal agencies, the senate and house policy offices, and  
20 the state budget office that includes the number of youths who  
21 received scholarships and the amount of each scholarship, and the  
22 total amount of funds spent or encumbered in the current fiscal  
23 year.

24 Sec. 523. (1) By February 15 of the current fiscal year, the  
25 department shall report on the families first, family  
26 reunification, and families together building solutions family  
27 preservation programs to the senate and house appropriations

1 subcommittees on the department budget, the senate and house fiscal  
2 agencies, the senate and house policy offices, and the state budget  
3 office. The report shall contain all of the following for each  
4 program:

5 (a) The average cost per recipient served.

6 (b) Measurable performance indicators.

7 (c) Desired outcomes or results and goals that can be measured  
8 on an annual basis, or desired results for a defined number of  
9 years.

10 (d) Monitored results.

11 (e) Innovations that may include savings or reductions in  
12 administrative costs.

13 (2) From the funds appropriated in part 1 for youth in  
14 transition and domestic violence prevention and treatment, the  
15 department is authorized to make allocations of TANF funds only to  
16 agencies that report necessary data to the department for the  
17 purpose of meeting TANF eligibility reporting requirements.

18 Sec. 524. As a condition of receiving funds appropriated in  
19 part 1 for strong families/safe children, counties must submit the  
20 service spending plan to the department by October 1 of the current  
21 fiscal year for approval. The department shall approve the service  
22 spending plan within 30 calendar days after receipt of a properly  
23 completed service spending plan.

24 Sec. 525. The department shall implement the same on-site  
25 evaluation processes for privately operated child welfare and  
26 juvenile justice residential facilities as is used to evaluate  
27 state-operated facilities. Penalties for noncompliance shall be the

1 same for privately operated child welfare and juvenile justice  
2 residential facilities and state-operated facilities.

3 Sec. 526. From the funds appropriated in part 1 for foster  
4 care payments and related administrative costs, the department may  
5 implement the federally approved title IV-E child welfare waiver  
6 demonstration project. As required under the waiver, any savings  
7 resulting from the demonstration project must be quantified and  
8 reinvested into child welfare programming.

9 Sec. 532. (1) The department, in collaboration with  
10 representatives of private child and family agencies, shall revise  
11 and improve the annual licensing review process and the annual  
12 contract compliance review process for child placing agencies and  
13 child caring institutions. The improvement goals shall be safety  
14 and care for children. Improvements to the review process shall be  
15 directed toward alleviating administrative burdens so that agency  
16 resources may be focused on children. The revision shall include  
17 identification of duplicative staff activities and information  
18 sought from child placing agencies and child caring institutions in  
19 the annual review process. The department shall report to the  
20 senate and house appropriations subcommittees on the department  
21 budget, the senate and house fiscal agencies and policy offices,  
22 and the state budget director on or before January 15 of the  
23 current fiscal year on the findings of the annual licensing review.

24 (2) The department shall conduct licensing reviews no more  
25 than once every 3 years for child placing agencies and child caring  
26 institutions that are nationally accredited and have no outstanding  
27 violations.



1       Sec. 533. (1) The department shall make payments to child  
2 placing facilities for in-home and out-of-home care services and  
3 adoption services within 30 days of receiving all necessary  
4 documentation from those agencies. It is the intent of the  
5 legislature that the burden of ensuring that these payments are  
6 made in a timely manner and no payments are in arrears is upon the  
7 department.

8       (2) No later than March 1, The department shall submit a  
9 report to the senate and house appropriations subcommittees on the  
10 department budget, the senate and house fiscal agencies, the senate  
11 and house policy offices, and the state budget office that details  
12 each private child placing agency and the percentage of payments  
13 that were in excess of 30 days during the entire prior fiscal year  
14 and the first quarter of the current fiscal year.

15       Sec. 534. (1) The department shall report to the senate and  
16 house appropriations subcommittees on the department budget, the  
17 senate and house fiscal agencies, the senate and house policy  
18 offices, and the state budget office by November 1 of the current  
19 fiscal year an implementation plan regarding the appropriation in  
20 part 1 to implement the MiSACWIS. The plan shall include, but not  
21 be limited to, efforts to bring the system in compliance with the  
22 settlement and other federal guidelines set forth by the United  
23 States Department of Health and Human Services Administration for  
24 Children and Families.

25       (2) The department shall report to the senate and house  
26 appropriations subcommittees on the department budget, the senate  
27 and house fiscal agencies, the senate and house policy offices, and

1 the state budget office by November 1 of the current fiscal year a  
2 status report on the planning, implementation, and operation,  
3 regardless of the current operational status, regarding the  
4 appropriation in part 1 to implement the MiSACWIS. The report shall  
5 provide details on the planning, implementation, and operation of  
6 the system, including, but not limited to, all of the following:

7 (a) Areas where implementation went as planned.

8 (b) The number of known issues.

9 (c) The average number of help tickets submitted per day.

10 (d) Any additional overtime or other staffing costs to address  
11 known issues and volume of help tickets.

12 (e) Any contract revisions to address known issues and volume  
13 of help tickets.

14 (f) Other strategies undertaken to improve implementation.

15 (g) Progress developing cross-system trusted data exchange  
16 with MiSACWIS

17 (h) Progress in moving away from a statewide/tribal automated  
18 child welfare information system (SACWIS/TACWIS) to a comprehensive  
19 child welfare information system (CCWIS).

20 (i) Progress developing and implementing a program to monitor  
21 data quality.

22 (j) Progress developing and implementing custom integrated  
23 systems for private agencies and tribal governments.

24 Sec. 537. (1) The department, in collaboration with child  
25 placing agencies, shall develop a strategy to implement section  
26 1150 of the social welfare act, 1939 PA 280, MCL 400.1150. The  
27 strategy shall include a requirement that a department caseworker

1 responsible for preparing a recommendation to a court concerning a  
2 juvenile placement shall provide, as part of the recommendation,  
3 information regarding the requirements of section 1150 of the  
4 social welfare act, 1939 PA 280, MCL 400.1150.

5 (2) Between February 1 and February 29, 2016, the department  
6 shall provide to the senate and house appropriations subcommittees  
7 on the department budget, the senate and house fiscal agencies, the  
8 senate and house policy offices, and the state budget office a  
9 report on the strategy described in subsection (1).

10 Sec. 540. If a physician or psychiatrist who is providing  
11 services to state or court wards placed in a residential facility  
12 submits a formal request to the department to change the  
13 psychotropic medication of a ward, the department shall, if the  
14 ward is a state ward, make a determination on the proposed change  
15 within 7 business days after the request or, if the ward is a  
16 temporary court ward, seek parental consent within 7 business days  
17 after the request. If parental consent is not provided within 7  
18 business days, the department shall petition the court on the  
19 eighth business day.

20 Sec. 546. (1) From the funds appropriated in part 1 for foster  
21 care payments and from child care fund, the department shall pay  
22 providers of foster care services not less than a \$37.00  
23 administrative rate.

24 (2) From the funds appropriated in part 1 for foster care  
25 payments and from child care fund, the department shall pay  
26 providers of general independent living services not less than a  
27 \$28.00 administrative rate.

1           (3) From the funds appropriated in part 1, the department  
2 shall pay providers of independent living plus services statewide  
3 per diem rates for staff-supported housing and host-home housing  
4 based on proposals submitted in response to a solicitation for  
5 pricing. The independent living plus program provides staff-  
6 supported housing and services for foster youth ages 16 through 19  
7 who, because of their individual needs and assessments, are not  
8 initially appropriate for general independent living foster care.

9           (4) From the funds appropriated in part 1, the department  
10 shall pay providers of foster care services an additional \$8.00  
11 administrative rate, if section 117a of the social welfare act,  
12 1939 PA 280, MCL 400.117a, is amended to eliminate the county match  
13 rate for the additional administrative rate provided in this  
14 subsection. Payments under this subsection shall be made, not less  
15 than, on a monthly basis.

16           (5) If required by the federal government to meet title IV-E  
17 requirements, providers of foster care services shall submit  
18 quarterly expenditure reports to the department to identify actual  
19 costs of providing foster care services.

20           (6) From the funds appropriated in part 1, the department  
21 shall provide an increase to each private provider of residential  
22 services, if section 117a of the social welfare act, 1939 PA 280,  
23 MCL 400.117a, is amended to eliminate the county match rate for the  
24 additional rate provided in this section.

25           Sec. 547. From the funds appropriated in part 1 for the  
26 guardianship assistance program, the department shall pay a minimum  
27 rate that is not less than the approved age-appropriate payment

1 rates for youth placed in family foster care.

2 Sec. 556. No later than December 1 for the current fiscal  
3 year, the department shall provide an annual report to the  
4 subcommittees of the senate and house appropriations committees on  
5 the department budget, the house and senate fiscal agencies, and  
6 the state budget director that includes the following:

7 (a) The number of complaints filed by adoptive parents who  
8 were not notified that their adopted child had special needs.

9 (b) The number of cases that received redetermined adoption  
10 assistance as defined in section 115f of the social welfare act,  
11 1939 PA 280, MCL 400.115f, the total expenditures on the program,  
12 and the number of cases in each determination of care level of  
13 payment.

14 Sec. 558. (1) The department shall permit private nationally  
15 accredited foster care and adoption agencies to conduct their own  
16 staff training, based on current department policies and  
17 procedures, if the agency trainer and training materials are  
18 certified by the department through a train the trainer model and  
19 agency documents to the department that the training was provided.  
20 The department shall provide access to all training materials the  
21 private agencies will need to facilitate this training.

22 (2) The department shall post on the department's website a  
23 list of all relevant departmental training materials available to  
24 private child placing agencies that are allowed to conduct their  
25 own training in accordance with this section. The department shall  
26 also provide to private child placing agencies that are allowed to  
27 conduct their own training any updated training materials as they

1 become available.

2 (3) The department shall submit to the senate and house  
3 appropriations subcommittees on the department budget, the senate  
4 and house fiscal agencies, the senate and house policy offices, and  
5 the state budget office by March 1 of the current fiscal year a  
6 report on the training programs or courses provided through the  
7 child welfare training institute described in subsection (1), and  
8 the annual cost for each program or course. The report shall  
9 include the following data:

10 (a) The number of training programs or courses that were  
11 provided for private agencies.

12 (b) The number of employees from private agencies who attended  
13 any training.

14 (c) The number of training programs or courses that were  
15 provided through an online forum.

16 (d) The number of training programs or courses that were  
17 provided in local service areas.

18 (e) For courses that are in-person or not accessible online,  
19 attendance figures for each course.

20 (4) The department shall not hire any employee of a private  
21 child placing agency if he or she was instructed by the child  
22 welfare training institute for no less than 6 months after the  
23 final course has been completed by the employee.

24 Sec. 559. (1) From the funds appropriated in part 1 for  
25 adoption support services, the department shall allocate  
26 \$350,000.00 to the Adoptive Family Support Network by December 1 of  
27 the current fiscal year to operate and expand its adoptive parent

1 mentor program to provide a listening ear, knowledgeable guidance,  
2 and community connections to adoptive parents and children who were  
3 adopted in this state or another state.

4 (2) The Adoptive Family Support Network shall submit to the  
5 senate and house appropriations subcommittees on the department  
6 budget, the senate and house fiscal agencies, the senate and house  
7 policy offices, and the state budget office by March 1 of the  
8 current fiscal year a report on the program described in subsection  
9 (1), including, but not limited to, the number of cases served and  
10 the number of cases in which the program prevented an out-of-home  
11 placement.

12 Sec. 562. The department shall provide time and travel  
13 reimbursements for foster parents who transport a foster child to  
14 parent-child visitations. As part of the foster care parent  
15 contract, the department shall provide written confirmation to  
16 foster parents that states that the foster parents have the right  
17 to request these reimbursements for all parent-child visitations.  
18 The department shall provide these reimbursements within 60 days of  
19 receiving a request for eligible reimbursements from a foster  
20 parent.

21 Sec. 567. (1) The caseworker or supervisor who is assigned to  
22 a foster care case is responsible for completing a medical passport  
23 for the cases assigned to him or her. If a child in foster care is  
24 transferred to a new placement or returned to his or her parent's  
25 or guardian's home, the medical passport and any school records in  
26 the caseworkers' or supervisors' possession must be transferred  
27 within 2 weeks from the date of placement or return to the home.

1           (2) The department shall submit to the senate and house  
2 appropriations subcommittees on the department budget, the senate  
3 and house fiscal agencies, the senate and house policy offices, and  
4 the state budget office by March 1 of the current fiscal year a  
5 report on the items described in subsection (1), including the  
6 following:

7           (a) The percentage of medical passports that were properly  
8 filled out.

9           (b) From the total medical passports transferred, the  
10 percentage that transferred within 2 weeks from the date of  
11 placement or return to the home.

12           (c) From the total school records, the percentage that  
13 transferred within 2 weeks from the date of placement or return to  
14 the home.

15           (d) The implementation steps that have been taken to improve  
16 the outcomes for the measures in subdivisions (a) and (b).

17           Sec. 568. (1) From the funds appropriated in part 1 for  
18 adoption subsidies, the department shall pay a minimum adoption  
19 subsidy rate that is not less than 95% of the rate that was or  
20 would have been provided for the adoptee in family foster care at  
21 the time of the adoption. This rate includes the determination of  
22 care rate that was paid or would have been paid to the adoptive  
23 parent for the adoptee in a family foster care placement, and this  
24 amount shall be increased to reflect any increase in the standard  
25 age appropriate foster care rate.

26           (2) "Determination of care rate" as described in this section  
27 means a supplemental payment to the standard age appropriate foster



1 care rate that may be justified when extraordinary care or expense  
2 is required. The supplemental payment is based on 1 or more of the  
3 following case situations where additional care is required of the  
4 foster care provider or adoptive parent or an additional expense  
5 exists:

6 (a) Physically disabled children for whom the adoptive parent  
7 must provide measurably greater supervision and care.

8 (b) Children with special psychological or psychiatric needs  
9 that require extra time and measurably greater amounts of care and  
10 attention by the adoptive parent.

11 (c) Children requiring special diets that are more expensive  
12 than a normal diet and that require extra time and effort by the  
13 adoptive parent to obtain or prepare.

14 (d) Children whose severe acting-out or antisocial behavior  
15 requires a measurably greater amount of care and attention of the  
16 adoptive parent.

17 (3) The department shall, on a separate form, allow an  
18 adoptive parent to sign a certification that he or she rejects a  
19 support subsidy.

20 (4) If this section conflicts with state statute enacted  
21 subsequent to this act, the state statute controls.

22 Sec. 569. The department shall reimburse private child placing  
23 agencies that complete adoptions at the rate according to the date  
24 on which the petition for adoption and required support  
25 documentation was accepted by the court and not according to the  
26 date the court's order placing for adoption was entered.

27 Sec. 574. (1) From the funds appropriated in part 1 for foster

1 care payments, \$2,500,000.00 is allocated to support performance-  
2 based contracts with child placing agencies to facilitate the  
3 licensure of relative caregivers as foster parents. Agencies shall  
4 receive \$2,300.00 for each facilitated licensure if completed  
5 within 180 days after a child's placement or, if a waiver was  
6 previously approved, 180 days from the application date. If the  
7 facilitated licensure, or approved waiver, is completed after 180  
8 days, the agency shall receive up to \$2,300.00. The agency  
9 facilitating the licensure would retain the placement and continue  
10 to provide case management services for at least 50% of the newly  
11 licensed cases for which the placement was appropriate to the  
12 agency. Up to 50% of the newly licensed cases would have direct  
13 foster care services provided by the department.

14 (2) From the funds appropriated for foster care payments,  
15 \$375,000.00 is allocated to support family incentive grants to  
16 private and community-based foster care service providers to assist  
17 with home improvements or payment for physical exams for applicants  
18 needed by foster families to accommodate foster children.

19 Sec. 583. By February 1 of the current fiscal year, the  
20 department shall provide to the senate and house appropriations  
21 subcommittees on the department budget, the senate and house  
22 standing committees on families and human services, the senate and  
23 house fiscal agencies and policy offices, and the state budget  
24 office a report that includes:

25 (a) The number and percentage of foster parents that dropped  
26 out of the program in the previous fiscal year and the reasons the  
27 foster parents left the program and how those figures compare to

1 prior fiscal years.

2 (b) The number and percentage of foster parents successfully  
3 retained in the previous fiscal year and how those figures compare  
4 to prior fiscal years.

5 Sec. 585. The department shall make available at least 1 pre-  
6 service training class each month in which new caseworkers for  
7 private foster care and adoption agencies can enroll.

8 Sec. 586. (1) From the funds appropriated in part 1 to  
9 juvenile justice vision 20/20, \$1,000,000.00 is allocated to the  
10 College of Community and Public Service at Grand Valley State  
11 University in partnership with Juvenile Justice Vision 20/20 for  
12 implementation of a juvenile justice data sharing system. Grand  
13 Valley State University will provide project management oversight  
14 of the multijurisdictional juvenile justice data sharing  
15 implementation project and integrate additional juvenile courts  
16 using the model.

17 (2) Contracts or data sharing agreements with juvenile courts  
18 shall be developed by the College of Community and Public Service  
19 at Grand Valley State University in collaboration with Juvenile  
20 Justice Vision 20/20 and include, at a minimum, all of the  
21 following:

22 (a) The types of data and the manner in which the data are  
23 shared with the family division of circuit courts in this state and  
24 other state agencies.

25 (b) A notification of when data will be available to the  
26 participating parties.

27 (c) A detailed description of the purposes for which the data

1 shall be made available.

2 (d) The length of the proposed or executed contract.

3 (e) The methods by which the data will be shared, including  
4 the format of the data.

5 (f) Ability for state agencies to access, but not own, the  
6 data produced in the partnership, including access for the  
7 department and the state court administrative office for purposes  
8 of case management integration and information sharing.

9 (3) Administrative expenses for this contract management shall  
10 be not more than 10% of the total expenses from the funds  
11 appropriated under part 1 for this purpose.

12 (4) By March 1, 2017, the College of Community and Public  
13 Service at Grand Valley State University and Juvenile Justice  
14 Vision 20/20 shall provide to the senate and house appropriations  
15 subcommittees on the department budget, the senate and house fiscal  
16 agencies, and the senate and house policy offices a report on the  
17 status of the implementation of data sharing agreements between  
18 juvenile courts and state agencies. The report shall also include  
19 technical obstacles the project has encountered, the number of  
20 courts that have signed the agreement and the duration of their  
21 agreement, the number of juvenile records now available to be  
22 shared, a detailed report of expenses incurred, and recommendations  
23 for the legislature to further implement and expand the data  
24 sharing agreement.

25 Sec. 587. (1) From the funds appropriated in part 1 to in-home  
26 community care programs, \$400,000.00 shall be used to expand or  
27 create new in-home care and community-based juvenile justice

1 services for rural counties through their county spending plans  
2 that comply with the requirements of the social welfare act, 1939  
3 PA 280, MCL 400.1 to 400.119b.

4 (2) Counties shall describe the proposed funds to be used, the  
5 programming enhancements to be achieved, and the youth to be served  
6 by the additional funding in their spending plan. Counties that  
7 received funds for the purpose described in section 587 of article  
8 X of 2015 PA 84 are not eligible to receive the funds in this  
9 section. The department shall expend the full amount of funds on a  
10 first-come, first-served basis no later than December 31 of the  
11 current fiscal year to counties that apply in their approved  
12 spending plan. Counties with greater than 75,000 in population as  
13 of October 1, 2016 are not eligible for the funding described in  
14 subsection (1). Funding to a given program in a county shall not  
15 exceed \$25,000.00.

16 (3) By March 1 of the current fiscal year, the department  
17 shall submit a report that describes the program expansion and  
18 expenditures in detail to the senate and house appropriations  
19 subcommittees on the department budget, the senate and house fiscal  
20 agencies, and the senate and house policy offices.

21 Sec. 588. (1) Concurrently with public release, the department  
22 shall transmit all reports from the court-appointed settlement  
23 monitor, including, but not limited to, the needs assessment and  
24 period outcome reporting, to the state budget office, the senate  
25 and house appropriations subcommittees on the department budget,  
26 and the senate and house fiscal agencies, without revision.

27 (2) The department shall report quarterly to the state budget

1 office, the senate and house appropriations subcommittees on the  
2 department budget, and the senate and house fiscal agencies, on the  
3 number of children enrolled in the guardianship assistance and  
4 foster care - children with serious emotional disturbance waiver  
5 programs.

6 Sec. 589. (1) From the funds appropriated in part 1 for child  
7 care fund, the department shall pay 100% of the administrative rate  
8 for all new cases referred to providers of foster care services  
9 beginning on October 1, 2013.

10 (2) On a monthly basis, the department shall report on the  
11 number of all foster care cases administered by the department and  
12 all foster care cases administered by private providers.

13 Sec. 593. The department may allow residential service  
14 providers for child abuse and child neglect cases to implement a  
15 staff ratio during working hours of 1 staff to 5 children.

#### 16 **PUBLIC ASSISTANCE**

17 Sec. 601. Whenever a client agrees to the release of his or  
18 her name and address to the local housing authority, the department  
19 shall request from the local housing authority information  
20 regarding whether the housing unit for which vendoring has been  
21 requested meets applicable local housing codes. Vendoring shall be  
22 terminated for those units that the local authority indicates in  
23 writing do not meet local housing codes until such time as the  
24 local authority indicates in writing that local housing codes have  
25 been met.

26 Sec. 602. The department shall establish a policy to conduct a

1 full evaluation of an individual's assistance needs if the  
2 individual has applied for disability more than 1 time within a 1-  
3 year period.

4 Sec. 603. Between February 1 and February 28, 2017, the  
5 department shall provide to the senate and house appropriations  
6 subcommittees on the department budget, the senate and house fiscal  
7 agencies, the senate and house policy offices, and the state budget  
8 office a report on the findings of the maximizing Medicaid claim  
9 workgroup established in section 603 of article X of 2014 PA 252,  
10 including the steps taken to implement the action plan developed by  
11 the workgroup, and the department's ongoing efforts to maximize  
12 Medicaid claims for foster children and adjudicated youths.

13 Sec. 604. (1) The department shall operate a state disability  
14 assistance program. Except as provided in subsection (3), persons  
15 eligible for this program shall include needy citizens of the  
16 United States or aliens exempted from the supplemental security  
17 income citizenship requirement who are at least 18 years of age or  
18 emancipated minors meeting 1 or more of the following requirements:

19 (a) A recipient of supplemental security income, social  
20 security, or medical assistance due to disability or 65 years of  
21 age or older.

22 (b) A person with a physical or mental impairment that meets  
23 federal supplemental security income disability standards, except  
24 that the minimum duration of the disability shall be 90 days.  
25 Substance use disorder alone is not defined as a basis for  
26 eligibility.

27 (c) A resident of an adult foster care facility, a home for

1 the aged, a county infirmary, or a substance use disorder treatment  
2 center.

3 (d) A person receiving 30-day postresidential substance use  
4 disorder treatment.

5 (e) A person diagnosed as having acquired immunodeficiency  
6 syndrome.

7 (f) A person receiving special education services through the  
8 local intermediate school district.

9 (g) A caretaker of a disabled person who meets the  
10 requirements specified in subdivision (a), (b), (e), or (f).

11 (2) Applicants for and recipients of the state disability  
12 assistance program shall be considered needy if they:

13 (a) Meet the same asset test as is applied for the family  
14 independence program.

15 (b) Have a monthly budgetable income that is less than the  
16 payment standards.

17 (3) Except for a person described in subsection (1)(c) or (d),  
18 a person is not disabled for purposes of this section if his or her  
19 drug addiction or alcoholism is a contributing factor material to  
20 the determination of disability. "Material to the determination of  
21 disability" means that, if the person stopped using drugs or  
22 alcohol, his or her remaining physical or mental limitations would  
23 not be disabling. If his or her remaining physical or mental  
24 limitations would be disabling, then the drug addiction or  
25 alcoholism is not material to the determination of disability and  
26 the person may receive state disability assistance. Such a person  
27 must actively participate in a substance abuse treatment program,



1 and the assistance must be paid to a third party or through vendor  
2 payments. For purposes of this section, substance abuse treatment  
3 includes receipt of inpatient or outpatient services or  
4 participation in alcoholics anonymous or a similar program.

5 Sec. 605. The level of reimbursement provided to state  
6 disability assistance recipients in licensed adult foster care  
7 facilities shall be the same as the prevailing supplemental  
8 security income rate under the personal care category.

9 Sec. 606. County department offices shall require each  
10 recipient of family independence program and state disability  
11 assistance who has applied with the social security administration  
12 for supplemental security income to sign a contract to repay any  
13 assistance rendered through the family independence program or  
14 state disability assistance program upon receipt of retroactive  
15 supplemental security income benefits.

16 Sec. 607. (1) The department's ability to satisfy  
17 appropriation deductions in part 1 for state disability  
18 assistance/supplemental security income recoveries and public  
19 assistance recoupment revenues shall not be limited to recoveries  
20 and accruals pertaining to state disability assistance, or family  
21 independence assistance grant payments provided only in the current  
22 fiscal year, but may include revenues collected during the current  
23 year that are prior year related and not a part of the department's  
24 accrued entries.

25 (2) The department may use supplemental security income  
26 recoveries to satisfy the deduct in any line in which the revenues  
27 are appropriated, regardless of the source from which the revenue

1 is recovered.

2       Sec. 608. Adult foster care facilities providing domiciliary  
3 care or personal care to residents receiving supplemental security  
4 income or homes for the aged serving residents receiving  
5 supplemental security income shall not require those residents to  
6 reimburse the home or facility for care at rates in excess of those  
7 legislatively authorized. To the extent permitted by federal law,  
8 adult foster care facilities and homes for the aged serving  
9 residents receiving supplemental security income shall not be  
10 prohibited from accepting third-party payments in addition to  
11 supplemental security income if the payments are not for food,  
12 clothing, shelter, or result in a reduction in the recipient's  
13 supplemental security income payment.

14       Sec. 609. The state supplementation level under the  
15 supplemental security income program for the personal care/adult  
16 foster care and home for the aged categories shall not be reduced  
17 during the current fiscal year. The legislature shall be notified  
18 not less than 30 days before any proposed reduction in the state  
19 supplementation level.

20       Sec. 610. (1) In developing good cause criteria for the state  
21 emergency relief program, the department shall grant exemptions if  
22 the emergency resulted from unexpected expenses related to  
23 maintaining or securing employment.

24       (2) For purposes of determining housing affordability  
25 eligibility for state emergency relief, a group is considered to  
26 have sufficient income to meet ongoing housing expenses if their  
27 total housing obligation does not exceed 75% of their total net

1 income.

2 (3) State emergency relief payments shall not be made to  
3 individuals who have been found guilty of fraud in regard to  
4 obtaining public assistance.

5 (4) State emergency relief payments shall not be made  
6 available to persons who are out-of-state residents or illegal  
7 immigrants.

8 (5) State emergency relief payments for rent assistance shall  
9 be distributed directly to landlords and shall not be added to  
10 Michigan bridge cards.

11 Sec. 611. The state supplementation level under the  
12 supplemental security income program for the living independently  
13 or living in the household of another categories shall not exceed  
14 the minimum state supplementation level as required under federal  
15 law or regulations.

16 Sec. 613. (1) The department shall provide reimbursements for  
17 the final disposition of indigent persons. The reimbursements shall  
18 include the following:

19 (a) The maximum allowable reimbursement for the final  
20 disposition is \$800.00.

21 (b) The adult burial with services allowance is \$720.00.

22 (c) The adult burial without services allowance is \$485.00.

23 (d) The infant burial allowance is \$165.00.

24 (2) It is the intent of the legislature that this charge limit  
25 reflect a total increase of \$20.00 per case in payments to funeral  
26 directors for funeral goods and services over the payment rate in  
27 place for the previous fiscal year. In addition, reimbursement for

1 a cremation permit fee of up to \$75.00 and for mileage at the  
2 standard rate will also be made available for an eligible  
3 cremation. The reimbursements under this section shall take into  
4 consideration religious preferences that prohibit cremation.

5 Sec. 614. The department shall report to the senate and house  
6 of representatives appropriations subcommittees on the department  
7 budget, the senate and house fiscal agencies, and the senate and  
8 house policy offices by January 15 of the current fiscal year on  
9 the number and percentage of state disability assistance recipients  
10 who were determined to be eligible for federal supplemental  
11 security income benefits in the previous fiscal year.

12 Sec. 615. Except as required by federal law or regulations,  
13 funds appropriated in part 1 shall not be used to provide public  
14 assistance to a person who is an illegal alien. This section shall  
15 not prohibit the department from entering into contracts with food  
16 banks, emergency shelter providers, or other human services  
17 agencies who may, as a normal part of doing business, provide food  
18 or emergency shelter.

19 Sec. 616. The department shall require retailers that  
20 participate in the electronic benefits transfer program to charge  
21 no more than \$2.50 in fees for cash back as a condition of  
22 participation.

23 Sec. 617. The department shall prepare a report on the number  
24 and percentage of public assistance recipients, categorized by type  
25 of assistance received, who were no longer eligible for assistance  
26 because of their status in the law enforcement information network  
27 and provide the report by January 15 of the current fiscal year to

1 the senate and house appropriations subcommittees on the department  
2 budget, the senate and house standing committees on families and  
3 human services, and the senate and house fiscal agencies and policy  
4 offices.

5 Sec. 619. (1) Subject to subsection (2), the department shall  
6 exempt from the denial of title IV-A assistance and food assistance  
7 benefits under 21 USC 862a any individual who has been convicted of  
8 a felony that included the possession, use, or distribution of a  
9 controlled substance, after August 22, 1996, if the individual is  
10 not in violation of his or her probation or parole requirements.  
11 Benefits shall be provided to such individuals as follows:

12 (a) A third-party payee or vendor shall be required for any  
13 cash benefits provided.

14 (b) An authorized representative shall be required for food  
15 assistance receipt.

16 (2) Subject to federal approval, an individual is not entitled  
17 to the exemption in this section if the individual was convicted in  
18 2 or more separate cases of a felony that included the possession,  
19 use, or distribution of a controlled substance after August 22,  
20 1996.

21 Sec. 620. (1) The department shall make a determination of  
22 Medicaid eligibility not later than 90 days if disability is an  
23 eligibility factor. For all other Medicaid applicants, including  
24 patients of a nursing home, the department shall make a  
25 determination of Medicaid eligibility within 45 days of  
26 application.

27 (2) The department shall report on a quarterly basis to the

1 senate and house appropriations subcommittees on the department  
2 budget, the senate and house standing committees on families and  
3 human services, the senate and house fiscal agencies, the senate  
4 and house policy offices, and the state budget office on the  
5 average Medicaid eligibility standard of promptness for each of the  
6 required standards of promptness under subsection (1) and for  
7 medical review team reviews achieved statewide and at each local  
8 office.

9       Sec. 625. From the funds appropriated in part 1, the  
10 department shall allocate \$500,000.00 to contract with the Legal  
11 Services Association of Michigan to provide assistance to  
12 individuals who have applied for or wish to apply for SSI or other  
13 federal disability benefits. The Legal Services Association of  
14 Michigan shall provide a list of new recipients accepted to the  
15 department to verify that services have been provided to department  
16 recipients. The Legal Services Association of Michigan and the  
17 department shall work together to develop release forms to share  
18 information in appropriate cases. The Legal Services Association of  
19 Michigan shall provide quarterly reports indicating cases opened,  
20 cases closed, level of services provided on closed cases, and case  
21 outcomes on closed cases.

22       Sec. 630. From the funds appropriated in part 1 for family  
23 independence program, the department shall conduct a suspicion-  
24 based drug testing pilot program for the family independence  
25 program according to sections 57y and 57z of the social welfare  
26 act, 1939 PA 280, MCL 400.57y and 400.57z.

27       Sec. 642. The department shall allocate the full amount of

1 funds appropriated in part 1 for homeless programs to provide  
2 services for homeless individuals and families, including, but not  
3 limited to, third-party contracts for emergency shelter services.

4       Sec. 643. As a condition of receipt of federal TANF funds,  
5 homeless shelters and human services agencies shall collaborate  
6 with the department to obtain necessary TANF eligibility  
7 information on families as soon as possible after admitting a  
8 family to the homeless shelter. From the funds appropriated in part  
9 1 for homeless programs, the department is authorized to make  
10 allocations of TANF funds only to the agencies that report  
11 necessary data to the department for the purpose of meeting TANF  
12 eligibility reporting requirements. Homeless shelters or human  
13 services agencies that do not report necessary data to the  
14 department for the purpose of meeting TANF eligibility reporting  
15 requirements will not receive reimbursements that exceed the per  
16 diem amount they received in fiscal year 2000. The use of TANF  
17 funds under this section should not be considered an ongoing  
18 commitment of funding.

19       Sec. 645. An individual or family is considered homeless, for  
20 purposes of eligibility for state emergency relief, if living  
21 temporarily with others in order to escape domestic violence. For  
22 purposes of this section, domestic violence is defined and verified  
23 in the same manner as in the department's policies on good cause  
24 for not cooperating with child support and paternity requirements.

25       Sec. 653. From the funds appropriated in part 1 for food  
26 assistance, an individual who is the victim of domestic violence  
27 and does not qualify for any other exemption may be exempt from the

1 3-month in 36-month limit on receiving food assistance under 7 USC  
2 2015. This exemption can be extended an additional 3 months upon  
3 demonstration of continuing need.

4 Sec. 654. The department shall notify recipients of food  
5 assistance program benefits that their benefits can be spent with  
6 their bridge cards at many farmers' markets in the state. The  
7 department shall also notify recipients about the Double Up Food  
8 Bucks program that is administered by the Fair Food Network.  
9 Recipients shall receive information about the Double Up Food Bucks  
10 program, including information that when the recipient spends  
11 \$20.00 at participating farmers' markets through the program, the  
12 recipient can receive an additional \$20.00 to buy Michigan produce.

13 Sec. 655. Within 14 days after the spending plan for low-  
14 income home energy assistance program is approved by the state  
15 budget office, the department shall provide the spending plan,  
16 including itemized projected expenditures, to the chairpersons of  
17 the senate and house appropriations subcommittees on the department  
18 budget, the senate and house fiscal agencies, the senate and house  
19 policy offices, and the state budget office.

20 Sec. 660. From the funds appropriated in part 1 for food bank  
21 funding, the department is authorized to make allocations of TANF  
22 funds only to the agencies that report necessary data to the  
23 department for the purpose of meeting TANF eligibility reporting  
24 requirements. The agencies that do not report necessary data to the  
25 department for the purpose of meeting TANF eligibility reporting  
26 requirements will not receive allocations in excess of those  
27 received in fiscal year 2000. The use of TANF funds under this



1 section should not be considered an ongoing commitment of funding.

2       Sec. 669. The department shall allocate \$6,270,000.00 for the  
3 annual clothing allowance. The allowance shall be granted to all  
4 eligible children in a family independence program group.

5       Sec. 672. (1) The department's office of inspector general  
6 shall report to the senate and house of representatives  
7 appropriations subcommittees on the department budget, the senate  
8 and house fiscal agencies, and the senate and house policy offices  
9 by February 15 of the current fiscal year on department efforts to  
10 reduce inappropriate use of Michigan bridge cards. The department  
11 shall provide information on the number of recipients of services  
12 who used their electronic benefit transfer card inappropriately and  
13 the current status of each case, the number of recipients whose  
14 benefits were revoked, whether permanently or temporarily, as a  
15 result of inappropriate use, and the number of retailers that were  
16 fined or removed from the electronic benefit transfer program for  
17 permitting inappropriate use of the cards.

18       (2) As used in this section, "inappropriate use" means not  
19 used to meet a family's ongoing basic needs, including food,  
20 clothing, shelter, utilities, household goods, personal care items,  
21 and general incidentals.

22       Sec. 677. (1) The department shall establish a state goal for  
23 the percentage of family independence program cases involved in  
24 employment activities. The percentage established shall not be less  
25 than 50%. The goal for long-term employment shall be 15% of cases  
26 for 6 months or more.

27       (2) On a monthly basis, the department shall report to the

1 senate and house appropriations subcommittees on the department  
2 budget, the senate and house fiscal agencies and policy offices,  
3 and the state budget director on the number of cases referred to  
4 Partnership. Accountability. Training. Hope. (PATH), the current  
5 percentage of family independence program cases involved in PATH  
6 employment activities, an estimate of the current percentage of  
7 family independence program cases that meet federal work  
8 participation requirements on the whole, and an estimate of the  
9 current percentage of the family independence program cases that  
10 meet federal work participation requirements for those cases  
11 referred to PATH.

12 (3) The department shall submit to the senate and house  
13 appropriations subcommittees on the department budget, the senate  
14 and house fiscal agencies, the senate and house policy offices, and  
15 the state budget office a quarterly report that includes all of the  
16 following:

17 (a) The number and percentage of nonexempt family independence  
18 program recipients who are employed.

19 (b) The average and range of wages of employed family  
20 independence program recipients.

21 (c) When data become available, the number and percentage of  
22 employed family independence program recipients who remain employed  
23 for 6 months or more.

24 Sec. 686. (1) The department shall ensure that program policy  
25 requires caseworkers to confirm that individuals presenting  
26 personal identification issued by another state seeking assistance  
27 through the family independence program, food assistance program,

1 state disability assistance program, or medical assistance program  
2 are not receiving benefits from any other state.

3 (2) The department shall require caseworkers to confirm the  
4 address provided by any individual seeking family independence  
5 program benefits or state disability assistance benefits.

6 (3) The department shall prohibit individuals with property  
7 assets assessed at a value higher than \$200,000.00 from accessing  
8 assistance through department-administered programs, unless such a  
9 prohibition would violate federal rules and guidelines.

10 (4) The department shall require caseworkers to obtain an up-  
11 to-date telephone number during the eligibility determination or  
12 redetermination process for individuals seeking medical assistance  
13 benefits.

14 Sec. 687. (1) The department shall, on a quarterly basis by  
15 February 1, May 1, August 1, and November 1, compile and make  
16 available on its website all of the following information about the  
17 family independence program, state disability assistance, the food  
18 assistance program, Medicaid, and state emergency relief:

19 (a) The number of applications received.

20 (b) The number of applications approved.

21 (c) The number of applications denied.

22 (d) The number of applications pending and neither approved  
23 nor denied.

24 (e) The number of cases opened.

25 (f) The number of cases closed.

26 (g) The number of cases at the beginning of the quarter and  
27 the number of cases at the end of the quarter.

1           (2) The information provided under subsection (1) shall be  
2 compiled and made available for the state as a whole and for each  
3 county and reported separately for each program listed in  
4 subsection (1).

5           (3) The department shall, on a quarterly basis by February 1,  
6 May 1, August 1, and November 1, compile and make available on its  
7 website the family independence program information listed as  
8 follows:

9           (a) The number of new applicants who successfully met the  
10 requirements of the 21-day assessment period for PATH.

11           (b) The number of new applicants who did not meet the  
12 requirements of the 21-day assessment period for PATH.

13           (c) The number of cases sanctioned because of the school  
14 truancy policy.

15           (d) The number of cases closed because of the 48-month and 60-  
16 month lifetime limits.

17           (e) The number of first-, second-, and third-time sanctions.

18           (f) The number of children ages 0-5 living in FIP-sanctioned  
19 households.

20           (4) The department shall notify the state budget office, the  
21 senate and house appropriations subcommittees on the department  
22 budget, the senate and house fiscal agencies, and the senate and  
23 house policy offices when the reports required in this section are  
24 made available on the department's website.

25   **JUVENILE JUSTICE SERVICES**

26           Sec. 701. Unless required from changes to federal or state law

1 or at the request of a provider, the department shall not alter the  
2 terms of any signed contract with a private residential facility  
3 serving children under state or court supervision without written  
4 consent from a representative of the private residential facility.

5       Sec. 706. Counties shall be subject to 50% chargeback for the  
6 use of alternative regional detention services, if those detention  
7 services do not fall under the basic provision of section 117e of  
8 the social welfare act, 1939 PA 280, MCL 400.117e, or if a county  
9 operates those detention services programs primarily with  
10 professional rather than volunteer staff.

11       Sec. 707. In order to be reimbursed for child care fund  
12 expenditures, counties are required to submit department-developed  
13 reports to enable the department to document potential federally  
14 claimable expenditures. This requirement is in accordance with the  
15 reporting requirements specified in section 117a(7) of the social  
16 welfare act, 1939 PA 280, MCL 400.117a.

17       Sec. 708. (1) As a condition of receiving funds appropriated  
18 in part 1 for the child care fund line item, by December 15 of the  
19 current fiscal year, counties shall have an approved service  
20 spending plan for the current fiscal year. Counties must submit the  
21 service spending plan to the department by October 1 of the current  
22 fiscal year for approval. The department shall approve within 30  
23 calendar days after receipt a properly completed service plan that  
24 complies with the requirements of the social welfare act, 1939 PA  
25 280, MCL 400.1 to 400.119b, and shall notify a county within 30  
26 days after approval that its service plan was approved.

27       (2) The department shall submit a report to the house and

1 senate appropriations subcommittees on the department budget, the  
2 house and senate fiscal agencies, and the house and senate policy  
3 offices by February 15 of the current fiscal year on the number of  
4 counties that fail to submit a service spending plan by October 1  
5 and the number of service spending plans not approved by December  
6 15.

7       Sec. 709. (1) The department's master contract for juvenile  
8 justice residential foster care services shall be amended to  
9 prohibit contractors from denying a referral for placement of a  
10 youth, or terminating a youth's placement, if the youth's assessed  
11 treatment needs are in alignment with the facility's residential  
12 program type, as identified by the court or the department. In  
13 addition, the master contract shall require that youth placed in  
14 juvenile justice residential foster care facilities must have  
15 regularly scheduled treatment sessions with a licensed psychologist  
16 or psychiatrist, or both, and access to the licensed psychologist  
17 or psychiatrist as needed.

18       (2) The rates established for private residential juvenile  
19 justice facilities that were in effect on October 1, 2015 remain in  
20 effect for the current fiscal year.

21       (3) The department shall submit a quarterly report by November  
22 1, February 1, May 1, and August 1 to the senate and house  
23 appropriations subcommittees on the department budget, the senate  
24 and house fiscal agencies, and the senate and house policy offices  
25 on the current placement and status of the youth transferred from  
26 the W.J. Maxey Training School during the previous and current  
27 fiscal year as a result of the closure.

1       Sec. 719. The department shall notify the legislature at least  
2 30 days before closing or making any change in the status,  
3 including the licensed bed capacity and operating bed capacity, of  
4 a state juvenile justice facility.

5       Sec. 721. If the demand for placements at state-operated  
6 juvenile justice residential facilities exceeds capacity, the  
7 department shall not increase the available occupancy or services  
8 at the facilities, and shall post a request for proposals for a  
9 contract with not less than 1 private provider of residential  
10 services for juvenile justice youth to be a residential facility of  
11 last resort.

#### 12 **FIELD OPERATIONS AND SUPPORT SERVICES**

13       Sec. 801. (1) Funds appropriated in part 1 for independent  
14 living shall be used to support the general operations of centers  
15 for independent living in delivering mandated independent living  
16 services in compliance with federal rules and regulations for the  
17 centers, by existing centers for independent living to serve  
18 underserved areas, and for projects to build the capacity of  
19 centers for independent living to deliver independent living  
20 services. Applications for the funds shall be reviewed in  
21 accordance with criteria and procedures established by the  
22 department. The funds appropriated in part 1 may be used to  
23 leverage federal vocational rehabilitation innovation and expansion  
24 funds consistent with 34 CFR 361.35 up to \$5,543,000.00, if  
25 available. If the possibility of matching federal funds exists, the  
26 centers for independent living network will negotiate a mutually

1 beneficial contractual arrangement with Michigan rehabilitation  
2 services. Funds shall be used in a manner consistent with the state  
3 plan for independent living. Services provided should assist people  
4 with disabilities to move toward self-sufficiency, including  
5 support for accessing transportation and health care, obtaining  
6 employment, community living, nursing home transition, information  
7 and referral services, education, youth transition services,  
8 veterans, and stigma reduction activities and community education.  
9 This includes the independent living guide project that  
10 specifically focuses on economic self-sufficiency.

11 (2) The Michigan centers for independent living shall provide  
12 a report by March 1 of the current fiscal year to the house and  
13 senate appropriations subcommittees on the department budget, the  
14 house and senate fiscal agencies, the house and senate policy  
15 offices, and the state budget office on direct customer and system  
16 outcomes and performance measures.

17 Sec. 802. The Michigan rehabilitation services shall work  
18 collaboratively with the bureau of services for blind persons,  
19 service organizations, and government entities to identify  
20 qualified match dollars to maximize use of available federal  
21 vocational rehabilitation funds.

22 Sec. 803. The department shall provide an annual report by  
23 February 1 to the house and senate appropriations subcommittees on  
24 the department budget, the house and senate fiscal agencies, and  
25 house and senate policy offices on Michigan rehabilitation  
26 services. The report shall include all of the following items:

27 (a) Reductions and changes in administration costs and



1 staffing.

2 (b) Service delivery plans and implementation steps achieved.

3 (c) Reorganization plans and implementation steps achieved.

4 (d) Plans to integrate Michigan rehabilitative services  
5 programs into other services provided by the department.

6 (e) Quarterly expenditures by major spending category.

7 (f) Employment and job retention rates from both Michigan  
8 rehabilitation services and its nonprofit partners.

9 (g) Success rate of each district in achieving the program  
10 goals.

11 Sec. 804. From the funds appropriated in part 1 for Michigan  
12 rehabilitation services, the department shall allocate \$50,000.00  
13 along with available federal match to support a private nonprofit  
14 charity that provides direct services to farmers with injuries,  
15 illnesses, or aging conditions. The funding shall be used in  
16 combination with other funds for research of adaptive farming  
17 tools, development of on-farm site evaluation plans, to plan  
18 strategies to overcome barriers to farm work, and to install farm  
19 technology to enable farmers to work longer.

20 Sec. 805. It is the intent of the legislature that Michigan  
21 rehabilitation services shall not implement an order of selection  
22 for vocational and rehabilitative services. If the department is at  
23 risk of entering into an order of selection for services, the  
24 department shall notify the chairs of the senate and house  
25 subcommittees on the department budget and the senate and house  
26 fiscal agencies and policy offices within 2 weeks of receiving  
27 notification.

1       Sec. 806. From the funds appropriated in part 1 for Michigan  
2 rehabilitation services, the department shall allocate  
3 \$6,100,300.00, including federal matching funds, to service  
4 contracts with accredited, community-based rehabilitation  
5 organizations for job development and other community employment-  
6 related support services.

7       Sec. 825. From the funds appropriated in part 1, the  
8 department shall provide individuals not more than \$500.00 for  
9 vehicle repairs, including any repairs done in the previous 12  
10 months. However, the department may in its discretion pay for  
11 repairs up to \$900.00. Payments under this section shall include  
12 the combined total of payments made by the department and work  
13 participation program.

14       Sec. 850. (1) The department shall maintain out-stationed  
15 eligibility specialists in community-based organizations, community  
16 mental health agencies, nursing homes, and hospitals unless a  
17 community-based organization, community mental health agency,  
18 nursing home, or hospital requests that the program be discontinued  
19 at its facility.

20       (2) From the funds appropriated in part 1 for donated funds  
21 positions, the department shall enter into a contract with any  
22 agency that requests a donated funds position and is able and  
23 eligible under federal law to provide the required matching funds  
24 for federal funding, as determined by federal statute and  
25 regulations. If the department denies a request for donated funds  
26 positions, the department shall provide to the agency that made the  
27 request the federal statute or regulation that supports the denial.

1 If there is no federal statute or regulation that supports the  
2 denial, the department shall grant the request for the donated  
3 funds position.

4 (3) A contract for a donated funds position must include, but  
5 not be limited to, the following performance metrics:

6 (a) Meeting a standard of promptness for processing  
7 applications for Medicaid and other public assistance programs  
8 under state law.

9 (b) Meeting required standards for error rates in determining  
10 programmatic eligibility as determined by the department.

11 (4) The department shall only fill additional donated funds  
12 positions after a new contract has been signed. That position shall  
13 also be abolished when the contract expires or is terminated.

14 (5) The department shall classify as limited-term FTEs any new  
15 employees who are hired to fulfill the donated funds position  
16 contracts or are hired to fill any vacancies from employees who  
17 transferred to a donated funds position.

18 (6) Beginning in fiscal year 2016, the department may increase  
19 the total number of donated funds positions by 200.0 FTEs. The  
20 purpose of these positions will be to address client service needs  
21 in adult placement and independent living settings, federal  
22 qualified health clinics, hospitals with a high degree of  
23 uncompensated care, and employer-based sites. By March 1 of the  
24 current fiscal year, the department shall submit a report to the  
25 senate and house appropriations subcommittees on the department  
26 budget, the senate and house fiscal agencies and policy offices,  
27 and the state budget office detailing information on the donated

1 funds positions, including the total number of occupied positions,  
2 the total private contribution of the positions, and the total cost  
3 to the state for any nonsalary expenditure for the donated funds  
4 position employees.

5 **BEHAVIORAL HEALTH SERVICES**

6 Sec. 901. Funds appropriated in part 1 are intended to support  
7 a system of comprehensive community mental health services under  
8 the full authority and responsibility of local CMHSPs or PIHPs in  
9 accordance with the mental health code, 1974 PA 258, MCL 330.1001  
10 to 330.2106, the Medicaid provider manual, federal Medicaid  
11 waivers, and all other applicable federal and state laws.

12 Sec. 902. (1) From funds appropriated in part 1, final  
13 authorizations to CMHSPs or PIHPs shall be made upon the execution  
14 of contracts between the department and CMHSPs or PIHPs. The  
15 contracts shall contain an approved plan and budget as well as  
16 policies and procedures governing the obligations and  
17 responsibilities of both parties to the contracts. Each contract  
18 with a CMHSP or PIHP that the department is authorized to enter  
19 into under this subsection shall include a provision that the  
20 contract is not valid unless the total dollar obligation for all of  
21 the contracts between the department and the CMHSPs or PIHPs  
22 entered into under this subsection for the current fiscal year does  
23 not exceed the amount of money appropriated in part 1 for the  
24 contracts authorized under this subsection.

25 (2) The department shall immediately report to the senate and  
26 house appropriations subcommittees on the department budget, the

1 senate and house fiscal agencies, and the state budget director if  
2 either of the following occurs:

3 (a) Any new contracts with CMHSPs or PIHPs that would affect  
4 rates or expenditures are entered into.

5 (b) Any amendments to contracts with CMHSPs or PIHPs that  
6 would affect rates or expenditures are entered into.

7 (3) The report required by subsection (2) shall include  
8 information about the changes and their effects on rates and  
9 expenditures.

10 Sec. 904. (1) Not later than May 31 of the current fiscal  
11 year, the department shall provide a report on the CMHSPs, PIHPs,  
12 regional entities designated by the department as PIHPs, and  
13 managing entities for substance use disorders to the members of the  
14 house and senate appropriations subcommittees on the department  
15 budget, the house and senate fiscal agencies, and the state budget  
16 director that includes the information required by this section.

17 (2) The report shall contain information for each CMHSP, PIHP,  
18 regional entity designated by the department as a PIHP, and  
19 managing entity for substance use disorders and a statewide  
20 summary, each of which shall include at least the following  
21 information:

22 (a) A demographic description of service recipients that,  
23 minimally, shall include reimbursement eligibility, client  
24 population, age, ethnicity, housing arrangements, and diagnosis.

25 (b) Per capita expenditures by client population group and  
26 cultural and ethnic groups of the services area, including the deaf  
27 and hard of hearing population.

1 (c) Financial information that, minimally, includes a  
2 description of funding authorized; expenditures by client group and  
3 fund source; and cost information by Medicaid and Healthy Michigan  
4 plan service category, including administration and funds specified  
5 for all outside contracts for services and products. Financial  
6 information must include the amount of funding, from each fund  
7 source, used to cover clinical services and supports. Service  
8 category includes all department-approved services. General fund  
9 expenditures should reflect those funds used to cover uninsured  
10 individuals including Medicaid spenddowns.

11 (d) Data describing service outcomes that include, but are not  
12 limited to, an evaluation of consumer satisfaction, consumer  
13 choice, and quality of life concerns including, but not limited to,  
14 housing and employment.

15 (e) Information about access to CMHSPs that includes, but is  
16 not limited to, the following:

17 (i) The number of people receiving requested services.

18 (ii) The number of people who requested services but did not  
19 receive services.

20 (f) The number of second opinions requested under the code and  
21 the determination of any appeals.

22 (g) An analysis of information provided by CMHSPs in response  
23 to the needs assessment requirements of the mental health code,  
24 1974 PA 258, MCL 330.1001 to 330.2106.

25 (h) Lapses and carryforwards during the immediately preceding  
26 fiscal year for CMHSPs, PIHPs, regional entities designated by the  
27 department as PIHPs, and managing entities for substance use

1 disorders.

2 (i) Information about contracts for both administrative and  
3 mental health services entered into by CMHSPs, PIHPs, regional  
4 entities designated by the department as PIHPs, and managing  
5 entities for substance use disorders with providers and others,  
6 including, but not limited to, all of the following:

7 (i) The amount of the contract, organized by type of service  
8 provided.

9 (ii) Payment rates, organized by the type of service provided.

10 (iii) Administrative costs, including contract and consultant  
11 costs, for services provided to CMHSPs, PIHPs, regional entities  
12 designated by the department as PIHPs, and managing entities for  
13 substance use disorders.

14 (j) Information on the community mental health Medicaid  
15 managed care and Healthy Michigan plan programs, including, but not  
16 limited to, the following:

17 (i) Expenditures by each CMHSP, PIHP, regional entity  
18 designated by the department as a PIHP, and managing entity for  
19 substance use disorders organized by Medicaid eligibility group,  
20 including per eligible individual expenditure averages.

21 (ii) Expenditures on, and utilization of, each Medicaid and  
22 Healthy Michigan plan service category by each CMHSP, PIHP,  
23 regional entity designated by the department as a PIHP, and  
24 managing entity for substance use disorders.

25 (iii) Performance indicator information required to be  
26 submitted to the department in the contracts with CMHSPs, PIHPs,  
27 regional entities designated by the department as PIHPs, and

1 managing entities for substance use disorders.

2 (k) Administrative expenditures of each CMHSP, PIHP, regional  
3 entity designated by the department as a PIHP, and managing entity  
4 for substance use disorders that includes a breakout of the salary,  
5 benefits, and pension of each executive level staff and shall  
6 include the director, chief executive, and chief operating officers  
7 and other members identified as executive staff.

8 (3) The department shall include data reporting requirements  
9 listed in subsection (2) in the annual contract with each  
10 individual CMHSP, PIHP, regional entity designated by the  
11 department as a PIHP, and managing entity for substance use  
12 disorders.

13 (4) The department shall take all reasonable actions to ensure  
14 that the data required are complete and consistent among all  
15 CMHSPs, PIHPs, regional entities designated by the department as  
16 PIHPs, and managing entities for substance use disorders.

17 Sec. 906. (1) The funds appropriated in part 1 for the state  
18 disability assistance substance use disorder services program shall  
19 be used to support per diem room and board payments in substance  
20 use disorder residential facilities. Eligibility of clients for the  
21 state disability assistance substance use disorder services program  
22 shall include needy persons 18 years of age or older, or  
23 emancipated minors, who reside in a substance use disorder  
24 treatment center.

25 (2) The department shall reimburse all licensed substance use  
26 disorder programs eligible to participate in the program at a rate  
27 equivalent to that paid by the department to adult foster care



1 providers. Programs accredited by department-approved accrediting  
2 organizations shall be reimbursed at the personal care rate, while  
3 all other eligible programs shall be reimbursed at the domiciliary  
4 care rate.

5       Sec. 907. (1) The amount appropriated in part 1 for substance  
6 use disorder prevention, education, and treatment grants shall be  
7 expended to coordinate care and services provided to individuals  
8 with severe and persistent mental illness and substance use  
9 disorder diagnoses.

10       (2) The department shall approve managing entity fee schedules  
11 for providing substance use disorder services and charge  
12 participants in accordance with their ability to pay.

13       (3) The managing entity shall continue current efforts to  
14 collaborate on the delivery of services to those clients with  
15 mental illness and substance use disorder diagnoses with the goal  
16 of providing services in an administratively efficient manner.

17       Sec. 908. (1) By April 1 of the current fiscal year, the  
18 department shall report the following data from the prior fiscal  
19 year on substance use disorder prevention, education, and treatment  
20 programs to the senate and house appropriations subcommittees on  
21 the department budget, the senate and house fiscal agencies, and  
22 the state budget office:

23       (a) Expenditures stratified by department-designated community  
24 mental health entity, by central diagnosis and referral agency, by  
25 fund source, by subcontractor, by population served, and by service  
26 type. Additionally, data on administrative expenditures by  
27 department-designated community mental health entity shall be

1 reported.

2 (b) Expenditures per state client, with data on the  
3 distribution of expenditures reported using a histogram approach.

4 (c) Number of services provided by central diagnosis and  
5 referral agency, by subcontractor, and by service type.  
6 Additionally, data on length of stay, referral source, and  
7 participation in other state programs.

8 (d) Collections from other first- or third-party payers,  
9 private donations, or other state or local programs, by department-  
10 designated community mental health entity, by subcontractor, by  
11 population served, and by service type.

12 (2) The department shall take all reasonable actions to ensure  
13 that the required data reported are complete and consistent among  
14 all department-designated community mental health entities.

15 Sec. 910. The department shall ensure that substance use  
16 disorder treatment is provided to applicants and recipients of  
17 public assistance through the department who are required to obtain  
18 substance use disorder treatment as a condition of eligibility for  
19 public assistance.

20 Sec. 911. (1) The department shall ensure that each contract  
21 with a CMHSP or PIHP requires the CMHSP or PIHP to implement  
22 programs to encourage diversion of individuals with serious mental  
23 illness, serious emotional disturbance, or developmental disability  
24 from possible jail incarceration when appropriate.

25 (2) Each CMHSP or PIHP shall have jail diversion services and  
26 shall work toward establishing working relationships with  
27 representative staff of local law enforcement agencies, including

1 county prosecutors' offices, county sheriffs' offices, county  
2 jails, municipal police agencies, municipal detention facilities,  
3 and the courts. Written interagency agreements describing what  
4 services each participating agency is prepared to commit to the  
5 local jail diversion effort and the procedures to be used by local  
6 law enforcement agencies to access mental health jail diversion  
7 services are strongly encouraged.

8       Sec. 912. The department shall contract directly with the  
9 Salvation Army harbor light program to provide non-Medicaid  
10 substance use disorder services if the local coordinating agency or  
11 the department confirms the Salvation Army harbor light program  
12 meets the standard of care. The standard of care shall include, but  
13 is not limited to, utilization of the medication assisted treatment  
14 option.

15       Sec. 918. On or before the twenty-fifth of each month, the  
16 department shall report to the senate and house appropriations  
17 subcommittees on the department budget, the senate and house fiscal  
18 agencies, and the state budget director on the amount of funding  
19 paid to PIHPs to support the Medicaid managed mental health care  
20 program in the preceding month. The information shall include the  
21 total paid to each PIHP, per capita rate paid for each eligibility  
22 group for each PIHP, and number of cases in each eligibility group  
23 for each PIHP, and year-to-date summary of eligibles and  
24 expenditures for the Medicaid managed mental health care program.

25       Sec. 924. Each PIHP that contracts with the department to  
26 provide services to the Medicaid population shall adhere to the  
27 following timely claims processing and payment procedure for claims

1 submitted by health professionals and facilities:

2 (a) A "clean claim" as described in section 111i of the social  
3 welfare act, 1939 PA 280, MCL 400.111i, shall be paid within 45  
4 days after receipt of the claim by the PIHP. A clean claim that is  
5 not paid within this time frame shall bear simple interest at a  
6 rate of 12% per annum.

7 (b) A PIHP shall state in writing to the health professional  
8 or facility any defect in the claim within 30 days after receipt of  
9 the claim.

10 (c) A health professional and a health facility have 30 days  
11 after receipt of a notice that a claim or a portion of a claim is  
12 defective within which to correct the defect. The PIHP shall pay  
13 the claim within 30 days after the defect is corrected.

14 Sec. 928. Each PIHP shall provide, from internal resources,  
15 local funds to be used as a bona fide part of the state match  
16 required under the Medicaid program in order to increase capitation  
17 rates for PIHPs. These funds shall not include either state funds  
18 received by a CMHSP for services provided to non-Medicaid  
19 recipients or the state matching portion of the Medicaid capitation  
20 payments made to a PIHP.

21 Sec. 935. A county required under the provisions of the mental  
22 health code, 1974 PA 258, MCL 330.1001 to 330.2106, to provide  
23 matching funds to a CMHSP for mental health services rendered to  
24 residents in its jurisdiction shall pay the matching funds in equal  
25 installments on not less than a quarterly basis throughout the  
26 fiscal year, with the first payment being made by October 1 of the  
27 current fiscal year.

1       Sec. 958. Medicaid services shall include treatment for autism  
2 spectrum disorders as defined in the federally approved Medicaid  
3 state plan. These services may be coordinated with the Medicaid  
4 health plans and the Michigan Association of Health Plans.

5       Sec. 960. The department shall allocate funds appropriated in  
6 part 1 for university autism programs through a grant process for  
7 the purpose of increasing the number of applied behavioral analysis  
8 therapists, autism diagnostic centers, autism treatment centers,  
9 and employment programs, and to increase the autism clinical  
10 expertise of health care providers.

11       Sec. 994. (1) Contingent upon federal approval, if a CMHSP,  
12 PIHP, or subcontracting provider agency is reviewed and accredited  
13 by a national accrediting entity for behavioral health care  
14 services, the department, by April 1 of the current fiscal year,  
15 shall consider that CMHSP, PIHP, or subcontracting provider agency  
16 in compliance with state program review and audit requirements that  
17 are addressed and reviewed by that national accrediting entity.

18       (2) By June 1 of the current fiscal year, the department shall  
19 report to the house and senate appropriations subcommittees on the  
20 department budget, the house and senate fiscal agencies, and the  
21 state budget office all of the following:

22       (a) A list of each CMHSP, PIHP, and subcontracting provider  
23 agency that is considered in compliance with state program review  
24 and audit requirements under subsection (1).

25       (b) For each CMHSP, PIHP, or subcontracting provider agency  
26 described in subdivision (a), all of the following:

27       (i) The state program review and audit requirements that the

1 CMHSP, PIHP, or subcontracting provider agency is considered in  
2 compliance with.

3 (ii) The national accrediting entity that reviewed and  
4 accredited the CMHSP, PIHP, or subcontracting provider agency.

5 (3) The department shall continue to comply with state and  
6 federal law and shall not initiate an action that negatively  
7 impacts beneficiary safety.

8 (4) As used in this section, "national accrediting entity"  
9 means the Joint Commission, formerly known as the Joint Commission  
10 on Accreditation of Healthcare Organizations, the Commission on  
11 Accreditation of Rehabilitation Facilities, the Council on  
12 Accreditation, the URAC, formerly known as the Utilization Review  
13 Accreditation Commission, the National Committee for Quality  
14 Assurance, or other appropriate entity, as approved by the  
15 department.

16 Sec. 995. From the funds appropriated in part 1 for behavioral  
17 health program administration, \$4,350,000.00 is intended to address  
18 the recommendations of the mental health diversion council.

19 Sec. 998. For distribution of state general funds to CMHSPs,  
20 if the department decides to use census data, the department shall  
21 use the most recent federal decennial census data available.

22 Sec. 1003. The department shall notify the Michigan  
23 Association of Community Mental Health Boards when developing  
24 policies and procedures that will impact PIHPs or CMHSPs.

25 Sec. 1005. For the purposes of special projects involving  
26 high-need children or adults, including the not guilty by reason of  
27 insanity population, the department may contract directly with

1 providers of services to these identified populations.

2       Sec. 1006. No later than June 1 of the current fiscal year,  
3 the department shall provide the house and senate appropriations  
4 subcommittees on the department budget, the house and senate fiscal  
5 agencies, and the state budget office with the most recent cost  
6 data information submitted by the CMHSPs on how the funds  
7 appropriated in part 1 for the community mental health services  
8 non-Medicaid services line item were expended by each CMHSP. At a  
9 minimum, the information must include CMHSPs general fund/general  
10 purpose costs for each of the following categories: administration,  
11 prevention, jail diversion and treatment services, MICHild program,  
12 children's waiver home care program, children with serious  
13 emotional disturbance waiver program, services provided to  
14 individuals with mental illness and developmental disabilities who  
15 are not eligible for Medicaid, and the Medicaid spenddown  
16 population.

17       Sec. 1007. (1) From the funds appropriated in part 1 for  
18 behavioral health program administration, the department shall  
19 maintain a psychiatric residential treatment facility and  
20 children's behavioral action team. These services will augment the  
21 continuum of behavioral health services for high-need youth and  
22 provide additional continuity of care and transition into  
23 supportive community-based services.

24       (2) Outcomes and performance measures for this initiative  
25 include, but are not limited to, the following:

26       (a) The rate of rehospitalization for youth served through the  
27 program at 30 and 180 days.

1 (b) Measured change in the Child and Adolescent Functional  
2 Assessment Scale for children served through the program.

3 Sec. 1008. The PIHP shall do all of the following:

4 (a) Work to reduce administration costs by ensuring that PIHP  
5 responsible functions are efficient to allow optimal transition of  
6 dollars to direct services. This process must include limiting  
7 duplicate layers of administration and minimizing PIHP-delegated  
8 services that may result in higher costs or inconsistent service  
9 delivery, or both.

10 (b) Take an active role in managing mental health care by  
11 ensuring consistent and high-quality service delivery throughout  
12 its network and promote a conflict-free care management  
13 environment.

14 (c) Ensure that direct service rate variances are related to  
15 the level of need or other quantifiable measures to ensure that the  
16 most money possible reaches direct services.

17 (d) Whenever possible, promote fair and adequate direct care  
18 reimbursement, including fair wages for direct service workers.

19 Sec. 1009. (1) The department shall work with PIHP network  
20 providers to analyze the workforce challenges of recruitment and  
21 retention of staff who provide Medicaid-funded community living  
22 supports, personal care services, respite services, skill building  
23 services, and other similar supports and services. The department  
24 workgroup must consider ways to attract and retain staff to provide  
25 Medicaid-funded supports and services.

26 (2) The department workgroup must include PIHP providers,  
27 CMHSPs, individuals with disabilities, and staff.



1           (3) By October 1 of the current fiscal year, the department  
2 shall provide a status report on the workgroup's suggestions to the  
3 senate and house appropriations subcommittees on the department  
4 budget, the senate and house fiscal agencies, and the state budget  
5 director, making note in the report when the participants outlined  
6 in subsection (2) reached consensus on the workgroup's suggestions  
7 and when the participants outlined in subsection (2) had points of  
8 difference on the workgroup's suggestions.

9           Sec. 1010. (1) If the federal government allows the  
10 redistribution of lapsed federal Medicaid match funds in the  
11 Medicaid mental health services line, the funds appropriated in  
12 part 1 for Medicaid mental health services funds, that have lapsed,  
13 shall be distributed to individual PIHPs based on the PIHP  
14 distribution formula in effect during the current fiscal year.

15           (2) It is the intent of the legislature that any funds that  
16 lapse from the funds appropriated in part 1 for Medicaid mental  
17 health services shall be redistributed to individual CMHSPs based  
18 on the community mental health non-Medicaid services distribution  
19 formula in effect during the current fiscal year. By April 1 of the  
20 current fiscal year, the department shall report to the house and  
21 senate appropriations subcommittees on the department budget, the  
22 house and senate fiscal agencies, and the state budget office on  
23 the lapse by PIHP from the previous fiscal year and the projected  
24 lapse by PIHP in the current fiscal year.

25           Sec. 1011. (1) As part of the Medicaid rate setting process  
26 for behavioral health care, the department shall work with PIHP  
27 network providers and actuaries to consider including any state

1 minimum wage increases that directly impact staff who provide  
2 Medicaid-funded community living supports, personal care services,  
3 respite services, skill building services, and other similar  
4 supports and services as part of the Medicaid rate.

5 (2) It is the intent of the legislature that any increase in  
6 the Medicaid rate related to a state minimum wage increase shall be  
7 passed through to direct care employees as described in subsection  
8 (1).

9 Sec. 1012. (1) The department shall conduct a workgroup to  
10 address the challenge of meeting monthly deductible requirements in  
11 the Medicaid program and establish policy recommendations. The  
12 members of the workgroup shall include, but are not limited to,  
13 representatives from the medical services division within the  
14 department, PIHP network providers, CMHSPS, and members of the  
15 public. The workgroup shall, at minimum, take into consideration  
16 and make recommendations on all of the following items:

17 (a) The average number of individuals who do not meet their  
18 monthly Medicaid deductibles in Michigan each year.

19 (b) How the reduction in general fund investment to CMHSPS for  
20 non-Medicaid services has played a role in the inability of many  
21 individuals to meet their spend-down.

22 (c) What currently counts as the protected income level and  
23 how that compares to other states.

24 (2) By September 30 of the current fiscal year, the department  
25 shall provide a report to the senate and house appropriations  
26 subcommittees on the department budget, the senate and house fiscal  
27 agencies, the senate and house policy offices, and the state budget

1 office on the workgroup findings. The report shall include an  
2 action plan for implementation of any proposed changes, and an  
3 estimate of the costs that may be incurred from the adoption of  
4 workgroup recommendations.

5 **STATE PSYCHIATRIC HOSPITALS AND FORENSIC MENTAL HEALTH SERVICES**

6 Sec. 1051. The department shall continue a revenue recapture  
7 project to generate additional revenues from third parties related  
8 to cases that have been closed or are inactive. A portion of  
9 revenues collected through project efforts may be used for  
10 departmental costs and contractual fees associated with these  
11 retroactive collections and to improve ongoing departmental  
12 reimbursement management functions.

13 Sec. 1052. The purpose of gifts and bequests for patient  
14 living and treatment environments is to use additional private  
15 funds to provide specific enhancements for individuals residing at  
16 state-operated facilities. Use of the gifts and bequests shall be  
17 consistent with the stipulation of the donor. The expected  
18 completion date for the use of gifts and bequests donations is  
19 within 3 years unless otherwise stipulated by the donor.

20 Sec. 1055. (1) The department shall not implement any closures  
21 or consolidations of state hospitals, centers, or agencies until  
22 CMHSPs or PIHPs have programs and services in place for those  
23 individuals currently in those facilities and a plan for service  
24 provision for those individuals who would have been admitted to  
25 those facilities.

26 (2) All closures or consolidations are dependent upon adequate

1 department-approved CMHSP and PIHP plans that include a discharge  
2 and aftercare plan for each individual currently in the facility. A  
3 discharge and aftercare plan shall address the individual's housing  
4 needs. A homeless shelter or similar temporary shelter arrangements  
5 are inadequate to meet the individual's housing needs.

6 (3) Four months after the certification of closure required in  
7 section 19(6) of the state employees' retirement act, 1943 PA 240,  
8 MCL 38.19, the department shall provide a closure plan to the house  
9 and senate appropriations subcommittees on the department budget  
10 and the state budget director.

11 (4) Upon the closure of state-run operations and after  
12 transitional costs have been paid, the remaining balances of funds  
13 appropriated for that operation shall be transferred to CMHSPs or  
14 PIHPs responsible for providing services for individuals previously  
15 served by the operations.

16 Sec. 1056. The department may collect revenue for patient  
17 reimbursement from first- and third-party payers, including  
18 Medicaid and local county CMHSP payers, to cover the cost of  
19 placement in state hospitals and centers. The department is  
20 authorized to adjust financing sources for patient reimbursement  
21 based on actual revenues earned. If the revenue collected exceeds  
22 current year expenditures, the revenue may be carried forward with  
23 approval of the state budget director. The revenue carried forward  
24 shall be used as a first source of funds in the subsequent year.

25 Sec. 1058. Effective October 1 of the current fiscal year, the  
26 department, in consultation with the department of technology,  
27 management, and budget, may maintain a bid process to identify 1 or

1 more private contractors to provide food service and custodial  
2 services for the administrative areas at any state hospital  
3 identified by the department as capable of generating savings  
4 through the outsourcing of such services.

5       Sec. 1059. (1) From the increased funds appropriated in part 1  
6 in center for forensic psychiatry, the department shall open an  
7 additional wing at the center for forensic psychiatry by April 1 of  
8 the current fiscal year. The purpose of this program is to provide  
9 additional capacity for specialized services to criminal defendants  
10 who are adjudicated as incompetent to stand trial and not guilty by  
11 reason of insanity.

12       (2) The department shall identify specific outcomes and  
13 performance measures for this initiative, including, but not  
14 limited, to the following:

15       (a) The average wait time for persons ruled incompetent to  
16 stand trial before admission to the center for forensic psychiatry.

17       (b) The average wait time for persons ruled incompetent to  
18 stand trial before admission to other state-operated psychiatric  
19 facilities.

20       (c) The number of persons waiting to receive services at the  
21 center for forensic psychiatry.

22       (d) The number of persons waiting to receive services at other  
23 state-operated hospitals and centers.

#### 24 **PUBLIC HEALTH ADMINISTRATION**

25       Sec. 1101. The department shall work with the Michigan health  
26 endowment fund corporation established under section 653 of the

1 nonprofit health care corporation reform act, 1980 PA 350, MCL  
2 550.1653, to explore ways to fund and evaluate current and future  
3 policies and programs. By December 1 of the current fiscal year,  
4 the department shall submit a report to the senate and house  
5 appropriations subcommittees on the department budget, the senate  
6 and house fiscal agencies, the senate and house policy offices, and  
7 the state budget office detailing the steps the department has  
8 taken to work with the Michigan health endowment fund.

9 **HEALTH POLICY**

10 Sec. 1142. The department shall continue to seek means to  
11 increase retention of Michigan medical school students for  
12 completion of their primary care residency requirements within this  
13 state and ultimately, for some period of time, to remain in this  
14 state and serve as primary care physicians. The department is  
15 encouraged to work with Michigan institutions of higher education.

16 Sec. 1143. The department may award health innovation grants  
17 to address emerging issues and encourage cutting edge advances in  
18 health care including strategic partners in both the public and  
19 private sectors.

20 Sec. 1144. (1) From the funds appropriated in part 1 for  
21 health policy administration, the department shall allocate the  
22 federal state innovation model grant funding that supports  
23 implementation of the health delivery system innovations detailed  
24 in this state's "Reinventing Michigan's Health Care System:  
25 Blueprint for Health Innovation" document. Over the next 4 years  
26 this initiative will test new payment methodologies, support

1 improved population health outcomes, and support improved  
2 infrastructure for technology and data sharing and reporting. The  
3 funds will be used to provide financial support directly to regions  
4 participating in the model test and to support statewide  
5 stakeholder guidance and technical support.

6 (2) Outcomes and performance measures for the initiative under  
7 subsection (1) include, but are not limited to, the following:

8 (a) Increasing the number of physician practices fulfilling  
9 patient-centered medical home functions.

10 (b) Reducing inappropriate health utilization, specifically  
11 reducing preventable emergency department visits, reducing the  
12 proportion of hospitalizations for ambulatory sensitive conditions,  
13 and reducing this state's 30-day hospital readmission rate.

14 (3) By March 1 and September 1 of the current fiscal year, the  
15 department shall submit a written report to the house and senate  
16 appropriations subcommittees on the department budget, the house  
17 and senate fiscal agencies, and the state budget office on the  
18 status of the program and progress made since the prior report.

19 (4) From the funds appropriated in part 1 for health policy  
20 administration, any data aggregator created as part of the  
21 allocation of the federal state innovation model grant funds must  
22 meet the following standards:

23 (a) The primary purpose of the data aggregator must be to  
24 increase the quality of health care delivered in this state, while  
25 reducing costs.

26 (b) The data aggregator must be governed by a nonprofit  
27 entity.

1 (c) All decisions regarding the establishment, administration,  
2 and modification of the database must be made by an advisory board.  
3 The membership of the advisory board must include the director of  
4 the department or a designee of the director and representatives of  
5 health carriers, consumers, and purchasers.

6 (d) The data aggregator must receive health care claims  
7 information from, without limitation, commercial health carriers,  
8 nonprofit health care corporations, health maintenance  
9 organizations, and third party administrators that process claims  
10 under a service contract.

11 (e) The data aggregator must use existing data sources and  
12 technological infrastructure, to the extent possible.

13 Sec. 1145. The department will take steps necessary to work  
14 with Indian Health Service, Tribal or Urban Indian Health Program  
15 facilities that provide services under a contract with a Medicaid  
16 managed care entity to ensure that those facilities receive the  
17 maximum amount allowable under federal law for Medicaid services.

18 Sec. 1146. From the funds appropriated in part 1 for bone  
19 marrow transplant registry, \$250,000.00 shall be allocated to  
20 Michigan Blood, the partner of the match registry of the national  
21 marrow donor program. The funds shall be used to offset ongoing  
22 tissue typing expenses associated with donor recruitment and  
23 collection services and to expand those services to better serve  
24 the citizens of this state.

25 Sec. 1150. From the funds appropriated in part 1 for health  
26 policy administration, the department shall hire 1 FTE dedicated to  
27 coordinating with the department of licensing and regulatory



1   affairs, the department of the attorney general, and the Medicaid  
2   health plans to reduce fraud related to opioid prescribing within  
3   Medicaid. By October 1 of the current fiscal year, the department  
4   shall submit a report to the senate and house appropriations  
5   committees on the department budget, the senate and house fiscal  
6   agencies, the senate and house policy offices, and the state budget  
7   office on steps the department has taken to coordinate with the  
8   entities listed in this section and other stakeholders to reduce  
9   fraud related to opioid prescribing.

10       Sec. 1151. From the funds appropriated in part 1 for health  
11   policy administration, the department shall hire 1 FTE dedicated to  
12   coordinating with the department of licensing and regulatory  
13   affairs, the department of the attorney general, and the Medicaid  
14   health plans to work with coordinating agencies to help inform  
15   residents of all medically appropriate treatment options for opioid  
16   addiction when their treating physician stops prescribing  
17   prescription opioid medication for pain. By October 1 of the  
18   current fiscal year, the department shall submit a report to the  
19   senate and house appropriations committees on the department  
20   budget, the senate and house fiscal agencies, the senate and house  
21   policy offices, and the state budget office on how the department  
22   is working with local substance use disorder agencies and addiction  
23   treatment providers to ensure that Medicaid recipients are informed  
24   of all available and medically appropriate treatment options for  
25   opioid addiction when their treating physician stops prescribing  
26   prescription opioid medication for pain. The report shall include  
27   any potential barriers to medication-assisted treatment, as

recommended by the Michigan medication-assisted treatment guidelines, for Medicaid-eligible residents in both office-based opioid treatment and opioid treatment program facility settings.

#### **DISEASE CONTROL, PREVENTION, AND EPIDEMIOLOGY**

Sec. 1180. From the funds appropriated in part 1 for the healthy homes program, no less than \$1,750,000.00 shall be allocated for lead abatement of homes.

Sec. 1181. The department shall implement a plan designed to improve Michigan's childhood and adolescent immunization rates. The department shall engage organizations working to provide immunizations and education about the value of vaccines, including, but not limited to, statewide organizations representing health care providers, local public health departments, child health interest groups, and private foundations with a mission to increase immunization rates.

Sec. 1182. From the funds appropriated in part 1 for immunization programs, for every \$4.00 in private matching funds received, this state shall allocate \$1.00, up to \$500,000.00 in state contributions, to provide and promote education about the value of vaccines for infants and toddlers.

#### **LOCAL HEALTH ADMINISTRATION AND GRANTS**

Sec. 1220. The amount appropriated in part 1 for implementation of the 1993 additions of or amendments to sections 9161, 16221, 16226, 17014, 17015, and 17515 of the public health code, 1978 PA 368, MCL 333.9161, 333.16221, 333.16226, 333.17014,

1 333.17015, and 333.17515, shall be used to reimburse local health  
2 departments for costs incurred related to implementation of section  
3 17015(18) of the public health code, 1978 PA 368, MCL 333.17015.

4 Sec. 1221. If a county that has participated in a district  
5 health department or an associated arrangement with other local  
6 health departments takes action to cease to participate in such an  
7 arrangement after October 1 of the current fiscal year, the  
8 department shall have the authority to assess a penalty from the  
9 local health department's operational accounts in an amount equal  
10 to no more than 6.25% of the local health department's essential  
11 local public health services funding. This penalty shall only be  
12 assessed to the local county that requests the dissolution of the  
13 health department.

14 Sec. 1222. Funds appropriated in part 1 for essential local  
15 health services shall only be distributed to counties that maintain  
16 local spending in the current fiscal year of at least the amount  
17 expended in fiscal year 1992-1993 by local health departments to  
18 support immunizations, infectious disease control, sexually  
19 transmitted disease control and prevention, hearing screening,  
20 vision services, food protection, public water supply, private  
21 groundwater supply, and on-site sewage management.

22 Sec. 1223. (1) From the amounts appropriated in part 1 for  
23 dental programs, funds shall be allocated to the Michigan Dental  
24 Association for the administration of a volunteer dental program  
25 that provides dental services to the uninsured.

26 (2) Not later than December 1 of the current fiscal year, the  
27 department shall report to the senate and house appropriations

1 subcommittees on the department budget, the senate and house  
2 standing committees on health policy, and the state budget office  
3 the number of individual patients treated, number of procedures  
4 performed, and approximate total market value of those procedures  
5 from the immediately preceding fiscal year.

6       Sec. 1224. The department shall use revenue from mobile  
7 dentistry facility permit fees received under section 21605 of the  
8 public health code, 1978 PA 368, MCL 333.21605, to offset the cost  
9 of the permit program.

10       Sec. 1225. The department shall work with the Michigan health  
11 endowment fund corporation established under section 653 of the  
12 nonprofit health care corporation reform act, 1980 PA 350, MCL  
13 550.1653, to explore ways to fund and evaluate current and future  
14 policies and programs.

15       Sec. 1226. From the funds appropriated in part 1 for health  
16 and wellness initiatives, \$1,000,000.00 shall be allocated for a  
17 school children's healthy exercise program to promote and advance  
18 physical health for school children in kindergarten through grade  
19 8. The department shall recommend model programs for sites to  
20 implement that incorporate evidence-based best practices. The  
21 department shall grant no less than 1/2 of the funds appropriated  
22 in part 1 for before- and after-school programs. The department  
23 shall establish guidelines for program sites, which may include  
24 schools, community-based organizations, private facilities,  
25 recreation centers, or other similar sites. The program format  
26 shall encourage local determination of site activities and shall  
27 encourage local inclusion of youth in the decision-making regarding

1 site activities. Program goals shall include children experiencing  
2 improved physical health and access to physical activity  
3 opportunities, the reduction of obesity, providing a safe place to  
4 play and exercise, and nutrition education. To be eligible to  
5 participate, program sites shall provide a 20% match to the state  
6 funding, which may be provided in full, or in part, by a  
7 corporation, foundation, or private partner. The department shall  
8 seek financial support from corporate, foundation, or other private  
9 partners for the program or for individual program sites.

10 Sec. 1227. The department shall establish criteria for all  
11 funds allocated under part 1 for health and wellness initiatives.  
12 The criteria must include a requirement that all programs funded be  
13 evidence-based and supported by research, include interventions  
14 that have been shown to demonstrate outcomes that lower cost and  
15 improve quality, and be designed for statewide impact. Preference  
16 must be given to programs that utilize the funding as match for  
17 additional resources including, but not limited to, federal  
18 sources.

19 **FAMILY, MATERNAL, AND CHILD HEALTH**

20 Sec. 1301. (1) Before April 1 of the current fiscal year, the  
21 department shall submit a report to the house and senate fiscal  
22 agencies and the state budget director on planned allocations from  
23 the amounts appropriated in part 1 for local MCH services, prenatal  
24 care outreach and service delivery support, family planning local  
25 agreements, and pregnancy prevention programs. Using applicable  
26 federal definitions, the report shall include information on all of

1 the following:

2 (a) Funding allocations.

3 (b) Actual number of women, children, and adolescents served  
4 and amounts expended for each group for the immediately preceding  
5 fiscal year.

6 (c) A breakdown of the expenditure of these funds between  
7 urban and rural communities.

8 (2) The department shall ensure that the distribution of funds  
9 through the programs described in subsection (1) takes into account  
10 the needs of rural communities.

11 (3) For the purposes of this section, "rural" means a county,  
12 city, village, or township with a population of 30,000 or less,  
13 including those entities if located within a metropolitan  
14 statistical area.

15 Sec. 1302. Each family planning program receiving federal  
16 title X family planning funds under 42 USC 300 to 300a-8 shall be  
17 in compliance with all performance and quality assurance indicators  
18 that the office of population affairs within the United States  
19 Department of Health and Human Services specifies in the program  
20 guidelines for project grants for family planning services. An  
21 agency not in compliance with the indicators shall not receive  
22 supplemental or reallocated funds.

23 Sec. 1303. The department shall not contract with an  
24 organization that provides elective abortions, abortion counseling,  
25 or abortion referrals, for services that are to be funded with  
26 state restricted or state general fund/general purpose funds  
27 appropriated in part 1 for family planning local agreements. An

1 organization under contract with the department shall not  
2 subcontract with an organization that provides elective abortions,  
3 abortion counseling, or abortion referrals, for services that are  
4 to be funded with state restricted or state general fund/general  
5 purpose funds appropriated in part 1 for family planning local  
6 agreements.

7       Sec. 1304. The department shall not use state restricted funds  
8 or state general funds appropriated in part 1 in the family  
9 planning local agreements appropriation line items for abortion  
10 counseling, referrals, or services.

11       Sec. 1307. From the funds appropriated in part 1 for prenatal  
12 care outreach and service delivery support, \$400,000.00 of TANF  
13 revenue shall be allocated for a pregnancy and parenting support  
14 services program, which program must promote childbirth,  
15 alternatives to abortion, and grief counseling. The department  
16 shall establish a program with a qualified contractor that will  
17 contract with qualified service providers to provide free  
18 counseling, support, and referral services to eligible women during  
19 pregnancy through 12 months after birth. As appropriate, the goals  
20 for client outcomes shall include an increase in client support, an  
21 increase in childbirth choice, an increase in adoption knowledge,  
22 an improvement in parenting skills, and improved reproductive  
23 health through abstinence education. The contractor of the program  
24 shall provide for program training, client educational material,  
25 program marketing, and annual service provider site monitoring. The  
26 department shall submit a report to the house and senate  
27 appropriations subcommittees on the department budget and the house

1 and senate fiscal agencies by April 1 of the current fiscal year on  
2 the number of clients served.

3 Sec. 1308. From the funds appropriated in part 1 for prenatal  
4 care outreach and service delivery support, not less than  
5 \$500,000.00 of funding shall be allocated for evidence-based  
6 programs to reduce infant mortality including nurse family  
7 partnership programs. The funds shall be used for enhanced support  
8 and education to nursing teams or other teams of qualified health  
9 professionals, client recruitment in areas designated as  
10 underserved for obstetrical and gynecological services and other  
11 high-need communities, strategic planning to expand and sustain  
12 programs, and marketing and communications of programs to raise  
13 awareness, engage stakeholders, and recruit nurses.

14 Sec. 1309. The department shall allocate funds appropriated in  
15 section 119 of part 1 for family, maternal, and child health  
16 pursuant to section 1 of 2002 PA 360, MCL 333.1091.

17 Sec. 1310. The department shall continue to work jointly with  
18 the Michigan state housing development authority and the joint task  
19 force established under article IV of 2014 PA 252 to review housing  
20 rehabilitation, energy and weatherization, and hazard abatement  
21 program policies and to make recommendations for integrating and  
22 coordinating project delivery with the goals of serving more  
23 families and achieving better outcomes by maximizing state and  
24 federal resources. The joint task force may provide recommendations  
25 to the department. Recommendations of the joint task force must  
26 give consideration to best practices and cost effectiveness.

27 Sec. 1313. (1) The department shall continue developing an



1 outreach program on fetal alcohol syndrome services.

2 (2) The department shall explore federal grant funding to  
3 address prevention services for fetal alcohol syndrome and reduce  
4 alcohol consumption among pregnant women.

5 Sec. 1340. The department shall include national brand peanut  
6 butter on the list of approved WIC basket items.

#### 7 **CHILDREN'S SPECIAL HEALTH CARE SERVICES**

8 Sec. 1360. The department may do 1 or more of the following:

9 (a) Provide special formula for eligible clients with  
10 specified metabolic and allergic disorders.

11 (b) Provide medical care and treatment to eligible patients  
12 with cystic fibrosis who are 21 years of age or older.

13 (c) Provide medical care and treatment to eligible patients  
14 with hereditary coagulation defects, commonly known as hemophilia,  
15 who are 21 years of age or older.

16 (d) Provide human growth hormone to eligible patients.

17 Sec. 1361. From the funds appropriated in part 1 for medical  
18 care and treatment, the department is authorized to spend those  
19 funds for the continued development and expansion of telemedicine  
20 capacity to allow families with children in the children's special  
21 health care services program to access specialty providers more  
22 readily and in a more timely manner.

#### 23 **AGING AND ADULT SERVICES AGENCY**

24 Sec. 1402. The department may encourage the Food Bank Council  
25 of Michigan to collaborate directly with each area agency on aging

1 and any other organizations that provide senior nutrition services  
2 to secure the food security of vulnerable seniors.

3 Sec. 1403. (1) By February 1 of the current fiscal year, the  
4 aging and adult services agency shall require each region to report  
5 to the aging and adult services agency and to the legislature home-  
6 delivered meals waiting lists based upon standard criteria.

7 Determining criteria shall include all of the following:

8 (a) The recipient's degree of frailty.

9 (b) The recipient's inability to prepare his or her own meals  
10 safely.

11 (c) Whether the recipient has another care provider available.

12 (d) Any other qualifications normally necessary for the  
13 recipient to receive home-delivered meals.

14 (2) Data required in subsection (1) shall be recorded only for  
15 individuals who have applied for participation in the home-  
16 delivered meals program and who are initially determined as likely  
17 to be eligible for home-delivered meals.

18 Sec. 1417. The department shall provide to the senate and  
19 house appropriations subcommittees on the department budget, senate  
20 and house fiscal agencies, and state budget director a report by  
21 March 30 of the current fiscal year that contains all of the  
22 following:

23 (a) The total allocation of state resources made to each area  
24 agency on aging by individual program and administration.

25 (b) Detail expenditure by each area agency on aging by  
26 individual program and administration including both state-funded  
27 resources and locally-funded resources.

1       Sec. 1421. From the funds appropriated in part 1 for community  
2 services, \$1,100,000.00 shall be allocated to area agencies on  
3 aging for locally determined needs.

4       Sec. 1422. (1) From the funds appropriated in part 1 for aging  
5 and adult services administration, the department shall contract  
6 with the Prosecuting Attorneys Association of Michigan to provide  
7 the support and services necessary to increase the capability of  
8 the state's prosecutors, adult protective service system, and  
9 criminal justice system to effectively identify, investigate, and  
10 prosecute elder abuse and financial exploitation.

11       (2) By March 1 of the current fiscal year, the Prosecuting  
12 Attorneys Association of Michigan shall provide a report on the  
13 efficacy of the contract to the state budget office, the house and  
14 senate appropriations subcommittees on the department budget, the  
15 house and senate fiscal agencies, and the house and senate policy  
16 offices.

17       Sec. 1423. From the funds appropriated in part 1 for Elder Law  
18 of Michigan MiCAFE contract, the department shall allocate not less  
19 than \$350,000.00 to the Elder Law of Michigan MiCAFE to assist this  
20 state's elderly population to participate in the food assistance  
21 program. Of the \$350,000.00 allocated under this section, the  
22 department shall use \$175,000.00, which are general fund/general  
23 purpose funds, as state matching funds for not less than  
24 \$175,000.00 in United States Department of Agriculture funding to  
25 provide outreach program activities, such as eligibility screen and  
26 information services, as part of a statewide food assistance  
27 hotline.

1       Sec. 1424. From the funds appropriated in part 1 for community  
2 services, \$150,000.00 is appropriated for Alzheimer's disease  
3 services and shall be remitted to the Alzheimer's association-  
4 Michigan chapters for the purpose of carrying out a pilot project  
5 in Macomb, Monroe, and St. Joseph Counties. The fiduciary for the  
6 funds is the Alzheimer's association-greater Michigan chapter. The  
7 Alzheimer's association shall provide enhanced services, including  
8 24/7 helpline, continued care consultation, and support groups, to  
9 individuals with Alzheimer's disease or dementia and their families  
10 in the 3 counties, and partner with a Michigan public university to  
11 study whether provision of such in-home support services  
12 significantly delays the need for residential long-term care  
13 services for individuals with Alzheimer's disease or dementia. The  
14 study must also consider potential cost savings related to the  
15 delay of long-term care services, if a delay is shown.

16       **MEDICAL SERVICES ADMINISTRATION**

17       Sec. 1501. The unexpended funds appropriated in part 1 for the  
18 electronic health records incentive program are considered work  
19 project appropriations, and any unencumbered or unallotted funds  
20 are carried forward into the following fiscal year. The following  
21 is in compliance with section 451a(1) of the management and budget  
22 act, 1984 PA 431, MCL 18.1451a:

23       (a) The purpose of the project to be carried forward is to  
24 implement the Medicaid electronic health record program that  
25 provides financial incentive payments to Medicaid health care  
26 providers to encourage the adoption and meaningful use of

1 electronic health records to improve quality, increase efficiency,  
2 and promote safety.

3 (b) The projects will be accomplished according to the  
4 approved federal advanced planning document.

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

7 (d) The tentative completion date for the work project is  
8 September 30, 2020.

9 Sec. 1502. The department shall spend available work project  
10 revenue and any associated federal match to create and develop a  
11 transparency database website. This funding is contingent upon  
12 enactment of enabling legislation.

13 Sec. 1503. From the funds appropriated in part 1 for Healthy  
14 Michigan plan administration, the department shall maintain an  
15 accounting structure within the Michigan administrative information  
16 network that will allow expenditures associated with the  
17 administration of the Healthy Michigan plan to be identified.

18 Sec. 1505. By March 1 and September 1 of the current fiscal  
19 year, the department shall submit a report to the senate and house  
20 appropriations subcommittees on the department budget, the senate  
21 and house fiscal agencies, and the state budget office including  
22 both of the following:

23 (a) The department's projected annual increase in  
24 reimbursement savings and cost offsets that will result from the  
25 additional funds appropriated in part 1 for the office of inspector  
26 general and third party liability efforts.

27 (b) The actual increase in reimbursement savings and cost

1 offsets that have resulted from the additional funds appropriated  
2 in part 1 for the office of inspector general and third party  
3 liability efforts.

4       Sec. 1506. (1) From the funds appropriated in part 1 for  
5 technology supporting integrated service delivery, the department  
6 shall establish new information technology tools and enhance  
7 existing systems to improve the eligibility and enrollment process  
8 for citizens accessing department administered programs. This  
9 information technology system will consolidate beneficiary  
10 information, support department caseworker efforts in building a  
11 success plan for beneficiaries, and better support department staff  
12 in supporting enrollees in assistance programs.

13       (2) Outcomes and performance measures for the initiative under  
14 subsection (1) include, but are not limited to, the following:

15       (a) Successful consolidation of data warehouses maintained by  
16 the department.

17       (b) The amount of time a department caseworker devotes to data  
18 entry when initiating an enrollee application.

19       (c) A reduction in wait times for persons enrolled in  
20 assistance programs to speak with department staff and get  
21 necessary changes made.

22       (d) A reduction in department caseworker workload

### 23 MEDICAL SERVICES

24       Sec. 1601. The cost of remedial services incurred by residents  
25 of licensed adult foster care homes and licensed homes for the aged  
26 shall be used in determining financial eligibility for the

1 medically needy. Remedial services include basic self-care and  
2 rehabilitation training for a resident.

3       Sec. 1603. (1) The department may establish a program for  
4 individuals to purchase medical coverage at a rate determined by  
5 the department.

6       (2) The department may receive and expend premiums for the  
7 buy-in of medical coverage in addition to the amounts appropriated  
8 in part 1.

9       (3) The premiums described in this section shall be classified  
10 as private funds.

11       Sec. 1605. The protected income level for Medicaid coverage  
12 determined pursuant to section 106(1)(b)(iii) of the social welfare  
13 act, 1939 PA 280, MCL 400.106, shall be 100% of the related public  
14 assistance standard.

15       Sec. 1606. For the purpose of guardian and conservator  
16 charges, the department may deduct up to \$60.00 per month as an  
17 allowable expense against a recipient's income when determining  
18 medical services eligibility and patient pay amounts.

19       Sec. 1607. (1) An applicant for Medicaid, whose qualifying  
20 condition is pregnancy, shall immediately be presumed to be  
21 eligible for Medicaid coverage unless the preponderance of evidence  
22 in her application indicates otherwise. The applicant who is  
23 qualified as described in this subsection shall be allowed to  
24 select or remain with the Medicaid participating obstetrician of  
25 her choice.

26       (2) An applicant qualified as described in subsection (1)  
27 shall be given a letter of authorization to receive Medicaid

1 covered services related to her pregnancy. All qualifying  
2 applicants shall be entitled to receive all medically necessary  
3 obstetrical and prenatal care without preauthorization from a  
4 health plan. All claims submitted for payment for obstetrical and  
5 prenatal care shall be paid at the Medicaid fee-for-service rate in  
6 the event a contract does not exist between the Medicaid  
7 participating obstetrical or prenatal care provider and the managed  
8 care plan. The applicant shall receive a listing of Medicaid  
9 physicians and managed care plans in the immediate vicinity of the  
10 applicant's residence.

11 (3) In the event that an applicant, presumed to be eligible  
12 pursuant to subsection (1), is subsequently found to be ineligible,  
13 a Medicaid physician or managed care plan that has been providing  
14 pregnancy services to an applicant under this section is entitled  
15 to reimbursement for those services until such time as they are  
16 notified by the department that the applicant was found to be  
17 ineligible for Medicaid.

18 (4) If the preponderance of evidence in an application  
19 indicates that the applicant is not eligible for Medicaid, the  
20 department shall refer that applicant to the nearest public health  
21 clinic or similar entity as a potential source for receiving  
22 pregnancy-related services.

23 (5) The department shall develop an enrollment process for  
24 pregnant women covered under this section that facilitates the  
25 selection of a managed care plan at the time of application.

26 (6) The department shall mandate enrollment of women, whose  
27 qualifying condition is pregnancy, into Medicaid managed care



1 plans.

2 (7) The department shall encourage physicians to provide  
3 women, whose qualifying condition for Medicaid is pregnancy, with a  
4 referral to a Medicaid participating dentist at the first  
5 pregnancy-related appointment.

6 Sec. 1611. (1) For care provided to medical services  
7 recipients with other third-party sources of payment, medical  
8 services reimbursement shall not exceed, in combination with such  
9 other resources, including Medicare, those amounts established for  
10 medical services-only patients. The medical services payment rate  
11 shall be accepted as payment in full. Other than an approved  
12 medical services co-payment, no portion of a provider's charge  
13 shall be billed to the recipient or any person acting on behalf of  
14 the recipient. Nothing in this section shall be considered to  
15 affect the level of payment from a third-party source other than  
16 the medical services program. The department shall require a  
17 nonenrolled provider to accept medical services payments as payment  
18 in full.

19 (2) Notwithstanding subsection (1), medical services  
20 reimbursement for hospital services provided to dual  
21 Medicare/medical services recipients with Medicare part B coverage  
22 only shall equal, when combined with payments for Medicare and  
23 other third-party resources, if any, those amounts established for  
24 medical services-only patients, including capital payments.

25 Sec. 1620. (1) For fee-for-service recipients who do not  
26 reside in nursing homes, the pharmaceutical dispensing fee shall be  
27 \$2.75 or the pharmacy's usual or customary cash charge, whichever

1 is less. For nursing home residents, the pharmaceutical dispensing  
2 fee shall be \$3.00 or the pharmacy's usual or customary cash  
3 charge, whichever is less.

4 (2) The department shall require a prescription co-payment for  
5 Medicaid recipients not enrolled in the Healthy Michigan plan or  
6 with an income less than 100% of the federal poverty level of \$1.00  
7 for a generic drug and \$3.00 for a brand-name drug, except as  
8 prohibited by federal or state law or regulation.

9 (3) The department shall require a prescription co-payment for  
10 Medicaid recipients enrolled in the Healthy Michigan plan with an  
11 income of at least 100% of the federal poverty level of \$4.00 for a  
12 generic drug and \$8.00 for a brand-name drug, except as prohibited  
13 by federal or state law or regulation.

14 Sec. 1629. The department shall utilize maximum allowable cost  
15 pricing for generic drugs that is based on wholesaler pricing to  
16 providers that is available from at least 2 wholesalers who deliver  
17 in this state.

18 Sec. 1631. (1) The department shall require co-payments on  
19 dental, podiatric, and vision services provided to Medicaid  
20 recipients, except as prohibited by federal or state law or  
21 regulation.

22 (2) Except as otherwise prohibited by federal or state law or  
23 regulation, the department shall require Medicaid recipients not  
24 enrolled in the Healthy Michigan plan or with an income less than  
25 100% of the federal poverty level to pay not less than the  
26 following co-payments:

27 (a) Two dollars for a physician office visit.

1 (b) Three dollars for a hospital emergency room visit.

2 (c) Fifty dollars for the first day of an inpatient hospital  
3 stay.

4 (d) One dollar for an outpatient hospital visit.

5 (3) Except as otherwise prohibited by federal or state law or  
6 regulation, the department shall require Medicaid recipients  
7 enrolled in the Healthy Michigan plan with an income of at least  
8 100% of the federal poverty level to pay the following co-payments:

9 (a) Four dollars for a physician office visit.

10 (b) Eight dollars for a hospital emergency room visit.

11 (c) One hundred dollars for the first day of an inpatient  
12 hospital stay.

13 (d) Four dollars for an outpatient hospital visit or any other  
14 medical provider visit to the extent allowed by federal or state  
15 law or regulation.

16 Sec. 1641. An institutional provider that is required to  
17 submit a cost report under the medical services program shall  
18 submit cost reports completed in full within 5 months after the end  
19 of its fiscal year.

20 Sec. 1657. (1) Reimbursement for medical services to screen  
21 and stabilize a Medicaid recipient, including stabilization of a  
22 psychiatric crisis, in a hospital emergency room shall not be made  
23 contingent on obtaining prior authorization from the recipient's  
24 HMO. If the recipient is discharged from the emergency room, the  
25 hospital shall notify the recipient's HMO within 24 hours of the  
26 diagnosis and treatment received.

27 (2) If the treating hospital determines that the recipient

1 will require further medical service or hospitalization beyond the  
2 point of stabilization, that hospital shall receive authorization  
3 from the recipient's HMO prior to admitting the recipient.

4 (3) Subsections (1) and (2) do not require an alteration to an  
5 existing agreement between an HMO and its contracting hospitals and  
6 do not require an HMO to reimburse for services that are not  
7 considered to be medically necessary.

8 Sec. 1659. The following sections of this part are the only  
9 ones that shall apply to the following Medicaid managed care  
10 programs, including the comprehensive plan, MIChoice long-term care  
11 plan, and the mental health, substance use disorder, and  
12 developmentally disabled services program: 904, 911, 918, 928, 994,  
13 1008, 1607, 1657, 1662, 1699, 1764, 1806, 1809, 1810, 1820, 1850,  
14 1875, 1879, 1881, 1882, 1885, and 1888.

15 Sec. 1662. (1) The department shall ensure that an external  
16 quality review of each contracting HMO is performed that results in  
17 an analysis and evaluation of aggregated information on quality,  
18 timeliness, and access to health care services that the HMO or its  
19 contractors furnish to Medicaid beneficiaries.

20 (2) The department shall require Medicaid HMOs to provide  
21 EPSDT utilization data through the encounter data system, and HEDIS  
22 well child health measures in accordance with the National  
23 Committee for Quality Assurance prescribed methodology.

24 (3) The department shall provide a copy of the analysis of the  
25 Medicaid HMO annual audited HEDIS reports and the annual external  
26 quality review report to the senate and house of representatives  
27 appropriations subcommittees on the department budget, the senate

1 and house fiscal agencies, and the state budget director, within 30  
2 days of the department's receipt of the final reports from the  
3 contractors.

4       Sec. 1670. (1) The appropriation in part 1 for the MICHild  
5 program is to be used to provide comprehensive health care to all  
6 children under age 19 who reside in families with income at or  
7 below 212% of the federal poverty level, who are uninsured and have  
8 not had coverage by other comprehensive health insurance within 6  
9 months of making application for MICHild benefits, and who are  
10 residents of this state. The department shall develop detailed  
11 eligibility criteria through the medical services administration  
12 public concurrence process, consistent with the provisions of this  
13 part and part 1.

14       (2) The department may provide up to 1 year of continuous  
15 eligibility to children eligible for the MICHild program unless the  
16 family fails to pay the monthly premium, a child reaches age 19, or  
17 the status of the children's family changes and its members no  
18 longer meet the eligibility criteria as specified in the state  
19 plan.

20       (3) Children whose category of eligibility changes between the  
21 Medicaid and MICHild programs shall be assured of keeping their  
22 current health care providers through the current prescribed course  
23 of treatment for up to 1 year, subject to periodic reviews by the  
24 department if the beneficiary has a serious medical condition and  
25 is undergoing active treatment for that condition.

26       (4) To be eligible for the MICHild program, a child must be  
27 residing in a family with an adjusted gross income of less than or

1 equal to 212% of the federal poverty level. The department's  
2 verification policy shall be used to determine eligibility.

3 (5) The department may make payments on behalf of children  
4 enrolled in the MICHild program as described in the MICHild state  
5 plan approved by the United States Department of Health and Human  
6 Services, or from other medical services.

7 (6) MICHild services shall include treatment for autism  
8 spectrum disorders as defined in the federally approved Medicaid  
9 state plan.

10 Sec. 1673. The department may establish premiums for MICHild  
11 eligible individuals in families with income at or below 212% of  
12 the federal poverty level. The monthly premiums shall be \$10.00 per  
13 month.

14 Sec. 1677. The MICHild program shall provide, at a minimum,  
15 all benefits available under the Michigan benchmark plan that are  
16 delivered through contracted providers and consistent with federal  
17 law, including, but not limited to, the following medically  
18 necessary services:

19 (a) Inpatient mental health services, other than substance use  
20 disorder treatment services, including services furnished in a  
21 state-operated mental hospital and residential or other 24-hour  
22 therapeutically planned structured services.

23 (b) Outpatient mental health services, other than substance  
24 use disorder services, including services furnished in a state-  
25 operated mental hospital and community-based services.

26 (c) Durable medical equipment and prosthetic and orthotic  
27 devices.

1 (d) Dental services as outlined in the approved MICHild state  
2 plan.

3 (e) Substance use disorder treatment services that may include  
4 inpatient, outpatient, and residential substance use disorder  
5 treatment services.

6 (f) Care management services for mental health diagnoses.

7 (g) Physical therapy, occupational therapy, and services for  
8 individuals with speech, hearing, and language disorders.

9 (h) Emergency ambulance services.

10 Sec. 1682. (1) In addition to the appropriations in part 1,  
11 the department is authorized to receive and spend penalty money  
12 received as the result of noncompliance with medical services  
13 certification regulations. Penalty money, characterized as private  
14 funds, received by the department shall increase authorizations and  
15 allotments in the long-term care accounts.

16 (2) Any unexpended penalty money, at the end of the year,  
17 shall carry forward to the following year.

18 Sec. 1692. (1) The department is authorized to pursue  
19 reimbursement for eligible services provided in Michigan schools  
20 from the federal Medicaid program. The department and the state  
21 budget director are authorized to negotiate and enter into  
22 agreements, together with the department of education, with local  
23 and intermediate school districts regarding the sharing of federal  
24 Medicaid services funds received for these services. The department  
25 is authorized to receive and disburse funds to participating school  
26 districts pursuant to such agreements and state and federal law.

27 (2) From the funds appropriated in part 1 for medical services

1 school-based services payments, the department is authorized to do  
2 all of the following:

3 (a) Finance activities within the medical services  
4 administration related to this project.

5 (b) Reimburse participating school districts pursuant to the  
6 fund-sharing ratios negotiated in the state-local agreements  
7 authorized in subsection (1).

8 (c) Offset general fund costs associated with the medical  
9 services program.

10 Sec. 1693. The special Medicaid reimbursement appropriation in  
11 part 1 may be increased if the department submits a medical  
12 services state plan amendment pertaining to this line item at a  
13 level higher than the appropriation. The department is authorized  
14 to appropriately adjust financing sources in accordance with the  
15 increased appropriation.

16 Sec. 1694. From the funds appropriated in part 1 for special  
17 Medicaid reimbursement, up to \$12,600.00 of general fund/general  
18 purpose revenue and any associated federal match shall be  
19 distributed for poison control services to an academic health care  
20 system that includes a children's hospital that has a high indigent  
21 care volume.

22 Sec. 1699. (1) The department may make separate payments in  
23 the amount of \$45,000,000.00 directly to qualifying hospitals  
24 serving a disproportionate share of indigent patients and to  
25 hospitals providing GME training programs. If direct payment for  
26 GME and DSH is made to qualifying hospitals for services to  
27 Medicaid recipients, hospitals shall not include GME costs or DSH



1 payments in their contracts with HMOs.

2 (2) The department shall allocate \$45,000,000.00 in DSH  
3 funding using the distribution methodology used in fiscal year  
4 2003-2004.

5 (3) By September 30 of the current fiscal year, the department  
6 shall report to the senate and house appropriations subcommittees  
7 on the department budget, the senate and house fiscal agencies, and  
8 the state budget office on the distribution of funding to each  
9 eligible hospital from the GME and DSH pools.

10 Sec. 1730. (1) The department shall work with the department  
11 of education to evaluate the feasibility of including an assessment  
12 tool to promote literacy development of pregnant women and new  
13 mothers in the maternal infant health program.

14 (2) By March 1 of the current fiscal year, the department  
15 shall provide a report to the house and senate appropriations  
16 subcommittees on the department budget, the house and senate fiscal  
17 agencies, and the state budget office on the findings of the  
18 feasibility study on including an assessment tool to promote  
19 literacy development of pregnant women and new mothers in the  
20 maternal infant health program.

21 Sec. 1757. The department shall obtain proof from all Medicaid  
22 recipients that they are legal United States citizens or otherwise  
23 legally residing in this country and that they are residents of  
24 this state before approving Medicaid eligibility.

25 Sec. 1764. (1) The department shall annually certify whether  
26 rates paid to Medicaid health plans and specialty PIHPs are  
27 actuarially sound in accordance with federal requirements and shall

1 provide a copy of the rate certification and approval of rates paid  
2 to Medicaid health plans and specialty PIHPs within 5 business days  
3 after certification or approval to the senate and house  
4 appropriations subcommittees on the department budget, the senate  
5 and house fiscal agencies, and the state budget office. When  
6 calculating the annual actuarial soundness adjustment, the  
7 department shall take into account all Medicaid policy bulletins  
8 affecting Medicaid health plans or specialty PIHPs issued after the  
9 most recent actuarial soundness process concluded. The department  
10 shall require all Medicaid policy bulletins affecting Medicaid  
11 health plans issued after the federal certification of rates to  
12 include an economic analysis demonstrating that the approved rates  
13 will not be compromised due to the new policy.

14 (2) To fully implement actuarial soundness, the department  
15 shall include language in the contract between the state and  
16 Medicaid health plans that provides that the state will annually  
17 reimburse the contractor the full cost of all taxes imposed by this  
18 state and the federal government, including the health insurer fee  
19 that the contractor incurs and becomes obligated to pay under  
20 section 9010 of the patient protection and affordable care act,  
21 Public Law 111-148, as amended by the health care and education  
22 reconciliation act of 2010, due to its receipt of Medicaid premiums  
23 under the contract. For purposes of this subsection, the full cost  
24 of the health insurer fee includes both the health insurer fee and  
25 the allowance to reflect the federal and state income tax.

26 Sec. 1770. The department shall report to the senate and house  
27 appropriations subcommittees on the department budget, the senate

1 and house fiscal agencies, and the state budget office information  
2 on savings from the reduction in managed care laboratory services  
3 fees enacted under Executive Order No. 2015-5 and continued in the  
4 current fiscal year. This report shall include the actual gross  
5 reduction in expenditures by Medicaid health plans that result from  
6 the reduction in the laboratory services fees.

7       Sec. 1775. (1) By March 1 and September 1 of the current  
8 fiscal year, the department shall report to the senate and house  
9 appropriations subcommittees on the department budget, the senate  
10 and house fiscal agencies, and the state budget office on progress  
11 in implementing the waiver to implement managed care for  
12 individuals who are eligible for both Medicare and Medicaid, known  
13 as MI Health Link, including, but not limited to, a description of  
14 how the department intends to ensure that service delivery is  
15 integrated, how key components of the proposal are implemented  
16 effectively, and any problems and potential solutions as identified  
17 by the ombudsman described in subsection (2).

18       (2) The department shall ensure the existence of an ombudsman  
19 program that is not associated with any project service manager or  
20 provider to assist MI Health Link beneficiaries with navigating  
21 complaint and dispute resolution mechanisms and to identify  
22 problems in the demonstrations and in the complaint and dispute  
23 resolution mechanisms.

24       Sec. 1800. For the distribution of each of the pools within  
25 the \$85,000,000.00 outpatient disproportionate share hospital  
26 payment, the department shall develop a formula for the  
27 distribution of each pool based on the quality of care, cost,

1 traditional disproportionate share hospital factors such as  
2 Medicaid utilization and uncompensated care, and any other factor  
3 that the department determines should be considered. By May 1 of  
4 the current fiscal year, the department shall report to the senate  
5 and house appropriations subcommittees on the department budget,  
6 the senate and house fiscal agencies, and the state budget office  
7 on the distribution of each pool.

8       Sec. 1801. From the funds appropriated in part 1 for physician  
9 services and health plan services, the department shall use  
10 \$33,318,800.00 in general fund/general purpose plus associated  
11 federal match to continue the increase to Medicaid rates for  
12 primary care services provided only by primary care providers. For  
13 the purpose of this section, a primary care provider is a  
14 physician, or a practitioner working under the personal supervision  
15 of a physician, who is board-eligible or certified with a specialty  
16 designation of family medicine, general internal medicine, or  
17 pediatric medicine, or a provider who provides the department with  
18 documentation of equivalency. The department shall examine  
19 including the subspecialty of neonatal medicine in its definition  
20 of primary care provider. Providers performing a service and whose  
21 primary practice is as a non-primary-care subspecialty is not  
22 eligible for the increase. The department shall establish policies  
23 that most effectively limit the increase to primary care providers  
24 for primary care services only.

25       Sec. 1802. From the funds appropriated in part 1, a lump-sum  
26 payment shall be made to hospitals that qualified for rural  
27 hospital access payments in fiscal year 2013-2014 and that provide

1 obstetrical care in the current fiscal year. The payment shall be  
2 calculated as \$830.00 for each obstetrical care case payment and  
3 each newborn care case payment for all such cases billed by the  
4 qualified hospitals for fiscal year 2012-2013 and shall be paid  
5 through the Medicaid health plan hospital rate adjustment process  
6 by January 1 of the current fiscal year.

7       Sec. 1804. The department, in cooperation with the department  
8 of military and veterans affairs, shall work with the federal  
9 public assistance reporting information system to identify Medicaid  
10 recipients who are veterans and who may be eligible for federal  
11 veterans health care benefits or other benefits.

12       Sec. 1805. Hospitals receiving medical services payments for  
13 graduate medical education shall submit fully completed quality  
14 data to the same national nonprofit organization with extensive  
15 experience in collecting and reporting hospital quality data on a  
16 public website. The reporting must utilize consensus-based  
17 nationally endorsed standards that meet National Quality Forum-  
18 endorsed safe practices. The organization collecting the data must  
19 be one that uses severity-adjusted risk models and measures that  
20 will help patients and payers identify hospital campuses likely to  
21 have superior outcomes. The department shall withhold a hospital's  
22 graduate medical education payment until the hospital submits the  
23 data to the qualifying nonprofit organization described in this  
24 section.

25       Sec. 1806. (1) The department may establish performance  
26 standards to measure progress in the implementation of the common  
27 formulary used by all contracted Medicaid health plans.

1           (2) The ongoing implementation of the common formulary must  
2 include consideration of the department's preferred drug list.

3           (3) To achieve the objective of low net cost, the contracted  
4 health plans may use evidence-based utilization management  
5 techniques in the implementation of the common formulary.

6           (4) The contracted health plans and the department shall  
7 continue to facilitate and emphasize the value of increased  
8 participation in the use of e-prescribing and electronic medical  
9 records.

10          Sec. 1809. The department shall establish separate contract  
11 performance standards for Medicaid health plans that adhere to the  
12 requirements of section 105d of the social welfare act, 1939 PA  
13 280, MCL 400.105d, associated with the 0.75% and 0.25% capitation  
14 withhold. The determination of the performance of the 0.75%  
15 capitation withhold is at the discretion of the department but must  
16 include recognized concepts such as 1-year continuous enrollment  
17 and the HEDIS audited data. The determination of the performance of  
18 the 0.25% capitation withhold is at the discretion of the  
19 department but must include the utilization of high-value services  
20 and discouraging the utilization of low-value services.

21          Sec. 1810. The department shall enhance encounter data  
22 reporting processes and develop rules that would make each health  
23 plan's encounter data as complete as possible, provide a fair  
24 measure of acuity for each health plan's enrolled population for  
25 risk adjustment purposes, capitation rate setting, diagnosis-  
26 related group rate setting, and research and analysis of program  
27 efficiencies while minimizing health plan administrative expense.

1       Sec. 1812. (1) By June 1 of the current fiscal year, the  
2 department shall require each hospital that receives funds  
3 appropriated in part 1 for graduate medical education to submit a  
4 report disclosing all direct and indirect costs associated with the  
5 residency training program to the department, the senate and house  
6 appropriations subcommittees on the department budget, the senate  
7 and house fiscal agencies, and the state budget office.

8       (2) By August 1 of the current fiscal year, the department  
9 shall require each hospital that receives funds appropriated in  
10 part 1 for graduate medical education to submit a report  
11 identifying and explaining the following:

12       (a) The marginal cost to add 1 additional residency training  
13 program slot.

14       (b) The number of additional slots that would result in the  
15 need to add additional administrative costs to oversee the  
16 residents in the training program.

17       (c) The postresidency retention rate for the residency  
18 training program.

19       (3) The department shall hold graduate medical education  
20 recipients' payments until the submission of the information  
21 required in subsections (1) and (2).

22       (4) The department shall convene a workgroup to use the  
23 reports submitted under subsections (1) and (2) to assist in the  
24 development of metrics for distribution of graduate medical  
25 education funds and shall report to the senate and house  
26 appropriations subcommittees on the department budget and the  
27 senate and house fiscal agencies on the results of the workgroup by

1 September 30 of the current fiscal year. It is the intent of the  
2 legislature that, beginning with the budget for the fiscal year  
3 ending September 30, 2018, the metrics developed by this workgroup  
4 be used to determine the distribution of funds for graduate medical  
5 education.

6 (5) If needed, the department shall seek a federal waiver to  
7 fulfill the requirements of this section.

8 Sec. 1820. (1) In order to avoid duplication of efforts, the  
9 department shall utilize applicable national accreditation review  
10 criteria to determine compliance with corresponding state  
11 requirements for Medicaid health plans that have been reviewed and  
12 accredited by a national accrediting entity for health care  
13 services.

14 (2) The department shall continue to comply with state and  
15 federal law and shall not initiate an action that negatively  
16 impacts beneficiary safety.

17 (3) As used in this section, "national accrediting entity"  
18 means the National Committee for Quality Assurance, the URAC,  
19 formerly known as the Utilization Review Accreditation Commission,  
20 or other appropriate entity, as approved by the department.

21 (4) By July 1 of the current fiscal year, the department shall  
22 provide a progress report to the house and senate appropriations  
23 subcommittees on the department budget, the house and senate fiscal  
24 agencies, and the state budget office on implementation of this  
25 section.

26 Sec. 1837. The department shall continue, and expand where  
27 appropriate, utilization of telemedicine and telepsychiatry as



1 strategies to increase access to services for Medicaid recipients  
2 in medically underserved areas.

3 Sec. 1846. From the funds appropriated in part 1 for graduate  
4 medical education, the department shall distribute the funds with  
5 an emphasis on the following health care workforce goals:

6 (a) The encouragement of the training of physicians in  
7 specialties, including primary care, that are necessary to meet the  
8 future needs of residents of this state.

9 (b) The training of physicians in settings that include  
10 ambulatory sites and rural locations.

11 Sec. 1850. The department may allow Medicaid health plans to  
12 assist with the redetermination process through outreach activities  
13 to ensure continuation of Medicaid eligibility and enrollment in  
14 managed care. This may include mailings, telephone contact, or  
15 face-to-face contact with beneficiaries enrolled in the individual  
16 Medicaid health plan. Health plans may offer assistance in  
17 completing paperwork for beneficiaries enrolled in their plan.

18 Sec. 1862. From the funds appropriated in part 1, the  
19 department shall maintain payment rates for Medicaid obstetrical  
20 services at 95% of Medicare levels effective October 1, 2014.

21 Sec. 1866. (1) From the funds appropriated in part 1 for  
22 hospital services and therapy and health plan services,  
23 \$12,000,000.00 in general fund/general purpose revenue and any  
24 associated federal match shall be awarded to hospitals that meet  
25 criteria established by the department for services to low-income  
26 rural residents. One of the reimbursement components of the  
27 distribution formula shall be assistance with labor and delivery

1 services.

2 (2) No hospital or hospital system shall receive more than  
3 10.0% of the total funding referenced in subsection (1).

4 (3) To allow hospitals to understand their rural payment  
5 amounts under this section, the department shall provide hospitals  
6 with the methodology for distribution under this section and  
7 provide each hospital with its applicable data that are used to  
8 determine the payment amounts by August 1 of the current fiscal  
9 year. The department shall publish the distribution of payments for  
10 the current fiscal year and the immediately preceding fiscal year.

11 (4) The department shall report to the senate and house  
12 appropriations subcommittees on the department budget, the senate  
13 and house fiscal agencies, and the state budget office on the  
14 distribution of funds referenced in subsection (1) by April 1 of  
15 the current fiscal year.

16 Sec. 1870. (1) The department shall work with MiDocs to create  
17 a legal entity that is a 501(c)(3) organization, which shall serve  
18 as the fiduciary for any state-appropriated funds for a future  
19 pilot program.

20 (2) MiDocs shall develop a grant-making mechanism to determine  
21 which specialties, programs, and institutions are eligible to  
22 receive funding under a potential pilot program, propose a funding  
23 mechanism that will address potential interruptions of multi-year  
24 residency positions, and design an incentive program for residents  
25 to practice in underserved communities post-residency by offsetting  
26 part or all of the residents' medical school debt.

27 (3) The department shall work with MiDocs and the Michigan

1 Area Health Education Centers to identify the number, type,  
2 locations, and cost of potential new MiDocs residency slots, with  
3 the goal of 50 residents per class or 150 in the overall pilot  
4 program.

5 (4) The Michigan Area Health Education Centers shall do all of  
6 the following:

7 (a) Develop a database protocol for collecting and  
8 distributing educational and clinical quality outcomes.

9 (b) Incorporate interprofessional education best practices.

10 (c) Survey small hospitals and ambulatory sites in medically  
11 underserved areas to ascertain their ability and willingness to  
12 train residents and other health care professionals using  
13 traditional and innovative methods.

14 (d) Develop criteria and certification for clinical rotation  
15 sites.

16 (e) Assist MiDocs in developing reporting tools to annually  
17 report audited financial, clinical, and educational data to the  
18 state legislature and the department.

19 (5) By December 1 of the current fiscal year, the department  
20 and MiDocs shall submit a report to the senate and house  
21 subcommittees on the department budget, the senate and house fiscal  
22 agencies, the senate and house policy offices, and the state budget  
23 office on the information required by subsections (3) and (4) as  
24 well as a comprehensive funding plan for the pilot project.

25 (6) It is the intent of the legislature that, beginning with  
26 the budget for the fiscal year ending September 30, 2018, the  
27 department shall work in collaboration with the MiDocs consortium

1 to create a pilot graduate medical education program with the  
2 purpose of producing new physicians to practice medicine in this  
3 state.

4 Sec. 1872. From the funds appropriated in part 1 for adult  
5 home help services, the department shall allocate \$500,000.00 to  
6 develop and deploy a mobile electronic service verifications  
7 solution that shall include biometric identity verification to  
8 create administrative efficiencies, reduce error, and minimize  
9 fraud.

10 Sec. 1873. From the funds appropriated in part 1 for long-term  
11 care services, the department may allocate up to \$3,700,000.00 for  
12 the purpose of outreach and education to nursing home residents and  
13 the coordination of housing in order to move out of the facility.  
14 In addition, any funds appropriated shall be used for other quality  
15 improvement activities of the program. The department shall  
16 consider working with the Area Agencies on Aging Association of  
17 Michigan, the non-Area Agencies on Aging waivers, and the  
18 Disability Network/Michigan to develop a plan for the ongoing  
19 sustainability of the nursing facility transition initiative.

20 Sec. 1874. (1) The department shall ensure, in counties where  
21 program of all-inclusive care for the elderly or PACE services are  
22 available, that the program of all-inclusive care for the elderly  
23 (PACE) is included as an option in all options counseling and  
24 enrollment brokering for aging services and managed care programs,  
25 including, but not limited to, Area Agencies on Aging, centers for  
26 independent living, and the MiChoice home and community-based  
27 waiver. Such options counseling must include approved marketing and

1 discussion materials.

2 (2) The department shall establish a workgroup that consists  
3 of the independent waiver agents, the medical services  
4 administration, and PACE providers, to address PACE program issues  
5 as identified within the state contract with PACE providers. The  
6 workgroup shall, at a minimum, address the following concerns:

7 (a) Timely eligibility processing.

8 (b) Barriers to new enrollment.

9 (c) Future expansion criteria.

10 (3) The department shall report by April 1 of the current  
11 fiscal year to the senate and house appropriations subcommittees on  
12 the department budget, the senate and house fiscal agencies, and  
13 the state budget office on the findings of the workgroup.

14 Sec. 1875. (1) The department and its contractual agents may  
15 not subject Medicaid prescriptions to prior authorization  
16 procedures with respect to the following drugs:

17 (a) A prescription drug that is generally recognized in a  
18 standard medical reference or the American Psychiatric  
19 Association's Diagnostic and Statistical Manual for the treatment  
20 of a psychiatric disorder.

21 (b) A prescription drug that is generally recognized in a  
22 standard medical reference for the treatment of cancer, HIV-AIDS,  
23 epilepsy or seizure disorder, or organ replacement therapy.

24 (2) As used in this section, "prior authorization" means a  
25 process implemented by the department or its contractual agents  
26 that conditions, delays, or denies delivery or particular pharmacy  
27 services to Medicaid beneficiaries upon application of

1 predetermined criteria by the department or its contractual agents  
2 to those pharmacy services. The process of prior authorization  
3 often requires that a prescriber do 1 or both of the following:

4 (a) Obtain preapproval from the department or its contractual  
5 agents before prescribing a given drug.

6 (b) Verify to the department or its contractual agents that  
7 the use of a drug prescribed for an individual meets predetermined  
8 criteria from the department or its contractual agents for a  
9 prescription drug that is otherwise available under the Medicaid  
10 program in Michigan.

11 Sec. 1876. (1) From the funds appropriated in part 1 for  
12 Healthy Michigan Plan, the department shall allocate up to  
13 \$830,000.00 to facilitate the development and implementation of a  
14 demonstration project in cooperation with 1 or more contracting  
15 Medicaid health plans. These provisions shall be part of the  
16 protocol for implementation of incentives under the Healthy  
17 Michigan Plan and must do all of the following:

18 (a) Target Healthy Michigan Plan health plan enrollees who are  
19 above 100% of the federal poverty level, in at least 2 prosperity  
20 regions.

21 (b) Implement a web-based technology that links providers,  
22 beneficiaries, and health plans, in real-time, for the purpose of  
23 addressing deficiency in medical literacy and demonstrating that  
24 personal responsibility is enhanced by technology.

25 (c) Identify specific behavioral changes that will result as  
26 indicated by changes in measurable health outcomes and health care  
27 utilization.

1           (2) The demonstration project shall be implemented by April 1  
2 of the current fiscal year. Prior to implementation, the department  
3 shall present a summary description to the senate and house  
4 appropriations subcommittees on the department budget and the  
5 senate and house committees on health policy that must include the  
6 estimated cost of the demonstration, identify a shared savings  
7 proposal for Medicaid health plans who participate in the  
8 demonstration, and identify intended measurable results.

9           (3) It is the intent of the legislature that the demonstration  
10 project shall test the cost containment capabilities of a program  
11 that uses financial incentives to improve health and health care by  
12 promoting health literacy and doctor-patient mutual accountability.  
13 Outcomes and performance measures for this initiative shall  
14 include, but are not limited to, the following:

15           (a) The total annual per capita or per-member-per-year health  
16 care expenditures. This metric shall be derived by dividing the  
17 total annual health care expenditures of a population by the  
18 average annual number of people in that population. Claims data  
19 shall be used to compute health care expenditures.

20           (b) The per-member-per-year health care expenditures of a  
21 reasonably matched population not covered by the demonstration  
22 program. To account for minor differences in the 2 populations,  
23 each group's annual trend during the pilot shall be measured  
24 against their respective baseline trends in the year before  
25 implementing the program.

26           (c) In order to attribute the finding to the program, other  
27 process metrics that have been found to correlate with health

1 literacy must be analyzed. These metrics may include  
2 hospitalization rates, frequency of emergency room use, and the  
3 percentage of health education sessions prescribed by medical  
4 providers and successfully completed by patients relative to the  
5 total number of possible session opportunities offered through the  
6 program.

7 (4) It is the intent of the legislature that, beginning with  
8 the budget for the fiscal year ending September 30, 2018, the  
9 department shall submit quarterly reports to the senate and house  
10 appropriations committees on the department budget, the senate and  
11 house fiscal agencies, the senate and house policy offices, and the  
12 state budget office detailing the information required in  
13 subsection (3).

14 Sec. 1877. The department shall identify necessary metrics and  
15 data collection protocols to measure the dynamic movement of  
16 enrollees in the Healthy Michigan Plan. The goal is to ensure  
17 incentives, for all stakeholders, are aligned in order to increase  
18 utilization of high-value services, decrease utilization of low-  
19 value services, and increase employment opportunities. By December  
20 31 of the current fiscal year, the department must present the  
21 first generation of these assessments to the senate and house  
22 appropriations subcommittees on the department budget and the  
23 senate and house committees on health policy.

24 Sec. 1878. Not later than March 1 of the current fiscal year,  
25 the department shall provide a report to the senate and house  
26 appropriations subcommittees on the department budget, the senate  
27 and house fiscal agencies, the senate and house policy offices, and



1 the state budget office on hepatitis C tracking data. At a minimum,  
2 the report shall include information on the following for  
3 individuals treated with Harvoni or any other treatment used to  
4 cure hepatitis C during the current fiscal year or a previous  
5 fiscal year:

6 (a) The total number of people treated broken down by those  
7 treated through traditional Medicaid and those treated through the  
8 Healthy Michigan plan.

9 (b) The total cost of treatment.

10 (c) The total cost of treatment broken down by those treated  
11 through traditional Medicaid and those treated through the Healthy  
12 Michigan plan.

13 (d) The total amount of any rebates that were received from  
14 the purchase of hepatitis C specialty pharmaceuticals.

15 (e) Outstanding rebates that the department is expecting to  
16 receive.

17 (f) The cure rate broken down by Metavir Score, genotype,  
18 Medicaid match rate, and drug used during treatment.

19 (g) The reinfection rate broken down by Metavir Score,  
20 genotype, Medicaid match rate, and drug used during treatment.

21 Sec. 1879. For the purpose of Medicaid third party collections  
22 by Medicaid health plans, each contracting Medicaid health plan is  
23 considered an agent of the department in order to access other  
24 carrier data that is otherwise provided to the department.

25 Sec. 1880. (1) From the funds appropriated in part 1 for  
26 health plan services, the department shall implement a direct  
27 primary care pilot program for Medicaid enrollees in Wayne,

1 Oakland, and Livingston Counties that shall run from October 1,  
2 2016 to September 30, 2017. The pilot program shall include 400  
3 enrollees from each of the following Medicaid eligibility  
4 categories:

- 5 (a) Childless adults.
- 6 (b) Children ages 0-6 years.
- 7 (c) Children ages 7-18 years.
- 8 (d) Parents.
- 9 (e) Elderly individuals.
- 10 (f) Disabled individuals.

11 (2) For the purposes of the pilot program, each enrollee shall  
12 be enrolled in a direct primary care provider plan under contract  
13 with 1 or more managed care provider organizations under contract  
14 with the department to provide Medicaid services. The enrollee will  
15 be eligible for claims to the managed care provider for services  
16 not covered by the direct primary care provider plan.

17 (3) The department may take out a stop loss policy to mitigate  
18 the potential cost impact if pilot program per-member-per-month  
19 costs exceed per-member-per-month costs for the program the  
20 enrollee would have been in had they not participated in the pilot  
21 program. The cost of the stop loss plan shall not be used in the  
22 assessment of the success of the pilot program.

23 (4) The contract described in subsection (2) shall include the  
24 following provisions:

25 (a) The monthly direct primary care enrollment fee shall not  
26 exceed a weighted average of \$70.00 per month across all  
27 eligibility categories. The average shall be weighted by the

1 population makeup of the pilot program.

2 (b) The direct primary care provider must not accept any third  
3 party payments for health care services, other than retainer fees  
4 from the managed care provider with which they have contracted.

5 (c) The managed care provider must designate participating  
6 direct primary care providers as the gatekeeper for the pilot  
7 participant. As a gatekeeper, the direct primary care provider  
8 shall be authorized to provide the pilot participant with access to  
9 non-primary-care services in the managed care provider network. The  
10 managed care provider shall not stipulate any conditions upon a  
11 direct primary care provider that would alter the direct primary  
12 care service delivery model as a requirement for the direct primary  
13 care provider to receive the gatekeeper designation.

14 (d) The managed care provider is not liable for increased  
15 costs resulting from implementation of the pilot program.

16 (e) The managed care provider shall retain 50% of the net  
17 total savings resulting from implementation of the pilot program,  
18 while the remaining 50% shall return to the state as lapsed  
19 Medicaid funds.

20 (f) The managed care provider may share its portion of the net  
21 total savings resulting from implementation of the pilot program  
22 with the direct primary care service providers under contract with  
23 the managed care provider.

24 (5) On a quarterly basis the department shall report to the  
25 senate and house appropriations subcommittees on the department  
26 budget, the senate and house fiscal agencies, the senate and house  
27 policy offices, and the state budget office on the implementation

1 of the direct primary care pilot program. The report shall include,  
2 but is not limited to, the following performance metrics:

3 (a) The number of enrollees in the pilot program by  
4 eligibility category.

5 (b) The per-member-per-month rate paid in fiscal year 2015-  
6 2016 per eligibility category.

7 (c) The number of claims paid in fiscal year 2015-2016 per  
8 eligibility category.

9 (d) The number of claims per category weighted to reflect 400  
10 enrollees.

11 (e) The dollar value of all claims per eligibility category.

12 (f) The per-member-per-month actual cost, which equals the  
13 direct primary care plan costs and any managed care costs not  
14 covered through the direct primary care plan, including managed  
15 care provider overhead costs.

16 (g) The average direct primary care cost per enrollee per  
17 eligibility category.

18 (h) The average number of actual claims per eligibility  
19 category.

20 (i) The average actual dollar value of claims per eligibility  
21 category.

22 (j) The number of enrollees in the pilot program during the  
23 previous quarter who are no longer eligible for Medicaid in the  
24 current quarter, broken down by eligibility category.

25 (k) The category savings subtotal, which equals the per-  
26 member-per-month rate paid in fiscal year 2015-2016 minus the per-  
27 member-per-month actual cost, times the number of enrollees in the

1 eligibility category.

2 (l) The total savings, which equals the per-member-per-month  
3 rate paid in fiscal year 2015-2016 minus the per-member-per-month  
4 actual cost, times the total number of enrollees in the program.

5 (6) Unexpended and unencumbered funds up to a maximum of  
6 \$830,000.00 general fund/general purpose revenue plus any  
7 associated federal match remaining in accounts appropriated in part  
8 1 for health plan services are designated as work project  
9 appropriations, and any unencumbered or unallotted funds shall not  
10 lapse at the end of the fiscal year and shall be available for  
11 expenditures for the direct primary care pilot program for Medicaid  
12 enrollees in Wayne, Oakland, and Livingston Counties under this  
13 section until the projects have been completed. All of the  
14 following are in compliance with section 451a of the management and  
15 budget act, 1984 PA 431, MCL 18.1451a:

16 (a) The purpose of the pilot is to fund the cost of a direct  
17 primary care pilot program as provided by this section.

18 (b) The project will be accomplished by contracting with a  
19 managed care organization under contract with the department to  
20 provide Medicaid services.

21 (c) The total estimated cost of the project is \$830,000.00 of  
22 general fund/general purpose revenue plus any associated federal  
23 match.

24 (d) The tentative completion date is September 30, 2019.

25 Sec. 1881. The department shall partner with the Michigan  
26 Association of Health Plans in the development and implementation  
27 of strategies for the use of information technology services for

1 Medicaid research activities. The department shall make available  
2 state medical assistance program data, without charge, to the  
3 Michigan Association of Health Plans or any vendor considered  
4 qualified by the department for the purpose of research activities  
5 consistent with the state's goals of improving health, increasing  
6 the quality, reliability, availability, and continuity of care, and  
7 reducing the cost of care of the eligible population of Medicaid  
8 enrollees.

9       Sec. 1882. By October 31, 2016, the department shall report to  
10 the senate and house appropriations subcommittees on the department  
11 budget, the senate and house fiscal agencies, and the state budget  
12 office, documentation of the expenses incurred during the immediate  
13 preceding fiscal year by Medicaid health plans and PIHPs for the  
14 purpose of meeting the contractual requirements to join the  
15 Michigan Health Information Network Shared Services and  
16 incentivizing providers to become members of the Health Information  
17 Exchange Qualified Organization. The report should also include an  
18 estimation of the expenses to be incurred in the current fiscal  
19 year by Medicaid health plans and PIHPs for the same purpose of  
20 meeting their contractual obligations.

21       Sec. 1883. From the funds appropriated in part 1, the  
22 department shall increase Medicaid private duty nursing rates by  
23 20%.

24       Sec. 1884. (1) From the funds appropriated in part 1, the  
25 department shall increase Medicaid primary care physician rates by  
26 6%.

27       (2) The department shall report by April 1 of the current

1 fiscal year to the senate and house fiscal agencies, the senate and  
2 house subcommittees on the department budget, and the state budget  
3 office the following:

4 (a) A list of medical specialties that were paid enhanced  
5 primary care rates in the fiscal year 2015-2016.

6 (b) Information on the geographic distribution of specialists  
7 who received enhanced rates in fiscal year 2015-2016.

8 Sec. 1888. By July 1 of the current fiscal year, the  
9 department shall establish contract performance standards  
10 associated with the capitation withhold provisions for Medicaid  
11 health plans. The determination of whether performance standards  
12 have been met shall be based primarily on recognized concepts such  
13 as 1-year continuous enrollment and the healthcare effectiveness  
14 data and information set, HEDIS, audited data.

15 Sec. 1890. From the funds appropriated in part 1 for  
16 pharmaceutical services, the department shall ensure Medicaid  
17 recipients' access to breast pumps to support and encourage  
18 breastfeeding. The department shall adjust Medicaid policy to, at a  
19 minimum, provide an individual double electric style pump to a  
20 breastfeeding mother when a physician prescribes such a device  
21 based on diagnosis of mother or infant. If the distribution method  
22 for pumps or other equipment is a department contract with durable  
23 medical equipment providers, the department shall guarantee  
24 providers stock and rent to Medicaid recipients without delay or  
25 undue restriction.

26 Sec. 1894. (1) From the funds appropriated in part 1 for  
27 dental services, the department shall expand the Healthy Kids

1 Dental program to all children in Kent, Oakland, and Wayne  
2 Counties. This program expansion will improve access to necessary  
3 dental services for Medicaid-enrolled children.

4 (2) Outcomes and performance measures for this initiative  
5 include, but are not limited to, the following:

6 (a) The number of Medicaid-enrolled children in Kent, Oakland,  
7 and Wayne Counties who visited the dentist over the prior year.

8 (b) The number of dentists in Kent, Oakland, and Wayne  
9 Counties who will accept Medicaid payment for services to children.

10 (c) The change in dental utilization in Kent, Oakland, and  
11 Wayne Counties before and after full implementation of the Healthy  
12 Kids Dental expansion in these counties.

13 Sec. 1895. (1) From the funds appropriated in part 1 for  
14 dental services, \$100.00 shall be distributed to local health  
15 departments who partner with a qualified nonprofit provider of  
16 dental services for the purpose of providing high-quality dental  
17 homes for seniors, children, and adults enrolled in Medicaid, and  
18 low-income uninsured.

19 (2) In order to be considered a qualified nonprofit provider  
20 of dental services, the provider must demonstrate an effective  
21 health insurance enrollment process for uninsured patients and  
22 demonstrate to the department an effective process of charging  
23 patients on a sliding scale based on the patient's ability to pay.

24 (3) Outcomes and performance measures for the program under  
25 this section include, but are not limited to, the following:

26 (a) The number of uninsured patients who visited a  
27 participating dentist over the prior year, broken down between



1 adults and children.

2 (b) The number of patients assisted with health insurance  
3 enrollment, broken down between adults and children.

4 (c) A 5-year trend of the number of uninsured patients being  
5 served, broken down between adults and children.

6 Sec. 1896. (1) From the funds appropriated in part 1 for  
7 dental services, the department shall contract with a managed care  
8 organization for the administration of the Medicaid adult dental  
9 benefit. This program expansion will improve access to necessary  
10 dental services for Medicaid-enrolled adults.

11 (2) The beginning date for the managed care contract under  
12 subsection (1) must be at least 8 months after the beginning date  
13 of new contracts with Medicaid health plans for physical health  
14 Medicaid services.

15 (3) Outcomes and performance measures for the program change  
16 under this section include, but are not limited to, the following:

17 (a) The number of adults enrolled in Medicaid who visited a  
18 dentist over the prior year.

19 (b) The number of dentists statewide who participate in the  
20 dental managed care organization's provider network.

21 Sec. 1899. From the funds appropriated in part 1 for personal  
22 care services, the department shall maintain the personal care  
23 services rate at the level in effect October 1, 2014.

24 **ONE-TIME BASIS ONLY APPROPRIATIONS**

25 Sec. 1908. The funds appropriated in part 1 for hospice  
26 services shall be expended to provide room and board for Medicaid

1 recipients who meet hospice eligibility requirements and receive  
2 services at Medicaid enrolled hospice residences in this state. The  
3 qualifying hospice residences must have been enrolled with Medicaid  
4 by October 1, 2014.

5 Sec. 1909. (1) From the increased funds appropriated in part 1  
6 for family preservation and support services, the department shall  
7 expand the parent partner program and the family reunification  
8 program. The purpose of these program expansions will be to enhance  
9 family preservation and support services to prevent the need for  
10 foster care, shorten the length of time between foster care entry  
11 and reunification, and sustain parental progress following  
12 reunification.

13 (2) The department shall identify specific outcomes and  
14 performance measures for this initiative, including, but not  
15 limited to, the following:

16 (a) Percentage of children that were discharged from foster  
17 care to reunification in less than 12 months from the date of the  
18 latest removal from home.

19 (b) Median length of stay in months from the date of the  
20 latest removal from home until the date of discharge to  
21 reunification.

22 (c) Percentage of children who reentered foster care in less  
23 than 12 months from the date of discharge to reunification.

24 (d) Percentage of children who were victims of a substantiated  
25 or indicated maltreatment allegation who were not victims of  
26 another substantiated or indicated maltreatment allegation within a  
27 6-month period from the date of discharge to reunification.

1 (e) Measurable effects of this program expansion on reducing  
2 the rate of children who live in families with incomes below the  
3 federal poverty level.

4 (3) Unexpended funds appropriated in part 1 for family  
5 preservation and support services are designated as work project  
6 appropriations, and any unencumbered or unallotted funds shall not  
7 lapse at the end of the current fiscal year and shall be available  
8 for expenditures for the parent partner program and the family  
9 reunification program until the projects have been completed. All  
10 of the following are in compliance with section 451a of the  
11 management and budget act, 1984 PA 431, MCL 18.1451a:

12 (a) The purpose of the projects is to expand and enhance  
13 family preservation and support services to prevent the need for  
14 foster care, shorten the length of time between foster care entry  
15 and reunification, and sustain parental progress following  
16 reunification.

17 (b) The projects will be carried out through contracts with  
18 private and not-for-profit vendors to expand the parent partner  
19 program and family reunification program to additional counties  
20 throughout the state.

21 (c) The estimated cost of this work project is \$3,133,300.00.

22 (d) The estimated work project completion date is September  
23 30, 2019.

24 Sec. 1910. From the funds appropriated in part 1 for the  
25 drinking water declaration of emergency, the department shall  
26 allocate funds to address needs relating to the declaration of  
27 emergency in a city in which a declaration of emergency was issued

1 because of drinking water contamination. These funds may support,  
2 but are not limited to, the following activities:

3 (a) Emergency nutrition assistance, nutritional and community  
4 education, food bank resources, and food inspections.

5 (b) Epidemiological analysis and case management of  
6 individuals at risk of elevated blood lead levels.

7 (c) Support for child and adolescent health centers,  
8 children's health care access program, and pathways to potential  
9 programming.

10 (d) Nursing services, evidence-based home visiting programs,  
11 intensive services, and outreach for children exposed to lead  
12 coordinated through local community mental health organizations.

13 (e) Department field operations costs.

14 (f) Assessment of potential linkages to other diseases.

15 Sec. 1911. The funds appropriated in part 1 for pharmacy  
16 reserve are not available for expenditure until the following  
17 conditions have been met:

18 (a) The funds have been transferred to other line items in  
19 part 1 pursuant to section 393(2) of the management and budget act,  
20 1984 PA 431, MCL 18.1393.

21 (b) Thirty days have passed since the department has provided  
22 the legislature with a report containing the following information:

23 (i) The pharmaceuticals that would now be covered by programs  
24 run by the department from the transfers referenced in subdivision  
25 (a).

26 (ii) The basis for the decision to cover these  
27 pharmaceuticals, including information, if any, from the state's

1 pharmacy and therapeutics committee.

2 (iii) An estimate of the gross and general fund/general  
3 purpose cost to the department of covering the medications in the  
4 current fiscal year and the subsequent fiscal year.

5 (iv) A list of metrics to determine the efficacy, in terms of  
6 patient outcomes and net long-term fiscal impact, of the decision  
7 to cover these medications.

8 PART 2A

9 PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS

10 FOR FISCAL YEAR 2017-2018

11 GENERAL SECTIONS

12 Sec. 2001. It is the intent of the legislature to provide  
13 appropriations for the fiscal year ending on September 30, 2018 for  
14 the line items listed in part 1. The fiscal year 2017-2018  
15 appropriations are anticipated to be the same as those for fiscal  
16 year 2016-2017, except that the line items will be adjusted for  
17 changes in caseload and related costs, federal fund match rates,  
18 economic factors, and available revenue. These adjustments will be  
19 determined after the January 2017 consensus revenue estimating  
20 conference.

21 ARTICLE XI

22 DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES

23 PART 1

## LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of insurance and financial services for the fiscal year ending September 30, 2017, from the following funds:

**DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES**

## APPROPRIATION SUMMARY

|                                                                      |       |               |
|----------------------------------------------------------------------|-------|---------------|
| Full-time equated unclassified positions.....                        | 6.0   |               |
| Full-time equated classified positions.....                          | 337.0 |               |
| GROSS APPROPRIATION.....                                             |       | \$ 66,307,200 |
| Total interdepartmental grants and intradepartmental transfers ..... |       | 707,600       |
| ADJUSTED GROSS APPROPRIATION.....                                    |       | \$ 65,599,600 |
| Federal revenues:                                                    |       |               |
| Total federal revenues.....                                          |       | 2,000,000     |
| Special revenue funds:                                               |       |               |
| Bank fees.....                                                       |       | 6,824,100     |
| Captive insurance regulation.....                                    |       | 3,900         |
| Captive insurance regulatory and supervision fund....                |       | 282,900       |
| Consumer finance fees.....                                           |       | 3,419,200     |
| Credit union fees.....                                               |       | 9,031,100     |
| Deferred presentment service transaction fees .....                  |       | 3,766,700     |
| Insurance bureau fund.....                                           |       | 23,836,000    |
| Insurance continuing education fees.....                             |       | 1,086,100     |
| Insurance licensing and regulation fees .....                        |       | 8,553,700     |
| MBLSLA fund.....                                                     |       | 6,363,000     |
| Multiple employer welfare arrangement .....                          |       | 282,900       |
| Total other state restricted revenues .....                          |       | 63,449,600    |

|    |                                                      |    |                  |
|----|------------------------------------------------------|----|------------------|
| 1  | State general fund/general purpose .....             | \$ | 150,000          |
| 2  | State general fund/general purpose schedule:         |    |                  |
| 3  | Ongoing state general fund/general                   |    |                  |
| 4  | purpose .....                                        |    | 150,000          |
| 5  | One-time state general fund/general                  |    |                  |
| 6  | purpose .....                                        |    | 0                |
| 7  | <b>Sec. 102. DEPARTMENT SERVICES</b>                 |    |                  |
| 8  | Full-time equated unclassified positions.....        |    | 6.0              |
| 9  | Full-time equated classified positions.....          |    | 23.0             |
| 10 | Department services--19.0 FTE positions .....        | \$ | 3,730,700        |
| 11 | Unclassified--6.0 FTE positions .....                |    | 746,500          |
| 12 | Executive director programs--4.0 FTE positions ..... |    | 1,109,200        |
| 13 | Property management .....                            |    | 1,175,700        |
| 14 | Worker's compensation .....                          |    | 5,200            |
| 15 | Administrative hearings .....                        |    | 182,500          |
| 16 | Information technology services and projects .....   |    | <u>2,216,100</u> |
| 17 | GROSS APPROPRIATION .....                            | \$ | 9,165,900        |
| 18 | Appropriated from:                                   |    |                  |
| 19 | Special revenue funds:                               |    |                  |
| 20 | Bank fees .....                                      |    | 806,000          |
| 21 | Captive insurance regulation .....                   |    | 3,900            |
| 22 | Consumer finance fees .....                          |    | 358,200          |
| 23 | Credit union fees .....                              |    | 1,062,300        |
| 24 | Deferred presentment service transaction fees .....  |    | 473,500          |
| 25 | Insurance bureau fund .....                          |    | 2,847,600        |
| 26 | Insurance continuing education fees .....            |    | 91,100           |
| 27 | Insurance licensing and regulation fees .....        |    | 2,549,200        |

|    |                                                              |                  |
|----|--------------------------------------------------------------|------------------|
| 1  | MBLSLA fund.....                                             | 822,900          |
| 2  | Multiple employer welfare arrangement.....                   | 1,200            |
| 3  | State general fund/general purpose.....                      | \$ 150,000       |
| 4  | <b>Sec. 103. INSURANCE AND FINANCIAL SERVICES REGULATION</b> |                  |
| 5  | Full-time equated classified positions.....                  | 314.0            |
| 6  | Insurance evaluation--54.0 FTE positions.....                | \$ 12,908,900    |
| 7  | Insurance rates and forms--30.0 FTE positions.....           | 5,942,500        |
| 8  | Financial institutions evaluation--132.0 FTE positions       | 24,212,800       |
| 9  | Regulatory compliance, market conduct and                    |                  |
| 10 | licensing--34.0 FTE positions.....                           | 5,482,000        |
| 11 | Consumer services and protection--64.0 FTE positions .       | <u>8,595,100</u> |
| 12 | GROSS APPROPRIATION.....                                     | \$ 57,141,300    |
| 13 | Appropriated from:                                           |                  |
| 14 | IDG-LARA, for debt management.....                           | 707,600          |
| 15 | Federal revenues:                                            |                  |
| 16 | Federal revenues.....                                        | 2,000,000        |
| 17 | Special revenue funds:                                       |                  |
| 18 | Bank fees.....                                               | 6,018,100        |
| 19 | Captive insurance regulatory and supervision fund....        | 282,900          |
| 20 | Consumer finance fees.....                                   | 3,061,000        |
| 21 | Credit union fees.....                                       | 7,968,800        |
| 22 | Deferred presentment service transaction fees.....           | 3,293,200        |
| 23 | Insurance bureau fund.....                                   | 20,988,400       |
| 24 | Insurance continuing education fees.....                     | 995,000          |
| 25 | Insurance licensing and regulation fees.....                 | 6,004,500        |
| 26 | MBLSLA fund.....                                             | 5,540,100        |
| 27 | Multiple employer welfare arrangement.....                   | 281,700          |



1 State general fund/general purpose ..... \$ 0

2 PART 2  
 3 PROVISIONS CONCERNING APPROPRIATIONS  
 4 FOR FISCAL YEAR 2016-2017

5 **GENERAL SECTIONS**

6 Sec. 201. In accordance with the provisions of section 30 of  
 7 article IX of the state constitution of 1963, total state spending  
 8 from state resources in this part and part 1 for the fiscal year  
 9 ending September 30, 2017 is \$63,599,600.00 and state  
 10 appropriations paid to local units of government are \$0.

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

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

17 (a) "Department" means the department of insurance and  
 18 financial services.

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

20 (c) "Fiscal agencies" means Michigan house fiscal agency and  
 21 Michigan senate fiscal agency.

22 (d) "FTE" means full-time equated.

23 (e) "IDG" means interdepartmental grant.

24 (f) "LARA" means the department of licensing and regulatory  
 25 affairs.

1 (g) "MBLSLA fund" means the restricted account established  
2 under section 8 of the mortgage brokers, lenders, and servicers  
3 licensing act, 1987 PA 173, MCL 445.1658.

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

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

13 Sec. 205. In addition to the metrics required under section  
14 447 of the management and budget act, 1984 PA 431, MCL 18.1447, for  
15 each new program or program enhancement for which funds in excess  
16 of \$500,000.00 are appropriated in part 1, the department shall  
17 provide not later than November 1 a list of program-specific  
18 metrics intended to measure its performance based on a return on  
19 taxpayer investment. The department shall deliver the program-  
20 specific metrics to members of the senate and house subcommittees  
21 that have subject matter jurisdiction for this budget, fiscal  
22 agencies, and the state budget director. The department shall  
23 provide an update on its progress in tracking program-specific  
24 metrics and the status of program success at an appropriations  
25 subcommittee meeting called for by the subcommittee chair.

26 Sec. 206. The director shall take all reasonable steps to  
27 ensure businesses in deprived and depressed communities compete for

1 and perform contracts to provide services or supplies, or both. The  
2 director shall strongly encourage firms with which the department  
3 contracts to subcontract with certified businesses in depressed and  
4 deprived communities for services, supplies, or both.

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

15       (a) The dates of each travel occurrence.

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

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

27       Sec. 209. Funds appropriated in this part and part 1 shall not

1 be used for the purchase of foreign goods or services, or both, if  
2 competitively priced and of comparable quality American goods or  
3 services, or both, are available. Preference shall be given to  
4 goods or services, or both, manufactured or provided by Michigan  
5 businesses, if they are competitively priced and of comparable  
6 quality. In addition, preference shall be given to goods or  
7 services, or both, that are manufactured or provided by Michigan  
8 businesses owned and operated by veterans, if they are  
9 competitively priced and of comparable quality.

10 Sec. 210. (1) In addition to the funds appropriated in part 1,  
11 there is appropriated an amount not to exceed \$1,000,000.00 for  
12 federal contingency funds.

13 (2) In addition to the funds appropriated in part 1, there is  
14 appropriated an amount not to exceed \$5,000,000.00 for state  
15 restricted contingency funds.

16 (3) Funds appropriated under this section are not available  
17 for expenditure until they have been transferred to another line  
18 item in part 1 under section 393(2) of the management and budget  
19 act, 1984 PA 431, MCL 18.1393.

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

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

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

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

1 payment description.

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

4 (e) Job specifications and wage rates.

5 Sec. 212. The department and agencies receiving appropriations  
6 in this part and part 1 shall receive and retain copies of all  
7 reports funded from appropriations in this part and part 1. Federal  
8 and state guidelines for short-term and long-term retention of  
9 records shall be followed. The department may electronically retain  
10 copies or reports unless otherwise required by federal and state  
11 guidelines.

12 Sec. 213. (1) The department shall maintain, on a publicly  
13 accessible website, a department scorecard that identifies, tracks,  
14 and regularly updates key metrics that are used to monitor and  
15 improve the department's performance.

16 (2) The department shall provide a report to the legislature  
17 based on the annual rate filings from health insurance issuers that  
18 includes all of the following:

19 (a) The number that are approved by the department.

20 (b) The number that are denied by the department.

21 (c) The percentage of rate filings processed within the  
22 applicable statutory time frames.

23 (d) The average number of calendar days to process rate  
24 filings.

25 (e) An estimated percentage of this state's population that is  
26 without any form of health insurance coverage for more than 6  
27 months in any given calendar year.

1       Sec. 214. Total authorized appropriations from all sources  
2 under this part and part 1 for legacy costs for the fiscal year  
3 ending September 30, 2017 is \$10,214,700.00. From this amount,  
4 total agency appropriations for pension-related legacy costs are  
5 estimated at \$5,663,800.00. Total agency appropriations for retiree  
6 health care legacy costs are estimated at \$4,550,900.00.

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

10       Sec. 216. Not later than November 30, the state budget office  
11 shall prepare and transmit a report that provides for estimates of  
12 the total general fund/general purpose appropriation lapses at the  
13 close of the prior fiscal year. This report must summarize the  
14 projected year-end general fund/general purpose appropriation  
15 lapses by major departmental program or program areas. The report  
16 shall be transmitted to the chairpersons of the senate and house  
17 appropriations committees and the fiscal agencies.

18       Sec. 217. (1) Out-of-state travel shall be limited to  
19 situations in which 1 or more of the following conditions apply:

20       (a) The travel is required by legal mandate or court order or  
21 for law enforcement purposes.

22       (b) The travel is necessary to protect the health or safety of  
23 Michigan citizens or visitors or to assist other states in similar  
24 circumstances.

25       (c) The travel is necessary to produce budgetary savings or to  
26 increase state revenues, including protecting existing federal  
27 funds or securing additional federal funds.

1 (d) The travel is necessary to comply with federal  
2 requirements.

3 (e) The travel is necessary to secure specialized training for  
4 staff that is not available within this state.

5 (f) The travel is financed entirely by federal or nonstate  
6 funds.

7 (2) The department shall not approve the travel of more than 1  
8 departmental employee to a specific professional development  
9 conference or training seminar that is located outside of this  
10 state unless a professional development conference or training  
11 seminar is funded by a federal or private funding source and  
12 requires more than 1 person from a department to attend, or the  
13 conference or training seminar includes multiple issues in which 1  
14 employee from the department does not have expertise.

15 (3) Not later than January 1, the department shall prepare a  
16 travel report listing all travel by classified and unclassified  
17 employees outside this state in the immediately preceding fiscal  
18 year that was funded in whole or in part with funds appropriated in  
19 the department's budget. The report shall be submitted to the  
20 senate and house of representatives standing committees on  
21 appropriations, the senate and house fiscal agencies, and the state  
22 budget director. The report shall include the following  
23 information:

24 (a) The name of each person receiving reimbursement for travel  
25 outside this state or whose travel costs were paid by this state.

26 (b) The destination of each travel occurrence.

27 (c) The dates of each travel occurrence.

1 (d) A brief statement of the reason for each travel  
2 occurrence.

3 (e) The transportation and related costs of each travel  
4 occurrence, including the proportion funded with state general  
5 fund/general purpose revenues, the proportion funded with state  
6 restricted revenues, the proportion funded with federal revenues,  
7 and the proportion funded with other revenues.

8 (f) A total of all out-of-state travel funded for the  
9 immediately preceding fiscal year.

10 Sec. 219. No later than April 1, the department shall submit  
11 to the subcommittees and the fiscal agencies a report pertaining to  
12 the following information:

13 (a) The amount, in square footage, of office space paid for  
14 with the appropriation in this part and part 1 for both state-owned  
15 and leased office space, respectively, during the previous fiscal  
16 year.

17 (b) The amount, in square footage, of office space actually  
18 utilized by the department for both state-owned and leased office  
19 space, respectively, during the previous fiscal year.

20 (c) The amount of office space the department estimates will  
21 be utilized during the current and subsequent fiscal years.

22 Sec. 228. Unless prohibited by law, the department may accept  
23 credit card or other electronic means of payment for licenses,  
24 fees, or permits.

25 Sec. 232. The department shall not develop or produce any  
26 television or radio productions.

27 Sec. 234. Within 14 days after the release of the executive



1 budget recommendation, the department shall cooperate with the  
2 state budget office to provide the senate and house appropriations  
3 chairs, the subcommittees chairs, and the fiscal agencies with an  
4 annual report on estimated state restricted fund balances, state  
5 restricted fund projected revenues, and state restricted fund  
6 expenditures for the immediately preceding and current fiscal  
7 years.

8       Sec. 245. The department, in conjunction with the department  
9 of health and human services, shall maintain an accounting  
10 structure within the Michigan administrative information network  
11 that will allow expenditures associated with the administration of  
12 the Healthy Michigan plan to be identified. By October 1, if there  
13 are changes from the previous fiscal year, the department shall  
14 provide the state budget office and the fiscal agencies with the  
15 relevant accounting structure and associated business objects  
16 script and report that group's administrative costs.

17       Sec. 246. The amount appropriated from the general fund in  
18 part 1 for executive director program may only be expended to  
19 comply with reporting requirements regarding the Healthy Michigan  
20 plan under section 105d(9) of the social welfare act, 1939 PA 280,  
21 MCL 400.105d.

## 22 **INSURANCE AND FINANCIAL SERVICES REGULATION**

23       Sec. 310. (1) No later than February 1, the department shall  
24 submit a report to the subcommittees and the fiscal agencies  
25 providing the following information:

26       (a) The amounts expended, by fund source, by the department to

1 support the economic development of the insurance or financial  
2 industries during the preceding fiscal year.

3 (b) The number of full-time equated positions utilized by the  
4 department to support the economic development of the insurance or  
5 financial industries during the preceding fiscal year.

6 (c) A detailed, 2-year plan for departmental activities to  
7 support the economic development of the insurance or financial  
8 industries.

9 (2) For purposes of subsection (1), "economic development"  
10 includes any activities to encourage, promote, or advocate for the  
11 expansion, retention, or attraction of business or nonprofit  
12 entities engaged in or involved with the insurance or financial  
13 industries.

14 Sec. 391. In addition to the funds appropriated in part 1, the  
15 funds collected by the department in connection with a  
16 conservatorship under section 32 of the mortgage brokers, lenders,  
17 and servicers licensing act, 1987 PA 173, MCL 445.1682, and funds  
18 collected by the department from corporations being liquidated  
19 under the insurance code of 1956, 1956 PA 218, MCL 500.100 to  
20 500.8302, shall be appropriated for all expenses necessary to  
21 provide for the required services. Funds are available for  
22 expenditure when they are received by the department of treasury  
23 and shall not lapse to the general fund at the end of the fiscal  
24 year.

25 Sec. 392. The department may make available to interested  
26 entities customized listings of nonconfidential information in its  
27 possession. The department may establish and collect a reasonable

1 charge to provide this service. The revenue from this service is  
2 appropriated when received and shall be used to offset expenses.  
3 Any balance of this revenue collected and unexpended at the end of  
4 the fiscal year shall lapse to the appropriate restricted fund.

5 **AUTISM COVERAGE**

6 Sec. 802. (1) Each fiscal year, if expenditures are made from  
7 the autism coverage fund, created by section 7 of the autism  
8 coverage reimbursement act, 2012 PA 101, MCL 550.1837, the  
9 department shall produce a report that contains all of the  
10 following information on the autism coverage reimbursement program,  
11 established by section 5 of the autism coverage reimbursement act,  
12 2012 PA 101, MCL 550.1835, for the fiscal year:

13 (a) The total number of claims for reimbursement approved and  
14 the number approved within each county, based on the provider's  
15 location.

16 (b) The total amount expended from the autism coverage fund  
17 for reimbursements and the amount for each carrier receiving  
18 reimbursement.

19 (c) For each claim included within a claim submission received  
20 by the department, all of the following information:

21 (i) The date the department received the claim.

22 (ii) The dollar amount of the claim.

23 (iii) The date of birth of the patient receiving diagnosis or  
24 treatment under the claim.

25 (iv) Whether the claim was under a self-insured plan.

26 (v) The date of the service that was the basis for the claim.

1 (vi) The identity of the carrier that submitted the claim.

2 (2) By October 31 following the end of the fiscal year, the  
3 department shall provide the report required under subsection (1)  
4 to the subcommittees, the fiscal agencies, and the state budget  
5 director.

6 PART 2A

7 PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS  
8 FOR FISCAL YEAR 2017-2018

9 **GENERAL SECTIONS**

10 Sec. 1201. It is the intent of the legislature to provide  
11 appropriations for the fiscal year ending on September 30, 2018 for  
12 the line items listed in part 1. The fiscal year 2017-2018  
13 appropriations are anticipated to be the same as those for fiscal  
14 year 2016-2017, except that the line items will be adjusted for  
15 changes in caseload and related costs, federal fund match rates,  
16 economic factors, and available revenue. These adjustments will be  
17 determined after the January 2017 consensus revenue estimating  
18 conference.

19 ARTICLE XII

20 JUDICIARY

21 PART 1

22 LINE-ITEM APPROPRIATIONS

23 Sec. 101. There is appropriated for the judiciary for the

1 fiscal year ending September 30, 2017, from the following funds:

2 **JUDICIARY**

3 APPROPRIATION SUMMARY

|    |                                                       |       |                |
|----|-------------------------------------------------------|-------|----------------|
| 4  | Full-time equated exempted positions.....             | 510.0 |                |
| 5  | GROSS APPROPRIATION.....                              |       | \$ 297,411,400 |
| 6  | Interdepartmental grant revenues:                     |       |                |
| 7  | IDG from department of state police.....              |       | 1,500,000      |
| 8  | IDG from department of corrections.....               |       | 50,000         |
| 9  | Total interdepartmental grants and intradepartmental  |       |                |
| 10 | transfers .....                                       |       | 1,550,000      |
| 11 | ADJUSTED GROSS APPROPRIATION.....                     |       | \$ 295,861,400 |
| 12 | Federal revenues:                                     |       |                |
| 13 | DOJ, drug court training and evaluation.....          |       | 300,000        |
| 14 | DOT, National Highway Traffic Safety Administration.. |       | 2,210,700      |
| 15 | HHS, access and visitation grant.....                 |       | 621,200        |
| 16 | HHS, children's justice grant.....                    |       | 233,000        |
| 17 | HHS, court improvement project.....                   |       | 1,309,700      |
| 18 | HHS, title IV-D child support program.....            |       | 1,024,700      |
| 19 | HHS, title IV-E foster care program.....              |       | 392,500        |
| 20 | Other federal grant revenues.....                     |       | 341,700        |
| 21 | Total federal revenues.....                           |       | 6,433,500      |
| 22 | Special revenue funds:                                |       |                |
| 23 | Local - user fees.....                                |       | 7,349,300      |
| 24 | Total local revenues.....                             |       | 7,349,300      |
| 25 | Private.....                                          |       | 190,800        |
| 26 | Private - interest on lawyers trust accounts .....    |       | 346,800        |
| 27 | Private - state justice institute.....                |       | 420,200        |

|    |                                                       |                |
|----|-------------------------------------------------------|----------------|
| 1  | Total private revenues.....                           | 957,800        |
| 2  | Total local and private revenues.....                 | 8,307,100      |
| 3  | Community dispute resolution fund.....                | 2,377,200      |
| 4  | Court equity fund.....                                | 50,440,000     |
| 5  | Court fee fund.....                                   | 2,988,100      |
| 6  | Court of appeals filing/motion fees.....              | 1,641,800      |
| 7  | Drug court fund.....                                  | 1,920,500      |
| 8  | Drug fund.....                                        | 250,000        |
| 9  | Drunk driving fund.....                               | 3,300,000      |
| 10 | Judicial technology improvement fund.....             | 4,815,000      |
| 11 | Juror compensation fund.....                          | 6,600,000      |
| 12 | Electronic filing fee fund.....                       | 8,500,000      |
| 13 | Justice system fund.....                              | 575,200        |
| 14 | Law exam fees.....                                    | 649,700        |
| 15 | Miscellaneous revenue.....                            | 408,700        |
| 16 | State court fund.....                                 | 8,319,800      |
| 17 | Total other state restricted revenues.....            | 92,786,000     |
| 18 | State general fund/general purpose.....               | \$ 188,334,800 |
| 19 | <b>Sec. 102. SUPREME COURT</b>                        |                |
| 20 | Full-time equated exempted positions.....             | 246.0          |
| 21 | Supreme court administration--92.0 FTE positions..... | \$ 13,629,100  |
| 22 | Judicial institute--13.0 FTE positions.....           | 1,778,000      |
| 23 | State court administrative office--61.0 FTE positions | 12,211,100     |
| 24 | Judicial information systems--22.0 FTE positions..... | 3,427,500      |
| 25 | Direct trial court automation support--44.0 FTE       |                |
| 26 | positions .....                                       | 7,349,300      |
| 27 | Foster care review board--10.0 FTE positions.....     | 1,305,700      |

|    |                                                        |                  |
|----|--------------------------------------------------------|------------------|
| 1  | Community dispute resolution--3.0 FTE positions .....  | 2,377,200        |
| 2  | Other federal grants .....                             | 275,100          |
| 3  | Drug treatment courts .....                            | 10,958,000       |
| 4  | Mental health courts and diversion services--1.0 FTE   |                  |
| 5  | position .....                                         | 5,337,700        |
| 6  | Veterans courts .....                                  | 500,000          |
| 7  | Swift and sure sanctions program .....                 | 5,050,000        |
| 8  | Next generation Michigan court system .....            | <u>4,116,000</u> |
| 9  | GROSS APPROPRIATION .....                              | \$ 68,314,700    |
| 10 | Appropriated from:                                     |                  |
| 11 | Interdepartmental grant revenues:                      |                  |
| 12 | IDG from department of state police .....              | 1,500,000        |
| 13 | IDG from department of corrections .....               | 50,000           |
| 14 | Federal revenues:                                      |                  |
| 15 | DOJ, drug court training and evaluation .....          | 300,000          |
| 16 | DOT, National Highway Traffic Safety Administration .. | 2,210,700        |
| 17 | HHS, access and visitation grant .....                 | 621,200          |
| 18 | HHS, children's justice grant .....                    | 233,000          |
| 19 | HHS, court improvement project .....                   | 1,309,700        |
| 20 | HHS, title IV-D child support program .....            | 1,024,700        |
| 21 | HHS, title IV-E foster care program .....              | 392,500          |
| 22 | Other federal grant revenues .....                     | 275,100          |
| 23 | Special revenue funds:                                 |                  |
| 24 | Local - user fees .....                                | 7,349,300        |
| 25 | Private .....                                          | 190,800          |
| 26 | Private - interest on lawyers trust accounts .....     | 262,600          |
| 27 | Private - state justice institute .....                | 420,200          |

|    |                                                       |       |                   |
|----|-------------------------------------------------------|-------|-------------------|
| 1  | Community dispute resolution fund.....                |       | 2,377,200         |
| 2  | Court of appeals filing/motion fees.....              |       | 1,641,800         |
| 3  | Law exam fees.....                                    |       | 649,700           |
| 4  | Drug court fund.....                                  |       | 1,920,500         |
| 5  | Miscellaneous revenue.....                            |       | 273,300           |
| 6  | Justice system fund.....                              |       | 575,200           |
| 7  | State court fund.....                                 |       | 382,800           |
| 8  | State general fund/general purpose.....               | \$    | 44,354,400        |
| 9  | <b>Sec. 103. COURT OF APPEALS</b>                     |       |                   |
| 10 | Full-time equated exempted positions.....             | 175.0 |                   |
| 11 | Court of appeals operations--175.0 FTE positions..... | \$    | <u>23,102,700</u> |
| 12 | GROSS APPROPRIATION.....                              | \$    | 23,102,700        |
| 13 | Appropriated from:                                    |       |                   |
| 14 | State general fund/general purpose.....               | \$    | 23,102,700        |
| 15 | <b>Sec. 104. BRANCHWIDE APPROPRIATIONS</b>            |       |                   |
| 16 | Full-time equated exempted positions.....             | 4.0   |                   |
| 17 | Branchwide appropriations--4.0 FTE positions.....     | \$    | <u>8,745,300</u>  |
| 18 | GROSS APPROPRIATION.....                              | \$    | 8,745,300         |
| 19 | Appropriated from:                                    |       |                   |
| 20 | State general fund/general purpose.....               | \$    | 8,745,300         |
| 21 | <b>Sec. 105. JUSTICES' AND JUDGES' COMPENSATION</b>   |       |                   |
| 22 | Full-time judges positions .....                      | 592.0 |                   |
| 23 | Supreme court justices' salaries--7.0 justices.....   | \$    | 1,152,300         |
| 24 | Court of appeals judges' salaries--26.0 judges.....   |       | 3,974,300         |
| 25 | District court judges' state base salaries--241.0     |       |                   |
| 26 | judges .....                                          |       | 22,281,000        |
| 27 | District court judicial salary standardization.....   |       | 11,008,100        |



|    |                                                       |                     |
|----|-------------------------------------------------------|---------------------|
| 1  | Probate court judges' state base salaries--103.0      |                     |
| 2  | judges .....                                          | 9,627,900           |
| 3  | Probate court judicial salary standardization .....   | 4,669,600           |
| 4  | Circuit court judges' state base salaries--215.0      |                     |
| 5  | judges .....                                          | 20,181,600          |
| 6  | Circuit court judicial salary standardization .....   | 9,796,400           |
| 7  | Judges' retirement system defined contributions ..... | 4,480,900           |
| 8  | OASI, social security .....                           | <u>5,721,200</u>    |
| 9  | GROSS APPROPRIATION .....                             | \$ 92,893,300       |
| 10 | Appropriated from:                                    |                     |
| 11 | Special revenue funds:                                |                     |
| 12 | Court fee fund .....                                  | 2,988,100           |
| 13 | State general fund/general purpose .....              | \$ 89,905,200       |
| 14 | <b>Sec. 106. JUDICIAL AGENCIES</b>                    |                     |
| 15 | Full-time equated exempted positions .....            | 7.0                 |
| 16 | Judicial tenure commission--7.0 FTE positions .....   | \$ <u>1,137,600</u> |
| 17 | GROSS APPROPRIATION .....                             | \$ 1,137,600        |
| 18 | Appropriated from:                                    |                     |
| 19 | State general fund/general purpose .....              | \$ 1,137,600        |
| 20 | <b>Sec. 107. INDIGENT DEFENSE - CRIMINAL</b>          |                     |
| 21 | Full-time equated exempted positions .....            | 67.0                |
| 22 | Appellate public defender program--51.0 FTE positions | \$ 7,704,500        |
| 23 | Michigan indigent defense commission--16.0 FTE        |                     |
| 24 | positions .....                                       | <u>1,845,600</u>    |
| 25 | GROSS APPROPRIATION .....                             | \$ 9,550,100        |
| 26 | Appropriated from:                                    |                     |
| 27 | Federal revenues:                                     |                     |

|    |                                                   |                     |
|----|---------------------------------------------------|---------------------|
| 1  | Other federal grant revenues.....                 | 66,600              |
| 2  | Special revenue funds:                            |                     |
| 3  | Private - interest on lawyers trust accounts..... | 84,200              |
| 4  | Miscellaneous revenue.....                        | 135,400             |
| 5  | State general fund/general purpose.....           | \$ 9,263,900        |
| 6  | <b>Sec. 108. INDIGENT CIVIL LEGAL ASSISTANCE</b>  |                     |
| 7  | Indigent civil legal assistance.....              | \$ <u>7,937,000</u> |
| 8  | GROSS APPROPRIATION.....                          | \$ 7,937,000        |
| 9  | Appropriated from:                                |                     |
| 10 | Special revenue funds:                            |                     |
| 11 | State court fund.....                             | 7,937,000           |
| 12 | State general fund/general purpose.....           | \$ 0                |
| 13 | <b>Sec. 109. TRIAL COURT OPERATIONS</b>           |                     |
| 14 | Court equity fund reimbursements.....             | \$ 60,815,700       |
| 15 | Judicial technology improvement fund.....         | 4,815,000           |
| 16 | Drug case-flow program.....                       | 250,000             |
| 17 | Drunk driving case-flow program.....              | 3,300,000           |
| 18 | Juror compensation reimbursement.....             | 6,600,000           |
| 19 | Statewide e-file system.....                      | <u>8,500,000</u>    |
| 20 | GROSS APPROPRIATION.....                          | \$ 84,280,700       |
| 21 | Appropriated from:                                |                     |
| 22 | Special revenue funds:                            |                     |
| 23 | Court equity fund.....                            | 50,440,000          |
| 24 | Judicial technology improvement fund.....         | 4,815,000           |
| 25 | Drug fund.....                                    | 250,000             |
| 26 | Drunk driving fund.....                           | 3,300,000           |
| 27 | Juror compensation fund.....                      | 6,600,000           |

|    |                                                     |                |
|----|-----------------------------------------------------|----------------|
| 1  | Electronic filing fee fund.....                     | 8,500,000      |
| 2  | State general fund/general purpose.....             | \$ 10,375,700  |
| 3  | <b>Sec. 110. ONE-TIME BASIS ONLY APPROPRIATIONS</b> |                |
| 4  | Full-time equated exempted positions.....           | 11.0           |
| 5  | Medication assisted treatment pilot program.....    | \$ 500,000     |
| 6  | Compliance with <u>Montgomery v Louisiana</u>       |                |
| 7  | decision--11.0 FTE positions .....                  | 700,000        |
| 8  | Expansion of problem solving courts.....            | <u>250,000</u> |
| 9  | GROSS APPROPRIATION.....                            | \$ 1,450,000   |
| 10 | Appropriated from:                                  |                |
| 11 | State general fund/general purpose.....             | \$ 1,450,000   |

12 PART 2

13 PROVISIONS CONCERNING APPROPRIATIONS

14 FOR FISCAL YEAR 2016-2017

15 **GENERAL SECTIONS**

16 Sec. 201. Pursuant to section 30 of article IX of the state

17 constitution of 1963, total state spending from state resources

18 under part 1 for fiscal year 2016-2017 is \$281,120,800.00 and state

19 spending from state resources to be paid to local units of

20 government for fiscal year 2016-2017 is \$138,768,300.00. The

21 itemized statement below identifies appropriations from which

22 spending to local units of government will occur:

23 JUDICIARY

24 SUPREME COURT

|    |                                        |            |
|----|----------------------------------------|------------|
| 25 | State court administrative office..... | \$ 711,900 |
|----|----------------------------------------|------------|

|    |                                                     |                |
|----|-----------------------------------------------------|----------------|
| 1  | Drug treatment courts.....                          | 11,158,000     |
| 2  | Mental health courts and diversion services.....    | 5,222,800      |
| 3  | Veterans courts.....                                | 750,000        |
| 4  | Swift and sure sanctions program.....               | 4,950,000      |
| 5  | Next generation Michigan court system.....          | 4,116,000      |
| 6  | TRIAL COURT OPERATIONS                              |                |
| 7  | Court equity fund reimbursements.....               | \$ 60,815,700  |
| 8  | Judicial technology improvement fund.....           | 4,815,000      |
| 9  | Drunk driving case-flow program.....                | 3,300,000      |
| 10 | Drug case-flow program.....                         | 250,000        |
| 11 | Juror compensation reimbursement.....               | 6,600,000      |
| 12 | JUSTICES' AND JUDGES' COMPENSATION                  |                |
| 13 | District court judicial salary standardization..... | \$ 11,008,100  |
| 14 | Probate court judges' state base salaries.....      | 9,627,900      |
| 15 | Probate court judicial salary standardization.....  | 4,669,600      |
| 16 | Circuit court judicial salary standardization.....  | 9,796,400      |
| 17 | Grant to OASI contribution fund, employers share,   |                |
| 18 | social security .....                               | <u>976,900</u> |
| 19 | TOTAL.....                                          | \$ 138,768,300 |

20       Sec. 202. (1) The appropriations authorized under this part  
21 and part 1 are subject to the management and budget act, 1984 PA  
22 431, MCL 18.1101 to 18.1594.

23       (2) Funds appropriated in part 1 to an entity within the  
24 judicial branch shall not be expended or transferred to another  
25 account without written approval of the authorized agent of the  
26 judicial entity. If the authorized agent of the judicial entity  
27 notifies the state budget director of its approval of an

1 expenditure or transfer, the state budget director shall  
2 immediately make the expenditure or transfer. The authorized  
3 judicial entity agent shall be designated by the chief justice of  
4 the supreme court.

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

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

7 (b) "DOT" means the United States Department of  
8 Transportation.

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

10 (d) "HHS" means the United States Department of Health and  
11 Human Services.

12 (e) "IDG" means interdepartmental grant.

13 (f) "OASI" means old age survivor's insurance.

14 (g) "SADO" means the state appellate defender office created  
15 under the appellate defender act, 1978 PA 620, MCL 780.711 to  
16 780.719.

17 (h) "Title IV-D" means the part of the federal social security  
18 act, 42 USC 301 to 1397mm, pertaining to the child support  
19 enforcement program.

20 (i) "Title IV-E" means the part of the federal social security  
21 act, 42 USC 301 to 1397mm, pertaining to the foster care program.

22 Sec. 204. The judicial branch shall not take disciplinary  
23 action against an employee for communicating with a member of the  
24 legislature or his or her staff.

25 Sec. 205. It is the intent of the legislature that judges who  
26 are presiding over a hearing on a foster care case shall publicly  
27 acknowledge and request the input of the foster parent or foster

1 parents during the hearing.

2       Sec. 207. If the judicial branch makes any changes to a foster  
3 care family service plan before its finalization, it is the intent  
4 of the legislature that the presiding judge provide an explanation  
5 for any changes to that plan in the court record.

6       Sec. 208. The reporting requirements of this part shall be  
7 completed with the approval of, and at the direction of, the  
8 supreme court, except as otherwise provided in this part. The  
9 judicial branch shall use the Internet to fulfill the reporting  
10 requirements of this part. This may include transmission of reports  
11 via electronic mail to the recipients identified for each reporting  
12 requirement, or it may include placement of reports on an Internet  
13 or Intranet site.

14       Sec. 209. (1) If funds become available in part 1 for juvenile  
15 justice vision 20/20, the state court administrative office shall  
16 implement the information technology services and projects  
17 described in subsection (2).

18       (2) The state court administrative office shall use the funds  
19 described in subsection (1) to implement a data exchange for use by  
20 circuit and probate courts, private juvenile justice agencies, and  
21 the state court administrative office under the guidance of  
22 appropriate data sharing agreements that tracks statistical and  
23 demographic data on juveniles referred to the family division of  
24 the circuit court, otherwise known as the juvenile courts, after  
25 successful implementation and evaluation of the existing pilot  
26 database in Ottawa, Kalamazoo, Kent, Ionia, and Berrien Counties.

27       (3) It is the intent of the legislature that the purpose of

1 the project is to implement a new juvenile justice data sharing  
2 model that will track data on juveniles referred to the courts. The  
3 project will be accomplished by local court staff, state employees,  
4 contracts with private vendors, and juvenile justice stakeholders.  
5 The total estimated cost of the project is \$5,550,000.00. The  
6 tentative completion date is September 30, 2019. The data exchange  
7 shall be compatible with the Michigan statewide automated child  
8 welfare information system.

9 (4) If funding becomes available for the project, the state  
10 court administrative office shall submit a report by March 1 to the  
11 senate and house appropriations subcommittees on judiciary, the  
12 senate and house fiscal agencies, the senate and house policy  
13 offices, and the state budget office on the status of the  
14 implementation items described in subsections (1) and (2) should  
15 funding become available.

16 Sec. 211. From the funds appropriated in part 1, the state  
17 court administrative office shall evaluate programs within the  
18 department of health and human services and the department of  
19 talent and economic development to establish programmatic  
20 connections with the participants in the swift and sure sanctions  
21 program. The purpose of this relationship is to leverage  
22 collaborations and to determine avenues of success for offenders  
23 who are eligible for state-provided programs. By March 1, the state  
24 court administrative office shall deliver guidance to courts  
25 participating in the swift and sure sanctions program under the  
26 probation swift and sure sanctions act, chapter XIA of the code of  
27 criminal procedure, 1927 PA 175, MCL 771A.1 to 771A.8, detailing

1 the evaluations and to direct participants into available  
2 programming.

3       Sec. 212. The judicial branch shall receive and retain copies  
4 of all reports funded from appropriations in part 1. Federal and  
5 state guidelines for short-term and long-term retention of records  
6 shall be followed. The judicial branch may electronically retain  
7 copies of reports unless otherwise required by federal and state  
8 guidelines.

9       Sec. 214. Funds appropriated in part 1 shall not be used for  
10 the purchase of foreign goods or services, or both, if  
11 competitively priced and of comparable quality American goods or  
12 services, or both, are available. Preference shall be given to  
13 goods or services, or both, manufactured or provided by Michigan  
14 businesses, if they are competitively priced and of comparable  
15 quality. In addition, preference shall be given to goods or  
16 services, or both, that are manufactured or provided by Michigan  
17 businesses owned and operated by veterans, if they are  
18 competitively priced and of comparable quality.

19       Sec. 215. Not later than January 1 of each year, the state  
20 court administrative office shall prepare a report on out-of-state  
21 travel listing all travel by judicial branch employees outside this  
22 state in the immediately preceding fiscal year that was funded in  
23 whole or in part with funds appropriated in the budget for the  
24 judicial branch. The report shall be submitted to the senate and  
25 house appropriations committees, the senate and house fiscal  
26 agencies, and the state budget director. The report shall include  
27 the following information:



1 (a) The dates of each travel occurrence.

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

7 Sec. 219. Not later than November 30, the state budget office  
8 shall prepare and transmit a report that provides for estimates of  
9 the total general fund/general purpose appropriation lapses at the  
10 close of the prior fiscal year. This report shall summarize the  
11 projected year-end general fund/general purpose appropriation  
12 lapses by major program or program areas. The report shall be  
13 transmitted to the chairpersons of the senate and house  
14 appropriations committees and the senate and house fiscal agencies.

15 Sec. 221. The department shall cooperate with the department  
16 of technology, management, and budget to maintain a searchable  
17 website accessible by the public at no cost that includes, but is  
18 not limited to, all of the following for each department or agency:

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

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

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

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

26 (e) Job specifications and wage rates.

27 Sec. 222. Within 14 days after the release of the executive

1 budget recommendation, the judicial branch shall cooperate with the  
2 state budget office to provide the senate and house appropriations  
3 chairs, the senate and house appropriations subcommittees chairs,  
4 and the senate and house fiscal agencies with an annual report on  
5 estimated state restricted fund balances, state restricted fund  
6 projected revenues, and state restricted fund expenditures for the  
7 fiscal years ending September 30, 2016 and September 30, 2017.

8       Sec. 223. The judiciary shall maintain, on a publicly  
9 accessible website, a scorecard that identifies, tracks, and  
10 regularly updates key metrics that are used to monitor and improve  
11 the judiciary's performance.

12       Sec. 224. Total authorized appropriations from all sources  
13 under part 1 for legacy costs for the fiscal year ending September  
14 30, 2017 are \$14,104,600.00. From this amount, total judiciary  
15 appropriations for pension-related legacy costs are estimated at  
16 \$7,820,600.00. Total appropriations for judiciary retiree health  
17 care legacy costs are estimated at \$6,284,000.00.

18       Sec. 225. In addition to the metrics required under section  
19 447 of the management and budget act, 1984 PA 431, MCL 18.1447, for  
20 each new program or program enhancement for which funds in excess  
21 of \$500,000.00 are appropriated in part 1, the judiciary shall  
22 provide not later than November 1 a list of program-specific  
23 metrics intended to measure its performance based on a return on  
24 taxpayer investment. The judiciary shall deliver the program-  
25 specific metrics to members of the senate and house subcommittees  
26 that have subject matter jurisdiction for this budget, to the  
27 senate and house fiscal agencies, and to the state budget director.

1 The judiciary shall provide an update on its progress in tracking  
2 program-specific metrics and the status of program success at an  
3 appropriations subcommittee meeting called for by the subcommittee  
4 chair.

5 **JUDICIAL BRANCH**

6 Sec. 301. From the funds appropriated in part 1, the direct  
7 trial court automation support program of the state court  
8 administrative office shall recover direct and overhead costs from  
9 trial courts by charging for services rendered. The fee shall cover  
10 the actual costs incurred to the direct trial court automation  
11 support program in providing the service, including development of  
12 future versions of case management systems.

13 Sec. 302. Funds appropriated within the judicial branch shall  
14 not be expended by any component within the judicial branch without  
15 the approval of the supreme court.

16 Sec. 303. Of the amount appropriated in part 1 for the  
17 judicial branch, \$711,900.00 is allocated for circuit court  
18 reimbursement under section 3 of 1978 PA 16, MCL 800.453, and for  
19 costs associated with the court of claims.

20 Sec. 306. By February 1, the state court administrative office  
21 shall produce a statistical report, categorized by county,  
22 regarding both the collected and uncollected amounts of restitution  
23 payments, court fees, and any other applicable judgment placed upon  
24 any person within the county reported for the year 2015.

25 Sec. 307. From the funds appropriated in part 1 for mental  
26 health courts and diversion services, \$1,730,000.00 is intended to

1 address the recommendations of the mental health diversion council.

2       Sec. 308. If sufficient funds are not available from the court  
3 fee fund to pay judges' compensation, the difference between the  
4 appropriated amount from that fund for judges' compensation and the  
5 actual amount available after the amount appropriated for trial  
6 court reimbursement is made shall be appropriated from the state  
7 general fund for judges' compensation. If an appropriation is made  
8 under this section, the state court administrative office shall  
9 notify, within 14 days of the appropriation, the senate and house  
10 standing committees on appropriations, the senate and house  
11 subcommittees on judiciary, the senate and house fiscal agencies,  
12 and the state budget office.

13       Sec. 309. By April 1, the state court administrative office  
14 shall provide a report on drug treatment, mental health, and  
15 veterans court programs in this state. The report shall include  
16 information on the number of each type of program that has been  
17 established, the number of program participants in each  
18 jurisdiction, and the impact of the programs on offender criminal  
19 involvement and recidivism. The report shall be submitted to the  
20 senate and house appropriations subcommittees on judiciary, the  
21 senate and house fiscal agencies, and the state budget director.

22       Sec. 311. (1) The funds appropriated in part 1 for drug  
23 treatment courts as that term is defined in section 1060 of the  
24 revised judicature act of 1961, 1961 PA 236, MCL 600.1060, shall be  
25 administered by the state court administrative office to operate  
26 drug treatment court programs. A drug treatment court shall be  
27 responsible for handling cases involving substance abusing

1 nonviolent offenders through comprehensive supervision, testing,  
2 treatment services, and immediate sanctions and incentives. A drug  
3 treatment court shall use all available county and state personnel  
4 involved in the disposition of cases including, but not limited to,  
5 parole and probation agents, prosecuting attorneys, defense  
6 attorneys, and community corrections providers. The funds may be  
7 used in connection with other federal, state, and local funding  
8 sources.

9 (2) From the funds appropriated in part 1, the chief justice  
10 shall allocate sufficient funds for the Michigan judicial institute  
11 to provide in-state training for those identified in subsection  
12 (1), including training for new drug treatment court judges.

13 (3) For drug treatment court grants, consideration for  
14 priority may be given to those courts where higher instances of  
15 substance abuse cases are filed.

16 (4) The judiciary shall receive \$1,500,000.00 in Byrne formula  
17 grant funding as an interdepartmental grant from the department of  
18 state police to be used for expansion of drug treatment courts, to  
19 assist in avoiding prison bed space growth for nonviolent offenders  
20 in collaboration with the department of corrections.

21 Sec. 312. From the funds appropriated in part 1, the state  
22 court administrator shall produce a statistical report regarding  
23 the implementation of the parental rights restoration act, 1990 PA  
24 211, MCL 722.901 to 722.908, as it pertains to minors seeking a  
25 court-issued waiver of parental consent. The state court  
26 administrative office shall report the total number of petitions  
27 filed and the total number of petitions granted under that act.

1       Sec. 317. Funds appropriated in part 1 shall not be used for  
2 the permanent assignment of state-owned vehicles to justices or  
3 judges or any other judicial branch employee. This section does not  
4 preclude the use of state-owned motor pool vehicles for state  
5 business in accordance with approved guidelines.

6       Sec. 320. (1) From the funds appropriated in part 1 for the  
7 swift and sure sanctions program, created under section 3 of  
8 chapter XIA of the code of criminal procedure, 1927 PA 175, MCL  
9 771A.3, the state court administrative office shall administer a  
10 program to distribute grants to qualifying courts in accordance  
11 with the objectives and requirements of the probation swift and  
12 sure sanctions act, chapter XIA of the code of criminal procedure,  
13 1927 PA 175, MCL 771A.1 to 771A.8. Of the \$5,050,000.00 designated  
14 for the program, not more than \$100,000.00 shall be available to  
15 the state court administrative office to pay for employee costs  
16 associated with the administration of the program funds. For any  
17 county with more than 325 individuals sentenced to prison in the  
18 previous calendar year, the supreme court may appoint not more than  
19 1 judge per county and not more than a total of 5 judges to oversee  
20 specialty courts for participants in the swift and sure sanctions  
21 program. If a judge is appointed under this section, the county may  
22 apply for reimbursement of not more than \$160,000.00 for the costs  
23 of either that judge or support staff to that judge. Of the funds  
24 designated for the program, \$800,000.00 is reserved for these  
25 reimbursements. Subject to annual appropriation, if a county that  
26 is approved for reimbursement has fewer than 325 individuals  
27 sentenced to prison in a future year, the county will continue to

1 receive reimbursements. Courts interested in participating in the  
2 swift and sure sanctions program may apply to the state court  
3 administrative office for a portion of the funds appropriated in  
4 part 1 under this section.

5 (2) By April 1, the state court administrative office shall  
6 provide a report on the courts that receive funding under the swift  
7 and sure sanctions program described in subsection (1) to the  
8 senate and house appropriations subcommittees on judiciary, the  
9 senate and house fiscal agencies, and the state budget director.

10 The report shall include all of the following:

11 (a) The number of offenders who participate in the program.

12 (b) The criminal history of offenders who participate in the  
13 program.

14 (c) The recidivism rate of offenders who participate in the  
15 program, including the rate of return to jail, prison, or both.

16 (d) A detailed description of the establishment and parameters  
17 of the program.

18 (3) As used in this section, "program" means a swift and sure  
19 sanctions program described in subsection (1).

20 Sec. 321. It is the intent of the legislature that the  
21 judicial branch support a statewide legal self-help Internet  
22 website and local nonprofit self-help centers that use the  
23 statewide website to provide assistance to individuals representing  
24 themselves in civil legal proceedings. The state court  
25 administrative office shall summarize the costs of maintaining the  
26 website, provide statistics on the number of people visiting the  
27 website, and provide information on content usage, form completion,

1 and user feedback. By March 1, the state court administrative  
2 office shall report this information for the preceding fiscal year  
3 to the senate and house appropriations subcommittees on judiciary,  
4 the senate and house fiscal agencies, and the state budget  
5 director.

6       Sec. 322. If Byrne formula grant funding is awarded to the  
7 state appellate defender, the state appellate defender office may  
8 receive and expend Byrne formula grant funds in an amount not to  
9 exceed \$250,000.00 as an interdepartmental grant from the  
10 department of state police. If the appellate defender appointed  
11 under section 3 of the appellate defender act, 1978 PA 620, MCL  
12 780.713, receives federal grant funding from the United States  
13 Department of Justice in excess of the amount appropriated in part  
14 1, the office of appellate defender may receive and expend grant  
15 funds in an amount not to exceed \$300,000.00 as other federal  
16 grants.

17       Sec. 322a. If Byrne formula grant funding is awarded to the  
18 Michigan indigent defense commission, the Michigan indigent defense  
19 commission may receive and expend Byrne formula grant funds in an  
20 amount not to exceed \$250,000.00 as an interdepartmental grant from  
21 the department of state police. The Michigan indigent defense  
22 commission, created under section 5 of the Michigan indigent  
23 defense commission act, 2013 PA 93, MCL 780.985, may receive and  
24 expend federal grant funding from the United States Department of  
25 Justice in an amount not to exceed \$300,000.00 as other federal  
26 grants.

27       Sec. 323. The state court administrative office shall provide



1 courts with a quarterly listing of out-of-state placements of  
2 juveniles by each court. The state court administrative office  
3 shall also provide each judge who hears juvenile matters with the  
4 annual listing of per diem costs of the public and private  
5 residential care facilities located or doing business in this  
6 state, and the recidivism data for each facility, if available, as  
7 provided by the department of health and human services. The courts  
8 shall acknowledge receipt of this information.

9       Sec. 324. (1) From the increased funds appropriated in part 1  
10 for the Michigan indigent defense commission, the commission shall  
11 increase the total number of staff and begin bringing the Michigan  
12 criminal defense system into compliance with the right to counsel  
13 requirements of amendment VI of the constitution of the United  
14 States and section 20 of article I of the state constitution of  
15 1963. The purpose of this program expansion is to implement minimum  
16 standards, rules, and procedures to guarantee the right of indigent  
17 defendants to the assistance of proficient counsel, collect  
18 comprehensive data from all indigent defense systems and attorneys  
19 providing indigent defense, and monitor and audit county compliance  
20 plans.

21       (2) The commission shall identify specific outcomes and  
22 performance measures for this initiative based on the minimum  
23 standards approved by the supreme court, including, but not limited  
24 to, the following:

25       (a) Monitoring the success of approved minimum standards,  
26 including increased training and education of trial-level defense  
27 attorneys, prompt meetings between attorneys and clients, increased

1 access to and use of experts and investigators, and increased use  
2 of counsel at first appearance.

3 (b) The commission shall collect data on the standards  
4 approved by the supreme court and shall work to identify metrics  
5 associated with the improved standards.

6 (c) Monitoring the number of first-time offenders sentenced to  
7 serve prison time within the department of corrections to determine  
8 if there is a measurable decline as a result of the standards  
9 approved by the supreme court, including training and education  
10 requirements, required meetings between client and counsel,  
11 increased use of experts and investigators, and the provision of  
12 attorneys at first appearance.

### 13 **ONE-TIME APPROPRIATIONS**

14 Sec. 401. (1) The state appellate defender office attorneys  
15 and support staff shall increase by 11 FTE positions to ensure  
16 Michigan compliance with Montgomery v Louisiana, 577 US \_\_\_\_  
17 (2016). The purpose of the program expansion is to ensure  
18 competent, resourced, and supervised counsel in cases involving the  
19 resentencing of juvenile lifers. The representation by SADO counsel  
20 will create opportunities for release, saving prison costs for the  
21 state.

## 22 PART 2A

### 23 PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS

24 FOR FISCAL YEAR 2017-2018

**GENERAL SECTIONS**

Sec. 1201. It is the intent of the legislature to provide appropriations for the fiscal year ending on September 30, 2018 for the line items listed in part 1. The fiscal year 2017-2018 appropriations are anticipated to be the same as those for fiscal year 2016-2017, except that the line items will be adjusted for changes in caseload and related costs, federal fund match rates, economic factors, and available revenue. These adjustments will be determined after the January 2017 consensus revenue estimating conference.

ARTICLE XIII

DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. The amounts listed in this part are appropriated for the department of licensing and regulatory affairs, subject to the conditions set forth in part 2, for the fiscal year ending September 30, 2017, from the funds identified in this part. The following is a summary of the appropriations in this part:

**DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS**

APPROPRIATION SUMMARY

Full-time equated unclassified positions..... 57.5

Full-time equated classified positions..... 2,172.3

GROSS APPROPRIATION..... \$ 418,583,200

Interdepartmental grant revenues:

|    |                                                        |                |
|----|--------------------------------------------------------|----------------|
| 1  | Total interdepartmental grants and intradepartmental   |                |
| 2  | transfers .....                                        | 46,923,800     |
| 3  | ADJUSTED GROSS APPROPRIATION.....                      | \$ 371,659,400 |
| 4  | Federal revenues:                                      |                |
| 5  | Total federal revenues.....                            | 63,818,100     |
| 6  | Special revenue funds:                                 |                |
| 7  | Total local revenues.....                              | 251,600        |
| 8  | Total private revenues.....                            | 314,100        |
| 9  | Total other state restricted revenues.....             | 261,462,400    |
| 10 | State general fund/general purpose.....                | \$ 45,813,200  |
| 11 | State general fund/general purpose schedule:           |                |
| 12 | Ongoing state general fund/general                     |                |
| 13 | purpose .....                                          | 43,343,200     |
| 14 | One-time state general fund/general                    |                |
| 15 | purpose .....                                          | 2,470,000      |
| 16 | <b>Sec. 102. DEPARTMENTAL ADMINISTRATION</b>           |                |
| 17 | Full-time equated unclassified positions.....          | 57.5           |
| 18 | Full-time equated classified positions.....            | 115.0          |
| 19 | Unclassified salaries--57.5 FTE positions.....         | \$ 4,861,800   |
| 20 | Executive director programs--24.0 FTE positions .....  | 3,239,700      |
| 21 | Financial and administrative services--74.0 FTE        |                |
| 22 | positions .....                                        | 7,918,400      |
| 23 | Office of regulatory reinvention--4.0 FTE positions .. | 495,500        |
| 24 | Office of reinventing performance in Michigan--6.0     |                |
| 25 | FTE positions .....                                    | 715,900        |
| 26 | Office for new Americans--4.0 FTE positions .....      | 465,600        |
| 27 | FOIA coordination--2.0 FTE positions .....             | 308,200        |

|    |                                                        |                |
|----|--------------------------------------------------------|----------------|
| 1  | Local community stabilization authority--1.0 FTE       |                |
| 2  | position .....                                         | 151,600        |
| 3  | Property management.....                               | 11,852,400     |
| 4  | Information technology services and projects .....     | 21,424,300     |
| 5  | Worker's compensation.....                             | <u>465,300</u> |
| 6  | GROSS APPROPRIATION.....                               | \$ 51,898,700  |
| 7  | Appropriated from:                                     |                |
| 8  | Interdepartmental grant revenues:                      |                |
| 9  | IDG-DIFS, accounting services.....                     | 150,000        |
| 10 | IDG-TED, unemployment hearings.....                    | 568,900        |
| 11 | Federal revenues:                                      |                |
| 12 | DED-vocational rehabilitation and independent living . | 2,121,500      |
| 13 | DOE-heating oil and propane.....                       | 25,000         |
| 14 | DOL-occupational safety and health.....                | 1,001,100      |
| 15 | EPA-underground storage tanks.....                     | 128,800        |
| 16 | HHS-Medicaid, certification of health care providers   |                |
| 17 | and suppliers .....                                    | 724,600        |
| 18 | HHS-Medicare, certification of health care providers   |                |
| 19 | and suppliers .....                                    | 1,190,400      |
| 20 | Special revenue funds:                                 |                |
| 21 | Local stabilization authority contract.....            | 151,600        |
| 22 | Aboveground storage tank fees.....                     | 146,500        |
| 23 | Accountancy enforcement fund.....                      | 67,100         |
| 24 | Asbestos abatement fund.....                           | 182,400        |
| 25 | Boiler inspection fund.....                            | 643,400        |
| 26 | Builder enforcement fund.....                          | 99,500         |
| 27 | Construction code fund.....                            | 1,676,600      |

|    |                                                       |           |
|----|-------------------------------------------------------|-----------|
| 1  | Corporation fees.....                                 | 8,713,000 |
| 2  | Elevator fees.....                                    | 697,400   |
| 3  | Fire alarm fees.....                                  | 5,400     |
| 4  | Fire safety standard and enforcement fund.....        | 1,100     |
| 5  | Fire service fees.....                                | 778,300   |
| 6  | Fireworks safety fund.....                            | 94,100    |
| 7  | Health professions regulatory fund.....               | 2,736,000 |
| 8  | Health systems fees.....                              | 454,700   |
| 9  | Licensing and regulation fund.....                    | 3,122,900 |
| 10 | Liquor license revenue.....                           | 300,000   |
| 11 | Liquor purchase revolving fund.....                   | 7,187,800 |
| 12 | Michigan medical marihuana fund.....                  | 934,500   |
| 13 | Michigan unarmed combat fund.....                     | 12,700    |
| 14 | Mobile home code fund.....                            | 616,100   |
| 15 | Nurse professional fund.....                          | 37,700    |
| 16 | PMECSEMA fund.....                                    | 221,600   |
| 17 | Private occupational school license fees.....         | 165,700   |
| 18 | Property development fees.....                        | 6,100     |
| 19 | Public utility assessments.....                       | 4,088,100 |
| 20 | Radiological health fees.....                         | 304,200   |
| 21 | Real estate appraiser education fund.....             | 6,300     |
| 22 | Real estate education fund.....                       | 15,200    |
| 23 | Real estate enforcement fund.....                     | 10,100    |
| 24 | Restructuring mechanism assessments.....              | 51,000    |
| 25 | Retired engineers technical assistance program fund.. | 7,000     |
| 26 | Safety education and training fund.....               | 1,442,300 |
| 27 | Second injury fund.....                               | 407,300   |

|    |                                                       |                   |
|----|-------------------------------------------------------|-------------------|
| 1  | Securities fees.....                                  | 4,723,700         |
| 2  | Securities investor education and training fund.....  | 14,500            |
| 3  | Security business fund.....                           | 3,200             |
| 4  | Self-insurers security fund.....                      | 263,500           |
| 5  | Silicosis and dust disease fund.....                  | 182,200           |
| 6  | Survey and remonumentation fund.....                  | 142,200           |
| 7  | Tax tribunal fund.....                                | 1,656,900         |
| 8  | Underground storage tank fees.....                    | 356,600           |
| 9  | Utility consumer representation fund.....             | 54,000            |
| 10 | Worker's compensation administrative revolving fund.. | 101,900           |
| 11 | State general fund/general purpose.....               | \$ 3,106,000      |
| 12 | <b>Sec. 103. ENERGY AND UTILITY PROGRAMS</b>          |                   |
| 13 | Full-time equated classified positions.....           | 183.0             |
| 14 | Michigan agency for energy--52.0 FTE positions.....   | \$ 12,281,600     |
| 15 | Public service commission--131.0 FTE positions.....   | <u>22,058,600</u> |
| 16 | GROSS APPROPRIATION.....                              | \$ 34,340,200     |
| 17 | Appropriated from:                                    |                   |
| 18 | Federal revenues:                                     |                   |
| 19 | DOE-heating oil and propane.....                      | 3,775,000         |
| 20 | DOT-gas pipeline safety.....                          | 1,445,500         |
| 21 | EPA-pollution prevention.....                         | 84,000            |
| 22 | Special revenue funds:                                |                   |
| 23 | Public utility assessments.....                       | 27,202,300        |
| 24 | Restructuring mechanism assessments.....              | 607,200           |
| 25 | Retired engineers technical assistance program fund.. | 669,600           |
| 26 | State general fund/general purpose.....               | \$ 556,600        |
| 27 | <b>Sec. 104. LIQUOR CONTROL COMMISSION</b>            |                   |

|    |                                                             |         |                   |
|----|-------------------------------------------------------------|---------|-------------------|
| 1  | Full-time equated classified positions.....                 | 143.0   |                   |
| 2  | Management support services--28.0 FTE positions .....       |         | \$ 4,419,800      |
| 3  | Liquor licensing and enforcement--115.0 FTE positions ..... |         | <u>15,320,100</u> |
| 4  | GROSS APPROPRIATION.....                                    |         | \$ 19,739,900     |
| 5  | Appropriated from:                                          |         |                   |
| 6  | Special revenue funds:                                      |         |                   |
| 7  | Direct shipper enforcement revolving fund.....              |         | 126,800           |
| 8  | Liquor license fee enhancement fund.....                    |         | 76,400            |
| 9  | Liquor license revenue.....                                 |         | 7,416,100         |
| 10 | Liquor purchase revolving fund.....                         |         | 12,120,600        |
| 11 | State general fund/general purpose.....                     |         | \$ 0              |
| 12 | <b>Sec. 105. OCCUPATIONAL REGULATION</b>                    |         |                   |
| 13 | Full-time equated classified positions.....                 | 1,033.9 |                   |
| 14 | Bureau of fire services--80.0 FTE positions .....           |         | \$ 11,143,500     |
| 15 | Bureau of construction codes--176.0 FTE positions ....      |         | 22,081,800        |
| 16 | Corporations, securities, and commercial licensing          |         |                   |
| 17 | bureau--118.0 FTE positions .....                           |         | 15,528,300        |
| 18 | Bureau of community and health systems--429.9 FTE           |         |                   |
| 19 | positions .....                                             |         | 61,112,000        |
| 20 | Medical marihuana program--20.0 FTE positions .....         |         | 4,253,300         |
| 21 | Bureau of professional licensing--210.0 FTE positions ..... |         | <u>40,182,300</u> |
| 22 | GROSS APPROPRIATION.....                                    |         | \$ 154,301,200    |
| 23 | Appropriated from:                                          |         |                   |
| 24 | Interdepartmental grant revenues:                           |         |                   |
| 25 | IDG-MDE, child care licensing.....                          |         | 16,626,500        |
| 26 | Federal revenues:                                           |         |                   |
| 27 | DHS-fire training systems.....                              |         | 28,000            |



|    |                                                      |            |
|----|------------------------------------------------------|------------|
| 1  | DOT-hazardous materials training and planning .....  | 60,000     |
| 2  | EPA-underground storage tanks .....                  | 800,000    |
| 3  | HHS-Medicaid, certification of health care providers |            |
| 4  | and suppliers .....                                  | 9,191,700  |
| 5  | HHS-Medicare, certification of health care providers |            |
| 6  | and suppliers .....                                  | 12,352,500 |
| 7  | Special revenue funds:                               |            |
| 8  | Private - civil monetary penalties .....             | 202,300    |
| 9  | Aboveground storage tank fees .....                  | 455,900    |
| 10 | Accountancy enforcement fund .....                   | 408,300    |
| 11 | Boiler inspection fund .....                         | 3,819,200  |
| 12 | Builder enforcement fund .....                       | 484,300    |
| 13 | Construction code fund .....                         | 7,743,900  |
| 14 | Corporation fees .....                               | 7,014,000  |
| 15 | Distance education fund .....                        | 300,000    |
| 16 | Elevator fees .....                                  | 4,858,300  |
| 17 | Fire alarm fees .....                                | 125,400    |
| 18 | Fire safety standard and enforcement fund .....      | 40,000     |
| 19 | Fire service fees .....                              | 2,500,200  |
| 20 | Fireworks safety fund .....                          | 696,200    |
| 21 | Health professions regulatory fund .....             | 23,805,900 |
| 22 | Health systems fees .....                            | 3,702,100  |
| 23 | Licensing and regulation fund .....                  | 11,540,800 |
| 24 | Liquor purchase revolving fund .....                 | 143,200    |
| 25 | Michigan medical marihuana fund .....                | 4,253,300  |
| 26 | Michigan unarmed combat fund .....                   | 145,000    |
| 27 | Mobile home code fund .....                          | 3,017,100  |

|    |                                                       |       |                  |
|----|-------------------------------------------------------|-------|------------------|
| 1  | Nurse professional fund.....                          |       | 1,963,800        |
| 2  | PMECSEMA fund.....                                    |       | 1,847,700        |
| 3  | Private occupational school license fees.....         |       | 706,300          |
| 4  | Property development fees.....                        |       | 318,100          |
| 5  | Real estate appraiser education fund.....             |       | 64,000           |
| 6  | Real estate education fund.....                       |       | 343,900          |
| 7  | Real estate enforcement fund.....                     |       | 704,400          |
| 8  | Securities fees.....                                  |       | 4,982,800        |
| 9  | Securities investor education and training fund.....  |       | 501,200          |
| 10 | Security business fund.....                           |       | 340,100          |
| 11 | Survey and remonumentation fund.....                  |       | 850,100          |
| 12 | Underground storage tank fees.....                    |       | 2,561,100        |
| 13 | State general fund/general purpose.....               | \$    | 24,803,600       |
| 14 | <b>Sec. 106. EMPLOYMENT SERVICES</b>                  |       |                  |
| 15 | Full-time equated classified positions.....           | 464.4 |                  |
| 16 | Workers' compensation agency--56.0 FTE positions..... | \$    | 7,832,200        |
| 17 | First responder presumed coverage fund.....           |       | 3,000,000        |
| 18 | Insurance funds administration--23.0 FTE positions... |       | 5,240,200        |
| 19 | Compensation supplement fund.....                     |       | 1,820,000        |
| 20 | Bureau of services for blind persons--113.0 FTE       |       |                  |
| 21 | positions .....                                       |       | 24,639,400       |
| 22 | Bureau of employment relations--22.0 FTE positions... |       | 4,198,900        |
| 23 | Michigan occupational safety and health               |       |                  |
| 24 | administration--197.0 FTE positions.....              |       | 29,052,100       |
| 25 | Radiation safety section--21.4 FTE positions .....    |       | 3,231,800        |
| 26 | Wage and hour program--32.0 FTE positions .....       |       | <u>3,728,100</u> |
| 27 | GROSS APPROPRIATION.....                              | \$    | 82,742,700       |

|    |                                                         |                  |
|----|---------------------------------------------------------|------------------|
| 1  | Appropriated from:                                      |                  |
| 2  | Federal revenues:                                       |                  |
| 3  | DED-vocational rehabilitation and independent living .  | 18,437,600       |
| 4  | DOL-occupational safety and health.....                 | 11,785,200       |
| 5  | HHS-mammography quality standards.....                  | 513,300          |
| 6  | Special revenue funds:                                  |                  |
| 7  | Local revenues.....                                     | 100,000          |
| 8  | Private revenues.....                                   | 111,800          |
| 9  | Asbestos abatement fund.....                            | 1,027,500        |
| 10 | Corporation fees.....                                   | 9,432,400        |
| 11 | Michigan business enterprise program fund.....          | 400,000          |
| 12 | Radiological health fees.....                           | 2,718,500        |
| 13 | Safety education and training fund.....                 | 9,728,600        |
| 14 | Second injury fund.....                                 | 2,589,400        |
| 15 | Securities fees.....                                    | 8,634,900        |
| 16 | Self-insurers security fund.....                        | 1,562,500        |
| 17 | Silicosis and dust disease fund.....                    | 1,088,300        |
| 18 | Worker's compensation administrative revolving fund..   | 1,652,900        |
| 19 | State general fund/general purpose.....                 | \$ 12,959,800    |
| 20 | <b>Sec. 107. MICHIGAN ADMINISTRATIVE HEARING SYSTEM</b> |                  |
| 21 | Full-time equated classified positions.....             | 233.0            |
| 22 | Michigan administrative hearing system--215.0 FTE       |                  |
| 23 | positions .....                                         | \$ 37,948,700    |
| 24 | Michigan compensation appellate commission--18.0 FTE    |                  |
| 25 | positions .....                                         | <u>4,606,100</u> |
| 26 | GROSS APPROPRIATION.....                                | \$ 42,554,800    |
| 27 | Appropriated from:                                      |                  |

## Senate Bill No. 800 as amended May 4, 2016

|    |                                                        |                |
|----|--------------------------------------------------------|----------------|
| 1  | Interdepartmental grant revenues:                      |                |
| 2  | IDG revenues - administrative hearings and rules ..... | 29,578,400     |
| 3  | Federal revenues:                                      |                |
| 4  | Federal revenues - administrative hearings and rules . | 153,900        |
| 5  | Special revenue funds:                                 |                |
| 6  | Corporation fees.....                                  | 202,700        |
| 7  | State restricted revenue - administrative hearings     |                |
| 8  | and rules .....                                        | 11,793,400     |
| 9  | Worker's compensation administrative revolving fund..  | 134,900        |
| 10 | State general fund/general purpose.....                | \$ 691,500     |
| 11 | <b>Sec. 108. DEPARTMENT GRANTS</b>                     |                |
| 12 | Fire protection grants.....                            | \$ 9,273,900   |
| 13 | Firefighter training grants.....                       | <<2,000,000>>  |
| 14 | Liquor law enforcement grants.....                     | 7,200,000      |
| 15 | Medical marihuana operation and oversight grants ..... | 3,000,000      |
| 16 | Remonumentation grants.....                            | 7,300,000      |
| 17 | Subregional libraries state aid.....                   | 451,800        |
| 18 | Utility consumer representation fund.....              | <u>750,000</u> |
| 19 | GROSS APPROPRIATION.....                               | \$ 28,975,700  |
| 20 | Appropriated from:                                     |                |
| 21 | Special revenue funds:                                 |                |
| 22 | Fire protection fund.....                              | 8,500,000      |
| 23 | Fireworks safety fund.....                             | <<2,000,000>>  |
| 24 | Liquor license revenue.....                            | 7,200,000      |
| 25 | Michigan medical marihuana fund.....                   | 3,000,000      |
| 26 | Survey and remonumentation fund.....                   | 7,300,000      |
| 27 | Utility consumer representation fund.....              | 750,000        |

|   |                                                       |    |                  |
|---|-------------------------------------------------------|----|------------------|
| 1 | State general fund/general purpose .....              | \$ | 1,225,700        |
| 2 | <b>Sec. 109. ONE-TIME BASIS ONLY</b>                  |    |                  |
| 3 | Michigan automated prescription system upgrades ..... | \$ | 2,470,000        |
| 4 | Michigan liquor control commission IT upgrades .....  |    | <u>1,560,000</u> |
| 5 | GROSS APPROPRIATION .....                             | \$ | 4,030,000        |
| 6 | Appropriated from:                                    |    |                  |
| 7 | Special revenue funds:                                |    |                  |
| 8 | Liquor purchase revolving fund .....                  |    | 1,560,000        |
| 9 | State general fund/general purpose .....              | \$ | 2,470,000        |

## PART 2

## PROVISIONS CONCERNING APPROPRIATIONS

FOR FISCAL YEAR 2016-2017

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2016-2017 is \$307,275,600.00 and state spending from state resources to be paid to local units of government for fiscal year 2016-2017 is \$28,225,700.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

## DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS

|    |                                                        |    |           |
|----|--------------------------------------------------------|----|-----------|
| 22 | Fire protection grants .....                           | \$ | 9,273,900 |
| 23 | Firefighter training grants .....                      |    | 1,000,000 |
| 24 | Liquor law enforcement grants .....                    |    | 7,200,000 |
| 25 | Medical marihuana operation and oversight grants ..... |    | 3,000,000 |

|   |                                              |                |
|---|----------------------------------------------|----------------|
| 1 | Remonumentation grants.....                  | 7,300,000      |
| 2 | Subregional libraries state aid.....         | <u>451,800</u> |
| 3 | Total department of licensing and regulatory |                |
| 4 | affairs .....                                | \$ 28,225,700  |

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

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

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

10       (b) "Department" means the department of licensing and  
11 regulatory affairs.

12       (c) "DHHS" means the Michigan department of health and human  
13 services.

14       (d) "DHS" means the United States Department of Homeland  
15 Security.

16       (e) "DIFS" means the department of insurance and financial  
17 services.

18       (f) "Director" means the director of the department.

19       (g) "DOE" means the United States Department of Energy.

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

21       (i) "DOT" means the United States Department of  
22 Transportation.

23       (j) "EPA" means the United States Environmental Protection  
24 Agency.

25       (k) "Fiscal agencies" means Michigan house fiscal agency and  
26 Michigan senate fiscal agency.

27       (l) "FOIA" means the freedom of information act, 1976 PA 442,

1 MCL 15.231 to 15.246.

2 (m) "FTE" means full-time equated.

3 (n) "HHS" means the United States Department of Health and  
4 Human Services.

5 (o) "IDG" means interdepartmental grant.

6 (p) "MDE" means the Michigan department of education.

7 (q) "PMECSEMA" means pain management education and controlled  
8 substances electronic monitoring and antidiversion.

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

12 (s) "TED" means the Michigan department of talent and economic  
13 development.

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

20 Sec. 205. Funds appropriated in part 1 shall not be used for  
21 the purchase of foreign goods or services, or both, if  
22 competitively priced and of comparable quality American goods or  
23 services, or both, are available. Preference shall be given to  
24 goods or services, or both, manufactured or provided by Michigan  
25 businesses, if they are competitively priced and of comparable  
26 quality. In addition, preference shall be given to goods or  
27 services, or both, that are manufactured or provided by Michigan

1 businesses owned and operated by veterans, if they are  
2 competitively priced and of comparable quality.

3 Sec. 206. The director shall take all reasonable steps to  
4 ensure businesses in deprived and depressed communities compete for  
5 and perform contracts to provide services or supplies, or both. The  
6 director shall strongly encourage firms with which the department  
7 contracts to subcontract with certified businesses in depressed and  
8 deprived communities for services, supplies, or both.

9 Sec. 207. (1) Out-of-state travel shall be limited to  
10 situations in which 1 or more of the following conditions apply:

11 (a) The travel is required by legal mandate or court order or  
12 for law enforcement purposes.

13 (b) The travel is necessary to protect the health or safety of  
14 Michigan citizens or visitors or to assist other states in similar  
15 circumstances.

16 (c) The travel is necessary to produce budgetary savings or to  
17 increase state revenues, including protecting existing federal  
18 funds or securing additional federal funds.

19 (d) The travel is necessary to comply with federal  
20 requirements.

21 (e) The travel is necessary to secure specialized training for  
22 staff that is not available within this state.

23 (f) The travel is financed entirely by federal or nonstate  
24 funds.

25 (2) The department shall not approve the travel of more than 1  
26 departmental employee to a specific professional development  
27 conference or training seminar that is located outside of this



1 state unless a professional development conference or training  
2 seminar is funded by a federal or private funding source and  
3 requires more than 1 person from a department to attend, or the  
4 conference or training seminar includes multiple issues in which 1  
5 employee from the department does not have expertise.

6 (3) Not later than January 1, each department shall prepare a  
7 travel report listing all travel by classified and unclassified  
8 employees outside this state in the immediately preceding fiscal  
9 year that was funded in whole or in part with funds appropriated in  
10 the department's budget. The report shall be submitted to the house  
11 and senate appropriations committees, the fiscal agencies, and the  
12 state budget director. The report shall include all of the  
13 following information:

14 (a) The name of each person receiving reimbursement for travel  
15 outside this state or whose travel costs were paid by this state.

16 (b) The destination of each travel occurrence.

17 (c) The dates of each travel occurrence.

18 (d) A brief statement of the reason for each travel  
19 occurrence.

20 (e) The transportation and related costs of each travel  
21 occurrence, including the proportion funded with state general  
22 fund/general purpose revenues, the proportion funded with state  
23 restricted revenues, the proportion funded with federal revenues,  
24 and the proportion funded with other revenues.

25 (f) A total of all out-of-state travel funded for the  
26 immediately preceding fiscal year.

27 Sec. 208. Funds appropriated in this part and part 1 shall not

1 be used by a principal executive department, state agency, or  
2 authority to hire a person to provide legal services that are the  
3 responsibility of the attorney general. This prohibition does not  
4 apply to legal services for bonding activities and for those  
5 outside services that the attorney general authorizes.

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

14       Sec. 210. (1) In addition to the funds appropriated in part 1,  
15 there is appropriated an amount not to exceed \$19,000,000.00 for  
16 federal contingency funds.

17       (2) In addition to the funds appropriated in part 1, there is  
18 appropriated an amount not to exceed \$25,000,000.00 for state  
19 restricted contingency funds.

20       (3) In addition to the funds appropriated in part 1, there is  
21 appropriated an amount not to exceed \$7,800,000.00 for local  
22 contingency funds.

23       (4) In addition to the funds appropriated in part 1, there is  
24 appropriated an amount not to exceed \$400,000.00 for private  
25 contingency funds.

26       (5) Funds appropriated pursuant to this section are not  
27 available for expenditure until they have been transferred to

1 another line item in part 1 under section 393(2) of the management  
2 and budget act, 1984 PA 431, MCL 18.1393.

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

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

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

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

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

14 (e) Job specifications and wage rates.

15 Sec. 212. Within 14 days after the release of the executive  
16 budget recommendation, the department shall cooperate with the  
17 state budget office to provide the senate and house appropriations  
18 chairs, the senate and house appropriations subcommittees chairs,  
19 and the senate and house fiscal agencies with an annual report on  
20 estimated state restricted fund balances, state restricted fund  
21 projected revenues, and state restricted fund expenditures for the  
22 preceding and current fiscal years.

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

27 Sec. 214. Total authorized appropriations from all sources

1 under part 1 for legacy costs for the fiscal year ending September  
2 30, 2017 are \$53,627,900.00. From this amount, total agency  
3 appropriations for pension-related legacy costs are estimated at  
4 \$29,735,200.00. Total agency appropriations for retiree health care  
5 legacy costs are estimated at \$23,892,700.00.

6 Sec. 215. In addition to the metrics required under section  
7 447 of the management and budget act, 1984 PA 431, MCL 18.1447, for  
8 each new program or program enhancement for which funds in excess  
9 of \$500,000.00 are appropriated in part 1, the department shall  
10 provide, not later than November 1, a list of program-specific  
11 metrics intended to measure its performance based on a return on  
12 taxpayer investment. The department shall deliver the program-  
13 specific metrics to members of the senate and house subcommittees  
14 that have subject matter jurisdiction for this budget, fiscal  
15 agencies, and the state budget director. The department shall  
16 provide an update on its progress in tracking program-specific  
17 metrics and the status of program success at an appropriations  
18 subcommittee meeting called for by the subcommittee chairperson.

19 Sec. 216. The department and agencies receiving appropriations  
20 in part 1 shall receive and retain copies of all reports funded  
21 from appropriations in part 1. Federal and state guidelines for  
22 short-term and long-term retention of records shall be followed.  
23 The department may electronically retain copies or reports unless  
24 otherwise required by federal and state guidelines.

25 Sec. 217. The department shall not take disciplinary action  
26 against an employee for communicating with a member of the  
27 legislature or his or her staff.

1       Sec. 219. No later than April 1, the department shall submit  
2 to the subcommittees and the fiscal agencies a report pertaining to  
3 the following information:

4       (a) The amount, in square footage, of office space paid for  
5 with the appropriation in part 1 for both state-owned and leased  
6 office space, respectively, during the previous fiscal year.

7       (b) The amount, in square footage, of office space actually  
8 utilized by the department for both state-owned and leased office  
9 space, respectively, during the previous fiscal year.

10       (c) The amount of office space the department estimates will  
11 be utilized during the current and subsequent fiscal years.

12       Sec. 220. The department may carry into the succeeding fiscal  
13 year unexpended federal pass-through funds to local institutions  
14 and governments that do not require additional state matching  
15 funds. Federal pass-through funds to local institutions and  
16 governments that are received in amounts in addition to those  
17 included in part 1 and that do not require additional state  
18 matching funds are appropriated for the purposes intended. Within  
19 14 days after the receipt of federal pass-through funds, the  
20 department shall notify the house and senate chairpersons of the  
21 subcommittees, the fiscal agencies, and the state budget director  
22 of pass-through funds appropriated under this section.

23       Sec. 225. (1) Grants supported with private revenues received  
24 by the department are appropriated upon receipt and are available  
25 for expenditure by the department, subject to subsection (3), for  
26 purposes specified within the grant agreement and as permitted  
27 under state and federal law.

1           (2) Within 10 days after the receipt of a private grant  
2 appropriated in subsection (1), the department shall notify the  
3 house and senate chairpersons of the subcommittees, the fiscal  
4 agencies, and the state budget director of the receipt of the  
5 grant, including the fund source, purpose, and amount of the grant.

6           (3) The amount appropriated under subsection (1) shall not  
7 exceed \$1,500,000.00.

8           Sec. 227. (1) The department shall sell documents at a price  
9 not to exceed the cost of production and distribution. Money  
10 received from the sale of these documents shall revert to the  
11 department. In addition to the funds appropriated in part 1, these  
12 funds are available for expenditure when they are received by the  
13 department of treasury. This subsection applies only for the  
14 following documents:

15           (a) Corporation and securities division documents, reports,  
16 and papers required or permitted by law pursuant to section 1060(5)  
17 of the business corporation act, 1972 PA 284, MCL 450.2060.

18           (b) The Michigan liquor control code of 1998, 1998 PA 58, MCL  
19 436.1101 to 436.2303.

20           (c) The mobile home commission act, 1987 PA 96, MCL 125.2301  
21 to 125.2350; the business corporation act, 1972 PA 284, MCL  
22 450.1101 to 450.2098; the nonprofit corporation act, 1982 PA 162,  
23 MCL 450.2101 to 450.3192; and the uniform securities act (2002),  
24 2008 PA 551, MCL 451.2101 to 451.2703.

25           (d) Worker's compensation health care services rules.

26           (e) Construction code manuals.

27           (f) Copies of transcripts from administrative law hearings.

1           (2) In addition to the funds appropriated in part 1, funds  
2 appropriated for the department under sections 55, 57, 58, and 59  
3 of the administrative procedures act of 1969, 1969 PA 306, MCL  
4 24.255, 24.257, 24.258, and 24.259, and section 203 of the  
5 legislative council act, 1986 PA 268, MCL 4.1203, are appropriated  
6 for all expenses necessary to provide for the cost of publication  
7 and distribution.

8           (3) Unexpended funds at the end of the fiscal year shall carry  
9 forward to the subsequent fiscal year and not lapse to the general  
10 fund.

11          Sec. 228. Unless prohibited by law, the department may accept  
12 credit card or other electronic means of payment for licenses,  
13 fees, or permits.

14          Sec. 232. The department shall not develop or produce any  
15 television or radio productions.

16          Sec. 241. (1) The department may charge registration fees to  
17 attendees of informational, training, or special events sponsored  
18 by the department.

19          (2) These fees shall reflect the costs for the department to  
20 sponsor the informational, training, or special events.

21          (3) Revenue generated by the registration fees is appropriated  
22 upon receipt and available for expenditure to cover the  
23 department's costs of sponsoring informational, training, or  
24 special events.

25          (4) Revenue generated by registration fees in excess of the  
26 department's costs of sponsoring informational, training, or  
27 special events shall carry forward to the subsequent fiscal year

1 and not lapse to the general fund.

2 (5) The amount appropriated under subsection (3) shall not  
3 exceed \$500,000.00.

4 Sec. 242. The department may make available to interested  
5 entities otherwise unavailable customized listings of  
6 nonconfidential information in its possession, such as names and  
7 addresses of licensees. The department may establish and collect a  
8 reasonable charge to provide this service. The revenue received  
9 from this service shall be used to offset expenses to provide the  
10 service. Any balance of this revenue collected and unexpended at  
11 the end of the fiscal year shall revert to the appropriate  
12 restricted fund.

13 Sec. 245. The department, in conjunction with the department  
14 of health and human services, shall maintain an accounting  
15 structure within the Michigan administrative information network  
16 that will allow expenditures associated with the administration of  
17 the Healthy Michigan plan to be identified. By October 1, if there  
18 are changes from the prior fiscal year, the department shall  
19 provide the state budget office and the fiscal agencies with the  
20 relevant accounting structure and associated business objects  
21 script and report that group's administrative costs.

22 Sec. 248. (1) No later than March 1, the department shall  
23 submit a report to the subcommittees and fiscal agencies pertaining  
24 to licensing and regulatory programs during the previous fiscal  
25 year for the following agencies:

26 (a) Public service commission.

27 (b) Liquor control commission.



1 (c) Bureau of construction codes.

2 (d) Corporations, securities, and commercial licensing bureau.

3 (e) Bureau of health care services.

4 (f) Michigan occupational safety and health administration.

5 (2) The report shall be in a format that is consistent between  
6 the agencies listed in subsection (1) and shall provide, but is not  
7 limited to, the following information for each agency in subsection  
8 (1):

9 (a) Revenue generated by and expenditures disbursed for each  
10 regulatory product.

11 (b) Number of applications, both initial and renewal, for each  
12 regulatory product.

13 (c) Number of applications, both initial and renewal, approved  
14 for each regulatory product.

15 (d) Number of applications, both initial and renewal, denied  
16 for each regulatory product.

17 (e) Average amount of time, both tolled and untolled, to  
18 approve or deny applications, both initial and renewal, for each  
19 regulatory product.

20 (f) Number of examinations proctored for initial applications  
21 for each regulatory product, if applicable.

22 (g) Number of complaints received pertaining to each regulated  
23 activity.

24 (h) Number of investigations opened pertaining to each  
25 regulated activity.

26 (i) Number of investigations closed pertaining to each  
27 regulated activity.

1           (j) Average amount of time to close investigations pertaining  
2 to each regulated activity.

3           (k) Number of enforcement actions pertaining to each regulated  
4 activity.

5           (l) Number of administrative hearings pertaining to each  
6 regulated activity.

7           (m) Number of administrative hearing adjudications pertaining  
8 to each regulated activity.

9           (n) The type and amount of each fee charged to support each  
10 regulated activity.

11           (3) In addition to providing agency-level information as  
12 specified in subsection (2), the report shall include a summary  
13 that provides the following information as a sum total for all of  
14 the agencies specified in subsection (1):

15           (a) Total fee revenue and expenditures.

16           (b) The numbers of applications, both initial and renewal,  
17 received, approved, and denied for each regulatory product.

18           (c) Number of complaints received.

19           (d) Number of investigations opened.

20           (e) Number of investigations closed.

21           (f) Number of enforcement actions taken.

22           (g) Number of administrative hearing adjudications undertaken.

23           (4) As used in subsection (2), "regulatory products" means  
24 licensure, certification, registration, permitting, approval, or  
25 any other regulatory service provided by the agencies specified in  
26 subsection (1) for occupations, facilities, entities, industries,  
27 or activities regulated by the agencies specified in subsection

1 (1).

2 Sec. 252. It is the intent of the legislature that the  
3 department establish an employee performance monitoring process  
4 that is consistent throughout the department in addition to current  
5 civil service commission evaluations. By April 1, the department  
6 shall submit a report to the state budget office, the  
7 subcommittees, and the fiscal agencies on changes to the employee  
8 performance monitoring process that are planned or implemented.

9 **MICHIGAN LIQUOR CONTROL COMMISSION**

10 Sec. 401. The liquor control commission shall utilize funds  
11 appropriated from the liquor purchase revolving fund to invest in  
12 technology upgrades in an effort to mitigate delays for issuing  
13 licenses under section 503 of the Michigan liquor control code of  
14 1998, 1998 PA 58, MCL 436.1503. It is the intent of the legislature  
15 that the commission utilize free software to mitigate these delays,  
16 if such a product is available.

17 Sec. 402. The liquor control commission shall expend the funds  
18 as required under section 203(10) of the Michigan liquor control  
19 code of 1998, 1998 PA 58, MCL 436.1203, to investigate and audit  
20 unlawful direct shipments of wine by unlicensed wineries and  
21 retailers. The liquor control commission shall provide a report to  
22 the legislature and the subcommittees detailing the commission's  
23 activities to investigate and audit the illegal shipping of wine  
24 and the results of these activities. The report shall also include  
25 the estimated loss of sales, excise, and use tax revenue for the  
26 state of Michigan as a result of illegal shipments of wine. The

1 report shall be submitted by February 1.

2 **OCCUPATIONAL REGULATION**

3 Sec. 501. Money appropriated under this part and part 1 for  
4 the bureau of fire services shall not be expended unless, in  
5 accordance with section 2c of the fire prevention code, 1941 PA  
6 207, MCL 29.2c, inspection and plan review fees will be charged  
7 according to the following schedule:

8 Operation and maintenance inspection fee

| 9 <u>Facility type</u> | <u>Facility size</u> | <u>Fee</u>     |
|------------------------|----------------------|----------------|
| 10 Hospitals           | Any                  | \$8.00 per bed |

11 Plan review and construction inspection fees for  
12 hospitals and schools

| 13 <u>Project cost range</u>         | <u>Fee</u>                       |
|--------------------------------------|----------------------------------|
| 14 \$101,000.00 or less              | minimum fee of \$155.00          |
| 15 \$101,001.00 to \$1,500,000.00    | \$1.60 per \$1,000.00            |
| 16 \$1,500,001.00 to \$10,000,000.00 | \$1.30 per \$1,000.00            |
| 17 \$10,000,001.00 or more           | \$1.10 per \$1,000.00            |
| 18                                   | or a maximum fee of \$60,000.00. |

19 Sec. 502. The funds collected by the department for licenses,  
20 permits, and other elevator regulation fees set forth in the  
21 Michigan administrative code and as determined under section 8 of  
22 1976 PA 333, MCL 338.2158, and section 16 of 1967 PA 227, MCL  
23 408.816, that are unexpended at the end of the fiscal year shall  
24 carry forward to the subsequent fiscal year.

25 Sec. 503. No later than February 15, the department shall  
26 submit a report to the subcommittees, fiscal agencies, and state

1 budget director providing the following information:

2 (a) The number of honorably discharged veterans, individually  
3 or if a majority interest of a corporation or limited liability  
4 company, that were exempted from paying licensure, registration,  
5 filing, or any other fees collected under each licensure or  
6 regulatory program administered by the bureau of construction codes  
7 and the corporations, securities, and commercial licensing bureau  
8 during the preceding fiscal year.

9 (b) The specific fees and total amount of revenue exempted  
10 under each licensure or regulatory program administered by the  
11 bureau of construction codes and the corporations, securities, and  
12 commercial licensing bureau during the preceding fiscal year.

13 (c) The actual costs of providing licensing and other  
14 regulatory services to veterans exempted from paying licensure,  
15 registration, filing, or any other fees during the preceding fiscal  
16 year and a description of how these costs were calculated.

17 (d) The estimated amount of revenue that will be exempted  
18 under each licensure or regulatory program administered by the  
19 bureau of construction codes and the corporations, securities, and  
20 commercial licensing bureau in both the current and subsequent  
21 fiscal years and a description of how the exempted revenue was  
22 estimated.

23 Sec. 505. (1) Funds remaining in the homeowner construction  
24 lien recovery fund are appropriated to the department for payment  
25 of court-ordered homeowner construction lien recovery fund  
26 judgments entered prior to August 23, 2010. Pursuant to available  
27 funds, the payment of final judgments shall be made in the order in

1 which the final judgments were entered and began accruing interest.

2 (2) Not later than April 1, the department shall submit to the  
3 subcommittees and fiscal agencies a report on the revenues,  
4 expenditures, and balance of the homeowner construction lien  
5 recovery fund as of the end of the previous fiscal year.

6 Sec. 507. The department shall submit a report by January 1 to  
7 the standing committees on appropriations of the senate and house  
8 of representatives, the fiscal agencies, and the state budget  
9 director that includes all of the following information for the  
10 prior fiscal year regarding the medical marihuana program under the  
11 Michigan medical marihuana act, 2008 IL 1, MCL 333.26421 to  
12 333.26430:

13 (a) The number of initial applications received.

14 (b) The number of initial applications approved and the number  
15 of initial applications denied.

16 (c) The average amount of time, from receipt to approval or  
17 denial, to process an initial application.

18 (d) The number of renewal applications received.

19 (e) The number of renewal applications approved and the number  
20 of renewal applications denied.

21 (f) The average amount of time, from receipt to approval or  
22 denial, to process a renewal application.

23 (g) The percentage of initial applications not approved or  
24 denied within the time requirements established in section 6 of the  
25 Michigan medical marihuana act, 2008 IL 1, MCL 333.26426.

26 (h) The percentage of renewal applications not approved or  
27 denied within the time requirements established in section 6 of the

1 Michigan medical marihuana act, 2008 IL 1, MCL 333.26426.

2 (i) The percentage of registry cards for approved initial  
3 applications not issued within the time requirements established in  
4 section 6 of the Michigan medical marihuana act, 2008 IL 1, MCL  
5 333.26426.

6 (j) The percentage of registry cards for approved renewal  
7 applications not issued within the time requirements established in  
8 section 6 of the Michigan medical marihuana act, 2008 IL 1, MCL  
9 333.26426.

10 (k) The amount collected from the medical marihuana program  
11 application and renewal fees authorized in section 5 of the  
12 Michigan medical marihuana act, 2008 IL 1, MCL 333.26425.

13 (l) The costs of administering the medical marihuana program  
14 under the Michigan medical marihuana act, 2008 IL 1, MCL 333.26421  
15 to 333.26430.

16 Sec. 508. If the revenue collected by the department for  
17 health systems administration or radiological health administration  
18 and projects from fees and collections exceeds the amount  
19 appropriated in part 1, the revenue may be carried forward into the  
20 subsequent fiscal year. The revenue carried forward under this  
21 section shall be used as the first source of funds in the  
22 subsequent fiscal year.

23 Sec. 511. No later than February 1, the department shall  
24 submit a report to the subcommittees, fiscal agencies, and state  
25 budget director providing the following information:

26 (a) The total amount of reimbursements made to local units of  
27 government for delegated inspections of fireworks retail locations

1 pursuant to section 11 of the Michigan fireworks safety act, 2011  
2 PA 256, MCL 28.461, from the funds appropriated in part 1 for the  
3 bureau of fire services during the preceding fiscal year.

4 (b) The amount of reimbursement for delegated inspections of  
5 fireworks retail locations for each local unit of government that  
6 received reimbursement from the funds appropriated in part 1 for  
7 the bureau of fire services during the preceding fiscal year.

8 Sec. 512. To the extent allowed under applicable state and  
9 federal laws, the bureau of health care services shall make  
10 disciplinary actions taken against health professionals publicly  
11 available through the online license verification website.

12 Sec. 513. (1) Beginning October 1, for the purpose of  
13 defraying the costs associated with responding to false final  
14 inspection appointments and to discourage the practice of calling  
15 for final inspections when the project is incomplete or  
16 noncompliant with a plan of correction previously provided by the  
17 bureau of fire services, the bureau of fire services may assess a  
18 fee not to exceed \$200.00 for responding to confirmed false  
19 inspection appointments. Fees collected under this section shall be  
20 deposited into the restricted account referenced by section 2c(2)  
21 of the fire prevention code, 1941 PA 207, MCL 29.2c, and explicitly  
22 identified within the Michigan administrative information network.

23 (2) Not later than September 30, the department shall prepare  
24 a report that provides the amount of the fee assessed under  
25 subsection (1), the number of fees assessed and issued per region,  
26 the cost allocation for the work performed and reduced as a result  
27 of this section, and any recommendations for consideration by the



1 legislature. The department shall submit this information to the  
2 state budget director, the subcommittees, and the fiscal agencies.

3       Sec. 514. (1) From the funds appropriated in part 1 for the  
4 bureau of children and adult licensing from the interdepartmental  
5 grant from the department of education, the department shall  
6 increase the number of child care licensing consultants and staff.  
7 The purpose of the additional staff is to increase the number of  
8 monitoring visits to applicants for a child care license and those  
9 who are licensed to ensure the health and safety of children in  
10 early learning settings across this state.

11       (2) By February 1, the department shall submit a report to the  
12 subcommittees, the fiscal agencies, and the senate and house policy  
13 offices detailing the improvements that the bureau of children and  
14 adult licensing has achieved due to the increased number of child  
15 care licensing consultants that were hired using the funds  
16 appropriated in part 1 for the bureau of children and adult  
17 licensing.

18       Sec. 515. The department shall assess and collect fees in the  
19 licensing and regulation of child care organizations as described  
20 in 1973 PA 116, MCL 722.111 to 722.128, and adult foster care  
21 facilities as described in the adult foster care facility licensing  
22 act, 1979 PA 218, MCL 400.701 to 400.737.

23       Sec. 516. (1) It is the intent of the legislature that the  
24 department establish a consistent method of performing and tracking  
25 inspections of sawmills. The department shall inspect sawmills  
26 during the fiscal year with a focus on facilities that house  
27 multiple limited liability corporations in the same physical

1 location.

2 (2) By January 1, the department shall submit a report to the  
3 subcommittees and fiscal agencies pertaining to these inspection  
4 programs during the previous fiscal year. This report shall contain  
5 all of the following:

6 (a) The number, type, and location of facilities inspected.

7 (b) A summary of each inspection, including the number, type,  
8 and costs of any citations imposed.

9 (c) A list of any locations that did not provide their  
10 employees with worker's compensation or unemployment insurances.

11 (d) Information on locations referred to the workers'  
12 compensation agency or unemployment insurance agency that did not  
13 provide the relevant insurances to their employees.

14 (e) The confirmed remediation results of any issues found.

15 (f) The approximate size, number of employees, and any  
16 reported injuries of an employee within the last 3 years for each  
17 location inspected.

18 Sec. 517. By January 1, the department shall submit a report  
19 to the subcommittees that includes all of the following:

20 (a) Number of administrative actions taken against prescriber  
21 licenses related to opioid prescribing, including the location of  
22 where the prescriber practiced and any specialty certifications  
23 that prescriber has held since 2010.

24 (b) The number of prescribers who were identified as  
25 overprescribing.

26 (c) The actions taken to notify those prescribers who were  
27 overprescribing.

(d) A description of the plan the department will work on with DHHS to notify patients that their prescriber has had his or her license suspended or has been reported as a potential overprescriber and have available references for treatment.

#### EMPLOYMENT SERVICES

Sec. 704. (1) The appropriation in part 1 for the bureau of services for blind persons includes funds for case services. These funds may be used for tuition payments for blind clients.

(2) Revenue collected by the bureau of services for blind persons and from private and local sources that is unexpended at the end of the fiscal year may carry forward to the subsequent fiscal year.

Sec. 705. The bureau of services for blind persons shall work collaboratively with service organizations and government entities to identify qualified match dollars to maximize use of available federal vocational rehabilitation funds.

Sec. 706. Not later than January 1, the department shall submit a report to the subcommittees and fiscal agencies including, but not limited to, the following information pertaining to the activities of the youth low-vision program during the preceding fiscal year:

(a) Number of individuals, classified by age, who received services or devices.

(b) Description of the services and devices purchased under the program.

(c) Total payments to each provider of services or devices,

1 classified by the county in which the provider is located.

2 (d) Amount by which private health insurance or other public  
3 health programs were utilized to offset the expense of services or  
4 devices.

5 (e) Amount of expenditures under the program that qualified  
6 for federal matching revenue and the amount of federal matching  
7 revenue received by the department.

8 Sec. 707. The bureau of services for blind persons may provide  
9 and enter into agreements to provide general services, training,  
10 meetings, information, special equipment, software, facility use,  
11 and technical consulting services to other principal executive  
12 departments, state agencies, local units of government, the  
13 judicial branch of government, other organizations, and patrons of  
14 department facilities. The department may charge fees for these  
15 services that are reasonably related to the cost of providing the  
16 services. In addition to the funds appropriated in part 1, funds  
17 collected by the department for these services are appropriated for  
18 all expenses necessary. The funds appropriated under this section  
19 are allotted for expenditure when they are received by the  
20 department of treasury.

21 Sec. 708. The amount appropriated in part 1 for the first  
22 responder presumed coverage fund shall only be expended for the  
23 purpose of paying authorized claims and the costs of administering  
24 the fund pursuant to section 405 of the worker's disability  
25 compensation act of 1969, 1969 PA 317, MCL 418.405.

26 **DEPARTMENT GRANTS**

1       Sec. 901. The appropriation in part 1 for fire protection  
2 grants shall be appropriated to cities, villages, and townships  
3 with state-owned facilities for fire services, instead of taxes, in  
4 accordance with 1977 PA 289, MCL 141.951 to 141.956.

5       Sec. 902. (1) Not later than November 30, the department shall  
6 prepare a report that provides the number of registry  
7 identification cards issued to or renewed for patients residing in  
8 each county as of September 30 of the preceding fiscal year, under  
9 the Michigan medical marihuana act, 2008 IL 1, MCL 333.26421 to  
10 333.26430. The department shall submit this report to the state  
11 budget director, the subcommittees, and the fiscal agencies.

12       (2) The department shall expend the funds appropriated in part  
13 1 for medical marihuana operation and oversight grants for grants  
14 to county law enforcement offices for the operation and oversight  
15 of the Michigan medical marihuana program pursuant to section 6(l)  
16 of the Michigan medical marihuana act, 2008 IL 1, MCL 333.26426.  
17 These grants shall be distributed proportionately based on the  
18 number of registry identification cards issued to or renewed for  
19 the residents of each county whose county law enforcement office  
20 applied for a grant under subsection (3). For the purposes of this  
21 subsection, operation and oversight grants are for education,  
22 communication, and enforcement of the Michigan medical marihuana  
23 act, 2008 IL 1, MCL 333.26421 to 333.26430.

24       (3) No later than December 1, the department shall post a  
25 listing of potential grant money available to each county law  
26 enforcement office on its website. A county law enforcement office  
27 requesting a grant shall apply on a form developed by the

1 department and available on the website. The form shall contain the  
2 county law enforcement office's specific projected plan for use of  
3 the money and its agreement to maintain all records and to submit  
4 documentation to the department to support the use of the grant  
5 money.

6 (4) In order to be eligible to receive a grant under  
7 subsection (2), a county law enforcement office shall apply no  
8 later than January 1 and agree to report how the grant was expended  
9 and provide that report to the department no later than September  
10 15. The department shall submit a report no later than October 15  
11 of the subsequent fiscal year to the state budget director, the  
12 subcommittees, and the fiscal agencies detailing the grant amounts  
13 by recipient and the reported uses of the grants in the preceding  
14 fiscal year.

15 (5) County law enforcement offices may distribute  
16 discretionary grants made under subsection (2) to municipal law  
17 enforcement agencies for the operation and oversight of the  
18 Michigan medical marihuana program pursuant to section 6(1) of the  
19 Michigan medical marihuana act, 2008 IL 1, MCL 333.26426. If a  
20 county law enforcement office distributes a discretionary grant in  
21 this manner, that county law enforcement office shall require the  
22 receiving municipal law enforcement agency to provide a report on  
23 how that grant was spent. Reports from municipal law enforcement  
24 agencies shall be included as part of the report submitted to the  
25 department as required in subsection (4).

26 Sec. 903. (1) The amount appropriated in part 1 for  
27 firefighter training grants shall only be expended for payments to

1 counties to reimburse organized fire departments for firefighter  
2 training and other activities required under the firefighters  
3 training council act, 1966 PA 291, MCL 29.361 to 29.377.

4 (2) If the amount appropriated in part 1 for firefighter  
5 training grants is expended by the firefighter training council,  
6 established in section 3 of the firefighters training council act,  
7 1966 PA 291, MCL 29.363, for payments to counties under section 14  
8 of the firefighters training council act, 1966 PA 291, MCL 29.374,  
9 it is the intent of the legislature that:

10 (a) The amount appropriated in part 1 for firefighter training  
11 grants shall be disbursed pursuant to section 14(2) of the  
12 firefighters training council act, 1966 PA 291, MCL 29.374.

13 (b) If the amount disbursed to any county under subsection  
14 (2)(a) is less than \$5,000.00, the amounts disbursed to each county  
15 under subsection (2)(a) shall be adjusted to provide for a minimum  
16 payment of \$5,000.00 to each county.

17 (3) No later than February 1, the department shall submit a  
18 financial report to the subcommittees and fiscal agencies  
19 identifying the following information for the preceding fiscal  
20 year:

21 (a) The amount of the payments that would be made to each  
22 county if the distribution formula described by the first sentence  
23 of section 14(2) of the firefighters training council act, 1966 PA  
24 291, MCL 29.374, would have been utilized to disburse the total  
25 amount appropriated in part 1 for firefighter training grants.

26 (b) The amount of the payments approved by the firefighter  
27 training council for disbursement to each county.

1 (c) The amount of the payments actually expended or encumbered  
2 within each county.

3 (d) A description of any other payments or expenditures made  
4 under the authority of the firefighter training council.

5 (e) The amount of payments approved for disbursements to  
6 counties that was not expended or encumbered and lapsed back to the  
7 fireworks safety fund.

8 (4) It is the intent of the legislature that the amount  
9 appropriated in part 1 for firefighter training grants be adjusted  
10 each fiscal year to reflect lapses from the preceding fiscal year  
11 into the fireworks safety fund created in section 11 of the  
12 Michigan fireworks safety act, 2011 PA 256, MCL 28.461, for the  
13 purpose of ensuring that lapsed grant funds are reallocated in  
14 subsequent fiscal years.

15 Sec. 904. (1) The funds appropriated in part 1 for a regional  
16 or subregional library shall not be released until a budget for  
17 that regional or subregional library has been approved by the  
18 department for expenditures for library services directly serving  
19 the blind and persons with disabilities.

20 (2) In order to receive subregional state aid as appropriated  
21 in part 1, a regional or subregional library's fiscal agency shall  
22 agree to maintain local funding support at the same level in the  
23 current fiscal year as in the fiscal agency's preceding fiscal  
24 year. If a reduction in expenditures equally affects all agencies  
25 in a local unit of government that is the regional or subregional  
26 library's fiscal agency, that reduction shall not be interpreted as  
27 a reduction in local support and shall not disqualify a regional or



1 subregional library from receiving state aid under part 1. If a  
2 reduction in income affects a library cooperative or district  
3 library that is a regional or subregional library's fiscal agency  
4 or a reduction in expenditures for the regional or subregional  
5 library's fiscal agency, a reduction in expenditures for the  
6 regional or subregional library shall not be interpreted as a  
7 reduction in local support and shall not disqualify a regional or  
8 subregional library from receiving state aid under part 1.

9       Sec. 905. (1) From the funds appropriated in part 1 for the  
10 liquor control commission, the department shall maintain customer  
11 service standards for authorized distributor agents, licensees, and  
12 vendors.

13       (2) The department shall identify specific outcomes and  
14 performance metrics for this initiative, including, but not limited  
15 to, both of the following:

16       (a) System availability to licensees.

17       (b) System order errors.

18       Sec. 906. (1) From the funds appropriated in part 1 for the  
19 Michigan automated prescription system, the department shall  
20 provide improved efficiencies and functionality of the system for  
21 dispensers and prescribers as well as improved reporting  
22 capabilities.

23       (2) The department shall identify specific outcomes and  
24 performance metrics for this initiative, including, but not limited  
25 to, all of the following:

26       (a) Prescribers enrolled in the Michigan automated  
27 prescription system.

1 (b) Dispensers enrolled in the Michigan automated prescription  
2 system.

3 (c) Utilization of the Michigan automated prescription system  
4 by prescribers.

5 PART 2A

6 PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS

7 FOR FISCAL YEAR 2017-2018

8 GENERAL SECTIONS

9 Sec. 1201. Except as otherwise provided in this part, it is  
10 the intent of the legislature to provide appropriations for the  
11 fiscal year ending on September 30, 2018 for the line items listed  
12 in part 1. The fiscal year 2017-2018 appropriations are anticipated  
13 to be the same as those for fiscal year 2016-2017, except that the  
14 line items will be adjusted for changes in caseload and related  
15 costs, federal fund match rates, economic factors, and available  
16 revenue. These adjustments will be determined after the January  
17 2017 consensus revenue estimating conference.

18 Sec. 1202. It is the intent of the legislature that the  
19 department identify the amounts for normal retirement costs and  
20 legacy retirement costs for the fiscal year ending on September 30,  
21 2018 for the line items listed in part 1.

22 ARTICLE XIV

23 DEPARTMENT OF MILITARY AND VETERANS AFFAIRS

## PART 1

## LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of military and veterans affairs for the fiscal year ending September 30, 2017, from the following funds:

**DEPARTMENT OF MILITARY AND VETERANS AFFAIRS**

## APPROPRIATION SUMMARY

Full-time equated unclassified positions..... 9.0

Full-time equated classified positions..... 898.5

GROSS APPROPRIATION..... \$ 176,710,200

Total interdepartmental grants and intradepartmental

transfers ..... 101,800

Schedule of interdepartmental grant revenue sources:

IDG, state police ..... 101,800

ADJUSTED GROSS APPROPRIATION..... \$ 176,608,400

Total federal revenues..... 91,793,600

Schedule of federal revenue sources:

DOD-DOA-NGB ..... 61,969,000

DVA-VHA ..... 27,825,100

HHS-HCFA, Medicare, hospital insurance..... 1,809,700

HHS-HCFA, title XIX, Medicaid..... 89,800

Federal counter narcotics revenues..... 100,000

Total local revenues..... 1,732,400

Schedule of local revenue sources:

Local - school aid fund ..... 1,732,400

Total private revenues..... 742,800

Schedule of private revenue sources:

|    |                                                |            |            |
|----|------------------------------------------------|------------|------------|
| 1  | Private - veterans' homes post and posthumous  |            |            |
| 2  | funds .....                                    | 540,000    |            |
| 3  | Private donations .....                        | 202,800    |            |
| 4  | Total other state restricted revenues .....    |            | 24,696,000 |
| 5  | Schedule of restricted revenue sources:        |            |            |
| 6  | Billeting fund .....                           | 1,517,800  |            |
| 7  | Rental fees .....                              | 346,400    |            |
| 8  | Mackinac Bridge Authority .....                | 70,000     |            |
| 9  | Test project fees .....                        | 100,000    |            |
| 10 | Income and assessments .....                   | 11,933,300 |            |
| 11 | Lease revenue .....                            | 12,200     |            |
| 12 | Michigan veterans trust fund .....             | 5,211,300  |            |
| 13 | Michigan national guard tuition assistance     |            |            |
| 14 | fund .....                                     | 3,505,000  |            |
| 15 | Michigan national guard armory                 |            |            |
| 16 | construction fund .....                        | 1,000,000  |            |
| 17 | Military family relief fund .....              | 1,000,000  |            |
| 18 | State general fund/general purpose .....       | \$         | 57,643,600 |
| 19 | State general fund/general purpose schedule:   |            |            |
| 20 | Ongoing state general fund/general             |            |            |
| 21 | purpose .....                                  | 50,143,600 |            |
| 22 | One-time state general fund/general            |            |            |
| 23 | purpose .....                                  | 7,500,000  |            |
| 24 | <b>Sec. 102. MILITARY</b>                      |            |            |
| 25 | Full-time equated unclassified positions ..... | 9.0        |            |
| 26 | Full-time equated classified positions .....   | 334.0      |            |
| 27 | Unclassified positions .....                   | \$         | 1,425,500  |

|    |                                                   |                   |
|----|---------------------------------------------------|-------------------|
| 1  | Departmental and National Guard operations .....  | <u>67,125,600</u> |
| 2  | GROSS APPROPRIATION .....                         | \$ 68,551,100     |
| 3  | Appropriated from:                                |                   |
| 4  | Interdepartmental grant revenues .....            | 101,800           |
| 5  | Federal revenues .....                            | 47,488,100        |
| 6  | Local revenues .....                              | 1,732,400         |
| 7  | Private revenues .....                            | 202,800           |
| 8  | State restricted revenues .....                   | 6,551,800         |
| 9  | State general fund/general purpose .....          | \$ 12,474,200     |
| 10 | Schedule of programs:                             |                   |
| 11 | Unclassified salaries .....                       | 1,425,500         |
| 12 | Support services .....                            | 1,839,100         |
| 13 | Armories and joint force readiness .....          | 17,592,300        |
| 14 | National Guard training facilities and air        |                   |
| 15 | bases .....                                       | 33,793,000        |
| 16 | Michigan youth challenge program .....            | 5,326,900         |
| 17 | Military family relief fund .....                 | 600,000           |
| 18 | Starbase grant .....                              | 2,322,000         |
| 19 | National guard tuition assistance program ..      | 3,505,000         |
| 20 | National guard tuition assistance fund .....      | 762,700           |
| 21 | Information technology services and               |                   |
| 22 | projects .....                                    | 1,384,600         |
| 23 | <b>Sec. 103. MICHIGAN VETERANS AFFAIRS AGENCY</b> |                   |
| 24 | Full-time equated classified positions .....      | 564.5             |
| 25 | Michigan veterans affairs agency .....            | \$ 16,239,400     |
| 26 | Veterans' homes .....                             | <u>67,619,700</u> |
| 27 | GROSS APPROPRIATION .....                         | \$ 83,859,100     |

|    |                                             |            |                   |
|----|---------------------------------------------|------------|-------------------|
| 1  | Appropriated from:                          |            |                   |
| 2  | Federal revenues.....                       |            | 29,305,500        |
| 3  | Private revenues.....                       |            | 540,000           |
| 4  | State restricted revenues.....              |            | 17,144,200        |
| 5  | State general fund/general purpose.....     | \$         | 36,869,400        |
| 6  | Schedule of programs:                       |            |                   |
| 7  | Veterans affairs agency administration..... | 7,057,300  |                   |
| 8  | Veterans service grants .....               | 3,770,800  |                   |
| 9  | Targeted grants .....                       | 200,000    |                   |
| 10 | Veterans' trust fund administration.....    | 1,464,800  |                   |
| 11 | Veterans' trust fund grants .....           | 3,746,500  |                   |
| 12 | Grand Rapids veterans' home .....           | 45,429,100 |                   |
| 13 | Board of managers (Grand Rapids home).....  | 665,000    |                   |
| 14 | D.J. Jacobetti veterans' home.....          | 21,250,600 |                   |
| 15 | Board of managers (DJJHV) .....             | 275,000    |                   |
| 16 | <b>Sec. 104. CAPITAL OUTLAY</b>             |            |                   |
| 17 | Capital outlay.....                         | \$         | <u>16,800,000</u> |
| 18 | GROSS APPROPRIATION.....                    | \$         | 16,800,000        |
| 19 | Appropriated from:                          |            |                   |
| 20 | Federal revenues.....                       |            | 15,000,000        |
| 21 | State restricted revenues.....              |            | 1,000,000         |
| 22 | State general fund/general purpose.....     | \$         | 800,000           |
| 23 | Schedule of programs:                       |            |                   |
| 24 | Special maintenance - National Guard.....   | 15,300,000 |                   |
| 25 | Special maintenance - veterans' home.....   | 500,000    |                   |
| 26 | Land acquisitions and appraisals.....       | 1,000,000  |                   |
| 27 | <b>Sec. 105. ONE-TIME APPROPRIATIONS</b>    |            |                   |

|   |                                              |    |                  |
|---|----------------------------------------------|----|------------------|
| 1 | Capital outlay - Grand Rapids home for       |    |                  |
| 2 | veterans - Medicaid certification pilot..... | \$ | 5,000,000        |
| 3 | Armory infrastructure upgrades.....          |    | <u>2,500,000</u> |
| 4 | GROSS APPROPRIATION.....                     | \$ | 7,500,000        |
| 5 | Appropriated from:                           |    |                  |
| 6 | State general fund/general purpose.....      | \$ | 7,500,000        |

7 PART 2

8 PROVISIONS CONCERNING APPROPRIATIONS

9 FOR FISCAL YEAR 2016-2017

10 GENERAL SECTIONS

11 Sec. 201. Pursuant to section 30 of article IX of the state  
 12 constitution of 1963, total state spending from state resources  
 13 under part 1 for fiscal year 2016-2017 is \$82,339,600.00 and state  
 14 spending from state resources to be paid to local units of  
 15 government for fiscal year 2016-2017 is \$102,400.00. The itemized  
 16 statement below identifies appropriations from which spending to  
 17 local units of government will occur:

18 DEPARTMENT OF MILITARY AND VETERANS AFFAIRS

|    |                                                       |    |        |
|----|-------------------------------------------------------|----|--------|
| 19 | National Guard training facilities and air bases..... | \$ | 52,400 |
|----|-------------------------------------------------------|----|--------|

20 Schedule of programs:

|    |                                 |        |
|----|---------------------------------|--------|
| 21 | Payments in lieu of taxes ..... | 52,400 |
|----|---------------------------------|--------|

|    |                                                      |    |        |
|----|------------------------------------------------------|----|--------|
| 22 | Michigan veterans affairs agency administration..... | \$ | 50,000 |
|----|------------------------------------------------------|----|--------|

23 Schedule of programs:

|    |                                         |
|----|-----------------------------------------|
| 24 | County counselor education and training |
|----|-----------------------------------------|

|    |                |        |                             |
|----|----------------|--------|-----------------------------|
| 25 | expenses ..... | 50,000 | <u>                    </u> |
|----|----------------|--------|-----------------------------|

1 TOTAL..... \$ 102,400

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

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

6 (a) "Core services" means that phrase as defined in section  
7 373 of the management and budget act, 1984 PA 431, MCL 18.1373.

8 (b) "Department" means the department of military and veterans  
9 affairs.

10 (c) "Director" means director of the department.

11 (d) "DJJHV" means the D.J. Jacobetti home for veterans.

12 (e) "DOD" means the United States Department of Defense.

13 (f) "DOD-DOA-NGB" means the DOD Department of the Army,  
14 National Guard Bureau.

15 (g) "FTE" means full-time equated.

16 (h) "GRHV" means the Grand Rapids home for veterans.

17 (i) "HCFA" means the Health Care Financing Administration, now  
18 renamed the Centers for Medicare and Medicaid Services.

19 (j) "HHS" means the United States Department of Health and  
20 Human Services.

21 (k) "HVAC" means heating, ventilation, and air conditioning.

22 (l) "IDG" means interdepartmental grant.

23 (m) "MVAA" means the Michigan veterans affairs agency.

24 (n) "Subcommittees" means all members of the subcommittees of  
25 the senate and house appropriations committees with jurisdiction  
26 over the budget of the department.

27 (o) "USDVA" means the United States Department of Veterans



1 Affairs.

2 (p) "USDVA-VHA" means the USDVA Veterans Health  
3 Administration.

4 (q) "Veterans' homes" means the Grand Rapids home for veterans  
5 and the D.J. Jacobetti home for veterans.

6 (r) "VSO" means veterans service organization.

7 (s) "Work project" means that term as defined in section 404  
8 of the management and budget act, 1984 PA 431, MCL 18.1404, and  
9 that meets the criteria in section 451a(1) of the management and  
10 budget act, 1984 PA 431, MCL 18.1451a.

11 Sec. 206. (1) In addition to the funds appropriated in part 1,  
12 there is appropriated an amount not to exceed \$10,000,000.00 for  
13 federal contingency funds. These funds are not available for  
14 expenditure until they have been transferred to another line item  
15 in part 1 under section 393(2) of the management and budget act,  
16 1984 PA 431, MCL 18.1393.

17 (2) In addition to the funds appropriated in part 1, there is  
18 appropriated an amount not to exceed \$2,000,000.00 for state  
19 restricted contingency funds. These funds are not available for  
20 expenditure until they have been transferred to another line item  
21 in part 1 under section 393(2) of the management and budget act,  
22 1984 PA 431, MCL 18.1393.

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

1 MCL 18.1393.

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

8 Sec. 207. The department shall cooperate with the department  
9 of technology, management, and budget to maintain a searchable  
10 website that is accessible by the public at no cost that includes,  
11 but is not limited to, all of the following:

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

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

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

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

19 (e) Job specifications and wage rates.

20 Sec. 208. The departments and agencies receiving  
21 appropriations in part 1 shall use the Internet to fulfill the  
22 reporting requirements of this part. This requirement may include  
23 transmission of reports via electronic mail to the recipients  
24 identified for each reporting requirement, or it may include  
25 placement of reports on an Internet or Intranet site.

26 Sec. 209. Funds appropriated in this part and part 1 shall not  
27 be used for the purchase of foreign goods or services, or both, if

1 competitively priced and of comparable quality American goods or  
2 services, or both, are available. Preference shall be given to  
3 goods or services, or both, manufactured or provided by Michigan  
4 businesses, if they are competitively priced and of comparable  
5 quality. In addition, preference shall be given to goods or  
6 services, or both, that are manufactured or provided by Michigan  
7 businesses owned and operated by veterans, if they are  
8 competitively priced and of comparable quality.

9       Sec. 210. The department shall take all reasonable steps to  
10 ensure businesses in deprived and depressed communities compete for  
11 and perform contracts to provide services or supplies, or both. The  
12 director of the department shall strongly encourage firms with  
13 which the department contracts to subcontract with certified  
14 businesses in depressed and deprived communities for services,  
15 supplies, or both.

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

19       Sec. 216. (1) Notwithstanding any other provision of this  
20 part, the schedule of programs in part 1 lists programs which may,  
21 but are not required to be, funded under part 1.

22       (2) Notwithstanding any other provisions of this part, the  
23 schedule of revenue sources in part 1 may or may not be received  
24 from the funding entities listed.

25       (3) Any funding required by statute is not subject to funding  
26 flexibility and shall be funded in accordance with that statute.

27       Sec. 218. The departments and agencies receiving

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

10 (a) The dates of each travel occurrence.

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

16 Sec. 219. The department shall provide quarterly reports to  
17 the subcommittees, the senate and house fiscal agencies, and the  
18 state budget office, which shall provide the following data:

19 (a) A list of all major work projects, including a status  
20 report of each project.

21 (b) The department's financial status, featuring a report of  
22 budgeted versus actual expenditures by part 1 line item including a  
23 year-end projection of budget requirements. If projected department  
24 budget requirements exceed the allocated budget, the report shall  
25 include a plan to reduce overall expenses while still satisfying  
26 specified service level requirements.

27 (c) A report on the status of performance metrics cited in

1 this part and information required to be reported in this part.

2 (d) The number of active employees at the close of the fiscal  
3 quarter by job classification and program.

4 (e) A summary of fund shifts, that have been approved by the  
5 state budget office, that have occurred between items listed in the  
6 schedule of programs mentioned in part 1.

7 (f) Evidence of efficiencies and management of funds within  
8 established appropriations.

9 Sec. 222. The appropriations in part 1 are for the core  
10 services, support services, and work projects of the department,  
11 including, but not limited to, the following core services:

12 (a) Armories and joint force readiness.

13 (b) National Guard training facilities and air bases.

14 (c) Michigan youth challenge academy.

15 (d) Military family relief fund.

16 (e) Starbase grant.

17 (f) National Guard tuition assistance program.

18 (g) Michigan veterans affairs agency administration.

19 (h) Veterans service grants.

20 (i) Veterans' trust fund administration.

21 (j) Veterans' trust fund grants.

22 (k) Grand Rapids home for veterans.

23 (l) D.J. Jacobetti home for veterans.

24 (m) Board of managers (Grand Rapids and D.J. Jacobetti homes  
25 for veterans).

26 Sec. 225. Funds appropriated in this part and part 1 shall not  
27 be used by a principal executive department, state agency, or

1 authority to hire a person to provide legal services that are the  
2 responsibility of the attorney general. This prohibition does not  
3 apply to legal services for bonding activities and for those  
4 activities that the attorney general authorizes.

5       Sec. 228. Not later than November 30, the state budget office  
6 shall prepare and transmit a report that provides for estimates of  
7 the total general fund/general purpose appropriations lapses at the  
8 close of the prior fiscal year. This report shall summarize the  
9 projected year-end general fund/general purpose appropriations  
10 lapses by major departmental program or program areas. The report  
11 shall be transmitted to the office of the state budget, the  
12 chairpersons of the senate and house standing committees on  
13 appropriations, the subcommittees, and the senate and house fiscal  
14 agencies.

15       Sec. 229. Within 14 days after the release of the executive  
16 budget recommendation, the department shall cooperate with the  
17 state budget office to provide the senate and house appropriations  
18 chairs, the subcommittees, and the senate and house fiscal agencies  
19 with an annual report on estimated state restricted fund balances,  
20 state restricted fund projected revenues, and state restricted fund  
21 expenditures for the fiscal years ending September 30, 2016 and  
22 September 30, 2017.

23       Sec. 230. The department shall maintain, on a publicly  
24 accessible website, a department scorecard that identifies, tracks,  
25 and regularly updates key metrics that are used to monitor and  
26 improve the agency's performance.

27       Sec. 231. Total authorized appropriations from all sources

1 under part 1 for legacy costs for the fiscal year ending September  
2 30, 2017 are \$18,602,500.00. From this amount, total agency  
3 appropriations for pension-related legacy costs are estimated at  
4 \$10,314,600.00, and total agency appropriations for retiree health  
5 care legacy costs are estimated at \$8,287,900.00.

6 Sec. 232. The appropriations in part 1 for capital outlay  
7 shall be carried forward at the end of the fiscal year consistent  
8 with section 248 of the management and budget act, 1984 PA 431, MCL  
9 18.1248.

10 Sec. 233. Sixty days prior to the public announcement of the  
11 intention to sell any department real property, the department  
12 shall submit notification of that intent to the subcommittees and  
13 the senate and house fiscal agencies.

14 Sec. 234. The one-time appropriations in part 1 for special  
15 maintenance shall be carried forward at the end of the fiscal year  
16 consistent with section 248 of the management and budget act, 1984  
17 PA 431, MCL 18.1248.

18 Sec. 240. In addition to the metrics required under section  
19 447 of the management and budget act, 1984 PA 431, MCL 18.1447, for  
20 each new program or program enhancement for which funds in excess  
21 of \$500,000.00 are appropriated in part 1, the department shall  
22 provide not later than November 1, 2015 a list of program-specific  
23 metrics intended to measure its performance based on a return on  
24 taxpayer investment. The department shall deliver the program-  
25 specific metrics to members of the senate and house subcommittees  
26 that have subject matter jurisdiction for this budget, fiscal  
27 agencies, and the state budget director. The department shall

1 provide an update on its progress in tracking program-specific  
2 metrics and the status of program success at an appropriations  
3 subcommittee meeting called for by the subcommittee chair.

#### 4 **MILITARY**

##### 5 **UNCLASSIFIED POSITIONS**

6       Sec. 300. (1) From the funds appropriated in part 1, there is  
7 funding to support unclassified employee positions as authorized by  
8 section 5 of article XI of the state constitution of 1963. These  
9 positions include the following: department director - the adjutant  
10 general for Michigan; assistant adjutant general - army; assistant  
11 adjutant general - installations; assistant adjutant general - air;  
12 senior policy executive - Michigan veterans affairs agency; senior  
13 deputy director - state operations; director - strategy and policy;  
14 chief executive officer for veterans health system; and director -  
15 Michigan veterans affairs agency.

16       (2) Not less than 30 days prior to the department submitting a  
17 request for an additional unclassified employee position from the  
18 civil service commission, or for any substantive change to the  
19 duties of an existing unclassified employee position, the  
20 department shall notify the subcommittees and the senate and house  
21 fiscal agencies.

##### 22 **ARMORIES AND JOINT FORCE READINESS**

23       Sec. 302. (1) From the funds appropriated in part 1 for  
24 military operations, effective and efficient executive direction  
25 and administrative leadership shall be provided to the department.

26       (2) The department shall operate and maintain National Guard



1 armories.

2 (3) The department shall evaluate armories and submit a  
3 quarterly report on the status of the armories.

4 (4) The department shall maintain a system to measure the  
5 condition and adequacy of the armories.

6 (5) The Michigan Army National Guard and Air National Guard  
7 shall work to provide a culture that is free of sexual assault,  
8 through an environment of prevention, education and training,  
9 response capability, victim support, reporting procedures, and  
10 appropriate accountability that enhances the safety and well-being  
11 of all guard members.

12 (6) By December 1, the department shall report the following  
13 information to the subcommittees, the senate and house fiscal  
14 agencies, and the state budget office:

15 (a) An assessment of the grounds and facilities of each armory  
16 to objectively measure and determine the current facility condition  
17 and capability to support authorized manpower, unit training, and  
18 operations.

19 (b) Recommendations for the placement of new armories, the  
20 relocation or consolidation of existing armories, or a change in  
21 the mission of units assigned to armories to ideally position the  
22 National Guard in current or projected population centers.

23 (c) Recommendations for the enhanced use of armories to  
24 facilitate family support programs during deployments.

25 (d) An analysis of the feasibility, potential costs, and  
26 benefits of use of armories shared with other local, state, or  
27 federal agencies to improve responses to local emergencies as well

1 as the community support provided to armories.

2 (e) An investment strategy and proposed funding amounts in a  
3 prioritized project list to correct the most critical facility  
4 shortfalls across the inventory of armories in this state.

5 **NATIONAL GUARD TRAINING FACILITIES AND AIR BASES**

6 Sec. 304. (1) The department shall provide Army and Air  
7 National Guard forces, when directed, for state and local  
8 emergencies and in support of national military requirements.

9 (2) The department shall operate and maintain Army National  
10 Guard training facilities, including Fort Custer and Camp Grayling.

11 (3) The department shall maintain a system that measures the  
12 condition and adequacy of air facilities using both quality and  
13 functionality criteria.

14 (4) The department shall operate and maintain Air National  
15 Guard air bases, including Selfridge Air National Guard base,  
16 Battle Creek Air National Guard base, and Alpena combat readiness  
17 training center.

18 (5) The department shall provide the following information as  
19 provided under section 219:

20 (a) The apportioned and assigned strength of the Michigan Army  
21 National Guard.

22 (b) The apportioned and assigned strength of the Michigan Air  
23 National Guard.

24 (c) Recruiting, retention, and attrition data, including  
25 measurement against stated performance goals, for the Michigan Army  
26 National Guard.

27 (d) Recruiting, retention, and attrition data, including

1 measurement against stated performance goals, for the Michigan Air  
2 National Guard.

3       Sec. 305. There is hereby created and established under the  
4 jurisdiction and control of the department a revolving account to  
5 be known as the billeting fund account. All of the fees and other  
6 revenues generated from the operation of the chargeable transient  
7 quarters program shall be deposited in the billeting fund account.  
8 Appropriations will be made from the account for the support of  
9 program operations and the maintenance and operations of the  
10 chargeable transient quarters program and will not exceed the  
11 estimated revenues for the fiscal year in which they are made,  
12 together with unexpended balances from prior years. The department  
13 shall submit an annual report of operations and expenditures  
14 regarding the billeting fund account to the appropriations  
15 committees of the senate and house of representatives, the house  
16 and senate fiscal agencies, and the state budget office at the end  
17 of the fiscal year.

18 **MICHIGAN YOUTH CHALLENGE ACADEMY**

19       Sec. 307. (1) The department shall maintain the Michigan youth  
20 challenge academy to provide values, skills, education, and self-  
21 discipline instruction for at-risk youth as provided under 32 USC  
22 509.

23       (2) The department shall take steps to recruit candidates to  
24 the challenge program from economically disadvantaged areas,  
25 including those with low-income and high-unemployment backgrounds.

26       (3) The department shall partner with the department of health  
27 and human services to identify youth who may be eligible for the

1 challenge program from those youth served by department of health  
2 and human services programs. These eligible youth shall be given  
3 priority for enrollment in the program.

4 (4) The department shall maintain the staffing and resources  
5 necessary to train at least 144 cadets simultaneously at the  
6 Michigan youth challenge academy.

7 (5) The department shall ensure that the average grade level  
8 increase for Michigan youth challenge academy graduates is 2 years  
9 as measured with the test adult basic education (TABE) metrics.

#### 10 **MILITARY FAMILY RELIEF FUND**

11 Sec. 308. (1) The department shall provide grants for  
12 disbursement from the military family relief fund, as provided  
13 under the military family relief fund act, 2004 PA 363, MCL 35.1211  
14 to 35.1216, and R 200.5 to R 200.95 of the Michigan administrative  
15 code.

16 (2) The department shall provide information on the revenues,  
17 expenditures for advertising and assistance grants, and fund  
18 balance of the Michigan military family relief fund, as provided  
19 under section 219.

20 (3) The department shall provide sufficient staffing and other  
21 resources to provide outreach to the Michigan families of members  
22 of the reserve component of the armed forces called into active  
23 duty and to support the processing and approval of at least 60  
24 grant applications this fiscal year under the Michigan military  
25 relief fund and report those applications as provided in section  
26 219.

#### 27 **STARBASE GRANT**

1       Sec. 309. The department shall maintain the starbase program  
2 at Air National Guard facilities, as provided under 10 USC 2193b,  
3 to improve the knowledge, skills, and interest of students,  
4 primarily in the fifth grade, in math, science, and technology. The  
5 starbase program is to specifically target minority and at-risk  
6 students for participation.

7 **NATIONAL GUARD TUITION ASSISTANCE PROGRAM**

8       Sec. 310. (1) The department shall establish and maintain a  
9 National Guard tuition assistance program for members of the  
10 Michigan Air and Army National Guard.

11       (2) The objective of the National Guard tuition program is to  
12 bolster military readiness by increasing recruitment and retention  
13 of Michigan Air and Army National Guard service members (and to  
14 fill federally authorized strength levels for the state), improve  
15 the Michigan Air and Army National Guard's competitive draw from  
16 other military enlistment options in the state, enhance the ability  
17 of the Michigan Air and Army National Guard to compete for members  
18 and federal dollars with surrounding states, and increase the pool  
19 of eligible candidates within the Michigan Air and Army National  
20 Guard to become commissioned officers.

21       (3) The department shall make efforts to increase the number  
22 of Michigan Air and Army National Guard members participating in  
23 the program to 1,000 during the third year of the program's  
24 existence. To evaluate the effectiveness of the program, the  
25 department shall monitor the number of new recruits and new  
26 reenlistments and the percentage of those who become participants  
27 in the program to determine whether the percentage of authorized

1 Michigan Air and Army National Guard strength obtained and retained  
2 is competitive in comparison with the neighboring air and army  
3 national guards from the states of Illinois, Indiana, Ohio, and  
4 Wisconsin.

5 (4) From the funds appropriated in part 1, the National Guard  
6 tuition assistance program shall be supported with revenue from the  
7 Michigan national guard tuition assistance fund created in section  
8 4 of the Michigan national guard tuition assistance act, 2014 PA  
9 259, MCL 32.434. As provided in section 4 of the Michigan national  
10 guard tuition assistance act, 2014 PA 259, MCL 32.434, unexpended  
11 funds remaining in the Michigan national guard tuition assistance  
12 fund at the end of the fiscal year shall not lapse to the general  
13 fund.

#### 14 **INFORMATION TECHNOLOGY SERVICES AND PROJECTS**

15 Sec. 311. The funds appropriated in part 1 for information  
16 technology services and projects shall be used as a pass through  
17 via an IDG to the department of technology, management, and budget  
18 for technology services, including maintenance and repair services,  
19 and technology projects, to maximize the operational efficiency and  
20 effectiveness of the department.

#### 21 **MICHIGAN VETERANS AFFAIRS AGENCY**

#### 22 **MICHIGAN VETERANS AFFAIRS AGENCY ADMINISTRATION**

23 Sec. 400. (1) The MVAA agency shall provide outreach services  
24 to Michigan veterans that advise them on the benefits to which they  
25 are entitled, as provided under Executive Reorganization Order No.  
26 2013-2, MCL 32.92. The MVAA shall also do the following:

1 (a) Maintain the staffing partnerships and other resources  
2 necessary to develop and operate an outreach program that will  
3 communicate benefit eligibility information to at least 50% of  
4 Michigan's population of veterans, as assessed by annual census  
5 estimates, with a goal of reaching 100% and enabling 100% to access  
6 benefit information online.

7 (b) Communicate veteran benefit information pertaining to the  
8 Michigan military family relief fund, Michigan veterans' trust  
9 fund, and USDVA health, financial, and memorial benefits to which  
10 they are entitled.

11 (c) Provide sufficient staffing and other resources to approve  
12 requests for military discharge certificates (DD-214) annually.

13 (d) Continue the process to digitize all medical records,  
14 military discharge documents, and burial records that are currently  
15 on paper and microfilm.

16 (e) Provide a report, as provided under section 219, on the  
17 MVAA's performance on the performance measures, outcomes, and  
18 initiatives developed by the agency in the strategic plan required  
19 by section 501 of 2013 PA 9.

20 (f) Provide a report to the subcommittees, senate and house  
21 fiscal agencies, and the state budget office no later than April 1  
22 providing for the following:

23 (i) To the extent known, data on the estimated number of  
24 homeless veterans, by county, in this state.

25 (ii) A summary of the activities and strategies developed to  
26 date under the MVAA community assessment and regional service  
27 delivery model pilot.

1           (2) From the funds appropriated in part 1, the MVAA shall  
2 provide for the regional coordination of services, as follows:

3           (a) Regional coordinators shall be selected by the MVAA  
4 through a grant agreement with VSOs or by other means.

5           (b) Regional coordinators shall provide the following  
6 services:

7           (i) Coordinate veteran benefit counselors' efforts throughout  
8 a specified region.

9           (ii) Coordinate services with the department of health and  
10 human services and the department of corrections.

11           (iii) Coordinate with regional workforce and economic  
12 development agencies.

13           (iv) Coordinate activities among local foundations, nonprofit  
14 organizations, and community groups to improve accessibility,  
15 enrollment, and utilization of the array of health care, education,  
16 employment assistance, and quality of life services provided at the  
17 local level.

18           (c) The MVAA may work with MVAA service officers, regional  
19 coordinators, county veteran counselors, VSO service officers, and  
20 other service providers to incorporate the provision of information  
21 relating to mental health care resources into their daily  
22 operations to aid veterans in understanding the mental health care  
23 support services they may be eligible to receive.

24           (d) The MVAA shall coordinate with the department of health  
25 and human services to identify Medicaid recipients who are veterans  
26 and who may be eligible for federal veterans health care benefits  
27 or other benefits, to the extent that the identification does not



1 violate applicable confidentiality requirements.

2 (e) The MVAA shall collaborate with the department of  
3 corrections to create and maintain a process by which prisoners can  
4 obtain a copy of their DD-214 form or other military discharge  
5 documentation if necessary.

6 (f) The MVAA shall ensure that all MVAA service officers, VSO  
7 service officers, and regional coordinators receive appropriate  
8 training in processing applications for benefits payable to  
9 veterans due to military sexual trauma, post-traumatic stress  
10 disorder, depression, anxiety, substance abuse, or other mental  
11 health issues.

12 (3) The MVAA shall provide claims processing services to  
13 Michigan veterans in support of benefit claims submitted to the  
14 USDVA for the health, financial, and memorial benefits for which  
15 they are eligible, and shall do all of the following:

16 (a) Report the following information as provided in section  
17 219:

18 (i) The number of benefit claims, by type, submitted to the  
19 USDVA by MVAA and coalition partner veteran service officers.

20 (ii) The number of fully developed claims, submitted to the  
21 USDVA, with an overall goal of 40% of benefit claims submitted that  
22 are considered fully developed by the USDVA.

23 (b) Maintain the staffing and resources necessary to process a  
24 minimum of 500 claims per year.

25 (4) The MVAA shall maintain staffing and resources necessary  
26 to develop and implement a process to ensure that all county  
27 counselors receive the training and accreditation necessary to

1 provide quality services to our veterans. The MVAA shall report  
2 information as provided in section 219 on the number and percentage  
3 of county veterans counselors requesting training by the MVAA, with  
4 an overall goal of 100% of county veterans counselors trained.

5 (5) From the funds appropriated in part 1 for MVAA operations,  
6 the MVAA shall provide grant assistance to enhance the capacity and  
7 capabilities of counties in providing benefit claims assistance.  
8 These funds shall be used to continue the implementation of an  
9 Internet-based data system, to increase the number of county  
10 veterans counselors, and to increase the number of counties that  
11 provide service to veterans through county veterans counselors. The  
12 MVAA shall provide a report, as provided in section 219, on the  
13 expenditures and activities of the grant funds directed by this  
14 subsection.

15 (6) From the funds appropriated in part 1 for MVAA, the MVAA  
16 is authorized to expend up to \$50,000.00 to hire legal services to  
17 represent veterans benefit cases before federal court to maintain  
18 accreditation under 38 CFR 14.628(d)(1)(iv).

19 **VETERANS SERVICE ORGANIZATION GRANTS**

20 Sec. 406. (1) The MVAA shall disburse VSO grants to assist  
21 them to achieve agency goals and performance objectives in  
22 partnership with the VSOs. Grants to VSOs will be disbursed to fund  
23 programs and projects which are determined by the agency to meet  
24 agency performance objectives and ensure that VSOs communicate the  
25 availability of emergency grants through the Michigan veterans'  
26 trust fund. In disbursing veterans service organization grants, the  
27 MVAA shall do the following:

1 (a) Ensure that each VSO that receives grants is issued  
2 performance standards.

3 (b) Ensure that each VSO that receives grant funds uses those  
4 funds for veterans advocacy and outreach.

5 (c) Monitor the performance of each VSO that receives grants.

6 (2) Veterans service organization grants awarded by the MVAA  
7 shall provide for the following, as developed by the MVAA:

8 (a) The provision of service to veterans statewide, using a  
9 regional service delivery model, with services provided at  
10 specified locations and times, including service provided in state  
11 correctional facilities.

12 (b) The payment of a fixed hourly service rate.

13 (c) A specified number of service hours within each geographic  
14 region of this state, with a statewide goal of at least 116,500  
15 hours, including service hours provided to eligible incarcerated  
16 veterans within 1 year of their earliest release date.

17 (d) Use of an MVAA-designated Internet-based claims data  
18 system.

19 (3) The MVAA shall report the following information as  
20 provided in section 219:

21 (a) A summary of activities supported through the  
22 appropriation in part 1 for veterans service organization grants,  
23 including separately for each service region, the amount of  
24 expenditures to date, number of service hours, number of claims for  
25 benefits submitted by type of claim, and other information deemed  
26 appropriate by the MVAA.

27 (b) The number of fully developed claims, by type, submitted

1 to the USDVA by veterans service organizations, with an overall  
2 goal of 40% of benefit claims submitted that are considered fully  
3 developed by the USDVA.

4 **VETERANS' TRUST FUND ADMINISTRATION**

5 Sec. 407. (1) The Michigan veterans' trust fund board together  
6 with the MVAA shall provide emergency grants for disbursement from  
7 the Michigan veterans' trust fund, as provided under the following  
8 program authorities:

9 (a) Sections 37, 38, and 39 of article IX of the state  
10 constitution of 1963.

11 (b) 1946 (1st Ex Sess) PA 9, MCL 35.602 to 35.610.

12 (c) R 35.1 to R 35.7 of the Michigan administrative code.

13 (d) R 35.621 to R 35.623 of the Michigan administrative code.

14 (2) No later than December 1, the MVAA shall provide a  
15 detailed report of the Michigan veterans' trust fund that includes,  
16 for the prior fiscal year, information on grants provided from the  
17 emergency grant program, including details concerning the  
18 methodology of allocations, the selection of emergency grant  
19 program authorized agents, a description of how the emergency grant  
20 program is administered in each county, and a detailed breakdown of  
21 trust fund expenditures for that year, including the amount  
22 distributed to each county for administrative costs and emergency  
23 grants. The report shall also include the number of approved  
24 applications, by category of assistance, and the number of denied  
25 applications, by reason of denial. The report shall also provide an  
26 update on the department's efforts to reduce program administrative  
27 costs and maintain the Michigan veterans' trust fund corpus to its

1 original amount of at least \$50,000,000.00.

2 **VETERANS' TRUST FUND GRANTS**

3 Sec. 408. (1) The MVAA shall provide a report, as provided  
4 under section 219, on the financial status of the Michigan  
5 veterans' trust fund, including the number and amount of emergency  
6 grants, state administrative expenses, and county administrative  
7 expenses.

8 (2) The Michigan veterans' trust fund board together with the  
9 agency shall maintain the staffing and resources necessary to  
10 process a minimum of 2,000 applications for veterans' trust fund  
11 emergency grants.

12 **GRAND RAPIDS AND D.J. JACOBETTI HOMES FOR VETERANS**

13 Sec. 501. (1) The MVAA and the board of managers shall provide  
14 compassionate and quality nursing and domiciliary care services at  
15 the Grand Rapids and D.J. Jacobetti homes for veterans so that  
16 members can achieve their highest potential of wellness,  
17 independence, self-worth, and dignity.

18 (2) The department shall provide resources necessary to  
19 provide nursing care services to veterans in accordance with  
20 federal standards and provide the results of the annual USDVA  
21 survey and certification as proof of compliance, including the  
22 following:

23 (a) A licensed minimum number of 403 residents in skilled  
24 nursing beds at the Grand Rapids home for veterans and 158 at the  
25 D.J. Jacobetti home for veterans.

26 (b) A licensed minimum number of 72 residents in domiciliary  
27 beds at the Grand Rapids home for veterans and 11 at the D.J.

1 Jacobetti home for veterans.

2 (3) Appropriations in part 1 for the veterans' homes shall not  
3 be used for any purpose other than for veterans and veterans'  
4 families.

5 (4) Any contractor providing competency evaluated nursing  
6 assistants (CENA) to either of the veterans' homes shall ensure  
7 that each CENA has at least 8 hours of training on information  
8 provided by the home.

9 (5) Any contractor providing competency evaluated nursing  
10 assistants to either of the veterans' homes shall ensure that each  
11 CENA has at least 1 eight-hour shift of shadowing at the veterans'  
12 home.

13 (6) Any contractor providing competency evaluated nursing  
14 assistants to either of the veterans' homes shall ensure that each  
15 CENA is competent in the basic skills needed to perform his or her  
16 assigned duties at the home.

17 (7) The veterans' homes shall provide each CENA at least 12  
18 hours of in-service training once that individual has been assigned  
19 to the home.

20 (8) All complaints of abusive or neglectful care at the  
21 veterans' homes by a resident member, a resident member's family or  
22 legal guardian, or staff of the veterans' home, received by a  
23 supervisor shall be referred to the director of nursing or his or  
24 her designee upon receipt of such complaint. The director of  
25 nursing or his or her designee shall report on not less than a  
26 monthly basis, except that the board of managers may specify a more  
27 frequent reporting period, to the home administrator, board of

1 managers, agency, subcommittees, the senate and house fiscal  
2 agencies, and the state budget office the following information:

3 (a) A description of the process by which resident members and  
4 others may file complaints of alleged abuse or neglect at the  
5 veterans' homes.

6 (b) Summary statistics on the number and general nature of  
7 complaints of abuse or neglect.

8 (c) Summary statistics on the final disposition of complaints  
9 of abuse or neglect received.

10 (9) The veterans' homes shall provide an on-site, board-  
11 certified psychiatrist for all resident members with mental health  
12 disorders in order to ensure that those resident members receive  
13 needed services in a professional and timely manner. The veterans'  
14 homes shall provide all members and staff a safe and secure  
15 environment.

16 (10) The veterans' homes shall ensure that it effectively  
17 develops, executes, and monitors all comprehensive care plans in  
18 accordance with federal regulations and its internal policies, with  
19 a goal that a comprehensive care plan is fully developed for all  
20 resident members.

21 (11) The veterans' homes shall implement controls over its  
22 food, maintenance supplies, and medical supplies inventories.

23 (12) The veterans' homes shall implement controls over its  
24 pharmaceutical inventory.

25 (13) The veterans' homes shall establish sufficient controls  
26 for calculating resident member maintenance assessments in order to  
27 accurately calculate resident member maintenance assessments for

1 each billing cycle. The veterans' homes shall establish sufficient  
2 controls to ensure that all past due resident member maintenance  
3 assessments are addressed within 30 days.

4 (14) The veterans' homes shall establish sufficient controls  
5 over monetary donations and donated goods.

6 (15) The veterans' homes shall implement sufficient controls  
7 over the handling of resident member funds to ensure the release of  
8 funds within 3 business days upon the resident member leaving the  
9 home and to ensure that a representative of a resident member is  
10 provided a full accounting of that resident member's funds within  
11 10 business days of the death of that resident member.

12 (16) The MVAA shall post on its website all policies adopted  
13 by the board of managers and the home related to the administrative  
14 operations of the home.

15 (17) The process by which visitors, residents, and employees  
16 of the veterans' homes may register complaints shall be displayed  
17 in high-traffic areas throughout the home.

18 (18) The MVAA shall report its findings regarding the veterans  
19 homes' compliance with the requirements and standards under this  
20 section as provided in section 219. The quarterly reports shall  
21 include, but are not limited to, the following information:

22 (a) Quality of care metrics, including:

23 (i) The number of patient care hours and staffing levels  
24 measured against USDVA-VHA standards.

25 (ii) Sentinel events reported to the USDVA.

26 (iii) Fall and wound reports.

27 (iv) Complaint reports, including abuse and neglect complaints



1 and outcomes of complaint investigations.

2 (v) Additional minimum data set quality of care indicators  
3 used to measure quality of care in long-term care facilities.

4 (b) Quarterly budget update.

5 (c) An accounting of resident member populations at the Grand  
6 Rapids and D.J. Jacobetti homes for veterans as follows:

7 (i) By demographics, including period of service, gender, and  
8 age.

9 (ii) By care setting, payment source, and associated revenue  
10 projections.

11 (d) Updates related to the modernization of the veterans  
12 homes, including information related to the following:

13 (i) Infrastructure/capital outlay improvements.

14 (ii) Information technology updates.

15 (iii) Financial management.

16 (e) Updates on corrective action status related to any audit  
17 and survey findings until such findings have been fully addressed.

18 (19) The veterans' homes shall provide to the subcommittees,  
19 the senate and house fiscal agencies, and the state budget office  
20 the results of any annual or for-cause survey conducted by the  
21 USDVA-VHA and any corresponding corrective action plan. This  
22 information shall also be made available publicly through the  
23 department's or MVAA's website.

24 (20) The MVAA shall provide to the legislature and the state  
25 budget office quarterly reports regarding the status of Medicaid  
26 certification efforts, including, but not limited to, descriptions  
27 of incremental milestones, associated expenditures, and the percent

1 of plan completed.

2       Sec. 502. (1) From the increased funds appropriated in part 1  
3 for the D.J. Jacobetti home for veterans, the department shall  
4 pursue compliance with current Centers for Medicare and Medicaid  
5 Services certification standards by the end of the current fiscal  
6 year. The purpose of this expansion will be to obtain Medicaid  
7 certification during fiscal year 2016-2017, to increase the ability  
8 to fully utilize all federal funding available to cover the cost of  
9 care of eligible veterans living at DJJHV, and to improve overall  
10 quality of care for all veterans living at DJJHV.

11       (2) The department shall identify specific outcomes and  
12 performance measures for this initiative, including, but not  
13 limited to, the following:

14       (a) The quality of care to members of DJJHV shall increase as  
15 a result of increased direct care staffing ratios.

16       (b) The quality of the care environment at DJJHV shall  
17 increase as a result of facility updates made according to Medicaid  
18 specifications to increase members' access to private and semi-  
19 private accommodations.

20       (c) The quality of care for members of DJJHV shall increase as  
21 a result of increased ability efforts to implement long-term care  
22 evidence-based best practices at DJJHV.

23       (d) The collection of available federal Medicaid revenue shall  
24 increase as a result of Medicaid certification.

25       (e) The fiscal stability of DJJHV shall improve due to  
26 increased efforts to collect available federal revenue.

27       Sec. 502a. The department shall ensure that the quality of

1 care for members of the veterans' homes shall exceed the current  
2 quality of care for the full spectrum of health care services as a  
3 result of the upgrades made to the homes to meet the Centers for  
4 Medicare and Medicaid Services certification standards. The  
5 department shall provide a quarterly report to the subcommittees  
6 which contains evidence that the quality of care for the full  
7 spectrum of health care services has improved due to those  
8 upgrades.

9 **BOARD OF MANAGERS (VETERANS' HOMES)**

10 Sec. 504. The board of managers shall exercise certain  
11 regulatory and governance authority regarding admission and member  
12 affairs at the veterans' homes. The board of managers shall also  
13 work to represent the interest of the veterans' community in both  
14 advisory and advocacy roles.

15 **CAPITAL OUTLAY**

16 **SPECIAL MAINTENANCE - NATIONAL GUARD**

17 Sec. 601. (1) The appropriations in part 1 for special  
18 maintenance - National Guard shall be carried forward at the end of  
19 the fiscal year consistent with section 248 of the management and  
20 budget act, 1984 PA 431, MCL 18.1248.

21 (2) The appropriations for special maintenance - National  
22 Guard shall be expended in accordance with the requirements of  
23 sections 302 and 304 and shall be expended according to the  
24 maintenance priorities of the department to repair and modernize  
25 military training sites and support facilities, including armories,  
26 which may include projects such as roof, HVAC, or boiler

1 replacement, interior renovations, facility expansion, improvements  
2 to parking facilities, and other projects.

3 (3) The department shall provide a quarterly report as  
4 provided under section 219 providing information on the status,  
5 projected costs, and projected completion date of current and  
6 planned special maintenance projects at the armories and other  
7 National Guard facilities funded from capital outlay appropriations  
8 made in part 1 and in prior appropriations years.

9 **SPECIAL MAINTENANCE - VETERANS' HOMES**

10 Sec. 603. (1) The appropriations in part 1 for special  
11 maintenance - veterans' homes shall be carried forward at the end  
12 of the fiscal year consistent with section 248 of the management  
13 and budget act, 1984 PA 431, MCL 18.1248.

14 (2) The appropriations for special maintenance - veterans'  
15 homes shall be expended in accordance with the requirements of  
16 section 501 and shall be expended according to the maintenance  
17 priorities of the department to repair and modernize the state's  
18 veterans' homes, which may include projects such as roof, HVAC, or  
19 boiler replacement, interior renovations, facility expansion,  
20 improvements to parking facilities, and other projects designed to  
21 enhance the quality of life and medical care of members.

22 (3) The MVAA shall provide a quarterly report as provided  
23 under section 219 providing information on the status, projected  
24 costs, and projected completion date of current and planned special  
25 maintenance projects at veterans' homes funded from capital outlay  
26 appropriations made in part 1 and in prior appropriations years.

27 **LAND AND ACQUISITIONS**

1       Sec. 604. (1) The department shall provide for the acquisition  
2 and disposition of National Guard armories, facilities, and lands  
3 as provided under sections 368, 382, and 382a of the Michigan  
4 military act, 1967 PA 150, MCL 32.768, 32.782, and 32.782a.

5       (2) The department shall provide a listing of property sales  
6 and acquisitions as provided under section 219.

7       **ONE-TIME APPROPRIATIONS**

8       Sec. 701. From the increased funds appropriated in part 1 for  
9 armory infrastructure, the department shall upgrade Army National  
10 Guard network connections. The purpose of the increased funds for  
11 armory infrastructure is for the modernization of armory  
12 information technology infrastructure and improvements to best  
13 ensure National Guard network capacity and connectivity in times of  
14 emergency.

15                               PART 2A

16                   PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS  
17                               FOR FISCAL YEAR 2017-2018

18       **GENERAL SECTIONS**

19       Sec. 1201. It is the intent of the legislature to provide  
20 appropriations for the fiscal year ending on September 30, 2018 for  
21 the line items listed in part 1. The fiscal year 2017-2018  
22 appropriations are anticipated to be the same as those for fiscal  
23 year 2016-2017, excluding appropriations designated as one-time  
24 appropriations and adjusting for changes in caseload and related

costs, federal fund match rates, economic factors, and available revenue. These adjustments will be determined after the January 2016 consensus revenue estimating conference.

Sec. 1202. The veterans affairs agency shall provide the percentage of Michigan veterans contacted, with a goal of 100%, and report upon those outreach findings to the subcommittees at quarterly legislative hearings.

Sec. 1203. The veterans affairs agency shall maintain a minimum 50% fully developed claims as determined by the USDVA.

## ARTICLE XV

### DEPARTMENT OF NATURAL RESOURCES

#### PART 1

#### LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of natural resources for the fiscal year ending September 30, 2017, from the following funds:

#### **DEPARTMENT OF NATURAL RESOURCES**

##### APPROPRIATION SUMMARY

|                                                      |         |                |
|------------------------------------------------------|---------|----------------|
| Full-time equated unclassified positions.....        | 6.0     |                |
| Full-time equated classified positions.....          | 2,236.8 |                |
| GROSS APPROPRIATION.....                             |         | \$ 398,154,100 |
| Interdepartmental grant revenues:                    |         |                |
| Total interdepartmental grants and intradepartmental |         |                |
| transfers .....                                      |         | 1,375,900      |
| ADJUSTED GROSS APPROPRIATION.....                    |         | \$ 396,778,200 |

|    |                                                      |                |
|----|------------------------------------------------------|----------------|
| 1  | Federal revenues:                                    |                |
| 2  | Federal funds.....                                   | 72,365,400     |
| 3  | Total federal revenues.....                          | 72,365,400     |
| 4  | Special revenue funds:                               |                |
| 5  | Total private revenues.....                          | 7,446,400      |
| 6  | Total other state restricted revenues.....           | 277,156,400    |
| 7  | State general fund/general purpose.....              | \$ 39,810,000  |
| 8  | State general fund/general purpose schedule:         |                |
| 9  | Ongoing state general fund/general                   |                |
| 10 | purpose .....                                        | 38,510,000     |
| 11 | One-time state general fund/general                  |                |
| 12 | purpose .....                                        | 1,300,000      |
| 13 | FUND SOURCE SUMMARY:                                 |                |
| 14 | Full-time equated unclassified positions.....        | 6.0            |
| 15 | Full-time equated classified positions.....          | 2,236.8        |
| 16 | GROSS APPROPRIATION.....                             | \$ 398,154,100 |
| 17 | Interdepartmental grant revenues:                    |                |
| 18 | IDG, land acquisition services-to-work orders.....   | 232,200        |
| 19 | IDG, MacMullan conference center revenue.....        | 1,143,700      |
| 20 | Total interdepartmental grants and intradepartmental |                |
| 21 | transfers .....                                      | 1,375,900      |
| 22 | ADJUSTED GROSS APPROPRIATION.....                    | \$ 396,778,200 |
| 23 | Federal revenues:                                    |                |
| 24 | Federal funds.....                                   | 72,365,400     |
| 25 | Total federal revenues.....                          | 72,365,400     |
| 26 | Special revenue funds:                               |                |
| 27 | Private - Mann house trust fund.....                 | 15,000         |

|    |                                                        |            |
|----|--------------------------------------------------------|------------|
| 1  | Private funds.....                                     | 7,431,400  |
| 2  | Total private revenues.....                            | 7,446,400  |
| 3  | Cervidae licensing and inspection fees.....            | 138,800    |
| 4  | Clean Michigan initiative fund.....                    | 29,700     |
| 5  | Commercial forest fund.....                            | 26,600     |
| 6  | Fire equipment fund.....                               | 668,700    |
| 7  | Forest development fund.....                           | 44,288,400 |
| 8  | Forest land user charges.....                          | 252,200    |
| 9  | Forest recreation account.....                         | 1,825,500  |
| 10 | Game and fish protection fund.....                     | 75,013,200 |
| 11 | Game and fish protection fund - deer habitat reserve . | 2,127,300  |
| 12 | Game and fish protection fund - fisheries settlement . | 629,200    |
| 13 | Game and fish protection fund - turkey permit fees ... | 1,008,400  |
| 14 | Game and fish protection fund - waterfowl fees .....   | 122,400    |
| 15 | Game and fish protection fund - wildlife management    |            |
| 16 | public education fund .....                            | 1,600,000  |
| 17 | Game and fish protection fund - wildlife resource      |            |
| 18 | protection fund .....                                  | 1,140,700  |
| 19 | Game and fish protection fund - youth hunting and      |            |
| 20 | fishing education and outreach fund.....               | 95,800     |
| 21 | History fees fund.....                                 | 233,000    |
| 22 | Invasive species fund.....                             | 100        |
| 23 | Land exchange facilitation fund.....                   | 6,985,900  |
| 24 | Local public recreation facilities fund.....           | 1,682,500  |
| 25 | Mackinac Island state park fund.....                   | 1,573,000  |
| 26 | Mackinac Island state park operation fund.....         | 148,500    |
| 27 | Marine safety fund.....                                | 3,718,600  |



|    |                                                    |                  |
|----|----------------------------------------------------|------------------|
| 1  | Michigan heritage publications fund.....           | 22,300           |
| 2  | Michigan natural resources trust fund.....         | 1,870,700        |
| 3  | Michigan state parks endowment fund.....           | 26,541,300       |
| 4  | Michigan state waterways fund.....                 | 22,707,100       |
| 5  | Michigan trailways fund.....                       | 200              |
| 6  | Museum operations fund.....                        | 502,900          |
| 7  | Nongame wildlife fund.....                         | 483,400          |
| 8  | Off-road vehicle safety education fund.....        | 203,500          |
| 9  | Off-road vehicle trail improvement fund.....       | 7,068,700        |
| 10 | Park improvement fund.....                         | 53,201,700       |
| 11 | Park improvement fund - Belle Isle subaccount..... | 800,000          |
| 12 | Permanent snowmobile trail easement fund.....      | 700,000          |
| 13 | Public use and replacement deed fees.....          | 27,500           |
| 14 | Recreation improvement account.....                | 1,123,100        |
| 15 | Recreation passport fees.....                      | 8,296,400        |
| 16 | Snowmobile registration fee revenue.....           | 1,196,900        |
| 17 | Snowmobile trail improvement fund.....             | 9,024,700        |
| 18 | Sportsmen against hunger fund.....                 | 77,500           |
| 19 | Total other state restricted revenues.....         | 277,156,400      |
| 20 | State general fund/general purpose.....            | \$ 39,810,000    |
| 21 | <b>Sec. 102. EXECUTIVE OPERATIONS</b>              |                  |
| 22 | Full-time equated unclassified positions..... 6.0  |                  |
| 23 | Full-time equated classified positions..... 11.6   |                  |
| 24 | Natural resources commission.....                  | \$ 77,100        |
| 25 | Unclassified salaries--6.0 FTE positions.....      | 754,000          |
| 26 | Executive direction--11.6 FTE positions.....       | <u>2,120,700</u> |
| 27 | GROSS APPROPRIATION.....                           | \$ 2,951,800     |

|    |                                                        |            |
|----|--------------------------------------------------------|------------|
| 1  | Appropriated from:                                     |            |
| 2  | Special revenue funds:                                 |            |
| 3  | Forest development fund.....                           | 364,800    |
| 4  | Forest land user charges.....                          | 2,300      |
| 5  | Forest recreation account.....                         | 7,700      |
| 6  | Game and fish protection fund.....                     | 1,058,500  |
| 7  | Game and fish protection fund - deer habitat reserve . | 19,200     |
| 8  | Game and fish protection fund - turkey permit fees ... | 7,700      |
| 9  | Game and fish protection fund - waterfowl fees .....   | 500        |
| 10 | Game and fish protection fund - wildlife resource      |            |
| 11 | protection fund .....                                  | 13,000     |
| 12 | Land exchange facilitation fund.....                   | 10,400     |
| 13 | Marine safety fund.....                                | 46,600     |
| 14 | Michigan natural resources trust fund.....             | 1,400      |
| 15 | Michigan state parks endowment fund.....               | 363,000    |
| 16 | Michigan state waterways fund.....                     | 192,300    |
| 17 | Nongame wildlife fund.....                             | 3,900      |
| 18 | Off-road vehicle safety education fund.....            | 400        |
| 19 | Off-road vehicle trail improvement fund.....           | 82,900     |
| 20 | Park improvement fund.....                             | 457,300    |
| 21 | Recreation improvement account.....                    | 12,400     |
| 22 | Snowmobile registration fee revenue.....               | 4,700      |
| 23 | Snowmobile trail improvement fund.....                 | 17,100     |
| 24 | Sportsmen against hunger fund.....                     | 100        |
| 25 | State general fund/general purpose .....               | \$ 285,600 |
| 26 | <b>Sec. 103. DEPARTMENT INITIATIVES</b>                |            |
| 27 | Full-time equated classified positions.....            | 16.0       |

|    |                                                       |    |                  |
|----|-------------------------------------------------------|----|------------------|
| 1  | Great Lakes restoration initiative.....               | \$ | 5,500,000        |
| 2  | Michigan conservation corps.....                      |    | 1,000,000        |
| 3  | Invasive species prevention and control--16.0 FTE     |    |                  |
| 4  | positions .....                                       |    | <u>5,028,300</u> |
| 5  | GROSS APPROPRIATION.....                              | \$ | 11,528,300       |
| 6  | Appropriated from:                                    |    |                  |
| 7  | Federal revenues:                                     |    |                  |
| 8  | Federal funds.....                                    |    | 5,500,000        |
| 9  | Special revenue funds:                                |    |                  |
| 10 | State general fund/general purpose.....               | \$ | 6,028,300        |
| 11 | <b>Sec. 104. DEPARTMENT SUPPORT SERVICES</b>          |    |                  |
| 12 | Full-time equated classified positions.....           |    | 109.5            |
| 13 | Finance and operations--105.5 FTE positions.....      | \$ | 17,300,200       |
| 14 | Accounting service center.....                        |    | 1,480,400        |
| 15 | Legislative and legal affairs--4.0 FTE positions..... |    | 546,900          |
| 16 | Building occupancy charges.....                       |    | 3,126,700        |
| 17 | Rent - privately owned property.....                  |    | 488,400          |
| 18 | Gifts and pass-through transactions.....              |    | <u>5,000,000</u> |
| 19 | GROSS APPROPRIATION.....                              | \$ | 27,942,600       |
| 20 | Appropriated from:                                    |    |                  |
| 21 | Interdepartmental grant revenues:                     |    |                  |
| 22 | IDG, land acquisition services-to-work orders.....    |    | 232,200          |
| 23 | Federal revenues:                                     |    |                  |
| 24 | Federal funds.....                                    |    | 329,700          |
| 25 | Special revenue funds:                                |    |                  |
| 26 | Private funds.....                                    |    | 5,000,000        |
| 27 | Clean Michigan initiative fund.....                   |    | 29,700           |

|    |                                                        |              |
|----|--------------------------------------------------------|--------------|
| 1  | Forest development fund.....                           | 2,402,600    |
| 2  | Forest land user charges.....                          | 4,900        |
| 3  | Forest recreation account.....                         | 43,800       |
| 4  | Game and fish protection fund.....                     | 5,898,100    |
| 5  | Game and fish protection fund - deer habitat reserve . | 136,400      |
| 6  | Game and fish protection fund - turkey permit fees ... | 70,100       |
| 7  | Game and fish protection fund - waterfowl fees .....   | 2,900        |
| 8  | Game and fish protection fund - wildlife resource      |              |
| 9  | protection fund .....                                  | 28,100       |
| 10 | Land exchange facilitation fund.....                   | 5,899,100    |
| 11 | Local public recreation facilities fund.....           | 182,500      |
| 12 | Marine safety fund.....                                | 727,800      |
| 13 | Michigan natural resources trust fund.....             | 1,247,000    |
| 14 | Michigan state parks endowment fund.....               | 912,400      |
| 15 | Michigan state waterways fund.....                     | 572,200      |
| 16 | Nongame wildlife fund.....                             | 9,500        |
| 17 | Off-road vehicle safety education fund.....            | 300          |
| 18 | Off-road vehicle trail improvement fund.....           | 86,500       |
| 19 | Park improvement fund.....                             | 1,276,300    |
| 20 | Public use and replacement deed fees.....              | 27,500       |
| 21 | Recreation improvement account.....                    | 71,300       |
| 22 | Snowmobile registration fee revenue.....               | 43,500       |
| 23 | Snowmobile trail improvement fund.....                 | 106,300      |
| 24 | Sportsmen against hunger fund.....                     | 400          |
| 25 | State general fund/general purpose.....                | \$ 2,601,500 |
| 26 | <b>Sec. 105. COMMUNICATION AND CUSTOMER SERVICES</b>   |              |
| 27 | Full-time equated classified positions.....            | 132.3        |

|    |                                                      |    |                  |
|----|------------------------------------------------------|----|------------------|
| 1  | Marketing and outreach--80.8 FTE positions .....     | \$ | 13,653,700       |
| 2  | Michigan historical center--51.5 FTE positions ..... |    | 5,576,300        |
| 3  | Michigan wildlife council.....                       |    | <u>1,600,000</u> |
| 4  | GROSS APPROPRIATION.....                             | \$ | 20,830,000       |
| 5  | Appropriated from:                                   |    |                  |
| 6  | Federal revenues:                                    |    |                  |
| 7  | Federal funds.....                                   |    | 1,722,600        |
| 8  | Special revenue funds:                               |    |                  |
| 9  | Private - Mann house trust fund.....                 |    | 15,000           |
| 10 | Private funds.....                                   |    | 396,200          |
| 11 | Forest development fund.....                         |    | 131,900          |
| 12 | Forest recreation account.....                       |    | 16,300           |
| 13 | Game and fish protection fund.....                   |    | 8,288,800        |
| 14 | Game and fish protection fund - wildlife management  |    |                  |
| 15 | public education fund .....                          |    | 1,600,000        |
| 16 | Game and fish protection fund - youth hunting and    |    |                  |
| 17 | fishing education and outreach fund.....             |    | 93,800           |
| 18 | History fees fund.....                               |    | 233,000          |
| 19 | Land exchange facilitation fund.....                 |    | 45,800           |
| 20 | Marine safety fund.....                              |    | 35,600           |
| 21 | Michigan heritage publications fund.....             |    | 22,300           |
| 22 | Michigan state parks endowment fund.....             |    | 88,800           |
| 23 | Michigan state waterways fund.....                   |    | 146,700          |
| 24 | Museum operations fund.....                          |    | 502,900          |
| 25 | Nongame wildlife fund.....                           |    | 10,500           |
| 26 | Off-road vehicle trail improvement fund.....         |    | 31,100           |
| 27 | Park improvement fund.....                           |    | 2,785,400        |

|    |                                                        |       |                |
|----|--------------------------------------------------------|-------|----------------|
| 1  | Recreation passport fees.....                          |       | 23,800         |
| 2  | Snowmobile registration fee revenue.....               |       | 19,300         |
| 3  | Snowmobile trail improvement fund.....                 |       | 45,100         |
| 4  | Sportsmen against hunger fund.....                     |       | 76,400         |
| 5  | State general fund/general purpose.....                | \$    | 4,498,700      |
| 6  | <b>Sec. 106. WILDLIFE MANAGEMENT</b>                   |       |                |
| 7  | Full-time equated classified positions.....            | 226.5 |                |
| 8  | Wildlife management--217.5 FTE positions.....          | \$    | 37,007,300     |
| 9  | Natural resources heritage--9.0 FTE positions.....     |       | <u>632,900</u> |
| 10 | GROSS APPROPRIATION.....                               | \$    | 37,640,200     |
| 11 | Appropriated from:                                     |       |                |
| 12 | Federal revenues:                                      |       |                |
| 13 | Federal funds.....                                     |       | 20,326,800     |
| 14 | Special revenue funds:                                 |       |                |
| 15 | Private funds.....                                     |       | 315,700        |
| 16 | Cervidae licensing and inspection fees.....            |       | 85,400         |
| 17 | Forest development fund.....                           |       | 77,600         |
| 18 | Game and fish protection fund.....                     |       | 11,870,000     |
| 19 | Game and fish protection fund - deer habitat reserve . |       | 1,710,100      |
| 20 | Game and fish protection fund - turkey permit fees ... |       | 896,800        |
| 21 | Game and fish protection fund - waterfowl fees .....   |       | 115,700        |
| 22 | Nongame wildlife fund.....                             |       | 429,000        |
| 23 | State general fund/general purpose.....                | \$    | 1,813,100      |
| 24 | <b>Sec. 107. FISHERIES MANAGEMENT</b>                  |       |                |
| 25 | Full-time equated classified positions.....            | 221.5 |                |
| 26 | Aquatic resource mitigation--2.0 FTE positions.....    | \$    | 629,300        |
| 27 | Fish production--63.0 FTE positions.....               |       | 10,194,000     |

|    |                                                        |                      |
|----|--------------------------------------------------------|----------------------|
| 1  | Fisheries resource management--156.5 FTE positions ... | 20,378,600           |
| 2  | Cormorant population mitigation program.....           | <u>150,000</u>       |
| 3  | GROSS APPROPRIATION.....                               | \$ 31,351,900        |
| 4  | Appropriated from:                                     |                      |
| 5  | Federal revenues:                                      |                      |
| 6  | Federal funds.....                                     | 11,225,700           |
| 7  | Special revenue funds:                                 |                      |
| 8  | Private funds.....                                     | 136,200              |
| 9  | Game and fish protection fund.....                     | 18,951,500           |
| 10 | Game and fish protection fund - fisheries settlement . | 629,200              |
| 11 | Invasive species fund.....                             | 100                  |
| 12 | State general fund/general purpose.....                | \$ 409,200           |
| 13 | <b>Sec. 108. LAW ENFORCEMENT</b>                       |                      |
| 14 | Full-time equated classified positions..... 273.0      |                      |
| 15 | General law enforcement--273.0 FTE positions .....     | \$ <u>40,506,000</u> |
| 16 | GROSS APPROPRIATION.....                               | \$ 40,506,000        |
| 17 | Appropriated from:                                     |                      |
| 18 | Federal revenues:                                      |                      |
| 19 | Federal funds.....                                     | 6,477,500            |
| 20 | Special revenue funds:                                 |                      |
| 21 | Cervidae licensing and inspection fees.....            | 53,400               |
| 22 | Forest development fund.....                           | 45,400               |
| 23 | Forest recreation account.....                         | 72,800               |
| 24 | Game and fish protection fund.....                     | 19,322,900           |
| 25 | Game and fish protection fund - wildlife resource      |                      |
| 26 | protection fund .....                                  | 1,057,500            |
| 27 | Marine safety fund.....                                | 1,340,900            |

|    |                                                       |       |                |
|----|-------------------------------------------------------|-------|----------------|
| 1  | Michigan state parks endowment fund.....              |       | 71,400         |
| 2  | Michigan state waterways fund.....                    |       | 21,700         |
| 3  | Off-road vehicle safety education fund.....           |       | 156,000        |
| 4  | Off-road vehicle trail improvement fund.....          |       | 1,693,800      |
| 5  | Park improvement fund.....                            |       | 72,800         |
| 6  | Snowmobile registration fee revenue.....              |       | 721,900        |
| 7  | State general fund/general purpose.....               | \$    | 9,398,000      |
| 8  | <b>Sec. 109. PARKS AND RECREATION DIVISION</b>        |       |                |
| 9  | Full-time equated classified positions.....           | 902.9 |                |
| 10 | MacMullan conference center--15.0 FTE positions.....  | \$    | 1,143,700      |
| 11 | Recreational boating--163.5 FTE positions.....        |       | 17,371,300     |
| 12 | State parks--673.4 FTE positions.....                 |       | 66,487,900     |
| 13 | Forest recreation and trails--51.0 FTE positions..... |       | 6,189,400      |
| 14 | State parks improvement revenue bonds - debt service. |       | 1,188,800      |
| 15 | Swimmer's itch pilot program.....                     |       | <u>250,000</u> |
| 16 | GROSS APPROPRIATION.....                              | \$    | 92,631,100     |
| 17 | Appropriated from:                                    |       |                |
| 18 | Interdepartmental grant revenues:                     |       |                |
| 19 | IDG, MacMullan conference center revenue.....         |       | 1,143,700      |
| 20 | Federal revenues:                                     |       |                |
| 21 | Federal funds.....                                    |       | 1,750,500      |
| 22 | Special revenue funds:                                |       |                |
| 23 | Private funds.....                                    |       | 428,400        |
| 24 | Forest recreation account.....                        |       | 1,642,900      |
| 25 | Michigan state parks endowment fund.....              |       | 20,805,600     |
| 26 | Michigan state waterways fund.....                    |       | 16,239,000     |
| 27 | Michigan trailways fund.....                          |       | 100            |



|    |                                                        |       |                |
|----|--------------------------------------------------------|-------|----------------|
| 1  | Off-road vehicle safety education fund.....            |       | 7,200          |
| 2  | Off-road vehicle trail improvement fund.....           |       | 1,796,400      |
| 3  | Park improvement fund.....                             |       | 43,251,600     |
| 4  | Park improvement fund - Belle Isle subaccount.....     |       | 800,000        |
| 5  | Recreation improvement account.....                    |       | 333,400        |
| 6  | Recreation passport fees.....                          |       | 272,600        |
| 7  | Snowmobile registration fee revenue.....               |       | 15,800         |
| 8  | Snowmobile trail improvement fund.....                 |       | 1,441,400      |
| 9  | State general fund/general purpose.....                | \$    | 2,702,500      |
| 10 | <b>Sec. 110. MACKINAC ISLAND STATE PARK COMMISSION</b> |       |                |
| 11 | Full-time equated classified positions.....            | 17.0  |                |
| 12 | Historical facilities system--13.0 FTE positions.....  |       | \$ 1,573,000   |
| 13 | Mackinac Island State Park operations--4.0 FTE         |       |                |
| 14 | positions .....                                        |       | <u>352,100</u> |
| 15 | GROSS APPROPRIATION.....                               | \$    | 1,925,100      |
| 16 | Appropriated from:                                     |       |                |
| 17 | Special revenue funds:                                 |       |                |
| 18 | Mackinac Island state park fund.....                   |       | 1,573,000      |
| 19 | Mackinac Island state park operation fund.....         |       | 148,500        |
| 20 | State general fund/general purpose.....                | \$    | 203,600        |
| 21 | <b>Sec. 111. FOREST RESOURCES DIVISION</b>             |       |                |
| 22 | Full-time equated classified positions.....            | 326.5 |                |
| 23 | Adopt-a-forest program.....                            |       | \$ 25,000      |
| 24 | Cooperative resource programs--11.0 FTE positions....  |       | 1,547,100      |
| 25 | Forest management and timber market                    |       |                |
| 26 | development--176.0 FTE positions.....                  |       | 31,134,300     |
| 27 | Forest fire equipment.....                             |       | 581,500        |

|    |                                                        |                  |
|----|--------------------------------------------------------|------------------|
| 1  | Wildfire protection--114.0 FTE positions .....         | 13,712,800       |
| 2  | Forest management initiatives--8.5 FTE positions ..... | 854,100          |
| 3  | Minerals management--17.0 FTE positions .....          | <u>2,828,600</u> |
| 4  | GROSS APPROPRIATION.....                               | \$ 50,683,400    |
| 5  | Appropriated from:                                     |                  |
| 6  | Federal revenues:                                      |                  |
| 7  | Federal funds.....                                     | 4,273,300        |
| 8  | Special revenue funds:                                 |                  |
| 9  | Private funds.....                                     | 1,054,900        |
| 10 | Commercial forest fund.....                            | 24,500           |
| 11 | Fire equipment fund.....                               | 668,700          |
| 12 | Forest development fund.....                           | 32,599,800       |
| 13 | Forest land user charges.....                          | 221,100          |
| 14 | Game and fish protection fund.....                     | 1,932,000        |
| 15 | Michigan state parks endowment fund.....               | 2,659,100        |
| 16 | Michigan state waterways fund.....                     | 50,900           |
| 17 | State general fund/general purpose.....                | \$ 7,199,100     |
| 18 | <b>Sec. 112. GRANTS</b>                                |                  |
| 19 | Dam management grant program.....                      | \$ 350,000       |
| 20 | Deer habitat improvement partnership initiative .....  | 200,000          |
| 21 | Federal - clean vessel act grants.....                 | 400,000          |
| 22 | Federal - forest stewardship grants.....               | 3,000,000        |
| 23 | Federal - land and water conservation fund payments .. | 2,566,900        |
| 24 | Federal - rural community fire protection.....         | 400,000          |
| 25 | Federal - urban forestry grants.....                   | 1,600,000        |
| 26 | Fisheries habitat improvement grants.....              | 1,250,000        |
| 27 | Grants to communities - federal oil, gas, and timber   |                  |

|    |                                                        |                  |
|----|--------------------------------------------------------|------------------|
| 1  | payments .....                                         | 3,450,000        |
| 2  | Grants to counties - marine safety.....                | 3,074,700        |
| 3  | National recreational trails.....                      | 3,900,000        |
| 4  | Nonmotorized trail development and maintenance grants  | 350,000          |
| 5  | Off-road vehicle safety training grants.....           | 29,200           |
| 6  | Off-road vehicle trail improvement grants.....         | 3,356,200        |
| 7  | Recreation improvement fund grants.....                | 657,100          |
| 8  | Recreation passport local grants.....                  | 1,500,000        |
| 9  | Snowmobile law enforcement grants.....                 | 380,100          |
| 10 | Snowmobile local grants program.....                   | 7,340,400        |
| 11 | Trail easements.....                                   | 700,000          |
| 12 | Wildlife habitat improvement grants.....               | <u>1,500,000</u> |
| 13 | GROSS APPROPRIATION.....                               | \$ 36,004,600    |
| 14 | Appropriated from:                                     |                  |
| 15 | Federal revenues:                                      |                  |
| 16 | Federal funds.....                                     | 16,884,300       |
| 17 | Special revenue funds:                                 |                  |
| 18 | Private funds.....                                     | 100,000          |
| 19 | Game and fish protection fund.....                     | 2,750,000        |
| 20 | Game and fish protection fund - deer habitat reserve . | 200,000          |
| 21 | Local public recreation facilities fund.....           | 1,500,000        |
| 22 | Marine safety fund.....                                | 1,407,300        |
| 23 | Off-road vehicle safety education fund.....            | 29,200           |
| 24 | Off-road vehicle trail improvement fund.....           | 3,356,200        |
| 25 | Permanent snowmobile trail easement fund.....          | 700,000          |
| 26 | Recreation improvement account.....                    | 657,100          |
| 27 | Snowmobile registration fee revenue.....               | 380,100          |

|    |                                                        |                      |
|----|--------------------------------------------------------|----------------------|
| 1  | Snowmobile trail improvement fund.....                 | 7,340,400            |
| 2  | State general fund/general purpose.....                | \$ 700,000           |
| 3  | <b>Sec. 113. INFORMATION TECHNOLOGY</b>                |                      |
| 4  | Information technology services and projects.....      | \$ <u>10,284,000</u> |
| 5  | GROSS APPROPRIATION.....                               | \$ 10,284,000        |
| 6  | Appropriated from:                                     |                      |
| 7  | Special revenue funds:                                 |                      |
| 8  | Commercial forest fund.....                            | 2,100                |
| 9  | Forest development fund.....                           | 1,566,300            |
| 10 | Forest land user charges.....                          | 23,900               |
| 11 | Forest recreation account.....                         | 42,000               |
| 12 | Game and fish protection fund.....                     | 3,741,400            |
| 13 | Game and fish protection fund - deer habitat reserve . | 61,600               |
| 14 | Game and fish protection fund - turkey permit fees ... | 33,800               |
| 15 | Game and fish protection fund - waterfowl fees .....   | 3,300                |
| 16 | Game and fish protection fund - wildlife resource      |                      |
| 17 | protection fund .....                                  | 42,100               |
| 18 | Game and fish protection fund - youth hunting and      |                      |
| 19 | fishing education and outreach fund.....               | 2,000                |
| 20 | Land exchange facilitation fund.....                   | 30,600               |
| 21 | Marine safety fund.....                                | 160,400              |
| 22 | Michigan natural resources trust fund.....             | 22,300               |
| 23 | Michigan state parks endowment fund.....               | 1,341,000            |
| 24 | Michigan state waterways fund.....                     | 484,200              |
| 25 | Michigan trailways fund.....                           | 100                  |
| 26 | Nongame wildlife fund.....                             | 30,500               |
| 27 | Off-road vehicle safety education fund.....            | 10,400               |

|    |                                                   |    |                  |
|----|---------------------------------------------------|----|------------------|
| 1  | Off-road vehicle trail improvement fund.....      |    | 21,800           |
| 2  | Park improvement fund.....                        |    | 1,358,300        |
| 3  | Recreation improvement account.....               |    | 48,900           |
| 4  | Snowmobile registration fee revenue.....          |    | 11,600           |
| 5  | Snowmobile trail improvement fund.....            |    | 74,400           |
| 6  | Sportsmen against hunger fund.....                |    | 600              |
| 7  | State general fund/general purpose.....           | \$ | 1,170,400        |
| 8  | <b>Sec. 114. CAPITAL OUTLAY</b>                   |    |                  |
| 9  | <b>(1) RECREATIONAL LANDS AND INFRASTRUCTURE</b>  |    |                  |
| 10 | State parks repair and maintenance.....           | \$ | 13,500,000       |
| 11 | State game and wildlife area infrastructure.....  |    | 3,600,000        |
| 12 | Forest development infrastructure.....            |    | <u>2,000,000</u> |
| 13 | GROSS APPROPRIATION.....                          | \$ | 19,100,000       |
| 14 | Appropriated from:                                |    |                  |
| 15 | Federal revenues:                                 |    |                  |
| 16 | Federal funds.....                                |    | 2,700,000        |
| 17 | Special revenue funds:                            |    |                  |
| 18 | Forest development fund.....                      |    | 2,000,000        |
| 19 | Game and fish protection fund.....                |    | 900,000          |
| 20 | Park improvement fund.....                        |    | 4,000,000        |
| 21 | Recreation passport fees.....                     |    | 8,000,000        |
| 22 | State general fund/general purpose.....           | \$ | 1,500,000        |
| 23 | <b>(2) WATERWAYS BOATING PROGRAM</b>              |    |                  |
| 24 | Local boating infrastructure maintenance and      |    |                  |
| 25 | improvements .....                                | \$ | 658,000          |
| 26 | State boating infrastructure maintenance.....     |    | 4,575,000        |
| 27 | Munising, Alger County, marina improvements, dock |    |                  |

|    |                                                       |                |
|----|-------------------------------------------------------|----------------|
| 1  | extension, floating pier, revetment wall              |                |
| 2  | construction (total authorized cost is increased      |                |
| 3  | from \$2,894,800 to \$3,594,800; federal share is     |                |
| 4  | \$1,500,000; state share is increased from \$437,400  |                |
| 5  | to \$787,400; local share is increased from \$957,400 |                |
| 6  | to \$1,307,400) .....                                 | 350,000        |
| 7  | Harrisville, Alcona County, harbor pier repair,       |                |
| 8  | reinforcement and bedecking, construction of          |                |
| 9  | boater gathering area, phase I (total authorized      |                |
| 10 | cost is \$577,900; state share is \$492,100; local    |                |
| 11 | share is \$85,800) .....                              | <u>492,100</u> |
| 12 | GROSS APPROPRIATION.....                              | \$ 6,075,100   |
| 13 | Appropriated from:                                    |                |
| 14 | Federal revenues:                                     |                |
| 15 | Federal funds.....                                    | 1,075,000      |
| 16 | Special revenue funds:                                |                |
| 17 | Michigan state waterways fund.....                    | 5,000,100      |
| 18 | State general fund/general purpose.....               | \$ 0           |
| 19 | <b>Sec. 115. ONE-TIME BASIS ONLY APPROPRIATIONS</b>   |                |
| 20 | Forestry investment.....                              | \$ 2,100,000   |
| 21 | Invasive species (one-time).....                      | 1,000,000      |
| 22 | Land ownership tracking system.....                   | 4,000,000      |
| 23 | Forest fire equipment (one-time).....                 | 1,000,000      |
| 24 | Fisheries resource management (one-time).....         | <u>600,000</u> |
| 25 | GROSS APPROPRIATION.....                              | \$ 8,700,000   |
| 26 | Appropriated from:                                    |                |
| 27 | Federal revenues:                                     |                |

|   |                                            |              |
|---|--------------------------------------------|--------------|
| 1 | Federal funds.....                         | 100,000      |
| 2 | Special revenue funds:                     |              |
| 3 | Forest development fund.....               | 5,100,000    |
| 4 | Game and fish protection fund.....         | 300,000      |
| 5 | Land exchange facilitation fund.....       | 1,000,000    |
| 6 | Michigan natural resources trust fund..... | 600,000      |
| 7 | Michigan state parks endowment fund.....   | 300,000      |
| 8 | State general fund/general purpose .....   | \$ 1,300,000 |

9

## PART 2

10

## PROVISIONS CONCERNING APPROPRIATIONS

11

FOR FISCAL YEAR 2016-2017

12

**GENERAL SECTIONS**

13

Sec. 201. Pursuant to section 30 of article IX of the state

14

constitution of 1963, total state spending from state resources

15

under part 1 for fiscal year 2016-2017 is \$316,966,400.00 and state

16

spending from state resources to be paid to local units of

17

government for fiscal year 2016-2017 is \$6,100,000.00. The itemized

18

statement below identifies appropriations from which spending to

19

local units of government will occur:

20

DEPARTMENT OF NATURAL RESOURCES

21

GRANTS

22

Dam management grant program..... \$ 175,000

23

Fisheries habitat improvement grants..... 200,000

24

Grants to counties - marine safety..... 1,407,300

25

Nonmotorized trail development and maintenance grants 262,500

|   |                                                 |                     |
|---|-------------------------------------------------|---------------------|
| 1 | Off-road vehicle safety training grants .....   | 29,200              |
| 2 | Off-road vehicle trail improvement grants ..... | 530,100             |
| 3 | Recreation improvement fund grants .....        | 65,700              |
| 4 | Recreation passport local grants .....          | 1,500,000           |
| 5 | Snowmobile law enforcement grants .....         | 380,100             |
| 6 | Wildlife habitat improvement grants .....       | 50,000              |
| 7 | CAPITAL OUTLAY                                  |                     |
| 8 | Waterways boating program .....                 | \$ <u>1,500,100</u> |
| 9 | TOTAL .....                                     | \$ 6,100,000        |

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

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

- 14       (a) "Commission" means the natural resources commission.
- 15       (b) "Department" means the department of natural resources.
- 16       (c) "FTE" means full-time equated.
- 17       (d) "IDG" means interdepartmental grant.

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

24       Sec. 205. Funds appropriated in part 1 shall not be used for  
 25 the purchase of foreign goods or services, or both, if  
 26 competitively priced and of comparable quality American goods or  
 27 services, or both, are available. Preference shall be given to



1 goods or services, or both, manufactured or provided by Michigan  
2 businesses if they are competitively priced and of comparable  
3 quality. In addition, preference should be given to goods or  
4 services, or both, that are manufactured or provided by Michigan  
5 businesses owned and operated by veterans, if they are  
6 competitively priced and of comparable quality.

7       Sec. 206. The director of the department shall take all  
8 reasonable steps to ensure businesses in deprived and depressed  
9 communities compete for and perform contracts to provide services  
10 or supplies, or both. The director shall strongly encourage firms  
11 with which the department contracts to subcontract with certified  
12 businesses in depressed and deprived communities for services,  
13 supplies, or both.

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

24       (a) The dates of each travel occurrence.

25       (b) The total transportation and related costs of each travel  
26 occurrence, including the proportion funded with state general  
27 fund/general purpose revenues, the proportion funded with state

1 restricted revenues, the proportion funded with federal revenues,  
2 and the proportion funded with other revenues.

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

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

18 Sec. 210. (1) In addition to the funds appropriated in part 1,  
19 there is appropriated an amount not to exceed \$3,000,000.00 for  
20 federal contingency funds. These funds are not available for  
21 expenditure until they have been transferred to another line item  
22 in part 1 under section 393(2) of the management and budget act,  
23 1984 PA 431, MCL 18.1393.

24 (2) In addition to the funds appropriated in part 1, there is  
25 appropriated an amount not to exceed \$10,000,000.00 for state  
26 restricted contingency funds. These funds are not available for  
27 expenditure until they have been transferred to another line item

1 in part 1 under section 393(2) of the management and budget act,  
2 1984 PA 431, MCL 18.1393.

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

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

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

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

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

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

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

26 (e) Job specifications and wage rates.

27 Sec. 212. Within 14 days after the release of the executive

budget recommendation, the department shall cooperate with the state budget office to provide the senate and house appropriations chairs, the senate and house appropriations subcommittees chairs, and the senate and house fiscal agencies with an annual report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures for the fiscal years ending September 30, 2016 and September 30, 2017.

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

Sec. 214. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2017 are \$47,567,500.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at \$26,375,000.00. Total agency appropriations for retiree health care legacy costs are estimated at \$21,192,500.00.

Sec. 215. Appropriations of state restricted game and fish protection funds have been made in the following amounts to the following departments and agencies:

|                                                       |    |           |
|-------------------------------------------------------|----|-----------|
| Legislative auditor general.....                      | \$ | 31,300    |
| Attorney general.....                                 |    | 751,100   |
| Department of technology, management, and budget..... |    | 464,500   |
| Department of treasury.....                           |    | 2,925,200 |

Sec. 216. Pursuant to section 43703(3) of the natural resources and environmental protection act, 1994 PA 451, MCL 324.43703, there is appropriated from the game and fish protection

1 trust fund to the game and fish protection account of the Michigan  
2 conservation and recreation legacy fund, \$6,000,000.00 for the  
3 fiscal year ending September 30, 2017.

4       Sec. 217. In addition to the metrics required under section  
5 447 of the management and budget act, 1984 PA 431, MCL 18.1447, for  
6 each new program or program enhancement for which funds in excess  
7 of \$500,000.00 are appropriated in part 1, the department shall  
8 provide not later than November 1, 2016 a list of program-specific  
9 metrics intended to measure its performance based on a return on  
10 taxpayer investment. The department shall deliver the program-  
11 specific metrics to members of the senate and house subcommittees  
12 that have subject matter jurisdiction for this budget, fiscal  
13 agencies, and the state budget director. The department shall  
14 provide an update on its progress in tracking program-specific  
15 metrics and the status of program success at an appropriations  
16 subcommittee meeting called for by the subcommittee chair.

17       Sec. 218. The department and agencies receiving appropriations  
18 in part 1 shall receive and retain copies of all reports funded  
19 from appropriations in part 1. Federal and state guidelines for  
20 short-term and long-term retention of records shall be followed.  
21 The department may electronically retain copies of reports unless  
22 otherwise required by federal and state guidelines.

23       Sec. 219. Before January 31, 2017, the department, in  
24 cooperation with the Michigan state waterways commission, shall  
25 provide to the state budget director, the senate and house  
26 appropriations subcommittees on natural resources, and the senate  
27 and house fiscal agencies a list of projects completed by the

1 commission in fiscal year 2015-2016, including the county and  
2 municipality in which each project is located.

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

#### 6 **DEPARTMENT INITIATIVES**

7 Sec. 251. From the amounts appropriated in part 1 for invasive  
8 species prevention and control, the department shall allocate not  
9 less than \$3,600,000.00 for grants for the prevention, detection,  
10 eradication, and control of invasive species.

#### 11 **DEPARTMENT SUPPORT SERVICES**

12 Sec. 302. The department may charge land acquisition projects  
13 appropriated for the fiscal year ending September 30, 2017, and for  
14 prior fiscal years, a standard percentage fee to recover actual  
15 costs, and may use the revenue derived to support the land  
16 acquisition service charges provided for in part 1.

17 Sec. 303. As appropriated in part 1, the department may charge  
18 both application fees and transaction fees related to the exchange  
19 or sale of state-owned land or rights in land authorized by part 21  
20 of the natural resources and environmental protection act, 1994 PA  
21 451, MCL 324.2101 to 324.2162. The fees shall be set by the  
22 director of the department at a rate which allows the department to  
23 recover its costs for providing these services.

#### 24 **COMMUNICATION AND CUSTOMER SERVICES**

1       Sec. 404. For the purposes of administering the museum store  
2 as provided in section 7a of 1913 PA 271, MCL 399.7a, the  
3 department is exempt from section 261 of the management and budget  
4 act, 1984 PA 431, MCL 18.1261.

5       Sec. 405. As appropriated in part 1, proceeds in excess of  
6 costs incurred in the conduct of auctions, sales, or transfers of  
7 artifacts no longer considered suitable for the collections of the  
8 state historical museum may be expended upon receipt for additional  
9 material for the collection. The department shall notify the  
10 chairpersons, vice chairpersons, and minority vice chairpersons of  
11 the senate and house appropriations subcommittees on natural  
12 resources 1 week prior to any auctions or sales. Any unexpended  
13 funds may be carried forward into the next succeeding fiscal year.

14       Sec. 406. As appropriated in part 1, funds collected by the  
15 department for historical markers; document reproduction and  
16 services; conferences, admissions, workshops, and training classes;  
17 and the use of specialized equipment, facilities, exhibits,  
18 collections, and software shall be used for expenses necessary to  
19 provide the required services. The department may charge fees for  
20 the aforementioned services, including admission fees. Any  
21 unexpended funds may be carried forward into the next succeeding  
22 fiscal year.

23       Sec. 408. By October 21, 2016, the department shall submit to  
24 the senate and house appropriations subcommittees on natural  
25 resources a report on all land transactions approved by the  
26 commission in the fiscal year ending September 30, 2016. For each  
27 land transaction, the report shall include the size of the parcel,

1 the county and municipality in which the parcel is located, the  
2 dollar amount of the transaction, the fund source affected by the  
3 transaction, and whether the transaction is by purchase, public  
4 auction, transfer, exchange, or conveyance.

5 **WILDLIFE DIVISION**

6 Sec. 503. From the funds appropriated in part 1, the  
7 department shall produce a report detailing any efforts undertaken  
8 to enforce the invasive species order on swine raised under the  
9 husbandry of residents of this state. The report shall include fund  
10 sources used and the amount of expenditures and shall be submitted  
11 to the legislature by December 31, 2016.

12 Sec. 504. From the funds appropriated in part 1, the  
13 department shall provide a report to the legislature on the use of  
14 registration fees collected from privately owned cervid operations.  
15 Appropriations in part 1 from cervidae licensing and inspection  
16 fees shall not be used for anything other than work directly  
17 related to the regulation of privately owned cervid operations in  
18 this state.

19 **FISHERIES DIVISION**

20 Sec. 601. (1) From the appropriation in part 1 for aquatic  
21 resource mitigation, not more than \$758,000.00 shall be allocated  
22 for grants to watershed councils, resource development councils,  
23 soil conservation districts, local governmental units, and other  
24 nonprofit organizations for stream habitat stabilization and soil  
25 erosion control.



1           (2) The fisheries division in the department shall develop  
2 priority and cost estimates for all projects recommended for grants  
3 under subsection (1).

4           Sec. 602. As a condition of expenditure of fisheries  
5 management appropriations under part 1, the department of natural  
6 resources shall not impede the certification process for water  
7 control structures on Michigan waterways. The department of natural  
8 resources shall fund from funds appropriated in part 1 all non-  
9 water-quality studies or requirements that the department requests  
10 of either of the following:

11           (a) The department of environmental quality as a condition for  
12 issuance of a certification under section 401 of the federal water  
13 pollution control act, 33 USC 1341.

14           (b) The Federal Energy Regulatory Commission as a condition of  
15 licensing under the federal power act, 16 USC 791a to 825r.

16           Sec. 603. The department shall provide a quarterly report to  
17 the legislature on use of funding provided for cormorant  
18 management. The department shall use general fund/general purpose  
19 revenue for this purpose and submit revenue appropriated in part 1  
20 for cormorant management to the United States Department of  
21 Agriculture animal and plant health inspection service to allow for  
22 increased taking of cormorants and their nests. If any funds  
23 appropriated for cormorant management are retained by the  
24 department, or other funds become available for this purpose, the  
25 department shall use those funds to harass cormorants with the goal  
26 of reducing foraging attempts on fish populations.

**PARKS AND RECREATION DIVISION**

Sec. 705. From the funds appropriated in part 1, the department shall produce a report detailing a plan to address the capital outlay and maintenance needs in state parks that are identified in the department's fiscal year 2016-2017 capital outlay 5-year plan. The plan shall include a specific list of projects the department has completed or intends to complete over the time period reflected in the capital outlay 5-year plan. The report shall be posted on the department's website and submitted to the state budget office, the senate and house appropriations subcommittees on natural resources, and the senate and house fiscal agencies by January 1, 2017.

Sec. 706. The department shall work with the state budget office to ensure that the funds appropriated in 2013 PA 102 for the Grand River waterway study continue to be carried forward as a work project under the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, or until the project is complete.

**FOREST RESOURCES DIVISION**

Sec. 802. Of the funds appropriated in part 1, the department shall, subject to the forest certification process, prescribe treatment on 79,000 acres, prepare appropriate treatment for not less than 67,500 acres at the current average rate of 12.5 to 15 cords per acre, and offer those cords for sale in the 2016-2017 fiscal year, provided that the department shall take into consideration the impact of timber harvesting on wildlife habitat and recreation uses. The department shall, subject to the forest

1 certification process, increase marking or treatment of hardwood  
2 timber for sale and harvest by 10% over 2015-2016 fiscal year  
3 levels. In addition, the department shall take into consideration  
4 silvicultural analysis and report annually to the legislature on  
5 plans and efforts to address factors limiting management of timber.  
6 The department shall increase the number of prepared acres if it  
7 appears that regional market demand requires increased volumes of  
8 harvested timber. The department shall provide quarterly reports on  
9 the number of acres treated, pursuant to this section, to the  
10 senate and house appropriations subcommittees on natural resources  
11 and the standing committees of the senate and house of  
12 representatives with primary responsibility for natural resources  
13 issues. The department shall complete and deliver these reports by  
14 45 days after the end of the fiscal quarter.

15       Sec. 803. In addition to the money appropriated in part 1, the  
16 department may receive and expend money from federal sources to  
17 provide response to wildfires as required by a compact with the  
18 federal government. If additional expenditure authorization is  
19 required, the department shall notify the state budget office that  
20 expenditure under this section is required. The department shall  
21 notify the house and senate appropriations subcommittees on natural  
22 resources and the house and senate fiscal agencies of the  
23 expenditures under this section by November 1, 2017.

24       Sec. 805. The department shall spend amounts appropriated in  
25 part 1 for forest-related activities to employ or contract for  
26 sufficient foresters to mark timber, pursuant to section 802.

27       Sec. 807. (1) In addition to the funds appropriated in part 1,

1 there is appropriated from the disaster and emergency contingency  
2 fund up to \$800,000.00 to cover costs related to any disaster as  
3 defined in section 2 of the emergency management act, 1976 PA 390,  
4 MCL 30.402.

5 (2) Funds appropriated under subsection (1) shall not be  
6 expended unless the state budget director recommends the  
7 expenditure and the department notifies the house and senate  
8 committees on appropriations. By December 1 each year, the  
9 department shall provide a report to the senate and house fiscal  
10 agencies and the state budget office on the use of the disaster and  
11 emergency contingency fund during the prior fiscal year.

12 (3) If Federal Emergency Management Agency (FEMA)  
13 reimbursement is approved for costs paid from the disaster and  
14 emergency contingency fund, the federal revenue shall be deposited  
15 into the disaster and emergency contingency fund.

16 (4) Unexpended and unencumbered funds remaining in the  
17 disaster and emergency contingency fund at the close of the fiscal  
18 year shall not lapse to the general fund and shall be carried  
19 forward and be available for expenditures in subsequent fiscal  
20 years.

21 Sec. 808. Using the funds appropriated in part 1, by April 1,  
22 2017, the department shall develop a lawful and reasonable plan  
23 designed to motivate lessees under state-granted oil and gas leases  
24 past their primary term to undertake warranted new operations to  
25 ensure that department-managed minerals are fully developed in an  
26 orderly manner to increase and optimize production. The plan shall  
27 be consistent with department procedure number 2306.E8.

1       Sec. 809. (1) From the increased funds appropriated in part 1  
2 for forest fire equipment and forestry investment, the department  
3 shall increase funding for the replacement of aging forest fire  
4 suppression equipment that is in disrepair. The purpose of the  
5 program expansion is to promote rapid, reliable response to  
6 wildfires to protect life, property, and timber assets.

7       (2) The department shall identify specific outcomes and  
8 performance metrics for this initiative, such as reducing average  
9 wildfire response time.

#### 10   **LAW ENFORCEMENT**

11       Sec. 901. The appropriation in part 1 for snowmobile law  
12 enforcement grants shall be used by the department to provide  
13 grants to county law enforcement agencies to enforce part 821 of  
14 the natural resources and environmental protection act, 1994 PA  
15 451, MCL 324.82101 to 324.82161, including rules promulgated under  
16 that part and ordinances enacted pursuant to that part. The  
17 department shall consider the number of enforcement hours and the  
18 number of miles of snowmobile trails in each county in allocating  
19 these grants. Any funds not distributed to counties revert back to  
20 the snowmobile registration fee subaccount created under section  
21 82111 of the natural resources and environmental protection act,  
22 1994 PA 451, MCL 324.82111. Counties shall provide semiannual  
23 reports to the department on the use of grant money received under  
24 this section.

25       Sec. 902. The department shall provide a report on the marine  
26 safety grant program to the senate and house appropriations

1 subcommittees on natural resources and the senate and house fiscal  
2 agencies by December 1, 2016. The report shall include the  
3 following information for the preceding year: the total amount of  
4 revenue received for watercraft registrations, the amount deposited  
5 into the marine safety fund, and the expenditures made from the  
6 marine safety fund, including the amounts expended for department  
7 administration, other state agencies, the law enforcement division,  
8 and grants to counties. The report shall also include the  
9 distribution methodology used by the department to distribute the  
10 marine safety grants and a list of the grants and the amounts  
11 awarded by county.

## 12 **GRANTS**

13       Sec. 1001. Federal pass-through funds to local institutions  
14 and governments that are received in amounts in addition to those  
15 included in part 1 for grants to communities - federal oil, gas,  
16 and timber payments and that do not require additional state  
17 matching funds are appropriated for the purposes intended. By  
18 November 30, 2016, the department shall report to the senate and  
19 house appropriations subcommittees on natural resources, the senate  
20 and house fiscal agencies, and the state budget director on all  
21 amounts appropriated under this section during the fiscal year  
22 ending September 30, 2016.

## 23 **CAPITAL OUTLAY**

24       Sec. 1103. The appropriations in part 1 for capital outlay  
25 shall be carried forward at the end of the fiscal year consistent

1 with the provisions of section 248 of the management and budget  
2 act, 1984 PA 431, MCL 18.1248.

3 **ONE-TIME BASIS ONLY APPROPRIATIONS**

4       Sec. 1201. (1) From the increased funds appropriated in part 1  
5 for forest management and timber market development, the department  
6 shall increase the harvest of timber on state forestlands. The  
7 purpose of this program expansion is to strategically invest in  
8 technology enhancements to expand the growth of the forest products  
9 economy.

10       (2) The department shall identify specific outcomes and  
11 performance metrics for this initiative, such as adding online  
12 services to increase access to state government.

13       Sec. 1202. (1) From the increased funds appropriated in part 1  
14 for land ownership tracking system, the department shall establish  
15 a replacement electronic system to facilitate state land records  
16 management. The purpose of this new project is to increase access  
17 to public land records and to integrate antiquated systems.

18       (2) The department shall identify specific outcomes and  
19 performance metrics for this initiative, such as adding online  
20 services to increase access to state government.

21       Sec. 1203. (1) From the increased funds appropriated in part 1  
22 for invasive species prevention and control, the department shall  
23 increase funding available for the interdepartmental invasive  
24 species program. The purpose of this program expansion is to  
25 prevent, detect, eradicate, and control invasive species.

26       (2) The department shall identify specific outcomes and

1 performance metrics for this initiative, such as prevention and  
 2 mitigation of confirmed cases of silver and bighead carp in  
 3 Michigan's waterways.

4 ARTICLE XVI  
 5 DEPARTMENT OF STATE POLICE  
 6 PART 1  
 7 LINE-ITEM APPROPRIATIONS

8 Sec. 101. There is appropriated for the department of state  
 9 police for the fiscal year ending September 30, 2017, from the  
 10 following funds:

11 **DEPARTMENT OF STATE POLICE**

12 APPROPRIATION SUMMARY

|    |                                                      |            |             |
|----|------------------------------------------------------|------------|-------------|
| 13 | Full-time equated unclassified positions.....        | 3.0        |             |
| 14 | Full-time equated classified positions.....          | 3,269.0    |             |
| 15 | GROSS APPROPRIATION.....                             | \$         | 660,356,500 |
| 16 | Total interdepartmental grants and intradepartmental |            |             |
| 17 | transfers .....                                      |            | 26,580,400  |
| 18 | Schedule of interdepartmental grants and             |            |             |
| 19 | intradepartmental transfer revenue sources:          |            |             |
| 20 | IDG-MDOC, contract .....                             | 344,200    |             |
| 21 | IDG-MDOS .....                                       | 369,900    |             |
| 22 | IDG-MDOT, state trunkline fund.....                  | 11,627,600 |             |
| 23 | IDG-MDTR, casino gaming fees .....                   | 6,174,100  |             |
| 24 | IDG-MDTR, emergency telephone fund                   |            |             |
| 25 | coordinator .....                                    | 689,900    |             |



|    |                                               |            |             |
|----|-----------------------------------------------|------------|-------------|
| 1  | IDG-MDTR, emergency telephone fund operations | 750,800    |             |
| 2  | IDG, training academy charges.....            | 2,858,700  |             |
| 3  | IDT, auto theft funds .....                   | 766,500    |             |
| 4  | IDT, Michigan justice training fund.....      | 1,050,000  |             |
| 5  | IDT, truck safety fund .....                  | 1,948,700  |             |
| 6  | ADJUSTED GROSS APPROPRIATION.....             | \$         | 633,776,100 |
| 7  | Total federal revenues.....                   |            | 87,967,800  |
| 8  | Schedule of federal revenue sources:          |            |             |
| 9  | DHS .....                                     | 42,048,600 |             |
| 10 | DOJ .....                                     | 12,583,300 |             |
| 11 | DOJ interest bearing .....                    | 8,169,100  |             |
| 12 | DOT .....                                     | 23,526,700 |             |
| 13 | Federal investigations - reimbursed           |            |             |
| 14 | services .....                                | 1,096,000  |             |
| 15 | Federal narcotics investigation revenues..... | 544,100    |             |
| 16 | Total local revenues.....                     |            | 5,828,500   |
| 17 | Schedule of local revenue sources:            |            |             |
| 18 | Local - AFIS fees .....                       | 82,500     |             |
| 19 | Local - LEIN fees .....                       | 1,030,900  |             |
| 20 | Local - SRMS fees .....                       | 915,300    |             |
| 21 | Local - reimbursed services .....             | 2,079,000  |             |
| 22 | Local - school bus revenue .....              | 1,720,800  |             |
| 23 | Total private revenues.....                   |            | 78,100      |
| 24 | Schedule of private revenue sources:          |            |             |
| 25 | Private donations .....                       | 78,100     |             |
| 26 | Total other state restricted revenues.....    |            | 126,358,500 |
| 27 | Schedule of restricted revenue sources:       |            |             |

|    |                                             |            |
|----|---------------------------------------------|------------|
| 1  | Auto theft prevention fund .....            | 7,698,200  |
| 2  | CJIC service fees .....                     | 23,127,500 |
| 3  | Drunk driving prevention and training fund. | 1,461,700  |
| 4  | Forensic science reimbursement fees.....    | 1,528,500  |
| 5  | Forfeiture funds .....                      | 100,600    |
| 6  | Hazardous materials training center fees... | 1,193,900  |
| 7  | Highway safety fund .....                   | 11,291,600 |
| 8  | Licensing fees .....                        | 9,100      |
| 9  | Michigan justice training fund.....         | 8,465,300  |
| 10 | Michigan merit award trust fund.....        | 805,500    |
| 11 | Motor carrier fees .....                    | 7,843,800  |
| 12 | Narcotics-related forfeiture revenue.....   | 826,500    |
| 13 | Nuclear plant emergency planning            |            |
| 14 | reimbursement .....                         | 2,695,100  |
| 15 | Precision driving track fees .....          | 327,900    |
| 16 | Reimbursed services .....                   | 1,270,800  |
| 17 | Rental of department aircraft.....          | 59,900     |
| 18 | Secondary road patrol and training fund...  | 12,287,900 |
| 19 | Sex offenders registration fund.....        | 628,100    |
| 20 | State forensic laboratory fund.....         | 1,826,100  |
| 21 | State police service fees .....             | 2,307,000  |
| 22 | State services fee fund .....               | 8,058,300  |
| 23 | Tobacco tax revenue .....                   | 4,504,600  |
| 24 | Traffic crash revenue .....                 | 338,300    |
| 25 | Traffic law enforcement and safety fund...  | 25,680,800 |
| 26 | Trooper school recruitment fund.....        | 1,100      |
| 27 | Truck driver safety fund .....              | 2,020,400  |

|    |                                                                |             |                   |
|----|----------------------------------------------------------------|-------------|-------------------|
| 1  | State general fund/general purpose .....                       | \$          | 413,543,200       |
| 2  | State general fund/general purpose schedule:                   |             |                   |
| 3  | Ongoing state general fund/general                             |             |                   |
| 4  | purpose .....                                                  | 397,793,200 |                   |
| 5  | One-time state general fund/general                            |             |                   |
| 6  | purpose .....                                                  | 15,750,000  |                   |
| 7  | <b>Sec. 102. UNCLASSIFIED POSITIONS</b>                        |             |                   |
| 8  | Full-time equated unclassified positions .....                 | 3.0         |                   |
| 9  | Unclassified positions .....                                   | \$          | <u>600,200</u>    |
| 10 | GROSS APPROPRIATION .....                                      | \$          | 600,200           |
| 11 | Appropriated from:                                             |             |                   |
| 12 | Interdepartmental grant revenues .....                         |             | 7,400             |
| 13 | State restricted revenues .....                                |             | 388,100           |
| 14 | State general fund/general purpose .....                       | \$          | 204,700           |
| 15 | <b>Sec. 103. EXECUTIVE DIRECTION AND DEPARTMENTAL SERVICES</b> |             |                   |
| 16 | Full-time equated classified positions .....                   | 103.0       |                   |
| 17 | Executive and departmental services .....                      | \$          | <u>78,051,300</u> |
| 18 | GROSS APPROPRIATION .....                                      | \$          | 78,051,300        |
| 19 | Appropriated from:                                             |             |                   |
| 20 | Interdepartmental grant revenues .....                         |             | 769,100           |
| 21 | Federal revenues .....                                         |             | 1,328,000         |
| 22 | Local revenues .....                                           |             | 1,133,100         |
| 23 | State restricted revenues .....                                |             | 12,231,400        |
| 24 | State general fund/general purpose .....                       | \$          | 62,589,700        |
| 25 | Schedule of programs:                                          |             |                   |
| 26 | Departmentwide .....                                           | 38,607,700  |                   |
| 27 | Departmental services .....                                    | 7,001,900   |                   |

## Senate Bill No. 800 as amended May 4, 2016

|    |                                                          |             |                  |
|----|----------------------------------------------------------|-------------|------------------|
| 1  | Executive direction .....                                | 8,015,800   |                  |
| 2  | Information technology services and                      |             |                  |
| 3  | projects .....                                           | 24,425,900  |                  |
| 4  | <b>Sec. 104. LAW ENFORCEMENT SERVICES</b>                |             |                  |
| 5  | Full-time equated classified positions.....              | 509.0       |                  |
| 6  | Law enforcement services.....                            | \$          | << 101,532,500>> |
| 7  | GROSS APPROPRIATION.....                                 | \$          | 99,332,500       |
| 8  | Appropriated from:                                       |             |                  |
| 9  | Interdepartmental grant revenues.....                    |             | 6,216,500        |
| 10 | Federal revenues.....                                    |             | 17,261,400       |
| 11 | Local revenues.....                                      |             | 915,300          |
| 12 | State restricted revenues.....                           |             | 35,084,000       |
| 13 | State general fund/general purpose.....                  | \$          | <<42,055,300>>   |
| 14 | Schedule of programs:                                    |             |                  |
| 15 | Biometrics and identification.....                       | 8,145,400   |                  |
| 16 | Criminal justice information center.....                 | 18,485,400  |                  |
| 17 | Forensic science .....                                   | 42,087,100  |                  |
| 18 | Grants and community services.....                       | 17,584,000  |                  |
| 19 | Training .....                                           | 13,030,600  |                  |
| 20 | <<Smart 911 .....                                        | 2,200,000>> |                  |
|    | <b>Sec. 105. COMMISSION ON LAW ENFORCEMENT STANDARDS</b> |             |                  |
| 21 | Full-time equated classified positions.....              | 18.0        |                  |
| 22 | Commission on law enforcement standards.....             | \$          | <u>9,899,700</u> |
| 23 | GROSS APPROPRIATION.....                                 | \$          | 9,899,700        |
| 24 | Appropriated from:                                       |             |                  |
| 25 | Federal revenues.....                                    |             | 175,700          |
| 26 | State restricted revenues.....                           |             | 8,830,700        |
| 27 | State general fund/general purpose.....                  | \$          | 893,300          |

|    |                                             |             |                    |
|----|---------------------------------------------|-------------|--------------------|
| 1  | Schedule of programs:                       |             |                    |
| 2  | Public safety officers benefit program..... | 151,100     |                    |
| 3  | Standards and training/justice training     |             |                    |
| 4  | grants .....                                | 9,094,500   |                    |
| 5  | Training only to local units .....          | 654,100     |                    |
| 6  | <b>Sec. 106. FIELD SERVICES</b>             |             |                    |
| 7  | Full-time equated classified positions..... | 2,124.0     |                    |
| 8  | Field services.....                         | \$          | <u>318,883,300</u> |
| 9  | GROSS APPROPRIATION.....                    | \$          | 318,883,300        |
| 10 | Appropriated from:                          |             |                    |
| 11 | Interdepartmental grant revenues.....       |             | 6,776,800          |
| 12 | Federal revenues.....                       |             | 6,590,000          |
| 13 | Local revenues.....                         |             | 2,079,000          |
| 14 | State restricted revenues.....              |             | 44,556,900         |
| 15 | State general fund/general purpose.....     | \$          | 258,880,600        |
| 16 | Schedule of programs:                       |             |                    |
| 17 | Casino gaming oversight .....               | 6,012,000   |                    |
| 18 | General law enforcement and criminal        |             |                    |
| 19 | investigations .....                        | 306,775,500 |                    |
| 20 | Tobacco tax fraud investigations.....       | 5,295,700   |                    |
| 21 | Roadside saliva testing pilot project.....  | 100         |                    |
| 22 | Michigan International Speedway traffic     |             |                    |
| 23 | control. ....                               | 800,000     |                    |
| 24 | <b>Sec. 107. SPECIALIZED SERVICES</b>       |             |                    |
| 25 | Full-time equated classified positions..... | 514.0       |                    |
| 26 | Specialized services.....                   | \$          | <u>126,771,500</u> |
| 27 | GROSS APPROPRIATION.....                    | \$          | 126,771,500        |

|    |                                              |                      |
|----|----------------------------------------------|----------------------|
| 1  | Appropriated from:                           |                      |
| 2  | Interdepartmental grant revenues .....       | 12,810,600           |
| 3  | Federal revenues .....                       | 62,612,700           |
| 4  | Local revenues .....                         | 1,701,100            |
| 5  | Private revenues .....                       | 78,100               |
| 6  | State restricted revenues .....              | 14,199,400           |
| 7  | State general fund/general purpose .....     | \$ 35,369,600        |
| 8  | Schedule of programs:                        |                      |
| 9  | Commercial vehicle enforcement .....         | 28,378,700           |
| 10 | Emergency management and homeland            |                      |
| 11 | security .....                               | 50,048,200           |
| 12 | Highway safety planning .....                | 16,130,000           |
| 13 | Special operations .....                     | 32,214,600           |
| 14 | <b>Sec. 108. SECONDARY ROAD PATROL</b>       |                      |
| 15 | Full-time equated classified positions ..... | 1.0                  |
| 16 | Secondary road patrol .....                  | \$ <u>11,068,000</u> |
| 17 | GROSS APPROPRIATION .....                    | \$ 11,068,000        |
| 18 | Appropriated from:                           |                      |
| 19 | State restricted revenues .....              | 11,068,000           |
| 20 | State general fund/general purpose .....     | \$ 0                 |
| 21 | <b>Sec. 109. ONE-TIME APPROPRIATIONS</b>     |                      |
| 22 | One-time appropriations .....                | \$ <u>15,750,000</u> |
| 23 | GROSS APPROPRIATION .....                    | \$ 15,750,000        |
| 24 | Appropriated from:                           |                      |
| 25 | State general fund/general purpose .....     | \$ 15,750,000        |
| 26 | Schedule of programs:                        |                      |
| 27 | Disaster and emergency contingency fund .... | 5,500,000            |

1 Homeland security - energy disaster..... 750,000  
 2 School safety initiative ..... 4,000,000  
 3 Sexual assault prevention and education  
 4 initiative ..... 500,000  
 5 Trooper school ..... 4,500,000  
 6 Drone restrictions enforcement study..... 500,000

7 PART 2

8 PROVISIONS CONCERNING APPROPRIATIONS

9 FOR FISCAL YEAR 2016-2017

10 **GENERAL SECTIONS**

11 Sec. 201. Pursuant to section 30 of article IX of the state  
 12 constitution of 1963, total state spending from state resources  
 13 under part 1 for fiscal year 2016-2017 is \$539,901,700.00 and state  
 14 spending from state resources to be paid to local units of  
 15 government for fiscal year 2016-2017 is \$19,198,900.00. The  
 16 itemized statement below identifies appropriations from which  
 17 spending to local units of government will occur:

18 DEPARTMENT OF STATE POLICE

|    |                                              |    |                  |
|----|----------------------------------------------|----|------------------|
| 19 | Commission on law enforcement standards..... | \$ | 3,559,700        |
| 20 | Specialized services .....                   |    | 681,900          |
| 21 | Secondary road patrol program.....           |    | 10,957,300       |
| 22 | School safety initiative .....               |    | <u>4,000,000</u> |
| 23 | TOTAL.....                                   | \$ | 19,198,900       |

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

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

2           (a) "AFIS" means the automated fingerprint identification  
3 system.

4           (b) "CJIC" means the criminal justice information center.

5           (c) "CJIS" means Criminal Justice Information Systems.

6           (d) "Core service" means that phrase as defined in section 373  
7 of the management and budget act, 1984 PA 431, MCL 18.1373.

8           (e) "Department" means the department of state police.

9           (f) "Director" means the director of the department.

10          (g) "DHS" means the United States Department of Homeland  
11 Security.

12          (h) "DNA" means deoxyribonucleic acid.

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

14          (j) "DOT" means the United States Department of  
15 Transportation.

16          (k) "DTMB" means the department of technology, management, and  
17 budget.

18          (l) "FEMA" means the Federal Emergency Management Agency.

19          (m) "FTE" means full-time equated.

20          (n) "IDG" means interdepartmental grant.

21          (o) "IDT" means intradepartmental transfer.

22          (p) "LEIN" means the law enforcement information network.

23          (q) "MCOLES" means Michigan commission on law enforcement  
24 standards.

25          (r) "MDOC" means the Michigan department of corrections.

26          (s) "MDOS" means the Michigan department of state.

27          (t) "MDOT" means the Michigan department of transportation.



1 (u) "MDTR" means the Michigan department of treasury.

2 (v) "SRMS" means state records management system.

3 (w) "Subcommittees" means all members of the subcommittees of  
4 the senate and house standing committees on appropriations with  
5 jurisdiction over the budget for the department.

6 (x) "Support service" means an activity required to support  
7 the ongoing delivery of core services.

8 (y) "Work project" means that term as defined in section 404  
9 of the management and budget act, 1984 PA 431, MCL 18.1404, and  
10 that meets the criteria in section 451a(1) of the management and  
11 budget act, 1984 PA 431, MCL 18.1451a.

12 Sec. 204. The following are the appropriations from part 1 for  
13 interdepartmental grant funds received by the department from  
14 sources outside the department: \$2,858,700.00 from training academy  
15 charges; \$344,200.00 from the department of corrections contract;  
16 \$369,900.00 from the department of state; \$11,627,600.00 from the  
17 department of transportation - state trunkline funds; \$6,174,100.00  
18 from casino gaming fees; \$689,900.00 from the department of  
19 treasury - emergency telephone fund coordinator; and \$750,800.00  
20 from the department of treasury - emergency telephone fund  
21 operations.

22 Sec. 205. (1) The following are the appropriations from part 1  
23 for interdepartmental grant funds made from the department to other  
24 departments:

|    |                                    |    |           |
|----|------------------------------------|----|-----------|
| 25 | Attorney general - operations..... | \$ | 257,300   |
| 26 | Environmental quality.....         |    | 1,744,500 |
| 27 | Military and veterans affairs..... |    | 101,800   |

|   |                                         |            |
|---|-----------------------------------------|------------|
| 1 | DTMB - building occupancy charges ..... | 8,770,100  |
| 2 | DTMB - accounting service center .....  | 1,058,500  |
| 3 | DTMB - information technology .....     | 24,425,900 |

4       (2) Based on the availability of federal funding and the  
5 demonstrated need as indicated by applications submitted to the  
6 state court administrative office, the department shall provide  
7 \$1,500,000.00 in Byrne justice assistance grant program funding to  
8 the judiciary by interdepartmental grant.

9       Sec. 206. (1) In addition to the funds appropriated in part 1,  
10 there is appropriated an amount not to exceed \$10,000,000.00 for  
11 federal contingency funds. These funds are not available for  
12 expenditure until they have been transferred to another line item  
13 in part 1 under section 393(2) of the management and budget act,  
14 1984 PA 431, MCL 18.1393.

15       (2) In addition to the funds appropriated in part 1, there is  
16 appropriated an amount not to exceed \$3,500,000.00 for state  
17 restricted contingency funds. These funds are not available for  
18 expenditure until they have been transferred to another line item  
19 in part 1 under section 393(2) of the management and budget act,  
20 1984 PA 431, MCL 18.1393.

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

27       (4) In addition to the funds appropriated in part 1, there is

1 appropriated an amount not to exceed \$200,000.00 for private  
2 contingency funds. These funds are not available for expenditure  
3 until they have been transferred to another line item in part 1  
4 under section 393(2) of the management and budget act, 1984 PA 431,  
5 MCL 18.1393.

6 Sec. 207. The department shall cooperate with the department  
7 of technology, management, and budget to maintain a searchable  
8 website that is accessible by the public at no cost that includes,  
9 but is not limited to, all of the following:

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

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

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

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

17 (e) Job specifications and wage rates.

18 Sec. 208. The department and agencies receiving appropriations  
19 in part 1 shall use the Internet to fulfill the reporting  
20 requirements of this part. This requirement may include  
21 transmission of reports via electronic mail to the recipients  
22 identified for each reporting requirement, or it may include  
23 placement of reports on an Internet or Intranet site.

24 Sec. 209. Funds appropriated in part 1 and this part shall not  
25 be used for the purchase of foreign goods or services, or both, if  
26 competitively priced and of comparable quality American goods or  
27 services, or both, are available. Preference shall be given to

1 goods or services, or both, manufactured or provided by Michigan  
2 businesses, if they are competitively priced and of comparable  
3 quality. In addition, preference shall be given to goods or  
4 services, or both, that are manufactured or provided by Michigan  
5 businesses owned and operated by veterans, if they are  
6 competitively priced and of comparable quality.

7       Sec. 210. The department shall take all reasonable steps to  
8 ensure businesses in deprived and depressed communities compete for  
9 and perform contracts to provide services or supplies, or both, for  
10 the department. The director of the department shall strongly  
11 encourage firms with which the department contracts to subcontract  
12 with certified businesses in depressed and deprived communities for  
13 services or supplies, or both.

14       Sec. 215. A department or state agency shall not take  
15 disciplinary action against an employee for communicating with a  
16 member of the legislature or his or her staff.

17       Sec. 216. (1) Notwithstanding any other provision of this  
18 part, the schedule of programs in part 1 lists programs which may  
19 be, but are not required to be, funded under this part or part 1.

20       (2) Notwithstanding any other provisions of this part, the  
21 schedule of revenue sources in part 1 may or may not be received  
22 from the funding entities listed or in the amounts listed.

23       (3) The secondary road patrol funding is not subject to  
24 funding flexibility and shall be funded in accordance with section  
25 629e of the Michigan vehicle code, 1949 PA 300, MCL 257.629e.

26       (4) Any funding required by statute is not subject to funding  
27 flexibility and shall be funded in accordance with that statute.

1       Sec. 218. The departments and agencies receiving  
2       appropriations in part 1 shall prepare a report on out-of-state  
3       travel expenses not later than January 1 of each year. The travel  
4       report shall be a listing of all travel by classified and  
5       unclassified employees outside this state in the immediately  
6       preceding fiscal year that was funded in whole or in part with  
7       funds appropriated in the department's budget. The report shall be  
8       submitted to the senate and house appropriations committees, the  
9       senate and house fiscal agencies, and the state budget director.  
10      The report shall include the following information:

11           (a) The dates of each travel occurrence.

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

17      Sec. 219. (1) The department shall provide quarterly reports  
18      to the subcommittees, the senate and house fiscal agencies, and the  
19      state budget office that provide the following data:

20           (a) A list of major work projects, including the status of  
21      each project.

22           (b) The department's financial status, featuring a report of  
23      budgeted versus actual expenditures by part 1 line item including a  
24      year-end projection of budget requirements. If projected department  
25      budget requirements exceed the allocated budget, the report shall  
26      include a plan to reduce overall expenses while still satisfying  
27      specified service level requirements.

1 (c) A report on the performance metrics cited or information  
2 required to be reported in this part, reasons for nonachievement of  
3 metric targets, and proposed corrective actions.

4 (2) The department shall provide a summary of fund shifts,  
5 that have been approved by the state budget office, that have  
6 occurred between items listed in the schedule of programs on a  
7 quarterly basis to the subcommittees and the senate and house  
8 fiscal agencies.

9 Sec. 221. The appropriations in part 1 are for the core  
10 services, support services, and work projects of the department,  
11 including, but not limited to, the following core services:

12 (a) State security operations, including State Capitol Complex  
13 security.

14 (b) Training.

15 (c) Commission on law enforcement standards.

16 (d) Criminal justice information systems.

17 (e) Forensic analysis and biometric identification, including  
18 laboratory operations, DNA analysis program, and biometrics and  
19 identification.

20 (f) General law enforcement and traffic safety.

21 (g) Criminal investigations, including tobacco tax fraud  
22 investigations and fire investigations.

23 (h) Special operations.

24 (i) Commercial vehicle regulation and enforcement.

25 (j) Emergency management and homeland security.

26 (k) Highway safety planning.

27 (l) Secondary road patrol program.

1       Sec. 222. The department shall notify the subcommittees, the  
2 chairpersons of the senate and house standing committees on  
3 appropriations, and the senate and house fiscal agencies not less  
4 than 90 days before recommending to close or consolidate any state  
5 police posts. The notification shall include a local and state  
6 impact study of the proposed post closure or consolidation.

7       Sec. 223. At least 90 days before beginning any effort to  
8 privatize, the department shall submit a complete project plan to  
9 the subcommittees and the senate and house fiscal agencies. The  
10 plan shall include the criteria under which the privatization  
11 initiative will be evaluated. The evaluation shall be completed and  
12 submitted to the subcommittees and the senate and house fiscal  
13 agencies within 30 months.

14       Sec. 224. Funds appropriated in part 1 or this part shall not  
15 be used by a principal executive department, state agency, or  
16 authority to hire a person to provide legal services that are the  
17 responsibility of the attorney general. This prohibition does not  
18 apply to legal services for bonding activities and for those  
19 activities that the attorney general authorizes.

20       Sec. 226. (1) When the department provides contractual  
21 services to a local unit of government, the department shall be  
22 reimbursed for all costs incurred in providing the services,  
23 including, but not limited to, retirement and overtime costs.

24       (2) The department shall define service cost models for those  
25 services requiring reimbursement.

26       (3) Contractual services provided to an entity other than a  
27 local unit of government may be provided by department personnel,

1 but only on an overtime basis outside the normal work schedule of  
2 the personnel.

3 (4) This section does not apply to services provided to state  
4 agencies.

5 Sec. 228. Not later than November 30, the state budget office  
6 shall prepare and transmit a report that provides for estimates of  
7 the total general fund/general purpose appropriations lapses at the  
8 close of the prior fiscal year. This report shall summarize the  
9 projected year-end general fund/general purpose appropriations  
10 lapses by major departmental program or program areas. The report  
11 shall be transmitted to the office of the state budget, the  
12 chairpersons of the senate and house appropriations committees, the  
13 subcommittees, and the senate and house fiscal agencies.

14 Sec. 229. Within 14 days after the release of the executive  
15 budget recommendation, the department shall cooperate with the  
16 state budget office to provide the senate and house appropriations  
17 chairs, the subcommittees, and the senate and house fiscal agencies  
18 with an annual report on estimated state restricted fund balances,  
19 state restricted fund projected revenues, and state restricted fund  
20 expenditures for the preceding and current fiscal years.

21 Sec. 230. The department shall maintain, on a publicly  
22 accessible website, a department scorecard that identifies, tracks,  
23 and regularly updates key metrics that are used to monitor and  
24 improve the department's performance.

25 Sec. 232. The department shall serve as an active liaison  
26 between the DTMB and state, local, regional, and federal public  
27 safety agencies on matters pertaining to the Michigan public safety



1 communications system and shall report user issues to the DTMB.

2       Sec. 233. Total authorized appropriations from all sources  
3 under part 1 for legacy costs for the fiscal year ending September  
4 30, 2017 are \$133,307,100.00. From this amount, total agency  
5 appropriations for pension-related legacy costs are estimated at  
6 \$71,007,700.00 and total agency appropriations for retiree health  
7 care legacy costs are estimated at \$62,299,400.00.

8       Sec. 238. Money privately donated to the department is  
9 appropriated under part 1 to be used for the purposes designated by  
10 the donor of the money, if specified.

11       Sec. 240. In addition to the metrics required under section  
12 447 of the management and budget act, 1984 PA 431, MCL 18.1447, for  
13 each new program or program enhancement for which funds in excess  
14 of \$500,000.00 are appropriated in part 1, the department shall  
15 provide not later than November 1, 2016 a list of program-specific  
16 metrics intended to measure its performance based on a return on  
17 taxpayer investment. The department shall deliver the program-  
18 specific metrics to members of the senate and house subcommittees  
19 that have subject matter jurisdiction for this budget, fiscal  
20 agencies, and the state budget director. The department shall  
21 provide an update on its progress in tracking program-specific  
22 metrics and the status of program success at an appropriations  
23 subcommittee meeting called for by the subcommittee chair.

24 **EXECUTIVE DIRECTION AND DEPARTMENTAL SERVICES**

25       Sec. 301. (1) The department shall provide security services  
26 at the State Capitol Complex facilities and the State Secondary

1 Complex as provided under section 6c of 1935 PA 59, MCL 28.6c.

2 (2) The department shall maintain the staff and resources  
3 necessary to respond to emergencies at the State Capitol Complex,  
4 State Secondary Complex, House Office Building, Farnum Building,  
5 Capitol parking lot, Townsend Parking Ramp, the Roosevelt Parking  
6 Ramp, and other areas as directed.

7 (3) The department shall pursue federal grants to improve the  
8 security at the Capitol Building.

9 (4) The department may develop a phased approach for improving  
10 security at the Capitol Building.

11 (5) The department shall maintain a goal of annually  
12 conducting 35,000 property inspections of state owned and leased  
13 facilities.

14 Sec. 304. The department shall provide administrative support  
15 for department operations, as provided under the management and  
16 budget act, 1984 PA 431, MCL 18.1101 to 18.1594, including the  
17 following:

18 (a) The operations of the automobile theft prevention  
19 authority.

20 (b) Administration of the Edward Byrne memorial justice  
21 assistance program and other grant programs as well as the  
22 department's community policing efforts.

23 (c) Asset forfeiture reporting requirements.

24 (d) Oversight and administration of 9-1-1 operations  
25 statewide.

26 **LAW ENFORCEMENT SERVICES**

1           Sec. 401. (1) The department shall maintain the staffing and  
2 resources necessary to exercise the authority, powers, functions,  
3 and responsibilities concerning the development and delivery of  
4 professional, innovative, and quality training that supports the  
5 enforcement and public safety efforts of the criminal justice  
6 community.

7           (2) The department shall provide performance data as provided  
8 under section 219 for average classroom occupancy rate, with an  
9 annual goal of 55%.

10          (3) The department shall submit a report to the subcommittees  
11 and the senate and house fiscal agencies within 60 days of the  
12 conclusion of any trooper, motor carrier, or state properties  
13 security recruit school. The report shall include the following:

14           (a) The number of veterans and the number of MCOLES-certified  
15 police officers who were admitted to and the number who graduated  
16 from the recruit school.

17           (b) The total number of recruits who were admitted to the  
18 school, the number of recruits who graduated from the school, and  
19 the location at which each of these recruits is assigned.

20          (4) The department shall distribute and review course  
21 evaluations to ensure that quality training is provided.

22          Sec. 402. (1) In accordance with applicable state and federal  
23 laws and regulations, the department shall maintain and ensure  
24 compliance with CJIS databases and applications in the support of  
25 public safety and law enforcement communities.

26          (2) The department shall improve the accuracy, timeliness, and  
27 completeness of criminal history information by conducting a

1 minimum of 30 outreach activities targeted to criminal justice  
2 agencies.

3 (3) The department shall provide for the compilation of crime  
4 statistics consistent with the uniform crime reporting (UCR)  
5 program and the national incident-based report system (NIBRS).

6 (4) The department shall provide for the compilation and  
7 evaluation of traffic crash reports and the maintenance of the  
8 state accident data collection system.

9 (5) The department shall make traffic crash information  
10 available to the public at a reasonable cost. For bulk access to  
11 the accident records in which the vehicle identification number has  
12 been collected and computerized, the department shall make those  
13 records available to the public at cost, provided that the name and  
14 address have been excluded.

15 (6) In accordance with applicable state and federal laws and  
16 regulations, the department shall provide for the maintenance and  
17 dissemination of criminal history records and juvenile records,  
18 including to the extent necessary to exchange criminal history  
19 records information with the Federal Bureau of Investigation and  
20 other states through the interstate identification index, the  
21 National Crime Information Center, and other federal CJIS databases  
22 and indices.

23 (7) In accordance with applicable state and federal laws, the  
24 department shall provide for the maintenance of records, including  
25 criminal history records regarding firearms licensure.

26 (8) The department shall provide to the legislature a report  
27 on concealed pistol licensing not later than December 1, 2017 that

1 includes all of the following:

2 (a) The department's actual revenue received from fees paid  
3 for concealed pistol license (CPL) applications for fiscal year  
4 2016-2017 and the uses of that revenue.

5 (b) The department's fiscal year 2016-2017 costs for  
6 administering its concealed pistol licensing responsibilities under  
7 1927 PA 372, MCL 28.421 to 28.435, but not including costs related  
8 to the administration of other state statutes, or requirements of  
9 federal law.

10 (9) The department shall maintain the staff and resources  
11 necessary to maintain the sex offender registry and enforce the  
12 registration requirements as provided by law.

13 (10) The department shall provide information on the number of  
14 background checks processed through the Internet criminal history  
15 access tool (ICHAT) as provided in section 219.

16 (11) The following unexpended and unencumbered revenues  
17 deposited into the criminal justice information service fee fund  
18 shall not lapse to the general fund, but shall be carried forward  
19 into the subsequent fiscal year:

20 (a) Fees for fingerprinting and criminal record checks and  
21 name-based criminal record checks pursuant to 1935 PA 120, MCL  
22 28.271 to 28.273.

23 (b) Fees for application and licensing for initial and renewal  
24 concealed pistol licenses pursuant to 1927 PA 372, MCL 28.421 to  
25 28.435.

26 (c) Fees for searching, copying, and providing public records  
27 pursuant to the freedom of information act, 1976 PA 442, MCL 15.231

1 to 15.246.

2 (d) Revenue from other sources, including, but not limited to,  
3 investment and interest earnings.

4 (12) Unexpended and unencumbered revenue generated by state  
5 records management system fees shall not lapse to the general fund,  
6 but shall be carried forward into the subsequent fiscal year.

7 Sec. 403. (1) The department shall provide forensic testing  
8 services to aid in criminal investigations.

9 (2) The department shall ensure its ability to maintain  
10 accreditation by the American Society of Crime Laboratory  
11 Directors/Laboratory Accreditation Board (ASCLD/LAB), or other  
12 federally designated accrediting agency, as provided under 42 USC  
13 14132.

14 (3) The department shall provide forensic science services  
15 with an average turnaround time of 55 days, assuming an annual  
16 caseload volume commensurate with that received in fiscal year  
17 2012-2013, and shall achieve a goal of a 30-day average turnaround  
18 time across all forensic science disciplines by December 31, 2017.

19 (4) The department shall provide the following data as  
20 provided in section 219:

21 (a) The average turnaround time for processing forensic  
22 evidence across all disciplines.

23 (b) Forensic laboratory staffing levels, including scientists  
24 in training, and vacancies.

25 (c) The number of backlogged cases in each discipline.

26 (5) The department shall maintain the staffing and resources  
27 necessary to provide forensic laboratory services with a goal of

1 decreasing firearms backlog annually until the department maintains  
2 a 30-day turnaround time across all disciplines.

3 (6) The department shall maintain the staffing and resources  
4 necessary to provide forensic laboratory services with a goal of  
5 decreasing toxicology backlog annually until the department  
6 maintains a 30-day turnaround time across all disciplines.

7 (7) The department shall explore an information technology  
8 interface between the Michigan state police forensic science  
9 division and at least 1 judicial system. This interface shall allow  
10 state police forensic scientists to triage their investigations  
11 based upon the status of judicial casework and allow court  
12 officials to obtain the status of forensic studies pertinent to the  
13 cases before their court. The interface should be scalable to  
14 support all judicial systems throughout the state and be designed  
15 in such a way as to allow courts to retain their current case  
16 management system and still access the forensic science case data  
17 if so desired.

18 (8) The department shall provide for the forensic testing and  
19 analysis/profiling of DNA evidence to aid criminal investigations  
20 by law enforcement agencies in this state.

21 (9) If changes are made to the department's protocol for  
22 retaining and purging DNA analysis samples and records, the  
23 department shall post a copy of the protocol changes on the  
24 department's website.

25 (10) The department shall maintain the staffing and resources  
26 necessary to provide DNA analysis services with a goal of  
27 decreasing backlogs of biology/DNA cases annually until the

1 department maintains a 30-day turnaround time across all  
2 disciplines.

3 Sec. 404. (1) The biometrics and identification division shall  
4 house and manage the automated fingerprint identification system  
5 (AFIS), the statewide network of agency photographs (SNAP), and  
6 combined offender DNA index system (CODIS) biometric databases.

7 (2) The department shall provide data on the number of 10-  
8 print and palm-print submissions to the AFIS database, with a goal  
9 of at least 97% of submissions provided electronically as provided  
10 in section 219.

11 (3) The department shall maintain the staffing and resources  
12 necessary to have a 28-day average wait time for scheduling a  
13 polygraph examination, assuming an annual caseload received  
14 commensurate with fiscal year 2012-2013, with a goal of achieving a  
15 15-day average wait time.

16 Sec. 405. Not later than October 31 of the subsequent fiscal  
17 year, the department shall submit a report to the subcommittees and  
18 senate and house fiscal agencies that shall include, but is not  
19 limited to, all of the following information:

20 (a) Sexual assault kit analysis backlog at the beginning of  
21 the current fiscal year.

22 (b) The number of sexual assault kits collected or submitted  
23 for analysis during the current fiscal year.

24 (c) The number of sexual assault kits analyzed and the number  
25 of associated DNA profiles created and uploaded during the current  
26 fiscal year.

27 (d) Sexual assault kit analysis backlog at the ending of the



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1 current fiscal year.

2 (e) The average turnaround time to analyze sexual assault kits  
3 and to create and upload associated DNA profiles for the current  
4 fiscal year.

<<Sec. 406 The appropriation in part 1 for smart 911 shall be for the purpose of implementing a statewide public safety emergency information portal (PSEIP) system; a hosted national supplemental 911 database containing relevant public safety information entered by individuals via a secure web site. Information in the data base shall be updated twice annually and be automatically delivered to public safety answering points which shall make the information available to first responders in emergency scenarios when a 9-1-1 call is placed. The PSEIP shall collect additional data regarding the protection of critical infrastructure, including the virtualized collection of facility information including, but not limited to floorplans, location of hazardous materials and other information that can be utilized by public safety agencies in the event of an incident within a facility. PSEIP services shall be provided at no cost to residents, shall be made available throughout the state and be compliant with all accessibility elements of section 508 of the rehabilitation act of 1973 as amended, 29 U.S.C. § 794 (d). The appropriation shall be for the purpose of defraying the initial costs associated with implementation of the PSEIP system, including license, installation, support, training, and maintenance costs.>>

5 **COMMISSION ON LAW ENFORCEMENT STANDARDS**

6 Sec. 501. (1) MCOLES shall maintain the staffing and resources  
7 necessary to exercise the authority, powers, functions, and  
8 responsibilities necessary to establish standards for the  
9 selection, employment, training, education, licensing, and  
10 revocation of all law enforcement officers and provide the basic  
11 law enforcement training curriculum for law enforcement training  
12 academy programs statewide.

13 (2) MCOLES shall maintain staffing and resources necessary to  
14 update law enforcement standards within 120 days of the effective  
15 date of any new legislation.

16 **FIELD SERVICES**

17 Sec. 601. (1) Department enlisted personnel who are employed  
18 to enforce traffic laws as provided in section 629e of the Michigan  
19 vehicle code, 1949 PA 300, MCL 257.629e, shall not be prohibited  
20 from responding to crimes in progress or other emergency situations  
21 and are responsible for making every effort to protect all  
22 residents of this state.

23 (2) The department shall maintain the staffing and resources  
24 necessary to continually work to enhance traffic safety throughout  
25 this state and shall dedicate a minimum of 396,700 hours to

1 statewide patrol, of which a minimum of 40,000 shall be committed  
2 to distressed cities in this state, and 4,000 shall be committed to  
3 Belle Isle. The department shall work to improve public safety  
4 efforts within distressed cities by enhancing data analysis  
5 capabilities and identifying crime trends and areas with high  
6 occurrence of crime.

7 (3) The department shall maintain the staffing and resources  
8 necessary to perform activities to maintain a 92% compliance rate  
9 for reporting by registered sex offenders.

10 (4) The department shall submit a report on or before December  
11 1 to the subcommittees and senate and house fiscal agencies  
12 regarding the secure cities partnership during the prior fiscal  
13 year.

14 Sec. 602. (1) The department shall identify and apprehend  
15 criminals through criminal investigations in this state.

16 (2) The department shall maintain the staffing and resources  
17 necessary to provide a comparable number of hours investigating  
18 crimes as those performed in fiscal year 2012-2013.

19 (3) The department shall maintain the staffing and resources  
20 necessary to annually meet or exceed a case clearance rate of 62%.

21 (4) The department shall annually provide 4 training  
22 opportunities to local law enforcement partners with the goal of  
23 increasing their knowledge of gambling laws, trends, and legal  
24 issues.

25 (5) The department shall maintain the staffing and resources  
26 necessary to increase the number of opioid-related investigations  
27 by 25% above the number of such investigations conducted in the

1 2014-2015 fiscal year conducted by multijurisdictional task forces  
2 and hometown security teams. The department shall work to enhance  
3 investigative and drug interdiction efforts by enhancing data  
4 analysis capabilities and linking investigations among  
5 multijurisdictional task forces and hometown security teams.

6 Sec. 603. (1) The department shall provide protection to this  
7 state, its economy, welfare, and vital state-sponsored programs  
8 through the prevention and suppression of organized smuggling of  
9 untaxed tobacco products in the state, through enforcement of the  
10 tobacco products tax act, 1993 PA 327, MCL 205.421 to 205.436, and  
11 other laws pertaining to combating criminal activity in this state,  
12 by maintaining a tobacco tax enforcement unit.

13 (2) The department shall submit an annual report on December 1  
14 to the subcommittees, the senate and house appropriations  
15 subcommittees on general government, and the senate and house  
16 fiscal agencies that details expenditures and activities related to  
17 tobacco tax enforcement for the prior fiscal year.

18 (3) The tobacco tax enforcement unit shall dedicate a minimum  
19 of 16,600 hours to tobacco tax enforcement.

20 Sec. 604. (1) The department shall provide fire investigation  
21 services to citizens of this state through training and  
22 investigative assistance to public safety agencies in this state.

23 (2) The department shall maintain the staffing and resources  
24 necessary to maintain readiness to respond appropriately to at  
25 least the number of requests for fire investigation services that  
26 occurred in fiscal year 2010-2011 and shall be available for call  
27 out statewide 100% of the time.

1 **SPECIALIZED SERVICES**

2       Sec. 701. (1) The department shall provide specialized  
3 services in support of, and to enhance, local, state, and federal  
4 law enforcement operations within this state in accordance with all  
5 applicable state and federal laws and regulations.

6       (2) The department shall operate the Michigan intelligence  
7 operation center for homeland security as the state's primary  
8 federally designated fusion center to receive, analyze, gather, and  
9 disseminate threat-related information among federal, state, local,  
10 tribal, and private sector partners.

11       (3) The department shall ensure public safety by providing  
12 public and private sector partners with timely and accurate  
13 information regarding critical information key resource threats as  
14 reported to or discovered by the Michigan intelligence operations  
15 center for homeland security and shall increase public awareness on  
16 how to report suspicious activity through website or telephone  
17 communications.

18       (4) The department shall maintain the staffing and resources  
19 necessary to provide training to maintain readiness to respond  
20 appropriately to at least the number of requests for specialty  
21 services which occurred in fiscal year 2010-2011.

22       (5) The canine unit shall be available for call out statewide  
23 100% of the time.

24       (6) The bomb squad unit shall be available for call out  
25 statewide 100% of the time.

26       (7) The emergency support teams shall be available for call  
27 out statewide 100% of the time.

1           (8) The underwater recovery unit shall be available for call  
2 out statewide 100% of the time.

3           (9) Aviation services shall be available for call out  
4 statewide 100% of the time, unless prohibited by weather or  
5 unexpected mechanical breakdowns.

6           (10) The department shall maintain the staffing and resources  
7 necessary to support the cyber section, including the Michigan  
8 cyber command center, the computer crimes unit, and the Internet  
9 crimes against children task force. The department shall maintain  
10 the staffing and resources necessary to increase the number of  
11 cases completed by the computer crimes unit by 25% above the number  
12 of cases completed in the 2014-2015 fiscal year. The unit shall  
13 pursue process improvement initiatives to effectively utilize staff  
14 resources in providing investigatory assistance and evidentiary  
15 analysis for law enforcement and criminal justice agencies  
16 statewide.

17           Sec. 702. (1) The department shall maintain commercial vehicle  
18 regulation, school bus inspections, and enforcement activities,  
19 including enforcement of requirements concerning size, weight, and  
20 load restrictions; operating authority; registration; fuel taxes;  
21 the transportation of hazardous materials; the operations of new  
22 entrants; and commercial driver's licenses.

23           (2) The department shall maintain the staffing and resources  
24 necessary to meet inspection goals consistent with the department's  
25 federal motor carrier assistance program activities.

26           (3) The department shall maintain the staffing and resources  
27 necessary to exercise the authority, powers, functions, and

1 responsibilities concerning the inspection of school buses as  
2 provided under the pupil transportation act, 1990 PA 187, MCL  
3 257.1801 to 257.1877.

4 (4) The department shall annually provide the subcommittees  
5 and the senate and house fiscal agencies with the following  
6 information for each public and nonpublic school concerning the  
7 inspection of school buses:

8 (a) The total number of school buses inspected.

9 (b) The number of inspected school buses receiving a passing  
10 sticker.

11 (c) The number of inspected school buses receiving a yellow  
12 sticker.

13 (d) The number of inspected school buses receiving a red  
14 sticker.

15 (5) Revenue collected under the motor carrier act, 1933 PA  
16 254, MCL 475.1 to 479.42, shall be expended in accordance with that  
17 act. Unexpended and unencumbered revenues shall not lapse to the  
18 general fund but shall be carried forward into the subsequent  
19 fiscal year.

20 Sec. 703. (1) The department shall coordinate the mitigation,  
21 preparation, response, and recovery activities of municipal,  
22 county, state, and federal governments, and other governmental  
23 entities, for all hazards, disasters, and emergencies.

24 (2) The state director of emergency management may expend  
25 money appropriated under part 1 to call upon any agency or  
26 department of the state or any resource of the state to protect  
27 life or property or to provide for the health or safety of the

1 population in any area of the state in which the governor proclaims  
2 a state of emergency or state of disaster under 1945 PA 302, MCL  
3 10.31 to 10.33, or under the emergency management act, 1976 PA 390,  
4 MCL 30.401 to 30.421. The state director of emergency management  
5 may expend the amounts the director considers necessary to  
6 accomplish these purposes. The director shall submit to the state  
7 budget director as soon as possible a complete report of all  
8 actions taken under the authority of this section. The report shall  
9 contain, as a separate item, a statement of all money expended that  
10 is not reimbursable from federal money. The state budget director  
11 shall review the expenditures and submit recommendations to the  
12 legislature in regard to any possible need for a supplemental  
13 appropriation.

14 (3) In addition to the money appropriated in part 1, the  
15 department may receive and expend money from local, private,  
16 federal, or state sources for the purpose of providing emergency  
17 management training to local or private interests and for the  
18 purpose of supporting emergency preparedness, response, recovery,  
19 and mitigation activity. If additional expenditure authorization in  
20 the Michigan administrative information network is approved by the  
21 state budget office under this section, the department and the  
22 state budget office shall notify the subcommittees and the senate  
23 and house fiscal agencies within 10 days after the approval. The  
24 notification shall include the amount and source and the additional  
25 authorization, the date of its approval, and the projected use of  
26 funds to be expended under the authorization.

27 (4) The department shall foster, promote, and maintain

1 partnerships to protect this state and homeland from all hazards.

2 (5) The department shall maintain the staffing and resources  
3 necessary to do all of the following:

4 (a) Serve approximately 105 local emergency management  
5 preparedness programs and 88 local emergency planning committees in  
6 this state.

7 (b) Operate and maintain the state's emergency operations  
8 center and provide command and control in support of emergency  
9 response services.

10 (c) Maintain readiness, including training and equipment to  
11 respond to civil disorders and natural disasters commensurate with  
12 the capabilities of fiscal year 2010-2011.

13 (d) Perform hazardous materials response training.

14 (6) The department shall conduct a minimum of 3 training  
15 sessions to enhance safe response in the event of natural or  
16 manmade incidents, emergencies, or disasters.

17 (7) In addition to the funds appropriated in part 1, there is  
18 appropriated from the disaster and emergency contingency fund an  
19 amount necessary to cover costs related to any disaster or  
20 emergency as defined in the emergency management act, 1976 PA 390,  
21 MCL 30.401 to 30.421. Funds shall be expended as provided under  
22 sections 18 and 19 of the emergency management act, 1976 PA 390,  
23 MCL 30.418 and 30.419, and R 30.51 to R 30.61 of the Michigan  
24 administrative code.

25 (8) Funds in the disaster and emergency contingency fund shall  
26 not be expended unless the state budget director approves the  
27 expenditure and the department and the state budget office notify



1 the senate and house appropriations committees. No later than  
2 December 1, the department shall provide an annual report to the  
3 senate and house appropriations committees, the senate and house  
4 fiscal agencies, and the state budget office on the use of the  
5 disaster and emergency contingency fund during the prior fiscal  
6 year.

7 Sec. 704. The department shall provide for the planning,  
8 administration, and implementation of highway traffic safety  
9 programs to save lives and reduce injuries on Michigan roads in  
10 partnership with other public and private organizations.

#### 11 **SECONDARY ROAD PATROL PROGRAM**

12 Sec. 801. (1) The department shall provide funding to county  
13 sheriff departments to patrol secondary roads.

14 (2) The sheriffs' duties under the secondary road patrol  
15 program, as outlined in section 76(2) of 1846 RS 14, MCL 51.76, are  
16 to patrol and monitor traffic violations; to enforce the criminal  
17 laws of this state, violations of which are observed by or brought  
18 to the attention of the sheriff's department while patrolling and  
19 monitoring secondary roads; to investigate accidents involving  
20 motor vehicles; and to provide emergency assistance to persons on  
21 or near a highway or road the sheriff is patrolling and monitoring.

22 (3) The department shall provide the following information on  
23 secondary road patrol activities supported by appropriations in  
24 part 1, as provided in section 219:

25 (a) The number of funded full-time equivalent county sheriff  
26 secondary road patrol deputies.

1 (b) The number of hours dedicated to patrol under the  
2 secondary road patrol program, with an annual goal of at least  
3 178,000 hours.

4 (4) The information required to be reported under subsection  
5 (3) shall be reported on an annual basis.

#### 6 **ONE-TIME APPROPRIATIONS**

7 Sec. 901. (1) Funding appropriated in part 1 for the school  
8 safety initiative shall be used to provide and administer  
9 competitive grants to public or nonpublic schools, school  
10 districts, and intermediate school districts to purchase technology  
11 and equipment and to conduct assessments to improve the safety and  
12 security of school buildings, students, and staff.

13 (2) The department shall issue grant guidance and application  
14 materials including required performance measures no later than  
15 November 1, 2016 and shall issue awards no later than February 28,  
16 2017.

17 (3) The department shall report on grant activities to the  
18 subcommittees and the state budget office by December 1, 2017,  
19 including performance outcomes as identified in individual grant  
20 agreements.

21 Sec. 902. (1) Funding provided in part 1 for the sexual  
22 assault prevention and education initiative shall be used to  
23 provide and administer grants to public or nonpublic community  
24 colleges, colleges, and universities with a physical presence in  
25 the state to address campus sexual assault issues to improve the  
26 safety and security of students, faculty, and staff in campus

1 environments in the state.

2 (2) Grant funds awarded shall support sexual assault programs,  
3 including education, awareness, prevention, reporting, and  
4 bystander intervention programs.

5 (3) The department shall issue awards no later than December  
6 1, 2016, with a grant period of 1 year.

7 (4) The department shall report on grant activities to the  
8 subcommittees and the state budget office by February 28, 2018.

9 (5) Unexpended and appropriations in part 1 for the sexual  
10 assault prevention and education initiative are designated as work  
11 project appropriations. Any unencumbered or unallotted funds at the  
12 end of the fiscal year shall be carried forward into the succeeding  
13 fiscal year. The following is in compliance with section 451a(1) of  
14 the management and budget act, 1984 PA 431, MCL 18.1451a:

15 (a) The purpose of the project is to provide grants for sexual  
16 assault education, awareness, prevention, reporting, and bystander  
17 intervention programs.

18 (b) The project will be accomplished by grants to eligible  
19 community colleges, colleges, and universities.

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

21 (d) The estimated completion date is September 30, 2018.

22 PART 2A

23 PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS

24 FOR FISCAL YEAR 2017-2018

25 GENERAL SECTIONS

Sec. 1201. It is the intent of the legislature to provide appropriations for the fiscal year ending on September 30, 2018 for the line items listed in part 1. The fiscal year 2017-2018 appropriations are anticipated to be the same as those for fiscal year 2016-2017, excluding appropriations designated as one-time appropriations and adjusting for changes in caseload and related costs, federal fund match rates, economic factors, and available revenue. These adjustments will be determined after the January 2017 consensus revenue estimating conference.

## ARTICLE XVII

### STATE TRANSPORTATION DEPARTMENT

#### PART 1

#### LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the state transportation department for the fiscal year ending September 30, 2017, from the following funds:

#### **STATE TRANSPORTATION DEPARTMENT**

#### APPROPRIATION SUMMARY

|                                                      |         |                  |
|------------------------------------------------------|---------|------------------|
| Full-time equated unclassified positions.....        | 6.0     |                  |
| Full-time equated classified positions.....          | 2,912.3 |                  |
| GROSS APPROPRIATION.....                             |         | \$ 4,125,203,600 |
| Total interdepartmental grants and intradepartmental |         |                  |
| transfers .....                                      |         | 4,013,400        |
| ADJUSTED GROSS APPROPRIATION.....                    |         | \$ 4,121,190,200 |
| Total federal revenues.....                          |         | 1,314,744,000    |

|    |                                              |                |
|----|----------------------------------------------|----------------|
| 1  | Special revenue funds:                       |                |
| 2  | Local revenues.....                          | 50,418,500     |
| 3  | Private revenues.....                        | 100,000        |
| 4  | Total local and private revenues.....        | 50,518,500     |
| 5  | Blue Water Bridge fund.....                  | 42,450,200     |
| 6  | Comprehensive transportation fund.....       | 320,500,700    |
| 7  | Economic development fund.....               | 55,675,000     |
| 8  | IRS debt service rebate.....                 | 7,011,800      |
| 9  | Intercity bus equipment fund.....            | 100,000        |
| 10 | Local bridge fund.....                       | 29,875,100     |
| 11 | Michigan transportation fund.....            | 1,333,620,100  |
| 12 | Qualified airport fund.....                  | 8,775,000      |
| 13 | Rail freight fund.....                       | 6,000,000      |
| 14 | State aeronautics fund.....                  | 20,238,200     |
| 15 | State trunkline fund.....                    | 921,281,600    |
| 16 | Total other state restricted revenues.....   | 2,745,527,700  |
| 17 | State general fund/general purpose.....      | \$ 10,400,000  |
| 18 | State general fund/general purpose schedule: |                |
| 19 | Ongoing state general fund/general           |                |
| 20 | purpose .....                                | 0              |
| 21 | One-time state general fund/general          |                |
| 22 | purpose .....                                | 10,400,000     |
| 23 | <b>Sec. 102. DEBT SERVICE</b>                |                |
| 24 | State trunkline.....                         | \$ 194,076,400 |
| 25 | Economic development.....                    | 11,612,200     |
| 26 | Local bridge fund.....                       | 2,406,500      |
| 27 | Blue Water Bridge fund.....                  | 6,963,900      |

|    |                                                            |                   |
|----|------------------------------------------------------------|-------------------|
| 1  | Airport safety and protection plan.....                    | 4,616,400         |
| 2  | Comprehensive transportation.....                          | <u>18,249,900</u> |
| 3  | GROSS APPROPRIATION.....                                   | \$ 237,925,300    |
| 4  | Appropriated from:                                         |                   |
| 5  | Federal revenues:                                          |                   |
| 6  | Federal aid - transportation programs.....                 | 45,767,900        |
| 7  | Special revenue funds:                                     |                   |
| 8  | Blue Water Bridge fund.....                                | 6,963,900         |
| 9  | Comprehensive transportation fund.....                     | 18,249,900        |
| 10 | Economic development fund.....                             | 11,612,200        |
| 11 | Local bridge fund.....                                     | 2,406,500         |
| 12 | IRS debt service rebate.....                               | 7,011,800         |
| 13 | State aeronautics fund.....                                | 4,616,400         |
| 14 | State trunkline fund.....                                  | 141,296,700       |
| 15 | State general fund/general purpose.....                    | \$ 0              |
| 16 | <b>Sec. 103. COLLECTION, ENFORCEMENT, AND OTHER AGENCY</b> |                   |
| 17 | <b>SUPPORT SERVICES</b>                                    |                   |
| 18 | MTF grant to department of environmental quality.....      | \$ 1,335,100      |
| 19 | MTF grant to department of state for collection of         |                   |
| 20 | revenue and fees .....                                     | 20,000,000        |
| 21 | MTF grant to department of treasury.....                   | 2,684,100         |
| 22 | MTF grant to legislative auditor general.....              | 315,800           |
| 23 | STF grant to department of attorney general.....           | 2,429,200         |
| 24 | STF grant to civil service commission.....                 | 5,847,000         |
| 25 | STF grant to department of technology, management,         |                   |
| 26 | and budget .....                                           | 1,226,000         |
| 27 | STF grant to department of state police.....               | 11,627,600        |

|    |                                                    |               |
|----|----------------------------------------------------|---------------|
| 1  | STF grant to department of treasury .....          | 157,900       |
| 2  | STF grant to legislative auditor general .....     | 733,500       |
| 3  | SAF grant to department of attorney general .....  | 177,600       |
| 4  | SAF grant to civil service commission .....        | 150,000       |
| 5  | SAF grant to department of technology, management, |               |
| 6  | and budget .....                                   | 33,500        |
| 7  | SAF grant to department of treasury .....          | 73,900        |
| 8  | SAF grant to legislative auditor general .....     | 30,300        |
| 9  | CTF grant to department of attorney general .....  | 204,500       |
| 10 | CTF grant to civil service commission .....        | 200,000       |
| 11 | CTF grant to department of technology, management, |               |
| 12 | and budget .....                                   | 42,200        |
| 13 | CTF grant to department of treasury .....          | 13,500        |
| 14 | CTF grant to legislative auditor general .....     | 39,000        |
| 15 | GROSS APPROPRIATION .....                          | \$ 47,320,700 |
| 16 | Appropriated from:                                 |               |
| 17 | Special revenue funds:                             |               |
| 18 | Comprehensive transportation fund .....            | 499,200       |
| 19 | Michigan transportation fund .....                 | 24,335,000    |
| 20 | State aeronautics fund .....                       | 465,300       |
| 21 | State trunkline fund .....                         | 22,021,200    |
| 22 | State general fund/general purpose .....           | \$ 0          |
| 23 | <b>Sec. 104. EXECUTIVE DIRECTION</b>               |               |
| 24 | Full-time equated unclassified positions .....     | 6.0           |
| 25 | Full-time equated classified positions .....       | 29.3          |
| 26 | Unclassified salaries--6.0 FTE positions .....     | \$ 754,000    |
| 27 | Asset management council .....                     | 1,626,400     |

|    |                                                        |                      |
|----|--------------------------------------------------------|----------------------|
| 1  | Commission support and audit--29.3 FTE positions ..... | <u>3,335,900</u>     |
| 2  | GROSS APPROPRIATION.....                               | \$ 5,716,300         |
| 3  | Appropriated from:                                     |                      |
| 4  | Special revenue funds:                                 |                      |
| 5  | Michigan transportation fund.....                      | 1,626,400            |
| 6  | State trunkline fund.....                              | 4,089,900            |
| 7  | State general fund/general purpose.....                | \$ 0                 |
| 8  | <b>Sec. 105. BUSINESS SUPPORT</b>                      |                      |
| 9  | Full-time equated classified positions..... 54.0       |                      |
| 10 | Business support services--44.0 FTE positions .....    | \$ 6,756,100         |
| 11 | Economic development and enhancement programs--10.0    |                      |
| 12 | FTE positions .....                                    | 1,633,200            |
| 13 | Property management.....                               | 7,112,200            |
| 14 | Worker's compensation.....                             | <u>1,711,200</u>     |
| 15 | GROSS APPROPRIATION.....                               | \$ 17,212,700        |
| 16 | Appropriated from:                                     |                      |
| 17 | Special revenue funds:                                 |                      |
| 18 | Comprehensive transportation fund.....                 | 1,835,100            |
| 19 | Economic development fund.....                         | 378,100              |
| 20 | Michigan transportation fund.....                      | 801,100              |
| 21 | State aeronautics fund.....                            | 752,100              |
| 22 | State trunkline fund.....                              | 13,446,300           |
| 23 | State general fund/general purpose.....                | \$ 0                 |
| 24 | <b>Sec. 106. INFORMATION TECHNOLOGY</b>                |                      |
| 25 | Information technology services and projects .....     | \$ <u>32,364,500</u> |
| 26 | GROSS APPROPRIATION.....                               | \$ 32,364,500        |
| 27 | Appropriated from:                                     |                      |



|    |                                                           |                      |
|----|-----------------------------------------------------------|----------------------|
| 1  | Federal revenues:                                         |                      |
| 2  | Federal aid - transportation programs .....               | 520,500              |
| 3  | Special revenue funds:                                    |                      |
| 4  | Blue Water Bridge fund.....                               | 55,100               |
| 5  | Comprehensive transportation fund.....                    | 224,400              |
| 6  | Economic development fund.....                            | 37,200               |
| 7  | Michigan transportation fund.....                         | 293,300              |
| 8  | State aeronautics fund.....                               | 175,100              |
| 9  | State trunkline fund.....                                 | 31,058,900           |
| 10 | State general fund/general purpose.....                   | \$ 0                 |
| 11 | <b>Sec. 107. FINANCE, CONTRACTS, AND SUPPORT SERVICES</b> |                      |
| 12 | Full-time equated classified positions.....               | 186.0                |
| 13 | Finance, contracts, and support services--186.0 FTE       |                      |
| 14 | positions .....                                           | \$ <u>21,791,700</u> |
| 15 | GROSS APPROPRIATION.....                                  | \$ 21,791,700        |
| 16 | Appropriated from:                                        |                      |
| 17 | Interdepartmental grant revenues:                         |                      |
| 18 | IDG for accounting service center user charges .....      | 4,013,400            |
| 19 | Special revenue funds:                                    |                      |
| 20 | Michigan transportation fund.....                         | 1,621,700            |
| 21 | State trunkline fund.....                                 | 16,156,600           |
| 22 | State general fund/general purpose.....                   | \$ 0                 |
| 23 | <b>Sec. 108. TRANSPORTATION PLANNING</b>                  |                      |
| 24 | Full-time equated classified positions.....               | 140.0                |
| 25 | Transportation planning--140.0 FTE positions .....        | \$ 38,481,100        |
| 26 | Grants to regional planning councils.....                 | <u>488,800</u>       |
| 27 | GROSS APPROPRIATION.....                                  | \$ 38,969,900        |

|    |                                                       |                       |
|----|-------------------------------------------------------|-----------------------|
| 1  | Appropriated from:                                    |                       |
| 2  | Federal revenues:                                     |                       |
| 3  | Federal aid - transportation programs .....           | 19,250,000            |
| 4  | Special revenue funds:                                |                       |
| 5  | Comprehensive transportation fund .....               | 610,500               |
| 6  | Michigan transportation fund .....                    | 9,571,400             |
| 7  | State aeronautics fund .....                          | 15,000                |
| 8  | State trunkline fund .....                            | 9,523,000             |
| 9  | State general fund/general purpose .....              | \$ 0                  |
| 10 | <b>Sec. 109. DESIGN AND ENGINEERING SERVICES</b>      |                       |
| 11 | Full-time equated classified positions .....          | 1,589.3               |
| 12 | Program development, delivery, and system             |                       |
| 13 | operations--1,539.3 FTE positions .....               | \$ 166,199,900        |
| 14 | Welcome center operations--50.0 FTE positions .....   | <u>4,532,800</u>      |
| 15 | GROSS APPROPRIATION .....                             | \$ 170,732,700        |
| 16 | Appropriated from:                                    |                       |
| 17 | Federal revenues:                                     |                       |
| 18 | Federal aid - transportation programs .....           | 23,529,800            |
| 19 | Special revenue funds:                                |                       |
| 20 | Michigan transportation fund .....                    | 12,246,000            |
| 21 | State trunkline fund .....                            | 134,956,900           |
| 22 | State general fund/general purpose .....              | \$ 0                  |
| 23 | <b>Sec. 110. HIGHWAY MAINTENANCE</b>                  |                       |
| 24 | Full-time equated classified positions .....          | 743.7                 |
| 25 | State trunkline operations--743.7 FTE positions ..... | \$ <u>303,948,000</u> |
| 26 | GROSS APPROPRIATION .....                             | \$ 303,948,000        |
| 27 | Appropriated from:                                    |                       |

## Senate Bill No. 800 as amended May 4, 2016

|    |                                                        |                      |
|----|--------------------------------------------------------|----------------------|
| 1  | Special revenue funds:                                 |                      |
| 2  | State trunkline fund.....                              | 303,948,000          |
| 3  | State general fund/general purpose.....                | \$ 0                 |
| 4  | <b>Sec. 111. ROAD AND BRIDGE PROGRAMS</b>              |                      |
| 5  | State trunkline federal aid and road and bridge        |                      |
| 6  | construction .....                                     | \$ <<1,022,586,900>> |
| 7  | Local federal aid and road and bridge construction...  | 272,511,000          |
| 8  | Grants to local programs.....                          | 33,000,000           |
| 9  | Rail grade crossing - surface improvements.....        | 3,000,000            |
| 10 | Rail grade crossing.....                               | 3,000,000            |
| 11 | Local bridge program.....                              | 27,468,600           |
| 12 | County road commissioners.....                         | <<762,280,600>>      |
| 13 | Cities and villages.....                               | << 425,005,500>>     |
| 14 | GROSS APPROPRIATION.....                               | \$ 2,638,852,600     |
| 15 | Appropriated from:                                     |                      |
| 16 | Federal revenues:                                      |                      |
| 17 | Federal aid - transportation programs.....             | 1,030,225,800        |
| 18 | Special revenue funds:                                 |                      |
| 19 | Local funds.....                                       | 30,000,000           |
| 20 | Blue Water Bridge fund.....                            | 28,998,100           |
| 21 | Local bridge fund.....                                 | 27,468,600           |
| 22 | Michigan transportation fund.....                      | 1,281,096,100        |
| 23 | State trunkline fund.....                              | 241,064,000          |
| 24 | State general fund/general purpose.....                | \$ 0                 |
| 25 | <b>Sec. 112. BLUE WATER BRIDGE</b>                     |                      |
| 26 | Full-time equated classified positions..... 41.0       |                      |
| 27 | Blue Water Bridge operations--41.0 FTE positions ..... | \$ <u>6,433,100</u>  |

|    |                                                      |    |                  |
|----|------------------------------------------------------|----|------------------|
| 1  | GROSS APPROPRIATION.....                             | \$ | 6,433,100        |
| 2  | Appropriated from:                                   |    |                  |
| 3  | Special revenue funds:                               |    |                  |
| 4  | Blue Water Bridge fund.....                          |    | 6,433,100        |
| 5  | State general fund/general purpose.....              | \$ | 0                |
| 6  | <b>Sec. 113. TRANSPORTATION ECONOMIC DEVELOPMENT</b> |    |                  |
| 7  | Forest roads.....                                    | \$ | 5,000,000        |
| 8  | Rural county urban system.....                       |    | 2,500,000        |
| 9  | Target industries/economic development.....          |    | 19,823,700       |
| 10 | Urban county congestion.....                         |    | 8,161,900        |
| 11 | Rural county primary.....                            |    | <u>8,161,900</u> |
| 12 | GROSS APPROPRIATION.....                             | \$ | 43,647,500       |
| 13 | Appropriated from:                                   |    |                  |
| 14 | Special revenue funds:                               |    |                  |
| 15 | Economic development fund.....                       |    | 43,647,500       |
| 16 | State general fund/general purpose.....              | \$ | 0                |
| 17 | <b>Sec. 114. AERONAUTICS SERVICES</b>                |    |                  |
| 18 | Full-time equated classified positions.....          |    | 54.0             |
| 19 | Aeronautics services--54.0 FTE positions.....        | \$ | 7,648,800        |
| 20 | Air service program.....                             |    | <u>250,000</u>   |
| 21 | GROSS APPROPRIATION.....                             | \$ | 7,898,800        |
| 22 | Appropriated from:                                   |    |                  |
| 23 | Special revenue funds:                               |    |                  |
| 24 | State aeronautics fund.....                          |    | 7,898,800        |
| 25 | State general fund/general purpose.....              | \$ | 0                |
| 26 | <b>Sec. 115. PUBLIC TRANSPORTATION SERVICES</b>      |    |                  |
| 27 | Full-time equated classified positions.....          |    | 36.0             |

## Senate Bill No. 800 as amended May 4, 2016

|    |                                                            |    |                   |
|----|------------------------------------------------------------|----|-------------------|
| 1  | Passenger transportation services--36.0 FTE positions      | \$ | <u>5,740,500</u>  |
| 2  | GROSS APPROPRIATION.....                                   | \$ | 5,740,500         |
| 3  | Appropriated from:                                         |    |                   |
| 4  | Federal revenues:                                          |    |                   |
| 5  | Federal aid - transportation programs.....                 |    | 972,100           |
| 6  | Special revenue funds:                                     |    |                   |
| 7  | Comprehensive transportation fund.....                     |    | 4,768,400         |
| 8  | State general fund/general purpose.....                    | \$ | 0                 |
| 9  | <b>Sec. 116. BUS TRANSIT DIVISION: STATUTORY OPERATING</b> |    |                   |
| 10 | Local bus operating.....                                   | \$ | <<170,000,000>>   |
| 11 | Nonurban operating/capital.....                            |    | <u>26,027,900</u> |
| 12 | GROSS APPROPRIATION.....                                   | \$ | 206,027,900       |
| 13 | Appropriated from:                                         |    |                   |
| 14 | Federal revenues:                                          |    |                   |
| 15 | Federal aid - transportation programs.....                 |    | 24,027,900        |
| 16 | Special revenue funds:                                     |    |                   |
| 17 | Comprehensive transportation fund.....                     |    | 180,000,000       |
| 18 | Local funds.....                                           |    | 2,000,000         |
| 19 | State general fund/general purpose.....                    | \$ | 0                 |
| 20 | <b>Sec. 117. INTERCITY PASSENGER</b>                       |    |                   |
| 21 | Full-time equated classified positions..... 39.0           |    |                   |
| 22 | Office of rail--39.0 FTE positions.....                    | \$ | 6,427,700         |
| 23 | Freight property management.....                           |    | 1,000,000         |
| 24 | Detroit/Wayne County Port Authority.....                   |    | 468,200           |
| 25 | Intercity services.....                                    |    | 6,250,000         |
| 26 | Rail operations and infrastructure.....                    |    | 118,894,800       |
| 27 | Marine passenger service.....                              |    | 400,000           |

|    |                                                    |                  |
|----|----------------------------------------------------|------------------|
| 1  | Terminal development.....                          | <u>300,000</u>   |
| 2  | GROSS APPROPRIATION.....                           | \$ 133,740,700   |
| 3  | Appropriated from:                                 |                  |
| 4  | Federal revenues:                                  |                  |
| 5  | Federal aid - transportation programs.....         | 64,600,000       |
| 6  | Special revenue funds:                             |                  |
| 7  | Local funds.....                                   | 150,000          |
| 8  | Private funds.....                                 | 100,000          |
| 9  | Comprehensive transportation fund.....             | 60,043,000       |
| 10 | Intercity bus equipment fund.....                  | 100,000          |
| 11 | Rail freight fund.....                             | 6,000,000        |
| 12 | Michigan transportation fund.....                  | 2,029,100        |
| 13 | State trunkline fund.....                          | 718,600          |
| 14 | State general fund/general purpose.....            | \$ 0             |
| 15 | <b>Sec. 118. PUBLIC TRANSPORTATION DEVELOPMENT</b> |                  |
| 16 | Specialized services.....                          | \$ 17,938,900    |
| 17 | Municipal credit program.....                      | 2,000,000        |
| 18 | Transit capital.....                               | 60,157,100       |
| 19 | Van pooling.....                                   | 195,000          |
| 20 | Service initiatives.....                           | 2,889,200        |
| 21 | Transportation to work.....                        | <u>3,700,000</u> |
| 22 | GROSS APPROPRIATION.....                           | \$ 86,880,200    |
| 23 | Appropriated from:                                 |                  |
| 24 | Federal revenues:                                  |                  |
| 25 | Federal aid - transportation programs.....         | 26,850,000       |
| 26 | Special revenue funds:                             |                  |
| 27 | Local funds.....                                   | 5,760,000        |

|    |                                                       |                      |
|----|-------------------------------------------------------|----------------------|
| 1  | Comprehensive transportation fund.....                | 54,270,200           |
| 2  | State general fund/general purpose.....               | \$ 0                 |
| 3  | <b>Sec. 119. CAPITAL OUTLAY</b>                       |                      |
| 4  | <b>(1) BUILDINGS AND FACILITIES</b>                   |                      |
| 5  | Special maintenance, remodeling, and additions.....   | \$ <u>3,001,500</u>  |
| 6  | GROSS APPROPRIATION.....                              | \$ 3,001,500         |
| 7  | Appropriated from:                                    |                      |
| 8  | Special revenue funds:                                |                      |
| 9  | State trunkline fund.....                             | 3,001,500            |
| 10 | State general fund/general purpose.....               | \$ 0                 |
| 11 | <b>(2) AIRPORT IMPROVEMENT PROGRAMS</b>               |                      |
| 12 | Airport safety, protection and improvement program... | \$ 97,824,000        |
| 13 | Detroit Metropolitan Wayne County airport.....        | <u>8,775,000</u>     |
| 14 | GROSS APPROPRIATION.....                              | \$ 106,599,000       |
| 15 | Appropriated from:                                    |                      |
| 16 | Federal revenues:                                     |                      |
| 17 | Federal aid - transportation programs.....            | 79,000,000           |
| 18 | Special revenue funds:                                |                      |
| 19 | Local funds.....                                      | 12,508,500           |
| 20 | State aeronautics fund.....                           | 6,315,500            |
| 21 | Qualified airport fund.....                           | 8,775,000            |
| 22 | State general fund/general purpose.....               | \$ 0                 |
| 23 | <b>Sec. 120. ONE-TIME BASIS ONLY</b>                  |                      |
| 24 | State trunkline road and bridge construction.....     | \$ <u>10,400,000</u> |
| 25 | GROSS APPROPRIATION.....                              | \$ 10,400,000        |
| 26 | Appropriated from:                                    |                      |
| 27 | Special revenue funds:                                |                      |

1 State general fund/general purpose ..... \$ 10,400,000

2 PART 2

3 PROVISIONS CONCERNING APPROPRIATIONS

4 FOR FISCAL YEAR 2016-2017

5 **GENERAL SECTIONS**

6 Sec. 201. Pursuant to section 30 of article IX of the state  
 7 constitution of 1963, total state spending from state resources  
 8 under part 1 for fiscal year 2016-2017 is \$2,755,927,700.00 and  
 9 state spending from state resources to be paid to local units of  
 10 government for fiscal year 2016-2017 is \$1,583,461,200.00. The  
 11 itemized statement below identifies appropriations from which  
 12 spending to local units of government will occur:

13 STATE TRANSPORTATION DEPARTMENT

|    |                                               |    |             |
|----|-----------------------------------------------|----|-------------|
| 14 | Grants to regional planning councils.....     | \$ | 488,800     |
| 15 | Grants to local programs.....                 |    | 33,000,000  |
| 16 | Rail grade crossing.....                      |    | 3,000,000   |
| 17 | Rail grade crossing-surface improvements..... |    | 3,000,000   |
| 18 | Local bridge program.....                     |    | 27,468,600  |
| 19 | Grants to county road commissions.....        |    | 797,470,600 |
| 20 | Grants to cities and villages.....            |    | 444,625,500 |
| 21 | Economic development fund.....                |    | 23,823,800  |
| 22 | Air service program.....                      |    | 250,000     |
| 23 | Local bus operating.....                      |    | 180,000,000 |
| 24 | Detroit/Wayne County Port Authority.....      |    | 468,200     |
| 25 | Marine passenger service.....                 |    | 400,000     |



|    |                                                  |                  |
|----|--------------------------------------------------|------------------|
| 1  | Terminal development.....                        | 300,000          |
| 2  | Specialized services.....                        | 3,853,900        |
| 3  | Municipal credit program.....                    | 2,000,000        |
| 4  | Transit capital.....                             | 43,607,100       |
| 5  | Service initiatives.....                         | 914,200          |
| 6  | Transportation to work.....                      | 3,700,000        |
| 7  | Airport safety, protection, and improvement      |                  |
| 8  | program.....                                     | 6,315,500        |
| 9  | Detroit Metropolitan Wayne County airport.....   | <u>8,775,000</u> |
| 10 | Total payments to local units of government..... | \$ 1,583,461,200 |

11       Sec. 202. The appropriations authorized under this part and

12 part 1 are subject to the management and budget act, 1984 PA 431,

13 MCL 18.1101 to 18.1594.

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

15       (a) "Amtrak" means the National Railroad Passenger

16 Corporation.

17       (b) "CTF" means comprehensive transportation fund.

18       (c) "Department" means the state transportation department.

19       (d) "Director" means the director of the department.

20       (e) "DOT" means the United States Department of

21 Transportation.

22       (f) "DOT-FHWA" means DOT, Federal Highway Administration.

23       (g) "FTE" means full-time equated.

24       (h) "IDG" means interdepartmental grant.

25       (i) "IRS" means the Internal Revenue Service.

26       (j) "MTF" means Michigan transportation fund.

27       (k) "SAF" means state aeronautics fund.

1           (1) "STF" means state trunkline fund.

2           Sec. 204. In addition to the metrics required under section  
3 447 of the management and budget act, 1984 PA 431, MCL 18.1447, for  
4 each new program or program enhancement for which funds in excess  
5 of \$500,000.00 are appropriated in part 1, the department shall  
6 provide not later than November 1, 2016 a list of program-specific  
7 metrics intended to measure its performance based on a return on  
8 taxpayer investment. The department shall deliver the program-  
9 specific metrics to members of the senate and house subcommittees  
10 that have subject matter jurisdiction for this budget, fiscal  
11 agencies, and the state budget director. The department shall  
12 provide an update on its progress in tracking program-specific  
13 metrics and the status of program success at an appropriations  
14 subcommittee meeting called for by the subcommittee chair.

15          Sec. 205. The department shall provide notice to the speaker  
16 of the house, the house minority leader, the senate majority  
17 leader, the senate minority leader, the house and senate standing  
18 committees on transportation, the appropriate house and senate  
19 appropriations subcommittees on transportation, and the house and  
20 senate fiscal agencies on proposed federal rule changes related to  
21 the department that would require amendments to the laws of this  
22 state. The notice shall be given within 30 business days of the  
23 proposed federal rule being posted to the federal register and  
24 shall include a description of the proposed federal rule, the  
25 publication date, the date when public comment closes, the document  
26 citation, and a description of the statutory changes needed when  
27 the rule is finalized.

1       Sec. 206. The director shall take all reasonable steps to  
2 ensure businesses in deprived and depressed communities compete for  
3 and perform contracts to provide services or supplies, or both.

4 Each director shall strongly encourage firms with which the  
5 department contracts to subcontract with certified businesses in  
6 depressed and deprived communities for services, supplies, or both.

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

17       (a) The dates of each travel occurrence.

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

23       Sec. 208. The departments and agencies receiving  
24 appropriations in part 1 shall use the Internet to fulfill the  
25 reporting requirements of this part. This requirement may include  
26 transmission of reports via electronic mail to the recipients  
27 identified for each reporting requirement, or it may include

1 placement of reports on an Internet or Intranet site.

2       Sec. 209. Funds appropriated in part 1 shall not be used for  
3 the purchase of foreign goods or services, or both, if  
4 competitively priced and of comparable quality American goods or  
5 services, or both, are available. Preference shall be given to  
6 goods or services, or both, manufactured or provided by Michigan  
7 businesses, if they are competitively priced and of comparable  
8 quality. In addition, preference shall be given to goods or  
9 services, or both, that are manufactured or provided by Michigan  
10 businesses owned and operated by veterans, if they are  
11 competitively priced and of comparable quality.

12       Sec. 210. (1) In addition to the funds appropriated in part 1,  
13 there is appropriated an amount not to exceed \$200,000,000.00 for  
14 federal contingency funds. These funds are not available for  
15 expenditure until they have been transferred to another line item  
16 in part 1 pursuant to section 393(2) of the management and budget  
17 act, 1984 PA 431, MCL 18.1393.

18       (2) In addition to the funds appropriated in part 1, there is  
19 appropriated an amount not to exceed \$40,000,000.00 for state  
20 restricted contingency funds. These funds are not available for  
21 expenditure until they have been transferred to another line item  
22 in part 1 pursuant to section 393(2) of the management and budget  
23 act, 1984 PA 431, MCL 18.1393.

24       (3) In addition to the funds appropriated in part 1, there is  
25 appropriated an amount not to exceed \$1,000,000.00 for local  
26 contingency funds. These funds are not available for expenditure  
27 until they have been transferred to another line item in part 1

1 pursuant to section 393(2) of the management and budget act, 1984  
2 PA 431, MCL 18.1393.

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

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

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

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

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

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

20 (e) Job specifications and wage rates.

21 Sec. 212. Within 14 days after the release of the executive  
22 budget recommendation, the department shall cooperate with the  
23 state budget office to provide the senate and house appropriations  
24 chairs, the senate and house appropriations subcommittees on  
25 transportation, respectively, and the senate and house fiscal  
26 agencies with an annual report on estimated state restricted fund  
27 balances, state restricted fund projected revenues, and state

1 restricted fund expenditures for the fiscal years ending September  
2 30, 2016 and September 30, 2017.

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

7 Sec. 214. Total authorized appropriations from all sources  
8 under part 1 for legacy costs for the fiscal year ending September  
9 30, 2017 are \$70,450,500.00. From this amount, total agency  
10 appropriations for pension-related legacy costs are estimated at  
11 \$39,063,000.00. Total agency appropriations for retiree health care  
12 legacy costs are estimated at \$31,387,500.00.

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

16 Sec. 228. Not later than November 30, the state budget office  
17 shall prepare and transmit a report that provides for estimates of  
18 the total general fund/general purpose appropriation lapses at the  
19 close of the prior fiscal year. This report shall summarize the  
20 projected year-end general fund/general purpose appropriation  
21 lapses by major departmental program or program areas. The report  
22 shall be transmitted to the chairpersons of the senate and house of  
23 representatives standing committees on appropriations and the  
24 senate and house fiscal agencies.

25 Sec. 262. Funds appropriated in part 1 shall not be used by a  
26 principal executive department, state agency, or authority to hire  
27 a person to provide legal services that are the responsibility of

1 the attorney general. This prohibition does not apply to legal  
2 services for bonding activities and for those activities that the  
3 attorney general authorizes.

4 Sec. 270. In order to reduce costs and maintain quality, it is  
5 the intent of the legislature that, excluding the fleet of motor  
6 vehicles for the department of state police, the department will  
7 prioritize the utilization of remanufactured parts as the primary  
8 means of maintenance and repair for the state of Michigan's fleet  
9 of motor vehicles.

#### 10 **DEPARTMENTAL SECTIONS**

11 Sec. 301. (1) The department may establish a fee schedule and  
12 collect fees sufficient to cover the costs to issue the permits  
13 that the department is authorized by law to issue upon request,  
14 unless otherwise stipulated by law. All permit fees are  
15 nonrefundable application fees and shall be credited to the  
16 appropriate fund to recover the direct and indirect costs of  
17 receiving, reviewing, and processing the requests.

18 (2) A bridge authority shall hold 3 public hearings on an  
19 increase in any toll charged by the authority at least 30 days  
20 before the toll change will become effective. Two of the hearings  
21 shall be held within 5 miles of the bridge over which the bridge  
22 authority has jurisdiction. One hearing shall be held in Lansing.  
23 Public hearings held under this section shall be conducted in  
24 accordance with the open meetings act, 1976 PA 267, MCL 15.261 to  
25 15.275, and shall be conducted so as to provide a reasonable  
26 opportunity for public comment, including both spoken and written

1 comments.

2       Sec. 304. If, as a requirement of bidding on a highway  
3 project, the department requires a contractor to submit financial  
4 or proprietary documentation as to how the bid was calculated, that  
5 bid documentation shall be kept confidential and shall not be  
6 disclosed other than to a department representative without the  
7 contractor's written consent. The department may disclose the bid  
8 documentation if necessary to address or defend a claim by a  
9 contractor.

10       Sec. 305. (1) The department may permit space on public  
11 passenger transportation properties to be occupied by public or  
12 private tenants on a competitive market rate basis. The department  
13 shall require that revenue from the tenants be placed in an account  
14 to be used to pay the costs to maintain and improve the property.

15       (2) The department shall charge public transit agencies and  
16 intercity bus carriers equal rates per square foot for leasing  
17 space in state-owned intermodal facilities.

18       Sec. 306. (1) The amounts appropriated in part 1 to support  
19 tax and fee collection, law enforcement, and other program services  
20 provided to the department and to transportation funds by other  
21 state departments shall be expended from transportation funds  
22 pursuant to annual contracts between the department and those other  
23 state departments. The contracts shall be executed prior to the  
24 expenditure or obligation of those funds. The contracts shall  
25 provide, but are not limited to, the following data applicable to  
26 each state department:

27       (a) Estimated costs to be recovered from transportation funds.



1 (b) Description of services provided to the department and/or  
2 transportation funds and financed with transportation funds.

3 (c) Detailed cost allocation methods appropriate to the type  
4 of services being provided and the activities financed with  
5 transportation funds.

6 (2) Not later than 2 months after publication of the state of  
7 Michigan comprehensive annual financial report, each state  
8 department receiving funding pursuant to an interdepartment  
9 contract with the department shall submit a written report to the  
10 department, the state budget director, and the house and senate  
11 fiscal agencies stating by spending authorization account the  
12 amount of estimated funds contracted with the department, the  
13 amount of funds expended, the amount of funds returned to the  
14 transportation funds, and any unreimbursed transportation-related  
15 costs incurred but not billed to transportation funds. A copy of  
16 the report shall be submitted to the auditor general, and the  
17 report shall be subject to audit by the auditor general as provided  
18 in subsection (3).

19 (3) Biennially, in each even-numbered fiscal year, the auditor  
20 general shall conduct an audit of charges to transportation funds  
21 by state departments for the 2 preceding fiscal years. The audit  
22 shall include both charges governed by interdepartmental contracts  
23 as well as miscellaneous charges from other state departments not  
24 governed by contracts. The auditor general shall prepare a detailed  
25 report, with recommendations and conclusions, including a summary  
26 of charges and related services to transportation funds by  
27 department, the appropriateness of those charges, the cost

1 allocation methodologies used in determining the level of funding,  
2 and any unreimbursed transportation-related costs, if any. The  
3 report shall be provided to the senate and house of representatives  
4 committees on appropriations, the senate and house fiscal agencies,  
5 and the state budget director 9 months after publication of the  
6 state of Michigan comprehensive annual financial report.

7       Sec. 307. Before March 1 of each year, the department will  
8 provide to the legislature, the state budget office, and the house  
9 and senate fiscal agencies its rolling 5-year plan listing by  
10 county or by county road commission all highway construction  
11 projects for the fiscal year and all expected projects for the  
12 ensuing fiscal years.

13       Sec. 310. The department shall provide in a timely manner  
14 copies of the agenda and approved minutes of monthly transportation  
15 commission meetings to the members of the house and senate  
16 appropriations subcommittees on transportation, the house and  
17 senate fiscal agencies, and the state budget director.

18       Sec. 313. (1) From funds appropriated in part 1, the  
19 department may increase a state infrastructure bank program and  
20 grant or loan funds in accordance with regulations of the state  
21 infrastructure bank program of the United States Department of  
22 Transportation. The state infrastructure bank is to be administered  
23 by the department for the purpose of providing a revolving, self-  
24 sustaining resource for financing transportation infrastructure  
25 projects.

26       (2) In addition to funds provided in subsection (1), money  
27 received by the state as federal grants, repayment of state

1 infrastructure bank loans, or other reimbursement or revenue  
2 received by the state as a result of projects funded by the program  
3 and interest earned on that money shall be deposited in the  
4 revolving state infrastructure bank fund and shall be available for  
5 transportation infrastructure projects. At the close of the fiscal  
6 year, any unencumbered funds remaining in the state infrastructure  
7 bank fund shall remain in the fund and be carried forward into the  
8 succeeding fiscal year.

9 (3) The department shall submit a report to the state budget  
10 director, the house and senate appropriations subcommittees on  
11 transportation, and the house and senate fiscal agencies on the  
12 status of the state infrastructure bank. The report shall be  
13 submitted on or before December 1, 2016. The report shall include  
14 all of the following:

15 (a) The balance in the state infrastructure bank at September  
16 30, 2016, including a breakdown of the balance by cash and cash  
17 equivalents, outstanding loans, and balance available for loan to  
18 local agencies.

19 (b) A breakdown of the state infrastructure loan balance by  
20 amounts designated as originating from federal sources and the  
21 amounts originating from nonfederal sources.

22 (c) A list of outstanding loans by agency, original loan  
23 amount, project description, loan term, and amount outstanding.

24 Sec. 319. The department shall post signs at each rest area to  
25 identify the agency or contractor responsible for maintenance of  
26 the rest area. The signs shall include a department telephone  
27 number and shall indicate that unsafe or unclean conditions at the

1 rest area may be reported to that telephone number.

2       Sec. 353. The department shall review its contractor payment  
3 process and ensure that all prime contractors are paid promptly.  
4 The department shall ensure that prime contractors are in  
5 compliance with special provision 109.10 regarding the prompt  
6 payment of subcontractors.

7       Sec. 357. When presented with complete local federal aid  
8 project submittals, the department shall complete all necessary  
9 reviews and inspections required to let local federal aid projects  
10 within 120 days of receipt. The department shall implement a system  
11 for monitoring the local federal aid project review process.

12       Sec. 375. The department is prohibited from reimbursing  
13 contractors or consultants for costs associated with groundbreaking  
14 ceremonies, receptions, open houses, or press conferences related  
15 to transportation projects funded, in whole or in part, by revenue  
16 appropriated in part 1.

17       Sec. 376. The department shall not spend funds appropriated in  
18 part 1 for the purpose of examining the potential association  
19 between commercial signs, outdoor advertising signs, billboards,  
20 digital billboards, or commercial electronic variable message signs  
21 and motor vehicle activity or motor vehicle driver behavior.

22       Sec. 381. The department shall require as a condition of each  
23 contract or subcontract for construction, maintenance, or  
24 engineering services that the prequalified contractor or  
25 prequalified subcontractor agree to use the E-Verify system to  
26 verify that all persons hired during the contract term by the  
27 contractor or subcontractor are legally present and authorized to

1 work in the United States. The department may verify this  
2 information directly or may require contractors and subcontractors  
3 to verify the information and submit a certification to the  
4 department. The department shall report to the house and senate  
5 appropriations committees and the house and senate fiscal agencies  
6 by March 1 of each year describing the processes it has developed  
7 and implemented under provisions of this section. As used in this  
8 section, "E-Verify" means an Internet-based system operated by the  
9 Department of Homeland Security, U.S. Citizenship and Immigration  
10 Services in partnership with the Social Security Administration.

11       Sec. 382. In administering a contract with a county road  
12 commission, city, or village that allocates costs of construction  
13 or reconstruction of highways, roads, and streets as provided in  
14 section 18d of 1951 PA 51, MCL 247.668d, the department shall  
15 submit the final cost-sharing bill to the county road commission,  
16 city, or village not later than 2 years after the date of the final  
17 contract payment to the construction contractor.

18       Sec. 383. (1) The department shall prepare a report on use of  
19 department-owned aircraft during the fiscal year ending September  
20 30, 2015. With respect to each department-owned aircraft, the  
21 report shall include all of the following:

22       (a) Total hours of usage.

23       (b) Description of specific flights including dates of travel,  
24 names of passengers including state agency, university, or local  
25 government affiliation, travel origin and destination, and total  
26 estimated costs associated with the air travel.

27       (2) The report shall be submitted to the senate and house

1 appropriations subcommittees on transportation and the house and  
2 senate fiscal agencies no later than February 1, 2017.

3 (3) The department shall maintain a system for recovering the  
4 cost of operating department-owned aircraft through charges to  
5 aircraft users.

6 (4) From the funds appropriated in part 1, the department is  
7 prohibited from transporting legislators or legislative staff on  
8 state-owned aircraft without prior approval from the senate  
9 majority leader or the speaker of the house of representatives and  
10 only when the aircraft is already scheduled by state agencies on  
11 related official state business.

12 (5) It is the intent of the legislature that the department  
13 work with the Michigan state police to establish a reciprocal  
14 agreement on employing fixed-wing aircraft with specifically  
15 designed equipment for use by the Michigan state police when  
16 conducting operations. The department shall submit a report  
17 regarding the status of a reciprocal agreement to the senate and  
18 house appropriations subcommittees on transportation and the house  
19 and senate fiscal agencies no later than February 1, 2017.

20 Sec. 384. (1) Except as otherwise provided in subsection (2),  
21 the department shall not obligate the state to expend any state  
22 transportation revenue for construction planning or construction of  
23 the Detroit River International Crossing or a renamed successor. In  
24 addition, except as provided in subsection (2), the department  
25 shall not commit the state to any new contract related to the  
26 construction planning or construction of the Detroit River  
27 International Crossing or a renamed successor that would obligate

1 the state to expend any state transportation revenue. An  
2 expenditure for staff resources used in connection with project  
3 activities, which expenditure is subject to full and prompt  
4 reimbursement from Canada, shall not be considered an expenditure  
5 of state transportation revenue.

6 (2) If the legislature enacts specific enabling legislation  
7 for the construction of the Detroit River International Crossing or  
8 a renamed successor, subsection (1) does not apply once the  
9 enabling legislation goes into effect.

10 Sec. 385. (1) The department shall submit reports to the state  
11 budget director, the speaker of the house, the house minority  
12 leader, the senate majority leader, the senate minority leader, the  
13 house and senate appropriations subcommittees on transportation,  
14 and the house and senate fiscal agencies on department activities  
15 related to all nonconstruction or construction planning activities  
16 related to the Detroit River International Crossing or a renamed  
17 successor. The initial report shall be submitted on or before  
18 December 1, 2016 and shall cover the fiscal year ending September  
19 30, 2016.

20 (2) The initial report shall include, at a minimum, all of the  
21 following:

22 (a) Department costs incurred in the fiscal year ending  
23 September 30, 2016, including employee salaries, wages, benefits,  
24 travel, and contractual services, and what activities those costs  
25 were related to.

26 (b) Costs of other executive branch agencies incurred in the  
27 fiscal year ending September 30, 2016, including employee salaries,

1 wages, benefits, travel, and contractual services, and what  
2 activities those costs were related to.

3 (c) A breakdown of the source of funds used for the activities  
4 described in subdivisions (a) and (b).

5 (d) A breakdown of reimbursements made by Canada under section  
6 384(1) to the state for expenditures for staff resources used in  
7 connection with project activities.

8 (e) A narrative description of the status of the Detroit River  
9 International Crossing or a renamed successor, including efforts  
10 undertaken to implement provisions of the crossing agreement  
11 executed June 15, 2012 by representatives of the Canadian  
12 government and this state.

13 (3) After submission of the initial report, a subsequent  
14 report shall be submitted on March 1, 2017, June 1, 2017, and  
15 September 1, 2017 and shall include the same information described  
16 in subsection (2) for the applicable previous fiscal quarter.

17 Sec. 393. (1) The department shall promote best practices for  
18 public transportation services in this state, including, but not  
19 limited to, the following:

20 (a) Transit vehicle rehabilitation to reduce life-cycle cost  
21 of public transportation through midlife rehabilitation of transit  
22 buses.

23 (b) Cooperation between entities using transit, including  
24 school districts, cities, townships, and counties with a view to  
25 promoting cost savings through joint purchasing of fuel and other  
26 procurements.

27 (c) Coordination of transportation dollars among state



1 departments which provide transit-related services, including the  
2 department of health and human services. Priority should be given  
3 to use of public transportation services where available.

4 (d) Promotion of intelligent transportation services for buses  
5 that incorporate computer and navigation technology to make transit  
6 systems more efficient, including stoplight coordinating, vehicle  
7 tracking, data tracking, and computerized scheduling.

8 (2) The department shall report on efforts taken to implement  
9 this section as well as section 393 of article XVII of 2011 PA 63.  
10 The department shall complete and submit the report to the state  
11 budget director, the house and senate appropriations subcommittees  
12 on transportation, and the house and senate fiscal agencies on or  
13 before March 1, 2017.

14 Sec. 394. The department and local road agencies shall make  
15 the preservation of their existing road networks a funding  
16 priority.

17 Sec. 395. From the funds appropriated in part 1 for state  
18 trunkline federal aid road and bridge construction, the department  
19 may expend up to \$10,000,000.00 on highway maintenance activities  
20 to support safety-related, high-priority, and other deferred  
21 routine maintenance needs on Michigan's state trunkline network.

## 22 **FEDERAL**

23 Sec. 402. A portion of the federal DOT-FHWA highway research,  
24 planning, and construction funds made available to this state shall  
25 be allocated to transportation programs administered by local  
26 jurisdictions in accordance with section 10o of 1951 PA 51, MCL

## Senate Bill No. 800 as amended May 4, 2016

1 247.660o. A local road agency, with respect to a project approved  
2 for federal aid funding in a state transportation improvement  
3 program, may enter into a voluntary buyout agreement with the  
4 department or with another local road agency to exchange the  
5 federal aid with state restricted transportation funds as agreed to  
6 by the respective parties. The state restricted transportation  
7 funds received in exchange for federal aid funds shall be used for  
8 the same purpose as the federal aid funds were originally intended.

**MICHIGAN TRANSPORTATION FUND**

10 Sec. 501. The money received under the motor carrier act, 1933  
11 PA 254, MCL 475.1 to 479.42, and not appropriated to the department  
12 of licensing and regulatory affairs or the department of state  
13 police is deposited in the Michigan transportation fund.

<< Sec. 502. From the funds appropriated in Part 1, the  
department shall conduct a pilot program to cycle test concrete  
pavement segments treated with a cement hydration catalyst and  
sealant. The test shall simulate a longer design life on simulated  
state trunkline roads. The department shall, in accordance with  
Public Act 51 of 1951 and the department's new materials evaluation  
program, conduct a cement hydration catalyst and sealant pilot  
program of sufficient length of reconstructed or newly constructed  
state trunkline, and test the quality and durability of the road  
segments. Upon completing the testing, the department shall issue a  
report to the legislature on the relative durability and quality  
of the treated pavement segments.>>

14 Sec. 503. (1) The funds appropriated in part 1 for the  
15 economic development and local bridge programs shall not lapse at  
16 the end of the fiscal year but shall carry forward each fiscal year  
17 for the purposes for which appropriated in accordance with 1987 PA  
18 231, MCL 247.901 to 247.913, and section 10(5) of 1951 PA 51, MCL  
19 247.660.

20 (2) Interest earned in the department of transportation  
21 economic development fund and local bridge fund shall remain in the  
22 respective funds and shall be allocated to the respective programs  
23 based on actual interest earned at the end of each fiscal year.

24 (3) In addition to the funds appropriated in part 1, the  
25 department of transportation economic development fund and local  
26 bridge fund may receive federal, local, or private funds or

1 restricted source funds such as interest earnings. These funds are  
2 appropriated for projects that are consistent with the purposes of  
3 the respective funds.

4 (4) None of the funds statutorily dedicated to the  
5 transportation economic development fund and local bridge fund  
6 shall be diverted to other projects.

7 Sec. 504. Funds from the Michigan transportation fund shall be  
8 distributed to the comprehensive transportation fund, the economic  
9 development fund, the recreation improvement fund, and the state  
10 trunkline fund, in accordance with this part and part 1 and part  
11 711 of the natural resources and environmental protection act, 1994  
12 PA 451, MCL 324.71101 to 324.71108, and may only be used as  
13 specified in this part and part 1, 1951 PA 51, MCL 247.651 to  
14 247.675, and part 711 of the natural resources and environmental  
15 protection act, 1994 PA 451, MCL 324.71101 to 324.71108.

16 Sec. 505. If roads innovation funds are not released by a 1-  
17 time concurrent resolution under section 1j(5) of 1951 PA 51, MCL  
18 247.651j, on or before October 1, 2016, the department shall  
19 prepare a report that specifies the portions of total Michigan  
20 transportation fund distributions to be withheld from the state  
21 trunkline fund and each local road agency. The department shall  
22 present the report to the state budget director, the senate and  
23 house appropriations subcommittees on transportation, the senate  
24 and house standing committees on transportation, and the senate and  
25 house fiscal agencies on or before November 1, 2016.

26 **STATE TRUNKLINE FUND**

1           Sec. 601. (1) The department shall work with the road  
2 construction industry and engineering consulting community to  
3 develop a warranty program for capital road and bridge  
4 construction, reconstruction, and rehabilitation projects. In  
5 developing the warranty program, the department shall consider all  
6 of the following:

7           (a) Scope of warranties, including warranties on materials and  
8 workmanship, pavement or bridge performance criteria, and the  
9 application of warranties to design/build projects.

10          (b) Length of warranty.

11          (c) Costs and benefits associated with scope of warranty and  
12 various warranty provisions, including length of warranty.

13          (d) Any other relevant factors that might determine the use of  
14 warranties, scope of warranty, or length of warranty.

15          (e) Use of warranties on local agency projects administered by  
16 the department.

17          (f) Other measures used to identify premature failure of road  
18 pavement or bridge elements and the related cause of those  
19 failures.

20          (2) The department shall report on March 1 of each year to the  
21 house of representatives and senate appropriations subcommittees on  
22 transportation and the house and senate fiscal agencies on  
23 provisions of the department's warrant program described under  
24 subsection (1). The department shall timely inspect warrantied  
25 projects prior to the expiration of any associated warranty.

26          (3) The department shall report to the legislature all of the  
27 following with regard to road and bridge construction projects:

1 (a) An update on procedures involving the attorney general's  
2 office regarding nonresponsive contractors that had received notice  
3 but failed to fulfill the terms of a warranty.

4 (b) An update on any upgrades and improvements to the  
5 statewide warranty administrative database.

6 (c) The number of active road and bridge construction  
7 warranties.

8 (d) The number of road and bridge project warranties that  
9 required corrective action, and the date or dates of any corrective  
10 action.

11 (e) The number of warrantied projects that required corrective  
12 action but expired prior to the contractor receiving notice and the  
13 total cost of each of those projects.

14 (f) The number of instances where a contractor was notified of  
15 the need for corrective action more than 60 days after the  
16 associated warranty period.

17 (g) The number of unresolved corrective actions outstanding  
18 beyond 15 months, and the department's findings and any changes to  
19 existing policies and procedures as required in subsection (5).

20 (4) The report required under subsection (3) is due on March 1  
21 of each calendar year, shall reflect the prior 12-month period, and  
22 shall be transmitted to the house of representatives and senate  
23 appropriations subcommittees on transportation, the state budget  
24 director, and the house and senate fiscal agencies.

25 (5) The department shall maintain documentation to support  
26 initial acceptance of warrantied projects, interim and final  
27 inspections, and notifications to contractors that the warranty

1 period had expired. The department also shall review and evaluate  
2 consultant evaluation requirements or recommendations and update  
3 existing policies and procedures accordingly.

4       Sec. 603. The department shall use traffic congestion as 1 of  
5 the criteria in determining the priorities for designating which  
6 roads shall be remediated in its 5-year road plan, which must be  
7 submitted on or before March 1 of each year. Criteria for  
8 evaluating traffic congestion shall include, but not be limited to,  
9 coordination with local, county, and regional planning, improvement  
10 in traffic operations, improvement in physical roadway conditions,  
11 accident reduction, and coordination with area public  
12 transportation planning.

13       Sec. 604. At the close of the fiscal year, any unencumbered  
14 and unexpended balance in the state trunkline fund shall remain in  
15 the state trunkline fund and shall carry forward and is  
16 appropriated for federal aid road and bridge programs for projects  
17 contained in the annual state transportation program.

18       Sec. 610. The department shall have as a priority the removal  
19 of dead deer and other large animal remains from the traveled  
20 portion and shoulder of state highways. The department, and  
21 counties that perform state highway maintenance under contract,  
22 shall remove animal remains, wherever practicable and when funds  
23 are available, away from the traveled portion and shoulder of state  
24 highways.

25       Sec. 612. The department shall establish guidelines governing  
26 incentives and disincentives provided under contracts for state  
27 trunkline projects. The guidelines shall include specific financial

1 information concerning incentives and disincentives. On or before  
2 January 1 of each year, the department shall prepare a report for  
3 the immediately preceding fiscal year regarding contract incentives  
4 and disincentives. This report shall include a list, by project, of  
5 the contractors that received contract incentives and/or  
6 disincentives, the amount of the incentives and/or disincentives,  
7 the fund source of any incentives, and the number of days that each  
8 project was completed either ahead or past the contracted  
9 completion date. This report shall be provided to the senate and  
10 house appropriations subcommittees on transportation, the senate  
11 and house standing committees on transportation, and the senate and  
12 house fiscal agencies.

13       Sec. 660. (1) The legislature encourages the department to  
14 examine the use of alternative road surface materials, including  
15 recycled materials, and to develop criteria and specifications for  
16 their use in both department-managed and contracted projects.

17       (2) The department shall evaluate the use of a bituminous mix  
18 which incorporates crumb rubber from scrap tires.

19       (3) The department shall report on efforts taken to implement  
20 this section. The report shall include descriptions of specific  
21 materials evaluated, evaluation methods, and results of specific  
22 field or laboratory tests. The department shall complete and submit  
23 the report to the state budget director, the house and senate  
24 appropriations subcommittees on transportation, and the house and  
25 senate fiscal agencies on or before March 1 of each year.

26 **TRANSIT AND RAIL RELATED FUNDS**

1       Sec. 701. The department shall establish an intercity bus  
2 equipment and facility fund as a subsidiary fund within the  
3 comprehensive transportation fund created under section 10b of 1951  
4 PA 51, MCL 247.660b. Proceeds received by this state from the sale  
5 of state-owned intercity bus equipment shall be credited to the  
6 intercity bus equipment and facility fund for the purchase and  
7 repair of intercity bus equipment, as appropriated. Security  
8 deposits not returned to a lessee of state-owned intercity bus  
9 equipment under terms of the lease agreement shall be credited to  
10 the intercity bus equipment and facility fund for the repair of  
11 intercity bus equipment, as appropriated. Money received by the  
12 department from lease payments for state-owned intercity bus  
13 equipment, and facility maintenance charges under terms of leases  
14 of state-owned intercity facilities, shall be credited to the  
15 intercity bus equipment and facility fund for the purchase and  
16 repair of intercity bus equipment or for the maintenance and  
17 rehabilitation of state-owned intercity facilities, as  
18 appropriated. At the close of the fiscal year, any funds remaining  
19 in the intercity bus equipment and facility fund shall remain in  
20 the fund and be carried forward into the succeeding fiscal year.

21       Sec. 702. Money that is received by this state as repayment  
22 for loans made for rail or water freight capital projects, and as a  
23 result of the sale of property or equipment used or projected to be  
24 used for rail or water freight projects shall be deposited in the  
25 rail freight fund created by section 17 of the state transportation  
26 preservation act of 1976, 1976 PA 295, MCL 474.67. At the close of  
27 the fiscal year, any funds remaining in the rail freight fund shall



1 remain in the fund and be carried forward into the succeeding  
2 fiscal year.

3       Sec. 703. After receiving notification from a railroad company  
4 pursuant to section 8 of the state transportation preservation act  
5 of 1976, 1976 PA 295, MCL 474.58, the department shall immediately  
6 notify the house of representatives and senate appropriations  
7 subcommittees on transportation and the state budget office that  
8 the railroad company has filed with the appropriate governmental  
9 agencies for abandonment of a line.

10       Sec. 704. From the funds appropriated in part 1, the  
11 department shall prepare and transmit a report that provides detail  
12 regarding the department's expenditures for programs funded under  
13 the appropriation in part 1 for rail operations and infrastructure.  
14 The report shall include a breakdown of the appropriation by  
15 program, year-to-date expenditures under each program itemized by  
16 project, and an estimate of future expenditures under each program  
17 itemized by project for the remainder of the fiscal year. The  
18 initial report shall be submitted to the senate and house  
19 appropriations subcommittees on transportation, and the senate and  
20 house fiscal agencies, on or before October 30. The department also  
21 shall update and resubmit the report on or before February 1.

22       Sec. 705. It is the intent of the legislature that the  
23 department will provide assistance, whether administrative or  
24 otherwise, to the city of Woodhaven so that the city may meet  
25 funding needs for a rail and street separation project.

26       Sec. 706. The Detroit/Wayne County Port Authority shall issue  
27 a complete operations assessment and a financial disclosure

1 statement. The operations assessment shall include operational  
2 goals for the next 5 years and recommendations to improve land  
3 acquisition and development efficiency. The report shall be  
4 completed and submitted to the house of representatives and senate  
5 appropriations subcommittees on transportation, the state budget  
6 director, and the house and senate fiscal agencies by February 15  
7 of each fiscal year for the prior fiscal year.

8       Sec. 711. (1) As prescribed in subsection (2), the department  
9 shall submit reports to the state budget director, the house and  
10 senate appropriations subcommittees on transportation, and the  
11 house and senate fiscal agencies on rail passenger service provided  
12 by Amtrak under a contractual agreement with the department. The  
13 report shall be submitted on or before May 1 of each year.

14       (2) The report shall include all of the following:

15       (a) Passenger counts for the preceding fiscal year for each of  
16 the 3 Amtrak routes in Michigan.

17       (b) Revenue and operating expenses by Amtrak route.

18       (c) Total state operating payments to Amtrak in the preceding  
19 fiscal year by Amtrak route.

20       (d) A discussion of major factors affecting route costs and  
21 revenue and net state costs in the preceding fiscal year, and  
22 factors affecting route costs and revenue and net state costs  
23 anticipated in the current and future fiscal years.

24       Sec. 735. For the fiscal year ending September 30, 2017, the  
25 appropriation to a street railway pursuant to section 10e(22) of  
26 1951 PA 51, MCL 247.660e, is \$0.

**AERONAUTICS FUND**

Sec. 801. Except as otherwise provided in section 903 for capital outlay, at the close of the fiscal year, any unobligated and unexpended balance in the state aeronautics fund created in the aeronautics code of the state of Michigan, 1945 PA 327, MCL 259.1 to 259.208, shall lapse to the state aeronautics fund and be appropriated by the legislature in the immediately succeeding fiscal year.

Sec. 802. The legislature encourages the department to find private entities or local public agencies to assume ownership and operating responsibility for airports currently owned by the department.

Sec. 803. Not later than December 1, 2016, the department, in cooperation with the department of technology, management, and budget, shall release a request for proposal seeking competitive bids for the award of a contract for third party management and sale of the department's aging aircraft. Third party management shall include, but not be limited to: aircraft transportation services, aircraft, aircraft personnel including pilots and technicians, aircraft maintenance, aircraft facilities, and aircraft fuel.

**CAPITAL OUTLAY**

Sec. 901. (1) From federal-state-local project appropriations contained in part 1 for the purpose of assisting political entities and subdivisions of this state in the construction and improvement of publicly used airports and landing fields within this state, the

1 state transportation department may permit the award of contracts  
2 on behalf of units of local government for the authorized locations  
3 not to exceed the indicated amounts, of which the state allocated  
4 portion shall not exceed the amount appropriated in part 1.

5 (2) Political entities and subdivisions shall provide not less  
6 than 5% of the cost of any project under this section, unless a  
7 total nonfederal share greater than 10% is otherwise specified in  
8 federal law. State money shall not be allocated until local money  
9 is allocated. State money for any 1 project shall not exceed 1/3 of  
10 the total appropriation in part 1 from state funds for airport  
11 improvement programs.

12 (3) The Michigan aeronautics commission may take those steps  
13 necessary to match federal money available for airport construction  
14 and improvement within this state and to meet the matching  
15 requirements of the federal government. Whether acting alone or  
16 jointly with another political subdivision or public agency or with  
17 this state, a political subdivision or public agency of this state  
18 shall not submit to any agency of the federal government a project  
19 application for airport planning or development unless it is  
20 authorized in this part and part 1 and the project application is  
21 approved by the governing body of each political subdivision or  
22 public agency making the application and by the Michigan  
23 aeronautics commission.

24 Sec. 903. The appropriations in part 1 for capital outlay  
25 shall be carried forward at the end of the fiscal year consistent  
26 with the provisions of section 248 of the management and budget  
27 act, 1984 PA 431, MCL 18.1248.

## PART 2A

## PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS

FOR FISCAL YEAR 2017-2018

**GENERAL SECTIONS**

Sec. 1201. It is the intent of the legislature to provide appropriations for the fiscal year ending on September 30, 2018 for the line items listed in part 1. The fiscal year 2017-2018 appropriations are anticipated to be the same as those for fiscal year 2016-2017, except that the line items will be adjusted for changes in caseload and related costs, federal fund match rates, economic factors, and available revenue. These adjustments will be determined after the January 2017 consensus revenue estimating conference.