

**SUBSTITUTE FOR  
HOUSE BILL NO. 5365**

A bill to make, supplement, adjust, and consolidate appropriations for various state departments and agencies, capital outlay, the judicial branch, and the legislative branch for the fiscal year ending September 30, 2013; to provide for certain conditions on appropriations; to provide for the expenditure of the appropriations; and to repeal acts and parts of acts.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

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ARTICLE I  
DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT  
PART 1  
LINE-ITEM APPROPRIATIONS

Sec. 101. Subject to the conditions set forth in this article,  
the amounts listed in this part are appropriated for the department

of agriculture and rural development for the fiscal year ending  
 September 30, 2013, from the funds indicated in this part. The  
 following is a summary of the appropriations in this part:

**DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT**

APPROPRIATION SUMMARY

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

Full-time equated classified positions..... 425.0

GROSS APPROPRIATION..... \$ 76,953,000

Interdepartmental grant revenues:

IDG from LARA (LCC), liquor quality testing fees..... 209,900

IDG from MDNR, forest development fund..... 200,000

IDG from MDEQ, biosolids..... 107,000

One-time interdepartmental grant revenues..... 2,400

Total interdepartmental grants and intradepartmental  
 transfers ..... 519,300

ADJUSTED GROSS APPROPRIATION..... \$ 76,433,700

Federal revenues:

USDA, multiple grants..... 7,629,800

EPA, multiple grants..... 1,704,400

HHS-FDA..... 1,780,400

One-time federal revenues..... 85,000

Total federal revenues..... 11,199,600

Special revenue funds:

Total local revenues..... 0

Private - slow-the-spread foundation..... 86,800

Private - commodity group revenue..... 87,500

One-time private revenues..... 1,500

1	Total private revenues.....	175,800
2	Agricultural preservation fund.....	1,395,300
3	Agriculture equine industry development fund.....	3,834,900
4	Animal welfare fund.....	209,600
5	Commodity inspection fees.....	566,300
6	Consumer and industry food safety education fund.....	306,200
7	Dairy and food safety fund.....	3,159,800
8	Freshwater protection fund.....	5,095,500
9	Gasoline inspection and testing fund.....	2,570,200
10	Grain dealer fee fund.....	535,200
11	Horticulture fund.....	75,800
12	Industry support funds.....	549,100
13	Licensing and inspection fees.....	4,266,800
14	Migratory labor housing fund.....	157,000
15	Nonretail liquor fees.....	782,900
16	Refined petroleum fund.....	4,012,000
17	Renewable fuels fund.....	50,000
18	Testing fees.....	475,300
19	Weights and measures regulation fees.....	771,400
20	One-time state restricted revenues.....	146,100
21	Total other state restricted revenues.....	28,959,400
22	State general fund/general purpose.....	\$ 36,098,900
23	State general fund/general purpose schedule:	
24	Ongoing state general fund/general	
25	purpose .....	33,863,600
26	One-time state general fund/general	
27	purpose .....	2,235,300

1      **Sec. 102. DEPARTMENTWIDE**

2	Full-time equated unclassified positions.....	6.0	
3	Full-time equated classified positions.....	27.0	
4	Commissions and boards.....		\$ 23,800
5	Unclassified positions--6.0 FTE positions.....		700,000
6	Executive direction--9.0 FTE positions.....		1,287,300
7	Management services--15.0 FTE positions.....		995,200
8	Statistical reporting service--1.0 FTE positions.....		157,300
9	Emergency management--2.0 FTE positions.....		770,500
10	Accounting service center.....		920,200
11	Rent and building occupancy.....		<u>1,008,700</u>
12	GROSS APPROPRIATION.....		\$ 5,863,000
13	Appropriated from:		
14	Federal revenues:		
15	USDA, multiple grants.....		228,400
16	EPA, multiple grants.....		177,000
17	HHS-FDA.....		552,300
18	Special revenue funds:		
19	Private - commodity group revenue.....		87,500
20	Agricultural preservation fund.....		23,100
21	Freshwater protection fund.....		34,100
22	Industry support funds.....		49,500
23	Licensing and inspection fees.....		159,500
24	Nonretail liquor fees.....		38,100
25	Refined petroleum fund.....		320,300
26	State general fund/general purpose.....		\$ 4,193,200

27      **Sec. 103. INFORMATION AND TECHNOLOGY**

1	Information technology services and projects .....	\$	<u>1,384,900</u>
2	GROSS APPROPRIATION .....	\$	1,384,900
3	Appropriated from:		
4	Interdepartmental grant revenues:		
5	IDG from LARA (LCC), liquor quality testing fees .....		3,000
6	Special revenue funds:		
7	Agricultural preservation fund .....		200
8	Agriculture equine industry development fund .....		80,800
9	Freshwater protection fund .....		100
10	Gasoline inspection testing fund .....		29,500
11	Licensing and inspection fees .....		30,400
12	Nonretail liquor fees .....		500
13	State general fund/general purpose .....	\$	1,240,400
14	<b>Sec. 104. FOOD AND DAIRY</b>		
15	Full-time equated classified positions..... 101.0		
16	Food safety and quality assurance--75.0 FTE positions	\$	10,167,500
17	Milk safety and quality assurance--26.0 FTE positions		<u>3,474,800</u>
18	GROSS APPROPRIATION .....	\$	13,642,300
19	Appropriated from:		
20	Federal revenues:		
21	USDA, multiple grants .....		247,500
22	HHS-FDA .....		476,400
23	Special revenue funds:		
24	Consumer and industry food safety education fund .....		306,200
25	Dairy and food safety fund .....		3,159,800
26	State general fund/general purpose .....	\$	9,452,400
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 .....		\$ 8,956,700
4	Indemnification - livestock depredation.....		<u>50,000</u>
5	GROSS APPROPRIATION.....		\$ 9,006,700
6	Appropriated from:		
7	Federal revenues:		
8	USDA, multiple grants.....		836,200
9	HHS-FDA.....		44,200
10	Special revenue funds:		
11	Animal welfare fund.....		209,600
12	Licensing and inspection fees.....		123,100
13	State general fund/general purpose.....		\$ 7,793,600
14	<b>Sec. 106. PESTICIDE AND PLANT PEST MANAGEMENT</b>		
15	Full-time equated classified positions.....	81.0	
16	Pesticide and plant pest management--77.0 FTE		
17	positions .....		\$ 10,610,100
18	Producer security/grain dealers--4.0 FTE positions ...		<u>574,200</u>
19	GROSS APPROPRIATION.....		\$ 11,184,300
20	Appropriated from:		
21	Federal revenues:		
22	USDA, multiple grants.....		1,166,100
23	EPA, multiple grants.....		769,500
24	HHS-FDA.....		113,700
25	Special revenue funds:		
26	Private - slow-the-spread foundation.....		86,800
27	Commodity inspection fees.....		566,300

1	Grain dealers fee fund.....	535,200
2	Horticulture fund.....	75,800
3	Industry support funds.....	350,800
4	Licensing and inspection fees.....	3,866,700
5	State general fund/general purpose.....	\$ 3,653,400
6	<b>Sec. 107. ENVIRONMENTAL STEWARDSHIP</b>	
7	Full-time equated classified positions.....	50.0
8	Environmental stewardship--18.0 FTE positions.....	\$ 6,146,500
9	Michigan agriculture environmental assurance program--	
10	7.0 FTE positions .....	1,621,500
11	Farmland and open space preservation--9.0 FTE	
12	positions .....	872,000
13	Private forest development program.....	200,000
14	Local conservation districts.....	100
15	Migrant labor housing--9.0 FTE positions.....	1,156,900
16	Right-to-farm--3.0 FTE positions.....	555,100
17	Intercounty drain--4.0 FTE positions.....	<u>453,100</u>
18	GROSS APPROPRIATION.....	\$ 11,005,200
19	Appropriated from:	
20	Interdepartmental grant revenues:	
21	IDG from MDNR, forest development fund.....	200,000
22	IDG from MDEQ, biosolids.....	107,000
23	Federal revenues:	
24	USDA, multiple grants.....	1,035,200
25	EPA, multiple grants.....	373,800
26	Special revenue funds:	
27	Agricultural preservation fund.....	872,000

1	Freshwater protection fund.....		5,061,300
2	Migratory labor housing fund.....		157,000
3	State general fund/general purpose.....	\$	3,198,900
4	<b>Sec. 108. LABORATORY PROGRAM</b>		
5	Full-time equated classified positions.....	90.0	
6	Laboratory services--38.0 FTE positions.....	\$	5,686,400
7	USDA monitoring--13.0 FTE positions.....		2,548,700
8	Consumer protection program--39.0 FTE positions.....		<u>5,667,300</u>
9	GROSS APPROPRIATION.....	\$	13,902,400
10	Appropriated from:		
11	Interdepartmental grant revenues:		
12	IDG from LARA (LCC), liquor quality testing fees.....		206,900
13	Federal revenues:		
14	USDA, multiple grants.....		2,549,600
15	EPA, multiple grants.....		384,100
16	HHS-FDA.....		593,800
17	Special revenue funds:		
18	Agriculture equine industry development fund.....		592,400
19	Gasoline inspection and testing fund.....		2,540,700
20	Licensing and inspection fees.....		87,100
21	Refined petroleum fund.....		3,691,700
22	Renewable fuels fund.....		50,000
23	Testing fees.....		475,300
24	Weights and measures regulation fees.....		771,400
25	State general fund/general purpose.....	\$	1,959,400
26	<b>Sec. 109. AGRICULTURE DEVELOPMENT</b>		
27	Full-time equated classified positions.....	13.0	

1	Agriculture development--10.0 FTE positions .....	\$	2,712,000
2	Grape and wine program--3.0 FTE positions .....		788,600
3	Rural development value-added grants .....		<u>1,050,000</u>
4	GROSS APPROPRIATION .....	\$	4,550,600
5	Appropriated from:		
6	Federal revenues:		
7	USDA, multiple grants .....		1,566,800
8	Special revenue funds:		
9	Industry support funds .....		148,800
10	Nonretail liquor fees .....		744,300
11	State general fund/general purpose .....	\$	2,090,700
12	<b>Sec. 110. FAIRS AND EXPOSITIONS</b>		
13	Full-time equated classified positions..... 3.0		
14	Fairs and racing--3.0 FTE positions .....	\$	351,100
15	County fairs capital improvement grants .....		281,600
16	Purses and supplements - fairs/licensed tracks .....		708,300
17	Licensed tracks - light horse racing .....		40,300
18	Light horse racing - breeders awards .....		20,000
19	Standardbred breeders' awards .....		285,900
20	Standardbred purses and supplements - licensed tracks		527,800
21	Standardbred sire stakes .....		239,000
22	Thoroughbred supplements - licensed tracks .....		385,900
23	Thoroughbred breeder's awards .....		358,600
24	Thoroughbred sire stakes .....		<u>244,800</u>
25	GROSS APPROPRIATION .....	\$	3,443,300
26	Appropriated from:		
27	Special revenue funds:		

1	Agriculture equine industry development fund.....	3,161,700
2	State general fund/general purpose.....	\$ 281,600
3	<b>Sec. 111. CAPITAL OUTLAY</b>	
4	Farmland and open space development acquisition.....	\$ <u>500,000</u>
5	GROSS APPROPRIATION.....	\$ 500,000
6	Appropriated from:	
7	Special revenue funds:	
8	Agriculture preservation fund.....	500,000
9	State general fund/general purpose.....	\$ 0
10	<b>Sec. 112. ONE-TIME BASIS ONLY</b>	
11	State employee lump-sum payments.....	\$ 470,300
12	Private forestry program.....	600,000
13	Rural development value-added grants (1-time) .....	900,000
14	New food safety requirements.....	<u>500,000</u>
15	GROSS APPROPRIATION.....	\$ 2,470,300
16	Appropriated from:	
17	One-time interdepartmental grant revenues.....	2,400
18	One-time federal revenues.....	85,000
19	One-time private revenues.....	1,500
20	One-time state restricted revenues.....	146,100
21	State general fund/general purpose.....	\$ 2,235,300

## PART 2

## PROVISIONS CONCERNING APPROPRIATIONS

FOR FISCAL YEAR 2012-2013

GENERAL SECTIONS

1       Sec. 201. Pursuant to section 30 of article IX of the state  
 2       constitution of 1963, total state spending from state resources  
 3       under part 1 for fiscal year 2012-2013 is \$65,058,300.00 and state  
 4       spending from state resources to be paid to local units of  
 5       government for fiscal year 2012-2013 is \$1,500,000.00. The itemized  
 6       statement below identifies appropriations from which spending to  
 7       local units of government will occur:

8       DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT

9       Environmental protection..... \$ 1,500,000

10      TOTAL..... \$ 1,500,000

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

14      Sec. 203. As used in this article:

15      (a) "Department" means the department of agriculture and rural  
 16      development.

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

18      (c) "EPA" means the United States environmental protection  
 19      agency.

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

21      (e) "HHS-FDA" means the United States department of health and  
 22      human services - food and drug administration.

23      (f) "IDG" means interdepartmental grant.

24      (g) "LARA" means the Michigan department of licensing and  
 25      regulatory affairs.

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

1 (i) "USDA" means the United States department of agriculture.

2 Sec. 204. The civil service commission shall bill departments  
3 and agencies at the end of the first fiscal quarter for the charges  
4 authorized by section 5 of article XI of the state constitution of  
5 1963. Payments shall be made for the total amount of the billing by  
6 the end of the second fiscal quarter.

7 Sec. 206. (1) In addition to the funds appropriated in part 1,  
8 there is appropriated an amount not to exceed \$5,000,000.00 for  
9 federal contingency funds. These funds are not available for  
10 expenditure until they have been transferred to another line item  
11 in this article under section 393(2) of the management and budget  
12 act, 1984 PA 431, MCL 18.1393.

13 (2) In addition to the funds appropriated in part 1, there is  
14 appropriated an amount not to exceed \$6,000,000.00 for state  
15 restricted contingency funds. These funds are not available for  
16 expenditure until they have been transferred to another line item  
17 in this article under section 393(2) of the management and budget  
18 act, 1984 PA 431, MCL 18.1393.

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

25 (4) In addition to the funds appropriated in part 1, there is  
26 appropriated an amount not to exceed \$100,000.00 for private  
27 contingency funds. These funds are not available for expenditure

1 until they have been transferred to another line item in this  
2 article under section 393(2) of the management and budget act, 1984  
3 PA 431, MCL 18.1393.

4 Sec. 207. The department shall maintain a searchable website  
5 accessible by the public at no cost that includes, but is not  
6 limited to, all of the following:

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. 208. Unless otherwise specified, the departments shall  
16 use the Internet to fulfill the reporting requirements of this  
17 article. This requirement may include transmission of reports via  
18 electronic mail to the recipients identified for each reporting  
19 requirement, or it may include placement of reports on an Internet  
20 or Intranet site.

21 Sec. 209. Funds appropriated in part 1 shall not be used for  
22 the purchase of foreign goods or services, or both, if  
23 competitively priced and of comparable quality American goods or  
24 services, or both, are available. Preference shall be given to  
25 goods or services, or both, manufactured or provided by Michigan  
26 businesses, if they are competitively priced and of comparable  
27 quality. In addition, preference shall be given to goods or

1 services, or both, that are manufactured or provided by Michigan  
2 businesses owned and operated by veterans, if they are  
3 competitively priced and of comparable quality.

4 Sec. 211. Amounts appropriated in part 1 for information  
5 technology may be designated as work projects and carried forward  
6 to support technology projects under the direction of the  
7 department of technology, management, and budget. Funds designated  
8 in this manner are not available for expenditure until approved as  
9 work projects under section 451a of the management and budget act,  
10 1984 PA 431, MCL 18.1451a.

11 Sec. 212. The department and agencies receiving appropriations  
12 in part 1 shall receive and retain copies of all reports funded  
13 from appropriations in part 1. Federal and state guidelines for  
14 short-term and long-term retention of records shall be followed.  
15 The department may electronically retain copies of reports unless  
16 otherwise required by federal and state guidelines.

17 Sec. 214. From the funds appropriated in part 1 for  
18 information technology, departments and agencies shall pay user  
19 fees to the department of technology, management, and budget for  
20 technology-related services and projects. The user fees shall be  
21 subject to provisions of an interagency agreement between the  
22 department and agencies and the department of technology,  
23 management, and budget.

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

27 Sec. 218. The departments and agencies receiving

1 appropriations in part 1 shall prepare a report on out-of-state  
2 travel expenses not later than January 1 of each year. The travel  
3 report shall be a listing of all travel by classified and  
4 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 house and senate standing committees on  
8 appropriations, the house and senate fiscal agencies, and the state  
9 budget director. The report shall include the following  
10 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. It is the intent of the legislature that all  
18 principal executive departments and agencies cooperate with the  
19 development and implementation of the department of technology,  
20 management, and budget statewide office space consolidation plan.

21 Sec. 228. Not later than November 15, the department shall  
22 prepare and transmit a report that provides for estimates of the  
23 total general fund/general purpose appropriation lapses at the  
24 close of the fiscal year. This report shall summarize the projected  
25 year-end general fund/general purpose appropriation lapses by major  
26 departmental program or program areas. The report shall be  
27 transmitted to the office of the state budget, the chairpersons of

1 the senate and house of representatives standing committees on  
2 appropriations, and the senate and house fiscal agencies.

3 Sec. 229. Within 14 days after the release of the executive  
4 budget recommendation, the department shall provide the state  
5 budget director, the senate and house appropriations chairs, the  
6 senate and house appropriations subcommittees on agriculture and  
7 rural development, respectively, and the senate and house fiscal  
8 agencies with an annual report on estimated state restricted fund  
9 balances, state restricted fund projected revenues, and state  
10 restricted fund expenditures for the fiscal years ending September  
11 30, 2012 and September 30, 2013.

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

18 Sec. 231. By October 31, 2012, the department shall identify  
19 10 principal measurable outcomes to be affected by expenditure of  
20 the funds appropriated in part 1 and submit a report to the house  
21 and senate appropriations committees, the house and senate fiscal  
22 agencies, and the state budget director that ranks the outcomes by  
23 level of importance and contains current data on those outcomes.  
24 Beginning on April 1, 2013, the department shall provide biannual  
25 updates to the house and senate appropriations committees on  
26 changes in those measurable outcomes and departmental efforts to  
27 improve the outcomes.

1    **EXECUTIVE**

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

7           (a) Management services publications.

8           (b) Management services audit and licensing functions.

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

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

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

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

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

21          (h) Laboratory support test samples for other agencies and  
22 organizations.

23          (i) Fruit and vegetable inspection at shipping and termination  
24 points and processing plants.

25          (2) The department shall notify the senate and house  
26 appropriations subcommittees on agriculture and rural development

1 and the senate and house fiscal agencies 30 days prior to proposing  
2 changes in fees authorized under this section or under section 5 of  
3 1915 PA 91, MCL 285.35.

4 (3) Annually, before February 1, the department shall provide  
5 a report to the senate and house appropriations subcommittees on  
6 agriculture and rural development and the senate and house fiscal  
7 agencies detailing all the fees charged by the department under the  
8 authorization provided in this section, including, but not limited  
9 to, rates, number of individuals paying each fee, and the revenue  
10 generated by each fee in the previous fiscal year.

11 Sec. 302. Of the funds appropriated in part 1 that are other  
12 than line-item grants, the department shall not provide grants to  
13 local government agencies, institutions of higher education, or  
14 nonprofit organizations unless the department provides notice of  
15 the grant to the senate and house appropriations subcommittees on  
16 agriculture and rural development at least 10 days before the grant  
17 is issued. The grants shall be used to support research or other  
18 related activities for the purpose of enhancing the agricultural  
19 industries in this state.

20 **FOOD AND DAIRY**

21 Sec. 402. Not later than April 1, 2013, the department shall  
22 provide a report to the senate and house appropriations  
23 subcommittees on agriculture and rural development and the senate  
24 and house fiscal agencies describing significant food-borne  
25 outbreaks and emergencies, including any enforcement actions taken  
26 related to food safety during the 2011-2012 fiscal year.

1     **ANIMAL INDUSTRY**

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

8           Sec. 453. (1) Of the funds appropriated in part 1, the  
9 department may provide for indemnity as provided for pursuant to  
10 the animal industry act, 1988 PA 466, MCL 287.701 to 287.746, not  
11 to exceed \$100,000.00 per order from any line item for the fiscal  
12 year ending September 30, 2012. Before the department provides for  
13 an indemnification under this section, the department shall report  
14 the reason for the indemnification, the amount of the  
15 indemnification, and to whom the indemnification is to be paid. The  
16 report shall be given to each member of the senate and house  
17 appropriations subcommittees on agriculture and rural development  
18 and to the senate and house fiscal agencies and to the state budget  
19 director.

20           (2) The department of agriculture and rural development shall  
21 make an indemnification payment for the fair market value of  
22 livestock killed by a wolf, coyote, or cougar, if the kill is  
23 verified by the department of natural resources. The fair market  
24 value of the livestock shall be determined pursuant to the  
25 indemnification procedures prescribed in the animal industry act,  
26 1988 PA 466, MCL 287.701 to 287.745.

1           (3) The funds appropriated in part 1 for indemnification -  
2 livestock depredation are appropriated for indemnification payments  
3 and related department costs under subsection (2). On or before  
4 March 1, 2013, the department shall report to the house and senate  
5 appropriations subcommittees on agriculture and rural development,  
6 and the house and senate fiscal agencies, on costs incurred in the  
7 2010-2011 and 2011-2012 fiscal years for indemnification payments  
8 to producers made under subsection (2) and related department  
9 costs.

10           Sec. 454. The department shall use its resources to  
11 collaborate with the United States department of agriculture and  
12 rural development to obtain TB-free status for the area of the  
13 Lower Peninsula that is zoned as modified accredited advanced. The  
14 department shall also aggressively work toward eradicating bovine  
15 TB in the modified accredited zone. The department shall also  
16 convene a workgroup to work toward eradicating bovine TB in the  
17 modified accredited zone.

18           Sec. 456. Of the funds appropriated in part 1, no funds shall  
19 be used to enforce the mandatory electronic animal identification  
20 program for any domestic animals other than cattle until specific  
21 procedures and guidelines for electronic animal identification are  
22 outlined in statute.

23           Sec. 457. On or before October 15, 2012, and on a quarterly  
24 basis thereafter, the department shall report to the senate and  
25 house agriculture committees, the senate and house appropriations  
26 subcommittees on agriculture and rural development, and the senate  
27 and house fiscal agencies on the department's progress toward

1 meeting the USDA requirements as outlined in the March 2007 bovine  
2 TB program review. The report shall include, but is not limited to,  
3 information and data on: wildlife risk mitigation plan  
4 implementation in the modified accredited zone; implementation of a  
5 movement certificate process; progress toward annual surveillance  
6 test requirements set out in the June 2007 MOU; efforts to work  
7 with slaughter facilities in Michigan, as well as those that  
8 slaughter a significant number of animals from Michigan;  
9 educational programs and information for Michigan's livestock  
10 community; any other item the legislature should be aware of that  
11 will promote or hinder efforts to achieve bovine TB-free status for  
12 Michigan.

13       Sec. 458. From the funds appropriated in part 1 for animal  
14 industry, the department shall provide inspection and testing of  
15 aquaculture facilities and aquaculture researchers as provided  
16 under section 7 of the Michigan aquaculture development act, 1996  
17 PA 199, MCL 286.877. It is the intent of the legislature that the  
18 department shall work with aquaculture facilities and aquaculture  
19 researchers to identify, contain, and eradicate viral hemorrhagic  
20 septicemia in this state.

#### 21 **PESTICIDE AND PLANT PEST MANAGEMENT**

22       Sec. 551. (1) It is the intent of the legislature that the  
23 department work with the fruit and vegetable industry to ensure the  
24 development of a sustainable system of third-party inspections of  
25 fruits and vegetables.

26       (2) From the funds appropriated in part 1 for pesticide and

1 plant pest management, not less than \$200,000.00 shall be used for  
2 the purpose to ensure that Michigan commodities receive  
3 departmental inspections required by other governments to ship  
4 commodities out of Michigan. The department shall devise a plan to  
5 provide these required government inspections in a timely manner.

6 Sec. 552. The department is encouraged to work with local  
7 public health departments and with the USDA to maintain and expand  
8 the clean sweep program for the safe disposal of hazardous  
9 household chemicals and prescription drugs. The department shall  
10 report to the house and senate appropriations subcommittees on  
11 agriculture and rural development and the house and senate fiscal  
12 agencies by March 1, 2013 on clean sweep locations in this state  
13 and on factors affecting program success and expansion including  
14 funding requirements.

#### 15 **ENVIRONMENTAL STEWARDSHIP**

16 Sec. 601. The part 1 appropriation line item environmental  
17 stewardship shall be used to support department agriculture  
18 pollution prevention programs, including groundwater and freshwater  
19 protection programs under part 87 of the Michigan natural resources  
20 and environmental protection act, 1994 PA 451, MCL 324.8701 to  
21 324.8717, and technical assistance in implementing conservation  
22 grants available under the federal farm bill of 2008.

23 Sec. 606. The department shall actively search for all  
24 possible funding sources to be used to match federal funds in the  
25 USDA environmental quality incentives program.

26 Sec. 607. (1) It is the intent of the legislature that the

1 department continue its activities in support of intercounty  
2 drainage districts as provided in chapter 5 of the drain code of  
3 1956, 1956 PA 40, MCL 280.101 to 280.106.

4 (2) The department shall work with representatives of  
5 intercounty drainage districts to develop a mutually agreeable  
6 method of funding department costs associated with the intercounty  
7 drainage program.

8 Sec. 608. From the funds appropriated in part 1 for Michigan  
9 agriculture environmental assurance program, the department shall  
10 work to address water quality issues affecting Lake St. Clair,  
11 including efforts to reduce nonpoint source pollution.

#### 12 **AGRICULTURE DEVELOPMENT**

13 Sec. 706. Not later than April 1, 2013, the department shall  
14 provide a report to the senate and house appropriations  
15 subcommittees on agriculture and rural development and the senate  
16 and house fiscal agencies describing the department's agriculture  
17 development and export market development activities. The report  
18 shall identify grants awarded during the prior fiscal year,  
19 including a description of federal or private funds made available  
20 as a result of department activities.

21 Sec. 709. (1) Not later than April 1, 2013, the department  
22 shall provide a report to the senate and house appropriations  
23 subcommittees on agriculture and rural development and the senate  
24 and house fiscal agencies describing the activities of the grape  
25 and wine industry council established under section 303 of the  
26 Michigan liquor control act of 1998, 1998 PA 58, MCL 436.1303.

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

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

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

(c) Grants awarded during the prior fiscal year and the results of research grant projects completed during the prior fiscal year.

Sec. 710. The department shall administer the rural development value-added grant program as prescribed in section 1101.

#### **FAIRS AND EXPOSITIONS**

Sec. 801. All appropriations from the agricultural equine industry development fund shall be spent on equine-related purposes. No funds from the agriculture equine industry development fund shall be expended for nonequine-related purposes without prior approval of the legislature.

Sec. 802. All appropriations from the agriculture equine industry development fund, except for the racing commission and laboratory analysis program appropriations, shall be reduced proportionately if revenues to the agriculture equine industry development fund decline during the fiscal year ending September 30, 2012 to a level lower than the amounts appropriated in section 108.

Sec. 803. In the event there is no live thoroughbred race meet

1 in 2011 or 2012, all purse money and program money appropriated for  
2 the thoroughbred industry in fiscal year 2010-2011 and fiscal year  
3 2011-2012 shall be held in escrow for a period not to exceed 18  
4 months, or until a thoroughbred race meet license is applied for  
5 and granted by the Michigan gaming control board. In the event  
6 there is no thoroughbred meet in 2011 or 2012, the purse pool  
7 distribution order to be issued by the Michigan gaming control  
8 board in 2012 that delineates distribution between the thoroughbred  
9 meet that has been held at pinnacle race course and the joint  
10 thoroughbred/quarterhorse meet held in Mt. Pleasant shall be the  
11 same distribution formula as issued in 2011, with the thoroughbred  
12 portion being held in escrow.

13       Sec. 804. The Michigan gaming control board shall use actual  
14 expenditure data in determining the actual regulatory costs of  
15 conducting racing dates and shall provide that data to the senate  
16 and house of representatives appropriations subcommittees on  
17 agriculture and rural development and general government and the  
18 senate and house fiscal agencies. The Michigan gaming control board  
19 shall not be reimbursed for more than the actual regulatory cost of  
20 conducting race dates. If a certified horsemen's organization funds  
21 more than the actual regulatory cost, the balance shall remain in  
22 the agriculture equine industry development fund to be used to fund  
23 subsequent race dates conducted by race meeting licensees with  
24 which the certified horsemen's organization has contracts. If a  
25 certified horsemen's organization funds less than the actual  
26 regulatory costs of the additional horse racing dates, the Michigan  
27 gaming control board shall reduce the number of future race dates

1 conducted by race meeting licensees with which the certified  
2 horsemen's organization has contracts. Prior to the reduction in  
3 the number of authorized race dates due to budget deficits, the  
4 executive director of the Michigan gaming control board shall  
5 provide notice to the certified horsemen's organizations with an  
6 opportunity to respond with alternatives. In determining actual  
7 costs, the Michigan gaming control board shall take into account  
8 that each specific breed may require different regulatory  
9 mechanisms.

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

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

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

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

25 (5) The unexpended portion of the county fairs capital  
26 improvement grant program is considered a work project  
27 appropriation in accordance with the management and budget act,

1 1984 PA 431, MCL 18.1101 to 18.1594.

2 (6) The department shall provide an interim report no later  
3 than March 15, 2013 and a year-end report no later than September  
4 30, 2013 to the senate and house appropriations subcommittees on  
5 agriculture and rural development and the senate and house fiscal  
6 agencies, including the grantees, award amount, match funding, and  
7 project outcomes.

8 **CAPITAL OUTLAY**

9 Sec. 1002. (1) The director shall allocate lump-sum  
10 appropriations made in this article consistent with statutory  
11 provisions and the purposes for which funds were appropriated.  
12 Lump-sum allocations shall address priority program or facility  
13 needs and may include, but are not limited to, design,  
14 construction, remodeling and addition, special maintenance, major  
15 special maintenance, energy conservation, and demolition.

16 (2) The state budget director may authorize that funds  
17 appropriated for lump-sum appropriations shall be available for no  
18 more than 3 fiscal years following the fiscal year in which the  
19 original appropriation was made. Any remaining balance from  
20 allocations made in this section shall lapse to the fund from which  
21 it was appropriated pursuant to the lapsing of funds as provided in  
22 the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

23 Sec. 1003. The appropriations in part 1 for capital outlay  
24 shall be carried forward at the end of the fiscal year consistent  
25 with the provisions of section 248 of the management and budget  
26 act, 1984 PA 431, MCL 18.1248.

1     **ONE-TIME BASIS ONLY APPROPRIATIONS**

2           Sec. 1101. (1) The department shall establish and administer a  
3     rural development value-added grant program. The program shall  
4     promote the expansion of value-added agricultural production,  
5     processing, and access within the state.

6           (2) The department shall award grants on a competitive basis  
7     from the funds appropriated in part 1 for rural development value-  
8     added grants. Grantees will be required to provide a cash match and  
9     identify measurable project outcomes. Eligible grantees may  
10    include, but are not limited to, individuals, partnerships,  
11    cooperatives, private or public corporations, and local units of  
12    government.

13          (3) A joint evaluation committee shall be selected by the  
14    director with representatives with agriculture, business, and  
15    economic development expertise. The joint evaluation committee  
16    shall identify criteria, evaluate applications, and provide  
17    recommendations to the director for final approval of grant awards.

18          (4) The department may expend money from the funds  
19    appropriated in part 1 for the rural development valued-added  
20    grants for administering the program.

21          (5) The unexpended portion of the rural development value-  
22    added grant program is considered a work project appropriation in  
23    accordance with the management and budget act, 1984 PA 431, MCL  
24    18.1101 to 18.1594.

25          (6) The department shall provide an interim report no later  
26    than March 15, 2013 and year-end report no later than September 30,

1 2013 to the senate and house appropriations subcommittees on  
2 agriculture and rural development and the senate and house fiscal  
3 agencies, including the grantees, award amount, match funding, and  
4 project outcomes.

5       Sec. 1103. (1) The appropriations in part 1 for private  
6 forestry program is for the purpose of increasing the knowledge of  
7 nonindustrial private forestland owners of sound forest management  
8 practices and increasing the amount of commercial timber production  
9 from those lands.

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

14                                   PART 2A

15                   PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS

16                                   FOR FISCAL YEAR 2013-2014

17       GENERAL SECTIONS

18       Sec. 1201. It is the intent of the legislature to provide  
19 appropriations for the fiscal year ending on September 30, 2014 for  
20 the line items listed in part 1. The fiscal year 2013-2014  
21 appropriations are anticipated to be the same as those for fiscal  
22 year 2012-2013, except that the line items will be adjusted for  
23 changes in caseload and related costs, federal fund match rates,  
24 economic factors, and available revenue. These adjustments will be  
25 determined after the January 2013 consensus revenue estimating

1 conference.

2 ARTICLE IV

3 DEPARTMENT OF COMMUNITY HEALTH

4 PART 1

5 LINE-ITEM APPROPRIATIONS

6 Sec. 101. Subject to the conditions set forth in this article,  
7 the amounts listed in this part are appropriated for the department  
8 of community health for the fiscal year ending September 30, 2013,  
9 from the funds indicated in this part. The following is a summary  
10 of the appropriations in this part:

11 **DEPARTMENT OF COMMUNITY HEALTH**

12 APPROPRIATION SUMMARY

13	Full-time equated unclassified positions.....	6.0
14	Full-time equated classified positions.....	3,546.6
15	Average population .....	893.0
16	GROSS APPROPRIATION.....	\$ 15,034,057,700
17	Interdepartmental grant revenues:	
18	Total interdepartmental grants and intradepartmental	
19	transfers .....	10,023,800
20	ADJUSTED GROSS APPROPRIATION.....	\$ 15,024,033,900
21	Federal revenues:	
22	Total federal revenues.....	9,673,682,000
23	Social security act, temporary assistance for needy	
24	families .....	22,341,500
25	Special revenue funds:	

1	Total local revenues.....	257,148,600
2	Total private revenues.....	93,364,000
3	Merit award trust fund.....	81,202,200
4	Total other state restricted revenues.....	2,078,857,800
5	State general fund/general purpose.....	\$ 2,817,437,800
6	State general fund/general purpose schedule:	
7	Ongoing state general fund/general	
8	purpose .....	2,802,091,300
9	One-time state general fund/general	
10	purpose .....	15,346,500
11	<b>Sec. 102. DEPARTMENTWIDE ADMINISTRATION</b>	
12	Full-time equated unclassified positions.....	6.0
13	Full-time equated classified positions.....	176.7
14	Director and other unclassified--6.0 FTE positions ...	\$ 700,000
15	Departmental administration and management--166.7	
16	FTE positions .....	24,453,200
17	Worker's compensation program.....	7,612,800
18	Rent and building occupancy.....	9,386,500
19	Developmental disabilities council and	
20	projects--10.0 FTE positions .....	<u>2,986,900</u>
21	GROSS APPROPRIATION.....	\$ 45,139,400
22	Appropriated from:	
23	Federal revenues:	
24	Total federal revenues.....	14,797,300
25	Special revenue funds:	
26	Total private revenues.....	34,600
27	Total other state restricted revenues.....	780,500

1	State general fund/general purpose.....	\$	29,527,000
2	<b>Sec. 103. BEHAVIORAL HEALTH PROGRAM ADMINISTRATION</b>		
3	<b>AND SPECIAL PROJECTS</b>		
4	Full-time equated classified positions.....	103.0	
5	Behavioral health program administration--102.0 FTE		
6	positions .....	\$	17,810,400
7	Gambling addiction--1.0 FTE position.....		3,000,000
8	Protection and advocacy services support .....		194,400
9	Community residential and support services .....		1,549,100
10	Federal and other special projects .....		3,541,600
11	Family support subsidy .....		19,161,000
12	Housing and support services .....		<u>11,322,500</u>
13	GROSS APPROPRIATION .....	\$	56,579,000
14	Appropriated from:		
15	Federal revenues:		
16	Total federal revenues .....		20,260,000
17	Social security act, temporary assistance for needy		
18	families .....		19,341,500
19	Special revenue funds:		
20	Total private revenues .....		400,000
21	Total other state restricted revenues .....		3,000,000
22	State general fund/general purpose .....	\$	13,577,500
23	<b>Sec. 104. BEHAVIORAL HEALTH SERVICES</b>		
24	Full-time equated classified positions.....	9.5	
25	Medicaid mental health services .....	\$	2,160,013,200
26	Community mental health non-Medicaid services .....		274,136,200
27	Medicaid adult benefits waiver .....		32,056,100

1	Mental health services for special populations .....	5,842,800
2	Medicaid substance abuse services .....	47,033,500
3	CMHSP, purchase of state services contracts .....	144,602,500
4	Civil service charges .....	1,499,300
5	Federal mental health block grant--2.5 FTE positions .	15,424,900
6	State disability assistance program substance abuse	
7	services .....	2,018,800
8	Community substance abuse prevention, education, and	
9	treatment programs .....	80,093,000
10	Children's waiver home care program .....	19,444,800
11	Nursing home PAS/ARR-OBRA--7.0 FTE positions .....	12,233,600
12	Children with serious emotional disturbance waiver ...	<u>12,651,000</u>
13	GROSS APPROPRIATION .....	\$ 2,807,049,700
14	Appropriated from:	
15	Interdepartmental grant revenues:	
16	Interdepartmental grant from the department of human	
17	services .....	6,194,900
18	Federal revenues:	
19	Total federal revenues .....	1,599,844,700
20	Special revenue funds:	
21	Total local revenues .....	25,228,900
22	Total other state restricted revenues .....	22,261,900
23	State general fund/general purpose .....	\$ 1,153,519,300
24	<b>Sec. 105. STATE PSYCHIATRIC HOSPITALS AND FORENSIC</b>	
25	<b>MENTAL HEALTH SERVICES</b>	
26	Total average population .....	893.0
27	Full-time equated classified positions .....	2,130.9

1	Caro Regional Mental Health Center - psychiatric	
2	hospital - adult--461.3 FTE positions.....	\$ 62,292,300
3	Average population .....	185.0
4	Kalamazoo Psychiatric Hospital - adult--466.1 FTE	
5	positions .....	60,127,200
6	Average population .....	189.0
7	Walter P. Reuther Psychiatric Hospital -	
8	adult--420.8 FTE positions .....	55,662,500
9	Average population .....	234.0
10	Hawthorn Center - psychiatric hospital - children	
11	and adolescents--226.4 FTE positions.....	28,632,900
12	Average population .....	75.0
13	Center for forensic psychiatry--556.3 FTE positions..	69,129,600
14	Average population .....	210.0
15	Revenue recapture.....	750,000
16	IDEA, federal special education.....	120,000
17	Special maintenance.....	332,500
18	Purchase of medical services for residents of	
19	hospitals and centers .....	445,600
20	Gifts and bequests for patient living and treatment	
21	environment .....	<u>1,000,000</u>
22	GROSS APPROPRIATION.....	\$ 278,492,600
23	Appropriated from:	
24	Federal revenues:	
25	Total federal revenues.....	33,729,100
26	Special revenue funds:	
27	CMHSP, purchase of state services contracts .....	144,602,500

1	Other local revenues.....	18,707,400
2	Total private revenues.....	1,000,000
3	Total other state restricted revenues.....	16,537,300
4	State general fund/general purpose.....	\$ 63,916,300
5	<b>Sec. 106. PUBLIC HEALTH ADMINISTRATION</b>	
6	Full-time equated classified positions.....	101.9
7	Public health administration--7.3 FTE positions.....	\$ 1,594,000
8	Health and wellness initiatives--10.7 FTE positions...	7,146,600
9	Minority health grants and contracts--2.5 FTE	
10	positions .....	612,700
11	Vital records and health statistics--81.4 FTE	
12	positions .....	<u>9,643,300</u>
13	GROSS APPROPRIATION.....	\$ 18,996,600
14	Appropriated from:	
15	Interdepartmental grant revenues:	
16	Interdepartmental grant from the department of human	
17	services .....	1,181,200
18	Federal revenues:	
19	Total federal revenues.....	4,229,700
20	Special revenue funds:	
21	Total other state restricted revenues.....	10,301,600
22	State general fund/general purpose.....	\$ 3,284,100
23	<b>Sec. 107. HEALTH POLICY</b>	
24	Full-time equated classified positions.....	64.8
25	Emergency medical services program state staff--23.0	
26	FTE positions .....	\$ 4,502,400
27	Emergency medical services grants and services .....	660,000

1	Health policy administration--24.1 FTE positions .....	4,304,600
2	Nurse education and research program--3.0 FTE	
3	positions .....	762,300
4	Certificate of need program administration--12.3 FTE	
5	positions .....	2,021,900
6	Rural health services--1.0 FTE position .....	1,529,100
7	Michigan essential health provider .....	1,491,300
8	Primary care services--1.4 FTE positions .....	<u>3,235,900</u>
9	GROSS APPROPRIATION .....	\$ 18,507,500
10	Appropriated from:	
11	Interdepartmental grant revenues:	
12	Interdepartmental grant from the department of	
13	licensing and regulatory affairs .....	2,058,800
14	Interdepartmental grant from the department of	
15	treasury, Michigan state hospital finance authority.	112,400
16	Federal revenues:	
17	Total federal revenues .....	6,145,800
18	Special revenue funds:	
19	Total private revenues .....	255,000
20	Total other state restricted revenues .....	5,783,000
21	State general fund/general purpose .....	\$ 4,152,500
22	<b>Sec. 108. INFECTIOUS DISEASE CONTROL</b>	
23	Full-time equated classified positions .....	44.5
24	AIDS prevention, testing, and care programs--12.7	
25	FTE positions .....	\$ 58,558,700
26	Immunization local agreements .....	11,975,200
27	Immunization program management and field	

1	support--12.8 FTE positions .....	1,835,300
2	Pediatric AIDS prevention and control--1.0 FTE	
3	position .....	1,233,100
4	Sexually transmitted disease control local agreements	3,360,700
5	Sexually transmitted disease control management and	
6	field support--18.0 FTE positions.....	<u>3,794,100</u>
7	GROSS APPROPRIATION.....	\$ 80,757,100
8	Appropriated from:	
9	Federal revenues:	
10	Total federal revenues.....	42,597,900
11	Special revenue funds:	
12	Total private revenues.....	27,707,700
13	Total other state restricted revenues.....	7,605,200
14	State general fund/general purpose.....	\$ 2,846,300
15	<b>Sec. 109. LABORATORY SERVICES</b>	
16	Full-time equated classified positions..... 100.0	
17	Laboratory services--100.0 FTE positions.....	\$ <u>18,023,400</u>
18	GROSS APPROPRIATION.....	\$ 18,023,400
19	Appropriated from:	
20	Interdepartmental grant revenues:	
21	Interdepartmental grant from the department of	
22	environmental quality .....	456,800
23	Federal revenues:	
24	Total federal revenues.....	2,730,500
25	Special revenue funds:	
26	Total other state restricted revenues.....	8,310,400
27	State general fund/general purpose.....	\$ 6,525,700

1       **Sec. 110. EPIDEMIOLOGY**

2       Full-time equated classified positions..... 115.1

3       AIDS surveillance and prevention program..... \$       2,254,100

4       Bioterrorism preparedness--55.0 FTE positions ..... 35,201,400

5       Epidemiology administration--41.6 FTE positions ..... 9,253,000

6       Healthy homes program--8.0 FTE positions ..... 4,932,100

7       Newborn screening follow-up and treatment

8       services--10.5 FTE positions ..... 5,629,000

9       Tuberculosis control and prevention..... 867,000

10      GROSS APPROPRIATION..... \$       58,136,600

11      Appropriated from:

12      Federal revenues:

13      Total federal revenues..... 47,078,200

14      Special revenue funds:

15      Total private revenues..... 100,000

16      Total other state restricted revenues ..... 9,007,500

17      State general fund/general purpose ..... \$       1,950,900

18      **Sec. 111. LOCAL HEALTH ADMINISTRATION AND GRANTS**

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

20      Essential local public health services ..... \$       37,386,100

21      Implementation of 1993 PA 133, MCL 333.17015 ..... 20,000

22      Local health services--2.0 FTE positions ..... 524,400

23      Medicaid outreach cost reimbursement to local health

24      departments ..... 9,000,000

25      GROSS APPROPRIATION..... \$       46,930,500

26      Appropriated from:

27      Federal revenues:

1	Total federal revenues.....	9,524,400
2	Special revenue funds:	
3	Total local revenues.....	5,150,000
4	State general fund/general purpose.....	\$ 32,256,100
5	<b>Sec. 112. CHRONIC DISEASE AND INJURY PREVENTION AND</b>	
6	<b>HEALTH PROMOTION</b>	
7	Full-time equated classified positions..... 64.3	
8	Cancer prevention and control program--11.0 FTE	
9	positions .....	\$ 14,932,600
10	Chronic disease control and health promotion	
11	administration--29.4 FTE positions.....	6,833,800
12	Diabetes and kidney program--8.0 FTE positions .....	1,855,700
13	Injury control intervention project .....	200,000
14	Public health traffic safety coordination--1.0 FTE	
15	position .....	93,800
16	Smoking prevention program--12.0 FTE positions .....	2,172,100
17	Violence prevention--2.9 FTE positions .....	<u>2,158,000</u>
18	GROSS APPROPRIATION.....	\$ 28,246,000
19	Appropriated from:	
20	Federal revenues:	
21	Total federal revenues.....	25,183,400
22	Special revenue funds:	
23	Total private revenues.....	500,000
24	Total other state restricted revenues.....	721,200
25	State general fund/general purpose.....	\$ 1,841,400
26	<b>Sec. 113. FAMILY, MATERNAL, AND CHILDREN'S HEALTH</b>	
27	<b>SERVICES</b>	

1	Full-time equated classified positions.....	49.6	
2	Childhood lead program--2.5 FTE positions.....		\$ 653,900
3	Dental programs--3.0 FTE positions.....		1,134,300
4	Dental program for persons with developmental		
5	disabilities .....		151,000
6	Family, maternal, and children's health services		
7	administration--41.6 FTE positions.....		6,654,000
8	Family planning local agreements.....		9,085,700
9	Local MCH services.....		7,018,100
10	Pregnancy prevention program.....		602,100
11	Prenatal care outreach and service delivery support ..		11,101,400
12	Special projects--2.5 FTE positions.....		8,421,700
13	Sudden infant death syndrome program.....		<u>321,300</u>
14	GROSS APPROPRIATION.....		\$ 45,143,500
15	Appropriated from:		
16	Federal revenues:		
17	Total federal revenues.....		35,518,100
18	Social security act, temporary assistance for needy		
19	families .....		3,000,000
20	Special revenue funds:		
21	Total local revenues.....		75,000
22	Total private revenues.....		873,200
23	State general fund/general purpose.....		\$ 5,677,200
24	<b>Sec. 114. WOMEN, INFANTS, AND CHILDREN FOOD AND</b>		
25	<b>NUTRITION PROGRAM</b>		
26	Full-time equated classified positions.....	45.0	
27	Women, infants, and children program administration		

1	and special projects--45.0 FTE positions.....	\$	16,294,500
2	Women, infants, and children program local		
3	agreements and food costs .....		<u>253,825,500</u>
4	GROSS APPROPRIATION.....	\$	270,120,000
5	Appropriated from:		
6	Federal revenues:		
7	Total federal revenues.....		211,501,600
8	Special revenue funds:		
9	Total private revenues.....		58,618,400
10	State general fund/general purpose.....	\$	0
11	<b>Sec. 115. CHILDREN'S SPECIAL HEALTH CARE SERVICES</b>		
12	Full-time equated classified positions.....		46.8
13	Children's special health care services		
14	administration--44.0 FTE positions.....	\$	5,385,600
15	Bequests for care and services--2.8 FTE positions....		1,511,400
16	Outreach and advocacy.....		5,510,000
17	Nonemergency medical transportation.....		2,679,300
18	Medical care and treatment.....		<u>285,901,200</u>
19	GROSS APPROPRIATION.....	\$	300,987,500
20	Appropriated from:		
21	Federal revenues:		
22	Total federal revenues.....		168,451,400
23	Special revenue funds:		
24	Total private revenues.....		996,800
25	Total other state restricted revenues.....		3,848,500
26	State general fund/general purpose.....	\$	127,690,800
27	<b>Sec. 116. CRIME VICTIM SERVICES COMMISSION</b>		

1	Full-time equated classified positions.....	13.0	
2	Grants administration services--13.0 FTE positions ...	\$	2,460,000
3	Justice assistance grants.....		19,106,100
4	Crime victim rights services grants.....		<u>16,570,000</u>
5	GROSS APPROPRIATION.....	\$	38,136,100
6	Appropriated from:		
7	Federal revenues:		
8	Total federal revenues.....		24,083,800
9	Special revenue funds:		
10	Total other state restricted revenues.....		14,052,300
11	State general fund/general purpose.....	\$	0
12	<b>Sec. 117. OFFICE OF SERVICES TO THE AGING</b>		
13	Full-time equated classified positions.....	40.0	
14	Office of services to aging administration--40.0 FTE		
15	positions .....	\$	6,724,100
16	Community services.....		36,414,400
17	Nutrition services.....		35,430,200
18	Foster grandparent volunteer program.....		2,233,600
19	Retired and senior volunteer program.....		627,300
20	Senior companion volunteer program.....		1,604,400
21	Employment assistance.....		3,500,000
22	Respite care program.....		<u>5,868,700</u>
23	GROSS APPROPRIATION.....	\$	92,402,700
24	Appropriated from:		
25	Federal revenues:		
26	Total federal revenues.....		57,029,700
27	Special revenue funds:		

1	Total private revenues.....	677,500
2	Merit award trust fund.....	4,468,700
3	Total other state restricted revenues.....	1,400,000
4	State general fund/general purpose.....	\$ 28,826,800
5	<b>Sec. 118. MEDICAL SERVICES ADMINISTRATION</b>	
6	Full-time equated classified positions.....	439.5
7	Medical services administration--415.5 FTE positions .	\$ 66,711,200
8	Facility inspection contract.....	132,800
9	MICChild administration.....	4,327,800
10	Electronic health record incentive program--24.0 FTE	
11	positions .....	<u>144,081,400</u>
12	GROSS APPROPRIATION.....	\$ 215,253,200
13	Appropriated from:	
14	Federal revenues:	
15	Total federal revenues.....	190,711,800
16	Special revenue funds:	
17	Total local revenues.....	105,900
18	Total private revenues.....	100,000
19	Total other state restricted revenues.....	115,400
20	State general fund/general purpose.....	\$ 24,220,100
21	<b>Sec. 119. MEDICAL SERVICES</b>	
22	Hospital services and therapy.....	\$ 1,351,575,600
23	Hospital disproportionate share payments.....	45,000,000
24	Physician services.....	373,703,700
25	Medicare premium payments.....	404,000,000
26	Pharmaceutical services.....	279,612,900
27	Home health services.....	4,239,600

1	Hospice services.....	104,794,300
2	Transportation.....	19,651,600
3	Auxiliary medical services.....	8,963,000
4	Dental services.....	186,666,700
5	Ambulance services.....	12,253,000
6	Long-term care services.....	1,696,149,600
7	Medicaid home- and community-based services waiver...	282,393,100
8	Adult home help services.....	291,972,700
9	Personal care services.....	14,247,900
10	Program of all-inclusive care for the elderly.....	34,792,800
11	Autism services.....	17,544,600
12	Health plan services.....	4,365,050,200
13	MIChild program.....	66,264,400
14	Plan first family planning waiver.....	14,295,500
15	Medicaid adult benefits waiver.....	105,877,700
16	Special indigent care payments.....	95,738,900
17	Federal Medicare pharmaceutical program.....	184,470,300
18	Maternal and child health.....	20,279,500
19	Subtotal basic medical services program.....	9,979,537,600
20	School-based services.....	131,502,700
21	Special Medicaid reimbursement.....	390,962,100
22	Subtotal special medical services payments.....	<u>522,464,800</u>
23	GROSS APPROPRIATION.....	\$ 10,502,002,400
24	Appropriated from:	
25	Federal revenues:	
26	Total federal revenues.....	7,104,340,200
27	Special revenue funds:	

1	Total local revenues.....	63,128,500
2	Total private revenues.....	2,100,000
3	Merit award trust fund.....	76,733,500
4	Total other state restricted revenues.....	1,972,928,900
5	State general fund/general purpose.....	\$ 1,282,771,300
6	<b>Sec. 120. INFORMATION TECHNOLOGY</b>	
7	Information technology services and projects.....	\$ 36,028,300
8	Michigan Medicaid information system.....	<u>30,201,100</u>
9	GROSS APPROPRIATION.....	\$ 66,229,400
10	Appropriated from:	
11	Federal revenues:	
12	Total federal revenues.....	44,780,800
13	Special revenue funds:	
14	Total other state restricted revenues.....	1,940,600
15	State general fund/general purpose.....	\$ 19,508,000
16	<b>Sec. 121. ONE-TIME BASIS ONLY APPROPRIATIONS</b>	
17	State employee lump-sum payments.....	\$ 4,285,300
18	Health and wellness initiatives.....	5,000,000
19	Hospital services and therapy - graduate medical	
20	education .....	4,314,200
21	Mental health services for special populations.....	3,000,000
22	Michigan Medicaid information system.....	30,000,000
23	Primary care services -- island health clinics.....	<u>325,000</u>
24	GROSS APPROPRIATION.....	\$ 46,924,500
25	Appropriated from:	
26	Interdepartmental grant revenues:	
27	Total interdepartmental grant revenues.....	19,700

1	Federal revenues:	
2	Total federal revenues.....	31,143,600
3	Special revenue funds:	
4	Total local revenues.....	150,400
5	Total private revenues.....	800
6	Total other state restricted revenues.....	263,500
7	State general fund/general purpose.....	\$ 15,346,500

8 PART 2

9 PROVISIONS CONCERNING APPROPRIATIONS

10 FOR FISCAL YEAR 2012-2013

11 GENERAL SECTIONS

12 Sec. 201. Pursuant to section 30 of article IX of the state

13 constitution of 1963, total state spending from state resources

14 under part 1 for fiscal year 2012-2013 is \$4,977,497,800.00 and

15 state spending from state resources to be paid to local units of

16 government for fiscal year 2012-2013 is \$1,229,341,700.00. The

17 itemized statement below identifies appropriations from which

18 spending to local units of government will occur:

19 DEPARTMENT OF COMMUNITY HEALTH

20 BEHAVIORAL HEALTH PROGRAM ADMINISTRATION

21	Community residential and support services.....	\$ 215,800
22	Housing and support services.....	645,600

23 BEHAVIORAL HEALTH SERVICES

24 State disability assistance program substance abuse

25	services .....	\$ 2,018,000
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1	Community substance abuse prevention, education, and	
2	treatment programs .....	12,762,200
3	Medicaid mental health services .....	697,991,400
4	Community mental health non-Medicaid services .....	274,136,200
5	Mental health services for special populations .....	8,842,800
6	Medicaid adult benefits waiver .....	10,774,100
7	Medicaid substance abuse services .....	15,808,000
8	Children's waiver home care program .....	5,857,500
9	Nursing home PAS/ARR-OBRA .....	2,703,800
10	PUBLIC HEALTH ADMINISTRATION	
11	Health and wellness initiatives .....	1,803,000
12	HEALTH POLICY	
13	Primary care services .....	\$ 88,900
14	INFECTIOUS DISEASE CONTROL	
15	AIDS prevention, testing, and care programs .....	\$ 1,000,000
16	Immunization local agreements .....	1,352,000
17	Sexually transmitted disease control local agreements	175,200
18	LABORATORY SERVICES	
19	Laboratory services .....	\$ 13,700
20	LOCAL HEALTH ADMINISTRATION AND GRANTS	
21	Implementation of 1993 PA 133, MCL 333.17015 .....	\$ 8,000
22	Essential local public health services .....	32,236,100
23	CHRONIC DISEASE AND INJURY PREVENTION AND HEALTH PROMOTION	
24	Cancer prevention and control program .....	\$ 450,000
25	Chronic disease control and health promotion	
26	administration .....	75,000
27	FAMILY, MATERNAL, AND CHILDREN'S HEALTH SERVICES	

1	Childhood lead program.....	\$	51,100
2	Prenatal care outreach and service delivery support ..		1,500,000
3	CHILDREN'S SPECIAL HEALTH CARE SERVICES		
4	Medical care and treatment.....	\$	1,935,000
5	Outreach and advocacy.....		1,185,900
6	CRIME VICTIM SERVICES COMMISSION		
7	Crime victim rights services grants.....	\$	10,300,000
8	OFFICE OF SERVICES TO THE AGING		
9	Community services.....	\$	13,333,700
10	Nutrition services.....		8,787,000
11	Foster grandparent volunteer program.....		679,800
12	Retired and senior volunteer program.....		175,000
13	Senior companion volunteer program.....		215,000
14	Respite care program.....		5,384,800
15	MEDICAL SERVICES		
16	Dental services.....	\$	1,803,200
17	Long-term care services.....		88,294,300
18	Transportation.....		4,943,700
19	Medicaid adult benefits waiver.....		8,999,600
20	Hospital services and therapy.....		2,615,100
21	Physician services.....		<u>10,180,800</u>
22	TOTAL OF PAYMENTS TO LOCAL UNITS		
23	OF GOVERNMENT.....	\$	1,229,341,700

24       Sec. 202. The appropriations authorized under this article are  
25 subject to the management and budget act, 1984 PA 431, MCL 18.1101  
26 to 18.1594.

27       Sec. 203. As used in this article:

1 (a) "AIDS" means acquired immunodeficiency syndrome.

2 (b) "CMHSP" means a community mental health services program  
3 as that term is defined in section 100a of the mental health code,  
4 1974 PA 258, MCL 330.1100a.

5 (c) "Current fiscal year" means the fiscal year ending  
6 September 30, 2013.

7 (d) "Department" means the department of community health.

8 (e) "Director" means the director of the department.

9 (f) "DSH" means disproportionate share hospital.

10 (g) "EPSDT" means early and periodic screening, diagnosis, and  
11 treatment.

12 (h) "Federal health care reform legislation" means the patient  
13 protection and affordable care act, Public Law 111-148, and the  
14 health care and education reconciliation act of 2010, Public Law  
15 111-152.

16 (i) "Federal poverty level" means the poverty guidelines  
17 published annually in the federal register by the United States  
18 department of health and human services under its authority to  
19 revise the poverty line under 42 USC 9902.

20 (j) "GME" means graduate medical education.

21 (k) "Health plan" means, at a minimum, an organization that  
22 meets the criteria for delivering the comprehensive package of  
23 services under the department's comprehensive health plan.

24 (l) "HEDIS" means healthcare effectiveness data and information  
25 set.

26 (m) "HIV" means human immunodeficiency virus.

27 (n) "HMO" means health maintenance organization.

1 (o) "IDEA" means the individuals with disabilities education  
2 act, 20 USC 1400 to 1482.

3 (p) "MCH" means maternal and child health.

4 (q) "MIChild" means the program described in section 1670.

5 (r) "PAS/ARR-OBRA" means the preadmission screening and annual  
6 resident review required under the omnibus budget reconciliation  
7 act of 1987, section 1919(e)(7) of the social security act, and 42  
8 USC 1396r.

9 (s) "PIHP" means a specialty prepaid inpatient health plan for  
10 Medicaid mental health services, services to individuals with  
11 developmental disabilities, and substance abuse services. Specialty  
12 prepaid inpatient health plans are described in section 232b of the  
13 mental health code, 1974 PA 258, MCL 330.1232b.

14 (t) "Temporary assistance for needy families" means part A of  
15 title IV of the social security act, 42 USC 601 to 619.

16 (u) "Title XVIII" and "Medicare" mean title XVIII of the  
17 social security act, 42 USC 1395 to 1395kkk-1.

18 (v) "Title XIX" and "Medicaid" mean title XIX of the social  
19 security act, 42 USC 1396 to 1396w-5.

20 (w) "Title XX" means title XX of the social security act, 42  
21 USC 1397 to 1397m-5.

22 Sec. 206. (1) In addition to the funds appropriated in part 1,  
23 there is appropriated an amount not to exceed \$200,000,000.00 for  
24 federal contingency funds. These funds are not available for  
25 expenditure until they have been transferred to another line item  
26 in this article under section 393(2) of the management and budget  
27 act, 1984 PA 431, MCL 18.1393.

1           (2) In addition to the funds appropriated in part 1, there is  
2 appropriated an amount not to exceed \$40,000,000.00 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 this article under section 393(2) of the management and budget  
6 act, 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 \$20,000,000.00 for local  
9 contingency funds. These funds are not available for expenditure  
10 until they have been transferred to another line item in this  
11 article under section 393(2) of the management and budget act, 1984  
12 PA 431, MCL 18.1393.

13           (4) In addition to the funds appropriated in part 1, there is  
14 appropriated an amount not to exceed \$20,000,000.00 for private  
15 contingency funds. These funds are not available for expenditure  
16 until they have been transferred to another line item in this  
17 article under section 393(2) of the management and budget act, 1984  
18 PA 431, MCL 18.1393.

19           Sec. 207. By October 31, 2012, the department shall identify  
20 10 principal measurable outcomes to be affected by expenditure of  
21 the funds appropriated in part 1 of this article and submit a  
22 report to the house and senate appropriations committees, the house  
23 and senate fiscal agencies, and the state budget director that  
24 ranks the outcomes by level of importance and contains current data  
25 on those outcomes. Beginning on April 1, 2013, the department shall  
26 provide biannual updates to the house and senate appropriations  
27 committees on changes in those measurable outcomes and departmental

1 efforts to improve the outcomes.

2       Sec. 208. Unless otherwise specified, the departments shall  
3 use the Internet to fulfill the reporting requirements of this  
4 article. This requirement may include transmission of reports via  
5 electronic mail to the recipients identified for each reporting  
6 requirement, or it may include placement of reports on the Internet  
7 or Intranet site.

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

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 community health, the house and  
27 senate fiscal agencies, and the state budget director on the

1 detailed name and amounts of federal, restricted, private, and  
2 local sources of revenue that support the appropriations in each of  
3 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 funds from part 1  
12 shall report by April 1 of the current fiscal year to the senate  
13 and house appropriations committees, the senate and house fiscal  
14 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. 216. (1) In addition to funds appropriated in part 1 for  
2 all programs and services, there is appropriated for write-offs of  
3 accounts receivable, deferrals, and for prior year obligations in  
4 excess of applicable prior year appropriations, an amount equal to  
5 total write-offs and prior year obligations, but not to exceed  
6 amounts available in prior year revenues.

7       (2) The department's ability to satisfy appropriation  
8 deductions in part 1 shall not be limited to collections and  
9 accruals pertaining to services provided in the current fiscal  
10 year, but shall also include reimbursements, refunds, adjustments,  
11 and settlements from prior years.

12       Sec. 218. The department shall include the following in its  
13 annual list of proposed basic health services as required in part  
14 23 of the public health code, 1978 PA 368, MCL 333.2301 to  
15 333.2321:

16       (a) Immunizations.

17       (b) Communicable disease control.

18       (c) Sexually transmitted disease control.

19       (d) Tuberculosis control.

20       (e) Prevention of gonorrhea eye infection in newborns.

21       (f) Screening newborns for the conditions listed in section  
22 5431 of the public health code, 1978 PA 368, MCL 333.5431, or  
23 recommended by the newborn screening quality assurance advisory  
24 committee created under section 5430 of the public health code,  
25 1978 PA 368, MCL 333.5430.

26       (g) Community health annex of the Michigan emergency  
27 management plan.

1 (h) Prenatal care.

2 Sec. 219. (1) The department may contract with the Michigan  
3 public health institute for the design and implementation of  
4 projects and for other public health-related activities prescribed  
5 in section 2611 of the public health code, 1978 PA 368, MCL  
6 333.2611. The department may develop a master agreement with the  
7 institute to carry out these purposes for up to a 3-year period.  
8 The department shall report to the house and senate appropriations  
9 subcommittees on community health, the house and senate fiscal  
10 agencies, and the state budget director on or before January 1 of  
11 the current fiscal year all of the following:

12 (a) A detailed description of each funded project.

13 (b) The amount allocated for each project, the appropriation  
14 line item from which the allocation is funded, and the source of  
15 financing for each project.

16 (c) The expected project duration.

17 (d) A detailed spending plan for each project, including a  
18 list of all subgrantees and the amount allocated to each  
19 subgrantee.

20 (2) On or before September 30 of the current fiscal year, the  
21 department shall provide to the same parties listed in subsection  
22 (1) a copy of all reports, studies, and publications produced by  
23 the Michigan public health institute, its subcontractors, or the  
24 department with the funds appropriated in part 1 and allocated to  
25 the Michigan public health institute.

26 Sec. 223. The department may establish and collect fees for  
27 publications, videos and related materials, conferences, and

1 workshops. Collected fees shall be used to offset expenditures to  
2 pay for printing and mailing costs of the publications, videos and  
3 related materials, and costs of the workshops and conferences. The  
4 department shall not collect fees under this section that exceed  
5 the cost of the expenditures.

6       Sec. 259. From the funds appropriated in part 1 for  
7 information technology, departments and agencies shall pay user  
8 fees to the department of technology, management, and budget for  
9 technology-related services and projects. The user fees shall be  
10 subject to provisions of an interagency agreement between the  
11 department and agencies and the department of technology,  
12 management, and budget.

13       Sec. 264. (1) Upon submission of a Medicaid waiver, a Medicaid  
14 state plan amendment, or a similar proposal to the centers for  
15 Medicare and Medicaid services, the department shall notify the  
16 house and senate appropriations subcommittees on community health  
17 and the house and senate fiscal agencies of the submission.

18       (2) The department shall provide written or verbal biannual  
19 reports to the senate and house appropriations subcommittees on  
20 community health and the senate and house fiscal agencies  
21 summarizing the status of any new or ongoing discussions with the  
22 centers for Medicare and Medicaid services or the federal  
23 department of health and human services regarding potential or  
24 future Medicaid waiver applications.

25       (3) The department shall inform the senate and house  
26 appropriations subcommittees on community health and the senate and  
27 house fiscal agencies of any alterations or adjustments made to the

1 published plan for integrated care for individuals who are dual  
2 Medicare/Medicaid eligibles when the final version of the plan has  
3 been submitted to the federal centers for Medicare and Medicaid  
4 services or the federal department of health and human services.

5 (4) At least 30 days before implementation of the plan for  
6 integrated care for individuals who are dual Medicare/Medicaid  
7 eligibles, the department shall submit the plan to the legislature  
8 for review.

9 Sec. 265. The department and agencies receiving appropriations  
10 in part 1 shall receive and retain copies of all reports funded  
11 from appropriations in part 1. Federal and state guidelines for  
12 short-term and long-term retention of records shall be followed.  
13 The department may electronically retain copies of reports unless  
14 otherwise required by federal and state guidelines.

15 Sec. 266. (1) The departments and agencies receiving  
16 appropriations in part 1 shall prepare a report on out-of-state  
17 travel expenses not later than January 1 of each year. The travel  
18 report shall be a listing of all travel by classified and  
19 unclassified employees outside this state in the immediately  
20 preceding fiscal year that was funded in whole or in part with  
21 funds appropriated in the department's budget. The report shall be  
22 submitted to the house and senate standing committees on  
23 appropriations, the house and senate fiscal agencies, and the state  
24 budget director. The report shall include the following  
25 information:

26 (a) The dates of each travel occurrence.

27 (b) The total transportation and related costs of each travel

1 occurrence, including the proportion funded with state general  
2 fund/general purpose revenues, the proportion funded with state  
3 restricted revenues, the proportion funded with federal revenues,  
4 and the proportion funded with other revenues.

5 (2) If out-of-state travel is necessary but does not meet 1 or  
6 more of the conditions in subsection (1), the state budget director  
7 may grant an exception to allow the travel. Any exceptions granted  
8 by the state budget director shall be reported on a monthly basis  
9 to the senate and house of representatives standing committees on  
10 appropriations.

11 Sec. 267. The department shall not take disciplinary action  
12 against an employee for communicating with a member of the  
13 legislature or his or her staff.

14 Sec. 270. Within 180 days after receipt of the notification  
15 from the attorney general's office of a legal action in which  
16 expenses had been recovered pursuant to section 106(4) of the  
17 social welfare act, 1939 PA 280, MCL 400.106, or any other statute  
18 under which the department has the right to recover expenses, the  
19 department shall submit a written report to the house and senate  
20 appropriations subcommittees on community health, the house and  
21 senate fiscal agencies, and the state budget office which includes,  
22 at a minimum, all of the following:

23 (a) The total amount recovered from the legal action.

24 (b) The program or service for which the money was originally  
25 expended.

26 (c) Details on the disposition of the funds recovered such as  
27 the appropriation or revenue account in which the money was

1 deposited.

2 (d) A description of the facts involved in the legal action.

3 Sec. 276. Funds appropriated in part 1 shall not be used by a  
4 principal executive department, state agency, or authority to hire  
5 a person to provide legal services that are the responsibility of  
6 the attorney general. This prohibition does not apply to legal  
7 services for bonding activities and for those outside services that  
8 the attorney general authorizes.

9 Sec. 282. (1) The department, through its organizational units  
10 responsible for departmental administration, operation, and  
11 finance, shall establish uniform definitions, standards, and  
12 instructions for the classification, allocation, assignment,  
13 calculation, recording, and reporting of administrative costs by  
14 the following entities:

15 (a) Coordinating agencies on substance abuse and the Salvation  
16 Army harbor light program that receive payment or reimbursement  
17 from funds appropriated under section 104.

18 (b) Area agencies on aging and local providers that receive  
19 payment or reimbursement from funds appropriated under section 117.

20 (2) By May 15 of the current fiscal year, the department shall  
21 provide a written draft of its proposed definitions, standards, and  
22 instructions to the house of representatives and senate  
23 appropriations subcommittees on community health, the house and  
24 senate fiscal agencies, and the state budget director.

25 Sec. 287. Not later than November 30, 2012, the department  
26 shall prepare and transmit a report that provides for estimates of  
27 the total general fund/general purpose appropriation lapses at the

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

8       Sec. 292. (1) The department shall maintain a searchable  
9 website accessible by the public at no cost that includes, but is  
10 not limited to, all of the following:

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

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

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

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

18       (e) Job specifications and wage rates.

19       (2) The department may develop and operate its own website to  
20 provide this information or may reference the state's central  
21 transparency website as the source for this information.

22       Sec. 294. Amounts appropriated in part 1 for information  
23 technology may be designated as work projects and carried forward  
24 to support technology projects under the direction of the  
25 department of technology, management, and budget. Funds designated  
26 in this manner are not available for expenditure until approved as  
27 work projects under section 451a of the management and budget act,

1 1984 PA 431, MCL 18.1451a.

2       Sec. 296. Within 14 days after the release of the executive  
3 budget recommendation, the department shall provide the state  
4 budget director, the senate and house appropriations chairs, the  
5 senate and house appropriations subcommittees on community health,  
6 respectively, and the senate and house fiscal agencies with an  
7 annual report on estimated state restricted fund balances, state  
8 restricted fund projected revenues, and state restricted fund  
9 expenditures for the fiscal years ending September 30, 2012 and  
10 September 30, 2013.

11       Sec. 297. It is the intent of the legislature that all  
12 principal executive departments and agencies cooperate with the  
13 development and implementation of the department of technology,  
14 management, and budget statewide office space consolidation plan.

15 **BEHAVIORAL HEALTH SERVICES**

16       Sec. 401. Funds appropriated in part 1 are intended to support  
17 a system of comprehensive community mental health services under  
18 the full authority and responsibility of local CMHSPs or PIHPs. The  
19 department shall ensure that each CMHSP or PIHP provides all of the  
20 following:

21       (a) A system of single entry and single exit.

22       (b) A complete array of mental health services that includes,  
23 but is not limited to, all of the following services: residential  
24 and other individualized living arrangements, outpatient services,  
25 acute inpatient services, and long-term, 24-hour inpatient care in  
26 a structured, secure environment.

1 (c) The coordination of inpatient and outpatient hospital  
2 services through agreements with state-operated psychiatric  
3 hospitals, units, and centers in facilities owned or leased by the  
4 state, and privately-owned hospitals, units, and centers licensed  
5 by the state pursuant to sections 134 through 149b of the mental  
6 health code, 1974 PA 258, MCL 330.1134 to 330.1149b.

7 (d) Individualized plans of service that are sufficient to  
8 meet the needs of individuals, including those discharged from  
9 psychiatric hospitals or centers, and that ensure the full range of  
10 recipient needs is addressed through the CMHSP's or PIHP's program  
11 or through assistance with locating and obtaining services to meet  
12 these needs.

13 (e) A system of case management or care management to monitor  
14 and ensure the provision of services consistent with the  
15 individualized plan of services or supports.

16 (f) A system of continuous quality improvement.

17 (g) A system to monitor and evaluate the mental health  
18 services provided.

19 (h) A system that serves at-risk and delinquent youth as  
20 required under the provisions of the mental health code, 1974 PA  
21 258, MCL 330.1001 to 330.2106.

22 Sec. 402. (1) From funds appropriated in part 1, final  
23 authorizations to CMHSPs or PIHPs shall be made upon the execution  
24 of contracts between the department and CMHSPs or PIHPs. The  
25 contracts shall contain an approved plan and budget as well as  
26 policies and procedures governing the obligations and  
27 responsibilities of both parties to the contracts. Each contract

1 with a CMHSP or PIHP that the department is authorized to enter  
2 into under this subsection shall include a provision that the  
3 contract is not valid unless the total dollar obligation for all of  
4 the contracts between the department and the CMHSPs or PIHPs  
5 entered into under this subsection for the current fiscal year does  
6 not exceed the amount of money appropriated in part 1 for the  
7 contracts authorized under this subsection.

8 (2) The department shall immediately report to the senate and  
9 house appropriations subcommittees on community health, the senate  
10 and house fiscal agencies, and the state budget director if either  
11 of the following occurs:

12 (a) Any new contracts with CMHSPs or PIHPs that would affect  
13 rates or expenditures are enacted.

14 (b) Any amendments to contracts with CMHSPs or PIHPs that  
15 would affect rates or expenditures are enacted.

16 (3) The report required by subsection (2) shall include  
17 information about the changes and their effects on rates and  
18 expenditures.

19 Sec. 403. (1) From the funds appropriated in part 1 for mental  
20 health services for special populations, the department shall  
21 ensure that CMHSPs or PIHPs meet with multicultural service  
22 providers to develop a workable framework for contracting, service  
23 delivery, and reimbursement.

24 (2) Funds appropriated in part 1 for mental health services  
25 for special populations shall not be utilized for services provided  
26 to illegal immigrants, fugitive felons, and individuals who are not  
27 residents of this state. The department shall maintain contracts

1 with recipients of multicultural services grants that mandate  
2 grantees establish that recipients of services are legally residing  
3 in the United States. An exception to the contractual provision  
4 shall be allowed to address individuals presenting with emergent  
5 mental health conditions.

6 (3) The department shall require an annual report from the  
7 independent organizations that receive mental health services for  
8 special populations funding. The annual report, due January 1 of  
9 the current fiscal year, shall include specific information on  
10 services and programs provided, the client base to which the  
11 services and programs were provided, information on any wraparound  
12 services provided, and the expenditures for those services. The  
13 department shall provide the annual reports to the senate and house  
14 appropriations subcommittees on community health and the senate and  
15 house fiscal agencies.

16 Sec. 404. (1) Not later than May 31 of the current fiscal  
17 year, the department shall provide a report on the community mental  
18 health services programs to the members of the house and senate  
19 appropriations subcommittees on community health, the house and  
20 senate fiscal agencies, and the state budget director that includes  
21 the information required by this section.

22 (2) The report shall contain information for each CMHSP or  
23 PIHP and a statewide summary, each of which shall include at least  
24 the following information:

25 (a) A demographic description of service recipients which,  
26 minimally, shall include reimbursement eligibility, client  
27 population, age, ethnicity, housing arrangements, and diagnosis.

1 (b) Per capita expenditures by client population group.

2 (c) Financial information that, minimally, includes a  
3 description of funding authorized; expenditures by client group and  
4 fund source; and cost information by service category, including  
5 administration. Service category includes all department-approved  
6 services.

7 (d) Data describing service outcomes that includes, but is not  
8 limited to, an evaluation of consumer satisfaction, consumer  
9 choice, and quality of life concerns including, but not limited to,  
10 housing and employment.

11 (e) Information about access to community mental health  
12 services programs that includes, but is not limited to, the  
13 following:

14 (i) The number of people receiving requested services.

15 (ii) The number of people who requested services but did not  
16 receive services.

17 (f) The number of second opinions requested under the code and  
18 the determination of any appeals.

19 (g) An analysis of information provided by CMHSPs in response  
20 to the needs assessment requirements of the mental health code,  
21 1974 PA 258, MCL 330.1001 to 330.2106, including information about  
22 the number of individuals in the service delivery system who have  
23 requested and are clinically appropriate for different services.

24 (h) Lapses and carryforwards during the immediately preceding  
25 fiscal year for CMHSPs or PIHPs.

26 (i) Information about contracts for mental health services  
27 entered into by CMHSPs or PIHPs with providers, including, but not

1 limited to, all of the following:

2 (i) The amount of the contract, organized by type of service  
3 provided.

4 (ii) Payment rates, organized by the type of service provided.

5 (iii) Administrative costs for services provided to CMHSPs or  
6 PIHPs.

7 (j) Information on the community mental health Medicaid  
8 managed care program, including, but not limited to, both of the  
9 following:

10 (i) Expenditures by each CMHSP or PIHP organized by Medicaid  
11 eligibility group, including per eligible individual expenditure  
12 averages.

13 (ii) Performance indicator information required to be submitted  
14 to the department in the contracts with CMHSPs or PIHPs.

15 (k) An estimate of the number of direct care workers in local  
16 residential settings and paraprofessional and other nonprofessional  
17 direct care workers in settings where skill building, community  
18 living supports and training, and personal care services are  
19 provided by CMHSPs or PIHPs as of September 30 of the prior fiscal  
20 year employed directly or through contracts with provider  
21 organizations.

22 (3) The department shall include data reporting requirements  
23 listed in subsection (2) in the annual contract with each  
24 individual CMHSP or PIHP.

25 (4) The department shall take all reasonable actions to ensure  
26 that the data required are complete and consistent among all CMHSPs  
27 or PIHPs.

1           Sec. 406. (1) The funds appropriated in part 1 for the state  
2   disability assistance substance abuse services program shall be  
3   used to support per diem room and board payments in substance abuse  
4   residential facilities. Eligibility of clients for the state  
5   disability assistance substance abuse services program shall  
6   include needy persons 18 years of age or older, or emancipated  
7   minors, who reside in a substance abuse treatment center.

8           (2) The department shall reimburse all licensed substance  
9   abuse programs eligible to participate in the program at a rate  
10   equivalent to that paid by the department of human services to  
11   adult foster care providers. Programs accredited by department-  
12   approved accrediting organizations shall be reimbursed at the  
13   personal care rate, while all other eligible programs shall be  
14   reimbursed at the domiciliary care rate.

15          Sec. 407. (1) The amount appropriated in part 1 for substance  
16   abuse prevention, education, and treatment grants shall be expended  
17   for contracting with coordinating agencies. Coordinating agencies  
18   shall work with CMHSPs or PIHPs to coordinate care and services  
19   provided to individuals with severe and persistent mental illness  
20   and substance abuse diagnoses.

21          (2) The department shall approve coordinating agency fee  
22   schedules for providing substance abuse services and charge  
23   participants in accordance with their ability to pay.

24          (3) It is the intent of the legislature that the coordinating  
25   agencies continue current efforts to collaborate on the delivery of  
26   services to those clients with mental illness and substance abuse  
27   diagnoses.

1           (4) Coordinating agencies that are located completely within  
2 the boundary of a PIHP shall conduct a study of the administrative  
3 costs and efficiencies associated with consolidation with that  
4 PIHP. If that coordinating agency realizes an administrative cost  
5 savings of 5% or greater of their current costs, then that  
6 coordinating agency shall initiate discussions regarding a  
7 potential merger in accordance with section 6226 of the public  
8 health code, 1978 PA 368, MCL 333.6226. The department shall report  
9 to the legislature by April 1 of the current fiscal year on any  
10 such discussions.

11           Sec. 408. (1) By April 1 of the current fiscal year, the  
12 department shall report the following data from the prior fiscal  
13 year on substance abuse prevention, education, and treatment  
14 programs to the senate and house appropriations subcommittees on  
15 community health, the senate and house fiscal agencies, and the  
16 state budget office:

17           (a) Expenditures stratified by coordinating agency, by central  
18 diagnosis and referral agency, by fund source, by subcontractor, by  
19 population served, and by service type. Additionally, data on  
20 administrative expenditures by coordinating agency shall be  
21 reported.

22           (b) Expenditures per state client, with data on the  
23 distribution of expenditures reported using a histogram approach.

24           (c) Number of services provided by central diagnosis and  
25 referral agency, by subcontractor, and by service type.  
26 Additionally, data on length of stay, referral source, and  
27 participation in other state programs.

1 (d) Collections from other first- or third-party payers,  
2 private donations, or other state or local programs, by  
3 coordinating agency, by subcontractor, by population served, and by  
4 service type.

5 (2) The department shall take all reasonable actions to ensure  
6 that the required data reported are complete and consistent among  
7 all coordinating agencies.

8 Sec. 410. The department shall assure that substance abuse  
9 treatment is provided to applicants and recipients of public  
10 assistance through the department of human services who are  
11 required to obtain substance abuse treatment as a condition of  
12 eligibility for public assistance.

13 Sec. 411. (1) The department shall ensure that each contract  
14 with a CMHSP or PIHP requires the CMHSP or PIHP to implement  
15 programs to encourage diversion of individuals with serious mental  
16 illness, serious emotional disturbance, or developmental disability  
17 from possible jail incarceration when appropriate.

18 (2) Each CMHSP or PIHP shall have jail diversion services and  
19 shall work toward establishing working relationships with  
20 representative staff of local law enforcement agencies, including  
21 county prosecutors' offices, county sheriffs' offices, county  
22 jails, municipal police agencies, municipal detention facilities,  
23 and the courts. Written interagency agreements describing what  
24 services each participating agency is prepared to commit to the  
25 local jail diversion effort and the procedures to be used by local  
26 law enforcement agencies to access mental health jail diversion  
27 services are strongly encouraged.

1       Sec. 412. The department shall contract directly with the  
2       Salvation Army harbor light program to provide non-Medicaid  
3       substance abuse services.

4       Sec. 418. On or before the tenth of each month, the department  
5       shall report to the senate and house appropriations subcommittees  
6       on community health, the senate and house fiscal agencies, and the  
7       state budget director on the amount of funding paid to PIHPs to  
8       support the Medicaid managed mental health care program in the  
9       preceding month. The information shall include the total paid to  
10      each PIHP, per capita rate paid for each eligibility group for each  
11      PIHP, and number of cases in each eligibility group for each PIHP,  
12      and year-to-date summary of eligibles and expenditures for the  
13      Medicaid managed mental health care program.

14      Sec. 424. Each PIHP that contracts with the department to  
15      provide services to the Medicaid population shall adhere to the  
16      following timely claims processing and payment procedure for claims  
17      submitted by health professionals and facilities:

18      (a) A "clean claim" as described in section 111i of the social  
19      welfare act, 1939 PA 280, MCL 400.111i, shall be paid within 45  
20      days after receipt of the claim by the PIHP. A clean claim that is  
21      not paid within this time frame shall bear simple interest at a  
22      rate of 12% per annum.

23      (b) A PIHP shall state in writing to the health professional  
24      or facility any defect in the claim within 30 days after receipt of  
25      the claim.

26      (c) A health professional and a health facility have 30 days  
27      after receipt of a notice that a claim or a portion of a claim is

1 defective within which to correct the defect. The PIHP shall pay  
2 the claim within 30 days after the defect is corrected.

3       Sec. 428. Each PIHP shall provide, from internal resources,  
4 local funds to be used as a bona fide part of the state match  
5 required under the Medicaid program in order to increase capitation  
6 rates for PIHPs. These funds shall not include either state funds  
7 received by a CMHSP for services provided to non-Medicaid  
8 recipients or the state matching portion of the Medicaid capitation  
9 payments made to a PIHP.

10       Sec. 435. A county required under the provisions of the mental  
11 health code, 1974 PA 258, MCL 330.1001 to 330.2106, to provide  
12 matching funds to a CMHSP for mental health services rendered to  
13 residents in its jurisdiction shall pay the matching funds in equal  
14 installments on not less than a quarterly basis throughout the  
15 fiscal year, with the first payment being made by October 1 of the  
16 current fiscal year.

17       Sec. 458. By April 15 of the current fiscal year, the  
18 department shall provide each of the following to the house and  
19 senate appropriations subcommittees on community health, the house  
20 and senate fiscal agencies, and the state budget director:

21       (a) An updated plan for implementing each of the  
22 recommendations of the Michigan mental health commission made in  
23 the commission's report dated October 15, 2004.

24       (b) A report that evaluates the cost-benefit of establishing  
25 secure residential facilities of fewer than 17 beds for adults with  
26 serious mental illness, modeled after such programming in Oregon or  
27 other states. This report shall examine the potential impact that

1 utilization of secure residential facilities would have upon the  
2 state's need for adult mental health facilities.

3 (c) In conjunction with the state court administrator's  
4 office, a report that evaluates the cost-benefit of establishing a  
5 specialized mental health court program that diverts adults with  
6 serious mental illness alleged to have committed an offense deemed  
7 nonserious into treatment prior to the filing of any charges.

8 Sec. 470. (1) For those substance abuse coordinating agencies  
9 that have voluntarily incorporated into community mental health  
10 authorities and accepted funding from the department for  
11 administrative costs incurred pursuant to section 468, the  
12 department shall establish written expectations for those CMHSPs,  
13 PIHPs, and substance abuse coordinating agencies and counties with  
14 respect to the integration of mental health and substance abuse  
15 services. At a minimum, the written expectations shall provide for  
16 the integration of those services as follows:

17 (a) Coordination and consolidation of administrative functions  
18 and redirection of efficiencies into service enhancements.

19 (b) Consolidation of points of 24-hour access for mental  
20 health and substance abuse services in every community.

21 (c) Alignment of coordinating agencies and PIHPs boundaries to  
22 maximize opportunities for collaboration and integration of  
23 administrative functions and clinical activities.

24 (2) By May 1 of the current fiscal year, the department shall  
25 report to the house and senate appropriations subcommittees on  
26 community health, the house and senate fiscal agencies, and the  
27 state budget office on the impact and effectiveness of this section

1 and the status of the integration of mental health and substance  
2 abuse services.

3 Sec. 474. The department shall ensure that each contract with  
4 a CMHSP or PIHP requires the CMHSP or PIHP to provide each  
5 recipient and his or her family with information regarding the  
6 different types of guardianship and the alternatives to  
7 guardianship. A CMHSP or PIHP shall not, in any manner, attempt to  
8 reduce or restrict the ability of a recipient or his or her family  
9 from seeking to obtain any form of legal guardianship without just  
10 cause.

11 Sec. 490. (1) The department shall develop a plan to maximize  
12 uniformity and consistency in the standards required of providers  
13 contracting directly with PIHPs and CMHSPs. The standards shall  
14 include, but are not limited to, contract language, training  
15 requirements for direct support staff, performance indicators,  
16 financial and program audits, and billing procedures.

17 (2) The department shall provide a status report to the senate  
18 and house appropriations subcommittees on community health, the  
19 senate and house fiscal agencies, and the state budget director on  
20 implementation of the plan by July 1 of the current fiscal year.

21 Sec. 491. The department shall explore changes in program  
22 policy in the habilitation supports waiver for persons with  
23 developmental disabilities that would permit the movement of a slot  
24 that has become available to a county that has demonstrated a  
25 greater need for the services.

26 Sec. 492. If a CMHSP has entered into an agreement with a  
27 county or county sheriff to provide mental health services to the

1 inmates of the county jail, the department shall not prohibit the  
2 use of state general fund/general purpose dollars by CMHSPs to  
3 provide mental health services to inmates of a county jail.

4       Sec. 494. (1) In order to avoid duplication of efforts, the  
5 department shall utilize applicable national accreditation review  
6 criteria to determine compliance with corresponding state  
7 requirements for CMHSPs, PIHPs, or subcontracting provider agencies  
8 that have been reviewed and accredited by a national accrediting  
9 entity for behavioral health care services.

10       (2) Upon a coordinated submission by the CMHSPs, PIHPs, or  
11 subcontracting provider agencies, a listing of program requirements  
12 that are part of the state program review criteria but are not  
13 reviewed by an applicable national accrediting entity, the  
14 department shall review the listing and provide a recommendation to  
15 the house and senate appropriations subcommittees on community  
16 health, the house and senate fiscal agencies, and the state budget  
17 office as to whether or not state program review should continue.  
18 The CMHSPs, PIHPs, or subcontracting agencies may request the  
19 department to convene a workgroup to fulfill this section.

20       (3) The department shall continue to comply with state and  
21 federal law and shall not initiate an action that negatively  
22 impacts beneficiary safety.

23       (4) As used in this section, "national accrediting entity"  
24 means the joint commission on accreditation of healthcare  
25 organizations, the commission on accreditation of rehabilitation  
26 facilities, the council of accreditation, or other appropriate  
27 entity, as approved by the department.

1           (5) By July 1 of the current fiscal year, the department shall  
2 provide a progress report to the house and senate appropriations  
3 subcommittees on community health, the house and senate fiscal  
4 agencies, and the state budget office on implementation of this  
5 section.

6           Sec. 495. It is the intent of the legislature that the  
7 department begin working with the centers for Medicare and Medicaid  
8 services to develop a program that creates a medical home for the  
9 individuals receiving Medicaid mental health benefits.

10          Sec. 496. CMHSPs and PIHPs are permitted to offset state  
11 funding reductions by limiting the administrative component of  
12 their contracts with providers and case management to a maximum of  
13 9%.

14          Sec. 497. The population data used in determining the  
15 distribution of substance abuse block grant funds shall be from the  
16 most recent federal census.

17          Sec. 498. (1) The department shall use standard program  
18 evaluation measures to assess the effectiveness of heroin and other  
19 opiates treatment programs provided through coordinating agencies  
20 and service providers in reducing and preventing the incidence of  
21 substance use disorders. The measures established by the department  
22 shall be modeled after the program outcome measures and best  
23 practice guidelines for the treatment of heroin and other opiates  
24 as prescribed by the federal substance abuse and mental health  
25 services administration.

26          (2) By May 15 of the current fiscal year, the department shall  
27 provide a report to the house and senate appropriations

1 subcommittees on community health, the house and senate fiscal  
2 agencies, and the state budget office on the effectiveness of  
3 treatment programs for heroin and other opiates.

4       Sec. 499. The department shall explore ways to use mental  
5 health funding to address the mental health needs of deaf and hard-  
6 of-hearing persons. The department shall report to the senate and  
7 house appropriations subcommittees on community health on the  
8 results of this process by March 1 of the current fiscal year.

9       **STATE PSYCHIATRIC HOSPITALS AND FORENSIC MENTAL HEALTH SERVICES**

10       Sec. 601. The department shall continue a revenue recapture  
11 project to generate additional revenues from third parties related  
12 to cases that have been closed or are inactive. A portion of  
13 revenues collected through project efforts may be used for  
14 departmental costs and contractual fees associated with these  
15 retroactive collections and to improve ongoing departmental  
16 reimbursement management functions.

17       Sec. 602. The purpose of gifts and bequests for patient living  
18 and treatment environments is to use additional private funds to  
19 provide specific enhancements for individuals residing at state-  
20 operated facilities. Use of the gifts and bequests shall be  
21 consistent with the stipulation of the donor. The expected  
22 completion date for the use of gifts and bequests donations is  
23 within 3 years unless otherwise stipulated by the donor.

24       Sec. 605. (1) The department shall not implement any closures  
25 or consolidations of state hospitals, centers, or agencies until  
26 CMHSPs or PIHPs have programs and services in place for those

1 individuals currently in those facilities and a plan for service  
2 provision for those individuals who would have been admitted to  
3 those facilities.

4 (2) All closures or consolidations are dependent upon adequate  
5 department-approved CMHSP and PIHP plans that include a discharge  
6 and aftercare plan for each individual currently in the facility. A  
7 discharge and aftercare plan shall address the individual's housing  
8 needs. A homeless shelter or similar temporary shelter arrangements  
9 are inadequate to meet the individual's housing needs.

10 (3) Four months after the certification of closure required in  
11 section 19(6) of the state employees' retirement act, 1943 PA 240,  
12 MCL 38.19, the department shall provide a closure plan to the house  
13 and senate appropriations subcommittees on community health and the  
14 state budget director.

15 (4) Upon the closure of state-run operations and after  
16 transitional costs have been paid, the remaining balances of funds  
17 appropriated for that operation shall be transferred to CMHSPs or  
18 PIHPs responsible for providing services for individuals previously  
19 served by the operations.

20 Sec. 606. The department may collect revenue for patient  
21 reimbursement from first- and third-party payers, including  
22 Medicaid and local county CMHSP payers, to cover the cost of  
23 placement in state hospitals and centers. The department is  
24 authorized to adjust financing sources for patient reimbursement  
25 based on actual revenues earned. If the revenue collected exceeds  
26 current year expenditures, the revenue may be carried forward with  
27 approval of the state budget director. The revenue carried forward

1 shall be used as a first source of funds in the subsequent year.

2       Sec. 608. Effective October 1, 2012, the department, in  
3 consultation with the department of technology, management, and  
4 budget, may maintain a bid process to identify 1 or more private  
5 contractors to provide food service and custodial services for the  
6 administrative areas at any state hospital identified by the  
7 department as capable of generating savings through the outsourcing  
8 of such services.

9       **PUBLIC HEALTH ADMINISTRATION**

10       Sec. 650. The department shall report to the senate and house  
11 appropriations subcommittees on community health by April 1 of the  
12 current fiscal year on its criteria and methodology used to derive  
13 the information provided to residents in the annual Michigan fish  
14 advisory.

15       Sec. 654. From the funds appropriated in part 1 for health and  
16 wellness initiatives, \$1,000,000.00 shall be allocated for a pilot  
17 before- and after-school healthy exercise program to promote and  
18 advance physical health for school children in kindergarten through  
19 grade 6. The department shall develop a model for program sites  
20 that incorporates evidence-based best practices. The department  
21 shall establish guidelines for program sites, which may include  
22 public schools, community-based organizations, private facilities,  
23 recreation centers, or other similar sites. The program format  
24 shall encourage local determination of site activities and shall  
25 encourage local inclusion of youth in the decision-making regarding  
26 site activities. Program goals shall include children experiencing

1 good physical health, the reduction of obesity, providing a safe  
2 place to play and exercise, and nutrition education. To be eligible  
3 to participate in the pilot, program sites shall provide a 20%  
4 match to the state funding. The department shall seek financial  
5 support from corporate, foundation, or other private partners for  
6 the program or for individual program sites.

#### 7 **HEALTH POLICY**

8       Sec. 704. The department shall continue to contract with  
9 grantees supported through the appropriation in part 1 for the  
10 emergency medical services grants and contracts to ensure that a  
11 sufficient number of qualified emergency medical services personnel  
12 exist to serve rural areas of the state.

13       Sec. 709. (1) The funds appropriated in part 1 for the  
14 Michigan essential health care provider program may also provide  
15 loan repayment for dentists that fit the criteria established by  
16 part 27 of the public health code, 1978 PA 368, MCL 333.2701 to  
17 333.2727.

18       (2) From the funds appropriated in part 1 for the Michigan  
19 essential health provider program, the department may reduce the  
20 local and private share of the loan repayment costs to 25% for  
21 obstetricians and gynecologists working in underserved areas.

22       Sec. 712. From the funds appropriated in part 1 for primary  
23 care services, \$250,000.00 shall be allocated to free health  
24 clinics operating in the state. The department shall distribute the  
25 funds equally to each free health clinic. For the purpose of this  
26 appropriation, "free health clinics" means nonprofit organizations

1 that use volunteer health professionals to provide care to  
2 uninsured individuals.

3 Sec. 713. The department shall continue support of  
4 multicultural agencies that provide primary care services from the  
5 funds appropriated in part 1.

6 Sec. 715. The department shall evaluate options for  
7 incentivizing students attending medical schools in this state to  
8 meet their primary care residency requirements in this state and  
9 ultimately, for some period of time, to remain in this state and  
10 serve as primary care physicians.

11 Sec. 716. (1) The department is encouraged to create and  
12 implement a pilot program limited to counties with a population of  
13 less than 100,000 to incentivize students attending medical schools  
14 in Michigan through a loan repayment program or other approaches  
15 for committing to provide medical services in rural counties with a  
16 medically underserved population. The program shall be limited to  
17 those students or individuals performing primary care or specialty  
18 services as identified by the department.

19 (2) By no later than September 30 of the current fiscal year,  
20 the department shall prepare a report and submit it to the senate  
21 and house appropriations subcommittees on community health, the  
22 senate and house fiscal agencies, and the state budget director.  
23 The department shall evaluate the effectiveness of the pilot  
24 program, identify potential changes to improve the program, and  
25 make recommendations for statewide implementation in its report  
26 under this subsection.

1    **INFECTIOUS DISEASE CONTROL**

2           Sec. 804. The department, in conjunction with efforts to  
3   implement the Michigan prisoner reentry initiative, shall cooperate  
4   with the department of corrections to share data and information as  
5   they relate to prisoners being released who are HIV positive or  
6   positive for the hepatitis C antibody.

7    **LOCAL HEALTH ADMINISTRATION AND GRANTS**

8           Sec. 901. The amount appropriated in part 1 for implementation  
9   of the 1993 additions of or amendments to sections 9161, 16221,  
10   16226, 17014, 17015, and 17515 of the public health code, 1978 PA  
11   368, MCL 333.9161, 333.16221, 333.16226, 333.17014, 333.17015, and  
12   333.17515, shall be used to reimburse local health departments for  
13   costs incurred related to implementation of section 17015(18) of  
14   the public health code, 1978 PA 368, MCL 333.17015.

15          Sec. 902. If a county that has participated in a district  
16   health department or an associated arrangement with other local  
17   health departments takes action to cease to participate in such an  
18   arrangement after October 1 of the current fiscal year, the  
19   department shall have the authority to assess a penalty from the  
20   local health department's operational accounts in an amount equal  
21   to no more than 6.25% of the local health department's essential  
22   local public health services funding. This penalty shall only be  
23   assessed to the local county that requests the dissolution of the  
24   health department.

25          Sec. 904. (1) Funds appropriated in part 1 for essential local  
26   public health services shall be prospectively allocated to local

1 health departments to support immunizations, infectious disease  
2 control, sexually transmitted disease control and prevention,  
3 hearing screening, vision services, food protection, public water  
4 supply, private groundwater supply, and on-site sewage management.  
5 Food protection shall be provided in consultation with the  
6 department of agriculture and rural development. Public water  
7 supply, private groundwater supply, and on-site sewage management  
8 shall be provided in consultation with the department of  
9 environmental quality.

10 (2) Local public health departments shall be held to  
11 contractual standards for the services in subsection (1).

12 (3) Distributions in subsection (1) shall be made only to  
13 counties that maintain local spending in the current fiscal year of  
14 at least the amount expended in fiscal year 1992-1993 for the  
15 services described in subsection (1).

#### 16 **CHRONIC DISEASE AND INJURY PREVENTION AND HEALTH PROMOTION**

17 Sec. 1004. It is the intent of the legislature that the  
18 department continue to collaborate with the county of St. Clair and  
19 the city of Detroit southwest community to investigate and evaluate  
20 cancer rates.

#### 21 **FAMILY, MATERNAL, AND CHILDREN'S HEALTH SERVICES**

22 Sec. 1103. By January 3 of the current fiscal year the  
23 department shall annually issue to the legislature, and to the  
24 public on the Internet, a report providing estimated public funds  
25 administered by the department for family planning, sexually

1 transmitted infection prevention and treatment, and pregnancies and  
2 births, as well as demographics collected by the department as  
3 voluntarily self-reported by individuals utilizing those services.  
4 The department shall provide the actual expenditures by marital  
5 status or, where actual expenditures are not available, shall  
6 provide estimated expenditures by marital status. The department  
7 may utilize the Plan First application (Form MSA 1582), MICHild,  
8 and Healthy Kids application (DCH 0373) or Assistance Application  
9 (DHS 1171) or any other official application for public assistance  
10 for medical coverage to determine the actual or estimated public  
11 expenditures based on marital status.

12       Sec. 1104. (1) Before April 1 of the current fiscal year, the  
13 department shall submit a report to the house and senate fiscal  
14 agencies and the state budget director on planned allocations from  
15 the amounts appropriated in part 1 for local MCH services, prenatal  
16 care outreach and service delivery support, family planning local  
17 agreements, and pregnancy prevention programs. Using applicable  
18 federal definitions, the report shall include information on all of  
19 the following:

20       (a) Funding allocations.

21       (b) Actual number of women, children, and adolescents served  
22 and amounts expended for each group for the immediately preceding  
23 fiscal year.

24       (c) A breakdown of the expenditure of these funds between  
25 urban and rural communities.

26       (2) The department shall ensure that the distribution of funds  
27 through the programs described in subsection (1) takes into account

1 the needs of rural communities.

2 (3) For the purposes of this section, "rural" means a county,  
3 city, village, or township with a population of 30,000 or less,  
4 including those entities if located within a metropolitan  
5 statistical area.

6 Sec. 1106. Each family planning program receiving federal  
7 title X family planning funds under 42 USC 300 to 300a-8 shall be  
8 in compliance with all performance and quality assurance indicators  
9 that the office of family planning within the United States  
10 department of health and human services specifies in the family  
11 planning annual report. An agency not in compliance with the  
12 indicators shall not receive supplemental or reallocated funds.

13 Sec. 1108. The funds appropriated in part 1 for pregnancy  
14 prevention programs shall not be used to provide abortion  
15 counseling, referrals, or services.

16 Sec. 1109. (1) From the amounts appropriated in part 1 for  
17 dental programs, funds shall be allocated to the Michigan dental  
18 association for the administration of a volunteer dental program  
19 that provides dental services to the uninsured.

20 (2) Not later than December 1 of the current fiscal year, the  
21 department shall report to the senate and house appropriations  
22 subcommittees on community health and the senate and house standing  
23 committees on health policy the number of individual patients  
24 treated, number of procedures performed, and approximate total  
25 market value of those procedures from the immediately preceding  
26 fiscal year.

27 Sec. 1117. Contingent upon the availability of federal or

1 state restricted funds, the department may pursue efforts to reduce  
2 the incidence of stillbirth. Efforts shall include the  
3 establishment of a program to increase public awareness of  
4 stillbirth, promote education to monitor fetal movements counting  
5 kicks, promote a uniform definition of stillbirth, standardize data  
6 collection of stillbirths, and collaborate with appropriate federal  
7 agencies and statewide organizations. The department shall seek  
8 federal or other grant funds to assist in implementing this  
9 program.

10 Sec. 1119. From the funds appropriated in part 1 for family  
11 planning local agreements or pregnancy prevention programs, no  
12 state funds shall be used to encourage or support abortion  
13 services.

14 Sec. 1135. (1) If funds become available, provision of the  
15 school health education curriculum, such as the Michigan model for  
16 health or another comprehensive school health education curriculum,  
17 shall be in accordance with the health education goals established  
18 by the Michigan model steering committee. The steering committee  
19 shall be composed of a representative from each of the following  
20 offices and departments:

21 (a) The department of education.

22 (b) The department of community health.

23 (c) The health administration in the department of community  
24 health.

25 (d) The behavioral health and developmental disabilities  
26 administration in the department of community health.

27 (e) The department of human services.

1 (f) The department of state police.

2 (2) Upon written or oral request, a pupil not less than 18  
3 years of age or a parent or legal guardian of a pupil less than 18  
4 years of age, within a reasonable period of time after the request  
5 is made, shall be informed of the content of a course in the health  
6 education curriculum and may examine textbooks and other classroom  
7 materials that are provided to the pupil or materials that are  
8 presented to the pupil in the classroom. This subsection does not  
9 require a school board to permit pupil or parental examination of  
10 test questions and answers, scoring keys, or other examination  
11 instruments or data used to administer an academic examination.

12 Sec. 1136. From the funds appropriated in part 1 for prenatal  
13 care outreach and service delivery support, \$2,000,000.00 shall be  
14 allocated for a real alternatives pregnancy and parenting support  
15 services program as a pilot project. Funding for the program shall  
16 be from the federal temporary assistance for needy families grant.  
17 The department shall establish a fee-for-service contract with 1 or  
18 more qualified agencies to provide free counseling, support, and  
19 referral services to eligible women during pregnancy through 12  
20 months after birth. As appropriate, the goals for client outcomes  
21 shall include an increase of counseling support, childbirth choice,  
22 and adoption knowledge and an improvement in parenting skills and  
23 knowledge of reproductive health. The department shall provide for  
24 counselor training, client educational material, program marketing,  
25 and annual provider site monitoring.

26 Sec. 1137. From the funds appropriated in part 1 for prenatal  
27 care outreach and service delivery support, not less than

1 \$1,000,000.00 shall be allocated for the nurse family partnership  
2 program from federal temporary assistance for needy families grant  
3 funds. The funds shall be used for enhanced support and education  
4 to nursing teams and for client recruitment in high-need  
5 communities. The funds shall also be used for a nurse family  
6 partnership program in a city with a population of 600,000 or more  
7 for strategic planning to expand and sustain the program and for  
8 marketing and communications of the program to raise awareness,  
9 engage stakeholders, and recruit nurses.

10 Sec. 1138. The department shall allocate funds appropriated in  
11 section 113 of part 1 for family, maternal, and children's health  
12 services pursuant to section 1 of 2002 PA 360, MCL 333.1091.

### 13 **CHILDREN'S SPECIAL HEALTH CARE SERVICES**

14 Sec. 1202. The department may do 1 or more of the following:

15 (a) Provide special formula for eligible clients with  
16 specified metabolic and allergic disorders.

17 (b) Provide medical care and treatment to eligible patients  
18 with cystic fibrosis who are 21 years of age or older.

19 (c) Provide medical care and treatment to eligible patients  
20 with hereditary coagulation defects, commonly known as hemophilia,  
21 who are 21 years of age or older.

22 (d) Provide human growth hormone to eligible patients.

23 Sec. 1204. By October 1, 2012, the department shall report to  
24 the senate and house appropriations committees on community health  
25 and the senate and house fiscal agencies on its plan for enrolling  
26 Medicaid eligible children's special health care services

1 recipients in the Medicaid health plans. The report shall include  
2 information on which Medicaid health plans are participating, the  
3 methods used to assure continuity of care and continuity of ongoing  
4 relationships with providers, and projected savings from the  
5 implementation of the proposal.

6 **CRIME VICTIM SERVICES COMMISSION**

7 Sec. 1302. From the funds appropriated in part 1 for justice  
8 assistance grants, up to \$200,000.00 shall be allocated for  
9 expansion of forensic nurse examiner programs to facilitate  
10 training for improved evidence collection for the prosecution of  
11 sexual assault. The funds shall be used for program coordination  
12 and training.

13 **OFFICE OF SERVICES TO THE AGING**

14 Sec. 1403. (1) By February 1 of the current fiscal year, the  
15 office of services to the aging shall require each region to report  
16 to the office of services to the aging and to the legislature home-  
17 delivered meals waiting lists based upon standard criteria.  
18 Determining criteria shall include all of the following:

19 (a) The recipient's degree of frailty.

20 (b) The recipient's inability to prepare his or her own meals  
21 safely.

22 (c) Whether the recipient has another care provider available.

23 (d) Any other qualifications normally necessary for the  
24 recipient to receive home-delivered meals.

25 (2) Data required in subsection (1) shall be recorded only for

1 individuals who have applied for participation in the home-  
2 delivered meals program and who are initially determined as likely  
3 to be eligible for home-delivered meals.

4 Sec. 1417. The department shall provide to the senate and  
5 house appropriations subcommittees on community health, senate and  
6 house fiscal agencies, and state budget director a report by March  
7 30 of the current fiscal year that contains all of the following:

8 (a) The total allocation of state resources made to each area  
9 agency on aging by individual program and administration.

10 (b) Detail expenditure by each area agency on aging by  
11 individual program and administration including both state-funded  
12 resources and locally-funded resources.

13 Sec. 1420. If funds become available, the department shall  
14 create a pilot project to establish an aging care management  
15 services program with services provided solely by nurses. This  
16 pilot project shall be established in a county with a population  
17 greater than 150,000 but less than 250,000.

18 Sec. 1421. From the funds appropriated in part 1 for community  
19 services, \$1,100,000.00 shall be allocated to area agencies on  
20 aging for locally determined needs.

#### 21 **MEDICAL SERVICES ADMINISTRATION**

22 Sec. 1501. The unexpended funds appropriated in part 1 for the  
23 electronic health records incentive program are considered work  
24 project appropriations, and any unencumbered or unallotted funds  
25 are carried forward into the following fiscal year. The following  
26 is in compliance with section 451a(1) of the management and budget

1 act, 1984 PA 431, MCL 18.1451a:

2 (a) The purpose of the project to be carried forward is to  
3 implement the Medicaid electronic health record program that  
4 provides financial incentive payments to Medicaid health care  
5 providers to encourage the adoption and meaningful use of  
6 electronic health records to improve quality, increase efficiency,  
7 and promote safety.

8 (b) The projects will be accomplished according to the  
9 approved federal advanced planning document.

10 (c) The estimated cost of this project phase is identified in  
11 the appropriation line item.

12 (d) The tentative completion date for the work project is  
13 September 30, 2017.

14 **MEDICAL SERVICES**

15 Sec. 1601. The cost of remedial services incurred by residents  
16 of licensed adult foster care homes and licensed homes for the aged  
17 shall be used in determining financial eligibility for the  
18 medically needy. Remedial services include basic self-care and  
19 rehabilitation training for a resident.

20 Sec. 1603. (1) The department may establish a program for  
21 individuals to purchase medical coverage at a rate determined by  
22 the department.

23 (2) The department may receive and expend premiums for the  
24 buy-in of medical coverage in addition to the amounts appropriated  
25 in part 1.

26 (3) The premiums described in this section shall be classified

1 as private funds.

2 (4) The department shall modify program policies to permit  
3 individuals eligible for the transitional medical assistance plus  
4 program, as structured in fiscal year 2009-2010, to access medical  
5 assistance coverage through a 100% cost share.

6 Sec. 1605. The protected income level for Medicaid coverage  
7 determined pursuant to section 106(1)(b)(iii) of the social welfare  
8 act, 1939 PA 280, MCL 400.106, shall be 100% of the related public  
9 assistance standard.

10 Sec. 1606. For the purpose of guardian and conservator  
11 charges, the department of community health may deduct up to \$60.00  
12 per month as an allowable expense against a recipient's income when  
13 determining medical services eligibility and patient pay amounts.

14 Sec. 1607. (1) An applicant for Medicaid, whose qualifying  
15 condition is pregnancy, shall immediately be presumed to be  
16 eligible for Medicaid coverage unless the preponderance of evidence  
17 in her application indicates otherwise. The applicant who is  
18 qualified as described in this subsection shall be allowed to  
19 select or remain with the Medicaid participating obstetrician of  
20 her choice.

21 (2) An applicant qualified as described in subsection (1)  
22 shall be given a letter of authorization to receive Medicaid  
23 covered services related to her pregnancy. All qualifying  
24 applicants shall be entitled to receive all medically necessary  
25 obstetrical and prenatal care without preauthorization from a  
26 health plan. All claims submitted for payment for obstetrical and  
27 prenatal care shall be paid at the Medicaid fee-for-service rate in

1 the event a contract does not exist between the Medicaid  
2 participating obstetrical or prenatal care provider and the managed  
3 care plan. The applicant shall receive a listing of Medicaid  
4 physicians and managed care plans in the immediate vicinity of the  
5 applicant's residence.

6 (3) In the event that an applicant, presumed to be eligible  
7 pursuant to subsection (1), is subsequently found to be ineligible,  
8 a Medicaid physician or managed care plan that has been providing  
9 pregnancy services to an applicant under this section is entitled  
10 to reimbursement for those services until such time as they are  
11 notified by the department that the applicant was found to be  
12 ineligible for Medicaid.

13 (4) If the preponderance of evidence in an application  
14 indicates that the applicant is not eligible for Medicaid, the  
15 department shall refer that applicant to the nearest public health  
16 clinic or similar entity as a potential source for receiving  
17 pregnancy-related services.

18 (5) The department shall develop an enrollment process for  
19 pregnant women covered under this section that facilitates the  
20 selection of a managed care plan at the time of application.

21 (6) The department shall mandate enrollment of women, whose  
22 qualifying condition is pregnancy, into Medicaid managed care  
23 plans.

24 (7) The department shall encourage physicians to provide  
25 women, whose qualifying condition for Medicaid is pregnancy, with a  
26 referral to a Medicaid participating dentist at the first  
27 pregnancy-related appointment.

1       Sec. 1611. (1) For care provided to medical services  
2 recipients with other third-party sources of payment, medical  
3 services reimbursement shall not exceed, in combination with such  
4 other resources, including Medicare, those amounts established for  
5 medical services-only patients. The medical services payment rate  
6 shall be accepted as payment in full. Other than an approved  
7 medical services co-payment, no portion of a provider's charge  
8 shall be billed to the recipient or any person acting on behalf of  
9 the recipient. Nothing in this section shall be considered to  
10 affect the level of payment from a third-party source other than  
11 the medical services program. The department shall require a  
12 nonenrolled provider to accept medical services payments as payment  
13 in full.

14       (2) Notwithstanding subsection (1), medical services  
15 reimbursement for hospital services provided to dual  
16 Medicare/medical services recipients with Medicare part B coverage  
17 only shall equal, when combined with payments for Medicare and  
18 other third-party resources, if any, those amounts established for  
19 medical services-only patients, including capital payments.

20       Sec. 1620. (1) For fee-for-service recipients who do not  
21 reside in nursing homes, the pharmaceutical dispensing fee shall be  
22 \$2.75 or the pharmacy's usual or customary cash charge, whichever  
23 is less. For nursing home residents, the pharmaceutical dispensing  
24 fee shall be \$3.00 or the pharmacy's usual or customary cash  
25 charge, whichever is less.

26       (2) The department shall require a prescription co-payment for  
27 Medicaid recipients of \$1.00 for a generic drug and \$3.00 for a

1 brand-name drug, except as prohibited by federal or state law or  
2 regulation.

3       Sec. 1627. (1) The department shall use procedures and rebate  
4 amounts specified under section 1927 of title XIX, 42 USC 1396r-8,  
5 to secure quarterly rebates from pharmaceutical manufacturers for  
6 outpatient drugs dispensed to participants in the MIChild program,  
7 maternal outpatient medical services program, and children's  
8 special health care services.

9       (2) For products distributed by pharmaceutical manufacturers  
10 not providing quarterly rebates as listed in subsection (1), the  
11 department may require preauthorization.

12       Sec. 1629. The department shall utilize maximum allowable cost  
13 pricing for generic drugs that is based on wholesaler pricing to  
14 providers that is available from at least 2 wholesalers who deliver  
15 in the state of Michigan.

16       Sec. 1630. (1) Medicaid coverage for adult dental and  
17 podiatric services shall continue at not less than the level in  
18 effect on October 1, 2002, except that reasonable utilization  
19 limitations may be adopted in order to prevent excess utilization.

20       (2) Medicaid coverage for adult chiropractic and vision  
21 services shall continue at not less than the level in effect on  
22 October 1, 2002, except that reasonable utilization limitations may  
23 be adopted in order to prevent excess utilization.

24       Sec. 1631. (1) The department shall require co-payments on  
25 dental, podiatric, and vision services provided to Medicaid  
26 recipients, except as prohibited by federal or state law or  
27 regulation.

1           (2) Except as otherwise prohibited by federal or state law or  
2 regulations, the department shall require Medicaid recipients to  
3 pay the following co-payments:

4           (a) Two dollars for a physician office visit.

5           (b) Three dollars for a hospital emergency room visit.

6           (c) Fifty dollars for the first day of an inpatient hospital  
7 stay.

8           (d) One dollar for an outpatient hospital visit.

9           Sec. 1641. An institutional provider that is required to  
10 submit a cost report under the medical services program shall  
11 submit cost reports completed in full within 5 months after the end  
12 of its fiscal year.

13           Sec. 1657. (1) Reimbursement for medical services to screen  
14 and stabilize a Medicaid recipient, including stabilization of a  
15 psychiatric crisis, in a hospital emergency room shall not be made  
16 contingent on obtaining prior authorization from the recipient's  
17 HMO. If the recipient is discharged from the emergency room, the  
18 hospital shall notify the recipient's HMO within 24 hours of the  
19 diagnosis and treatment received.

20           (2) If the treating hospital determines that the recipient  
21 will require further medical service or hospitalization beyond the  
22 point of stabilization, that hospital shall receive authorization  
23 from the recipient's HMO prior to admitting the recipient.

24           (3) Subsections (1) and (2) do not require an alteration to an  
25 existing agreement between an HMO and its contracting hospitals and  
26 do not require an HMO to reimburse for services that are not  
27 considered to be medically necessary.

1       Sec. 1659. The following sections of this article are the only  
2 ones that shall apply to the following Medicaid managed care  
3 programs, including the comprehensive plan, MIChoice long-term care  
4 plan, and the mental health, substance abuse, and developmentally  
5 disabled services program: 404, 411, 418, 428, 474, 494, 1607,  
6 1657, 1662, 1689, 1699, 1740, 1764, 1815, 1820, 1835, 1850, and  
7 1863.

8       Sec. 1662. (1) The department shall assure that an external  
9 quality review of each contracting HMO is performed that results in  
10 an analysis and evaluation of aggregated information on quality,  
11 timeliness, and access to health care services that the HMO or its  
12 contractors furnish to Medicaid beneficiaries.

13       (2) The department shall require Medicaid HMOs to provide  
14 EPSDT utilization data through the encounter data system, and HEDIS  
15 well child health measures in accordance with the national  
16 committee for quality assurance prescribed methodology.

17       (3) The department shall provide a copy of the analysis of the  
18 Medicaid HMO annual audited HEDIS reports and the annual external  
19 quality review report to the senate and house of representatives  
20 appropriations subcommittees on community health, the senate and  
21 house fiscal agencies, and the state budget director, within 30  
22 days of the department's receipt of the final reports from the  
23 contractors.

24       Sec. 1670. (1) The appropriation in part 1 for the MIChild  
25 program is to be used to provide comprehensive health care to all  
26 children under age 19 who reside in families with income at or  
27 below 200% of the federal poverty level, who are uninsured and have

1 not had coverage by other comprehensive health insurance within 6  
2 months of making application for MICHild benefits, and who are  
3 residents of this state. The department shall develop detailed  
4 eligibility criteria through the medical services administration  
5 public concurrence process, consistent with the provisions of this  
6 act. Health coverage for children in families between 150% and 200%  
7 of the federal poverty level shall be provided through a state-  
8 based private health care program.

9 (2) The department may provide up to 1 year of continuous  
10 eligibility to children eligible for the MICHild program unless the  
11 family fails to pay the monthly premium, a child reaches age 19, or  
12 the status of the children's family changes and its members no  
13 longer meet the eligibility criteria as specified in the federally  
14 approved MICHild state plan.

15 (3) Children whose category of eligibility changes between the  
16 Medicaid and MICHild programs shall be assured of keeping their  
17 current health care providers through the current prescribed course  
18 of treatment for up to 1 year, subject to periodic reviews by the  
19 department if the beneficiary has a serious medical condition and  
20 is undergoing active treatment for that condition.

21 (4) To be eligible for the MICHild program, a child must be  
22 residing in a family with an adjusted gross income of less than or  
23 equal to 200% of the federal poverty level. The department's  
24 verification policy shall be used to determine eligibility.

25 (5) The department shall enter into a contract to obtain  
26 MICHild services from any HMO, dental care corporation, or any  
27 other entity that offers to provide the managed health care

1 benefits for MICHild services at the MICHild capitated rate. As  
2 used in this subsection:

3 (a) "Dental care corporation", "health care corporation",  
4 "insurer", and "prudent purchaser agreement" mean those terms as  
5 defined in section 2 of the prudent purchaser act, 1984 PA 233, MCL  
6 550.52.

7 (b) "Entity" means a health care corporation or insurer  
8 operating in accordance with a prudent purchaser agreement.

9 (6) The department may enter into contracts to obtain certain  
10 MICHild services from community mental health service programs.

11 (7) The department may make payments on behalf of children  
12 enrolled in the MICHild program from the line-item appropriation  
13 associated with the program as described in the MICHild state plan  
14 approved by the United States department of health and human  
15 services, or from other medical services.

16 (8) The department shall assure that an external quality  
17 review of each MICHild contractor, as described in subsection (5),  
18 is performed, which analyzes and evaluates the aggregated  
19 information on quality, timeliness, and access to health care  
20 services that the contractor furnished to MICHild beneficiaries.

21 (9) The department shall develop an automatic enrollment  
22 algorithm that is based on quality and performance factors.

23 (10) MICHild services shall include treatment for autism  
24 spectrum disorders for children who are eligible for MICHild and  
25 are 18 years of age or younger.

26 Sec. 1673. The department may establish premiums for MICHild  
27 eligible individuals in families with income above 150% of the

1 federal poverty level. The monthly premiums shall not be less than  
2 \$10.00 or exceed \$15.00 for a family.

3 Sec. 1677. The MICHild program shall provide all benefits  
4 available under the state employee insurance plan that are  
5 delivered through contracted providers and consistent with federal  
6 law, including, but not limited to, the following medically  
7 necessary services:

8 (a) Inpatient mental health services, other than substance  
9 abuse treatment services, including services furnished in a state-  
10 operated mental hospital and residential or other 24-hour  
11 therapeutically planned structured services.

12 (b) Outpatient mental health services, other than substance  
13 abuse services, including services furnished in a state-operated  
14 mental hospital and community-based services.

15 (c) Durable medical equipment and prosthetic and orthotic  
16 devices.

17 (d) Dental services as outlined in the approved MICHild state  
18 plan.

19 (e) Substance abuse treatment services that may include  
20 inpatient, outpatient, and residential substance abuse treatment  
21 services.

22 (f) Care management services for mental health diagnoses.

23 (g) Physical therapy, occupational therapy, and services for  
24 individuals with speech, hearing, and language disorders.

25 (h) Emergency ambulance services.

26 Sec. 1682. (1) The department shall implement enforcement  
27 actions as specified in the nursing facility enforcement provisions

1 of section 1919 of title XIX, 42 USC 1396r.

2 (2) In addition to the appropriations in part 1, the  
3 department is authorized to receive and spend penalty money  
4 received as the result of noncompliance with medical services  
5 certification regulations. Penalty money, characterized as private  
6 funds, received by the department shall increase authorizations and  
7 allotments in the long-term care accounts.

8 (3) The department is authorized to provide civil monetary  
9 penalty funds to the disability network/Michigan to be distributed  
10 to the 15 centers for independent living for the purpose of  
11 assisting individuals with disabilities who reside in nursing homes  
12 to return to their own homes.

13 (4) The department is authorized to use civil monetary penalty  
14 funds to conduct a survey evaluating consumer satisfaction and the  
15 quality of care at nursing homes. Factors can include, but are not  
16 limited to, the level of satisfaction of nursing home residents,  
17 their families, and employees. The department may use an  
18 independent contractor to conduct the survey.

19 (5) Any unexpended penalty money, at the end of the year,  
20 shall carry forward to the following year.

21 Sec. 1684. The department shall submit a report by September  
22 30 of the current fiscal year to the house and senate  
23 appropriations subcommittees on community health, the house and  
24 senate fiscal agencies, and the state budget director that will  
25 identify by waiver agent, Medicaid home- and community-based  
26 services waiver costs by administration, case management, and  
27 direct services.

1           Sec. 1689.(1) Within 60 days of the end of each fiscal year,  
2   the department shall provide a report to the senate and house  
3   appropriations subcommittees on community health and the senate and  
4   house fiscal agencies that details existing and future allocations  
5   for the home- and community-based services waiver program by  
6   regions as well as the associated expenditures. The report shall  
7   include information regarding the net cost savings from moving  
8   individuals from a nursing home to the home- and community-based  
9   services waiver program, the number of individuals transitioned  
10   from nursing homes to the home- and community-based services waiver  
11   program, the number of individuals on waiting lists by region for  
12   the program, and the amount of funds transferred during the fiscal  
13   year. The report shall also include the number of Medicaid  
14   individuals served and the number of days of care for the home- and  
15   community-based services waiver program and in nursing homes.

16           (2) The department shall develop a system to collect and  
17   analyze information regarding individuals on the home- and  
18   community-based services waiver program waiting list to identify  
19   the community supports they receive, including, but not limited to,  
20   adult home help, food assistance, and housing assistance services  
21   and to determine the extent to which these community supports help  
22   individuals remain in their home and avoid entry into a nursing  
23   home. The department shall provide a progress report on  
24   implementation to the senate and house appropriations subcommittees  
25   on community health and the senate and house fiscal agencies by  
26   June 1 of the current fiscal year.

27           Sec. 1692. (1) The department is authorized to pursue

1 reimbursement for eligible services provided in Michigan schools  
2 from the federal Medicaid program. The department and the state  
3 budget director are authorized to negotiate and enter into  
4 agreements, together with the department of education, with local  
5 and intermediate school districts regarding the sharing of federal  
6 Medicaid services funds received for these services. The department  
7 is authorized to receive and disburse funds to participating school  
8 districts pursuant to such agreements and state and federal law.

9 (2) From the funds appropriated in part 1 for medical services  
10 school-based services payments, the department is authorized to do  
11 all of the following:

12 (a) Finance activities within the medical services  
13 administration related to this project.

14 (b) Reimburse participating school districts pursuant to the  
15 fund-sharing ratios negotiated in the state-local agreements  
16 authorized in subsection (1).

17 (c) Offset general fund costs associated with the medical  
18 services program.

19 Sec. 1693. The special Medicaid reimbursement appropriation in  
20 part 1 may be increased if the department submits a medical  
21 services state plan amendment pertaining to this line item at a  
22 level higher than the appropriation. The department is authorized  
23 to appropriately adjust financing sources in accordance with the  
24 increased appropriation.

25 Sec. 1694. (1) The department shall distribute \$1,122,300.00  
26 for poison control services to an academic health care system that  
27 includes a children's hospital that has a high indigent care

1 volume.

2 (2) By March 1 of the current fiscal year, the department  
3 shall report to the senate and house appropriations subcommittees  
4 on community health and the senate and house fiscal agencies on the  
5 adequacy of the payment described in subsection (1).

6 Sec. 1699. (1) The department may make separate payments in  
7 the amount of \$45,000,000.00 directly to qualifying hospitals  
8 serving a disproportionate share of indigent patients and to  
9 hospitals providing GME training programs. If direct payment for  
10 GME and DSH is made to qualifying hospitals for services to  
11 Medicaid clients, hospitals shall not include GME costs or DSH  
12 payments in their contracts with HMOs.

13 (2) The department shall allocate \$45,000,000.00 in DSH  
14 funding using the distribution methodology used in fiscal year  
15 2003-2004.

16 (3) By September 30 of the current fiscal year, the department  
17 shall report to the senate and house appropriations subcommittees  
18 on community health and the senate and house fiscal agencies on the  
19 new distribution of funding to each eligible hospital from the GME  
20 and DSH pools.

21 Sec. 1724. The department shall allow licensed pharmacies to  
22 purchase injectable drugs for the treatment of respiratory  
23 syncytial virus for shipment to physicians' offices to be  
24 administered to specific patients. If the affected patients are  
25 Medicaid eligible, the department shall reimburse pharmacies for  
26 the dispensing of the injectable drugs and reimburse physicians for  
27 the administration of the injectable drugs.

1       Sec. 1740. From the funds appropriated in part 1 for health  
2 plan services, the department shall assure that all GME funds  
3 continue to be promptly distributed to qualifying hospitals using  
4 the methodology developed in consultation with the graduate medical  
5 education advisory group during fiscal year 2006-2007.

6       Sec. 1741. The department shall continue to provide nursing  
7 homes the opportunity to receive interim payments upon their  
8 request. The department may disapprove requests or discontinue  
9 interim payments that result in financial risk to this state. The  
10 department shall make reasonable efforts to ensure that the interim  
11 payments are as similar in amount to expected cost-settled  
12 payments.

13       Sec. 1756. The department shall develop a plan to expand and  
14 improve the beneficiary monitoring program. The department shall  
15 submit this plan to the house and senate appropriations  
16 subcommittees on community health, the house and senate fiscal  
17 agencies, and the state budget director by April 1 of the current  
18 fiscal year.

19       Sec. 1757. The department shall direct the department of human  
20 services to obtain proof from all Medicaid recipients that they are  
21 legal United States citizens or otherwise legally residing in this  
22 country and that they are residents of this state before approving  
23 Medicaid eligibility.

24       Sec. 1764. The department shall annually certify rates paid to  
25 Medicaid health plans and specialty prepaid inpatient health plans  
26 as being actuarially sound in accordance with federal requirements  
27 and shall provide a copy of the rate certification and approval

1 immediately to the house and senate appropriations subcommittees on  
2 community health and the house and senate fiscal agencies.

3       Sec. 1770. In conjunction with the consultation requirements  
4 of the social welfare act, 1939 PA 280, MCL 400.1 to 400.119b, and  
5 except as otherwise provided in this section, the department shall  
6 attempt to make the effective date for a proposed Medicaid policy  
7 bulletin or adjustment to the Medicaid provider manual on October  
8 1, January 1, April 1, or July 1 after the end of the consultation  
9 period. The department may provide an effective date for a proposed  
10 Medicaid policy bulletin or adjustment to the Medicaid provider  
11 manual other than provided for in this section if necessary to be  
12 in compliance with federal or state law, regulations, or rules or  
13 with an executive order of the governor.

14       Sec. 1775. If the state's application for a waiver to  
15 implement managed care for dual Medicare/Medicaid eligibles is  
16 approved by the federal government, the department shall provide  
17 quarterly reports to the senate and house appropriations  
18 subcommittees on community health and the senate and house fiscal  
19 agencies on progress in implementing the waiver.

20       Sec. 1777. From the funds appropriated in part 1 for long-term  
21 care services, the department shall permit, in accordance with  
22 applicable federal and state law, nursing homes to use dining  
23 assistants to feed eligible residents if legislation to permit the  
24 use of dining assistants is enacted into law. The department shall  
25 not be responsible for costs associated with training dining  
26 assistants.

27       Sec. 1793. The department shall consider the development of a

1 pilot project that focuses on the prevention of preventable  
2 hospitalizations from nursing homes.

3 Sec. 1804. The department, in cooperation with the department  
4 of human services, shall work with the federal public assistance  
5 reporting information system to identify Medicaid recipients who  
6 are veterans and who may be eligible for federal veterans health  
7 care benefits or other benefits.

8 Sec. 1815. From the funds appropriated in part 1 for health  
9 plan services, the department shall not implement a capitation  
10 withhold as part of the overall capitation rate schedule that  
11 exceeds the 0.19% withhold administered during fiscal year 2008-  
12 2009.

13 Sec. 1820. (1) In order to avoid duplication of efforts, the  
14 department shall utilize applicable national accreditation review  
15 criteria to determine compliance with corresponding state  
16 requirements for Medicaid health plans that have been reviewed and  
17 accredited by a national accrediting entity for health care  
18 services.

19 (2) Upon submission by Medicaid health plans of a listing of  
20 program requirements that are part of the state program review  
21 criteria but are not reviewed by an applicable national accrediting  
22 entity, the department shall review the listing and provide a  
23 recommendation to the house and senate appropriations subcommittees  
24 on community health, the house and senate fiscal agencies, and the  
25 state budget office as to whether or not state program review  
26 should continue. The Medicaid health plans may request the  
27 department to convene a workgroup to fulfill this section.

1           (3) The department shall continue to comply with state and  
2 federal law and shall not initiate an action that negatively  
3 impacts beneficiary safety.

4           (4) As used in this section, "national accrediting entity"  
5 means the national committee for quality assurance, the utilization  
6 review accreditation committee, or other appropriate entity, as  
7 approved by the department.

8           (5) By July 1 of the current fiscal year, the department shall  
9 provide a progress report to the house and senate appropriations  
10 subcommittees on community health, the house and senate fiscal  
11 agencies, and the state budget office on implementation of this  
12 section.

13           Sec. 1822. The department, the department's contracted  
14 Medicaid pharmacy benefit manager, and all Medicaid health plans  
15 shall implement coverage for a mental health prescription drug  
16 within 30 days of that drug's approval by the department's pharmacy  
17 and therapeutics committee.

18           Sec. 1832. (1) The department shall continue efforts to  
19 standardize billing formats, referral forms, electronic  
20 credentialing, primary source verification, electronic billing and  
21 attachments, claims status, eligibility verification, and reporting  
22 of accepted and rejected encounter records received in the  
23 department data warehouse.

24           (2) The department shall convene a workgroup on making e-  
25 billing mandatory for the Medicaid program. The workgroup shall  
26 include representatives from medical provider organizations,  
27 Medicaid HMOs, and the department. The department shall report to

1 the legislature on the findings of the workgroup by April 1 of the  
2 current fiscal year.

3 (3) The department shall provide a report by April 1 of the  
4 current fiscal year to the senate and house appropriations  
5 subcommittees on community health and the senate and house fiscal  
6 agencies detailing the percentage of claims for Medicaid  
7 reimbursement provided to the department that were initially  
8 rejected in the first quarter of fiscal year 2012-2013.

9 Sec. 1835. The department shall develop and implement  
10 processes to report rejected and accepted encounters to Medicaid  
11 health plans. The department shall further enhance encounter data  
12 reporting processes and program rules that make each health plan's  
13 encounter data as complete as possible, provide a fair measure of  
14 acuity for each health plan's enrolled population for risk  
15 adjustment purposes, and minimize health plan administrative  
16 expenses.

17 Sec. 1836. In addition to the guidelines established in  
18 Medical Services Administration Bulletin MSA 09-28, medically  
19 necessary optical devices and other treatment services for adult  
20 Medicaid patients shall be covered when conventional treatments do  
21 not provide functional vision correction. Such ocular conditions  
22 include, but are not limited to, congenital or acquired ocular  
23 disease or eye trauma.

24 Sec. 1837. The department shall explore utilization of  
25 telemedicine and telepsychiatry as strategies to increase access to  
26 services for Medicaid recipients in medically underserved areas.

27 Sec. 1842. (1) Subject to the availability of funds, the

1 department shall adjust the hospital outpatient Medicaid  
2 reimbursement rate for qualifying hospitals as provided in this  
3 section. The Medicaid reimbursement rate for qualifying hospitals  
4 shall be adjusted to provide each qualifying hospital with its  
5 actual cost of delivering outpatient services to Medicaid  
6 recipients.

7 (2) As used in this section, "qualifying hospital" means a  
8 hospital that has not more than 50 staffed beds and is either  
9 located outside a metropolitan statistical area or in a  
10 metropolitan statistical area but within a city, village, or  
11 township with a population of not more than 12,000 according to the  
12 official 2000 federal decennial census and within a county with a  
13 population of not more than 165,000 according to the official 2000  
14 federal decennial census.

15 Sec. 1846. (1) The department shall conduct research on the  
16 effectiveness of graduate medical education funding.

17 (2) The research shall do all of the following:

18 (a) Identify physician shortages by practice and geographic  
19 area.

20 (b) Consider efforts by other states to use graduate medical  
21 education funding to address shortages.

22 (c) Consider policy changes to the graduate medical education  
23 program to reduce practitioner shortages.

24 (3) The department shall report the results of the research to  
25 the senate and house appropriations subcommittees on community  
26 health, the senate and house fiscal agencies, and the state budget  
27 director by April 1 of the current fiscal year.

1       Sec. 1847. The department shall meet with the Michigan  
2 association of ambulance services to discuss the possible structure  
3 of an ambulance quality assurance assessment program.

4       Sec. 1850. The department may allow Medicaid health plans to  
5 assist with the redetermination process through outreach activities  
6 to ensure continuation of Medicaid eligibility and enrollment in  
7 managed care. This may include mailings, telephone contact, or  
8 face-to-face contact with beneficiaries enrolled in the individual  
9 Medicaid health plan. Health plans may offer assistance in  
10 completing paperwork for beneficiaries enrolled in their plan.

11       Sec. 1854. The department may work with a provider of kidney  
12 dialysis services and renal care as authorized under section 2703  
13 of the patient protection and affordable care act, Public Law 111-  
14 148, to develop a chronic condition health home program for  
15 Medicaid enrollees identified with chronic kidney disease and who  
16 are beginning dialysis. If initiated, the department shall develop  
17 metrics that evaluate program effectiveness and submit a report by  
18 June 1 of the current fiscal year to the senate and house  
19 appropriations subcommittees on community health. Metrics shall  
20 include cost savings and clinical outcomes.

21       Sec. 1855. The department may consider the feasibility of a  
22 revenue-neutral, financially risk-averse Medicaid patient  
23 optimization solution for the support of emergency department  
24 redirection for non-emergent patients.

25       Sec. 1857. It is the intent of the legislature that the  
26 department not reduce Medicaid reimbursement for wheelchairs.

27       Sec. 1858. Medicaid services shall include treatment for

1 autism spectrum disorders for children who are eligible for  
2 Medicaid and are 18 years of age or younger.

3       Sec. 1860. The department may receive separate reports from  
4 the health care association of Michigan, the Michigan county  
5 medical care facility council, and aging services of Michigan  
6 regarding each group's proposal to design and implement a Medicaid  
7 reimbursement payment system for nursing facilities that  
8 incorporates changes to both the plant and variable components. The  
9 department shall provide copies of any reports received pursuant to  
10 this section to the senate and house appropriations subcommittees  
11 on community health and the senate and house fiscal agencies by  
12 July 1 of the current fiscal year.

13       Sec. 1861. Nonemergency medical transportation services  
14 offered to Medicaid recipients may be competitively bid and may  
15 take into consideration a minimum of 2 bids by qualified vendors, 1  
16 of which must be a public transportation agency where such agencies  
17 offer service. For the purpose of this section, "qualified vendor"  
18 means a transportation provider that either meets or exceeds the  
19 quality and safety standards of public transportation agencies,  
20 including, but not limited to, ongoing training requirements for  
21 motor vehicle operators including training on passenger safety,  
22 passenger assistance, and assistive devices, including wheelchair  
23 lifts, tie-down equipment, and child safety seats. In addition, a  
24 qualified vendor shall be able to document that all drivers have  
25 complied with all state licensing regulations and that they have  
26 passed a criminal background check and successfully passed a drug  
27 screening test.

1       Sec. 1862. From the funds appropriated in part 1, the  
2 department shall use \$11,901,200.00 to increase reimbursement rates  
3 for Medicaid obstetrical services by 20%.

4       Sec. 1863. For the purposes of the next rebidding of contracts  
5 with Medicaid health plans, the department shall study the  
6 possibility of excluding health plans that score in the lowest  
7 quartile on quality indicators from eligibility to bid.

8       Sec. 1865. Upon federal approval of the department's proposal  
9 for integrated care for individuals who are dual Medicare/Medicaid  
10 eligibles, the department shall provide the senate and house  
11 appropriations subcommittees on community health and the senate and  
12 house fiscal agencies its plan and organizational chart for  
13 administering and providing oversight of this proposal. The plan  
14 shall include information on how the department intends to organize  
15 staff in an integrated manner to ensure that key components of the  
16 proposal are implemented effectively.

17       Sec. 1866. (1) From the funds appropriated in part 1 for  
18 hospital services and therapy, \$12,000,000.00 in general  
19 fund/general purpose revenue and any associated federal match shall  
20 be awarded to hospitals that meet criteria established by the  
21 department for services to low-income rural residents.

22       (2) No hospital or hospital system shall receive more than  
23 5.0% of the total funding referenced in subsection (1).

24       (3) The department shall report to the senate and house  
25 appropriations subcommittees on community health and the senate and  
26 house fiscal agencies on the distribution of funds referenced in  
27 subsection (1) by April 1 of the current fiscal year.

1 PART 2A  
2 PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS  
3 FOR FISCAL YEAR 2013-2014

4 **GENERAL SECTIONS**

5 Sec. 2001. It is the intent of the legislature to provide  
6 appropriations for the fiscal year ending on September 30, 2014 for  
7 the line items listed in part 1. The fiscal year 2013-2014  
8 appropriations are anticipated to be the same as those for fiscal  
9 year 2012-2013, except that the line items will be adjusted for  
10 changes in caseload and related costs, federal fund match rates,  
11 economic factors, and available revenue. These adjustments will be  
12 determined after the January 2013 consensus revenue estimating  
13 conference.

14 ARTICLE V  
15 DEPARTMENT OF CORRECTIONS  
16 PART 1  
17 LINE-ITEM APPROPRIATIONS

18 Sec. 101. Subject to the conditions set forth in this article,  
19 the amounts listed in this part are appropriated for the department  
20 of corrections for the fiscal year ending September 30, 2013, from  
21 the funds indicated in this part. The following is a summary of the  
22 appropriations in this part:

23 **DEPARTMENT OF CORRECTIONS**

1	APPROPRIATION SUMMARY	
2	Average population .....	43,953
3	Full-time equated unclassified positions.....	16.0
4	Full-time equated classified positions.....	14,679.2
5	GROSS APPROPRIATION.....	\$ 2,000,915,900
6	Appropriated from:	
7	Interdepartmental grant revenues:	
8	Total interdepartmental grants and intradepartmental	
9	transfers .....	992,100
10	ADJUSTED GROSS APPROPRIATION.....	\$ 1,999,923,800
11	Federal revenues:	
12	Total federal revenues.....	8,784,400
13	Special revenue funds:	
14	Total local revenues.....	264,300
15	Total private revenues.....	0
16	Total other state restricted revenues.....	49,389,500
17	State general fund/general purpose.....	\$ 1,941,485,600
18	State general fund/general purpose schedule:	
19	Ongoing state general fund/general	
20	purpose .....	1,927,482,300
21	One-time state general fund/general	
22	purpose .....	14,003,300
23	<b>Sec. 102. EXECUTIVE</b>	
24	Full-time equated unclassified positions.....	16.0
25	Full-time equated classified positions.....	5.0
26	Unclassified positions--16.0 FTE positions.....	\$ 1,493,000
27	Executive direction--5.0 FTE positions.....	1,892,800

1	Neal, et al. settlement agreement .....	<u>20,000,000</u>
2	GROSS APPROPRIATION .....	\$ 23,385,800
3	Appropriated from:	
4	State general fund/general purpose .....	\$ 23,385,800
5	<b>Sec. 103. PRISONER RE-ENTRY AND COMMUNITY SUPPORT</b>	
6	Prisoner re-entry local service providers .....	\$ 22,711,500
7	Prisoner re-entry MDOC programs .....	23,526,200
8	Prisoner re-entry federal grants .....	1,035,000
9	Prisoner re-entry reintegration, training, and	
10	employment .....	600,000
11	Public safety initiative .....	<u>4,750,000</u>
12	GROSS APPROPRIATION .....	\$ 52,622,700
13	Appropriated from:	
14	Federal revenues:	
15	DOJ, prisoner reintegration .....	1,035,000
16	Special revenue funds:	
17	State general fund/general purpose .....	\$ 51,587,700
18	<b>Sec. 104. OPERATIONS SUPPORT ADMINISTRATION</b>	
19	Full-time equated classified positions .....	184.9
20	Operations support administration--97.0 FTE positions	\$ 10,715,300
21	New custody staff training .....	8,672,300
22	Compensatory buyout and union leave bank .....	100
23	Worker's compensation .....	18,566,200
24	Bureau of fiscal management--65.9 FTE positions .....	8,111,000
25	Office of legal services--15.0 FTE positions .....	2,134,800
26	Internal affairs--7.0 FTE positions .....	1,172,500
27	Rent .....	2,095,200

1	Equipment and special maintenance.....	6,725,500
2	Administrative hearings officers.....	3,013,600
3	Judicial data warehouse user fees.....	50,000
4	Sheriffs' coordinating and training office.....	500,000
5	Prosecutorial and detainer expenses.....	4,551,000
6	County jail reimbursement program.....	<u>15,072,100</u>
7	GROSS APPROPRIATION.....	\$ 81,379,600
8	Appropriated from:	
9	Interdepartmental grant revenues:	
10	IDG-MDSP, Michigan justice training fund.....	328,200
11	Special revenue funds:	
12	Jail reimbursement program fund.....	5,900,000
13	Special equipment fund.....	5,800,000
14	Local corrections officer training fund.....	500,000
15	Correctional industries revolving fund.....	572,100
16	State general fund/general purpose.....	\$ 68,279,300
17	<b>Sec. 105. FIELD OPERATIONS ADMINISTRATION</b>	
18	Full-time equated classified positions.....	2,112.3
19	Field operations--1,789.9 FTE positions.....	\$ 186,232,100
20	Parole board operations--41.0 FTE positions.....	4,686,100
21	Parole/probation services.....	2,243,500
22	Community re-entry centers--201.4 FTE positions.....	30,224,200
23	Electronic monitoring center--56.0 FTE positions.....	15,962,400
24	Community corrections administration--10.0 FTE	
25	positions .....	1,210,200
26	Substance abuse testing and treatment services--14.0	
27	FTE positions .....	25,271,400

1	Residential services.....	16,075,500
2	Community corrections comprehensive plans and services	13,958,000
3	Regional jail program.....	100
4	Felony drunk driver jail reduction and community	
5	treatment program .....	<u>1,440,100</u>
6	GROSS APPROPRIATION.....	\$ 297,303,600
7	Appropriated from:	
8	Special revenue funds:	
9	Local - community tether program reimbursement .....	263,000
10	Re-entry center offender reimbursements .....	23,400
11	Parole and probation oversight fees .....	5,995,600
12	Parole and probation oversight fees set-aside .....	2,657,000
13	Tether program participant contributions .....	2,200,700
14	DOJ, office of justice programs, RSAT .....	574,200
15	State general fund/general purpose .....	\$ 285,589,700
16	<b>Sec. 106. CORRECTIONAL FACILITIES-ADMINISTRATION</b>	
17	Full-time equated classified positions..... 1,142.1	
18	Correctional facilities administration--30.0 FTE	
19	positions .....	\$ 9,135,800
20	Prison food service--395.0 FTE positions .....	59,691,300
21	Transportation--205.6 FTE positions .....	18,422,700
22	Central records--52.5 FTE positions .....	4,589,800
23	Inmate legal services .....	715,900
24	Loans to parolees .....	179,400
25	Housing inmates in federal institutions .....	993,800
26	Prison store operations--65.0 FTE positions .....	5,436,500
27	Prison industries operations--145.0 FTE positions ....	17,647,900

1	Federal school lunch program.....	812,800
2	Leased beds and alternatives to leased beds .....	10,000,100
3	Public works programs--5.0 FTE positions .....	1,000,000
4	Cost-effective housing initiative.....	100
5	Inmate housing fund.....	100
6	Education program--244.0 FTE positions .....	<u>32,181,800</u>
7	GROSS APPROPRIATION.....	\$ 160,808,000
8	Appropriated from:	
9	Interdepartmental grant revenues:	
10	IDG-MDCH, forensic center food service.....	660,000
11	Federal revenues:	
12	DAG-FNS, national school lunch.....	812,800
13	DED-OESE, title 1.....	538,000
14	DED-OVAE, adult education.....	919,000
15	DED-OSERS.....	111,100
16	DED, vocational education equipment.....	286,800
17	DED, youthful offender/Specter grant.....	1,329,600
18	DOJ-BOP, federal prisoner reimbursement.....	411,000
19	DOJ-OJP, serious and violent offender reintegration	
20	initiative .....	10,600
21	DOJ, prison rape elimination act grant.....	646,000
22	SSA-SSI, incentive payment.....	262,400
23	Federal education revenues.....	152,300
24	Special revenue funds:	
25	Correctional industries revolving fund.....	17,647,900
26	Public works user fees.....	1,000,000
27	Resident stores.....	5,436,500

1	State general fund/general purpose .....	\$	130,584,000
2	<b>Sec. 107. HEALTH CARE</b>		
3	Full-time equated classified positions .....		1,656.0
4	Health care administration--17.0 FTE positions .....	\$	3,278,000
5	Prisoner health care services .....		91,851,700
6	Vaccination program .....		691,200
7	Interdepartmental grant to human services, eligibility		
8	specialists .....		100,000
9	Mental health services and support--494.0 FTE		
10	positions .....		62,412,700
11	Clinical complexes--1,145.0 FTE positions .....		<u>158,448,900</u>
12	GROSS APPROPRIATION .....	\$	316,782,500
13	Appropriated from:		
14	Special revenue funds:		
15	Prisoner health care copayments .....		278,700
16	State general fund/general purpose .....	\$	316,503,800
17	<b>Sec. 108. NORTHERN REGION CORRECTIONAL FACILITIES</b>		
18	Average population .....		20,731
19	Full-time equated classified positions .....		4,294.1
20	Alger correctional facility - Munising--250.1 FTE		
21	positions .....	\$	26,374,200
22	Average population .....		889
23	Baraga correctional facility - Baraga--298.9 FTE		
24	positions .....		32,493,400
25	Average population .....		884
26	Earnest C. Brooks correctional facility - Muskegon--		
27	436.5 FTE positions .....		47,064,800

1	Average population .....	2,512	
2	Chippewa correctional facility - Kincheloe--454.2 FTE		
3	positions .....		46,908,700
4	Average population .....	2,282	
5	Kinross correctional facility - Kincheloe--321.5 FTE		
6	positions .....		34,399,400
7	Average population .....	1,799	
8	Marquette branch prison - Marquette--336.3 FTE		
9	positions .....		38,421,600
10	Average population .....	1,201	
11	Muskegon correctional facility - Muskegon--208.4 FTE		
12	positions .....		22,867,600
13	Average population .....	1,338	
14	Newberry correctional facility - Newberry--201.6 FTE		
15	positions .....		22,972,500
16	Average population .....	978	
17	Oaks correctional facility - Eastlake--302.6 FTE		
18	positions .....		35,698,700
19	Average population .....	1,156	
20	Ojibway correctional facility - Marenisco--203.7 FTE		
21	positions .....		20,628,900
22	Average population .....	1,090	
23	Central Michigan correctional facility - St. Louis--		
24	397.7 FTE positions .....		41,383,300
25	Average population .....	2,554	
26	Pugsley correctional facility - Kingsley--211.0 FTE		
27	positions .....		22,131,700

1	Average population .....	1,342	
2	Saginaw correctional facility - Freeland--306.6 FTE		
3	positions .....		32,043,200
4	Average population .....	1,480	
5	St. Louis correctional facility - St. Louis--311.0 FTE		
6	positions .....		33,705,200
7	Average population .....	1,226	
8	Northern region administration and support--54.0 FTE		
9	positions .....		<u>4,804,000</u>
10	GROSS APPROPRIATION.....	\$	461,897,200
11	Appropriated from:		
12	Special revenue funds:		
13	State general fund/general purpose.....	\$	461,897,200
14	<b>Sec. 109. SOUTHERN REGION CORRECTIONAL FACILITIES</b>		
15	Average population .....	23,222	
16	Full-time equated classified positions.....	5,284.8	
17	Bellamy Creek correctional facility - Ionia--391.2 FTE		
18	positions .....	\$	41,177,200
19	Average population .....	1,850	
20	Carson City correctional facility - Carson City--449.7		
21	FTE positions .....		48,089,700
22	Average population .....	2,440	
23	Cooper street correctional facility - Jackson--257.7		
24	FTE positions .....		28,334,800
25	Average population .....	1,799	
26	G. Robert Cotton correctional facility - Jackson--		
27	395.3 FTE positions .....		39,996,300

1	Average population .....	1,841	
2	Charles E. Egeler correctional facility - Jackson--		
3	355.3 FTE positions .....		40,660,800
4	Average population .....	1,376	
5	Richard A. Handlon correctional facility - Ionia--		
6	227.2 FTE positions .....		23,955,600
7	Average population .....	1,373	
8	Gus Harrison correctional facility - Adrian--420.2 FTE		
9	positions .....		45,306,100
10	Average population .....	2,342	
11	Womens Huron Valley correctional complex - Ypsilanti--		
12	536.4 FTE positions .....		58,902,000
13	Average population .....	1,872	
14	Ionia correctional facility - Ionia--287.0 FTE		
15	positions .....		30,814,200
16	Average population .....	654	
17	Lakeland correctional facility - Coldwater--257.6 FTE		
18	positions .....		24,469,800
19	Average population .....	1,336	
20	Macomb correctional facility - New Haven--298.1 FTE		
21	positions .....		32,521,900
22	Average population .....	1,376	
23	Maxey/Woodland Center correctional facility - Whitmore		
24	Lake--265.9 FTE positions .....		23,813,800
25	Average population .....	328	
26	Michigan reformatory - Ionia--322.4 FTE positions....		35,416,700
27	Average population .....	1,338	

1	Parnall correctional facility - Jackson--274.5 FTE	
2	positions .....	29,173,200
3	Average population .....	1,678
4	Thumb correctional facility - Lapeer--282.3 FTE	
5	positions .....	30,579,700
6	Average population .....	1,219
7	Special alternative incarceration program (Camp	
8	Cassidy Lake)--120.0 FTE positions.....	12,101,800
9	Average population .....	400
10	Southern region administration and support--144.0 FTE	
11	positions .....	<u>22,663,900</u>
12	GROSS APPROPRIATION.....	\$ 567,977,500
13	Appropriated from:	
14	Federal revenues:	
15	Federal revenues and reimbursements.....	1,612,200
16	Special revenue funds:	
17	State restricted revenues and reimbursements .....	283,900
18	State general fund/general purpose.....	\$ 566,081,400
19	<b>Sec. 110. INFORMATION TECHNOLOGY</b>	
20	Information technology services and projects .....	\$ <u>24,403,600</u>
21	GROSS APPROPRIATION.....	\$ 24,403,600
22	Appropriated from:	
23	Special revenue funds:	
24	Correctional industries revolving fund.....	168,600
25	Parole and probation oversight fees set-aside.....	661,600
26	State general fund/general purpose.....	\$ 23,573,400
27	<b>Sec. 111. ONE-TIME APPROPRIATIONS</b>	

1	Information technology services and projects .....	\$	1,129,500
2	State employee lump-sum payments .....		<u>13,225,900</u>
3	GROSS APPROPRIATION .....	\$	14,355,400
4	Appropriated from:		
5	Interdepartmental grant revenues:		
6	Interdepartmental grant revenues .....		3,900
7	Federal revenues:		
8	Federal revenues and reimbursements .....		83,400
9	Special revenue funds:		
10	Local revenues .....		1,300
11	State restricted revenues and reimbursements .....		263,500
12	State general fund/general purpose .....	\$	14,003,300

13 PART 2

14 PROVISIONS CONCERNING APPROPRIATIONS

15 FOR FISCAL YEAR 2012-2013

16 GENERAL SECTIONS

17 Sec. 201. Pursuant to section 30 of article IX of the state  
 18 constitution of 1963, total state spending from state resources  
 19 under part 1 for fiscal year 2012-2013 is \$1,990,875,100.00 and  
 20 state spending from state resources to be paid to local units of  
 21 government for fiscal year 2012-2013 is \$91,166,400.00. The  
 22 itemized statement below identifies appropriations from which  
 23 spending to local units of government will occur:

24 DEPARTMENT OF CORRECTIONS

25 Field operations - assumption of county

1	probation staff .....	\$	55,192,700
2	Community corrections comprehensive plans		
3	and services .....		13,958,000
4	Community corrections residential services .....		16,075,500
5	Felony drunk driver jail reduction and		
6	community treatment program .....		1,440,100
7	Regional jail program.....		100
8	Public safety initiative.....		<u>4,500,000</u>
9	TOTAL.....	\$	91,166,400

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

13       Sec. 203. As used in this article:

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

18       (b) "Cost per prisoner" means the sum total of the funds  
 19 appropriated under part 1 for the following, divided by the  
 20 projected prisoner population in fiscal year 2011-2012:

- 21       (i) Northern and southern region correctional facilities.
- 22       (ii) Northern and southern region administration and support.
- 23       (iii) Northern and southern region clinical complexes.
- 24       (iv) Prisoner health care services.
- 25       (v) Health care administration.
- 26       (vi) Vaccination program.
- 27       (vii) Prison food service and federal school lunch program.

- 1 (viii) Transportation.
- 2 (ix) Inmate legal services.
- 3 (x) Correctional facilities administration.
- 4 (xi) Central records.
- 5 (xii) DOJ psychiatric plan.
- 6 (xiii) Worker's compensation.
- 7 (xiv) New custody staff training.
- 8 (xv) Prison store operations.
- 9 (xvi) Education services and federal education grants.
- 10 (xvii) Education program.
- 11 (c) "DAG" means the United States department of agriculture.
- 12 (d) "DAG-FNS" means the DAG food and nutrition service.
- 13 (e) "DED" means the United States department of education.
- 14 (f) "DED-OESE" means the DED office of elementary and
- 15 secondary education.
- 16 (g) "DED-OSERS" means the DED office of special education and
- 17 rehabilitative services.
- 18 (h) "DED-OVAE" means the DED office of vocational and adult
- 19 education.
- 20 (i) "Department" or "MDOC" means the Michigan department of
- 21 corrections.
- 22 (j) "DOJ" means the United States department of justice.
- 23 (k) "DOJ-BOP" means the DOJ bureau of prisons.
- 24 (l) "DOJ-OJP" means the DOJ office of justice programs.
- 25 (m) "Evidence-based practices" or "EBP" means a decision-
- 26 making process that integrates the best available research,
- 27 clinician expertise, and client characteristics.

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

2 (o) "GED" means general educational development certificate.

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

8 (q) "GPS" means global positioning system.

9 (r) "HIV" means human immunodeficiency virus.

10 (s) "IDG" means interdepartmental grant.

11 (t) "IDT" means intradepartmental transfer.

12 (u) "Jail" means a facility operated by a local unit of  
13 government for the physical detention and correction of persons  
14 charged with or convicted of criminal offenses.

15 (v) "MDCH" means the Michigan department of community health.

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

19 (x) "MDSP" means the Michigan department of state police.

20 (y) "MPRI" means the Michigan prisoner reentry initiative.

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

27 (aa) "Offender eligibility criteria" means particular criminal

1 violations, state felony sentencing guidelines descriptors, and  
2 offender characteristics developed by advisory boards and approved  
3 by local units of government that identify the offenders suitable  
4 for community corrections programs funded through the office of  
5 community corrections.

6 (bb) "Offender success" means that an offender has done all of  
7 the following:

8 (i) Regularly reported to his or her assigned field agent.

9 (ii) Is participating in or has successfully completed all  
10 required substance abuse, mental health, sex offender, or other  
11 treatment as approved by the field agent.

12 (iii) Not sent or returned to prison for the conviction of a new  
13 crime or the revocation of probation or parole.

14 (iv) Not been sentenced to a jail term for a new criminal  
15 offense.

16 (v) Obtained employment, has enrolled or participated in a  
17 program of education or job training, or has investigated all bona  
18 fide employment opportunities.

19 (vi) Obtained housing.

20 (cc) "Offender target population" means felons or  
21 misdemeanants who would likely be sentenced to imprisonment in a  
22 state correctional facility or jail, who would not likely increase  
23 the risk to the public safety based on an objective risk and needs  
24 assessment that indicates that the offender can be safely treated  
25 and supervised in the community.

26 (dd) "Offender who would likely be sentenced to imprisonment"  
27 means either of the following:

1           (i) A felon or misdemeanor who receives a sentencing  
2 disposition that appears to be in place of incarceration in a state  
3 correctional facility or jail, according to historical local  
4 sentencing patterns.

5           (ii) A currently incarcerated felon or misdemeanor who is  
6 granted early release from incarceration to a community corrections  
7 program or who is granted early release from incarceration as a  
8 result of a community corrections program.

9           (ee) "Programmatic success" means that the department program  
10 or initiative has ensured that the offender has accomplished all of  
11 the following:

12           (i) Obtained employment, has enrolled or participated in a  
13 program of education or job training, or has investigated all bona  
14 fide employment opportunities.

15           (ii) Obtained housing.

16           (iii) Obtained a state identification card.

17           (ff) "Recidivism" means any of the following:

18           (i) The arrest and conviction of a supervised individual for a  
19 new offense while under community supervision.

20           (ii) The adjudication of a supervised individual for a  
21 violation of the conditions of supervision while under community  
22 supervision.

23           (iii) A sanction resulting from a violation of terms of  
24 supervision that results in a return to prison without being  
25 adjudicated.

26           (gg) "RSAT" means residential substance abuse treatment.

27           (hh) "Serious emotional disturbance" means that term as

1 defined in section 100d(2) of the mental health code, 1974 PA 328,  
2 MCL 330.1100d.

3 (ii) "Serious mental illness" means that term as defined in  
4 section 100d(3) of the mental health code, 1974 PA 328, MCL  
5 330.1100d.

6 (jj) "SSA" means the United States social security  
7 administration.

8 (kk) "SSA-SSI" means SSA supplemental security income.

9 Sec. 204. The civil service commission shall bill departments  
10 and agencies at the end of the first fiscal quarter for the charges  
11 authorized by section 5 of article XI of the state constitution of  
12 1963. Payments shall be made for the total amount of the billing by  
13 the end of the second fiscal quarter.

14 Sec. 204a. (1) The department shall collaborate with the civil  
15 service commission and the department of civil service to review  
16 the compensation rates for health care professionals who provide  
17 direct health care services to prisoners within the corrections  
18 system, including, but not limited to, doctors, all nursing  
19 professionals, pharmacists, pharmacy technicians, and  
20 psychologists. The review shall include health care professionals  
21 employed by the state as well as those employed through state  
22 contractors. These rates shall be compared to available data on  
23 compensation rates for comparable medical professionals in the  
24 private sectors who provide services to the general public to  
25 estimate any disparity in compensation.

26 (2) Following the review, the department shall make  
27 recommendations on changes needed to the state compensation plan

1 for health care professional positions and to department contracts  
2 with health care providers so that compensation levels are  
3 sufficient to ensure that needed health care professional positions  
4 with vacancies are filled, that the department experiences adequate  
5 retention levels for these positions, and that necessary health  
6 care services are delivered in a timely manner to the prisoner  
7 population. A report outlining these recommendations shall be  
8 submitted to the senate and house appropriations subcommittees on  
9 corrections, the senate and house fiscal agencies, and the state  
10 budget office by May 1, 2012.

11       Sec. 206. The department shall not take disciplinary action  
12 against an employee for communicating with a member of the  
13 legislature or his or her staff.

14       Sec. 207. State employees shall be given the opportunity to  
15 bid on contracts that privatize services that are or were provided  
16 by state employees. If the contract is awarded to any state  
17 employee, he or she ceases being an employee of the state.

18       Sec. 208. Unless otherwise specified, the department shall use  
19 the Internet to fulfill the reporting requirements of this article.  
20 This requirement may include transmission of reports via electronic  
21 mail to the recipients identified for each reporting requirement or  
22 it may include placement of reports on an Internet or Intranet  
23 site.

24       Sec. 209. 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. 211. (1) The department may charge fees and collect  
8 revenues in excess of appropriations in part 1 not to exceed the  
9 cost of offender services and programming, employee meals, parolee  
10 loans, academic/vocational services, custody escorts, compassionate  
11 visits, union steward activities, and public works programs and  
12 services provided to local units of government. The revenues and  
13 fees collected are appropriated for all expenses associated with  
14 these services and activities.

15       (2) If a parolee or probationer has been ordered to pay  
16 restitution, the department shall ensure that payment is a  
17 condition of his or her community supervision. Restitution payments  
18 shall be made as provided in section 22 of chapter XV of the code  
19 of criminal procedure, 1927 PA 175, MCL 775.22. The department  
20 shall collect not more than 50% of all money collected from  
21 parolees and probationers for payments other than victim payments,  
22 as that term is defined in section 22 of chapter XV of the code of  
23 criminal procedure, 1927 PA 175, MCL 775.22.

24       (3) By April 1, the department shall provide the members of  
25 the senate and house appropriations subcommittees on corrections,  
26 the senate and house fiscal agencies, and the state budget director  
27 with a report detailing the collection of fees under this section.

1 At minimum, this report shall include a categorical accounting of  
2 all fees collected under this section.

3 Sec. 212. On a quarterly basis, each executive branch  
4 department and agency receiving appropriations in part 1 shall  
5 report on the number of full-time equated positions in pay status  
6 by civil service classification to the senate and house  
7 appropriations subcommittees on corrections and the senate and  
8 house fiscal agencies. This report shall include a detailed  
9 accounting of the long-term vacancies that exist within each  
10 department. As used in this subsection, "long-term vacancy" means  
11 any full-time equated position that has not been filled at any time  
12 during the past 24 calendar months.

13 Sec. 214. From the funds appropriated in part 1 for  
14 information technology, the department shall pay user fees to the  
15 department of technology, management, and budget for technology-  
16 related services and projects. These user fees shall be subject to  
17 provisions of an interagency agreement between the department and  
18 the department of technology, management, and budget.

19 Sec. 215. Amounts appropriated in part 1 for information  
20 technology may be designated as work projects and carried forward  
21 to support technology projects under the direction of the  
22 department of technology, management, and budget. Funds designated  
23 in this manner are not available for expenditure until approved as  
24 work projects under section 451a of the management and budget act,  
25 1984 PA 431, MCL 18.1451a.

26 Sec. 216. The departments and agencies receiving  
27 appropriations in part 1 shall prepare a report on out-of-state

1 travel expenses not later than January 1 of each year. The travel  
2 report shall be a listing of all travel by classified and  
3 unclassified employees outside this state in the immediately  
4 preceding fiscal year that was funded in whole or in part with  
5 funds appropriated in the department's budget. The report shall be  
6 submitted to the house and senate standing committees on  
7 appropriations, the house and senate fiscal agencies, and the state  
8 budget director. The report shall include the following  
9 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. 217. It is the intent of the legislature that all  
17 principal executive departments and agencies cooperate with the  
18 development and implementation of the department of technology,  
19 management, and budget statewide office space consolidation plan.

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

26 (2) Revenues appropriated and collected for special equipment  
27 funds shall be considered state restricted revenue and shall be

1 used for special equipment and security projects to facilitate the  
2 replacement of personal protection systems, and the acquisition of  
3 contraband detection systems. Unexpended funds remaining at the  
4 close of the fiscal year shall not lapse to the general fund but  
5 shall be carried forward and be available for appropriation in  
6 subsequent fiscal years.

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

12 (a) A list of all individual projects and purchases financed  
13 with special equipment funds in the immediately preceding fiscal  
14 year and the amounts expended on each project or purchase.

15 (b) A list of planned projects and purchases to be financed  
16 with special equipment funds during the current fiscal year and the  
17 amounts to be expended on each project or purchase.

18 (c) A review of projects and purchases planned for future  
19 fiscal years from special equipment funds.

20 Sec. 220. Not later than November 15, the department shall  
21 prepare and transmit a report that provides for estimates of the  
22 total general fund/general purpose appropriation lapses at the  
23 close of the fiscal year. This report shall summarize the projected  
24 year-end general fund/general purpose appropriation lapses by major  
25 departmental program or program areas. The report shall be  
26 transmitted to the office of the state budget, the chairpersons of  
27 the senate and house of representatives standing committees on

1 appropriations, and the senate and house fiscal agencies.

2       Sec. 221. The department of technology, management, and budget  
3 shall maintain a searchable website accessible by the public at no  
4 cost that includes, but is not limited to, all of the following for  
5 each department or agency:

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

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

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

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

13       (e) Job specifications and wage rates.

14       Sec. 223. (1) In addition to the funds appropriated in part 1,  
15 there is appropriated an amount not to exceed \$10,000,000.00 for  
16 federal contingency funds. These funds are not available for  
17 expenditure until they have been transferred to another line item  
18 in this article under section 393(2) of the management and budget  
19 act, 1984 PA 431, MCL 18.1393.

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

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

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

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

11 Sec. 224. By March 1, the department shall provide a  
12 litigation report to the senate and house appropriations  
13 subcommittees on corrections, the senate and house fiscal agencies,  
14 and the state budget director. The report shall identify all  
15 lawsuits adjudicated through the trial court phase in which the  
16 department or an employee acting on behalf of the department was a  
17 defendant and in which trial court proceedings resulted in a  
18 decision of \$250,000.00 or more against the department.

19 Sec. 229. Within 14 days after the release of the executive  
20 budget recommendation, the department shall provide the state  
21 budget director, the senate and house appropriations chairs, the  
22 senate and house appropriations subcommittees on corrections,  
23 respectively, and the senate and house fiscal agencies with an  
24 annual report on estimated state restricted fund balances, state  
25 restricted fund projected revenues, and state restricted fund  
26 expenditures for the fiscal years ending September 30, 2012 and  
27 September 30, 2013.

1       Sec. 236. It is the intent of the legislature that from the  
2 revenue resulting from the sale of the former Scott correctional  
3 facility sufficient funds shall be appropriated to the department  
4 to reimburse Michigan state industries for costs related to the  
5 construction of the Industries Building, which was operated by  
6 Michigan state industries on the site of the Scott correctional  
7 facility.

8       Sec. 237. The department shall follow all requirements set  
9 forth in statute and administrative rules related to procurement  
10 requests and shall ensure that proper communication is maintained  
11 with the department of technology, management, and budget regarding  
12 the use of delegated purchasing authority granted by the department  
13 of technology, management, and budget. The department shall not  
14 pursue the procurement of any good or service on its own that falls  
15 outside its delegated authority from the department of technology,  
16 management, and budget. If any requests for proposal or requests  
17 for qualifications are delayed due to the department's improper use  
18 of purchasing authority under statute and administrative rules, the  
19 department shall report on the improper use to the house and senate  
20 appropriations subcommittees on corrections within 15 days after  
21 determining that the improper use occurred. The report shall review  
22 the purpose of the relevant procurement effort, explain why the  
23 improper use of delegated authority occurred, and outline steps  
24 being taken to ensure that improper use of delegated authority does  
25 not occur again in the future.

26       Sec. 238. It is the intent of the legislature that the  
27 department make additional efforts to sell, rent, or otherwise

1 repurpose closed correctional facilities.

2       Sec. 239. It is the intent of the legislature that the  
3 department establish and maintain a management-to-staff ratio of  
4 not more than 1 supervisor for each 5 employees at the department's  
5 central office in Lansing and at both the northern and southern  
6 region administration offices.

7       **EXECUTIVE**

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

17       Sec. 304. The director of the department shall maintain a  
18 staff savings initiative program to invite employees to submit  
19 suggestions for saving costs for the department. The department  
20 shall report semiannually to the senate and house appropriations  
21 subcommittees on corrections, the senate and house fiscal agencies,  
22 and the state budget director on the suggestions submitted under  
23 this section, the implementation plan for those suggestions with  
24 which the department agrees, and an explanation of any  
25 disagreements with suggestions.

26       Sec. 305. By March 1, the department shall report to the

1 senate and house appropriations subcommittees on corrections, the  
2 senate and house fiscal agencies, and the state budget director on  
3 the number of prisoners who committed suicide during the previous  
4 calendar year. To the extent permitted by law, the report shall  
5 include all of the following information:

6 (a) The prisoner's age, offense, sentence, and admission date.

7 (b) Each prisoner's facility and unit.

8 (c) A description of the circumstances of the suicide.

9 (d) The date of the suicide.

10 (e) Whether the suicide occurred in a housing unit, a  
11 segregation unit, a mental health unit, or elsewhere on the grounds  
12 of the facility.

13 (f) Whether the prisoner had been denied parole and the date  
14 of any denial.

15 (g) Whether the prisoner had received a mental health  
16 evaluation or assessment.

17 (h) Details on the department's responses to each suicide,  
18 including immediate on-site responses and subsequent internal  
19 investigations.

20 (i) A description of any monitoring and psychiatric  
21 interventions that had been undertaken prior to the prisoner's  
22 suicide, including any changes in placement or mental health care.

23 (j) Whether the prisoner had previously attempted suicide.

24 **PRISONER RE-ENTRY AND COMMUNITY SUPPORT**

25 Sec. 401. The department shall submit 3-year and 5-year prison  
26 population projection updates concurrent with submission of the

1 executive budget to the senate and house appropriations  
2 subcommittees on corrections, the senate and house fiscal agencies,  
3 and the state budget director. The report shall include  
4 explanations of the methodology and assumptions used in developing  
5 the projection updates.

6       Sec. 402. (1) It is the intent of the legislature that the  
7 funds appropriated in part 1 for prisoner re-entry programs be  
8 expended for the purpose of reducing victimization by reducing  
9 repeat offending through the following prisoner re-entry  
10 programming:

11       (a) The provision of employment or employment services and job  
12 training.

13       (b) The provision of housing assistance.

14       (c) Referral to mental health services.

15       (d) Referral to substance abuse services.

16       (e) Referral to public health services.

17       (f) Referral to education.

18       (g) Referral to any other services necessary for successful  
19 reintegration.

20       (2) By March 1, the department shall provide a report on  
21 prisoner re-entry expenditures and allocations to the members of  
22 the senate and house appropriations subcommittees on corrections,  
23 the senate and house fiscal agencies, and the state budget  
24 director. At a minimum, the report shall include information on  
25 both of the following:

26       (a) Details on prior-year expenditures, including amounts  
27 spent on each project funded, itemized by service provided and

1 service provider.

2 (b) Allocations and planned expenditures for each project  
3 funded and for each project to be funded, itemized by service to be  
4 provided and service provider. The department shall provide an  
5 amended report quarterly, if any revisions to allocations or  
6 planned expenditures occurred during that quarter.

7 (3) The department shall continue its efforts, with technical  
8 assistance provided by the justice center of the council of state  
9 governments, on establishing criteria and key indicators of the  
10 success and failure of offenders. Indicators shall reflect the  
11 status of and trends in key program elements, behavior improvements  
12 on the part of offenders, and whether targeted goals are being met.

13 Sec. 404. (1) The department shall screen and assess each  
14 prisoner for alcohol and other drug involvement to determine the  
15 need for further treatment. The assessment process shall be  
16 designed to identify the severity of alcohol and other drug  
17 addiction and determine the treatment plan, if appropriate.

18 (2) The department shall provide substance abuse treatment to  
19 prisoners with priority given to those prisoners who are most in  
20 need of treatment and who can best benefit from program  
21 intervention based on the screening and assessment provided under  
22 subsection (1).

23 Sec. 405. (1) In expending residential substance abuse  
24 treatment services funds appropriated under this article, the  
25 department shall ensure to the maximum extent possible that  
26 residential substance abuse treatment services are available  
27 statewide.

1           (2) By March 1, the department shall report to the senate and  
2 house appropriations subcommittees on corrections, the senate and  
3 house fiscal agencies, and the state budget director on the  
4 allocation, distribution, and expenditure of all funds appropriated  
5 by the substance abuse testing and treatment line item during  
6 fiscal year 2011-2012 and projected for fiscal year 2012-2013. The  
7 report shall include, but not be limited to, an explanation of an  
8 anticipated year-end balance, the number of participants in  
9 substance abuse programs, and the number of offenders on waiting  
10 lists for residential substance abuse programs. Information  
11 required under this subsection shall, where possible, be separated  
12 by MDOC administrative region and by offender type, including, but  
13 not limited to, a distinction between prisoners, parolees, and  
14 probationers.

15           (3) By March 1, the department shall report to the senate and  
16 house appropriations subcommittees on corrections, the senate and  
17 house fiscal agencies, and the state budget director on substance  
18 abuse testing and treatment program objectives, outcome measures,  
19 and results, including program impact on offender success and  
20 programmatic success as those terms are defined in section 203.

21           Sec. 405a. The department shall work cooperatively with MDCH and  
22 substance abuse coordinating agencies in referring offenders as  
23 appropriate to intensive substance abuse services, including  
24 residential services.

25           Sec. 406. As a condition for expending any money appropriated  
26 in part 1 for reinvestment in prisoner re-entry programs, the  
27 department shall establish a pilot program with an allocation of at

1 least \$2,000,000.00 from the funding appropriated to prisoner  
2 reintegration programs to contract with faith-based nonprofit  
3 agencies with established programs that assist prisoners exiting  
4 the prison system to reintegrate into the community. The department  
5 shall report to the house and senate appropriations subcommittees  
6 on corrections, the house and senate fiscal agencies, and the state  
7 budget director by December 1 on the contracts awarded under the  
8 pilot program, including the faith-based, nonprofit agencies  
9 selected and the contract amounts awarded to each agency. The  
10 department shall analyze and compare the success and failure rates  
11 of prisoners served under the pilot program and those served  
12 through other department reintegration programs and shall report  
13 this information to the legislature during budget hearings on the  
14 fiscal year 2013-2014 budget.

15       Sec. 407. (1) By June 30, the department shall place the 2012  
16 statistical report on an Internet site. The statistical report  
17 shall include, but not be limited to, the information as provided  
18 in the 2004 statistical report.

19       (2) It is the intent of the legislature that starting with  
20 calendar year 2010, the statistical report be placed on an Internet  
21 site within 6 months after the end of each calendar year.

22       Sec. 408. The department shall measure the recidivism rates of  
23 offenders using at least a 3-year period following their release  
24 from prison. Any time spent in a county jail or otherwise  
25 incarcerated shall be included in the recidivism rates.

26       Sec. 410. (1) The funds included in part 1 for community  
27 corrections comprehensive plans and services are to encourage the

1 development through technical assistance grants, implementation,  
2 and operation of community corrections programs that enhance  
3 offender success and that also may serve as an alternative to  
4 incarceration in a state facility or jail. The comprehensive  
5 corrections plans shall include an explanation of how the public  
6 safety will be maintained, the goals for the local jurisdiction,  
7 offender target populations intended to be affected, offender  
8 eligibility criteria for purposes outlined in the plan, and how the  
9 plans will meet the following objectives, consistent with section  
10 8(4) of the community corrections act, 1988 PA 511, MCL 791.408:

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

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

18 (c) Open jail beds through the increase of pretrial release  
19 options.

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

21 (e) Reduce the admission or readmission to prison of  
22 offenders, including probation violators and parole violators, for  
23 substance abuse violations.

24 (f) Contribute to offender success, as that term is defined in  
25 section 203.

26 (2) The award of community corrections comprehensive plans and  
27 residential services funds shall be based on criteria that include,

1 but are not limited to, the prison commitment rate by category of  
2 offenders, trends in prison commitment rates and jail utilization,  
3 historical trends in community corrections program capacity and  
4 program utilization, and the projected impact and outcome of annual  
5 policies and procedures of programs on offender success, prison  
6 commitment rates, and jail utilization.

7 (3) Funds awarded for residential services in part 1 shall  
8 provide for a per diem reimbursement of not more than \$47.50 for  
9 nonaccredited facilities, or of not more than \$48.50 for facilities  
10 that have been accredited by the American corrections association  
11 or a similar organization as approved by the department.

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

1 shall encourage local community corrections advisory boards to  
2 include in their comprehensive corrections plans strategies to  
3 collaborate with local alcohol and drug treatment agencies of the  
4 MDCH for the provision of alcohol and drug screening, assessment,  
5 case management planning, and delivery of treatment to alcohol- and  
6 drug-involved offenders.

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

15       (a) Approved technical assistance grants and comprehensive  
16 corrections plans including each program and level of funding, the  
17 utilization level of each program, and profile information of  
18 enrolled offenders.

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

22       (c) Status of the community corrections information system and  
23 the jail population information system.

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

27       (e) Offender disposition data by sentencing guideline range,

1 by disposition type, by prior record variable score, by number and  
2 percent statewide and by county, current year, and comparisons to  
3 the previous 3 years.

4 (f) Data on the use of funding made available under the felony  
5 drunk driver jail reduction and community treatment program.

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

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

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

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

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

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

27 (a) The felon's sentencing guidelines recommended range upper

1 limit is more than 18 months, the felon's sentencing guidelines  
2 recommended range lower limit is 12 months or less, the felon's  
3 prior record variable score is 35 or more points, and the felon's  
4 sentence is not for commission of a crime in crime class G or crime  
5 class H or a nonperson crime in crime class F under chapter XVII of  
6 the code of criminal procedure, 1927 PA 175, MCL 777.1 to 777.69.

7 (b) The felon's minimum sentencing guidelines range minimum is  
8 more than 12 months under the sentencing guidelines described in  
9 subdivision (a).

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

15 (3) State reimbursement under this subsection shall be \$60.00  
16 per diem per diverted offender for offenders with a presumptive  
17 prison guideline score, \$50.00 per diem per diverted offender for  
18 offenders with a straddle cell guideline for a group 1 crime, and  
19 \$35.00 per diem per diverted offender for offenders with a straddle  
20 cell guideline for a group 2 crime. Reimbursements shall be paid  
21 for sentences up to a 1-year total.

22 (4) As used in this subsection:

23 (a) "Group 1 crime" means a crime in 1 or more of the  
24 following offense categories: arson, assault, assaultive other,  
25 burglary, criminal sexual conduct, homicide or resulting in death,  
26 other sex offenses, robbery, and weapon possession as determined by  
27 the department of corrections based on specific crimes for which

1 counties received reimbursement under the county jail reimbursement  
2 program in fiscal year 2007 and fiscal year 2008, and listed in the  
3 county jail reimbursement program document titled "FY 2007 and FY  
4 2008 Group One Crimes Reimbursed", dated March 31, 2009.

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

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

14 (5) County jail reimbursement program expenditures shall not  
15 exceed the amount appropriated in part 1 for the county jail  
16 reimbursement program. Payments to counties under the county jail  
17 reimbursement program shall be made in the order in which properly  
18 documented requests for reimbursements are received. A request  
19 shall be considered to be properly documented if it meets MDOC  
20 requirements for documentation. By October 15, 2012, the department  
21 shall distribute the documentation requirements to all counties.

22 (6) Of the funds appropriated in part 1 for the county jail  
23 reimbursement program, \$500,000.00 shall be utilized to reimburse  
24 county jails for housing individuals who violate terms of probation  
25 under the swift-and-sure sanctions pilot program.

26 Sec. 415. (1) The department shall create a database for use  
27 by the department and MPRI service providers. The database shall be

1 available to both the department and the service provider in real  
2 time. The department, in consultation with the service providers,  
3 shall issue a policy defining each field in the database so that  
4 there will be common usage of all terms and fields.

5 (2) The department, in consultation with the service  
6 providers, shall publish financial guidelines for administration of  
7 this program.

8 Sec. 416. Allowable uses of the felony drunk driver jail  
9 reduction and community treatment program shall include reimbursing  
10 counties for transportation, treatment costs, and housing felony  
11 drunk drivers during a period of assessment for treatment and case  
12 planning. Reimbursements for housing during the assessment process  
13 shall be at the rate of \$43.50 per day per offender, up to a  
14 maximum of 5 days per offender.

15 Sec. 417. (1) By March 1, the department shall report to the  
16 members of the senate and house appropriations subcommittees on  
17 corrections, the senate and house fiscal agencies, and the state  
18 budget director on each of the following programs from the previous  
19 fiscal year:

20 (a) The county jail reimbursement program.

21 (b) The felony drunk driver jail reduction and community  
22 treatment program.

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

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

27 (a) Program objectives and outcome measures, including, but

1 not limited to, the number of offenders who successfully completed  
2 the program, and the number of offenders who successfully remained  
3 in the community during the 3 years following termination from the  
4 program.

5 (b) Expenditures by location.

6 (c) The impact on jail utilization.

7 (d) The impact on prison admissions.

8 (e) Other information relevant to an evaluation of the  
9 program.

10 Sec. 418. (1) The department shall collaborate with the state  
11 court administrative office on facilitating changes to Michigan  
12 court rules that would require the court to collect at the time of  
13 sentencing the state operator's license, state identification card,  
14 or other documentation used to establish the identity of the  
15 individual to be admitted to the department. The department shall  
16 maintain those documents in the prisoner's personal file.

17 (2) The department shall cooperate with MDCH to create and  
18 maintain a process by which prisoners can obtain their Michigan  
19 birth certificates if necessary. The department shall describe a  
20 process for obtaining birth certificates from other states, and in  
21 situations where the prisoner's effort fails, the department shall  
22 assist in obtaining the birth certificate.

23 Sec. 419. (1) The department shall provide weekly electronic  
24 mail reports to the senate and house appropriations subcommittees  
25 on corrections, the senate and house fiscal agencies, and the state  
26 budget director on prisoner, parolee, and probationer populations  
27 by facility, and prison capacities.

1           (2) The department shall provide monthly electronic mail  
2 reports to the senate and house appropriations subcommittees on  
3 corrections, the senate and house fiscal agencies, and the state  
4 budget director. The reports shall include information on end-of-  
5 month prisoner populations in county jails, the net operating  
6 capacity according to the most recent certification report,  
7 identified by date, and end-of-month data, year-to-date data, and  
8 comparisons to the prior year for the following:

9           (a) Community residential program populations, separated by  
10 centers and electronic monitoring.

11           (b) Parole populations.

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

14           (d) Prison and camp populations, with separate identification  
15 of the number in special alternative incarceration and the number  
16 of lifers.

17           (e) Parole board activity, including the numbers and  
18 percentages of parole grants and parole denials.

19           (f) Prisoner exits, identifying transfers to community  
20 placement, paroles from prisons and camps, paroles from community  
21 placement, total movements to parole, prison intake, prisoner  
22 deaths, prisoners discharging on the maximum sentence, and other  
23 prisoner exits.

24           (g) Prison intake and returns, including probation violators,  
25 new court commitments, violators with new sentences, escaper new  
26 sentences, total prison intake, returns from court with additional  
27 sentences, community placement returns, technical parole violator

1 returns, and total returns to prison and camp.

2       Sec. 420. By March 1, the department shall report to the  
3 senate and house appropriations subcommittees on corrections, the  
4 senate and house judiciary committees, the senate and house fiscal  
5 agencies, and the state budget director on performance data and  
6 efforts to improve efficiencies relative to departmental staffing,  
7 health care services, food service, prisoner transportation, mental  
8 health care services, and pharmaceutical costs.

9       Sec. 422. It is the intent of the legislature that MPRI  
10 programs from prisoner entry into the corrections system to reentry  
11 into the community and as measured by offender success and  
12 programmatic success as those terms are defined in section 203  
13 shall be maintained as standard operating procedure in the  
14 department. In particular, services should be focused on moderate-  
15 to high-risk individuals. Special in-prison programming shall be  
16 directed to those prisoners who were paroled and have returned to  
17 prison and who will subsequently be eligible for parole again in  
18 the future. In addition, MPRI services provided to prisoners shall  
19 include basic computer skills training.

20       Sec. 424. (1) From the funds appropriated in part 1 for  
21 residential services, the department shall develop and implement,  
22 in collaboration with the judiciary and as approved by the state  
23 court administrative office, a demonstration project based on  
24 evidence-based practices related to judicial and case management  
25 interventions that have been proven to increase public safety for  
26 high-risk, high-need probationers as determined by a validated risk  
27 and need assessment instrument. As used in this section,

1 "probationer" means a circuit court probationer serving a probation  
2 sentence for a crime.

3 (2) The demonstration project shall be implemented in 4 areas  
4 of the state identified jointly by the department and the state  
5 court administrative office. Preference shall be given to locations  
6 that are representative of areas with high rates of violent crimes  
7 as described in the council of state governments' justice center  
8 report on analyses of crime, community corrections, and sentencing  
9 policies in this state.

10 (3) The primary goal of the demonstration project is to reduce  
11 crime and revictimization by high-risk, high-need probationers. The  
12 secondary goal of the demonstration project is to reduce  
13 expenditures for long-term incarceration.

14 (4) The demonstration project may provide up to 6 months of  
15 residential services, and treatment methods, and interventions that  
16 are evidence-based, including, but not limited to, the following:

17 (a) Risk/needs assessment.

18 (b) Motivational techniques.

19 (c) Type, intensity, and duration of treatment based on each  
20 probationer's risk and needs and delivered consistent with  
21 evidence-based practices.

22 (5) The department shall implement the evidence-based practice  
23 of collaborative case management and utilize the services of the  
24 department and of local community corrections consistent with the  
25 local comprehensive corrections plan developed under the community  
26 corrections act, 1988 PA 511, MCL 791.401 to 791.414.

27 (6) The department shall assign a probation officer to the

1 demonstration project to supervise a specialized caseload for high-  
2 risk, high-need probationers. All probation officers supervising a  
3 specialized caseload under this section shall receive substantial  
4 education and training on issues of substance abuse, mental health,  
5 and drug and alcohol testing.

6 (7) The probation officer shall work in cooperation with the  
7 local judiciary and the community corrections advisory board in a  
8 collaborative effort toward the goals of promoting probationer  
9 success and reducing crime and revictimization.

10 (8) The probation officer assigned to the demonstration  
11 project shall comply with supervision requirements established for  
12 the demonstration project by the field operations administration  
13 deputy director.

14 (9) The department shall identify and coordinate information  
15 for each local jurisdiction selected for the demonstration project  
16 regarding the rate of incarceration of high-risk, high-need  
17 probationers to ensure that appropriate probationers are targeted  
18 for the demonstration project.

19 (10) From the funds appropriated in part 1 for public  
20 education and training, the department shall collaborate with the  
21 local judiciary, community corrections advisory board, and service  
22 providers to develop and provide appropriate training for all local  
23 stakeholders involved in the demonstration project described in  
24 this section.

25 (11) From the funds provided to the local jurisdiction for the  
26 demonstration project, the department shall collaborate with the  
27 local judiciary and the community corrections advisory board to

1 develop and implement an evaluation of the demonstration project  
2 that will show the impact of the project on the arrests,  
3 convictions, technical violations, and commitments to prison of the  
4 demonstration project participants. This evaluation shall be  
5 performed in accordance with department of corrections policy and  
6 procedure on evaluation design in cooperation with the office of  
7 research and planning.

8 (12) By May 1, the department shall report to the senate and  
9 house appropriations subcommittees on corrections, the senate and  
10 house fiscal agencies, and the state budget director on the status  
11 of the demonstration project prescribed under this section,  
12 including information on all of the following:

13 (a) Demonstration project locations and participating courts.

14 (b) The number of probationers participating in the pilot  
15 categorized by location and offense.

16 (c) Evaluation status and methodology.

17 (d) Preliminary results, if any.

18 Sec. 429. It is the intent of the legislature that the  
19 department work with other state departments and agencies to  
20 implement the policy options provided to the state by the council  
21 of state governments in January 2009 and March 2011.

22 Sec. 430. The department shall ensure that each prisoner has  
23 the opportunity to meet with his or her transition team prior to  
24 release from prison. If applicable, community providers shall enter  
25 the prison to meet with the prisoner prior to release.

26 Sec. 431. The department shall ensure that prior to release  
27 from prison, each offender has possession of all of the following:

1 (a) All documents necessary to obtain a state operator's  
2 license or state identification card.

3 (b) A set of clothing that would be appropriate and suitable  
4 for wearing to an interview for employment.

5 Sec. 433. The department shall report quarterly on January 1,  
6 2013, April 1, 2013, July 1, 2013, and September 30, 2013 to the  
7 senate and house appropriations subcommittees on corrections, the  
8 senate and house fiscal agencies, and the state budget director on  
9 the status of any contracts entered into under the June 2009  
10 request for proposals for the re-entry initiative project for  
11 offenders with special needs. The report shall include information  
12 on all of the following:

13 (a) The number of prisoners and participating parolees in each  
14 of the target population subgroups, including medically fragile,  
15 mentally ill, developmentally disabled, and youthful offenders.

16 (b) Descriptions of the key services being provided to each  
17 subgroup under the contract or contracts.

18 (c) Estimates of the average per-offender costs of services  
19 for each target population subgroup under each contract, compared  
20 to the average cost of prison incarceration for those populations.

## 21 OPERATIONS AND SUPPORT ADMINISTRATION

22 Sec. 501. From the funds appropriated in part 1 for  
23 prosecutorial and detainer expenses, the department shall reimburse  
24 counties for housing and custody of parole violators and offenders  
25 being returned by the department from community placement who are  
26 available for return to institutional status and for prisoners who

1 volunteer for placement in a county jail.

2       Sec. 502. Funds included in part 1 for the sheriffs'  
3 coordinating and training office are appropriated for and may be  
4 expended to defray costs of continuing education, certification,  
5 recertification, decertification, and training of local corrections  
6 officers, the personnel and administrative costs of the sheriffs'  
7 coordinating and training office, the local corrections officers  
8 advisory board, and the sheriffs' coordinating and training council  
9 under the local corrections officers training act, 2003 PA 125, MCL  
10 791.531 to 791.546.

11       Sec. 503. Funds appropriated in part 1 for administrative  
12 hearings officers are appropriated as an interdepartmental grant to  
13 the department of licensing and regulatory affairs for the purpose  
14 of funding administrative hearings officers for adjudication of  
15 grievances pertaining to the department of corrections. The  
16 department shall not expend appropriations from part 1 to satisfy  
17 charges from the department of licensing and regulatory affairs for  
18 administrative hearings officers in excess of the amount expressly  
19 appropriated by this article for the administrative hearings  
20 officers unless funding is transferred into this line under section  
21 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

22       Sec. 504. Of the funds appropriated in part 1, \$50,000.00 is  
23 appropriated to provide an interdepartmental grant to the judiciary  
24 for use of the judicial data warehouse by department employees.

25       Sec. 505. The department shall provide for the training of all  
26 custody staff in effective and safe ways of handling prisoners with  
27 mental illness and referring prisoners to mental health treatment

1 programs. Mental health awareness training shall be incorporated  
2 into the training of new custody staff.

3 **FIELD OPERATIONS ADMINISTRATION**

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

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

14 Sec. 603. (1) All prisoners, probationers, and parolees  
15 involved with the electronic tether program shall reimburse the  
16 department for costs associated with their participation in the  
17 program. The department may require community service work  
18 reimbursement as a means of payment for those able-bodied  
19 individuals unable to pay for the costs of the equipment.

20 (2) Program participant contributions and local community  
21 tether program reimbursement for the electronic tether program  
22 appropriated in part 1 are related to program expenditures and may  
23 be used to offset expenditures for this purpose.

24 (3) Included in the appropriation in part 1 is adequate  
25 funding to implement the community tether program to be  
26 administered by the department. The community tether program is

1 intended to provide sentencing judges and county sheriffs in  
2 coordination with local community corrections advisory boards  
3 access to the state's electronic tether program to reduce prison  
4 admissions and improve local jail utilization. The department shall  
5 determine the appropriate distribution of the tether units  
6 throughout the state based upon locally developed comprehensive  
7 corrections plans under the community corrections act, 1988 PA 511,  
8 MCL 791.401 to 791.414.

9 (4) For a fee determined by the department, the department  
10 shall provide counties with the tether equipment, replacement  
11 parts, administrative oversight of the equipment's operation,  
12 notification of violators, and periodic reports regarding county  
13 program participants. Counties are responsible for tether equipment  
14 installation and service. For an additional fee as determined by  
15 the department, the department shall provide staff to install and  
16 service the equipment. Counties are responsible for the  
17 coordination and apprehension of program violators.

18 (5) Any county with tether charges outstanding over 60 days  
19 shall be considered in violation of the community tether program  
20 agreement and lose access to the program.

21 Sec. 604. Community-placement prisoners and parolees shall  
22 reimburse the department for the total costs of the program. As an  
23 alternative method of payment, the department may develop a  
24 community service work schedule for those individuals unable to  
25 meet reimbursement requirements established by the department.

26 Sec. 606. It is the intent of the legislature that the  
27 department shall ensure that parolees and probationers may timely

1 contact their parole or probation agents and maintain procedures  
2 that preclude any necessity for an offender to have access to an  
3 agent's home telephone number or other personal information  
4 pertaining to the agent.

5 Sec. 608. By March 1, the department shall report to the  
6 senate and house appropriations subcommittees on corrections, the  
7 senate and house fiscal agencies, and the state budget director on  
8 the use of electronic monitoring. At a minimum, the report shall  
9 include all of the following:

10 (a) Details on the failure rate of parolees for whom GPS  
11 tether is utilized, including the number and rate of parolee  
12 technical violations, including specifying failures due to  
13 committing a new crime that is uncharged but leads to parole  
14 termination, and the number and rate of parolee violators with new  
15 sentences.

16 (b) Information on the factors considered in determining  
17 whether an offender is placed on active GPS tether, passive GPS  
18 tether, radio frequency tether, or some combination of these or  
19 other types of electronic monitoring.

20 (c) Monthly data on the number of offenders on active GPS  
21 tether, passive GPS tether, radio frequency tether, and any other  
22 type of tether.

23 Sec. 611. The department shall prepare by March 1, 2011  
24 individual reports for the community re-entry program, the  
25 electronic tether program, and the special alternative to  
26 incarceration program. The reports shall be submitted to the house  
27 and senate appropriations subcommittees on corrections, the house

1 and senate fiscal agencies, and the state budget director. Each  
2 program's report shall include information on all of the following:

3 (a) Monthly new participants by type of offender. Community  
4 re-entry program participants shall be categorized by reason for  
5 placement. For technical rule violators, the report shall sort  
6 offenders by length of time since release from prison, by the most  
7 recent violation, and by the number of violations occurring since  
8 release from prison.

9 (b) Monthly participant unsuccessful terminations, including  
10 cause.

11 (c) Number of successful terminations.

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

13 (e) Average length of placement.

14 (f) Return to prison statistics.

15 (g) Description of each program location or locations,  
16 capacity, and staffing.

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

19 (i) Comparison with prior year statistics.

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

22 Sec. 612. (1) The department shall review and revise as  
23 necessary policy proposals that provide alternatives to prison for  
24 offenders being sentenced to prison as a result of technical  
25 probation violations and technical parole violations. To the extent  
26 the department has insufficient policies or resources to affect the  
27 continued increase in prison commitments among these offender

1 populations, the department shall explore other policy options to  
2 allow for program alternatives, including department or OCC-funded  
3 programs, local level programs, and programs available through  
4 private agencies that may be used as prison alternatives for these  
5 offenders.

6 (2) To the extent policies or programs described in subsection  
7 (1) are used, developed, or contracted for, the department may  
8 request that funds appropriated in part 1 be transferred under  
9 section 393(2) of the management and budget act, 1984 PA 431, MCL  
10 18.1393, for their operation.

11 (3) The department shall continue to utilize parole violator  
12 processing guidelines that require parole agents to utilize all  
13 available appropriate community-based, nonincarcerative postrelease  
14 sanctions and services when appropriate. The department shall  
15 periodically evaluate such guidelines for modification, in response  
16 to emerging information from the demonstration projects for  
17 substance abuse treatment provided under this article and  
18 applicable provisions of prior budget acts for the department.

19 (4) The department shall provide quarterly reports to the  
20 senate and house appropriations subcommittees on corrections, the  
21 senate and house fiscal agencies, and the state budget director on  
22 the number of all parolees returned to prison and probationers  
23 sentenced to prison for either a technical violation or new  
24 sentence during the preceding calendar quarter. The reports shall  
25 include the following information each for probationers, parolees  
26 after their first parole, and parolees who have been paroled more  
27 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 GED or high school diploma prior to incarceration in  
14 prison, how many received a GED while in prison, and how many  
15 received a vocational certificate while in prison.

16           (d) The number of offenders who participated in the MPRI  
17 versus the number of those who did not.

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

21           Sec. 613. Subject to the appropriations in part 1, the  
22 department is encouraged to expand the use of continuous remote  
23 alcohol monitors for parolees and probationers who test positive  
24 for alcohol abuse or have alcohol-abuse-related violations of their  
25 community supervision.

26           Sec. 615. After the parole board has reviewed the cases of all  
27 inmates sentenced to imprisonment for life with the possibility of

1 parole who have good institutional records, the parole board shall  
2 calculate each inmate's parole guidelines score. The parole board  
3 shall provide the legislature with the specific reason or reasons  
4 why any individual inmate who scores "high probability of release"  
5 is not being paroled. The parole board shall submit a report  
6 containing a list of these reasons for each inmate to the house and  
7 senate appropriations subcommittees on corrections, the house and  
8 senate fiscal agencies, and the state budget director by January 1.

9 **HEALTH CARE**

10 Sec. 802. As a condition of expenditure of the funds  
11 appropriated in part 1, the department shall provide the senate and  
12 house of representatives appropriations subcommittees on  
13 corrections, the senate and house fiscal agencies, and the state  
14 budget director with all of the following:

15 (a) Quarterly reports on physical and mental health care  
16 detailing quarterly and fiscal year-to-date expenditures itemized  
17 by vendor, allocations, status of payments from contractors to  
18 vendors, and projected year-end expenditures from accounts for  
19 prisoner health care, mental health care, pharmaceutical services,  
20 and durable medical equipment.

21 (b) Regular updates on progress on requests for proposals and  
22 requests for information pertaining to prisoner health care and  
23 mental health care, until the applicable contract is approved.

24 Sec. 804. (1) The department shall report quarterly to the  
25 senate and house appropriations subcommittees on corrections, the  
26 senate and house fiscal agencies, and the state budget director on

1 prisoner health care utilization. The report shall include the  
2 number of inpatient hospital days, outpatient visits, and emergency  
3 room visits in the previous quarter and since October 1, 2009, by  
4 facility.

5 (2) By March 1, the department shall report to the senate and  
6 house appropriations subcommittees on corrections, the senate and  
7 house fiscal agencies, and the state budget director on prisoners  
8 receiving off-site inpatient medical care that would have received  
9 care in a state correctional facility if beds were available. The  
10 report shall include the number of prisoners receiving off-site  
11 inpatient medical care and average length of stay in an off-site  
12 facility during the period they would have received care in a state  
13 correctional facility if beds were available, by month and  
14 correctional facilities administration region.

15 Sec. 806. From the funds appropriated in part 1, the  
16 department shall require a hepatitis C antibody test and an HIV  
17 test for each prisoner prior to release to the community by parole  
18 or discharge on the maximum sentence. The department shall require  
19 an HIV test and a hepatitis C risk factor screening for each  
20 prisoner at the health screening at admissions. If hepatitis C risk  
21 factors are identified, the department shall offer the prisoner a  
22 hepatitis C antibody test. An explanation of results of the tests  
23 shall be provided confidentially to the prisoner, and if  
24 appropriate based on the test results, the prisoner shall also be  
25 provided a recommendation to seek follow-up medical attention.

26 Sec. 807. The department shall ensure that all medications for  
27 a prisoner be transported with that prisoner when the prisoner is

1 transferred from 1 correctional facility to another. Prisoners  
2 being released shall have access to at least a 30-day supply of  
3 medication and a prescription for refills to allow for continuity  
4 of care in the community.

5 Sec. 809. The department, in conjunction with efforts to  
6 implement prisoner re-entry, shall cooperate with the MDCH to share  
7 data and information as they relate to prisoners being released who  
8 are HIV positive or positive for the hepatitis C antibody. By March  
9 1, the department shall report to the senate and house  
10 appropriations subcommittees on corrections, the senate and house  
11 fiscal agencies, and the state budget director on all of the  
12 following:

13 (a) Programs and the location of programs implemented as a  
14 result of the work under this section.

15 (b) The number of prisoners released to the community by  
16 parole, discharge on the maximum sentence, or transfer to community  
17 residential placement who are HIV positive, positive for the  
18 hepatitis C antibody, or both.

19 (c) The number of parolees and offenders discharged on the  
20 maximum sentence who are HIV or hepatitis C positive by paroling  
21 office as reported to the state department of community health for  
22 referral to the local public health department.

23 Sec. 812. (1) The department shall provide the department of  
24 human services with a monthly list of prisoners newly committed to  
25 the department of corrections. The department and the department of  
26 human services shall enter into an interagency agreement under  
27 which the department of human services provides the department of

1 corrections with monthly lists of newly committed prisoners who are  
2 eligible for Medicaid benefits in order to maintain the process by  
3 which Medicaid benefits are suspended rather than terminated. The  
4 department shall assist prisoners who may be eligible for Medicaid  
5 benefits after release from prison with the Medicaid enrollment  
6 process prior to release from prison.

7 (2) The department shall provide the senate and house  
8 appropriations subcommittees on corrections, the senate and house  
9 fiscal agencies, and the state budget director with quarterly  
10 updates on the utilization of Medicaid benefits for prisoners.

11 Sec. 814. The department shall assure that psychotropic  
12 medications are available, when deemed medically necessary by a  
13 licensed medical service provider, to prisoners who have mental  
14 illness diagnoses but are not enrolled in corrections mental health  
15 services.

16 Sec. 816. By April 1, the department shall provide the members  
17 of the senate and house appropriations subcommittees on  
18 corrections, the senate and house fiscal agencies, the state budget  
19 director, and the legislative corrections ombudsman with a report  
20 on pharmaceutical expenditures and prescribing practices. In  
21 particular, the report shall provide the following information:

22 (a) A detailed accounting of expenditures on antipsychotic  
23 medications.

24 (b) Any changes that have been made to the prescription drug  
25 formularies.

26 (c) A progress report on the department's efforts to address  
27 various findings outlined in audit report 471-0325-09L issued in

1 March 2011 by the Michigan office of the auditor general.

2 **CORRECTIONAL FACILITIES ADMINISTRATION**

3 Sec. 905. (1) Savings in the inmate housing fund shall be  
4 achieved through competitive bidding of facility operations or  
5 other measures to reduce the custody, treatment, clinical, and  
6 administrative costs associated with the housing of prisoners.  
7 Savings shall be distributed as necessary into separate accounts  
8 created to separately identify savings through specific cost  
9 savings measures.

10 (2) Quarterly reports on all expenditures from the inmate  
11 housing fund shall be submitted by the department to the state  
12 budget director, the senate and house appropriations subcommittees  
13 on corrections, and the senate and house fiscal agencies.

14 Sec. 906. It is the intent of the legislature that the  
15 department maintain or expand upon existing public works  
16 programming by contracting with local units of government or  
17 private organizations. Any local unit of government or private  
18 organization that contracts with the department for public works  
19 services shall be responsible for financing the entire cost of such  
20 an agreement.

21 Sec. 907. The department shall report by March 1 to the senate  
22 and house appropriations subcommittees on corrections, the senate  
23 and house fiscal agencies, and the state budget director on  
24 academic and vocational programs. The report shall provide  
25 information relevant to an assessment of the department's academic  
26 and vocational programs, including, but not limited to, all of the

1 following:

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

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

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

16 (d) The number of prisoners paroled without a high school  
17 diploma and the number of prisoners paroled without a GED.

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

21 (f) An identification of program outcomes for each academic  
22 and vocational program.

23 (g) An explanation of the department's plans for academic and  
24 vocational programs, including plans to contract with intermediate  
25 school districts for GED and high school diploma programs.

26 (h) The number of prisoners not paroled at their earliest  
27 release date due to lack of a GED, and the reason those prisoners

1 have not obtained a GED.

2       Sec. 910. The department shall allow the Michigan Braille  
3 transcribing fund program to operate at its current location. The  
4 donation of the building by the Michigan Braille transcribing fund  
5 at the G. Robert Cotton correctional facility in Jackson is  
6 acknowledged and appreciated. The department shall continue to  
7 encourage the Michigan Braille transcribing fund program to produce  
8 high-quality materials for use by the visually impaired.

9       Sec. 911. By March 1, the department shall report to the  
10 senate and house appropriations subcommittees on corrections, the  
11 senate and house fiscal agencies, the legislative corrections  
12 ombudsman, and the state budget director the number of critical  
13 incidents occurring each month by type and the number and severity  
14 of assaults occurring each month at each facility during calendar  
15 year 2011.

16       Sec. 912. The department shall report to the senate and house  
17 appropriations subcommittees on corrections, the senate and house  
18 fiscal agencies, and the state budget director by March 1 on the  
19 ratio of correctional officers to prisoners for each correctional  
20 institution, the ratio of shift command staff to line custody  
21 staff, and the ratio of noncustody institutional staff to prisoners  
22 for each correctional institution.

23       Sec. 913. (1) It is the intent of the legislature that any  
24 prisoner required to complete an assaultive offender program,  
25 sexual offender program, or other program as a condition of parole  
26 shall be transferred to a facility where that program is available  
27 in order to accomplish timely completion of that program prior to

1 the expiration of his or her minimum sentence and eligibility for  
2 parole. Nothing in this section should be deemed to make parole  
3 denial appealable in court.

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

10 At a minimum, the report shall include the following:

11 (a) A full accounting of the number of individuals who are  
12 required to complete the programming, but have not yet done so.

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

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

17 Sec. 916. The department shall report by February 1 to the  
18 senate and house appropriations subcommittees on corrections, the  
19 senate and house fiscal agencies, and the state budget director on  
20 the number of computers available for use by prisoners within each  
21 prison facility. The report shall summarize the purpose and  
22 frequency of use of these computers within each facility, and in  
23 particular shall provide detail on the extent to which computers  
24 are utilized for education programming, for both academic and  
25 vocational purposes.

26 Sec. 921. (1) By March 1, the department shall report to the  
27 chairs of the senate and house appropriations committees, the

1 senate and house appropriations subcommittees on corrections, the  
2 senate and house fiscal agencies, and the state budget director on  
3 the following:

4 (a) The actual savings realized between January 1, 2009 and  
5 April 1, 2012 as a result of closing correctional facilities and  
6 correctional camps between January 1, 2009 and January 1, 2013,  
7 itemized by correctional facility or correctional camp.

8 (b) The projected fiscal year 2012-2013 savings by closing  
9 correctional facilities and correctional camps between January 1,  
10 2009 and January 1, 2013, itemized by correctional facility or  
11 correctional camp.

12 (2) The report in subsection (1) shall include information on  
13 all of the following:

14 (a) The savings realized or projected to be realized, itemized  
15 by program or type of expenditure.

16 (b) Any cost of field supervision, field operations programs,  
17 or prisoner reintegration programs related to the closure of  
18 correctional facilities and correctional camps between January 1,  
19 2009 and January 1, 2013.

20 Sec. 923. (1) The department shall cooperate with the  
21 department of education to evaluate the feasibility of local  
22 intermediate school districts providing education programming to  
23 targeted prisoners under the age of 20 who have not received a high  
24 school diploma. By June 1, the department shall report to the  
25 senate and house appropriations subcommittees on corrections, the  
26 senate and house fiscal agencies, and the state budget director on  
27 any plans or evaluations developed under this section.

1           (2) The department shall make efforts to encourage retired  
2 school teachers to provide education services in correctional  
3 facilities through volunteerism.

4           Sec. 924. The department shall evaluate all prisoners at  
5 intake for substance abuse disorders, developmental disorders,  
6 serious mental illness, and other mental health disorders.  
7 Prisoners with serious mental illness shall not be confined in  
8 administrative segregation. Under the supervision of a mental  
9 health professional, a prisoner with serious mental illness may be  
10 secluded in a therapeutic environment for the safety of the  
11 prisoner or others. A prisoner in therapeutic seclusion shall be  
12 evaluated by a mental health professional at a frequency set forth  
13 in the mental health code, 1974 PA 258, MCL 330.1001 to 330.2106,  
14 or at least every 12 hours, whichever would require more frequent  
15 evaluations, in order to remain in therapeutic seclusion.

16          Sec. 925. By March 1, 2013, the department shall report to the  
17 senate and house appropriations subcommittees on corrections, the  
18 senate and house fiscal agencies, and the state budget director on  
19 the annual number of prisoners in administrative segregation  
20 between October 1, 2003 and September 30, 2012, and the annual  
21 number of prisoners in administrative segregation between October  
22 1, 2003 and September 30, 2012 who at any time during the current  
23 or prior prison term were diagnosed with serious mental illness or  
24 have a developmental disorder and the number of days each of the  
25 prisoners with serious mental illness or a developmental disorder  
26 have been confined to administrative segregation.

27          Sec. 929. From the funds appropriated in part 1, the

1 department shall do all of the following:

2 (a) Ensure that any inmate care and control staff in contact  
3 with prisoners less than 19 years of age are adequately trained  
4 with regard to the developmental and mental health needs of  
5 prisoners less than 19 years of age. By April 1, 2012, the  
6 department shall report to the senate and house appropriations  
7 subcommittees on corrections, the senate and house fiscal agencies,  
8 and the state budget director on the training curriculum used and  
9 the number and types of staff receiving training under that  
10 curriculum since October 2009.

11 (b) Provide appropriate placement for prisoners less than 19  
12 years of age who have serious mental illness, serious emotional  
13 disturbance, or a developmental disorder and need to be housed  
14 separately from the general population. Prisoners less than 19  
15 years of age who have serious mental illness, serious emotional  
16 disturbance, or a developmental disorder shall not be placed in  
17 administrative segregation. Under the supervision of a mental  
18 health professional, a prisoner less than 19 years of age with  
19 serious mental illness or serious emotional disturbance may be  
20 secluded in a therapeutic environment for the safety of the  
21 prisoner or others. A prisoner in therapeutic seclusion shall be  
22 evaluated every 12 hours by a mental health professional in order  
23 to remain in therapeutic seclusion.

24 (c) Implement a specialized re-entry program that recognizes  
25 the needs of prisoners less than 19 years old for supervised re-  
26 entry.

27 Sec. 930. The department shall not have a shooting range

1 located on property east of 3760 Foco Road, Standish, Michigan.

2       Sec. 935. The department shall regularly evaluate each  
3 correctional facility in terms of cost effectiveness and make a  
4 determination as to how long each facility should remain open based  
5 upon the age of the facility, the costs of its continued operation,  
6 and the relative costs of alternative bed space that could be  
7 utilized. When it is determined that a facility is no longer cost-  
8 effective to operate due to the age of the facility or that the  
9 facility has become functionally obsolete, or both, the department  
10 should analyze the economic impact of the facility on the  
11 surrounding community. If the department determines that the  
12 facility is critical to the economic viability of the surrounding  
13 community, the department shall work with the Michigan economic  
14 development corporation and any other relevant state or local  
15 agencies to encourage private sector investment in that community.

16       Sec. 936. The department shall contract with third-party  
17 providers to complete an assessment of energy utilization at each  
18 state correctional facility. In particular, the department shall  
19 endeavor to identify and implement energy-saving initiatives in the  
20 various correctional facilities. By April 1, the department shall  
21 provide the members of the senate and house appropriations  
22 subcommittees on corrections, the senate and house fiscal agencies,  
23 the state budget director, and the legislative corrections  
24 ombudsman with a report on these efforts.

25       Sec. 937. The funds appropriated in part 1 for the cost-  
26 effective housing initiative shall be utilized to ensure more cost-  
27 effective housing of prisoners. The department shall use this

1 funding to house prisoners in the most cost-effective manner  
2 possible. This shall include exploring the use of public-private  
3 partnerships, the use of privately owned facilities in Michigan,  
4 and the use of state facilities by third-party contractors. The use  
5 of cost-effective housing from this initiative shall be used to  
6 achieve general prison operations savings budgeted in the inmate  
7 housing fund line item. The department shall work cooperatively  
8 with the chairpersons of the senate and house appropriations  
9 subcommittees on corrections in identifying appropriate reductions  
10 to prison facility line items to achieve the budgeted savings in  
11 the inmate housing fund line item.

12       Sec. 939. (1) By January 1, the department shall release a  
13 request for proposal seeking competitive bids for the special  
14 alternative incarceration facility, the prison stores, the food  
15 service operations, and up to 1,750 custody beds.

16       (2) The department, working with the department of technology,  
17 management, and budget, shall issue a quarterly report detailing  
18 the current status of any requests for proposal required under this  
19 section. If the status of any item listed in the report remains  
20 unchanged for more than 2 consecutive reporting periods, the report  
21 shall provide an explanation of the delay.

22       Sec. 940. For the purpose of procuring drug testing services  
23 at correctional facilities, the department shall enter into a  
24 contract with a Michigan-based company that provides laboratory  
25 oral fluid drug testing.

26       Sec. 941. The department shall ensure that any contract with a  
27 public or private party to operate the special alternative

1 incarceration facility at camp Cassidy Lake includes a provision to  
2 require that public works program services continue to be provided  
3 to the St. Louis Center in Chelsea at rates consistent with the  
4 rate structure in place as of May 1, 2011.

5       Sec. 942. The department shall ensure that any contract with a  
6 public or private party to operate a facility to house state  
7 prisoners includes a provision to allow access by both the office  
8 of the legislative auditor general and the office of the  
9 legislative corrections ombudsman to the facility and to  
10 appropriate records and documents related to the operation of the  
11 facility. These access rights for both offices shall be the same  
12 for the contracted facility as for a general state-operated  
13 correctional facility.

14       Sec. 943. It is the intent of the legislature that the  
15 department maintains sufficient perimeter security measures at  
16 department prison facilities to ensure the safety of communities  
17 surrounding those facilities.

18       Sec. 945. As a condition for expending funds appropriated in  
19 part 1, the department shall allow a person acting as a prisoner  
20 mentor to continue his or her mentoring relationship with a  
21 prisoner as that prisoner transitions back into the community  
22 during his or her term of parole unless the department has specific  
23 reasons as to why the continuation of the mentoring relationship is  
24 not in the best interest of the prisoner's transition success. The  
25 department shall not establish or practice a policy that  
26 automatically disqualifies a mentor from continuing an established  
27 mentoring relationship during a prisoner's term of parole.

1       Sec. 946. As a condition for expending funds appropriated in  
2 part 1, the department shall not restrict prisoner access to  
3 programming and shall not deny prisoner access to persons qualified  
4 to deliver programming because of the faith-based nature of the  
5 programming. The department shall establish clear policy guidance  
6 regarding the validity of faith-based programming for prisoners who  
7 desire that programming and prohibiting discrimination against  
8 faith-based programming relative to other types of programming for  
9 those prisoners. The policy shall be communicated to all prison  
10 wardens and key facility management staff to ensure compliance.

11   **MISCELLANEOUS**

12       Sec. 1009. The department shall create an information packet  
13 for the families of incoming prisoners. This packet shall be made  
14 available on the department website by February 1, 2013 and shall  
15 be updated by February 1 of each year thereafter. The packet shall  
16 provide information on topics including, but not limited to: how to  
17 put money into prisoner accounts, how to make phone calls or create  
18 Jpay email accounts, how to visit in person, proper procedures for  
19 filing complaints or grievances, the rights of prisoners to  
20 physical and mental health care, how to utilize the offender  
21 tracking information system (OTIS), truth-in-sentencing and how it  
22 applies to minimum sentences, the parole process, and guidance on  
23 the importance of the role of families in the reentry process. The  
24 department is encouraged to partner with external advocacy groups  
25 and actual families of prisoners in the packet-writing process to  
26 ensure that the information is useful and complete.

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

10                               PART 2A

11                               PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS

12                               FOR FISCAL YEAR 2013-2014

13       GENERAL SECTIONS

14       Sec. 1201. It is the intent of the legislature to provide  
15 appropriations for the fiscal year ending on September 30, 2014 for  
16 the line items listed in part 1. The fiscal year 2013-2014  
17 appropriations are anticipated to be the same as those for fiscal  
18 year 2012-2013, except that the line items will be adjusted for  
19 changes in caseload and related costs, federal fund match rates,  
20 economic factors, and available revenue. These adjustments will be  
21 determined after the January 2013 consensus revenue estimating  
22 conference.

23                               ARTICLE VI

24                               DEPARTMENT OF EDUCATION

## PART 1

## LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of education for the fiscal year ending September 30, 2013, from the following funds:

**DEPARTMENT OF EDUCATION**

## APPROPRIATION SUMMARY

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

Full-time equated classified positions..... 584.5

GROSS APPROPRIATION..... \$ 328,909,900

Interdepartmental grant revenues:

Total interdepartmental grants and intradepartmental

transfers ..... 0

ADJUSTED GROSS APPROPRIATION..... \$ 328,909,900

Federal revenues:

Total federal revenues..... 244,551,300

Special revenue funds:

Total local revenues..... 5,560,400

Total private revenues..... 3,078,700

Total other state restricted revenues..... 7,626,300

State general fund/general purpose..... \$ 68,093,200

Ongoing general fund/general purpose..... 67,929,100

One-time general fund/general purpose..... 164,100

**Sec. 102. STATE BOARD OF EDUCATION/OFFICE OF THE****SUPERINTENDENT**

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

1	Full-time equated classified positions.....	14.0	
2	State board of education, per diem payments.....	\$	24,400
3	Unclassified positions--6.0 FTE positions.....		768,000
4	State board/superintendent operations--14.0 FTE		
5	positions .....		<u>2,374,000</u>
6	GROSS APPROPRIATION.....	\$	3,166,400
7	Appropriated from:		
8	Federal revenues:		
9	Federal revenues.....		360,000
10	Special revenue funds:		
11	Private foundations.....		28,100
12	Certification fees.....		682,700
13	State general fund/general purpose.....	\$	2,095,600
14	<b>Sec. 103. CENTRAL SUPPORT</b>		
15	Full-time equated classified positions.....	21.6	
16	Central support--21.6 FTE positions.....	\$	3,262,000
17	Worker's compensation.....		43,500
18	Building occupancy charges - property management		
19	services .....		2,842,700
20	Training and orientation workshops.....		150,000
21	Terminal leave payments.....		<u>554,700</u>
22	GROSS APPROPRIATION.....	\$	6,852,900
23	Appropriated from:		
24	Federal revenues:		
25	Federal revenues.....		1,441,700
26	Federal indirect funds.....		2,389,500
27	Special revenue funds:		

1	Certification fees.....	474,100
2	Teacher testing fees.....	14,100
3	Training and orientation workshop fees.....	150,000
4	State general fund/general purpose.....	\$ 2,383,500
5	<b>Sec. 104. INFORMATION TECHNOLOGY SERVICES</b>	
6	Information technology operations.....	\$ <u>3,890,900</u>
7	GROSS APPROPRIATION.....	\$ 3,890,900
8	Appropriated from:	
9	Federal revenues:	
10	Federal revenues.....	558,600
11	Federal indirect funds.....	1,650,700
12	Special revenue funds:	
13	Local cost sharing (schools for deaf/blind) .....	76,500
14	Certification fees.....	354,900
15	State general fund/general purpose.....	\$ 1,250,200
16	<b>Sec. 105. SPECIAL EDUCATION SERVICES</b>	
17	Full-time equated classified positions.....	47.0
18	Special education operations--47.0 FTE positions .....	\$ <u>8,686,900</u>
19	GROSS APPROPRIATION.....	\$ 8,686,900
20	Appropriated from:	
21	Federal revenues:	
22	Federal revenues.....	8,218,400
23	Special revenue funds:	
24	Private foundations.....	110,100
25	Certification fees.....	42,900
26	State general fund/general purpose.....	\$ 315,500
27	<b>Sec. 106. MICHIGAN SCHOOLS FOR THE DEAF AND BLIND</b>	

1	Full-time equated classified positions.....	77.0	
2	Michigan schools for the deaf and blind operations--		
3	76.0 FTE positions .....		\$ 12,280,100
4	Camp Tuhsmeheeta--1.0 FTE position.....		295,100
5	Private gifts - blind.....		200,000
6	Private gifts - deaf.....		<u>50,000</u>
7	GROSS APPROPRIATION.....		\$ 12,825,200
8	Appropriated from:		
9	Federal revenues:		
10	Federal revenues.....		6,605,800
11	Special revenue funds:		
12	Local cost sharing (schools for deaf/blind) .....		5,143,200
13	Local school district service fees.....		312,500
14	Gifts, bequests, and donations.....		545,100
15	Student insurance revenue.....		218,600
16	State general fund/general purpose.....		\$ 0
17	<b>Sec. 107. PROFESSIONAL PREPARATION SERVICES</b>		
18	Full-time equated classified positions.....	34.0	
19	Professional preparation operations--34.0 FTE		
20	positions .....		\$ 5,976,400
21	Department of attorney general.....		<u>50,000</u>
22	GROSS APPROPRIATION.....		\$ 6,026,400
23	Appropriated from:		
24	Federal revenues:		
25	Federal revenues.....		1,401,600
26	Special revenue funds:		
27	Certification fees.....		3,766,800

1	Teacher college review fees.....	55,300
2	Teacher testing fees.....	348,600
3	State general fund/general purpose.....	\$ 454,100
4	<b>Sec. 108. OFFICE OF GREAT START</b>	
5	Full-time equated classified positions.....	62.0
6	Office of great start operations--61.0 FTE positions .	\$ 21,999,200
7	Child development and care external support .....	29,958,500
8	Head start collaboration office--1.0 FTE position....	300,200
9	Child development care public assistance .....	<u>156,155,700</u>
10	GROSS APPROPRIATION.....	\$ 208,413,600
11	Appropriated from:	
12	Federal revenues:	
13	Federal revenues.....	156,092,600
14	HHS, temporary assistance for needy families .....	11,820,600
15	Special revenue funds:	
16	Private foundations.....	250,000
17	Certification fees.....	62,900
18	State general fund/general purpose.....	\$ 40,187,500
19	<b>Sec. 109. STATE AID AND SCHOOL FINANCE SERVICES</b>	
20	Full-time equated classified positions.....	9.5
21	State aid and school finance operations--9.5 FTE	
22	positions .....	\$ <u>1,307,800</u>
23	GROSS APPROPRIATION.....	\$ 1,307,800
24	Appropriated from:	
25	Special revenue funds:	
26	State general fund/general purpose .....	\$ 1,307,800
27	<b>Sec. 110. AUDIT SERVICES</b>	

1	Full-time equated classified positions.....	4.5	
2	Audit operations--4.5 FTE positions.....		\$ <u>578,800</u>
3	GROSS APPROPRIATION.....		\$ 578,800
4	Appropriated from:		
5	Federal revenues:		
6	Federal indirect funds.....		460,100
7	Special revenue funds:		
8	Certification fees.....		58,800
9	State general fund/general purpose.....		\$ 59,900
10	<b>Sec. 111. ADMINISTRATIVE LAW SERVICES</b>		
11	Full-time equated classified positions.....	2.0	
12	Administrative law operations--2.0 FTE positions.....		\$ <u>1,161,200</u>
13	GROSS APPROPRIATION.....		\$ 1,161,200
14	Appropriated from:		
15	Federal revenues:		
16	Federal revenues.....		547,000
17	Special revenue funds:		
18	Certification fees.....		562,400
19	State general fund/general purpose.....		\$ 51,800
20	<b>Sec. 112. EDUCATION ASSESSMENT AND ACCOUNTABILITY</b>		
21	Full-time equated classified positions.....	69.6	
22	Educational assessment operations--69.6 FTE positions.....		\$ <u>13,860,900</u>
23	GROSS APPROPRIATION.....		\$ 13,860,900
24	Appropriated from:		
25	Federal revenues:		
26	Federal revenues.....		11,101,500
27	State general fund/general purpose.....		\$ 2,759,400

**Sec. 113. GRANTS COORDINATION AND SCHOOL SUPPORT**

**SERVICES**

Full-time equated classified positions..... 82.6

Grants coordination and school support services

operations--82.6 FTE positions..... \$ 11,940,300

College access grant program..... 2,000,000

Federal and private grants..... 3,000,000

GROSS APPROPRIATION..... \$ 16,940,300

Appropriated from:

Federal revenues:

Federal revenues..... 13,116,300

Special revenue funds:

Local school district service fees..... 11,700

Private foundations..... 1,000,000

Commodity distribution fees..... 71,700

Certification fees..... 83,100

State general fund/general purpose..... \$ 2,657,500

**Sec. 114. FIELD SERVICES**

Full-time equated classified positions..... 44.0

Field services operations--44.0 FTE positions..... \$ 10,768,000

GROSS APPROPRIATION..... \$ 10,768,000

Appropriated from:

Federal revenues:

Federal revenues..... 9,971,500

Special revenue funds:

Private foundations..... 572,100

Certification fees..... 73,800

1	State general fund/general purpose.....	\$	150,600
2	<b>Sec. 115. EDUCATIONAL IMPROVEMENT AND INNOVATION</b>		
3	<b>SERVICES</b>		
4	Full-time equated classified positions.....	56.7	
5	Educational improvement and innovation operations--		
6	56.7 FTE positions .....	\$	<u>11,439,200</u>
7	GROSS APPROPRIATION.....	\$	11,439,200
8	Appropriated from:		
9	Federal revenues:		
10	Federal revenues.....		9,083,700
11	Special revenue funds:		
12	Private foundations.....		573,300
13	Certification fees.....		541,000
14	State general fund/general purpose.....	\$	1,241,200
15	<b>Sec. 116. CAREER AND TECHNICAL EDUCATION</b>		
16	Full-time equated classified positions.....	27.0	
17	Career and technical education operations--27.0 FTE		
18	positions .....	\$	<u>4,569,800</u>
19	GROSS APPROPRIATION.....	\$	4,569,800
20	Appropriated from:		
21	Federal revenues:		
22	Federal revenues.....		3,706,100
23	State general fund/general purpose.....	\$	863,700
24	<b>Sec. 117. LIBRARY OF MICHIGAN</b>		
25	Full-time equated classified positions.....	33.0	
26	Library of Michigan operations--32.0 FTE positions ...	\$	4,192,800
27	Library services and technology program--1.0 FTE		

1	position .....	5,596,500
2	State aid to libraries.....	6,208,000
3	Michigan elibrary.....	<u>1,750,000</u>
4	GROSS APPROPRIATION.....	\$ 17,747,300
5	Appropriated from:	
6	Federal revenues:	
7	IMLS, library services and technology act.....	5,596,500
8	State general fund/general purpose.....	\$ 12,150,800
9	<b>Sec. 118. ONE-TIME APPROPRIATIONS</b>	
10	State employee lump-sum payments.....	\$ 624,300
11	Central assessment lending library.....	<u>50,000</u>
12	GROSS APPROPRIATION.....	\$ 674,300
13	Appropriated from:	
14	Federal revenues:	
15	Federal revenues.....	429,100
16	Special revenue funds:	
17	Local revenues.....	16,500
18	Restricted revenues.....	64,600
19	State general fund/general purpose.....	\$ 164,100

20 PART 2

21 PROVISIONS CONCERNING APPROPRIATIONS

22 FOR FISCAL YEAR 2012-2013

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 the fiscal year ending September 30, 2013 is \$75,719,500.00 and state spending from state resources to be paid to local units of government for the fiscal year ending September 30, 2013 is \$6,208,000.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF EDUCATION

State aid to libraries.....	\$	<u>6,208,000</u>
Total department of education.....	\$	6,208,000

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

Sec. 203. As used in this article:

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

(b) "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.

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

(d) "HHS" means the United States department of health and human services.

(e) "IMLS" means institute of museum and library services.

Sec. 204. The civil service commission shall bill departments and agencies at the end of the first fiscal quarter for the charges authorized by section 5 of article XI of the state constitution of 1963. Payments shall be made for the total amount of the billing by the end of the second fiscal quarter.

1       Sec. 205. Unless otherwise specified, the departments shall  
2 use the Internet to fulfill the reporting requirements of this article.  
3 This requirement may include transmission of reports via electronic  
4 mail to the recipients identified for each reporting requirement,  
5 or it may include placement of reports on an Internet or Intranet  
6 site.

7       Sec. 206. The department shall provide through the Internet  
8 the state board of education agenda and all supporting documents,  
9 and shall notify the state budget director and the senate and house  
10 fiscal agencies that the agenda and supporting documents are  
11 available on the Internet, at the time the agenda and supporting  
12 documents are provided to state board of education members.

13       Sec. 207. (1) The department shall maintain a searchable  
14 website accessible by the public at no cost that includes, but is  
15 not limited to, all of the following:

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

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

18       (c) Fiscal year-to-date payments to a selected vendor,  
19 including the vendor name, payment date, payment amount, and  
20 payment description.

21       (d) The number of active department employees by job  
22 classification.

23       (e) Job specifications and wage rates.

24       (2) The department may develop and operate its own website to  
25 provide this information or may reference the state's central  
26 transparency website as the source for this information.

27       Sec. 208. The department shall require all public school

1 districts to maintain complete records within the personnel file of  
2 a teacher or school employee of any disciplinary actions taken by  
3 the local school board against the teacher or employee for sexual  
4 misconduct. The records shall not be destroyed or removed from the  
5 teacher's or employee's personnel file except as required by a  
6 court order.

7       Sec. 209. From the funds appropriated in part 1 for  
8 information technology, departments and agencies shall pay user  
9 fees to the department of technology, management, and budget for  
10 technology-related services and projects. Such user fees shall be  
11 subject to provisions of an interagency agreement between the  
12 departments and agencies and the department of technology,  
13 management, and budget.

14       Sec. 210. Amounts appropriated in part 1 for information  
15 technology may be designated as work projects and carried forward  
16 to support technology projects under the direction of the  
17 department of technology, management, and budget. Funds designated  
18 in this manner are not available for expenditure until approved as  
19 work projects under section 451a of the management and budget act,  
20 1984 PA 431, MCL 18.1451a.

21       Sec. 211. Before publishing a list of schools or districts  
22 determined to have failed to make adequate yearly progress as  
23 required by the no child left behind act of 2001, Public Law 107-  
24 110, the department shall allow a school or district to appeal that  
25 determination. The department shall consider and act upon the  
26 appeal within 30 days after it is submitted and shall not publish  
27 the list until after all appeals have been considered and decided.

1       Sec. 212. 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 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, manufactured or provided by Michigan businesses  
9 owned and operated by veterans if they are competitively priced and  
10 of comparable quality.

11       Sec. 214. (1) Due to the current budgetary problems in this  
12 state, out-of-state travel for the fiscal year ending September 30,  
13 2013 shall be limited to situations in which 1 or more of the  
14 following conditions apply:

15       (a) The travel is required by legal mandate or court order or  
16 for law enforcement purposes.

17       (b) The travel is necessary to protect the health or safety of  
18 Michigan citizens or visitors or to assist other states in similar  
19 circumstances.

20       (c) The travel is necessary to produce budgetary savings or to  
21 increase state revenues, including protecting existing federal  
22 funds or securing additional federal funds.

23       (d) The travel is necessary to comply with federal  
24 requirements.

25       (e) The travel is necessary to secure specialized training for  
26 staff that is not available within this state.

27       (f) The travel is financed entirely by federal or nonstate

1 funds.

2 (2) Not later than January 1 of each year, each department  
3 shall prepare a travel report listing all travel by classified and  
4 unclassified employees outside this state, including travel outside  
5 this state for a professional development conference or training  
6 seminar, in the immediately preceding fiscal year that was funded  
7 in whole or in part with funds appropriated in the department's  
8 budget. The report shall be submitted to the house and senate  
9 standing committees on appropriations, the house and senate fiscal  
10 agencies, and the state budget director. The report shall include  
11 the following information:

12 (a) The name of each person receiving reimbursement for travel  
13 outside this state or whose travel costs were paid by this state.

14 (b) The destination of each travel occurrence.

15 (c) The dates of each travel occurrence.

16 (d) A brief statement of the reason for each travel  
17 occurrence.

18 (e) 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 (f) A total of all out-of-state travel funded for the  
24 immediately preceding fiscal year.

25 Sec. 215. The department shall not approve the travel of more  
26 than 1 departmental employee to a specific professional development  
27 conference or training seminar that is located outside of this

1 state unless the 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 Sec. 216. The department shall not take disciplinary action  
7 against an employee who communicates truthfully and factually with  
8 a member of the legislature or his or her staff.

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

15 Sec. 219. (1) In addition to the funds appropriated in part 1,  
16 there is appropriated an amount not to exceed \$5,000,000.00 for  
17 federal contingency funds. These funds are not available for  
18 expenditure until they have been transferred to another line item  
19 in this article under section 393(2) of the management and budget act,  
20 1984 PA 431, MCL 18.1393.

21 (2) In addition to the funds appropriated in part 1, there is  
22 appropriated an amount not to exceed \$700,000.00 for state  
23 restricted contingency funds. These funds are not available for  
24 expenditure until they have been transferred to another line item  
25 in this article under section 393(2) of the management and budget act,  
26 1984 PA 431, MCL 18.1393.

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

1 appropriated an amount not to exceed \$250,000.00 for local  
2 contingency funds. These funds are not available for expenditure  
3 until they have been transferred to another line item in this article  
4 under section 393(2) of the management and budget act, 1984 PA 431,  
5 MCL 18.1393.

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

12 Sec. 220. (1) The department shall provide data requested by a  
13 member of the legislature, his or her staff, or the house and  
14 senate fiscal agencies in a timely manner. If the department fails  
15 to provide reasonably requested data within 30 days after the  
16 request, the state money appropriated in part 1 for state  
17 board/superintendent operations shall be reduced by 1%.

18 (2) If the department fails to provide to the legislature  
19 reports and other data required by boilerplate or statute within 30  
20 days after the date the information is due, the state money  
21 appropriated in part 1 for state board/superintendent operations  
22 shall be reduced by 1%.

23 Sec. 221. 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. 225. It is the intent of the legislature that not later  
3 than 60 days after the state receives audited membership counts  
4 from intermediate school districts, the state superintendent of  
5 public instruction shall investigate and report to the legislature  
6 on the scope of and proposed solutions to pupil membership fraud  
7 and the incidence of students counted in membership in a district  
8 and not remaining in that district for the balance of the school  
9 year.

10       Sec. 226. Not later than November 15, 2013, the department  
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 fiscal year. This report shall summarize the projected  
14 year-end general fund/general purpose appropriation lapses by major  
15 departmental program or program areas. The report shall be  
16 transmitted to the office of the state budget, the chairpersons of  
17 the senate and house appropriations committees, and the senate and  
18 house fiscal agencies.

19       Sec. 227. Within 14 days after the release of the executive  
20 budget recommendation, the department shall provide the state  
21 budget director, the senate and house appropriations chairs, the  
22 senate and house appropriations subcommittees responsible for the  
23 department budget, respectively, and the senate and house fiscal  
24 agencies with an annual report on estimated state restricted fund  
25 balances, state restricted fund projected revenues, and state  
26 restricted fund expenditures for the fiscal years ending September  
27 30, 2012 and September 30, 2013.

1       Sec. 228. It is the intent of the legislature that all  
2 principal executive departments and agencies cooperate with the  
3 development and implementation of the department of technology,  
4 management, and budget statewide office space consolidation plan.

5       Sec. 229. The department and the superintendent of public  
6 instruction shall use funds appropriated in part 1 to ensure that  
7 all of the activities and duties required to be carried out by the  
8 department and the superintendent of public instruction under  
9 section 1280c of the revised school code, 1976 PA 451, MCL  
10 380.1280c, are completed not later than the deadlines prescribed in  
11 that section.

12       STATE BOARD/OFFICE OF THE SUPERINTENDENT

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

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

18       (b) State board of education - member other than president -  
19 \$100.00 per day.

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

22       Sec. 302. From the amount appropriated in part 1 to the state  
23 board of education, not more than \$35,000.00 shall be expended for  
24 in-state travel and out-of-state travel directly related to the  
25 duties of the state board of education.

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

2           Sec. 402. For each student enrolled at the Michigan schools  
3 for the deaf and blind, the department shall assess the  
4 intermediate school district of residence 100% of the cost of  
5 operating the student's instructional program. The amount shall  
6 exclude room and board related costs and the cost of weekend  
7 transportation between the school and the student's home.

8           Sec. 405. The department may assist the department of  
9 community health, other departments, and local school districts to  
10 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 community health for reimbursement.

14          Sec. 406. (1) The Michigan schools for the deaf and blind may  
15 promote its residential program as a possible appropriate option  
16 for children who are deaf or hard of hearing or who are blind or  
17 visually impaired. The Michigan schools for the deaf and blind  
18 shall distribute information detailing its services to all  
19 intermediate school districts in the state.

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

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

1           Sec. 407. Revenue received by the Michigan schools for the  
2 deaf and blind from gifts, bequests, and donations that is  
3 unexpended at the end of the state fiscal year may be carried over  
4 to the succeeding fiscal year and shall not revert to the general  
5 fund.

6       **PROFESSIONAL PREPARATION SERVICES**

7           Sec. 501. From the funds appropriated in part 1 for  
8 professional preparation services, the department shall maintain  
9 the professional personnel register and certificate  
10 revocation/felony conviction files.

11          Sec. 502. The department shall authorize teacher preparation  
12 institutions to provide an alternative program by which up to 1/2  
13 of the required student internship or student teaching credits may  
14 be earned through substitute teaching. The department shall require  
15 that teacher preparation institutions collaborate with school  
16 districts to ensure that the quality of instruction provided to  
17 student teachers is comparable to that required in a traditional  
18 student teaching program.

19          Sec. 506. Revenue received from teacher testing fees that is  
20 unexpended at the end of the state fiscal year may be carried over  
21 to the succeeding fiscal year and shall not revert to the general  
22 fund.

23       **OFFICE OF EDUCATIONAL IMPROVEMENT AND INNOVATION**

24          Sec. 601. From the amount appropriated in part 1 for the  
25 office of educational improvement and innovation, there is

1 allocated \$600,000.00 and 5.5 FTE positions to operate a charter  
2 school office to administer charter school legislation and  
3 associated regulations, and to coordinate the activities of the  
4 department relating to charter schools.

#### 5 LIBRARY OF MICHIGAN

6 Sec. 801. In addition to the funds appropriated in part 1, the  
7 funds collected by the department for document reproduction and  
8 services; conferences, workshops, and training classes; and the use  
9 of specialized equipment, facilities, and software are appropriated  
10 for all expenses necessary to provide the required services. These  
11 funds are available for expenditure when they are received and may  
12 be carried forward into the next succeeding fiscal year.

13 Sec. 803. It is the intent of the legislature that the library  
14 of Michigan and the component programs currently within the library  
15 of Michigan with the exception of the genealogical collections  
16 shall be kept together in a state department.

#### 17 GRANTS ADMINISTRATION AND SCHOOL SUPPORT SERVICES

18 Sec. 901. Within 10 days of the receipt of a grant  
19 appropriated in the federal and private grants line item in part 1,  
20 the department shall notify the house and senate chairpersons of  
21 the appropriations subcommittees responsible for the department  
22 budget, the house and senate fiscal agencies, and the state budget  
23 director of the receipt of the grant, including the funding source,  
24 purpose, and amount of the grant.

25 Sec. 902. The funds appropriated in part 1 for the college

1 access grant program shall be used for efforts to support college  
2 access. Allowable uses include the following:

3 (a) Michigan college access network operations, programming,  
4 and services to local college access networks.

5 (b) Local college access networks, which are community-based  
6 college access/success partnerships committed to increasing the  
7 college participation and completion rates within geographically  
8 defined communities through a coordinated strategy.

9 (c) Michigan college access portal, an online 1-stop portal to  
10 help students and families plan and apply for college.

11 (d) Public awareness and outreach campaigns to encourage low-  
12 income and first-generation students to take necessary steps toward  
13 college and to assist students and families in completing a timely  
14 and accurate free application for federal student aid.

15 (e) Subgrants to postsecondary institutions to recruit, hire,  
16 and train college student mentors and college advisors to assist  
17 high school students in navigating the postsecondary planning and  
18 enrollment process.

19 Sec. 903. By not later than March 1, 2013, the department  
20 shall work with districts that operate as a school of excellence  
21 cyber school as defined in section 551 of the revised school code,  
22 1976 PA 451, MCL 380.551, and districts that operate an alternative  
23 education program with a seat-time waiver under section 101 of the  
24 state school aid act of 1979, 1979 PA 94, MCL 388.1701, to provide  
25 a report to the house and senate chairpersons of the appropriations  
26 subcommittees responsible for the department budget, the house and  
27 senate fiscal agencies, and the state budget director on all of the

1 following:

2 (a) Each district operating a program and the districts that  
3 enroll students in their program.

4 (b) The total number of students and membership pupils  
5 enrolled in each program.

6 (c) The district in which each pupil is enrolled if other than  
7 the district with the seat-time waiver or the cyber school.

8 (d) The district in which the pupil was enrolled prior to  
9 enrolling in the cyber school or the district with a seat-time  
10 waiver program.

11 (e) The number of participating students who had previously  
12 dropped out of school.

13 (f) The number of participating students who had previously  
14 been expelled from school.

15 (g) The cost per pupil paid to each online education provider.

16 (h) The cost per pupil charged to school districts that enroll  
17 their students in the program.

18 (i) The name of each online education provider contracted by a  
19 district with a seat-time waiver or a cyber school and the state in  
20 which the online education provider is located.

21 **OFFICE OF GREAT START**

22 Sec. 1001. By November 1, 2012, the department shall submit a  
23 report to the house and senate appropriations subcommittees on the  
24 department of education budget and the house and senate fiscal  
25 agencies on the number of eligible child care providers by type  
26 receiving payment for child care services from the department on

1 October 1, 2012.

2 Sec. 1002. (1) From the money appropriated in part 1, the  
3 office of great start shall prepare a report that contains a  
4 comprehensive state plan for early childhood learning and  
5 development. The report shall contain at least all of the following  
6 fiscal components:

7 (a) Identification of each fund source and the amount of early  
8 childhood funding from each fund source supporting early childhood  
9 learning and development for the most recently completed fiscal  
10 year.

11 (b) Identification of the agency responsible for distributing  
12 the funding identified in subdivision (a).

13 (c) Identification of the recipients receiving each type of  
14 funding identified in subdivision (a) and the purpose and dollar  
15 amount of the money used by each recipient.

16 (d) For each recipient identified in subdivision (c), the  
17 dollar amount and percentage of funding spent for administrative  
18 purposes.

19 (e) Recommendations that ensure that early childhood learning  
20 and development funding is coordinated efficiently and effectively  
21 to achieve program outcomes.

22 (f) A fiscal map of federal, state, local, and private  
23 expenditures on programs and services for children, from birth  
24 through age 8, and their families.

25 (2) The office of great start shall include in the report  
26 under subsection (1) an early childhood systems analysis that  
27 includes at least all of the following components:

1           (a) Identification of programs that support early childhood  
2 learning and development.

3           (b) Identification of existing roles of state, local, and  
4 private partners in programs identified in subdivision (a) related  
5 to the delivery of services, improving quality, and increasing  
6 accountability.

7           (c) Identification of the number of children and families  
8 being served in each program identified in subdivision (a), how  
9 many children and families are eligible to be served, and the  
10 capacity of programs to serve more children and families.

11           (d) Recommendations that properly align and integrate  
12 programs, services, and the roles of state, local, and private  
13 partners, including the office of great start and the early  
14 childhood investment corporation, to eliminate administrative  
15 duplication and ensure that early childhood learning and  
16 development programs are carried out in the most cost-effective and  
17 efficient manner and program outcomes are achieved.

18           (3) The office of great start shall identify in the report  
19 under subsection (1) performance metrics that should be used to  
20 measure programs toward achieving early childhood learning and  
21 development program outcomes.

22           (4) The office of great start may contract for the completion  
23 of the report under subsection (1) and shall convene a group of  
24 early childhood system stakeholders to assist in the development of  
25 the report's recommendations. The report shall be completed not  
26 later than May 15, 2013. Upon completion, the office shall transmit  
27 the report to the state budget director, the chairpersons of the

senate and house appropriations committees, the appropriations subcommittees responsible for the department of education budget, and the senate and house fiscal agencies. If the report is not transmitted by May 15, 2013, 1% of the office's state funds shall be withheld for each month or partial month the report is late.

Sec. 1003. (1) The department shall provide the house and senate appropriations subcommittees on the department budget with an annual report on the activities of the early childhood investment corporation (ECIC) for fiscal year 2010-2011 and fiscal year 2011-2012. The report is due by February 15 and shall contain at least the following information:

(a) Detail of the amounts of grants awarded.

(b) The grant recipients.

(c) The activities funded by each grant.

(d) An analysis of each grant recipient's success in addressing the development of a comprehensive system of early childhood services and supports.

(2) All ECIC contracts for comprehensive systems planning shall be bid out through a statewide request-for-proposal process.

## PART 2A

### PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS

#### FOR FISCAL YEAR 2013-2014

#### GENERAL SECTIONS

Sec. 1201. It is the intent of the legislature to provide appropriations for the fiscal year ending on September 30, 2014 for

the line items listed in part 1. The fiscal year 2013-2014 appropriations are anticipated to be the same as those for fiscal year 2012-2013, 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 2013 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, 2013, from the following funds:

#### **DEPARTMENT OF ENVIRONMENTAL QUALITY**

##### APPROPRIATION SUMMARY

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

Full-time equated classified positions..... 1,321.5

GROSS APPROPRIATION..... \$ 431,429,900

Interdepartmental grant revenues:

Total interdepartmental grants and intradepartmental

transfers ..... 9,021,200

ADJUSTED GROSS APPROPRIATION..... \$ 422,408,700

Federal revenues:

Total federal revenues..... 161,687,500

1	Special revenue funds:	
2	Total private revenues.....	533,200
3	Total other state restricted revenues.....	230,375,600
4	State general fund/general purpose.....	\$ 29,812,400
5	State general fund/general purpose schedule:	
6	Ongoing state general fund/general	
7	purpose .....	25,652,300
8	One-time state general fund/general	
9	purpose .....	4,160,100
10	FUND SOURCE SUMMARY	
11	Full-time equated unclassified positions.....	6.0
12	Full-time equated classified positions.....	1,321.5
13	GROSS APPROPRIATION.....	\$ 431,429,900
14	Interdepartmental grant revenues:	
15	IDG, MDOT - Michigan transportation fund.....	1,231,400
16	IDG, MDSP.....	1,157,100
17	IDT, interdivisional charges.....	2,053,400
18	IDT, laboratory services.....	4,530,500
19	Interdepartmental grant revenues.....	48,800
20	Total interdepartmental grants and intradepartmental	
21	transfers .....	9,021,200
22	ADJUSTED GROSS APPROPRIATION.....	\$ 422,408,700
23	Federal revenues:	
24	Federal funds.....	161,687,500
25	Special revenue funds:	
26	Private funds.....	533,200
27	Aboveground storage tank fees.....	521,700

1	Air emissions fees.....	10,258,500
2	Campground fund.....	340,900
3	Clean Michigan initiative fund - clean water fund....	3,785,300
4	Cleanup and redevelopment fund.....	22,872,400
5	Community pollution prevention fund.....	250,000
6	Electronic waste recycling fund.....	287,000
7	Environmental education fund.....	50,700
8	Environmental pollution prevention fund.....	2,647,900
9	Environmental protection fund.....	2,743,100
10	Environmental response fund.....	6,001,800
11	Fees and collections.....	371,800
12	Financial instruments.....	5,000,000
13	Great Lakes protection fund.....	695,800
14	Groundwater discharge permit fees.....	1,859,400
15	Hazardous materials transportation permit fund.....	950,300
16	Infrastructure construction fund.....	458,700
17	Land and water permit fees.....	3,277,300
18	Landfill maintenance trust fund.....	29,300
19	Medical waste emergency response fund.....	330,700
20	Metallic mining surveillance fee revenue.....	147,700
21	Mineral well regulatory fee revenue.....	240,800
22	Nonferrous metallic mineral surveillance.....	100,000
23	NPDES fees.....	5,005,500
24	Oil and gas regulatory fund.....	11,054,500
25	Orphan well fund.....	2,318,200
26	Public swimming pool fund.....	743,500
27	Public utility assessments.....	272,400

1	Public water supply fees.....	5,109,700
2	Refined petroleum fund.....	49,037,600
3	Retired engineers technical assistance program.....	991,900
4	Revitalization revolving loan fund.....	97,300
5	Revolving loan revenue bonds.....	11,400,000
6	Sand extraction fee revenue.....	95,300
7	Scrap tire regulatory fund.....	5,149,000
8	Septage waste contingency fund.....	17,400
9	Septage waste program fund.....	687,700
10	Settlement funds.....	625,500
11	Sewage sludge land application fees.....	1,084,900
12	Small business pollution prevention revolving loan	
13	fund .....	165,100
14	Soil erosion and sedimentation control training fund.	150,000
15	Solid waste management fund - staff account.....	5,301,800
16	State restricted revenues.....	920,400
17	Stormwater permit fees.....	3,979,800
18	Strategic water quality initiatives fund.....	45,743,800
19	Underground storage tank fees.....	2,616,100
20	Waste reduction fee revenue.....	6,340,400
21	Wastewater operator training fees.....	571,200
22	Water analysis fees.....	3,595,600
23	Water pollution control revolving fund.....	3,679,200
24	Water quality protection fund.....	100,000
25	Water use reporting fees.....	300,700
26	Total other state restricted revenues.....	230,375,600
27	State general fund/general purpose.....	\$ 29,812,400

1	<b>Sec. 102. EXECUTIVE OPERATIONS</b>		
2	Full-time equated unclassified positions.....	6.0	
3	Full-time equated classified positions.....	13.0	
4	Unclassified salaries--6.0 FTE positions.....	\$	700,000
5	Executive direction--13.0 FTE positions.....		<u>1,980,400</u>
6	GROSS APPROPRIATION.....	\$	2,680,400
7	Appropriated from:		
8	Interdepartmental grant revenues:		
9	Federal revenues:		
10	Federal funds.....		37,700
11	Special revenue funds:		
12	Environmental response fund.....		207,600
13	Oil and gas regulatory fund.....		383,300
14	Refined petroleum fund.....		568,900
15	Settlement funds.....		65,300
16	State general fund/general purpose.....	\$	1,417,600
17	<b>Sec. 103. OFFICE OF THE GREAT LAKES</b>		
18	Full-time equated classified positions.....	18.0	
19	Office of the Great Lakes--18.0 FTE positions.....	\$	2,806,600
20	Coastal management grants.....		<u>1,750,000</u>
21	GROSS APPROPRIATION.....	\$	4,556,600
22	Appropriated from:		
23	Federal revenues:		
24	Federal funds.....		3,376,200
25	Special revenue funds:		
26	Great Lakes protection fund.....		695,800
27	Settlement funds.....		108,800

1	State general fund/general purpose.....	\$	375,800
2	<b>Sec. 104. GREAT LAKES RESTORATION INITIATIVE</b>		
3	Great Lakes restoration initiative.....	\$	<u>25,000,000</u>
4	GROSS APPROPRIATION.....	\$	25,000,000
5	Appropriated from:		
6	Federal revenues:		
7	Federal funds.....		25,000,000
8	State general fund/general purpose.....	\$	0
9	<b>Sec. 105. DEPARTMENT SUPPORT SERVICES</b>		
10	Full-time equated classified positions..... 34.0		
11	Central support services--34.0 FTE positions.....	\$	3,923,100
12	Accounting service center.....		1,214,800
13	Administrative hearings.....		553,500
14	Automated data processing.....		2,053,400
15	Building occupancy charges.....		6,082,800
16	Environmental support projects.....		5,000,000
17	Rent - privately owned property.....		<u>1,960,800</u>
18	GROSS APPROPRIATION.....	\$	20,788,400
19	Appropriated from:		
20	Interdepartmental grant revenues:		
21	IDG, MDSP.....		135,400
22	IDT, interdivisional charges.....		2,053,400
23	IDT, laboratory services.....		493,200
24	Federal revenues:		
25	Federal funds.....		5,300
26	Special revenue funds:		
27	Aboveground storage tank fees.....		68,700

1	Air emissions fees.....	1,328,000
2	Campground fund.....	38,400
3	Cleanup and redevelopment fund.....	1,614,300
4	Environmental pollution prevention fund.....	238,100
5	Environmental response fund.....	560,900
6	Fees and collections.....	46,200
7	Financial instruments.....	5,000,000
8	Groundwater discharge permit fees.....	149,400
9	Hazardous material transportation permit fund.....	35,500
10	Land and water permit fees.....	429,800
11	Medical waste emergency response fund.....	29,700
12	Metallic mining surveillance fee revenue.....	7,400
13	Mineral well regulatory fee revenue.....	29,400
14	NPDES fees.....	173,200
15	Oil and gas regulatory fund.....	857,900
16	Orphan well fund.....	63,400
17	Public swimming pool fund.....	65,100
18	Public utility assessments.....	36,600
19	Public water supply fees.....	426,500
20	Refined petroleum fund.....	1,710,800
21	Sand extraction fee revenue.....	9,200
22	Scrap tire regulatory fund.....	241,900
23	Septage waste program fund.....	74,100
24	Settlement funds.....	199,500
25	Sewage sludge land application fees.....	120,200
26	Small business pollution prevention revolving loan	
27	fund .....	24,800

1	Soil erosion and sedimentation control training fund.	11,400
2	Solid waste management fund - staff account .....	649,000
3	Stormwater permit fees .....	165,400
4	Underground storage tank fees .....	234,600
5	Waste reduction fee revenue .....	561,800
6	Wastewater operator training fees .....	2,900
7	Water analysis fees .....	313,000
8	Water use reporting fees .....	48,000
9	State general fund/general purpose .....	\$ 2,536,000
10	<b>Sec. 106. OFFICE OF ENVIRONMENTAL ASSISTANCE</b>	
11	Full-time equated classified positions.....	44.0
12	Office of environmental assistance--44.0 FTE positions	\$ 6,832,600
13	Pollution prevention local grants .....	<u>250,000</u>
14	GROSS APPROPRIATION .....	\$ 7,082,600
15	Appropriated from:	
16	Federal revenues:	
17	Federal funds .....	902,700
18	Special revenue funds:	
19	Private funds .....	348,700
20	Air emissions fees .....	130,700
21	Community pollution prevention fund .....	250,000
22	Environmental education fund .....	50,700
23	Retired engineers technical assistance program .....	991,900
24	Settlement funds .....	251,900
25	Small business pollution prevention revolving loan	
26	fund .....	128,700
27	Waste reduction fee revenue .....	4,027,300

1	State general fund/general purpose .....	\$	0
2	<b>Sec. 107. WATER RESOURCE DIVISION</b>		
3	Full-time equated classified positions.....	321.0	
4	Land and water interface permit programs--85.0 FTE		
5	positions .....	\$	10,846,100
6	Program direction and project assistance--30.0 FTE		
7	positions .....		2,951,400
8	Water withdrawal assessment program--4.0 FTE positions		589,000
9	Expedited water/wastewater permits--3.0 FTE positions		458,700
10	Fish contaminant monitoring.....		316,100
11	Groundwater discharge--22.0 FTE positions.....		3,189,000
12	NPDES nonstormwater program--89.0 FTE positions .....		13,140,600
13	Surface water--88.0 FTE positions.....		16,855,300
14	Federal - Great Lakes remedial action plan grants ....		700,000
15	Federal - nonpoint source water pollution grants .....		6,500,000
16	Water quality protection grants.....		<u>100,000</u>
17	GROSS APPROPRIATION.....	\$	55,646,200
18	Appropriated from:		
19	Interdepartmental grant revenues:		
20	IDG, MDOT - Michigan transportation fund.....		1,170,200
21	Federal revenues:		
22	Federal funds.....		22,787,300
23	Special revenue funds:		
24	Clean Michigan initiative fund - clean water fund....		3,785,300
25	Environmental protection fund.....		646,400
26	Environmental response fund.....		195,600
27	Groundwater discharge permit fees.....		1,640,100

1	Infrastructure construction fund.....	458,700
2	Land and water permit fees.....	2,572,400
3	NPDES fees.....	4,748,000
4	Refined petroleum fund.....	436,800
5	Soil erosion and sedimentation control training fund.	133,400
6	Stormwater permit fees.....	3,737,400
7	Water pollution control revolving fund.....	784,900
8	Water quality protection fund.....	100,000
9	Water use reporting fees.....	230,300
10	State general fund/general purpose.....	\$ 12,219,400
11	<b>Sec. 108. LAW ENFORCEMENT DIVISION</b>	
12	Full-time equated classified positions.....	14.0
13	Environmental investigations--14.0 FTE positions.....	\$ <u>2,711,100</u>
14	GROSS APPROPRIATION.....	\$ 2,711,100
15	Appropriated from:	
16	Interdepartmental grant revenues:	
17	Federal revenues:	
18	Federal funds.....	795,200
19	Special revenue funds:	
20	Aboveground storage tank fees.....	7,800
21	Air emissions fees.....	54,100
22	Campground fund.....	4,200
23	Cleanup and redevelopment fund.....	182,000
24	Environmental pollution prevention fund.....	27,100
25	Environmental response fund.....	89,400
26	Fees and collections.....	5,000
27	Groundwater discharge permit fees.....	16,700

1	Hazardous material transportation permit fund.....	4,100
2	Land and water permit fees.....	57,400
3	Medical waste emergency response fund.....	3,300
4	Metallic mining surveillance fee revenue.....	900
5	Mineral well regulatory fee revenue.....	3,300
6	NPDES fees.....	18,700
7	Oil and gas regulatory fund.....	143,000
8	Orphan well fund.....	7,200
9	Public swimming pool fund.....	7,400
10	Public utility assessments.....	4,200
11	Public water supply fees.....	48,100
12	Refined petroleum fund.....	393,100
13	Sand extraction fee revenue.....	1,000
14	Scrap tire regulatory fund.....	44,600
15	Septage waste program fund.....	8,300
16	Sewage sludge land application fees.....	13,800
17	Small business pollution prevention revolving loan	
18	fund .....	2,800
19	Solid waste management fund - staff account.....	74,300
20	Stormwater permit fees.....	18,400
21	Soil erosion and sedimentation control training fund.	1,200
22	Underground storage tank fees.....	26,300
23	Waste reduction fee revenue.....	73,400
24	Water analysis fees.....	28,400
25	Water use reporting fees.....	5,300
26	State general fund/general purpose.....	\$ 541,100
27	<b>Sec. 109. AIR QUALITY DIVISION</b>	

1	Full-time equated classified positions.....	203.0	
2	Air quality programs--203.0 FTE positions.....		\$ <u>25,046,100</u>
3	GROSS APPROPRIATION.....		\$ 25,046,100
4	Appropriated from:		
5	Interdepartmental grant revenues:		
6	Federal revenues:		
7	Federal funds.....		7,261,800
8	Special revenue funds:		
9	Air emissions fees.....		8,243,000
10	Fees and collections.....		271,400
11	Oil and gas regulatory fund.....		129,500
12	Refined petroleum fund.....		3,452,200
13	Waste reduction fee revenue.....		1,283,400
14	State general fund/general purpose.....		\$ 4,404,800
15	<b>Sec. 110. RESOURCE MANAGEMENT DIVISION</b>		
16	Full-time equated classified positions.....	325.5	
17	Drinking water and environmental health--104.5 FTE		
18	positions .....		\$ 15,327,400
19	Hazardous waste management program--51.0 FTE positions		
20	Low-level radioactive waste authority--2.0 FTE		
21	positions .....		218,500
22	Medical waste program--2.0 FTE positions.....		
23	Municipal assistance--39.0 FTE positions.....		
24	Radiological protection program--12.0 FTE positions..		
25	Scrap tire regulatory program--11.0 FTE positions....		
26	Oil, gas, and mineral services--61.0 FTE positions...		
27	Sewage sludge land application program--6.0 FTE		

1	positions .....	907,600
2	Solid waste management program--37.0 FTE positions ...	4,746,900
3	Drinking water program grants.....	1,330,000
4	Noncommunity water grants.....	2,000,000
5	Septage waste compliance grants.....	275,000
6	Strategic water quality initiative loans.....	9,600,000
7	Water pollution control and drinking water revolving	
8	fund .....	85,443,000
9	Radon grants.....	90,000
10	Scrap tire grants.....	<u>3,500,000</u>
11	GROSS APPROPRIATION.....	\$ 151,674,500
12	Appropriated from:	
13	Interdepartmental grant revenues:	
14	IDG-MDSP.....	993,300
15	Federal revenues:	
16	Federal funds.....	89,335,500
17	Special revenue funds:	
18	Campground fund.....	284,700
19	Electronic waste recycling fund.....	287,000
20	Environmental pollution prevention fund.....	2,298,100
21	Fees and collections.....	32,900
22	Hazardous material transportation permit fund.....	897,200
23	Medical waste emergency response fund.....	287,100
24	Metallic mining surveillance fee revenue.....	136,800
25	Mineral well regulatory fee revenue.....	197,700
26	Nonferrous metallic mineral surveillance.....	100,000
27	Oil and gas regulatory fund.....	8,928,800

1	Orphan well fund.....	2,225,100
2	Public swimming pool fund.....	648,200
3	Public utility assessments.....	218,500
4	Public water supply fees.....	4,139,500
5	Refined petroleum fund.....	646,900
6	Revolving loan revenue bonds.....	11,400,000
7	Sand extraction fee revenue.....	82,000
8	Scrap tire regulatory fund.....	4,775,500
9	Septage waste contingency fund.....	17,400
10	Septage waste program fund.....	579,000
11	Sewage sludge land application fees.....	907,600
12	Solid waste management fund - staff account.....	4,287,000
13	Strategic water quality initiatives fund.....	10,743,800
14	Waste reduction fee revenue.....	172,900
15	Wastewater operator training fees.....	567,300
16	Water pollution control revolving fund.....	2,744,000
17	State general fund/general purpose.....	\$ 3,740,700
18	<b>Sec. 111. REMEDIATION DIVISION</b>	
19	Full-time equated classified positions.....	349.0
20	Contaminated site investigations, cleanup and	
21	revitalization--204.0 FTE positions.....	\$ 27,020,000
22	Federal cleanup project management--60.0 FTE positions	9,308,400
23	Laboratory services--48.0 FTE positions.....	7,381,400
24	Aboveground storage tank program--8.0 FTE positions..	877,700
25	Underground storage tank program--29.0 FTE positions.	4,048,000
26	Brownfield grants and loans.....	5,000,000
27	Emergency cleanup actions.....	4,000,000

1	Environmental cleanup support.....	1,840,000
2	Environmental cleanup and redevelopment program.....	30,000,000
3	Refined petroleum product cleanup program.....	30,000,000
4	Superfund cleanup.....	<u>3,000,000</u>
5	GROSS APPROPRIATION.....	\$ 122,475,500
6	Appropriated from:	
7	Interdepartmental grant revenues:	
8	IDT, laboratory services.....	3,939,200
9	Federal revenues:	
10	Federal funds.....	10,071,400
11	Special revenue funds:	
12	Private funds.....	180,300
13	Aboveground storage tank fees.....	420,700
14	Cleanup and redevelopment fund.....	20,467,900
15	Environmental protection fund.....	2,085,300
16	Environmental response fund.....	4,630,700
17	Landfill maintenance trust fund.....	29,300
18	Public water supply fees.....	294,300
19	Refined petroleum fund.....	39,887,400
20	Revitalization revolving loan fund.....	97,300
21	Strategic water quality initiatives fund.....	35,000,000
22	Underground storage tank fees.....	2,223,800
23	Water analysis fees.....	3,147,900
24	State general fund/general purpose.....	\$ 0
25	<b>Sec. 112. INFORMATION TECHNOLOGY</b>	
26	Information technology services and projects.....	\$ <u>8,219,300</u>
27	GROSS APPROPRIATION.....	\$ 8,219,300

1	Appropriated from:	
2	Interdepartmental grant revenues:	
3	IDT, laboratory services.....	98,100
4	IDG, MDSP.....	28,400
5	IDG, MDOT - Michigan transportation fund.....	61,200
6	Federal revenues:	
7	Federal funds.....	1,698,700
8	Special revenue funds:	
9	Aboveground storage tank fees.....	24,500
10	Air emissions fees.....	502,700
11	Campground fund.....	13,600
12	Cleanup and redevelopment fund.....	608,200
13	Environmental pollution prevention fund.....	84,600
14	Environmental protection fund.....	11,400
15	Environmental response fund.....	317,600
16	Fees and collections.....	16,300
17	Groundwater discharge permit fees.....	53,200
18	Hazardous material transportation permit fund.....	13,500
19	Land and water permit fees.....	217,700
20	Medical waste emergency response fund.....	10,600
21	Metallic mining surveillance fee revenue.....	2,600
22	Mineral well regulatory fee revenue.....	10,400
23	NPDES fees.....	65,600
24	Oil and gas regulatory fund.....	612,000
25	Orphan well fund.....	22,500
26	Public swimming pool fund.....	22,800
27	Public utility assessments.....	13,100

1	Public water supply fees.....		201,300
2	Refined petroleum fund.....		1,941,500
3	Sand extraction fee revenue.....		3,100
4	Scrap tire regulatory fund.....		87,000
5	Septage waste program fund.....		26,300
6	Sewage sludge land application fees.....		43,300
7	Small business pollution prevention revolving loan		
8	fund .....		8,800
9	Soil erosion and sedimentation control training fund.		4,000
10	Solid waste management fund - staff account .....		291,500
11	Stormwater permit fees.....		58,600
12	Underground storage tank fees.....		131,400
13	Waste reduction fee revenue.....		221,600
14	Wastewater operator training fees.....		1,000
15	Water analysis fees.....		106,300
16	Water pollution control revolving fund.....		150,300
17	Water use reporting fees.....		17,100
18	State general fund/general purpose.....	\$	416,900
19	<b>Sec. 113. ONE-TIME BASIS ONLY APPROPRIATIONS</b>		
20	State employee lump-sum payments.....	\$	1,549,200
21	Drinking water revolving fund state match.....		2,500,000
22	Wetlands program.....		<u>1,500,000</u>
23	GROSS APPROPRIATION.....	\$	5,549,200
24	Appropriated from:		
25	Interdepartmental grant revenues:		
26	Interdepartmental grant revenues.....		48,800
27	Federal revenues:		

1	Federal funds.....	415,700
2	Special revenue funds:	
3	Private funds.....	4,200
4	State restricted revenues.....	920,400
5	State general fund/general purpose.....	\$ 4,160,100

6 PART 2

7 PROVISIONS CONCERNING APPROPRIATIONS

8 FOR FISCAL YEAR 2012-2013

9 **GENERAL SECTIONS**

10 Sec. 201. Pursuant to section 30 of article IX of the state

11 constitution of 1963, total state spending from state resources

12 under part 1 for fiscal year 2012-2013 is \$260,188,000.00 and state

13 spending from state resources to be paid to local units of

14 government for fiscal year 2012-2013 is \$2,775,000.00. The itemized

15 statement below identifies appropriations from which spending to

16 local units of government will occur:

17 GRANTS

18	Noncommunity water grants.....	\$ 2,000,000
19	Scrap tire grants.....	500,000
20	Septage waste compliance program.....	<u>275,000</u>
21	TOTAL.....	\$ 2,775,000

22 Sec. 202. The appropriations authorized under this article are

23 subject to the management and budget act, 1984 PA 431, MCL 18.1101

24 to 18.1594.

25 Sec. 203. As used in this article:

- 1 (a) "Department" means the department of environmental  
2 quality.
- 3 (b) "Director" means the director of the department.
- 4 (c) "FTE" means full-time equated.
- 5 (d) "IDG" means interdepartmental grant.
- 6 (e) "IDT" means intradepartmental transfer.
- 7 (f) "MDOT" means the state transportation department.
- 8 (g) "MDSP" means the department of state police.
- 9 (h) "NPDES" means national pollution discharge elimination  
10 system.

11 Sec. 204. The civil service commission shall bill the  
12 department and agencies at the end of the first fiscal quarter for  
13 the 1% charge authorized by section 5 of article XI of the state  
14 constitution of 1963. Payments shall be made for the total amount  
15 of the billing by the end of the second fiscal quarter.

16 Sec. 205. Unless otherwise specified, the department shall use  
17 the Internet to fulfill the reporting requirements of this article.  
18 This requirement may include transmission of reports via electronic  
19 mail to the recipients identified for each reporting requirement,  
20 or it may include placement of reports on an Internet or Intranet  
21 site.

22 Sec. 206. Amounts appropriated in part 1 for information  
23 technology may be designated as work projects and carried forward  
24 to support technology projects under the direction of the  
25 department of technology, management, and budget. Funds designated  
26 in this manner are not available for expenditure until approved as  
27 work projects under section 451a of the management and budget act,

1 1984 PA 431, MCL 18.1451a.

2 Sec. 207. The department and agencies receiving appropriations  
3 in part 1 shall receive and retain copies of all reports funded  
4 from appropriations in part 1. Federal and state guidelines for  
5 short-term and long-term retention of records shall be followed.  
6 The department may electronically retain copies of reports unless  
7 otherwise required by federal and state guidelines.

8 Sec. 208. From the funds appropriated in part 1 for  
9 information technology, departments and agencies shall pay user  
10 fees to the department of technology, management, and budget for  
11 technology-related services and projects. The user fees shall be  
12 subject to provisions of an interagency agreement between the  
13 department and agencies and the department of technology,  
14 management, and budget.

15 Sec. 209. The departments and agencies receiving  
16 appropriations in part 1 shall prepare a report on out-of-state  
17 travel expenses not later than January 1 of each year. The travel  
18 report shall be a listing of all travel by classified and  
19 unclassified employees outside this state in the immediately  
20 preceding fiscal year that was funded in whole or in part with  
21 funds appropriated in the department's budget. The report shall be  
22 submitted to the house and senate standing committees on  
23 appropriations, the house and senate fiscal agencies, and the state  
24 budget director. The report shall include the following  
25 information:

26 (a) The dates of each travel occurrence.

27 (b) The total transportation and related costs of each travel

1 occurrence, including the proportion funded with state general  
2 fund/general purpose revenues, the proportion funded with state  
3 restricted revenues, the proportion funded with federal revenues,  
4 and the proportion funded with other revenues.

5       Sec. 210. Funds appropriated in part 1 shall not be used for  
6 the purchase of foreign goods or services, or both, if  
7 competitively priced and of comparable quality American goods or  
8 services, or both, are available. Preference shall be given to  
9 goods or services, or both, manufactured or provided by Michigan  
10 businesses if they are competitively priced and of comparable  
11 quality. In addition, preference shall be given to goods or  
12 services, or both, that are manufactured or provided by Michigan  
13 businesses owned and operated by veterans, if they are  
14 competitively priced and of comparable quality.

15       Sec. 211. The director shall take all reasonable steps to  
16 ensure businesses in deprived and depressed communities compete for  
17 and perform contracts to provide services or supplies, or both. The  
18 director shall strongly encourage firms with which the department  
19 contracts to subcontract with certified businesses in depressed and  
20 deprived communities for services, supplies, or both.

21       Sec. 212. The department shall not take disciplinary action  
22 against an employee for communicating with a member of the  
23 legislature or his or her staff.

24       Sec. 213. (1) Funds appropriated in part 1 shall not be used  
25 by the department to promulgate a rule that will apply to a small  
26 business and that will have a disproportionate economic impact on  
27 small businesses because of the size of those businesses if the

1 department fails to reduce the disproportionate economic impact of  
2 the rule on small businesses as provided under section 40 of the  
3 administrative procedures act of 1969, 1969 PA 306, MCL 24.240.

4 (2) As used in this section:

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

7 (b) "Small business" means that term as defined under section  
8 7a of the administrative procedures act of 1969, 1969 PA 306, MCL  
9 24.207a.

10 Sec. 214. 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 activities that the  
15 attorney general authorizes.

16 Sec. 215. (1) In addition to the funds appropriated in part 1,  
17 there is appropriated an amount not to exceed \$30,000,000.00 for  
18 federal contingency funds. These funds are not available for  
19 expenditure until they have been transferred to another line item  
20 in this article under section 393(2) of the management and budget  
21 act, 1984 PA 431, MCL 18.1393.

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

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

7           (4) In addition to the funds appropriated in part 1, there is  
8 appropriated an amount not to exceed \$500,000.00 for private  
9 contingency funds. These funds are not available for expenditure  
10 until they have been transferred to another line item in this  
11 article under section 393(2) of the management and budget act, 1984  
12 PA 431, MCL 18.1393.

13           Sec. 216. (1) The department shall report all of the following  
14 information relative to allocations made from appropriations for  
15 the environmental cleanup and redevelopment program, state cleanup,  
16 emergency actions, superfund cleanup, the revitalization revolving  
17 loan program, the brownfield grants and loans program, the leaking  
18 underground storage tank cleanup program, the contaminated lake and  
19 river sediments cleanup program, the refined petroleum product  
20 cleanup program, and the environmental protection bond projects  
21 under section 19508(7) of the natural resources and environmental  
22 protection act, 1994 PA 451, MCL 324.19508, to the state budget  
23 director, the senate and house appropriations subcommittees on  
24 environmental quality, and the senate and house fiscal agencies:

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

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

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

3 (d) The estimated date that site closure activities will be  
4 completed.

5 (e) The amount of the allocation, or the anticipated financing  
6 for the site.

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

9 (g) The number of brownfield projects that were successfully  
10 redeveloped.

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

13 (a) The status of all state-owned facilities that are on the  
14 list compiled under part 201 of the natural resources and  
15 environmental protection act, 1994 PA 451, MCL 324.20101 to  
16 324.20142.

17 (b) The report shall include the total amount of funds  
18 expended during the fiscal year and the total amount of funds  
19 awaiting expenditure.

20 (c) The total amount of bonds issued for the environmental  
21 protection bond program pursuant to part 193 of the natural  
22 resources and environmental protection act, 1994 PA 451, MCL  
23 324.19301 to 324.19306, and bonds issued pursuant to the clean  
24 Michigan initiative act, 1998 PA 284, MCL 324.95101 to 324.95108.

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

27 Sec. 217. (1) The department may expend amounts remaining from

1 the current and prior fiscal year appropriations to meet funding  
2 needs of legislatively approved sites for the environmental cleanup  
3 and redevelopment program, the leaking underground storage tank  
4 cleanup program, and the refined petroleum product cleanup program.

5 (2) Unexpended and unencumbered amounts remaining from  
6 appropriations from the environmental protection bond fund  
7 contained in 1993 PA 353, 2003 PA 173, 2006 PA 343, and 2011 PA 63  
8 are appropriated for expenditure for any site listed in this  
9 article and any site listed in the public acts referenced in this  
10 section.

11 (3) Unexpended and unencumbered amounts remaining from  
12 appropriations from the cleanup and redevelopment fund contained in  
13 2000 PA 275 and 2002 PA 520 are appropriated for expenditure for  
14 any site listed in this article and any site listed in the public  
15 acts referenced in this section.

16 (4) Unexpended and unencumbered amounts remaining from  
17 appropriations from the clean Michigan initiative fund - response  
18 activities contained in 2000 PA 506, 2001 PA 120, 2004 PA 309, 2004  
19 PA 350, 2005 PA 11, 2006 PA 343, 2007 PA 121, and 2011 PA 63 are  
20 appropriated for expenditure for any site listed in this article  
21 and any site listed in the public acts referenced in this section.

22 (5) Unexpended and unencumbered amounts remaining from  
23 appropriations from the environmental protection fund contained in  
24 2001 PA 43, 2002 PA 520, and 2003 PA 171 are appropriated for  
25 expenditure for any site listed in this article and any site listed  
26 in the public acts referenced in this section.

27 (6) Unexpended and unencumbered amounts remaining from

1 appropriations from the refined petroleum fund activities contained  
2 in 2005 PA 154, 2007 PA 121, 2008 PA 247, 2009 PA 118, 2010 PA 189,  
3 and 2011 PA 63 are appropriated for expenditure for any site listed  
4 in this article and any site listed in the public acts referenced  
5 in this section.

6 (7) Unexpended and unencumbered amounts remaining from the  
7 appropriations from the strategic water quality initiatives fund  
8 contained in 2011 PA 50 and 2011 PA 63 are appropriated for  
9 expenditure for any site listed in this article and any site listed  
10 in the public acts referenced in this section.

11 Sec. 218. It is the intent of the legislature that all  
12 principal executive departments and agencies cooperate with the  
13 development and implementation of the department of technology,  
14 management, and budget statewide office space consolidation plan.

15 Sec. 219. Unexpended settlement revenues at the end of the  
16 fiscal year may be carried forward into the settlement fund in the  
17 succeeding fiscal year up to a maximum carryforward of  
18 \$2,500,000.00.

19 Sec. 221. Not later than November 15, the department shall  
20 prepare and transmit a report that provides for estimates of the  
21 total general fund/general purpose appropriation lapses at the  
22 close of the previous fiscal year. This report shall summarize the  
23 projected year-end general fund/general purpose appropriation  
24 lapses by major departmental program or program areas. The report  
25 shall be transmitted to the office of the state budget, the  
26 chairpersons of the senate and house of representatives standing  
27 committees on appropriations, and the senate and house fiscal

1 agencies.

2       Sec. 222. Within 14 days after the release of the executive  
3 budget recommendation, the department shall provide the state  
4 budget director, the senate and house appropriations chairs, the  
5 senate and house appropriations subcommittees on environmental  
6 quality, respectively, and the senate and house fiscal agencies  
7 with an annual report on estimated state restricted fund balances,  
8 state restricted fund projected revenues, and state restricted fund  
9 expenditures for the fiscal years ending September 30, 2012 and  
10 September 30, 2013.

11       Sec. 223. Part 1 provides authorizations to fund 1,321.5 FTE  
12 classified positions during the fiscal year ending September 30,  
13 2013. Line-item appropriations include limitations on the number of  
14 payroll hours to be funded, on the basis of 2,088 hours per each  
15 FTE position. The department shall report the number of funded FTE  
16 positions within 15 days after the effective date of this act. The  
17 number of classified employees compensated through each line item  
18 is limited by the authorized FTE positions indicated in this  
19 article, as adjusted for the number of reported funded FTE  
20 positions. The report shall be provided to the house and senate  
21 appropriations subcommittees on environmental quality and the house  
22 and senate fiscal agencies.

23       Sec. 224. On a quarterly basis, the department shall report on  
24 the number of FTEs in pay status by civil service classification to  
25 the senate and house appropriations subcommittees on environmental  
26 quality and the senate and house fiscal agencies.

27       Sec. 225. The department shall maintain a searchable website

1 accessible by the public at no cost that includes, but is not  
2 limited to, all of the following:

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

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

5 (c) Fiscal year-to-date payments to a selected vendor,  
6 including the vendor name, payment date, payment amount, and  
7 payment description.

8 (d) The number of active department employees by job  
9 classification.

10 (e) Job specifications and wage rates.

11 Sec. 227. The department shall provide a report on the  
12 implementation of a permit application status tracking tool on the  
13 department's public internet website to the house and senate  
14 appropriations subcommittees on environmental quality, the standing  
15 committees of the house and senate with primary responsibility for  
16 environmental quality issues, and the house and senate fiscal  
17 agencies by December 31, 2012. This permit application status  
18 tracking tool shall allow permit applicants and the general public  
19 to track and review pending permit applications. Searchable  
20 parameters shall include, but are not limited to, applicant name  
21 and address, county of request, date of application, most recent  
22 activity, and status of the permit application. The report shall  
23 include a list of all actions and program changes taken to  
24 implement the tracking tool, the department's plan and timeline for  
25 implementation of the tool, and any estimated costs associated with  
26 that implementation plan.

27 Sec. 228. The department shall provide a report on the

1 customer satisfaction evaluation program and the feedback received  
2 to the house and senate appropriations subcommittees on  
3 environmental quality and the house and senate fiscal agencies by  
4 July 1, 2013.

5 Sec. 229. The department shall provide a report on the  
6 expedited permitting program to the house and senate appropriations  
7 subcommittees on environmental quality and the house and senate  
8 fiscal agencies by July 1, 2013. The report shall include a list of  
9 all actions and program changes taken to implement the expedited  
10 permitting program, the department's plan and timeline for  
11 implementation of the program, and any estimated costs associated  
12 with that implementation plan.

13 Sec. 230. By October 31, 2012, the department shall identify  
14 10 principal measurable outcomes to be affected by expenditure of  
15 the funds appropriated in part 1 and submit a report to the house  
16 and senate appropriations committees, the house and senate fiscal  
17 agencies, and the state budget director that ranks the outcomes by  
18 level of importance and contains current data on those outcomes.  
19 Beginning on April 1, 2013, the department shall provide biannual  
20 updates to the house and senate appropriations committees on  
21 changes in those measurable outcomes and departmental efforts to  
22 improve the outcomes.

### 23 REMEDIATION DIVISION

24 Sec. 301. Revenues remaining in the interdepartmental  
25 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 and the refined petroleum product cleanup  
4 program are considered work project appropriations and any  
5 unencumbered or unallotted funds are carried forward into the  
6 succeeding fiscal year. The following is in compliance with section  
7 451a(1) of the management and budget act, 1984 PA 431, MCL  
8 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 identified in  
13 each line-item appropriation.

14 (d) The tentative completion date is September 30, 2017.

15 Sec. 303. Effective October 1, 2012, surplus funds not to  
16 exceed \$1,000,000.00 in the cleanup and redevelopment trust fund  
17 are appropriated to the environmental protection fund created in  
18 section 503a of the natural resources and environmental protection  
19 act, 1994 PA 451, MCL 324.503a.

20 Sec. 304. Effective October 1, 2012, surplus funds not to  
21 exceed \$1,000,000.00 in the community pollution prevention fund  
22 created in section 3f of 1976 IL 1, MCL 445.573f, are appropriated  
23 to the environmental protection fund created in section 503a of the  
24 natural resources and environmental protection act, 1994 PA 451,  
25 MCL 324.503a.

26 Sec. 305. It is the intent of the legislature to repay the  
27 refined petroleum fund for the \$70,000,000.00 that was transferred

1 to the environmental protection fund created in section 503a of the  
 2 natural resources and environmental protection act, 1994 PA 451,  
 3 MCL 324.503a, as part of the resolution for the fiscal year 2006-  
 4 2007 budget.

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

8 <b>Site Name</b>	<b>County</b>
9   Former Tavern and Gas Station	Alcona
10   Midway Resort Inc	Alger
11   Country Party Store	Alpena
12   Hubbard Lake Garage	Alpena
13   Hubbard Lake General Store	Alpena
14   Res. Wells Torch Lake Twp.	Antrim
15   Torch River Pit Stop	Antrim
16   Freeport Auto Service	Barry
17   Bud's in Honor	Benzie
18   Coloma Citgo	Berrien
19   Nyes Shell Service	Berrien
20   Randy's Amoco	Berrien
21   Clark #767 (Marshall)	Calhoun
22   Clark #768 (Albion)	Calhoun
23   Clark Service Station #500	Calhoun
24   Helmer I-94	Calhoun
25   Korner Krossroads Party Store	Calhoun
26   Logan's Gas & Deli	Calhoun
27   Unocal 76, Edwardsburg (Energy Oil)	Cass

1	Arnold's Bait and Tackle	Charlevoix
2	J.J.'s General Store	Charlevoix
3	Northern Oil (former)	Charlevoix
4	Club Rd Property	Cheboygan
5	Corner Store	Cheboygan
6	Ackels Car Care	Clinton
7	State Road Service	Clinton
8	D & L Fuels	Eaton
9	South End Mobil	Eaton
10	Beckon & Larks Lake Rd.	Emmet
11	Farmers Petroleum Coop - Petoskey	Emmet
12	Action Auto #10	Genesee
13	Central Distributing	Genesee
14	City of Flint Fire Department	Genesee
15	Odyssey House, Flint	Genesee
16	Spartan Express (truck terminal)	Genesee
17	Tabers Oil Co., Inc.	Genesee
18	United Cleaners, Inc	Genesee
19	Watkins & Himelhoch Inc	Genesee
20	Howard Jameson A+H Racing	Gladwin
21	Sportsmans Landing	Gladwin
22	Winegar's Trading Post	Gladwin
23	4 Corners	Grand Traverse
24	Stop N Shop	Grand Traverse
25	Wilson's Grocery	Gratiot
26	Engelhardt Petroleum, Inc. Gas Station	Huron
27	Mouch's Auto Sales	Huron

1	Action Auto Inc	Ingham
2	Action Auto Store #30	Ingham
3	Bay Gas Station, 3306 N. East St.	Ingham
4	Bay Petroleum, S. MLK	Ingham
5	Bay Petroleum, W. Willow	Ingham
6	Citgo #7	Ingham
7	Clark Station #1995	Ingham
8	Fresh-Up Car Wash	Ingham
9	Miller Oil Company	Ingham
10	Don Bessemer/Haight's Garage	Ionia
11	Bublitz Oil Full Service Oscoda	Iosco
12	Graham Oil Bulk Plant	Iosco
13	Firstbank-Winn Branch	Isabella
14	Clark #501	Jackson
15	McDonald's Crosstown Service	Kalamazoo
16	Meijers Thrifty Acres	Kalamazoo
17	Dutton Mill Properties	Kent
18	Great Northern Packaging	Kent
19	Hurley's Lodge	Lake
20	Church & Sons Gas Station	Lapeer
21	E.J. Green	Lapeer
22	Lakeside Resort and Party Store	Leelanau
23	Blissfield Marathon	Lenawee
24	Blissfield Vacant Lot	Lenawee
25	Clark 1457 Adrian	Lenawee
26	Lakeland Montessori School	Livingston
27	Leon Bonner Prop	Livingston

1	The Pit	Livingston
2	Action Auto (former)	Macomb
3	Sokana Mobil	Macomb
4	Red Barn Market	Manistee
5	Airport Road, 1933 East	Midland
6	Dutch Hutch	Missaukee
7	A.N. Russell & Son Inc	Montcalm
8	R.V. Jensen Inc.	Montcalm
9	A-1 Party Mart	Montmorency
10	Mary D's Restaurant	Montmorency
11	Pointe Bait	Montmorency
12	Sports Center, Inc.	Montmorency
13	Strolle Oil	Montmorency
14	Williams Service Station	Montmorency
15	Bennett Pump	Muskegon
16	Bernie's Amoco	Muskegon
17	Reliable Truck & Crane	Muskegon
18	Hardy Grocery	Newaygo
19	Clark #903, Keego Harbor	Oakland
20	DOC Optical	Oakland
21	Jenny Enterprises/Wine Basket, Highland	Oakland
22	South Lyon Service Station Inc	Oakland
23	Wayne Oakland Oil Company	Oakland
24	Shady Shores Restaurant	Ogemaw
25	Andy's Standard	Osceola
26	Eagle Village	Osceola
27	Hersey Party Store	Osceola

1	Neal's Service	Osceola
2	Tiel Oil Co.	Osceola
3	Don's Marathon	Oscoda
4	Charlie's Place	Roscommon
5	AMCO Group	Sanilac
6	Sangster property	Sanilac
7	Frank's Service	Shiawassee
8	Raymond Ayotte	Shiawassee
9	Decker Service	St. Joseph
10	Gagetown Gas and Oil, former	Tuscola
11	One Stop Party Store	Tuscola
12	Jimmie's Filling Station	Washtenaw
13	B & H Food & Gas/Dix-Toledo Petro Mart	Wayne
14	Cal's Car Care, Incorporated - BTEX	Wayne
15	City of Detroit - DOT - 14044 Schaefer	Wayne
16	City of Detroit - DOT - 5600 Wabash St.	Wayne
17	City of Detroit - DOT - 5800 Russell St.	Wayne
18	Hail Investments Inc.	Wayne
19	JJ Curran Crane	Wayne
20	K & A Gas	Wayne
21	Master Petroleum	Wayne
22	Micks Auto	Wayne
23	Speedy's Gas & Goodies	Wayne
24	(2) The department shall provide a report to the legislature	
25	on the amount actually spent at each site listed in subsection (1)	
26	and give a detailed account of the work actually performed at each	
27	site.	

1       Sec. 307. For the state fiscal year ending September 30, 2013,  
2       there is appropriated from clean Michigan initiative - response  
3       activities revenue \$300,000.00 for an engineering study pertaining  
4       to the Wickes Manufacturing TCE plume site.

5       Sec. 309. The funds appropriated in part 1 for the brownfield  
6       grants and loans program are considered work project  
7       appropriations, and any unencumbered or unallotted funds are  
8       carried forward into the succeeding fiscal year. The following is  
9       in compliance with section 451a(1) of the management and budget  
10      act, 1984 PA 431, MCL 18.1451a:

11       (a) The purpose of the projects is to provide contaminated  
12      site cleanup.

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

14       (c) The total estimated cost of all projects is \$5,000,000.00.

15       (d) The tentative completion date is September 30, 2017.

16      Sec. 310. (1) Upon approval by the state budget director, the  
17      department may expend from the general fund of the state an amount  
18      to meet the cash-flow requirements of projects funded under any of  
19      the following that are financed from bond proceeds and for which  
20      bonds have been authorized but not yet issued:

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

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

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

27       (2) Upon the sale of bonds for projects described in

subsection (1), the department shall credit the general fund of the state an amount equal to that expended from the general fund.

### **WATER RESOURCES DIVISION**

Sec. 401. From the funds appropriated in part 1 for surface water, not less than \$700,000.00 and 5.0 FTEs shall be allocated to support the aquatic nuisance control program. The department shall report to the house and senate appropriations subcommittees on environmental quality and the house and senate fiscal agencies by September 30, 2013 on the use of this funding and the number of permit applications processed by the program in 2013.

Sec. 402. From the funds appropriated in part 1, the department shall fund a groundwater dispute resolution process in such a manner that maintains a strategically selected dispute resolution process given funds available. The department may utilize any and all available resources in providing this process and shall report to the legislature on the need for additional funds.

Sec. 403. From the funds appropriated in part 1, the department shall support funding for the aquatic invasive species advisory council to provide recommendations to appropriate parties and bodies for a basin-wide approach to managing invasive species.

Sec. 405. If a certified health department does not exist in a city, county, or district or does not fulfill its responsibilities under part 117 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.11701 to 324.11720, then the department may spend funds appropriated in part 1 under the septage

1 waste compliance program in accordance with section 11716 of the  
2 natural resources and environmental protection act, 1994 PA 451,  
3 MCL 324.11716.

#### 4 **RESOURCE MANAGEMENT DIVISION**

5       Sec. 601. (1) The department shall provide a report on the  
6 state's solid waste policy that includes the department's plan for  
7 long-term funding for the solid waste management program and all  
8 actions and program changes taken, including progress on the  
9 feasibility of contracting out landfill inspections, to implement  
10 the recommendations of the June 30, 2012 report to the legislature  
11 required by section 601 of article VII of 2011 PA 63.

12       (2) The department shall provide the report prepared under  
13 subsection (1) to the state budget director, the house and senate  
14 appropriations subcommittees on environmental quality, and the  
15 house and senate fiscal agencies by June 30, 2013.

16       Sec. 602. (1) The department is encouraged to use available  
17 pollution prevention funds and work with local public health  
18 departments, the department of agriculture and rural development,  
19 and the United States department of agriculture to maintain and  
20 expand programs for the safe disposal of hazardous household  
21 chemicals and prescription drugs.

22       (2) The department shall report to the house and senate  
23 appropriations subcommittees on environmental quality and the house  
24 and senate fiscal agencies by March 1, 2013 on clean sweep  
25 locations in this state and on factors affecting program success  
26 and expansion including funding requirements.

1 PART 2A  
2 PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS  
3 FOR FISCAL YEAR 2013-2014

4 GENERAL SECTIONS

5 Sec. 1201. It is the intent of the legislature to provide  
6 appropriations for the fiscal year ending on September 30, 2014 for  
7 the line items listed in part 1. The fiscal year 2013-2014  
8 appropriations are anticipated to be the same as those for fiscal  
9 year 2012-2013, except that the line items will be adjusted for  
10 changes in caseload and related costs, federal fund match rates,  
11 economic factors, and available revenue. These adjustments will be  
12 determined after the January 2013 consensus revenue estimating  
13 conference.

14 ARTICLE VIII  
15 GENERAL GOVERNMENT  
16 PART 1  
17 LINE-ITEM APPROPRIATIONS

18 Sec. 101. There is appropriated for the legislature, the  
19 executive, the department of attorney general, the department of  
20 state, the department of treasury, the department of technology,  
21 management, and budget, the department of civil rights, and certain  
22 state purposes related thereto, for the fiscal year ending  
23 September 30, 2013, from the following funds:

1 **TOTAL GENERAL GOVERNMENT**

2 APPROPRIATION SUMMARY

3 Full-time equated unclassified positions..... 44.0

4 Full-time equated classified positions..... 7,722.7

5 GROSS APPROPRIATION..... \$ 4,309,363,700

6 Interdepartmental grant revenues:

7 Total interdepartmental grants and intradepartmental

8 transfers ..... 692,338,500

9 ADJUSTED GROSS APPROPRIATION..... \$ 3,617,025,200

10 Federal revenues:

11 Total federal revenues..... 722,234,100

12 Special revenue funds:

13 Total local revenues..... 8,007,000

14 Total private revenues..... 5,989,000

15 Total other state restricted revenues..... 1,889,816,800

16 State general fund/general purpose..... \$ 990,978,300

17 **Sec. 102. DEPARTMENT OF ATTORNEY GENERAL**

18 **(1) APPROPRIATION SUMMARY**

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

20 Full-time equated classified positions..... 508.0

21 GROSS APPROPRIATION..... \$ 85,082,500

22 Interdepartmental grant revenues:

23 Total interdepartmental grants and intradepartmental

24 transfers ..... 24,082,100

25 ADJUSTED GROSS APPROPRIATION..... \$ 61,000,400

26 Federal revenues:

1	Total federal revenues.....	9,932,600
2	Special revenue funds:	
3	Total local revenues.....	0
4	Total private revenues.....	0
5	Total other state restricted revenues.....	17,242,000
6	State general fund/general purpose.....	\$ 33,825,800
7	State general fund/general purpose schedule:	
8	Ongoing state general fund/general	
9	purpose ..... 33,432,500	
10	One-time state general fund/general	
11	purpose ..... 393,300	
12	<b>(2) ATTORNEY GENERAL OPERATIONS</b>	
13	Full-time equated unclassified positions..... 6.0	
14	Full-time equated classified positions..... 508.0	
15	Attorney general.....	\$ 112,500
16	Unclassified positions--5.0 FTE positions.....	700,000
17	Attorney general operations--470.0 FTE positions.....	75,528,700
18	Child support enforcement--25.0 FTE positions.....	3,410,700
19	Prosecuting attorneys coordinating council--12.0 FTE	
20	positions ..... 2,033,400	
21	Public safety initiative--1.0 FTE positions.....	<u>900,000</u>
22	GROSS APPROPRIATION.....	\$ 82,685,300
23	Appropriated from:	
24	Interdepartmental grant revenues:	
25	IDG from MDCH, health policy.....	187,000
26	IDG from MDCH, WIC.....	87,200
27	IDG from department of corrections.....	598,200

1	IDG from MDE.....	359,300
2	IDG from MDEQ.....	2,174,000
3	IDG from MDHS.....	4,129,300
4	IDG from MSF, workforce development agency.....	232,800
5	IDG from MDLARA, children's protection registry.....	44,300
6	IDG from MDLARA, financial and insurance regulation..	1,308,600
7	IGD from MDLARA, health professions.....	2,153,400
8	IDG from MDLARA, licensing and regulation fees.....	224,100
9	IDG from MDLARA, Michigan occupational safety and	
10	health administration .....	106,000
11	IDG from MDLARA, remonumentation fees.....	96,300
12	IDG from MDTMB, civil service commission.....	300,600
13	IDG from MDTMB, risk management revolving fund.....	1,442,900
14	IDG from MDMVA.....	148,800
15	IDG from MDOT, comprehensive transportation fund.....	200,900
16	IDG from MDOT, state aeronautics fund.....	174,400
17	IDG from MDOT, state trunkline fund.....	2,387,000
18	IDG from MDSP, Michigan justice training fund.....	150,100
19	IDG from MDSP.....	352,700
20	IDG from Michigan state housing development authority	612,300
21	IDG from treasury.....	5,917,500
22	IDG from treasury, strategic fund.....	161,500
23	IDG from MDTMB.....	235,600
24	Federal revenues:	
25	DAG, state administrative match grant/food stamps....	434,500
26	Federal funds.....	2,999,200
27	HHS, medical assistance, medigant.....	678,200

1	HHS-OS, state Medicaid fraud control units .....	5,590,000
2	National criminal history improvement program .....	108,100
3	Special revenue funds:	
4	Antitrust enforcement collections .....	690,300
5	Assigned claims assessments .....	150,600
6	Attorney general's operations fund .....	1,117,200
7	Auto repair facilities fees .....	296,300
8	Franchise fees .....	375,900
9	Game and fish protection fund .....	838,000
10	Liquor purchase revolving fund .....	1,321,400
11	Manufactured housing fees .....	246,200
12	Merit award trust fund .....	463,100
13	Michigan employment security act - administrative fund	2,024,400
14	Prisoner reimbursement .....	584,000
15	Prosecuting attorneys training fees .....	405,300
16	Public utility assessments .....	2,141,300
17	Real estate enforcement fund .....	474,300
18	Reinstatement fees .....	198,700
19	Retirement funds .....	943,400
20	Second injury fund .....	807,500
21	Self-insurers security fund .....	561,400
22	Silicosis and dust disease fund .....	221,700
23	State building authority revenue .....	109,500
24	State casino gaming fund .....	1,578,000
25	State lottery fund .....	312,500
26	Utility consumers fund .....	706,900
27	Waterways fund .....	126,700

1	Worker's compensation administrative revolving fund ..	334,700
2	State general fund/general purpose .....	\$ 32,061,200
3	<b>(3) INFORMATION TECHNOLOGY</b>	
4	Information technology services and projects .....	\$ <u>1,371,300</u>
5	GROSS APPROPRIATION .....	\$ 1,371,300
6	Appropriated from:	
7	State general fund/general purpose .....	\$ 1,371,300
8	<b>(4) ONE-TIME BASIS ONLY APPROPRIATIONS</b>	
9	State employee lump-sum payments .....	\$ <u>1,025,900</u>
10	GROSS APPROPRIATION .....	\$ 1,025,900
11	Appropriated from:	
12	Interdepartmental grant revenues:	
13	IDG from state agency funds .....	297,300
14	Federal revenues:	
15	Federal revenues .....	122,600
16	Special revenue funds:	
17	State restricted revenues .....	212,700
18	State general fund/general purpose .....	\$ 393,300
19	<b>Sec. 103. DEPARTMENT OF CIVIL RIGHTS</b>	
20	<b>(1) APPROPRIATION SUMMARY</b>	
21	Full-time equated unclassified positions .....	6.0
22	Full-time equated classified positions .....	121.0
23	GROSS APPROPRIATION .....	\$ 14,765,500
24	Interdepartmental grant revenues:	
25	Total interdepartmental grants and intradepartmental	
26	transfers .....	0

1	ADJUSTED GROSS APPROPRIATION.....	\$	14,765,500
2	Federal revenues:		
3	Total federal revenues.....		2,641,300
4	Special revenue funds:		
5	Total local revenues.....		0
6	Private revenues.....		18,700
7	Total other state restricted revenues.....		151,900
8	State general fund/general purpose.....	\$	11,953,600
9	State general fund/general purpose schedule:		
10	Ongoing state general fund/general		
11	purpose .....		11,849,300
12	One-time state general fund/general		
13	purpose .....		104,300
14	<b>(2) CIVIL RIGHTS OPERATIONS</b>		
15	Full-time equated unclassified positions.....		6.0
16	Full-time equated classified positions.....		121.0
17	Unclassified positions--6.0 FTE positions.....	\$	700,000
18	Civil rights operations--114.0 FTE positions .....		12,332,600
19	Division on deaf and hard of hearing--5.0 FTE		
20	positions .....		654,700
21	Hispanic/Latino commission of Michigan--1.0 FTE		
22	positions .....		196,500
23	Asian Pacific American affairs commission--1.0 FTE		
24	position .....		<u>100,000</u>
25	GROSS APPROPRIATION.....	\$	13,983,800
26	Appropriated from:		
27	Federal revenues:		

1	EEOC, state and local antidiscrimination agency	
2	contracts .....	1,142,600
3	HUD, grant.....	1,459,100
4	Special revenue funds:	
5	Private revenues.....	18,700
6	Division on deafness fund.....	93,400
7	State restricted indirect funds.....	58,500
8	State general fund/general purpose.....	\$ 11,211,500
9	<b>(3) INFORMATION TECHNOLOGY</b>	
10	Information technology services and projects.....	\$ <u>652,800</u>
11	GROSS APPROPRIATION.....	\$ 652,800
12	Appropriated from:	
13	Federal revenues:	
14	EEOC, state and local antidiscrimination agency	
15	contracts .....	15,000
16	State general fund/general purpose.....	\$ 637,800
17	<b>(4) ONE-TIME BASIS ONLY APPROPRIATIONS</b>	
18	State employee lump-sum payments.....	\$ <u>128,900</u>
19	GROSS APPROPRIATION.....	\$ 128,900
20	Appropriated from:	
21	Federal revenues:	
22	Federal revenues.....	24,600
23	State general fund/general purpose.....	\$ 104,300
24	<b>Sec. 104. EXECUTIVE OFFICE</b>	
25	<b>(1) APPROPRIATION SUMMARY</b>	
26	Full-time equated unclassified positions.....	10.0

1	Full-time equated classified positions.....	74.2	
2	GROSS APPROPRIATION.....		\$ 4,887,900
3	Interdepartmental grant revenues:		
4	Total interdepartmental grants and intradepartmental		
5	transfers .....		0
6	ADJUSTED GROSS APPROPRIATION.....		\$ 4,887,900
7	Federal revenues:		
8	Total federal revenues.....		0
9	Special revenue funds:		
10	Total local revenues.....		0
11	Total private revenues.....		0
12	Total other state restricted revenues.....		0
13	State general fund/general purpose.....		\$ 4,887,900
14	State general fund/general purpose schedule:		
15	Ongoing state general fund/general		
16	purpose .....	4,829,200	
17	One-time state general fund/general		
18	purpose .....	58,700	
19	<b>(2) EXECUTIVE OFFICE OPERATIONS</b>		
20	Full-time equated unclassified positions.....	10.0	
21	Full-time equated classified positions.....	74.2	
22	Governor.....		\$ 159,300
23	Lieutenant governor.....		111,600
24	Executive office--74.2 FTE positions.....		3,708,500
25	Unclassified positions--8.0 FTE positions.....		<u>849,800</u>
26	GROSS APPROPRIATION.....		\$ 4,829,200
27	Appropriated from:		

1	State general fund/general purpose .....	\$	4,829,200
2	<b>(3) ONE-TIME BASIS ONLY APPROPRIATIONS</b>		
3	State employee lump-sum payments .....	\$	<u>58,700</u>
4	GROSS APPROPRIATION .....	\$	58,700
5	Appropriated from:		
6	State general fund/general purpose .....	\$	58,700
7	<b>Sec. 105. LEGISLATURE</b>		
8	<b>(1) APPROPRIATION SUMMARY</b>		
9	GROSS APPROPRIATION .....	\$	129,610,200
10	Interdepartmental grant revenues:		
11	Total interdepartmental grants and intradepartmental		
12	transfers .....		3,792,100
13	ADJUSTED GROSS APPROPRIATION .....	\$	125,818,100
14	Federal revenues:		
15	Total federal revenues .....		0
16	Special revenue funds:		
17	Total local revenues .....		0
18	Total private revenues .....		400,000
19	Total other state restricted revenues .....		3,000,500
20	State general fund/general purpose .....	\$	122,417,600
21	State general fund/general purpose schedule:		
22	Ongoing state general fund/general		
23	purpose .....		122,232,800
24	One-time state general fund/general		
25	purpose .....		184,800
26	<b>(2) LEGISLATURE</b>		

1	Senate.....	\$	27,646,400
2	Senate automated data processing.....		2,264,600
3	Senate fiscal agency.....		3,105,200
4	House of representatives.....		42,895,600
5	House automated data processing.....		1,797,900
6	House fiscal agency.....		<u>3,105,200</u>
7	GROSS APPROPRIATION.....	\$	80,814,900
8	Appropriated from:		
9	State general fund/general purpose.....	\$	80,814,900
10	<b>(3) LEGISLATIVE COUNCIL</b>		
11	Legislative council.....	\$	9,975,200
12	Legislative service bureau automated data processing .		1,221,800
13	Worker's compensation.....		132,600
14	National association dues.....		425,000
15	Legislative corrections ombudsman.....		<u>624,500</u>
16	GROSS APPROPRIATION.....	\$	12,379,100
17	Appropriated from:		
18	Special revenue funds:		
19	Private - gifts and bequests revenues.....		400,000
20	State general fund/general purpose.....	\$	11,979,100
21	<b>(4) LEGISLATIVE RETIREMENT SYSTEM</b>		
22	General nonretirement expenses.....	\$	<u>4,410,000</u>
23	GROSS APPROPRIATION.....	\$	4,410,000
24	Appropriated from:		
25	Special revenue funds:		
26	Court fees.....		1,109,800
27	State general fund/general purpose.....	\$	3,300,200

1	<b>(5) PROPERTY MANAGEMENT</b>		
2	Capitol building.....	\$	2,680,400
3	Cora Anderson building.....		8,731,600
4	Farnum building and other properties.....		<u>1,906,500</u>
5	GROSS APPROPRIATION.....	\$	13,318,500
6	Appropriated from:		
7	State general fund/general purpose.....	\$	13,318,500
8	<b>(6) OFFICE OF THE AUDITOR GENERAL</b>		
9	Unclassified positions.....	\$	313,500
10	Field operations.....		<u>18,103,300</u>
11	GROSS APPROPRIATION.....	\$	18,416,800
12	Appropriated from:		
13	Interdepartmental grant revenues:		
14	IDG from MDTMB, civil service commission.....		141,100
15	IDG from MDLARA, liquor purchase revolving fund.....		14,500
16	IDG from MDOT, comprehensive transportation fund.....		32,900
17	IDG from MDOT, Michigan transportation fund.....		267,400
18	IDG from MDOT, state aeronautics fund.....		25,600
19	IDG from MDOT, state trunkline fund.....		620,700
20	IDG, single audit act.....		2,630,900
21	Special revenue funds:		
22	21st century jobs fund.....		60,600
23	Clean Michigan initiative implementation bond fund...		46,400
24	Commercial mobile radio system emergency telephone		
25	fund .....		46,400
26	Contract audit administration fees.....		65,200
27	Correctional industries revolving fund.....		38,500

1	Fee adequacy, air quality delegated authority.....	11,800
2	Game and fish protection fund.....	26,500
3	Legislative retirement system.....	23,000
4	Michigan economic development corporation.....	65,700
5	Michigan education trust fund.....	37,100
6	Michigan justice training commission fund.....	34,800
7	Michigan state housing development authority fees....	27,300
8	Michigan strategic fund.....	107,700
9	Michigan tobacco settlement authority.....	32,600
10	Michigan veterans' trust fund.....	30,000
11	Motor transport revolving fund.....	6,400
12	Office services revolving fund.....	8,400
13	State disbursement unit, office of child support.....	33,300
14	State services fee fund.....	1,152,400
15	Waterways fund.....	9,500
16	State general fund/general purpose.....	\$ 12,820,100
17	<b>(7) ONE-TIME BASIS ONLY APPROPRIATIONS - AUDITOR</b>	
18	<b>GENERAL</b>	
19	State employee lump-sum payments.....	\$ <u>270,900</u>
20	GROSS APPROPRIATION.....	\$ 270,900
21	Appropriated from:	
22	Interdepartmental grant revenues:	
23	Interdepartmental grant revenues.....	59,000
24	Special revenue funds:	
25	State restricted revenues.....	27,100
26	State general fund/general purpose.....	\$ 184,800

**Sec. 106. DEPARTMENT OF STATE**

**(1) APPROPRIATION SUMMARY**

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

Full-time equated classified positions..... 1,689.0

GROSS APPROPRIATION..... \$ 220,669,300

Interdepartmental grant revenues:

Total interdepartmental grants and intradepartmental

transfers ..... 20,000,000

ADJUSTED GROSS APPROPRIATION..... \$ 200,669,300

Federal revenues:

Total federal revenues..... 1,810,000

Special revenue funds:

Total local revenues..... 0

Total private revenues..... 100

Total other state restricted revenues..... 183,971,100

State general fund/general purpose..... \$ 14,888,100

State general fund/general purpose schedule:

Ongoing state general fund/general

purpose ..... 13,853,200

One-time state general fund/general

purpose ..... 1,034,900

**(2) EXECUTIVE DIRECTION**

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

Full-time equated classified positions..... 30.0

Secretary of state..... \$ 112,500

Unclassified positions--5.0 FTE positions..... 700,000

Operations--30.0 FTE positions..... 3,807,600

1	GROSS APPROPRIATION.....	\$	4,620,100
2	Appropriated from:		
3	Special revenue funds:		
4	Auto repair facilities fees.....		69,200
5	Driver fees.....		254,200
6	Expedient service fees.....		66,800
7	Parking ticket court fines.....		9,300
8	Personal identification card fees.....		29,900
9	Reinstatement fees - operator licenses.....		234,000
10	Transportation administration collection fund.....		2,363,600
11	Vehicle theft prevention fees.....		40,700
12	State general fund/general purpose.....	\$	1,552,400
13	<b>(3) DEPARTMENT SERVICES</b>		
14	Full-time equated classified positions.....	157.0	
15	Operations--150.0 FTE positions.....	\$	23,108,200
16	Assigned claims assessments--7.0 FTE positions.....		<u>1,098,600</u>
17	GROSS APPROPRIATION.....	\$	24,206,800
18	Appropriated from:		
19	Special revenue funds:		
20	Abandoned vehicle fees.....		481,900
21	Assigned claims assessments.....		1,098,600
22	Auto repair facilities fees.....		426,700
23	Driver improvement course fund.....		309,200
24	Child support clearance fees.....		35,200
25	Driver fees.....		786,100
26	Expedient service fees.....		264,100
27	Marine safety fund.....		81,900

1	Off-road vehicle title fees.....		8,200
2	Parking ticket court fines.....		54,300
3	Personal identification card fees.....		122,600
4	Reinstatement fees - operator licenses.....		705,800
5	Scrap tire fund.....		75,100
6	Snowmobile registration fee revenue.....		18,300
7	Transportation administration collection fund.....		19,337,400
8	Vehicle theft prevention fees.....		250,300
9	State general fund/general purpose.....	\$	151,100
10	<b>(4) REGULATORY SERVICES</b>		
11	Full-time equated classified positions.....	175.5	
12	Operations--173.5 FTE positions.....	\$	19,888,100
13	Motorcycle safety education administration--2.0 FTE		
14	positions .....		321,800
15	Motorcycle safety education grants.....		<u>1,500,000</u>
16	GROSS APPROPRIATION.....	\$	21,709,900
17	Appropriated from:		
18	Special revenue funds:		
19	Auto repair facilities fees.....		4,265,300
20	Driver education provider and instructor fund.....		75,100
21	Driver fees.....		2,615,700
22	Expedient service fees.....		36,200
23	Motorcycle safety fund.....		1,821,800
24	Notary fee fund.....		14,100
25	Parking ticket court fines.....		21,300
26	Personal identification card fees.....		108,100
27	Reinstatement fees - operator licenses.....		2,108,200

1	Transportation administration collection fund.....		9,262,700
2	Vehicle theft prevention fees.....		1,369,600
3	State general fund/general purpose.....	\$	11,800
4	<b>(5) CUSTOMER DELIVERY SERVICES</b>		
5	Full-time equated classified positions.....		1,283.5
6	Branch operations--909.5 FTE positions.....	\$	80,202,300
7	Central operations--347.0 FTE positions.....		41,528,500
8	Commemorative license plates--24.0 FTE positions.....		2,147,300
9	Credit and debit assessment service fees.....		5,000,000
10	Specialty license plates--3.0 FTE positions.....		1,000,000
11	Olympic center plate.....		75,700
12	Organ donor program.....		<u>79,100</u>
13	GROSS APPROPRIATION.....	\$	130,032,900
14	Appropriated from:		
15	Interdepartmental grant revenues:		
16	IDG from MDOT, Michigan transportation fund.....		20,000,000
17	Federal revenues:		
18	Federal funds.....		1,460,000
19	Special revenue funds:		
20	Private funds.....		100
21	Abandoned vehicle fees.....		204,800
22	Driver improvement course fund.....		1,248,400
23	Auto repair facilities fees.....		100,400
24	Child support clearance fees.....		311,700
25	Credit and debit assessment service fees.....		5,000,000
26	Driver fees.....		24,849,900
27	Expedient service fees.....		2,555,800

1	Enhanced driver license and enhanced official state	
2	personal identification card fund.....	5,302,300
3	Marine safety fund.....	1,355,700
4	Michigan state police auto theft fund.....	123,700
5	Mobile home commission fees.....	508,200
6	Off-road vehicle title fees.....	152,200
7	Parking ticket court fines.....	1,545,400
8	Personal identification card fees.....	2,205,000
9	Recreation passport fee.....	1,000,000
10	Reinstatement fees - operator licenses.....	1,554,400
11	Snowmobile registration fee revenue.....	372,000
12	Transportation administration collection fund.....	57,876,800
13	Vehicle theft prevention fees.....	218,900
14	State general fund/general purpose.....	\$ 2,087,200
15	<b>(6) ELECTION REGULATION</b>	
16	Full-time equated classified positions.....	43.0
17	Election administration and services--43.0 FTE	
18	positions .....	\$ 6,020,000
19	County clerk education and training fund.....	100,000
20	Help America vote act.....	350,000
21	Fees to local units.....	<u>109,800</u>
22	GROSS APPROPRIATION.....	\$ 6,579,800
23	Appropriated from:	
24	Federal revenues:	
25	Federal funds - HAVA HHS.....	350,000
26	Special revenue funds:	
27	Notary education and training fund.....	100,000

1	Notary fee fund.....		330,000
2	State general fund/general purpose.....	\$	5,799,800
3	<b>(7) DEPARTMENTWIDE APPROPRIATIONS</b>		
4	Building occupancy charges/rent.....	\$	9,686,400
5	Worker's compensation.....		<u>290,200</u>
6	GROSS APPROPRIATION.....	\$	9,976,600
7	Appropriated from:		
8	Special revenue funds:		
9	Auto repair facilities fees.....		135,300
10	Driver fees.....		728,800
11	Expedient service fees.....		26,000
12	Parking ticket court fines.....		447,500
13	Transportation administration collection fund.....		5,923,700
14	State general fund/general purpose.....	\$	2,715,300
15	<b>(8) INFORMATION TECHNOLOGY</b>		
16	Information technology services and projects.....	\$	<u>21,248,800</u>
17	GROSS APPROPRIATION.....	\$	21,248,800
18	Appropriated from:		
19	Special revenue funds:		
20	Administrative order processing fee.....		11,600
21	Auto repair facilities fees.....		186,100
22	Child support clearance fees.....		16,900
23	Driver fees.....		771,000
24	Expedient service fees.....		1,063,000
25	Parking ticket court fines.....		85,800
26	Personal identification card fees.....		166,200
27	Reinstatement fees - operator licenses.....		580,400

1	Transportation administration collection fund.....	16,655,000
2	Vehicle theft prevention fees.....	177,200
3	State general fund/general purpose.....	\$ 1,535,600
4	<b>(9) ONE-TIME BASIS ONLY APPROPRIATIONS</b>	
5	State employee lump-sum payments.....	\$ 1,544,400
6	Executive direction.....	150,000
7	Central operations.....	<u>600,000</u>
8	GROSS APPROPRIATION.....	\$ 2,294,400
9	Appropriated from:	
10	Special revenue funds:	
11	State restricted revenues.....	1,259,500
12	State general fund/general purpose.....	\$ 1,034,900
13	<b>Sec. 107. DEPARTMENT OF TECHNOLOGY, MANAGEMENT, AND</b>	
14	<b>BUDGET</b>	
15	<b>(1) APPROPRIATION SUMMARY</b>	
16	Full-time equated unclassified positions.....	6.0
17	Full-time equated classified positions.....	2,808.0
18	GROSS APPROPRIATION.....	\$ 1,142,973,600
19	Interdepartmental grant revenues:	
20	Total interdepartmental grants and intradepartmental	
21	transfers .....	635,564,900
22	ADJUSTED GROSS APPROPRIATION.....	\$ 507,408,700
23	Federal revenues:	
24	Total federal revenues.....	9,464,300
25	Special revenue funds:	
26	Total local revenues.....	1,320,800

1	Total private revenues.....	190,200
2	Total other state restricted revenues.....	90,517,200
3	State general fund/general purpose.....	\$ 405,916,200
4	State general fund/general purpose schedule:	
5	Ongoing state general fund/general	
6	purpose .....	384,124,000
7	One-time state general fund/general	
8	purpose .....	21,792,200
9	<b>(2) EXECUTIVE DIRECTION</b>	
10	Full-time equated unclassified positions.....	6.0
11	Full-time equated classified positions.....	12.0
12	Unclassified positions--6.0 FTE positions.....	\$ 796,500
13	Executive operations--12.0 FTE positions.....	<u>1,997,900</u>
14	GROSS APPROPRIATION.....	\$ 2,794,400
15	Appropriated from:	
16	Interdepartmental grant revenues:	
17	IDG from building occupancy and parking charges .....	178,200
18	IDG from technology user fees.....	1,537,600
19	Special revenue funds:	
20	Special revenue, internal service, and pension trust	
21	funds .....	267,500
22	State general fund/general purpose.....	\$ 811,100
23	<b>(3) DEPARTMENT SERVICES</b>	
24	Full-time equated classified positions.....	714.5
25	Administrative services--134.5 FTE positions.....	\$ 16,376,300
26	Budget and financial management--135.0 FTE positions .	16,685,200
27	Office of the state employer--23.0 FTE positions .....	3,233,100

1	Design and construction services--40.0 FTE positions .	6,376,700
2	Business support services--95.0 FTE positions .....	10,040,300
3	Building operation services--210.0 FTE positions .....	89,263,600
4	Building occupancy charges, rent, and utilities .....	5,095,800
5	Motor vehicle fleet--35.0 FTE positions .....	57,624,000
6	Information technology services and projects .....	27,443,500
7	Bureau of labor market information and	
8	strategies--42.0 FTE positions.....	<u>5,587,900</u>
9	GROSS APPROPRIATION.....	\$ 237,726,400
10	Appropriated from:	
11	Interdepartmental grant revenues:	
12	IDG from accounting service centers user charges .....	2,716,100
13	IDG from building occupancy and parking charges .....	91,927,000
14	IDG from MDLARA.....	100,000
15	IDG from motor transport fund.....	57,624,000
16	IDG from MDCH.....	470,900
17	IDG from MDHS.....	203,200
18	IDG from user fees.....	6,489,300
19	IDG from technology user fees.....	7,437,000
20	Federal revenues:	
21	Federal funds.....	5,930,200
22	Special revenue funds:	
23	Deferred compensation.....	2,600
24	Health management funds.....	2,122,400
25	MAIN user charges.....	4,404,400
26	Pension trust funds.....	7,060,700
27	Special revenue, internal service, and pension trust	

1	funds .....	16,351,900
2	State building authority revenue .....	686,000
3	State restricted indirect funds .....	2,874,500
4	State general fund/general purpose .....	\$ 31,326,200
5	<b>(4) TECHNOLOGY SERVICES</b>	
6	Full-time equated classified positions.....	1,459.5
7	Education services--29.0 FTE positions .....	\$ 3,815,800
8	Health and human services--617.5 FTE positions .....	261,710,500
9	Public protection--254.5 FTE positions .....	61,653,600
10	Resources services--146.5 FTE positions .....	18,389,500
11	Transportation services--89.5 FTE positions .....	29,547,400
12	General services--322.5 FTE positions .....	82,075,300
13	Information technology innovation fund .....	2,500,000
14	Enterprisewide information technology investments ....	<u>47,000,000</u>
15	GROSS APPROPRIATION .....	\$ 506,692,100
16	Appropriated from:	
17	Interdepartmental grant revenues:	
18	IDG from technology user fees .....	457,192,100
19	State general fund/general purpose .....	\$ 49,500,000
20	<b>(5) STATEWIDE APPROPRIATIONS</b>	
21	Professional development fund - MPE, SEIU,	
22	scientific and engineering unit .....	\$ 125,000
23	Professional development fund - AFSCME .....	<u>50,000</u>
24	GROSS APPROPRIATION .....	\$ 175,000
25	Appropriated from:	
26	Interdepartmental grant revenues:	
27	IDG from employer contributions .....	175,000

1	State general fund/general purpose .....	\$	0
2	<b>(6) SPECIAL PROGRAMS</b>		
3	Full-time equated classified positions.....	172.0	
4	Building occupancy charges - property management		
5	services for executive/legislative building		
6	occupancy .....	\$	1,138,600
7	Retirement services--162.0 FTE positions .....		23,922,300
8	Office of children's ombudsman--10.0 FTE positions ...		<u>1,194,000</u>
9	GROSS APPROPRIATION.....	\$	26,254,900
10	Appropriated from:		
11	Special revenue funds:		
12	Deferred compensation.....		1,542,400
13	Pension trust funds.....		18,398,200
14	State general fund/general purpose .....	\$	6,314,300
15	<b>(7) STATE BUILDING AUTHORITY RENT</b>		
16	State building authority rent - state agencies .....	\$	68,305,800
17	State building authority rent - department of		
18	corrections .....		47,379,900
19	State building authority rent - universities .....		117,225,300
20	State building authority rent - community colleges ...		<u>23,959,600</u>
21	GROSS APPROPRIATION.....	\$	256,870,600
22	Appropriated from:		
23	State general fund/general purpose .....	\$	256,870,600
24	<b>(8) CIVIL SERVICE COMMISSION</b>		
25	Full-time equated classified positions.....	450.0	
26	Agency services--81.5 FTE positions .....	\$	12,176,300
27	Executive direction--32.5 FTE positions .....		9,134,500

1	Employee benefits--16.0 FTE positions .....	5,587,900
2	Training.....	1,300,000
3	Human resources operations--320.0 FTE positions .....	34,394,200
4	Information technology services and projects .....	<u>4,187,100</u>
5	GROSS APPROPRIATION.....	\$ 66,780,000
6	Appropriated from:	
7	Interdepartmental grant revenues:	
8	IDG, training charges.....	1,300,000
9	IDG, 1% special funds.....	3,110,400
10	Federal revenues:	
11	Federal funds 1%.....	3,107,400
12	Special revenue funds:	
13	Local funds 1%.....	1,320,800
14	Private funds 1%.....	190,200
15	State restricted funds 1%.....	21,182,700
16	State restricted indirect funds.....	6,789,100
17	State sponsored group insurance.....	2,743,100
18	State sponsored group insurance, flexible spending	
19	accounts and COBRA .....	5,734,500
20	State general fund/general purpose.....	\$ 21,301,800
21	<b>(9) CAPITAL OUTLAY</b>	
22	Major special maintenance, remodeling, and additions	
23	for state agencies .....	\$ 2,000,000
24	Enterprisewide special maintenance for state	
25	facilities .....	<u>18,000,000</u>
26	GROSS APPROPRIATION.....	\$ 20,000,000
27	Appropriated from:	

1	Interdepartmental grant revenues:	
2	IDG from building occupancy charges .....	2,000,000
3	State general fund/general purpose .....	\$ 18,000,000
4	<b>(10) ONE-TIME BASIS ONLY APPROPRIATIONS</b>	
5	State employee lump-sum payments .....	\$ 4,680,200
6	Special maintenance, remodeling and addition - state	
7	facilities .....	10,000,000
8	Space consolidation fund .....	7,000,000
9	Teacher evaluation pilot program .....	<u>4,000,000</u>
10	GROSS APPROPRIATION .....	\$ 25,680,200
11	Appropriated from:	
12	Interdepartmental grant revenues:	
13	Interdepartmental grant revenues .....	3,104,100
14	Federal revenues:	
15	Federal Funds .....	426,700
16	Special revenue funds:	
17	State restricted revenues .....	357,200
18	State general fund/general purpose .....	\$ 21,792,200
19	<b>Sec. 108. DEPARTMENT OF TREASURY</b>	
20	<b>(1) APPROPRIATION SUMMARY</b>	
21	Full-time equated unclassified positions .....	10.0
22	Full-time equated classified positions .....	2,522.5
23	GROSS APPROPRIATION .....	\$ 2,711,374,700
24	Interdepartmental grant revenues:	
25	Total interdepartmental grants and intradepartmental	
26	transfers .....	8,899,400

1	ADJUSTED GROSS APPROPRIATION.....	\$ 2,702,475,300
2	Federal revenues:	
3	Total federal revenues.....	698,385,900
4	Special revenue funds:	
5	Total local revenues.....	6,686,200
6	Total private revenues.....	5,380,000
7	Total other state restricted revenues.....	1,594,934,100
8	State general fund/general purpose.....	\$ 397,089,100
9	State general fund/general purpose schedule:	
10	Ongoing state general fund/general	
11	purpose .....	343,636,700
12	One-time state general fund/general	
13	purpose .....	53,452,400
14	<b>(2) EXECUTIVE DIRECTION</b>	
15	Full-time equated unclassified positions.....	10.0
16	Full-time equated classified positions.....	5.0
17	Unclassified positions--10.0 FTE positions.....	\$ 924,000
18	Office of the director--5.0 FTE positions.....	<u>1,497,400</u>
19	GROSS APPROPRIATION.....	\$ 2,421,400
20	Appropriated from:	
21	Federal revenues:	
22	DED-OPSE, federal lenders allowance.....	20,000
23	DED-OPSE, higher education act of 1965, insured loans	45,000
24	Special revenue funds:	
25	State lottery fund.....	255,700
26	State services fee fund.....	459,300
27	State general fund/general purpose.....	\$ 1,641,400

1	<b>(3) DEPARTMENTWIDE APPROPRIATIONS</b>		
2	Travel.....	\$	1,209,500
3	Rent and building occupancy charges - property		
4	management services .....		5,488,300
5	Worker's compensation insurance premium.....		<u>158,600</u>
6	GROSS APPROPRIATION.....	\$	6,856,400
7	Appropriated from:		
8	Special revenue funds:		
9	Delinquent tax collection revenue.....		3,885,000
10	State general fund/general purpose.....	\$	2,971,400
11	<b>(4) LOCAL GOVERNMENT PROGRAMS</b>		
12	Full-time equated classified positions.....		100.0
13	Supervision of the general property tax law--		75.0
14	FTE positions .....	\$	20,614,500
15	Property tax assessor training--4.0 FTE positions ....		509,100
16	Local finance--21.0 FTE positions.....		<u>2,449,900</u>
17	GROSS APPROPRIATION.....	\$	23,573,500
18	Appropriated from:		
19	Federal revenues:		
20	Special revenue funds:		
21	Local - assessor training fees.....		1,344,100
22	Local - audit charges.....		768,600
23	Local - equalization study chargebacks .....		40,000
24	Local - revenue from local government.....		100,000
25	Delinquent tax collection revenue.....		1,448,400
26	Land reutilization fund.....		5,156,300
27	Municipal finance fees.....		521,400

1	Public private partnership investment fund.....		1,513,700
2	State general fund/general purpose.....	\$	12,681,000
3	<b>(5) TAX PROGRAMS</b>		
4	Full-time equated classified positions.....	812.0	
5	Customer contact--108.0 FTE positions.....	\$	10,911,900
6	Tax compliance--333.0 FTE positions.....		41,669,100
7	Tax and economic policy--121.0 FTE positions.....		15,020,600
8	Tax processing--148.0 FTE positions.....		15,943,400
9	Tax plan implementation--74.0 FTE positions.....		10,861,600
10	Health insurance claims fund--15.0 FTE positions.....		1,948,400
11	Home heating assistance.....		2,887,300
12	Bottle act implementation.....		250,000
13	Tobacco tax enforcement--13.0 FTE positions.....		<u>1,500,000</u>
14	GROSS APPROPRIATION.....	\$	100,992,300
15	Appropriated from:		
16	Interdepartmental grant revenues:		
17	IDG, data/collection services fees.....		50,900
18	IDG from MDOT, Michigan transportation fund.....		2,500,000
19	IDG from MDOT, state aeronautics fund.....		68,700
20	Federal revenues:		
21	HHS-SSA, low-income energy assistance.....		2,887,300
22	Special revenue funds:		
23	Bottle deposit fund.....		250,000
24	Delinquent tax collection revenue.....		71,857,500
25	Emergency 911 fund.....		148,800
26	Health insurance claims assessment fund.....		1,948,400
27	Tobacco tax revenue.....		975,600

1	Waterways fund.....	101,700
2	State general fund/general purpose.....	\$ 20,203,400
3	<b>(6) BANKING AND MANAGEMENT SERVICES</b>	
4	Full-time equated classified positions.....	341.0
5	Department and budget services--51.0 FTE positions ...	\$ 4,799,600
6	Unclaimed property--26.0 FTE positions .....	4,614,800
7	Collections--203.0 FTE positions .....	26,040,300
8	Finance and accounting--23.0 FTE positions .....	2,201,900
9	Receipts processing--38.0 FTE positions .....	<u>4,006,700</u>
10	GROSS APPROPRIATION.....	\$ 41,663,300
11	Appropriated from:	
12	Interdepartmental grant revenues:	
13	IDG from accounting service center user charges .....	454,600
14	IDG from MDHS, title IV-D.....	735,900
15	IDG, levy/warrant cost assessment fees .....	2,000,000
16	IDG, state agency collection fees .....	2,513,500
17	IDG, data/collection services fees .....	229,600
18	Special revenue funds:	
19	Delinquent tax collection revenue.....	23,274,100
20	Escheats revenue.....	4,614,900
21	Garnishment fees.....	2,405,200
22	Justice system fund.....	696,100
23	State restricted indirect funds .....	258,500
24	Treasury fees.....	43,900
25	State general fund/general purpose.....	\$ 4,437,000
26	<b>(7) FINANCIAL PROGRAMS</b>	
27	Full-time equated classified positions.....	207.5

1	Investments--82.0 FTE positions .....	\$	19,147,400
2	John R. Justice grant program .....		287,000
3	Common cash and debt management--22.5 FTE positions ..		1,542,800
4	Dual enrollment payments .....		10,000,000
5	Student financial assistance programs--30.5 FTE		
6	positions .....		3,818,600
7	Michigan finance authority - bond finance		
8	programs--72.5 FTE positions .....		<u>38,032,400</u>
9	GROSS APPROPRIATION .....	\$	72,828,200
10	Appropriated from:		
11	Interdepartmental grant revenues:		
12	IDG, fiscal agent service fees .....		195,800
13	Federal revenues:		
14	DED-OPSE, federal lenders allowance .....		11,332,300
15	DED-OPSE, higher education act of 1965, insured loans		25,025,400
16	Federal - John R. Justice grant .....		287,000
17	Special revenue funds:		
18	Defined contribution administrative fee revenue .....		100,000
19	MFA, bond and loan program revenue .....		2,918,000
20	Michigan merit award trust fund .....		1,092,500
21	Retirement funds .....		17,827,200
22	School bond fees .....		791,300
23	Treasury fees .....		1,421,800
24	State general fund/general purpose .....	\$	11,836,900
25	<b>(8) DEBT SERVICE</b>		
26	Water pollution control bond and interest redemption .	\$	2,054,000
27	Quality of life bond .....		77,694,800

1	Clean Michigan initiative.....	54,300,900
2	Great Lakes water quality bond.....	<u>6,505,200</u>
3	GROSS APPROPRIATION.....	\$ 140,554,900
4	Appropriated from:	
5	Special revenue funds:	
6	Refined petroleum fund.....	5,514,500
7	State general fund/general purpose.....	\$ 135,040,400
8	<b>(9) GRANTS</b>	
9	Convention facility development distribution.....	\$ 74,850,000
10	Senior citizen cooperative housing tax exemption	
11	program .....	12,020,000
12	Emergency 911 payments.....	27,000,000
13	Facility for rare isotope beams.....	2,339,900
14	Health and safety fund grants.....	9,000,000
15	Community college renaissance zone reimbursement.....	<u>3,500,000</u>
16	GROSS APPROPRIATION.....	\$ 128,709,900
17	Appropriated from:	
18	Special revenue funds:	
19	Emergency 911 fund.....	27,000,000
20	Convention facility development fund.....	74,850,000
21	Health and safety fund.....	9,000,000
22	State general fund/general purpose.....	\$ 17,859,900
23	<b>(10) BUREAU OF STATE LOTTERY</b>	
24	Full-time equated classified positions..... 183.0	
25	Lottery operations--183.0 FTE positions.....	\$ 23,294,500
26	Promotion and advertising.....	18,622,000
27	Lottery information technology services and projects .	<u>5,083,600</u>

1	GROSS APPROPRIATION.....	\$	47,000,100
2	Appropriated from:		
3	Special revenue funds:		
4	State lottery fund.....		47,000,100
5	State general fund/general purpose.....	\$	0
6	<b>(11) CASINO GAMING</b>		
7	Full-time equated classified positions.....		126.0
8	Michigan gaming control board.....	\$	50,000
9	Casino gaming control administration--116.0 FTE		
10	positions .....		24,437,100
11	Casino gaming information technology services and		
12	projects .....		1,743,600
13	Racing commission--10.0 FTE positions.....		<u>2,352,200</u>
14	GROSS APPROPRIATION.....	\$	28,582,900
15	Appropriated from:		
16	Casino gambling agreements.....		719,300
17	Equine development fund.....		2,475,200
18	Laboratory fees.....		700,000
19	State services fee fund.....		24,688,400
20	State general fund/general purpose.....	\$	0
21	<b>(12) PAYMENTS IN LIEU OF TAXES</b>		
22	Commercial forest reserve.....	\$	2,334,100
23	Purchased lands.....		5,695,500
24	Swamp and tax reverted lands.....		<u>6,227,300</u>
25	GROSS APPROPRIATION.....	\$	14,256,900
26	Appropriated from:		
27	Special revenue funds:		

1	Game and fish protection fund.....		1,475,000
2	Michigan natural resources trust fund.....		2,505,500
3	Michigan state waterways fund.....		120,000
4	State general fund/general purpose.....	\$	10,156,400
5	<b>(13) MICHIGAN STRATEGIC FUND</b>		
6	Full-time equated classified positions.....	401.0	
7	Administration--22.0 FTE positions.....	\$	2,989,200
8	Job creation services--137.0 FTE positions.....		18,124,400
9	Pure Michigan.....		25,000,000
10	Innovation and entrepreneurship.....		25,000,000
11	Business attraction and economic gardening.....		100,000,000
12	Community ventures.....		10,000,000
13	Michigan film office--6.0 FTE positions.....		859,400
14	Community development block grants.....		47,000,000
15	Arts and cultural program.....		6,150,000
16	GEAR-UP program grants.....		3,000,000
17	Carl D. Perkins grants.....		19,000,000
18	Adult basic education.....		20,000,000
19	Adult education--16.0 FTE positions.....		2,751,100
20	Bureau of energy systems.....		4,610,900
21	Postsecondary education--9.0 FTE positions.....		2,738,700
22	Employment services--125.0 FTE positions.....		48,999,200
23	Wage and hour division--1.0 FTE positions.....		132,300
24	Workforce development agency administrative		
25	services--22.0 FTE positions .....		1,740,100
26	Workforce program administration--57.0 FTE positions .		13,848,200
27	Workforce training programs.....		250,798,500

1	Welfare-to-work programs .....	93,158,800
2	Workforce development agency rent and property	
3	management .....	1,070,400
4	Land bank fast track authority - bond finance--6.0	
5	FTE positions .....	2,993,900
6	Information technology services and projects .....	<u>2,951,400</u>
7	GROSS APPROPRIATION.....	\$ 702,916,500
8	Appropriated from:	
9	Interdepartmental grant revenues:	
10	IDG, MDEQ, air quality fees.....	37,600
11	Federal revenues:	
12	DAG, employment and training.....	7,308,500
13	DED-OESE, GEAR-UP.....	3,000,000
14	DED-OSERS, rehabilitation services, vocational	
15	rehabilitation state grants .....	1,497,300
16	DED-OVAE, adult education.....	20,000,000
17	DED-OVAE, basic grants to states.....	19,000,000
18	DOE-OEERE, multiple grants.....	4,796,800
19	DOL-ETA, workforce investment act.....	184,003,300
20	DOL, federal funds.....	127,237,700
21	Federal funds.....	7,179,000
22	Social security act, temporary assistance to needy	
23	families .....	64,898,800
24	NFAH-NEA, promotion of the arts, partnership	
25	agreements .....	1,050,000
26	HUD-CPD, community development block grant.....	49,780,700
27	U.S. EPA revolving loan fund.....	1,000,000

1	Special revenue funds:		
2	Local revenues.....	4,433,500	
3	Private funds.....	5,000,000	
4	Private - oil overcharge.....	30,000	
5	Private - special project advances.....	250,000	
6	Private - Michigan council for the arts fund.....	100,000	
7	Industry support fees.....	5,500	
8	Defaulted loan collection fees.....	100,000	
9	Land bank fast track fund.....	2,151,400	
10	Michigan film promotion fund.....	631,000	
11	Public utility assessments.....	864,700	
12	21st century jobs trust fund.....	75,000,000	
13	State general fund/general purpose.....	\$ 123,560,700	
14	<b>(14) REVENUE SHARING</b>		
15	Constitutional state general revenue sharing grants..	\$ 725,496,300	
16	County incentive program.....	23,620,000	
17	County revenue sharing.....	104,480,000	
18	Economic vitality incentive program.....	217,500,000	
19	Competitive grant assistance program.....	<u>5,000,000</u>	
20	GROSS APPROPRIATION.....	\$ 1,076,096,300	
21	Appropriated from:		
22	Sales tax.....	1,076,096,300	
23	State general fund/general purpose.....	\$ 0	
24	<b>(15) MICHIGAN STRATEGIC FUND - MICHIGAN STATE</b>		
25	<b>HOUSING DEVELOPMENT AUTHORITY</b>		
26	Full-time equated classified positions.....	347.0	
27	Payments on behalf of tenants.....	\$ 166,860,000	

1	Housing and rental assistance--322.0 FTE positions ...	52,588,900
2	State historic preservation programs--25.0 FTE	
3	positions .....	3,411,500
4	Lighthouse preservation program.....	307,500
5	Rent and administrative support.....	3,846,100
6	Michigan state housing development authority	
7	technology services and projects.....	<u>3,368,200</u>
8	GROSS APPROPRIATION.....	\$ 230,382,200
9	Appropriated from:	
10	Federal revenues:	
11	HUD, lower income housing assistance.....	166,860,000
12	Special revenue funds:	
13	Michigan state housing development authority fees	
14	and charges .....	63,214,700
15	Michigan lighthouse preservation fund.....	307,500
16	State general fund/general purpose.....	\$ 0
17	<b>(16) INFORMATION TECHNOLOGY</b>	
18	Treasury operations information technology services	
19	and projects .....	\$ <u>17,661,500</u>
20	GROSS APPROPRIATION.....	\$ 17,661,500
21	Appropriated from:	
22	Interdepartmental grant revenues:	
23	Federal revenues:	
24	DED-OPSE, federal lenders allowance.....	596,600
25	Special revenue funds:	
26	Delinquent tax collection revenue.....	12,960,300
27	Tobacco tax revenue.....	125,600

1	Retirement funds.....		730,800
2	State general fund/general purpose.....	\$	3,248,200
3	<b>(17) ONE-TIME BASIS ONLY APPROPRIATIONS</b>		
4	Competitive grant assistance program.....	\$	10,000,000
5	County incentive program.....		2,500,000
6	Economic vitality incentive program.....		7,500,000
7	MSF - film incentives.....		50,000,000
8	MSF and MSHDA, state employee lump-sum payments .....		1,135,700
9	Treasury, legal services.....		3,000,000
10	Treasury, state employee lump-sum payments .....		<u>2,742,700</u>
11	GROSS APPROPRIATION.....	\$	76,878,400
12	Appropriated from:		
13	Interdepartmental grant revenues:		
14	IDG, state agency funds to treasury.....		112,800
15	Federal revenues:		
16	Federal funds, MSF.....		408,500
17	Federal funds, treasury.....		171,700
18	Special revenue funds:		
19	Sales tax.....		20,000,000
20	State restricted funds, MSF.....		54,700
21	State restricted funds, MSHDA.....		531,600
22	State restricted funds, treasury.....		2,146,700
23	State general fund/general purpose.....	\$	53,452,400

## PART 2

## PROVISIONS CONCERNING APPROPRIATIONS

## FOR FISCAL YEAR 2012-2013

**GENERAL SECTIONS**

Sec. 201. (1) 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 2012-2013 is \$2,880,795,100.00 and state spending from state resources to be paid to local units of government for fiscal year 2012-2013 is \$1,267,847,600.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF STATE

Fees to local units.....	\$	109,800
Motorcycle safety grants.....		<u>1,251,000</u>
Subtotal.....	\$	1,360,800

DEPARTMENT OF TREASURY

Senior citizen cooperative housing tax exemption.....	\$	12,020,000
Health and safety fund grants.....		9,000,000
Constitutional state general revenue sharing grants ..		725,496,300
Economic vitality incentive program.....		225,000,000
Convention facility development fund distribution....		74,850,000
Emergency 9-1-1 payments.....		27,000,000
Community college renaissance zone reimbursement.....		3,500,000
Competitive grant assistance program.....		15,000,000
County incentive program.....		26,120,000
County revenue sharing payments.....		104,480,000
Airport parking distribution pursuant to section 909 .		14,539,800
Payments in lieu of taxes.....		14,256,900

1	Welfare-to-work programs .....	15,224,800
2	Subtotal .....	\$ 1,266,487,800
3	TOTAL GENERAL GOVERNMENT .....	\$ 1,267,847,600

4       (2) Pursuant to section 30 of article IX of the state  
5 constitution of 1963, total state spending from state sources for  
6 fiscal year 2012-2013 is estimated at \$27,543,124,300.00 in the  
7 2012-2013 appropriations acts and total state spending from state  
8 sources paid to local units of government for fiscal year 2012-2013  
9 is estimated at \$15,085,108,300.00. The state-local proportion is  
10 estimated at 54.8% of total state spending from state resources.

11       (3) If payments to local units of government and state  
12 spending from state sources for fiscal year 2012-2013 are different  
13 than the amounts estimated in subsection (2), the state budget  
14 director shall report the payments to local units of government and  
15 state spending from state sources that were made for fiscal year  
16 2012-2013 to the senate and house of representatives standing  
17 committees on appropriations within 30 days after the final book-  
18 closing for fiscal year 2012-2013.

19       Sec. 202. The appropriations authorized under this article are  
20 subject to the management and budget act, 1984 PA 431, MCL 18.1101  
21 to 18.1594.

22       Sec. 203. As used in this article:

23       (a) "AFSCME" means American federation of state, county, and  
24 municipal employees.

25       (b) "ATM" means automated teller machine.

26       (c) "CDBG" means community development block grants.

27       (d) "COBRA" means the consolidated omnibus budget

1 reconciliation act of 1985, Public Law 99-272, 100 Stat. 82.

2 (e) "CPI" means consumer price index.

3 (f) "DAG" means the United States department of agriculture.

4 (g) "DED" means the United States department of education.

5 (h) "DED-OESE" means the DED office of elementary and  
6 secondary education.

7 (i) "DED-OPSE" means the DED, office of postsecondary  
8 education.

9 (j) "DED-OSERS" means the DED office of special education  
10 rehabilitation services.

11 (k) "DED-OVAE" means the DED office of vocational and adult  
12 education.

13 (l) "DOE-OEERE" means the United States department of energy,  
14 office of energy efficiency and renewable energy.

15 (m) "DOI-NPS" means the United State department of interior,  
16 national park service.

17 (n) "DOL-ETA" means the United States department of labor,  
18 employment and training administration.

19 (o) "DOL-OSHA" means the United States department of labor,  
20 occupational safety and health administration.

21 (p) "EEOC" means the United States equal employment  
22 opportunity commission.

23 (q) "EPA" means the United States environmental protection  
24 agency.

25 (r) "FTE" means full-time equated.

26 (s) "Fund" means the Michigan strategic fund.

27 (t) "GEAR-UP" means gaining early awareness and readiness for

1 undergraduate programs.

2 (u) "GF/GP" means general fund/general purpose.

3 (v) "HAVA" means help America vote act.

4 (w) "HHS" means the United States department of health and  
5 human services.

6 (x) "HHS-OS" means the HHS office of the secretary.

7 (y) "HHS-SSA" means the HHS social security administration.

8 (z) "HUD" means the United States department of housing and  
9 urban development.

10 (aa) "HUD-CPD" means the United States department of housing  
11 and urban development - community planning and development.

12 (bb) "IDG" means interdepartmental grant.

13 (cc) "IDT" means intradepartmental transfer.

14 (dd) "JCOS" means the joint capital outlay subcommittee.

15 (ee) "MAIN" means the Michigan administrative information  
16 network.

17 (ff) "MCL" means the Michigan Compiled Laws.

18 (gg) "MDCH" means the Michigan department of community health.

19 (hh) "MDE" means the Michigan department of education.

20 (ii) "MDLARA" means the Michigan department of licensing and  
21 regulatory affairs.

22 (jj) "MDEQ" means the Michigan department of environmental  
23 quality.

24 (kk) "MDHS" means the Michigan department of human services.

25 (ll) "MDMVA" means the Michigan department of military and  
26 veterans affairs.

27 (mm) "MDOC" means the Michigan department of corrections.

1 (nn) "MDOT" means the Michigan department of transportation.

2 (oo) "MDSP" means the Michigan department of state police.

3 (pp) "MDTMB" means the Michigan department of technology,  
4 management, and budget.

5 (qq) "MEDC" means the Michigan economic development  
6 corporation, which is the public body corporate created under  
7 section 28 of article VII of the state constitution of 1963 and the  
8 urban cooperation act of 1967, 1967 (Ex Sess) PA 7, MCL 124.501 to  
9 124.512, by contractual interlocal agreement effective April 5,  
10 1999, between local participating economic development corporations  
11 formed under the economic development corporations act, 1974 PA  
12 338, MCL 125.1601 to 125.1636, and the Michigan strategic fund.

13 (rr) "MFA" means the Michigan finance authority.

14 (ss) "MPE" means the Michigan public employees.

15 (tt) "MSC" means managerial, supervisory, and confidential.

16 (uu) "MSF" means the Michigan strategic fund.

17 (vv) "MSHDA" means Michigan state housing development  
18 authority.

19 (ww) "NCCUSL" means the national conference of commissioners  
20 on uniform state laws.

21 (xx) "NCSL" means the national council of state legislatures.

22 (yy) "NERE" means nonexclusively represented employees.

23 (zz) "NFAH-NEA" means the national foundation of the arts and  
24 the humanities - national endowment for the arts.

25 (aaa) "PA" means public act.

26 (bbb) "PACC" means the prosecuting attorneys coordinating  
27 council.

1 (ccc) "SEIU" means service employees international union.

2 (ddd) "WIC" means women, infants, and children.

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

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

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

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

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

15 (e) Job specifications and wage rates.

16 Sec. 207. Amounts appropriated in part 1 for information  
17 technology may be designated as work project accounts and carried  
18 forward to support technology projects under the direction of the  
19 department of technology, management, and budget. Funds designated  
20 in this manner are not available for expenditure until approved as  
21 work projects under section 451a of the management and budget act,  
22 1984 PA 431, MCL 18.1451a.

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 article. This requirement may  
26 include transmission of reports via electronic mail to the  
27 recipients identified for each reporting requirement, or it may

1 include 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 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  
11 competitively priced and of comparable quality.

12       Sec. 210. The director of each department receiving  
13 appropriations in part 1 shall take all reasonable steps to ensure  
14 businesses in deprived and depressed communities compete for and  
15 perform contracts to provide services or supplies, or both. Each  
16 director shall strongly encourage firms with which the department  
17 contracts to subcontract with certified businesses in depressed and  
18 deprived communities for services, supplies, or both.

19       Sec. 211. Pursuant to section 352 of the management and budget  
20 act, 1984 PA 431, MCL 18.1352, which provides for a transfer of  
21 state general funds into or out of the countercyclical budget and  
22 economic stabilization fund, there is appropriated for the fiscal  
23 year ending September 30, 2013, from general fund/general purpose  
24 revenue for deposit into the countercyclical budget and economic  
25 stabilization fund the sum of \$140,000,000.00. The calculation  
26 required by section 352 of the management and budget act, 1984 PA  
27 431, MCL 18.1352, is determined as follows:

	2012	2013
Michigan personal income (millions) .....	\$372,355	\$382,781
less: transfer payments .....	<u>84,544</u>	<u>87,080</u>
Subtotal .....	\$287,811	\$295,701
Divided by: Detroit CPI for 12 months		
ending June 30 .....	2.153	2.192
Equals: real adjusted Michigan personal		
income .....	\$133,692	\$134,928
Percentage change .....		0.9%
Percentage change greater than 2% .....		0.0%
Multiplied by: estimated GF/GP revenue in		
fiscal year 2012-2013 (millions) .....		9,034.6
Equals: countercyclical budget and		
economic stabilization fund payout		
calculation for the fiscal year ending		
September 30, 2013 (millions) .....		\$0.0
<p>Sec. 212. The departments and agencies receiving appropriations in part 1 shall receive and retain copies of all reports funded from appropriations in part 1. Federal and state guidelines for short-term and long-term retention of records shall be followed. The department may electronically retain copies of reports unless otherwise required by federal and state guidelines.</p> <p>Sec. 213. Funds appropriated in part 1 shall not be used by this state, a department, an agency, or an authority of this state to purchase an ownership interest in a casino enterprise or a gambling operation as those terms are defined in the Michigan gaming control and revenue act, 1996 IL 1, MCL 432.201 to 432.226.</p>		

1       Sec. 214. From the funds appropriated in part 1 for  
2 information technology, departments and agencies shall pay user  
3 fees to the department of technology, management, and budget for  
4 technology-related services and projects. Such user fees shall be  
5 subject to provisions of an interagency agreement between the  
6 departments and agencies and the department of technology,  
7 management, and budget.

8       Sec. 215. A department or state agency shall not take  
9 disciplinary action against an employee for communicating with a  
10 member of the legislature or his or her staff.

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

22       (a) The dates of each travel occurrence.

23       (b) The total transportation and related costs of each travel  
24 occurrence, including the proportion funded with state general  
25 fund/general purpose revenues, the proportion funded with state  
26 restricted revenues, the proportion funded with federal revenues,  
27 and the proportion funded with other revenues.

1       Sec. 217. General fund appropriations in this article shall  
2 not be expended for items in cases where federal funding is  
3 available for the same expenditures.

4       Sec. 220. Funds appropriated in this article shall not be used  
5 to administer a committee or to solicit or obtain contributions for  
6 a committee. As used in this section, "committee" means that term  
7 as defined in section 3 of the Michigan campaign finance act, 1976  
8 PA 388, MCL 169.203.

9       Sec. 221. Each department shall report no later than April 1  
10 on each specific policy change made to implement a public act  
11 affecting the department that took effect during the prior calendar  
12 year to the senate and house of representatives standing committees  
13 on appropriations subcommittees on general government, the joint  
14 committee on administrative rules, and the senate and house fiscal  
15 agencies.

16       Sec. 226. Funds appropriated in part 1 shall not be used by a  
17 principal executive department, state agency, or authority to hire  
18 a person to provide legal services that are the responsibility of  
19 the attorney general. This prohibition does not apply to legal  
20 services for bonding activities and for those activities that the  
21 attorney general authorizes.

22       Sec. 227. Within 14 days after the release of the executive  
23 budget recommendation, the departments and agencies receiving  
24 appropriations in this article shall provide the state budget  
25 director, the chairs of the senate and house of representatives  
26 standing committees on appropriations, the senate and house of  
27 representatives standing committees on appropriations subcommittees

1 on general government, and the senate and house fiscal agencies  
2 with an annual report on estimated state restricted fund balances,  
3 state restricted fund projected revenues, and state restricted fund  
4 expenditures for the fiscal years ending September 30, 2012 and  
5 September 30, 2013.

6       Sec. 228. Not later than November 15, 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 office of the state budget, the  
13 chairpersons of the senate and house of representatives standing  
14 committees on appropriations, and the senate and house fiscal  
15 agencies.

16       Sec. 229. If the office of the auditor general has identified  
17 an initiative or made a recommendation that is related to savings  
18 and efficiencies in an audit report for an executive branch  
19 department or agency, the department or agency shall report within  
20 6 months of the release of the audit on their efforts and progress  
21 made toward achieving the savings and efficiencies identified in  
22 the audit report. The report shall be submitted to the chairs of  
23 the senate and house of representatives standing committees on  
24 appropriations, the chairs of the senate and house of  
25 representatives standing committees with jurisdiction over matters  
26 relating to the department that is audited, and the senate and  
27 house fiscal agencies.

1       Sec. 231. (1) It is the intent of the legislature that  
2 departments and agencies receiving appropriations in part 1  
3 properly account for their spending and do not use full-time  
4 equated positions as placeholders for spending in other parts of  
5 their budgets.

6       (2) The departments and agencies receiving appropriations  
7 under part 1 shall provide a report to the legislature specifying  
8 the number of filled, full-time equated positions in pay status in  
9 the immediately preceding fiscal year by February 1. When reporting  
10 on the number of filled, full-time equated positions in pay status,  
11 the department or agency shall provide the maximum number of  
12 filled, full-time equated positions in pay status by appropriation  
13 line item in the last pay period of each quarter of the immediately  
14 preceding fiscal year. The report shall also include a listing of  
15 all funded, full-time equated positions by position title.

16       Sec. 232. (1) Except as provided in subsection (2), by October  
17 31, 2012, each principal executive department and agency receiving  
18 funds in part 1 of this article shall identify 10 principal  
19 measurable outcomes to be affected by expenditure of the funds  
20 appropriated in part 1 of this article and submit a report to the  
21 house and senate appropriations committees, the house and senate  
22 fiscal agencies, and the state budget director that ranks the  
23 outcomes by level of importance and contains current data on those  
24 outcomes. Beginning on April 1, 2013, each principal executive  
25 department and agency shall provide biannual updates to the house  
26 and senate appropriations committees on changes in those measurable  
27 outcomes and departmental efforts to improve the outcomes.

1 (2) For purposes of the requirements of subsection (1), the  
2 department of attorney general, the department of civil rights, the  
3 bureau of state lottery, and the Michigan gaming control board  
4 shall identify and report on 5, rather than 10, principal  
5 measurable outcomes.

6 Sec. 233. In addition to the general fund/general purpose  
7 appropriations for special maintenance, remodeling, and addition -  
8 state facilities in part 1, there is also appropriated related  
9 federal and state restricted funds up to the amounts that will be  
10 earned based upon the initiatives undertaken with the funds in part  
11 1. The state budget director shall determine and authorize the  
12 appropriate manner for implementing this section.

13 Sec. 234. In addition to the general fund/general purpose  
14 appropriations for enterprisewide information technology  
15 investments in part 1, there is also appropriated related federal  
16 and state restricted funds up to the amounts that will be earned  
17 based upon the initiatives undertaken with the funds in part 1. The  
18 state budget director shall determine and authorize the appropriate  
19 manner for implementing this section.

20 **DEPARTMENT OF ATTORNEY GENERAL**

21 Sec. 301. (1) In addition to the funds appropriated in part 1,  
22 there is appropriated an amount not to exceed \$1,500,000.00 for  
23 federal contingency funds. These funds are not available for  
24 expenditure until they have been transferred to another line item  
25 in this article under section 393(2) of the management and budget  
26 act, 1984 PA 431, MCL 18.1393.

1           (2) In addition to the funds appropriated in part 1, there is  
2 appropriated an amount not to exceed \$1,500,000.00 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 this article under section 393(2) of the management and budget  
6 act, 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 \$100,000.00 for local  
9 contingency funds. These funds are not available for expenditure  
10 until they have been transferred to another line item in this  
11 article under section 393(2) of the management and budget act, 1984  
12 PA 431, MCL 18.1393.

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

19           Sec. 302. (1) The attorney general shall perform all legal  
20 services, including representation before courts and administrative  
21 agencies rendering legal opinions and providing legal advice to a  
22 principal executive department or state agency. A principal  
23 executive department or state agency shall not employ or enter into  
24 a contract with any other person for services described in this  
25 section.

26           (2) The attorney general shall defend judges of all state  
27 courts if a claim is made or a civil action is commenced for

1 injuries to persons or property caused by the judge through the  
2 performance of the judge's duties while acting within the scope of  
3 his or her authority as a judge.

4 (3) The attorney general shall perform the duties specified in  
5 1846 RS 12, MCL 14.28 to 14.35, and 1919 PA 232, MCL 14.101 to  
6 14.102, and as otherwise provided by law.

7 Sec. 303. The attorney general may sell copies of the biennial  
8 report in excess of the 350 copies that the attorney general may  
9 distribute on a gratis basis. Gratis copies shall not be provided  
10 to members of the legislature. Electronic copies of biennial  
11 reports shall be made available on the department of attorney  
12 general's website. The attorney general shall sell copies of the  
13 report at not less than the actual cost of the report and shall  
14 deposit the money received into the general fund.

15 Sec. 304. The department of attorney general is responsible  
16 for the legal representation for state of Michigan state employee  
17 worker's disability compensation cases. The risk management  
18 revolving fund revenue appropriation in part 1 is to be satisfied  
19 by billings from the department of attorney general for the actual  
20 costs of legal representation, including salaries and support  
21 costs.

22 Sec. 305. In addition to the funds appropriated in part 1, not  
23 more than \$400,000.00 shall be reimbursed per fiscal year for food  
24 stamp fraud cases heard by the third circuit court of Wayne County  
25 that were initiated by the department of attorney general pursuant  
26 to the existing contract between the department of human services,  
27 the prosecuting attorneys association of Michigan, and the

1 department of attorney general. The source of this funding is money  
2 earned by the department of attorney general under the agreement  
3 after the allowance for reimbursement to the department of attorney  
4 general for costs associated with the prosecution of food stamp  
5 fraud cases. It is recognized that the federal funds are earned by  
6 the department of attorney general for its documented progress on  
7 the prosecution of food stamp fraud cases according to the United  
8 States department of agriculture regulations and that, once earned  
9 by this state, the funds become state funds.

10       Sec. 306. Any proceeds from a lawsuit initiated by or  
11 settlement agreement entered into on behalf of this state against a  
12 manufacturer of tobacco products by the attorney general are state  
13 funds and are subject to appropriation as provided by law.

14       Sec. 307. (1) In addition to the antitrust revenues in part 1,  
15 antitrust, securities fraud, consumer protection or class action  
16 enforcement revenues, or attorney fees recovered by the department,  
17 not to exceed \$250,000.00, are appropriated to the department for  
18 antitrust, securities fraud, and consumer protection or class  
19 action enforcement cases.

20       (2) Any unexpended funds from antitrust, securities fraud, or  
21 consumer protection or class action enforcement revenues at the end  
22 of the fiscal year, including antitrust funds in part 1, may be  
23 carried forward for expenditure in the following fiscal year up to  
24 the maximum authorization of \$250,000.00.

25       Sec. 308. (1) In addition to the funds appropriated in part 1,  
26 there is appropriated up to \$500,000.00 from litigation expense  
27 reimbursements awarded to the state.

1           (2) The funds may be expended for the payment of court  
2 judgments or settlements, attorney fees, and litigation expenses  
3 not including salaries and support costs, assessed against the  
4 office of the governor, the department of the attorney general, the  
5 governor, or the attorney general when acting in an official  
6 capacity as the named party in litigation against the state. The  
7 funds may also be expended for the payment of state costs incurred  
8 under section 16 of chapter X of the code of criminal procedure,  
9 1927 PA 175, MCL 770.16.

10           (3) Unexpended funds at the end of the fiscal year may be  
11 carried forward for expenditure in the following year, up to a  
12 maximum authorization of \$500,000.00.

13           Sec. 309. From the prisoner reimbursement funds appropriated  
14 in part 1, the department may spend up to \$497,900.00 on activities  
15 related to the state correctional facilities reimbursement act,  
16 1935 PA 253, MCL 800.401 to 800.406. In addition to the funds  
17 appropriated in part 1, if the department collects in excess of  
18 \$1,131,000.00 in gross annual prisoner reimbursement receipts  
19 provided to the general fund, the excess, up to a maximum of  
20 \$1,000,000.00, is appropriated to the department of attorney  
21 general and may be spent on the representation of the department of  
22 corrections and its officers, employees, and agents, including, but  
23 not limited to, the defense of litigation against the state, its  
24 departments, officers, employees, or agents in civil actions filed  
25 by prisoners.

26           Sec. 310. (1) For the purposes of providing title IV-D child  
27 support enforcement funding, the department of human services, as

1 the state IV-D agency, shall maintain a cooperative agreement with  
2 the attorney general for federal IV-D funding to support the child  
3 support enforcement activities within the office of the attorney  
4 general.

5 (2) The attorney general or his or her designee shall, to the  
6 extent allowable under federal law, have access to any information  
7 used by the state to locate parents who fail to pay court-ordered  
8 child support.

9 Sec. 312. The department of attorney general shall not receive  
10 and expend funds in addition to those authorized in part 1 for  
11 legal services provided specifically to other state departments or  
12 agencies except for costs for expert witnesses, court costs, or  
13 other nonsalary litigation expenses associated with a pending legal  
14 action.

15 **DEPARTMENT OF CIVIL RIGHTS**

16 Sec. 401. (1) In addition to the funds appropriated in part 1,  
17 there is appropriated an amount not to exceed \$2,000,000.00 for  
18 federal contingency funds. These funds are not available for  
19 expenditure until they have been transferred to another line item  
20 in this article under section 393(2) of the management and budget  
21 act, 1984 PA 431, MCL 18.1393.

22 (2) In addition to the funds appropriated in part 1, there is  
23 appropriated an amount not to exceed \$750,000.00 for private  
24 contingency funds. These funds are not available for expenditure  
25 until they have been transferred to another line item in this  
26 article under section 393(2) of the management and budget act, 1984

1 PA 431, MCL 18.1393.

2 Sec. 402. (1) In addition to the appropriations contained in  
3 part 1, the department of civil rights may receive and expend funds  
4 from local or private sources for all of the following purposes:

5 (a) Developing and presenting training for employers on equal  
6 employment opportunity law and procedures.

7 (b) The publication and sale of civil rights related  
8 informational material.

9 (c) The provision of copy material made available under  
10 freedom of information requests.

11 (d) Other copy fees, subpoena fees, and witness fees.

12 (e) Developing, presenting, and participating in mediation  
13 processes for certain civil rights cases.

14 (f) Workshops, seminars, and recognition or award programs  
15 consistent with the programmatic mission of the individual unit  
16 sponsoring or coordinating the programs.

17 (g) Staffing costs for all activities included in this  
18 subsection.

19 (2) The department of civil rights shall annually report to  
20 the state budget director, the senate and house of representatives  
21 standing committees on appropriations, and the senate and house  
22 fiscal agencies the amount of funds received and expended for  
23 purposes authorized under this section.

24 Sec. 403. The department of civil rights may contract with  
25 local units of government to review equal employment opportunity  
26 compliance of potential contractors and may charge for and expend  
27 amounts received from local units of government for the purpose of

1 developing and providing these contractual services.

2 **LEGISLATURE**

3 Sec. 600. The senate, the house of representatives, or an  
4 agency within the legislative branch may receive, expend, and  
5 transfer funds in addition to those authorized in part 1.

6 Sec. 601. (1) Funds appropriated in part 1 to an entity within  
7 the legislative branch shall not be expended or transferred to  
8 another account without written approval of the authorized agent of  
9 the legislative entity. If the authorized agent of the legislative  
10 entity notifies the state budget director of its approval of an  
11 expenditure or transfer before the year-end book-closing date for  
12 that legislative entity, the state budget director shall  
13 immediately make the expenditure or transfer. The authorized  
14 legislative entity agency shall be designated by the speaker of the  
15 house of representatives for house entities, the senate majority  
16 leader for senate entities, and the legislative council for  
17 legislative council entities.

18 (2) Funds appropriated within the legislative branch, to a  
19 legislative council component, shall not be expended by any agency  
20 or other subgroup included in that component without the approval  
21 of the legislative council.

22 Sec. 602. The senate may charge rent and assess charges for  
23 utility costs. The amounts received for rent charges and utility  
24 assessments are appropriated to the senate for the renovation,  
25 operation, and maintenance of the Farnum building and other  
26 properties.

1       Sec. 603. The appropriation contained in part 1 for national  
2 association dues is to be distributed by the legislative council.

3       Sec. 604. (1) The appropriation in part 1 to the legislative  
4 council includes funds to operate the legislative parking  
5 facilities in the capitol area. The legislative council shall  
6 establish rules regarding the operation of the legislative parking  
7 facilities.

8       (2) The legislative council shall collect a fee from state  
9 employees and the general public using certain legislative parking  
10 facilities. The revenues received from the parking fees shall be  
11 allocated by the legislative council.

12       Sec. 605. The appropriation in part 1 to the legislative  
13 council for publication of the Michigan manual is a work project  
14 account. The unexpended portion remaining on September 30 shall not  
15 lapse and shall be carried forward into the subsequent fiscal year  
16 for use in paying the associated biennial costs of publication of  
17 the Michigan manual.

18       Sec. 606. The appropriations in part 1 to the legislative  
19 branch, for property management, shall be used to purchase  
20 equipment and services for building maintenance in order to ensure  
21 a safe and productive work environment. These funds are designated  
22 as work project appropriations and shall not lapse at the end of  
23 the fiscal year, and shall continue to be available for expenditure  
24 until the project has been completed. The total cost is estimated  
25 at \$500,000.00, and the tentative completion date is September 30,  
26 2017.

27       Sec. 607. The appropriations in part 1 to the legislative

1 branch, for automated data processing, shall be used to purchase  
2 equipment, software, and services in order to support and implement  
3 data processing requirements and technology improvements. These  
4 funds are designated as work project appropriations and shall not  
5 lapse at the end of the fiscal year, and shall continue to be  
6 available for expenditure until the project has been completed. The  
7 total cost is estimated at \$500,000.00, and the tentative  
8 completion date is September 30, 2017.

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. 609. (1) It is the intent of the legislature that the  
17 office of the Michigan veterans' facility ombudsman be created  
18 within the legislative council. The ombudsman shall be appointed by  
19 and serve at the pleasure of the legislative council.

20       (2) The legislative council shall establish procedures for  
21 approving the budget of the office, for expending funds of the  
22 office, and for the employment of personnel for the office.

23       (3) The purpose of the ombudsman is to conduct investigations,  
24 when deemed necessary, upon his or her own initiative or upon  
25 receipt of a complaint from a resident veteran, family member of a  
26 resident veteran, or legislator who files a complaint concerning an  
27 action, omission, decision, recommendation, practice, or other

1 procedure of the department of military and veterans affairs or a  
2 condition existing at a Michigan veterans' facility that is alleged  
3 to be contrary to law or departmental policy or that poses a  
4 significant health or safety issue for which there is no effective  
5 administrative remedy.

6 (4) Subject to approval of the legislative council, the  
7 ombudsman shall establish procedures for receiving and processing  
8 complaints, conducting investigations, holding hearings, and  
9 reporting the findings resulting from the investigations.

10 (5) Upon request and without the requirement of any release,  
11 the ombudsman shall be given access to all information, records,  
12 and documents in the possession of the department of military and  
13 veterans affairs or a Michigan veterans' facility that the  
14 ombudsman deems necessary in an investigation.

15 (6) Upon request and without notice, the ombudsman shall be  
16 granted entrance to inspect at any time any Michigan veterans'  
17 facility.

18 (7) The ombudsman may hold informal hearings and may request  
19 that any person appear before the ombudsman or at a hearing and  
20 give testimony or produce documentary or other evidence that the  
21 ombudsman deems relevant to an investigation.

22 (8) The ombudsman shall advise a complainant to pursue all  
23 administrative remedies open to the complainant. The ombudsman may  
24 request and shall receive from the department of military and  
25 veterans affairs or from a Michigan veterans' facility a progress  
26 report concerning the administrative processing of a complaint.  
27 After administrative action on a complaint, the ombudsman may

1 conduct further investigation on the request of a complainant or on  
2 his or her own initiative.

3 (9) The ombudsman is not required to conduct an investigation  
4 on a complaint brought before the ombudsman. A complainant is not  
5 entitled as a right to be heard by the ombudsman.

6 (10) Upon receiving a complaint and deciding to investigate  
7 the complaint, the ombudsman shall notify the complainant, the  
8 resident veteran or resident veterans affected, and the department  
9 of military and veterans affairs. If the ombudsman declines to  
10 investigate, the ombudsman shall notify the complainant, in  
11 writing, and inform the resident veteran or veterans affected of  
12 the reasons for the ombudsman's decision.

13 (11) Correspondence between the ombudsman and a complainant is  
14 confidential and is privileged communication. A report prepared and  
15 recommendations made by the ombudsman and submitted to the  
16 legislative council are exempt from disclosure under the freedom of  
17 information act, 1976 PA 442, MCL 15.231 to 15.246.

18 (12) The ombudsman shall prepare and submit a report of the  
19 findings of an investigation and make recommendations to the  
20 legislative council within 30 days after completing the  
21 investigation if the ombudsman finds any of the following:

22 (a) A matter that should be considered by the department.

23 (b) An act that should be modified or canceled.

24 (c) A statute or rule that should be altered.

25 (d) Acts for which justification is necessary.

26 (e) Significant resident veteran health and safety issues as  
27 determined by the council.

1 (f) Any other significant concerns as determined by the  
2 council.

3 (13) Before announcing a conclusion or recommendation that  
4 expressly or by implication criticizes a person or Michigan  
5 veterans' facility or the department of military and veterans  
6 affairs, the ombudsman shall consult with that person or facility  
7 or the department.

8 (14) The ombudsman may request to be notified by a person or  
9 Michigan veterans' facility or the department of military and  
10 veterans affairs, within a specified time, of any action taken on  
11 any recommendation presented. The ombudsman shall notify the  
12 complainant of the actions taken by the person, the facility, or  
13 the department of military and veterans affairs.

14 (15) The ombudsman shall submit to the legislative council and  
15 the legislature an annual report on the conduct of the office.

16 (16) A resident veteran shall not be penalized in any way by a  
17 person or Michigan veterans' facility or the department of military  
18 and veterans affairs as a result of filing a complaint, complaining  
19 to a legislator, or cooperating with the ombudsman in investigating  
20 a complaint. A person or facility or the department shall not  
21 hinder the lawful actions of the ombudsman or employees of the  
22 office or willfully refuse to comply with any lawful demand of the  
23 office.

#### 24 **LEGISLATIVE AUDITOR GENERAL**

25 Sec. 620. Pursuant to section 53 of article IV of the state  
26 constitution of 1963, the auditor general shall conduct audits of

1 the judicial branch. The audits may include the supreme court and  
2 its administrative units, the court of appeals, and trial courts.

3 Sec. 621. (1) The auditor general shall take all reasonable  
4 steps to ensure that certified minority- and women-owned and  
5 operated accounting firms, and accounting firms owned and operated  
6 by persons with disabilities participate in the audits of the  
7 books, accounts, and financial affairs of each principal executive  
8 department, branch, institution, agency, and office of this state.

9 (2) The auditor general shall strongly encourage firms with  
10 which the auditor general contracts to perform audits of the  
11 principal executive departments and state agencies to subcontract  
12 with certified minority- and women-owned and operated accounting  
13 firms, and accounting firms owned and operated by persons with  
14 disabilities.

15 (3) The auditor general shall compile an annual report  
16 regarding the number of contracts entered into with certified  
17 minority- and women-owned and operated accounting firms, and  
18 accounting firms owned and operated by persons with disabilities.  
19 The auditor general shall deliver the report to the state budget  
20 director and the senate and house of representatives standing  
21 committees on appropriations subcommittees on general government by  
22 November 1 of each year.

23 Sec. 622. From the funds appropriated in part 1 to the  
24 legislative auditor general, the auditor general's salary and the  
25 salaries of the remaining 2.0 FTE unclassified positions shall be  
26 set by the speaker of the house of representatives, the senate  
27 majority leader, the house of representatives minority leader, and

1 the senate minority leader.

2       Sec. 623. Any audits, reviews, or investigations requested of  
3 the auditor general by the legislature or by legislative  
4 leadership, legislative committees, or individual legislators shall  
5 include an estimate of the additional costs involved and, when  
6 those costs exceed \$50,000.00, should provide supplemental funding.  
7 The auditor general shall determine whether to perform those  
8 activities in keeping with Audit Directive No. 29, which describes  
9 the office of the auditor general's policy on responding to  
10 legislative requests.

11 **DEPARTMENT OF STATE**

12       Sec. 701. (1) In addition to the funds appropriated in part 1,  
13 there is appropriated an amount not to exceed \$2,000,000.00 for  
14 federal contingency funds. These funds are not available for  
15 expenditure until they have been transferred to another line item  
16 in this article under 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 \$7,500,000.00 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 this article under 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 \$50,000.00 for local  
26 contingency funds. These funds are not available for expenditure

1 until they have been transferred to another line item in this  
2 article under section 393(2) of the management and budget act, 1984  
3 PA 431, MCL 18.1393.

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

10 Sec. 702. All funds made available by section 3171 of the  
11 insurance code of 1956, 1956 PA 218, MCL 500.3171, are appropriated  
12 and made available to the department of state to be expended only  
13 for the uses and purposes for which the funds are received as  
14 provided by sections 3171 to 3177 of the insurance code of 1956,  
15 1956 PA 218, MCL 500.3171 to 500.3177.

16 Sec. 703. From the funds appropriated in part 1, the  
17 department of state shall sell copies of records including, but not  
18 limited to, records of motor vehicles, off-road vehicles,  
19 snowmobiles, watercraft, mobile homes, personal identification  
20 cardholders, drivers, and boat operators and shall charge \$7.00 per  
21 record sold only as authorized in section 208b of the Michigan  
22 vehicle code, 1949 PA 300, MCL 257.208b, section 7 of 1972 PA 222,  
23 MCL 28.297, and sections 80130, 80315, 81114, and 82156 of the  
24 natural resources and environmental protection act, 1994 PA 451,  
25 MCL 324.80130, 324.80315, 324.81114, and 324.82156. The revenue  
26 received from the sale of records shall be credited to the  
27 transportation administration collection fund created under section

1 810b of the Michigan vehicle code, 1949 PA 300, MCL 257.810b.

2 Sec. 704. From the funds appropriated in part 1, the secretary  
3 of state may enter into agreements with the department of  
4 corrections for the manufacture of vehicle registration plates 15  
5 months before the registration year in which the registration  
6 plates will be used.

7 Sec. 705. (1) The department of state may accept gifts,  
8 donations, contributions, and grants of money and other property  
9 from any private or public source to underwrite, in whole or in  
10 part, the cost of a departmental publication that is prepared and  
11 disseminated under the Michigan vehicle code, 1949 PA 300, MCL  
12 257.1 to 257.923. A private or public funding source may receive  
13 written recognition in the publication and may furnish a traffic  
14 safety message, subject to departmental approval, for inclusion in  
15 the publication. The department may reject a gift, donation,  
16 contribution, or grant. The department may furnish copies of a  
17 publication underwritten, in whole or in part, by a private source  
18 to the underwriter at no charge.

19 (2) The department of state may sell and accept paid  
20 advertising for placement in a departmental publication that is  
21 prepared and disseminated under the Michigan vehicle code, 1949 PA  
22 300, MCL 257.1 to 257.923. The department may charge and receive a  
23 fee for any advertisement appearing in a departmental publication  
24 and shall review and approve the content of each advertisement. The  
25 department may refuse to accept advertising from any person or  
26 organization. The department may furnish a reasonable number of  
27 copies of a publication to an advertiser at no charge.

1           (3) Pending expenditure, the funds received under this section  
2 shall be deposited in the Michigan department of state publications  
3 fund created by section 211 of the Michigan vehicle code, 1949 PA  
4 300, MCL 257.211. Funds given, donated, or contributed to the  
5 department from a private source are appropriated and allocated for  
6 the purpose for which the revenue is furnished. Funds granted to  
7 the department from a public source are allocated and may be  
8 expended upon receipt. The department shall not accept a gift,  
9 donation, contribution, or grant if receipt is conditioned upon a  
10 commitment of state funding at a future date. Revenue received from  
11 the sale of advertising is appropriated and may be expended upon  
12 receipt.

13           (4) Any unexpended revenues received under this section shall  
14 be carried over into subsequent fiscal years and shall be available  
15 for appropriation for the purposes described in this section.

16           (5) On March 1 of each year, the department of state shall  
17 file a report with the senate and house of representatives standing  
18 committees on appropriations, the senate and house fiscal agencies,  
19 and the state budget director. The report shall include all of the  
20 following information:

21           (a) The amount of gifts, contributions, donations, and grants  
22 of money received by the department under this section for the  
23 prior fiscal year.

24           (b) A listing of the expenditures made from the amounts  
25 received by the department as reported in subdivision (a).

26           (c) A listing of any gift, donation, contribution, or grant of  
27 property other than funding received by the department under this

1 section for the prior year.

2 (d) The total revenue received from the sale of paid  
3 advertising accepted under this section and a statement of the  
4 total number of advertising transactions.

5 (6) In addition to copies delivered without charge as the  
6 secretary of state considers necessary, the department of state may  
7 sell copies of manuals and other publications regarding the sale,  
8 ownership, or operation or regulation of motor vehicles, with  
9 amendments, at prices to be established by the secretary of state.  
10 As used in this subsection, the term "manuals and other  
11 publications" includes videos and proprietary electronic  
12 publications. All funds received from sales of these manuals and  
13 other publications shall be credited to the Michigan department of  
14 state publications fund.

15 Sec. 707. Funds collected by the department of state under  
16 section 211 of the Michigan vehicle code, 1949 PA 300, MCL 257.211,  
17 are appropriated for all expenses necessary to provide for the  
18 costs of the publication. Funds are allotted for expenditure when  
19 they are received by the department of treasury and shall not lapse  
20 to the general fund at the end of the fiscal year.

21 Sec. 708. From the funds appropriated in part 1, the  
22 department of state shall use available balances at the end of the  
23 state fiscal year to provide payment to the department of state  
24 police in the amount of \$332,000.00 for the services provided by  
25 the traffic accident records program as first appropriated in 1990  
26 PA 196 and 1990 PA 208.

27 Sec. 709. From the funds appropriated in part 1, the

1 department of state may restrict funds from miscellaneous revenue  
2 to cover cash shortages created from normal branch office  
3 operations. This amount shall not exceed \$50,000.00 of the total  
4 funds available in miscellaneous revenue.

5       Sec. 710. (1) Commemorative and specialty license plate fee  
6 revenue collected by the department of state and deposited into the  
7 transportation administration collection fund is authorized for  
8 expenditure up to the amount of revenue collected but not to exceed  
9 the amount appropriated to the department of state in part 1 to  
10 administer commemorative and specialty license plate programs.

11       (2) Commemorative and specialty license plate fee revenue  
12 collected by the department of state and deposited in the  
13 transportation administration collection fund, in addition to the  
14 amount appropriated in part 1 to the department of state, shall  
15 remain in the transportation administration collection fund and be  
16 available for future appropriation.

17       Sec. 711. Collector plate and fund-raising registration plate  
18 revenues collected by the department of state are appropriated and  
19 allotted for distribution to the recipient university or public or  
20 private agency overseeing a state-sponsored goal when received.  
21 Distributions shall occur on a quarterly basis or as otherwise  
22 authorized by law. Any revenues remaining at the end of the fiscal  
23 year shall not lapse to the general fund but shall remain available  
24 for distribution to the university or agency in the next fiscal  
25 year.

26       Sec. 712. The department of state may produce and sell copies  
27 of a training video designed to inform registered automotive repair

1 facilities of their obligations under Michigan law. The price shall  
2 not exceed the cost of production and distribution. The money  
3 received from the sale of training videos shall revert to the  
4 department of state and be placed in the auto repair facility  
5 account.

6       Sec. 713. (1) The department of state, in collaboration with  
7 the gift of life transplantation society or its successor federally  
8 designated organ procurement organization, may develop and  
9 administer a public information campaign concerning the Michigan  
10 organ donor program.

11       (2) The department may solicit funds from any private or  
12 public source to underwrite, in whole or in part, the public  
13 information campaign authorized by this section. The department may  
14 accept gifts, donations, contributions, and grants of money and  
15 other property from private and public sources for this purpose. A  
16 private or public funding source underwriting the public  
17 information campaign, in whole or in substantial part, shall  
18 receive sponsorship credit for its financial backing.

19       (3) Funds received under this section, including grants from  
20 state and federal agencies, shall not lapse to the general fund at  
21 the end of the fiscal year but shall remain available for  
22 expenditure for the purposes described in this section.

23       (4) Funding appropriated in part 1 for the organ donor program  
24 shall be used for producing a pamphlet to be distributed with  
25 driver licenses and personal identification cards regarding organ  
26 donations. The funds shall be used to update and print a pamphlet  
27 that will explain the organ donor program and encourage people to

1 become donors by marking a checkoff on driver license and personal  
2 identification card applications.

3 (5) The pamphlet shall include a return reply form addressed  
4 to the gift of life organization. Funding appropriated in part 1  
5 for the organ donor program shall be used to pay for return postage  
6 costs.

7 (6) In addition to the appropriations in part 1, the  
8 department of state may receive and expend funds from the organ and  
9 tissue donation education fund for administrative expenses.

10 Sec. 714. At least 180 days before closing or consolidating a  
11 branch office and at least 60 days before relocating a branch  
12 office, the department of state shall inform members of the senate  
13 and house of representatives standing committees on appropriations  
14 and legislators who represent affected areas regarding the details  
15 of the proposal. The information provided shall be in written form  
16 and include all analyses done regarding criteria for changes in the  
17 location of branch offices, including, but not limited to, branch  
18 transactions, revenue, and the impact on citizens of the affected  
19 area. The impact on citizens shall include information regarding  
20 additional distance to branch office locations resulting from the  
21 plan. The written notice provided by the department of state shall  
22 also include detailed estimates of costs and savings that will  
23 result from the overall changes made to the branch office structure  
24 and the same level of detail regarding costs for new leased  
25 facilities and expansions of current leased space.

26 Sec. 715. (1) Any service assessment collected by the  
27 department of state from the user of a credit or debit card under

1 section 3 of 1995 PA 144, MCL 11.23, may be used by the department  
2 for necessary expenses related to that service and may be remitted  
3 to a credit or debit card company, bank, or other financial  
4 institution.

5 (2) The service assessment imposed by the department of state  
6 for credit and debit card services may be based either on a  
7 percentage of each individual credit or debit card transaction, or  
8 on a flat rate per transaction, or both, scaled to the amount of  
9 the transaction. However, the department shall not charge any  
10 amount for a service assessment which exceeds the costs billable to  
11 the department for service assessments.

12 (3) If there is a balance of service assessments received from  
13 credit and debit card services remaining on September 30, the  
14 balance may be carried forward to the following fiscal year and  
15 appropriated for the same purpose.

16 (4) As used in this section, "service assessment" means and  
17 includes costs associated with service fees imposed by credit and  
18 debit card companies and processing fees imposed by banks and other  
19 financial institutions.

20 Sec. 716b. The department of state shall provide a report that  
21 calculates the total amount of funds expended for the business  
22 application modernization project to date from the inception of the  
23 program. The report shall contain information on the original start  
24 and completion dates for the project, the original cost to complete  
25 the project, and a listing of all revisions to project completion  
26 dates and costs. The report shall include the total amount of funds  
27 paid to the state by the contract provider for penalties. The

1 report shall be submitted to the senate and house of  
2 representatives standing committees on appropriations, the senate  
3 and house fiscal agencies, and the state budget director by January  
4 1.

5       Sec. 717. (1) The department of state may accept nonmonetary  
6 gifts, donations, or contributions of property from any private or  
7 public source to support, in whole or in part, the operation of a  
8 departmental function relating to licensing, regulation, or safety.  
9 The department may recognize a private or public contributor for  
10 making the contribution. The department may reject a gift,  
11 donation, or contribution.

12       (2) The department of state shall not accept a gift, donation,  
13 or contribution under subsection (1) if receipt of the gift,  
14 donation, or contribution is conditioned upon a commitment of  
15 future state funding.

16       (3) On March 1 of each year, the department of state shall  
17 file a report with the senate and house of representatives standing  
18 committees on appropriations, the senate and house fiscal agencies,  
19 and the state budget director. The report shall list any gift,  
20 donation, or contribution received by the department under  
21 subsection (1) for the prior calendar year.

22       Sec. 718. From the funds appropriated in part 1 to the  
23 department of state, branch operations, the department shall  
24 maintain a full service secretary of state branch office in Buena  
25 Vista Township.

26       Sec. 719. From the funds appropriated in part 1 for the  
27 department of state, the department shall first use restricted

1 funding for expenditures, when available for that purpose, before  
2 using general fund dollars.

3 Sec. 721. From the funds appropriated in part 1, the  
4 department of state may collect ATM commission fees from companies  
5 that have ATMs located in secretary of state branch offices. The  
6 commission received from the use of these ATMs shall be credited to  
7 the transportation administration collection fund created under  
8 section 810b of the Michigan vehicle code, 1949 PA 300, MCL  
9 257.810b.

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

11 Sec. 801. (1) In addition to the funds appropriated in part 1,  
12 there is appropriated an amount not to exceed \$4,000,000.00 for  
13 federal contingency funds. These funds are not available for  
14 expenditure until they have been transferred to another line item  
15 in this article under section 393(2) of the management and budget  
16 act, 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 \$8,000,000.00 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 this article under section 393(2) of the management and budget  
22 act, 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 \$150,000.00 for local  
25 contingency funds. These funds are not available for expenditure  
26 until they have been transferred to another line item in this

1 article under 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 \$100,000.00 for private  
5 contingency funds. These funds are not available for expenditure  
6 until they have been transferred to another line item in this  
7 article under section 393(2) of the management and budget act, 1984  
8 PA 431, MCL 18.1393.

9 Sec. 802. Proceeds in excess of necessary costs incurred in  
10 the conduct of transfers or auctions of state surplus, salvage, or  
11 scrap property made pursuant to section 267 of the management and  
12 budget act, 1984 PA 431, MCL 18.1267, are appropriated to the  
13 department of technology, management, and budget to offset costs  
14 incurred in the acquisition and distribution of federal surplus  
15 property. The department of technology, management, and budget  
16 shall provide consolidated Internet auction services through the  
17 state's contractors for all local units of government.

18 Sec. 803. (1) The department of technology, management, and  
19 budget may receive and expend funds in addition to those authorized  
20 by part 1 for maintenance and operation services provided  
21 specifically to other principal executive departments or state  
22 agencies, the legislative branch, the judicial branch, or private  
23 tenants, or provided in connection with facilities transferred to  
24 the operational jurisdiction of the department of technology,  
25 management, and budget.

26 (2) The department of technology, management, and budget may  
27 receive and expend funds in addition to those authorized by part 1

1 for real estate, architectural, design, and engineering services  
2 provided specifically to other principal executive departments or  
3 state agencies, the legislative branch, or the judicial branch.

4 (3) The department of technology, management, and budget may  
5 receive and expend funds in addition to those authorized in part 1  
6 for mail pickup and delivery services provided specifically to  
7 other principal executive departments and state agencies, the  
8 legislative branch, or the judicial branch.

9 (4) The department of technology, management, and budget may  
10 receive and expend funds in addition to those authorized in part 1  
11 for purchasing services provided specifically to other principal  
12 executive departments and state agencies, the legislative branch,  
13 or the judicial branch.

14 (5) The department of technology, management, and budget shall  
15 develop a plan regarding a statewide state-owned inventory  
16 management system. The plan shall be distributed to the senate and  
17 house of representatives standing committees on appropriations  
18 subcommittees on general government, as well as the senate and  
19 house fiscal agencies, by February 1. The plan shall include, but  
20 not be limited to, all of the following:

21 (a) A listing of all current state-owned inventory management  
22 systems.

23 (b) A listing of the necessary steps the department must take  
24 in order to implement a statewide state-owned inventory management  
25 system that will provide for an accurate accounting of all state-  
26 owned inventory.

27 (c) A cost estimate for implementing a statewide state-owned

1 inventory management system.

2       Sec. 804. (1) The source of financing in part 1 for statewide  
3 appropriations shall be funded by assessments against longevity and  
4 insurance appropriations throughout state government in a manner  
5 prescribed by the department of technology, management, and budget.  
6 Funds shall be used as specified in joint labor/management  
7 agreements or through the coordinated compensation hearings  
8 process. Any deposits made under this subsection and any  
9 unencumbered funds are restricted revenues, may be carried over  
10 into the succeeding fiscal years, and are appropriated.

11       (2) In addition to the funds appropriated in part 1 for  
12 statewide appropriations, the department of technology, management,  
13 and budget may receive and expend funds in such additional amounts  
14 as may be specified in joint labor/management agreements or through  
15 the coordinated compensation hearings process in the same manner  
16 and subject to the same conditions as prescribed in subsection (1).

17       Sec. 805. To the extent a specific appropriation is required  
18 for a detailed source of financing included in part 1 for the  
19 department of technology, management, and budget appropriations  
20 financed from special revenue and internal service and pension  
21 trust funds, or MAIN user charges, the specific amounts are  
22 appropriated within the special revenue internal service and  
23 pension trust funds in portions not to exceed the aggregate amount  
24 appropriated in part 1.

25       Sec. 806. In addition to the funds appropriated in part 1 to  
26 the department of technology, management, and budget, the  
27 department may receive and expend funds from other principal

1 executive departments and state agencies to implement  
2 administrative leave bank transfer provisions as may be specified  
3 in joint labor/management agreements. The amounts may also be  
4 transferred to other principal executive departments and state  
5 agencies under the joint agreement and any amounts transferred  
6 under the joint agreement are authorized for receipt and  
7 expenditure by the receiving principal executive department or  
8 state agency. Any amounts received by the department of technology,  
9 management, and budget under this section and intended, under the  
10 joint labor/management agreements, to be available for use beyond  
11 the close of the fiscal year and any unencumbered funds may be  
12 carried over into the succeeding fiscal year.

13       Sec. 807. The source of financing in part 1 for the Michigan  
14 administrative information network shall be funded by proportionate  
15 charges assessed against the respective state funds benefiting from  
16 this project in the amounts determined by the department.

17       Sec. 808. (1) Deposits against the interdepartmental grant  
18 from building occupancy and parking charges appropriated in part 1  
19 shall be collected, in part, from state agencies, the legislative  
20 branch, and the judicial branch based on estimated costs associated  
21 with maintenance and operation of buildings managed by the  
22 department of technology, management, and budget. To the extent  
23 excess revenues are collected due to estimates of building  
24 occupancy charges exceeding actual costs, the excess revenues may  
25 be carried forward into succeeding fiscal years for the purpose of  
26 returning funds to state agencies.

27       (2) Appropriations in part 1 to the department of technology,

1 management, and budget, for management and budget services from  
2 building occupancy charges and parking charges, may be increased to  
3 return excess revenue collected to state agencies.

4 Sec. 809. The department of technology, management, and budget  
5 shall notify the chairpersons of the senate and house of  
6 representatives standing committees on appropriations and the  
7 chairpersons of the senate and house of representatives standing  
8 committees on appropriations subcommittees on general government on  
9 any revisions that increase or decrease current contracts by more  
10 than \$500,000.00 for computer software development, hardware  
11 acquisition, or quality assurance at least 14 days before the  
12 department of technology, management, and budget finalizes the  
13 revisions.

14 Sec. 810. The department of technology, management, and budget  
15 shall maintain an Internet website that contains notice of all  
16 invitations for bids and requests for proposals over \$50,000.00  
17 issued by the department or by any state agency operating under  
18 delegated authority. The department shall not accept an invitation  
19 for bid or request for proposal in less than 14 days after the  
20 notice is made available on the Internet website, except in  
21 situations where it would be in the best interest of the state and  
22 documented by the department. In addition to the requirements of  
23 this section, the department may advertise the invitations for bids  
24 and requests for proposals in any manner the department determines  
25 appropriate, in order to give the greatest number of individuals  
26 and businesses the opportunity to make bids or requests for  
27 proposals.

1       Sec. 811. The department of technology, management, and budget  
2 may receive and expend funds from the Vietnam veterans memorial  
3 monument fund as provided in the Michigan Vietnam veterans memorial  
4 act, 1988 PA 234, MCL 35.1051 to 35.1057. Funds are appropriated  
5 and allocated when received and may be expended upon receipt.

6       Sec. 812. The Michigan veterans' memorial park commission may  
7 receive and expend money from any source, public or private,  
8 including, but not limited to, gifts, grants, donations of money,  
9 and government appropriations, for the purposes described in  
10 Executive Order No. 2001-10. Funds are appropriated and allocated  
11 when received and may be expended upon receipt. Any deposits made  
12 under this section and unencumbered funds are restricted revenues  
13 and may be carried over into succeeding fiscal years.

14       Sec. 813. (1) Funds in part 1 for motor vehicle fleet are  
15 appropriated to the department of technology, management, and  
16 budget for administration and for the acquisition, lease,  
17 operation, maintenance, repair, replacement, and disposal of state  
18 motor vehicles.

19       (2) The appropriation in part 1 for motor vehicle fleet shall  
20 be funded by revenue from rates charged to principal executive  
21 departments and agencies for utilizing vehicle travel services  
22 provided by the department. Revenue in excess of the amount  
23 appropriated in part 1 from the motor transport fund and any  
24 unencumbered funds are restricted revenues and may be carried over  
25 into the succeeding fiscal year.

26       (3) Pursuant to the department of technology, management, and  
27 budget's authority under sections 213 and 215 of the management and

1 budget act, 1984 PA 431, MCL 18.1213 and 18.1215, the department  
2 shall maintain a plan regarding the operation of the motor vehicle  
3 fleet. The plan shall include the number of vehicles assigned to,  
4 or authorized for use by, state departments and agencies, efforts  
5 to reduce travel expenditures, the number of cars in the motor  
6 vehicle fleet, the number of miles driven by fleet vehicles, and  
7 the number of gallons of fuel consumed by fleet vehicles. The plan  
8 shall include a calculation of the amount of state motor vehicle  
9 fuel taxes that would have been incurred by fleet vehicles if fleet  
10 vehicles were required by law to pay motor fuel taxes. The plan  
11 shall include a description of fleet garage operations, the goods  
12 sold and services provided by the fleet garage, the cost to operate  
13 the fleet garage, the number of fleet garage locations, and the  
14 number of employees assigned to each fleet garage. The plan may be  
15 adjusted during the fiscal year based on needs and cost savings to  
16 achieve the maximum value and efficiency from the state motor  
17 fleet. Within 60 days after the close of the fiscal year, the  
18 department shall provide a report to the senate and house of  
19 representatives standing committees on appropriations and the  
20 senate and house fiscal agencies detailing the current plan and  
21 changes made to the plan during the fiscal year.

22 (4) The department of technology, management, and budget may  
23 charge state agencies for fuel cost increases that exceed \$3.04 per  
24 gallon of unleaded gasoline. The department shall notify state  
25 agencies, in writing or by electronic mail, at least 30 days before  
26 implementing additional charges for fuel cost increases. Revenues  
27 received from these charges are appropriated upon receipt.

1           (5) In order to reduce costs and maintain quality, it is the  
2 intent of the legislature that, excluding the fleet of motor  
3 vehicles for the department of state police, when economically  
4 feasible, the department of technology, management, and budget will  
5 prioritize the utilization of remanufactured parts as the primary  
6 means of maintenance and repair for the state of Michigan's fleet  
7 of motor vehicles.

8           Sec. 814. The department of technology, management, and budget  
9 shall develop a plan regarding the use of the funds appropriated in  
10 part 1 for the enterprisewide information technology investments.  
11 The plan shall include, but not be limited to, a description of  
12 proposed information technology investments, the time frame for  
13 completion of the information technology investments, the proposed  
14 cost of the information technology investments, the number of  
15 employees assigned to implement each information technology  
16 investment, the contracts entered into for each information  
17 technology investment, and any other information the department  
18 deems necessary. The plan shall be distributed to the senate and  
19 house of representatives standing committees on appropriations  
20 subcommittees on general government, as well as the senate and  
21 house fiscal agencies, by February 1.

22           Sec. 817. The department of technology, management, and budget  
23 may require that any vendor or subcontractor providing call or  
24 contact center services to the state of Michigan disclose to  
25 inbound callers the location from which the call or contact center  
26 services are being provided.

27           Sec. 818. In addition to the funds appropriated in part 1, the

1 department of technology, management, and budget may receive and  
2 expend money from the Michigan law enforcement officers memorial  
3 monument fund as provided in the Michigan law enforcement officers  
4 memorial act, 2004 PA 177, MCL 28.781 to 28.787.

5 Sec. 819. 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 Ronald Wilson Reagan memorial monument fund  
8 as provided in the Ronald Wilson Reagan memorial monument fund  
9 commission act, 2004 PA 489, MCL 399.261 to 399.266.

10 Sec. 820. 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. 821. The department of technology, management, and budget  
15 shall develop a plan regarding the use of the funds appropriated in  
16 part 1 for the space consolidation fund. The plan shall include,  
17 but not be limited to, the description of the proposed office space  
18 to be consolidated, the time frame for completion of the office  
19 space consolidation, the proposed itemized cost of the office space  
20 consolidation, the number of employees assigned to implement the  
21 office space consolidation, the contracts entered into for the  
22 office space consolidation, and any other information the  
23 department deems necessary. The plan shall be distributed to the  
24 senate and house of representatives standing committees on  
25 appropriations subcommittees on general government, as well as the  
26 senate and house fiscal agencies, by February 1.

27 Sec. 822. The department of technology, management, and budget

1 shall compile a report by January 1 pertaining to the salaries of  
2 unclassified employees, as well as gubernatorial appointees, within  
3 all state departments and agencies. The report shall enumerate each  
4 unclassified employee and gubernatorial appointee and his or her  
5 annual salary individually. The report shall be distributed to the  
6 chairs of the senate and house of representatives standing  
7 committees on appropriations subcommittees on general government,  
8 as well as the senate and house fiscal agencies.

9 **INFORMATION TECHNOLOGY**

10 Sec. 823. (1) The department of technology, management, and  
11 budget may sell and accept paid advertising for placement on any  
12 state website under its jurisdiction. The department shall review  
13 and approve the content of each advertisement. The department may  
14 refuse to accept advertising from any person or organization or  
15 require modification to advertisements based upon criteria  
16 determined by the department. Revenue received under this  
17 subsection shall be used for operating costs of the department and  
18 for future technology enhancements to state of Michigan e-  
19 government initiatives. Funds received under this subsection shall  
20 be limited to \$250,000.00. Any funds in excess of \$250,000.00 shall  
21 be deposited in the state general fund.

22 (2) The department of technology, management, and budget may  
23 accept gifts, donations, contributions, bequests, and grants of  
24 money from any public or private source to assist with the  
25 underwriting or sponsorship of state webpages or services offered  
26 on those webpages. A private or public funding source may receive

1 recognition in the webpage. The department of technology,  
2 management, and budget may reject any gift, donation, contribution,  
3 bequest, or grant.

4 (3) Funds accepted by the department of technology,  
5 management, and budget under subsection (1) are appropriated and  
6 allotted when received and may be expended upon approval of the  
7 state budget director. The state budget office shall notify the  
8 senate and house of representatives standing committees on  
9 appropriations subcommittees on general government and the senate  
10 and house fiscal agencies within 10 days after the approval is  
11 given.

12 (4) By April 1, the department of technology, management, and  
13 budget shall report to the senate and house of representatives  
14 standing committees on appropriations and the senate and house  
15 fiscal agencies that a statement of the total revenue received from  
16 the sale of paid advertising accepted under this section and a  
17 statement of the total number of advertising transactions are  
18 available on the department's website.

19 Sec. 824. The department of technology, management, and budget  
20 may enter into agreements to supply spatial information and  
21 technical services to other principal executive departments, state  
22 agencies, local units of government, and other organizations. The  
23 department of technology, management, and budget may receive and  
24 expend funds in addition to those authorized in part 1 for  
25 providing information and technical services, publications, maps,  
26 and other products. The department of technology, management, and  
27 budget may expend amounts received for salaries, supplies, and

1 equipment necessary to provide informational products and technical  
2 services. Prior to December 1 of each year, the department shall  
3 provide a report to the senate and house of representatives  
4 standing committees on appropriations subcommittees on general  
5 government, detailing the sources of funding and expenditures made  
6 under this section.

7       Sec. 825. The legislature shall have access to all historical  
8 and current data contained within MAIN pertaining to state  
9 departments. State departments shall have access to all historical  
10 and current data contained within MAIN.

11       Sec. 826. When used in this article, "information technology  
12 services" means services involving all aspects of managing and  
13 processing information, including, but not limited to, all of the  
14 following:

- 15       (a) Application development and maintenance.
- 16       (b) Desktop computer support and management.
- 17       (c) Mainframe computer support and management.
- 18       (d) Server support and management.
- 19       (e) Local area network support and management, including, but  
20 not limited to, wireless networking.
- 21       (f) Information technology project management.
- 22       (g) Information technology planning and budget management.
- 23       (h) Telecommunication services, security, infrastructure, and  
24 support.

25       Sec. 827. (1) Funds appropriated in part 1 for the Michigan  
26 public safety communications system shall be expended upon approval  
27 of an expenditure plan by the state budget director.

1           (2) The department of technology, management, and budget shall  
2 assess all subscribers of the Michigan public safety communications  
3 system reasonable access and maintenance fees.

4           (3) All money received by the department of technology,  
5 management, and budget under this section shall be expended for the  
6 support and maintenance of the Michigan public safety  
7 communications system.

8           (4) The department of technology, management, and budget shall  
9 provide a report to the senate and house of representatives  
10 standing committees on appropriations, the senate and house fiscal  
11 agencies, and the state budget director on April 15 and on October  
12 15, indicating the amount of revenue collected under this section  
13 and expended for support and maintenance of the Michigan public  
14 safety communications system for the immediately preceding 6-month  
15 period. Any deposits made under this section and unencumbered funds  
16 are restricted revenues and shall be carried forward into  
17 succeeding fiscal years.

18           Sec. 828. The department of technology, management, and budget  
19 shall submit a report for the immediately preceding fiscal year  
20 ending September 30 to the senate and house of representatives  
21 standing committees on appropriations subcommittees on general  
22 government and the senate and house fiscal agencies by March 1. The  
23 report shall include the following:

24           (a) The total amount of funding appropriated for information  
25 technology services and projects, by funding source, for all  
26 principal executive departments and agencies.

27           (b) A listing of the expenditures made from the amounts

1 received by the department of technology, management, and budget as  
2 reported in subdivision (a).

3 Sec. 829. The department of technology, management, and budget  
4 shall provide a report that analyzes and makes recommendations on  
5 the life-cycle of information technology hardware and software. The  
6 report shall be submitted to the senate and house of  
7 representatives standing committees on appropriations subcommittees  
8 on general government and the senate and house fiscal agencies by  
9 March 1.

10 Sec. 830. By December 31, the department shall provide a  
11 report that lists all information technology-related change orders  
12 and follow-on contracts, greater than \$50,000.00, whether they are  
13 bid, exercise options, or no-bid, and the amount of each change  
14 order or contract extension contract entered into by the department  
15 to the senate and house of representatives standing committees on  
16 appropriations subcommittees on general government, the senate and  
17 house fiscal agencies, and the state budget director.

18 Sec. 832. The department shall provide a report that  
19 calculates the total amount of funds expended for the child support  
20 enforcement system to date from the inception of the program. The  
21 report shall contain information on the original start and  
22 completion dates for the project, the original cost to complete the  
23 project, and a listing of all revisions to project completion dates  
24 and costs. The report shall include the total amount of funds paid  
25 to the federal government for penalties. The report shall be  
26 submitted to the senate and house of representatives standing  
27 committees on government operations, the senate and house of

1 representatives standing committees on appropriations subcommittees  
2 on general government, and the senate and house fiscal agencies by  
3 January 1.

4       Sec. 833. (1) The state budget director, upon notification to  
5 the senate and house of representatives standing committees on  
6 appropriations, may adjust spending authorization and user fees in  
7 the department of technology, management, and budget budget in  
8 order to ensure that the appropriations for information technology  
9 in the department budget equal the appropriations for information  
10 technology in the budgets for all executive branch agencies.

11       (2) If during the course of the fiscal year a transfer or  
12 supplemental to or from the information technology line item within  
13 an agency budget is made under section 393 of the management and  
14 budget act, 1984 PA 431, MCL 18.1393, there is appropriated an  
15 equal amount of user fees in the department of technology,  
16 management, and budget budget to accommodate an increase or  
17 decrease in spending authorization.

18       Sec. 834. (1) Revenue collected from licenses issued under the  
19 antenna site management project shall be deposited into the antenna  
20 site management revolving fund created for this purpose in the  
21 department of technology, management, and budget. The department  
22 may receive and expend money from the fund for costs associated  
23 with the antenna site management project, including the cost of a  
24 third-party site manager. Any excess revenue remaining in the fund  
25 at the close of the fiscal year shall be proportionately  
26 transferred to the appropriate state restricted funds as designated  
27 in statute or by constitution.

1           (2) An antenna shall not be placed on any site pursuant to  
2 this section without complying with the respective local zoning  
3 codes and local unit of government processes.

4           Sec. 835. In addition to the funds appropriated in part 1, the  
5 funds collected by the department for supplying census-related  
6 information and technical services, publications, statistical  
7 studies, population projections and estimates, and other  
8 demographic products area appropriated for all expenses necessary  
9 to provide the required services. These funds are available for  
10 expenditure when they are received and may be carried forward into  
11 the next succeeding fiscal year.

#### 12    STATE BUILDING AUTHORITY

13           Sec. 840. (1) Subject to section 242 of the management and  
14 budget act, 1984 PA 431, MCL 18.1242, and upon the approval of the  
15 state building authority, the department may expend from the  
16 general fund of the state during the fiscal year an amount to meet  
17 the cash flow requirements of those state building authority  
18 projects solely for lease to a state agency identified in both part  
19 1 and this section, and for which state building authority bonds or  
20 notes have not been issued, and for the sole acquisition by the  
21 state building authority of equipment and furnishings for lease to  
22 a state agency as permitted by 1964 PA 183, MCL 830.411 to 830.425,  
23 for which the issuance of bonds or notes is authorized by a  
24 legislative concurrent resolution that is effective for the fiscal  
25 year ending September 30, 2013. Any general fund advances for which  
26 state building authority bonds have not been issued shall bear an

1 interest cost to the state building authority at a rate not to  
2 exceed that earned by the state treasurer's common cash fund during  
3 the period in which the advances are outstanding and are repaid to  
4 the general fund of the state.

5 (2) Upon sale of bonds or notes for the projects identified in  
6 part 1 or for equipment as authorized by legislative concurrent  
7 resolution and in this section, the state building authority shall  
8 credit the general fund of the state an amount equal to that  
9 expended from the general fund plus interest, if any, as defined in  
10 this section.

11 (3) For state building authority projects for which bonds or  
12 notes have been issued and upon the request of the state building  
13 authority, the state treasurer shall make advances without interest  
14 from the general fund as necessary to meet cash flow requirements  
15 for the projects, which advances shall be reimbursed by the state  
16 building authority when the investments earmarked for the financing  
17 of the projects mature.

18 (4) In the event that a project identified in part 1 is  
19 terminated after final design is complete, advances made on behalf  
20 of the state building authority for the costs of final design shall  
21 be repaid to the general fund in a manner recommended by the  
22 director and approved by the JCOS.

23 Sec. 841. (1) State building authority funding to finance  
24 construction or renovation of a facility that collects revenue in  
25 excess of money required for the operation of that facility shall  
26 not be released to a university or community college unless the  
27 institution agrees to reimburse that excess revenue to the state

1 building authority. The excess revenue shall be credited to the  
2 general fund to offset rent obligations associated with the  
3 retirement of bonds issued for that facility. The auditor general  
4 shall annually identify and present an audit of those facilities  
5 that are subject to this section. Costs associated with the  
6 administration of the audit shall be charged against money  
7 recovered pursuant to this section.

8 (2) As used in this section, "revenue" includes state  
9 appropriations, facility opening money, other state aid, indirect  
10 cost reimbursement, and other revenue generated by the activities  
11 of the facility.

12 Sec. 842. (1) The state building authority rent appropriations  
13 in part 1 may also be expended for the payment of required premiums  
14 for insurance on facilities owned by the state building authority  
15 or payment of costs that may be incurred as the result of any  
16 deductible provisions in such insurance policies.

17 (2) If the amount appropriated in part 1 for state building  
18 authority rent is not sufficient to pay the rent obligations and  
19 insurance premiums and deductibles identified in subsection (1) for  
20 state building authority projects, there is appropriated from the  
21 general fund of the state the amount necessary to pay such  
22 obligations.

23 Sec. 843. The state building authority shall provide to the  
24 JCOS, state budget director, and senate and house fiscal agencies a  
25 report relative to the status of construction projects associated  
26 with state building authority bonds as of September 30 of each  
27 year, on or before October 15, or not more than 30 days after a

1 refinancing or restructuring bond issue is sold. The report shall  
2 include, but is not limited to, the following:

3 (a) A list of all completed construction projects for which  
4 state building authority bonds have been sold, and which bonds are  
5 currently active.

6 (b) A list of all projects under construction for which sale  
7 of state building authority bonds is pending.

8 (c) A list of all projects authorized for construction or  
9 identified in an appropriations act for which approval of  
10 schematic/preliminary plans or total authorized cost is pending  
11 that have state building authority bonds identified as a source of  
12 financing.

### 13 **CIVIL SERVICE**

14 Sec. 850. (1) In accordance with section 5 of article XI of  
15 the state constitution of 1963, all restricted funds shall be  
16 assessed a sum not less than 1% of the total aggregate payroll paid  
17 from those funds for financing the civil service commission on the  
18 basis of actual 1% restricted sources total aggregate payroll of  
19 the classified service for the preceding fiscal year. This  
20 includes, but is not limited to, restricted funds appropriated in  
21 part 1 of any appropriations act. Unexpended 1% appropriated funds  
22 shall be returned to each 1% fund source at the end of the fiscal  
23 year.

24 (2) The appropriations in part 1 are estimates of actual  
25 charges based on payroll appropriations. With the approval of the  
26 state budget director, the commission is authorized to adjust

1 financing sources for civil service charges based on actual payroll  
2 expenditures, provided that such adjustments do not increase the  
3 total appropriation for the civil service commission.

4 (3) The financing from restricted sources shall be credited to  
5 the civil service commission by the end of the second fiscal  
6 quarter.

7 Sec. 851. Except where specifically appropriated for this  
8 purpose, financing from restricted sources shall be credited to the  
9 civil service commission. For restricted sources of funding within  
10 the general fund that have the legislative authority for carryover,  
11 if current spending authorization or revenues are insufficient to  
12 accept the charge, the shortage shall be taken from carryforward  
13 balances of that funding source. Restricted revenue sources that do  
14 not have carryforward authority shall be utilized to satisfy  
15 commission operating deducts first and civil service obligations  
16 second. General fund dollars are appropriated for any shortfall,  
17 pursuant to approval by the state budget director.

18 Sec. 852. The appropriation in part 1 to the civil service  
19 commission, for state-sponsored group insurance, flexible spending  
20 accounts, and COBRA, represents amounts, in part, included within  
21 the various appropriations throughout state government for the  
22 current fiscal year to fund the flexible spending account program  
23 included within the civil service commission. Deposits against  
24 state-sponsored group insurance, flexible spending accounts, and  
25 COBRA for the flexible spending account program shall be made from  
26 assessments levied during the current fiscal year in a manner  
27 prescribed by the civil service commission. Unspent employee

1 contributions to the flexible spending accounts may be used to  
2 offset administrative costs for the flexible spending account  
3 program, with any remaining balance of unspent employee  
4 contributions to be lapsed to the general fund.

5 **CAPITAL OUTLAY**

6 Sec. 860. As used in sections 861 through 865:

7 (a) "Board" means the state administrative board.

8 (b) "Community college" does not include a state agency or  
9 university.

10 (c) "Department" means the department of technology,  
11 management, and budget.

12 (d) "Director" means the director of the department of  
13 technology, management, and budget.

14 (e) "Fiscal agencies" means the senate fiscal agency and the  
15 house fiscal agency.

16 (f) "State agency" means an agency of state government. State  
17 agency does not include a community college or university.

18 (g) "State building authority" means the authority created  
19 under 1964 PA 183, MCL 830.411 to 830.425.

20 (h) "University" means a 4-year university supported by the  
21 state. University does not include a community college or a state  
22 agency.

23 Sec. 861. Each capital outlay project authorized in this  
24 article or any previous capital outlay act shall comply with the  
25 procedures required by the management and budget act, 1984 PA 431,  
26 MCL 18.1101 to 18.1594.

1       Sec. 862. (1) The department shall provide the JCOS, state  
2 budget director, and the senate and house fiscal agencies with  
3 reports as considered necessary relative to the status of each  
4 planning or construction project financed by the state building  
5 authority, by this article, or by previous acts.

6       (2) Before the end of each fiscal year, the department shall  
7 report to the JCOS, state budget director, and the senate and house  
8 fiscal agencies for each capital outlay project other than lump  
9 sums all of the following:

10       (a) The account number and name of each construction project.

11       (b) The balance remaining in each account.

12       (c) The date of the last expenditure from the account.

13       (d) The anticipated date of occupancy if the project is under  
14 construction.

15       (e) The appropriations history for the project.

16       (f) The professional service contractor.

17       (g) The amount of the project financed with federal funds.

18       (h) The amount of the project financed through the state  
19 building authority.

20       (i) The total authorized cost for the project and the state  
21 authorized share if different than the total.

22       (3) Before the end of each fiscal year, the department shall  
23 report the following for each project by a state agency,  
24 university, or community college that is authorized for planning  
25 but is not yet authorized for construction:

26       (a) The name of the project and account number.

27       (b) Whether a program statement is approved.

1 (c) Whether schematics are approved by the department.

2 (d) Whether preliminary plans are approved by the department.

3 (e) The name of the professional service contractor.

4 (4) As used in this section, "project" includes appropriation  
5 line items made for purchase of real estate.

6 Sec. 863. (1) The director of the department of technology,  
7 management, and budget shall allocate lump-sum appropriations made  
8 in this article consistent with statutory provisions and the  
9 purposes for which funds were appropriated. Lump-sum allocations  
10 shall address priority program or facility needs and may include,  
11 but are not limited to, design, construction, remodeling and  
12 addition, special maintenance, major special maintenance, energy  
13 conservation, and demolition.

14 (2) The state budget director may authorize that funds  
15 appropriated for lump-sum appropriations shall be available for no  
16 more than 3 fiscal years following the fiscal year in which the  
17 original appropriation was made. Any remaining balance from  
18 allocations made in this section shall lapse to the fund from which  
19 it was appropriated pursuant to the lapsing of funds as provided in  
20 the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

21 Sec. 864. The appropriations in part 1 for capital outlay  
22 shall be carried forward at the end of the fiscal year consistent  
23 with the provisions of section 248 of the management and budget  
24 act, 1984 PA 431, MCL 18.1248.

25 Sec. 865. (1) A site preparation economic development fund is  
26 created in the department of technology, management, and budget. As  
27 used in this section, "economic development sites" means those

1 state-owned sites declared as surplus property pursuant to section  
2 251 of the management and budget act, 1984 PA 431, MCL 18.1251,  
3 that would provide economic benefit to the area or to the state.  
4 The Michigan economic development corporation board and the state  
5 budget director shall determine whether or not a specific state-  
6 owned site qualifies for inclusion in the fund created under this  
7 subsection.

8 (2) Proceeds from the sale of any sites designated in  
9 subsection (1) shall be deposited into the fund created in  
10 subsection (1) and shall be available for site preparation  
11 expenditures, unless otherwise provided by law. The economic  
12 development sites authorized in subsection (1) are authorized for  
13 sale consistent with state law. Expenditures from the fund are  
14 authorized for site preparation activities that enhance the  
15 marketable sale value of the sites. Site preparation activities  
16 include, but are not limited to, demolition, environmental studies  
17 and abatement, utility enhancement, and site excavation.

18 (3) A cash advance in an amount of not more than  
19 \$25,000,000.00 is authorized from the general fund to the site  
20 preparation economic development fund.

21 (4) An annual report shall be transmitted to the senate and  
22 house of representatives standing committees on appropriations not  
23 later than December 31 of each year. This report shall detail both  
24 of the following:

25 (a) The revenue and expenditure activity in the fund for the  
26 preceding fiscal year.

27 (b) The sites identified as economic development sites under

1 subsection (1).

2 **CAPITAL OUTLAY - UNIVERSITIES AND COMMUNITY COLLEGES**

3 Sec. 870. A statement of a proposed facility's operating cost  
4 shall be included with the facility's program statement and  
5 planning documents when the plans are presented to JCOS for  
6 approval.

7 Sec. 871. (1) Before proceeding with final planning and  
8 construction for projects at community colleges and universities  
9 included in an appropriations act, the community college or  
10 university shall sign an agreement with the department that  
11 includes the following provisions:

12 (a) The university or community college agrees to construct  
13 the project within the total authorized cost established by the  
14 legislature pursuant to the management and budget act, 1984 PA 431,  
15 MCL 18.1101 to 18.1594, and an appropriations act.

16 (b) The design and program scope of the project shall not  
17 deviate from the design and program scope represented in the  
18 program statement and preliminary planning documents approved by  
19 the department.

20 (c) Any other items as identified by the department that are  
21 necessary to complete the project.

22 (2) The department retains the authority and responsibility  
23 normally associated with the prudent maintenance of the public's  
24 financial and policy interests relative to the state-financed  
25 construction projects managed by a community college or university.

26 Sec. 872. A state agency, community college, or university

1 shall take steps necessary to make available federal and other  
2 money indicated in this article, to make available federal or other  
3 money that may become available for the purposes for which  
4 appropriations are made in this article, and to use any part or all  
5 of the appropriations to meet matching requirements that are  
6 considered to be in the best interest of this state. However, the  
7 purpose, scope, and total estimated cost of a project shall not be  
8 altered to meet the matching requirements. Any federal matching  
9 revenues received to support the construction of the project shall  
10 be applied to the total authorized project cost, with the state and  
11 community college or university financing shares proportionately  
12 adjusted.

13       Sec. 873. (1) This section applies only to projects for  
14 community colleges.

15       (2) State support is directed towards the remodeling and  
16 additions, special maintenance, or construction of certain  
17 community college buildings. The community college shall obtain or  
18 provide for site acquisition and initial main utility installation  
19 to operate the facility. Funding shall be composed of local and  
20 state shares and not more than 50% of a capital outlay project, not  
21 including a lump-sum special maintenance project or remodeling and  
22 addition project, for a community college shall be appropriated  
23 from state and federal funds, unless otherwise appropriated by the  
24 legislature.

25       (3) An expenditure under this article is authorized when the  
26 release of the appropriation is approved by the board upon the  
27 recommendation of the director. The director may recommend to the

1 board the release of any appropriation in part 1 only after the  
2 director is assured that the legal entity operating the community  
3 college to which the appropriation is made has complied with this  
4 act and has matched the amounts appropriated as required by this  
5 act. A release of funds in part 1 shall not exceed 50% of the total  
6 cost of planning and construction of any project, not including  
7 lump-sum remodeling and additions and special maintenance, unless  
8 otherwise appropriated by the legislature. Further planning and  
9 construction of a project authorized by this article or applicable  
10 sections of the management and budget act, 1984 PA 431, MCL 18.1101  
11 to 18.1594, shall be in accordance with the purpose and scope as  
12 defined and delineated in the approved program statements and  
13 planning documents. This article is applicable to all projects for  
14 which planning appropriations were made in previous acts.

15 (4) The community college shall take the steps necessary to  
16 secure available federal construction and equipment money for  
17 projects funded for construction in this article if an application  
18 was not previously made. If there is a reasonable expectation that  
19 a prior year unfunded application may receive federal money in a  
20 subsequent year, the college shall take whatever action necessary  
21 to keep the application active.

22 Sec. 874. If university and community college matching  
23 revenues are received in an amount less than the appropriations for  
24 capital projects contained in this article, the state funds shall  
25 be reduced in proportion to the amount of matching revenue  
26 received.

27 Sec. 875. (1) The director may require that community colleges

1 and universities that have an authorized project listed in part 1  
2 submit documentation regarding the project match and governing  
3 board approval of the authorized project not more than 60 days  
4 after the beginning of the fiscal year.

5 (2) If the documentation required by the director under  
6 subsection (1) is not submitted, or does not adequately  
7 authenticate the availability of the project match or board  
8 approval of the authorized project, the authorization may  
9 terminate. The authorization terminates 30 days after the director  
10 notifies the JCOS of the intent to terminate the project unless the  
11 JCOS convenes to extend the authorization.

## 12 DEPARTMENT OF TREASURY

### 13 OPERATIONS

14 Sec. 901. (1) In addition to the funds appropriated in part 1,  
15 there is appropriated an amount not to exceed \$1,000,000.00 for  
16 federal contingency funds. These funds are not available for  
17 expenditure until they have been transferred to another line item  
18 in this article under section 393(2) of the management and budget  
19 act, 1984 PA 431, MCL 18.1393.

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

26 (3) In addition to the funds appropriated in part 1, there is

1 appropriated an amount not to exceed \$200,000.00 for local  
2 contingency funds. These funds are not available for expenditure  
3 until they have been transferred to another line item in this  
4 article under section 393(2) of the management and budget act, 1984  
5 PA 431, MCL 18.1393.

6 (4) In addition to the funds appropriated in part 1, there is  
7 appropriated an amount not to exceed \$40,000.00 for private  
8 contingency funds. These funds are not available for expenditure  
9 until they have been transferred to another line item in this  
10 article under section 393(2) of the management and budget act, 1984  
11 PA 431, MCL 18.1393.

12 Sec. 902. (1) Amounts needed to pay for interest, fees,  
13 principal, mandatory and optional redemptions, arbitrage rebates as  
14 required by federal law, and costs associated with the payment,  
15 registration, trustee services, credit enhancements, and issuing  
16 costs in excess of the amount appropriated to the department of  
17 treasury in part 1 for debt service on notes and bonds that are  
18 issued by the state under sections 14, 15, and 16 of article IX of  
19 the state constitution of 1963 as implemented by 1967 PA 266, MCL  
20 17.451 to 17.455, are appropriated.

21 (2) In addition to the amount appropriated to the department  
22 of treasury for debt service in part 1, there is appropriated an  
23 amount for fiscal year cash-flow borrowing costs to pay for  
24 interest on interfund borrowing made under 1967 PA 55, MCL 12.51 to  
25 12.53.

26 (3) In addition to the amount appropriated to the department  
27 of treasury for debt service in part 1, there is appropriated all

1 repayments received by the state on loans made from the school bond  
2 loan fund not required to be deposited in the school loan revolving  
3 fund by or pursuant to section 4 of 1961 PA 112, MCL 388.984, to  
4 the extent determined by the state treasurer, for the payment of  
5 debt service, including, without limitation, optional and mandatory  
6 redemptions, on bonds, notes or commercial paper issued by the  
7 state pursuant to 1961 PA 112, MCL 388.981 to 388.985.

8       Sec. 902a. The department of treasury shall notify the senate  
9 and house of representatives standing committees on appropriations,  
10 the senate and house fiscal agencies, and the state budget office  
11 not more than 30 days after a refunding or restructuring bond issue  
12 is sold. The notification shall compare the annual debt service  
13 prior to the refinancing or restructuring, the annual debt service  
14 after the refinancing or restructuring, the change in the principal  
15 and interest over the duration of the debt, and the projected  
16 change in the present value of the debt service due to the  
17 refinancing and restructuring.

18       Sec. 903. (1) From the funds appropriated in part 1, the  
19 department of treasury may contract with private collection  
20 agencies and law firms to collect taxes and other accounts due this  
21 state. In addition to the amounts appropriated in part 1 to the  
22 department of treasury, there are appropriated amounts necessary to  
23 fund collection costs and fees not to exceed 25% of the collections  
24 or 2.5% plus operating costs, whichever amount is prescribed by  
25 each contract. The appropriation to fund collection costs and fees  
26 for the collection of taxes or other accounts due this state are  
27 from the fund or account to which the revenues being collected are

1 recorded or dedicated. However, if the taxes collected are  
2 constitutionally dedicated for a specific purpose, the  
3 appropriation of collection costs and fees are from the general  
4 purpose account of the general fund.

5 (2) From the funds appropriated in part 1, the department of  
6 treasury may contract with private collections agencies and law  
7 firms to collect defaulted student loans and other accounts due the  
8 Michigan guaranty agency. In addition to the amounts appropriated  
9 in part 1 to the department of treasury, there are appropriated  
10 amounts necessary to fund collection costs and fees not to exceed  
11 24.34% of the collection or a lesser amount as prescribed by the  
12 contract. The appropriation to fund collection costs and fees for  
13 the auditing and collection of defaulted student loans due the  
14 Michigan guaranty agency is from the fund or account to which the  
15 revenues being collected are recorded or dedicated.

16 (3) 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 agencies or law firms employed, the amount of  
21 collections for each, the costs of collection, and other pertinent  
22 information relating to determining whether this authority should  
23 be continued.

24 Sec. 904. (1) The department of treasury, through its bureau  
25 of investments, may charge an investment service fee against the  
26 applicable retirement funds. The fees may be expended for necessary  
27 salaries, wages, contractual services, supplies, materials,

1 equipment, travel, worker's compensation insurance premiums, and  
2 grants to the civil service commission and state employees'  
3 retirement funds. Service fees shall not exceed the aggregate  
4 amount appropriated in part 1. The department of treasury shall  
5 maintain accounting records in sufficient detail to enable the  
6 retirement funds to be reimbursed periodically for fee revenue that  
7 is determined by the department of treasury to be surplus.

8 (2) In addition to the funds appropriated in part 1 from the  
9 retirement funds to the department of treasury, there is  
10 appropriated from retirement funds an amount sufficient to pay for  
11 the services of money managers, investment advisors, investment  
12 consultants, custodians, and other outside professionals, the state  
13 treasurer considers necessary to prudently manage the retirement  
14 funds' investment portfolios. The state treasurer shall report  
15 annually to the senate and house of representatives standing  
16 committees on appropriations and the state budget office concerning  
17 the performance of each portfolio by investment advisor.

18 Sec. 904a. (1) There is appropriated an amount sufficient to  
19 recognize and pay expenditures for financial services provided by  
20 financial institutions as provided under section 1 of 1861 PA 111,  
21 MCL 21.181.

22 (2) The appropriations under subsection (1) shall be funded by  
23 restricting revenues from common cash interest earnings and  
24 investment earnings in an amount sufficient to record these  
25 expenditures.

26 Sec. 905. A revolving fund known as the municipal finance fee  
27 fund is created in the department of treasury. Fees are established

1 under the revised municipal finance act, 2001 PA 34, MCL 141.2101  
2 to 141.2821, and the fees collected shall be credited to the  
3 municipal finance fee fund and may be carried forward for future  
4 appropriation.

5 Sec. 906. (1) The department of treasury shall charge for  
6 audits as permitted by state or federal law or under contractual  
7 arrangements with local units of government, other principal  
8 executive departments, or state agencies. A report detailing audits  
9 performed and audit charges for the immediately preceding fiscal  
10 year shall be submitted to the state budget director and the senate  
11 and house fiscal agencies not later than November 30.

12 (2) A revolving fund known as the audit charges fund is  
13 created in the department of treasury. The contractual charges  
14 collected shall be credited to the audit charges fund and may be  
15 carried forward for future appropriation.

16 Sec. 907. A revolving fund known as the assessor certification  
17 and training fund is created in the department of treasury. The  
18 assessor certification and training fund shall be used to organize  
19 and operate a property assessor certification and training program.  
20 Each participant certified and trained shall pay to the department  
21 of treasury an examination fee of \$50.00, an initial certification  
22 fee of \$50.00, an annual renewal fee of \$75.00 for levels 1 and 2,  
23 and \$125.00 for levels 3 and 4 to offset the cost of administering  
24 the certification and training program. Training courses shall be  
25 offered in assessment administration. Each participant shall pay a  
26 fee to cover the expenses incurred in offering the optional  
27 programs to certified assessing personnel and other individuals

1 interested in an assessment career opportunity. The fees collected  
2 shall be credited to the assessor certification and training fund.

3 Sec. 908. The amount appropriated in part 1 to the department  
4 of treasury, home heating assistance program, is to cover the  
5 costs, including data processing, of administering federal home  
6 heating credits to eligible claimants and to administer the  
7 supplemental fuel cost payment program for eligible tax credit and  
8 welfare recipients.

9 Sec. 909. Revenue from the airport parking tax act, 1987 PA  
10 248, MCL 207.371 to 207.383, is appropriated and shall be  
11 distributed under section 7a of the airport parking tax act, 1987  
12 PA 248, MCL 207.377a.

13 Sec. 910. The disbursement by the department of treasury from  
14 the bottle deposit fund to dealers as required by section 3c(2) of  
15 1976 IL 1, MCL 445.573c, is appropriated.

16 Sec. 911. (1) There is appropriated an amount sufficient to  
17 recognize and pay refundable income tax credits as provided by the  
18 management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

19 (2) The appropriations under subsection (1) shall be funded by  
20 restricting income tax revenue in an amount sufficient to record  
21 these expenditures.

22 Sec. 912. A plaintiff in a garnishment action involving this  
23 state shall pay to the state treasurer 1 of the following:

24 (a) A fee of \$6.00 at the time a writ of garnishment of  
25 periodic payments is served upon the state treasurer, as provided  
26 in section 4012 of the revised judicature act of 1961, 1961 PA 236,  
27 MCL 600.4012.

1 (b) A fee of \$6.00 at the time any other writ of garnishment  
2 is served upon the state treasurer, except that the fee shall be  
3 reduced to \$5.00 for each writ of garnishment for individual income  
4 tax refunds or credits filed by magnetic media.

5 Sec. 913. (1) The department of treasury may contract with  
6 private firms to appraise and, if necessary, appeal the assessments  
7 of senior citizen cooperative housing units. Payment for this  
8 service shall be from savings resulting from the appraisal or  
9 appeal process.

10 (2) Of the funds appropriated in part 1 to the department of  
11 treasury for the senior citizens' cooperative housing tax exemption  
12 program, a portion may be utilized for a program audit of the  
13 program. The department of treasury shall forward copies of any  
14 audit report completed to the senate and house of representatives  
15 standing committees on appropriations subcommittees on general  
16 government and to the state budget office. The department of  
17 treasury may utilize up to 1% of the funds for program  
18 administration and auditing.

19 Sec. 914. The department of treasury may provide a \$200.00  
20 annual prize from the Ehlers internship award account in the gifts,  
21 bequests, and deposit fund to the runner-up of the Rosenthal prize  
22 for interns. The Ehlers internship award account is interest  
23 bearing.

24 Sec. 915. Pursuant to section 61 of the Michigan campaign  
25 finance act, 1976 PA 388, MCL 169.261, there is appropriated from  
26 the general fund to the state campaign fund an amount equal to the  
27 amounts designated for tax year 2011. Except as otherwise provided

1 in this section, the amount appropriated shall not revert to the  
2 general fund and shall remain in the state campaign fund. Any  
3 amounts remaining in the state campaign fund in excess of  
4 \$10,000,000.00 on December 31 shall revert to the general fund.

5 Sec. 916. The department of treasury may make available to  
6 interested entities otherwise unavailable customized unclaimed  
7 property listings of nonconfidential information in its possession.  
8 The charge for this information is as follows: 1 to 100,000 records  
9 at 2.5 cents per record and 100,001 or more records at .5 cents per  
10 record. The revenue received from this service shall be deposited  
11 to the appropriate revenue account or fund. The department shall  
12 submit an annual report on or before June 1 to the state budget  
13 director and the senate and house of representatives standing  
14 committees on appropriations that states the amount of revenue  
15 received from the sale of information.

16 Sec. 917. (1) There is appropriated for write-offs and  
17 advances an amount equal to total write-offs and advances for  
18 departmental programs, but not to exceed current year  
19 authorizations that would otherwise lapse to the general fund.

20 (2) The department of treasury shall submit a report for the  
21 immediately preceding fiscal year to the state budget director and  
22 the senate and house fiscal agencies not later than November 30  
23 stating the amounts appropriated for write-offs and advances under  
24 subsection (1).

25 Sec. 918. In addition to funds appropriated in part 1, the  
26 department of treasury may receive and expend funds for conducting  
27 tax orientation workshops and seminars. Funds received may not

1 exceed costs incurred in conducting the workshops and seminars.

2       Sec. 919. (1) From funds appropriated in part 1, the  
3 department of treasury may contract with private auditing firms to  
4 audit for and collect unclaimed property due this state in  
5 accordance with the uniform unclaimed property act, 1995 PA 29, MCL  
6 567.221 to 567.265. In addition to the amounts appropriated in part  
7 1 to the department of treasury, there are appropriated amounts  
8 necessary to fund auditing and collection costs and fees not to  
9 exceed 12% of the collections, or a lesser amount as prescribed by  
10 the contract. The appropriation to fund collection costs and fees  
11 for the auditing and collection of unclaimed property due this  
12 state is from the fund or account to which the revenues being  
13 collected are recorded or dedicated.

14       (2) The department of treasury shall submit a report for the  
15 immediately preceding fiscal year ending September 30 to the state  
16 budget director and the senate and house of representatives  
17 standing committees on appropriations not later than November 30  
18 stating the auditing firms employed, the amount of collections for  
19 each, the costs of collection, and other pertinent information  
20 relating to determining whether this authority should be continued.

21       Sec. 924. (1) In addition to the funds appropriated in part 1,  
22 the department of treasury may receive and expend principal  
23 residence audit fund revenue for administration of principal  
24 residence audits under the general property tax act, 1893 PA 206,  
25 MCL 211.1 to 211.155.

26       (2) The department of treasury shall submit a report for the  
27 immediately preceding fiscal year to the state budget director and

1 the senate and house fiscal agencies not later than December 31  
2 stating the amount of exemptions denied and the revenue received  
3 under the program.

4 Sec. 925. (1) A public-private partnership investment fund is  
5 created in the department of treasury. Subject to subsections (2)  
6 and (3), public-private partnership investments shall include, but  
7 are not limited to, all of the following:

8 (a) Capital asset improvements including buildings, land, or  
9 structures.

10 (b) Energy resource exploration, extraction, generation, and  
11 sales.

12 (c) Financial and investment incentive opportunities.

13 (d) Infrastructure construction, maintenance, and operation.

14 (e) Public-private sector joint ventures that provide economic  
15 benefit to an area or to the state.

16 (2) Public-private investments shall not include projects,  
17 consultant expenses, staff effort, or any other activity related to  
18 the development, financing, construction, operation, or  
19 implementation of the Detroit River International Crossing or any  
20 successor project unless the project is approved by the legislature  
21 and signed into law.

22 (3) The state treasurer and the state budget director shall  
23 determine whether or not a specific public-private partnership  
24 investment opportunity qualifies for funding under subsection (1).

25 (4) Investment development revenue, including a portion of the  
26 proceeds from the sale of any public-private partnership investment  
27 designated in subsection (1), shall be deposited into the fund

1 created in subsection (1) and shall be available for  
2 administration, development, financing, marketing, and operating  
3 expenditures associated with public-private partnerships, unless  
4 otherwise provided by law. Public-private partnership investments  
5 authorized in subsection (1) are authorized for public or private  
6 operation or sale consistent with state law. Expenditures from the  
7 fund are authorized for investment purposes as designated in  
8 subsection (1) to enhance the marketable value of each investment.  
9 The unencumbered balance remaining in the fund at the end of the  
10 fiscal year may be carried forward for appropriation in future  
11 years.

12 (5) An annual report shall be transmitted to the senate and  
13 house of representatives standing committees on appropriations, the  
14 senate and house fiscal agencies, and the state budget office not  
15 later than December 31 of each year. This report shall detail both  
16 of the following:

17 (a) The revenue and expenditure activity in the fund for the  
18 preceding fiscal year.

19 (b) Public-private partnership investments as identified under  
20 subsection (1).

21 (6) The department of treasury shall monitor the revenue  
22 deposited in the public-private partnership investment fund created  
23 in subsection (1). If the revenue in the fund is insufficient to  
24 pay the amount appropriated in part 1 for public-private  
25 partnership investment, then treasury shall propose a legislative  
26 transfer to fund the line from the appropriations in part 1.

27 Sec. 925a. The funds appropriated in part 1 shall not be used

1 to support any staff effort, projects, consultant expenses, or any  
2 other activity related to the development, financing, construction,  
3 operation, or implementation of the Detroit River International  
4 Crossing or any successor project unless the project is approved by  
5 the legislature and signed into law.

6 Sec. 926. Unexpended appropriations of the John R. Justice  
7 grant program are designated as work project appropriations and  
8 shall not lapse at the end of the fiscal year and shall continue to  
9 be available for expenditure until the project has been completed.  
10 The following is in compliance with section 451a of the management  
11 and budget act, 1984 PA 431, MCL 18.1451a:

12 (a) The purpose of the project is to provide student loan  
13 forgiveness to qualified public defenders and prosecutors.

14 (b) The project will be accomplished by utilizing state  
15 employees or contracts with private vendors, or both.

16 (c) The total estimated cost of the project is \$287,000.00.

17 (d) The tentative completion date is September 30, 2014.

18 Sec. 927. The department of treasury shall submit annual  
19 progress reports to the senate and house of representatives  
20 standing committees on appropriations subcommittees on general  
21 government and the senate and house fiscal agencies, regarding  
22 personal property tax audits. The report shall include the number  
23 of audits, revenue generated, and number of complaints received by  
24 the department related to the audits.

25 Sec. 928. The department of treasury may provide receipt,  
26 warrant and cash processing, data, collection, investment, fiscal  
27 agent, levy and warrant cost assessment, writ of garnishment, and

1 other user services on a contractual basis for other principal  
2 executive departments and state agencies. Funds for the services  
3 provided are appropriated and shall be expended for salaries and  
4 wages, fees, supplies, and equipment necessary to provide the  
5 services. Any unobligated balance of the funds received shall  
6 revert to the general fund of this state as of September 30.

7       Sec. 930. (1) The department of treasury shall provide  
8 accounts receivable collections services to other principal  
9 executive departments and state agencies under 1927 PA 375, MCL  
10 14.131 to 14.134. The department of treasury shall deduct a fee  
11 equal to the cost of collections from all receipts except  
12 unrestricted general fund collections. Fees shall be credited to a  
13 restricted revenue account and appropriated to the department of  
14 treasury to pay for the cost of collections. The department of  
15 treasury shall maintain accounting records in sufficient detail to  
16 enable the respective accounts to be reimbursed periodically for  
17 fees deducted that are determined by the department of treasury to  
18 be surplus to the actual cost of collections.

19       (2) The department of treasury shall submit a report for the  
20 immediately preceding fiscal year to the state budget director and  
21 the senate and house fiscal agencies not later than November 30  
22 stating the principal executive departments and state agencies  
23 served, funds collected, and costs of collection under subsection  
24 (1).

25       Sec. 931. (1) The appropriation in part 1 to the department of  
26 treasury for treasury fees shall be assessed against all restricted  
27 funds that receive common cash earnings or other investment income.

1 Treasury fees include all costs, including administrative overhead,  
2 relating to the investment of each restricted fund. The fee  
3 assessed against each restricted fund will be based on the size of  
4 the restricted fund (the absolute value of the average daily cash  
5 balance plus the market value of investments in the prior fiscal  
6 year) and the level of effort necessary to maintain the restricted  
7 fund as required by each department. The department of treasury  
8 shall provide a report to the state budget director, the senate and  
9 house of representatives standing committees on appropriations  
10 subcommittees on general government, and the senate and house  
11 fiscal agencies by November 30 of each year identifying the fees  
12 assessed against each restricted fund and the methodology used for  
13 assessment.

14 (2) In addition to the funds appropriated in part 1, the  
15 department of treasury may receive and expend investment fees  
16 relating to new restricted funding sources that participate in  
17 common cash earnings or other investment income during the current  
18 fiscal year. When a new restricted fund is created starting on or  
19 after October 1, that restricted fund shall be assessed a fee using  
20 the same criteria identified in subsection (1).

21 Sec. 932. Revenue received under the Michigan education trust  
22 act, 1986 PA 316, MCL 390.1421 to 390.1442, may be expended by the  
23 board of directors of the Michigan education trust for necessary  
24 salaries, wages, supplies, contractual services, equipment,  
25 worker's compensation insurance premiums, and grants to the civil  
26 service commission and state employees' retirement fund.

27 Sec. 934. (1) The department of treasury may expend revenues

1 received under the hospital finance authority act, 1969 PA 38, MCL  
2 331.31 to 331.84, the shared credit rating act, 1985 PA 227, MCL  
3 141.1051 to 141.1076, the higher education facilities authority  
4 act, 1969 PA 295, MCL 390.921 to 390.934, the Michigan public  
5 educational facilities authority, Executive Reorganization Order  
6 No. 2002-3, MCL 12.192, the Michigan tobacco settlement finance  
7 authority act, 2005 PA 226, MCL 129.261 to 129.279, the land bank  
8 fast track act, 2003 PA 258, MCL 124.751 to 124.774, part 505 of  
9 the natural resources and environmental protection act, 1994 PA  
10 451, MCL 324.50501 to 324.50522, the state housing development  
11 authority act of 1966, 1966 PA 346, MCL 125.1401 to 125.1499c, and  
12 the Michigan finance authority, Executive Reorganization Order No.  
13 2010-2, MCL 12.194, for necessary salaries, wages, supplies,  
14 contractual services, equipment, worker's compensation insurance  
15 premiums, grants to the civil service commission and state  
16 employees' retirement fund, and other expenses as allowed under  
17 those acts.

18 (2) The department of treasury shall report by January 31 to  
19 the senate and house appropriations subcommittees, the senate and  
20 house fiscal agencies, and the state budget director on the amount  
21 and purpose of expenditures made under subsection (1) from funds  
22 received in addition to those appropriated in part 1. The report  
23 also shall include a listing of reimbursement of revenue, if any.  
24 The report shall cover the 2011-2012 fiscal year.

25 Sec. 944. If the department hires a pension plan consultant  
26 using any of the funds appropriated in part 1, the department shall  
27 annually forward any report provided to the department by that

1 consultant to the senate and house of representatives standing  
2 committees on appropriations subcommittees on general government,  
3 the senate and house fiscal agencies, and the state budget  
4 director.

5       Sec. 945. The assessment and certification division of the  
6 department of treasury shall conduct a review of local unit  
7 assessment administration practices, procedures, and records, also  
8 known as the 14-point review, in at least 1 assessment jurisdiction  
9 per county.

#### 10   **REVENUE SHARING**

11       Sec. 950. The funds appropriated in part 1 for constitutional  
12 revenue sharing shall be distributed by the department to cities,  
13 villages, and townships, as required under section 10 of article IX  
14 of the state constitution of 1963. Revenue collected in accordance  
15 with section 10 of article IX of the state constitution of 1963 in  
16 excess of the amount appropriated in part 1 for constitutional  
17 revenue sharing is appropriated for distribution to cities,  
18 villages, and townships, on a population basis as required under  
19 section 10 of article IX of the state constitution of 1963.

20       Sec. 951. (1) The funds appropriated in part 1 for the  
21 competitive grant assistance program are to be used for assistance  
22 grants to cities, villages, townships, counties, school districts,  
23 and intermediate school districts to offset the costs associated  
24 with mergers, interlocal agreements, and cooperative efforts for  
25 those cities, villages, townships, counties, school districts, and  
26 intermediate school districts that elect to combine government  
27 operations. For a school district or intermediate school district

1 to qualify for grant funding under this section, the school  
2 district or intermediate school district must combine operations  
3 with a city, village, township, or county. However, a city,  
4 village, township, county, school district, or intermediate school  
5 district is not eligible to receive funding under this section if  
6 the city, village, township, county, school district, or  
7 intermediate school district receives a grant from the competitive  
8 grant assistance program under the state school aid act, 1979 PA  
9 94, MCL 388.1601 to 388.1896. The department of treasury shall  
10 develop an application process and method of grant distribution.

11 (2) The unexpended funds appropriated in part 1 for the  
12 competitive grant assistance program, economic vitality incentive  
13 program, and the county incentive program are designated as work  
14 project appropriations and any unencumbered or unallotted funds  
15 shall not lapse at the end of the fiscal year and shall be  
16 available for expenditure for projects under this section until the  
17 projects have been completed. The following is in compliance with  
18 section 451a of the management and budget act, 1984 PA 431, MCL  
19 18.1451a:

20 (a) The purpose of the projects is to provide incentive-based  
21 grants to recipients under this section.

22 (b) The projects will be accomplished by grants to qualified  
23 governmental units.

24 (c) The total estimated cost of all projects is  
25 \$266,120,000.00.

26 (d) The tentative completion date is September 30, 2016.

27 Sec. 952. (1) The funds appropriated in part 1 for the

1 economic vitality incentive program are to be used for grants to  
2 cities, villages, and townships such that, subject to fulfilling  
3 the requirements under subsection (3), each city, village, or  
4 township that received a payment under section 950(2) of 2009 PA  
5 128 greater than \$4,500.00 is eligible to receive a maximum of  
6 72.68289% of its total payment received under section 950(2) of  
7 2009 PA 128, rounded to the nearest dollar. For the purposes of  
8 this subsection, any city or village that according to the 2010  
9 federal decennial census is determined to have population in more  
10 than 1 county will be treated as a single entity when determining  
11 the payment received under section 950(2) of 2009 PA 128.

12 (2) The funds appropriated in part 1 for the county incentive  
13 program are to be used for grants to counties such that each county  
14 is eligible to receive an amount equal to the amount by which the  
15 balance in its revenue sharing reserve fund under section 44a of  
16 the general property tax act, 1893 PA 206, MCL 211.44a, for the  
17 county's most recent fiscal year that ends prior to the January 1  
18 of the state's fiscal year is less than the amount calculated under  
19 section 44a(13) of the general property tax act, 1893 PA 206, MCL  
20 211.44a, for the county fiscal year that begins in the state's  
21 fiscal year. The amount calculated under this subsection shall be  
22 adjusted as necessary to reflect partial county fiscal years and  
23 prorated based on the total amount appropriated for distribution to  
24 all eligible counties. Payments under this subsection will be  
25 distributed to an eligible county subject to the county fulfilling  
26 the requirements under subsection (3).

27 (3) Cities, villages, townships, and counties eligible to

1 receive a potential payment from the allocation under subsection  
2 (1) or (2) may qualify to receive payments under 1 or more of the  
3 following 3 categories:

4 (a) Category 1, accountability and transparency, requires each  
5 eligible city, village, township, or county to certify by October  
6 1, 2012, or the first day of a payment month for this category,  
7 that it has produced a citizen's guide of its most recent local  
8 finances, including a recognition of its unfunded liabilities, a  
9 performance dashboard, and a projected budget report including at a  
10 minimum the current fiscal year and a projection for the  
11 immediately following fiscal year. The projected budget report  
12 shall include revenues and expenditures, a detailed listing of its  
13 debt service requirements, and an explanation of the assumptions  
14 used for the projections. The citizen's guide, performance  
15 dashboard, and projected budget report shall be made available for  
16 public viewing in the city, village, township, or county clerk's  
17 office or posted on a publicly accessible Internet site. Each city,  
18 village, township, and county applying for a payment under this  
19 category shall submit a copy of the citizen's guide, a copy of the  
20 performance dashboard, and a copy of the projected budget report to  
21 the department of treasury.

22 (b) Category 2, consolidation of services, requires each  
23 eligible city, village, township, or county to certify by February  
24 1, 2013, or the first day of a payment month for this category,  
25 that it has produced a consolidation plan. The consolidation plan  
26 shall be made readily available for public viewing in the city,  
27 village, township, or county clerk's office or posted on a publicly

1 accessible Internet site. Each city, village, township, and county  
2 applying for a payment under this category shall submit a copy of  
3 the consolidation plan to the department of treasury. At a minimum,  
4 the consolidation plan shall include the following:

5 (i) For a city, village, township, or county that is submitting  
6 a consolidation plan for the first time, the plan shall include a  
7 listing of any previous services consolidated with an estimated  
8 cost savings amount for each consolidation. In addition, the plan  
9 shall include 1 or more new proposals to increase its existing  
10 level of cooperation, collaboration, and consolidation either  
11 within the jurisdiction or with other jurisdictions, an estimate of  
12 the potential savings amount, and a timeline for implementing the  
13 new proposal.

14 (ii) For a city, village, or township that submitted a  
15 consolidation plan in the previous fiscal year, the plan shall  
16 include an update on the status of the new proposals that were in  
17 the previous year's consolidation plan, including whether or not  
18 the previously proposed plan has been fully implemented, a listing  
19 of the barriers experienced in implementing the proposal, and a  
20 timeline of the steps to accomplish the proposed plan. In addition,  
21 the plan shall include 1 or more new proposals to increase its  
22 existing level of cooperation, collaboration, and consolidation  
23 either within the jurisdiction or with other jurisdictions, or a  
24 detailed explanation of why increasing its existing level of  
25 cooperation, collaboration, and consolidation is not feasible.

26 (c) Category 3, employee compensation, requires each eligible  
27 city, village, township, or county to meet 1 of the following

1 requirements:

2 (i) Certify by June 1, 2013, or the first day of a payment  
3 month for this category, that it has developed and publicized an  
4 employee compensation plan that the city, village, township, or  
5 county intends to implement with any new, modified, or extended  
6 contract or employment agreements for employees not covered under  
7 contract or employment agreement. The employee compensation plan  
8 that each city, village, township, or county plans to achieve shall  
9 be made available for public viewing in the city, village,  
10 township, or county clerk's office or posted on a publicly  
11 accessible Internet site and must be submitted to the department of  
12 treasury. At a minimum, the employee compensation plan shall  
13 include all of the following:

14 (A) New hires that are eligible for retirement plans are  
15 placed on retirement plans that cap annual employer contributions  
16 at 10% of base salary for employees that are eligible for social  
17 security benefits. For employees that are not eligible for social  
18 security benefits, the annual employer contribution is capped at  
19 16.2% of base salary.

20 (B) For defined benefit pension plans, a maximum multiplier of  
21 1.5% for all employees that are eligible for social security  
22 benefits, except, where postemployment health care is not provided,  
23 the maximum multiplier shall be 2.25%. For all employees that are  
24 not eligible for social security benefits, a maximum multiplier of  
25 2.25%, except, where postemployment health care is not provided,  
26 the maximum multiplier shall be 3.0%.

27 (C) For defined benefit pension plans, final average

1 compensation for all employees is calculated using a minimum of 3  
2 years of compensation and shall not include more than a total of  
3 240 hours of paid leave. Overtime hours shall not be used in  
4 computing the final average compensation for an employee.

5 (D) Health care premium costs for new hires shall include a  
6 minimum employee share of 20%; or, an employer's share of the local  
7 health care plan costs shall be cost competitive with the new state  
8 preferred provider organization health plan, on a per-employee  
9 basis.

10 (ii) Comply with 1 of the following:

11 (A) Any eligible city, village, township, or county that  
12 offers medical benefits to its employees or elected public  
13 officials shall certify to the department of treasury by June 1,  
14 2013, or the first day of a payment month for this category, that  
15 it is in compliance with the publicly funded health insurance  
16 contribution act, 2011 PA 152, MCL 15.561 to 15.569. Dental and  
17 vision coverages are not considered medical benefits. The  
18 department shall develop a certification process and method for  
19 cities, villages, townships, and counties to follow.

20 (B) Any city, village, township, or county that does not offer  
21 medical benefits to its employees or elected public officials shall  
22 certify to the department of treasury by June 1, 2013, or the first  
23 day of a payment month for this category, that it does not offer  
24 medical benefits to its employees or elected public officials.  
25 Dental and vision coverages are not considered medical benefits.  
26 The department shall develop a certification process and method for  
27 cities, villages, townships, or counties to follow.

1           (4) Economic vitality incentive program payments and county  
2 incentive program payments are subject to the following conditions:

3           (a) In order for a city, village, township, or county to  
4 qualify for a category under subsection (3)(a), (b), or (c), the  
5 city, village, township, or county shall meet every criteria for  
6 that category including a certification to the department that it  
7 has met the required criteria for that category and submission of  
8 the required citizen's guide, performance dashboard, and projected  
9 budget report; consolidation plan; or the employee compensation  
10 plan or certification of compliance with the publicly funded health  
11 insurance contribution act, 2011 PA 152, MCL 15.561 to 15.569, or  
12 certification that it does not offer medical benefits to employees  
13 or public officials, as required by subsection (3)(a), (b), or (c),  
14 respectively. A department of treasury review of the citizen's  
15 guide, dashboard, or plan is not required in order for a city,  
16 village, township, or county to receive a payment under subsection  
17 (1) or (2). The department shall develop a certification process  
18 and method for cities, villages, townships, and counties to follow.

19           (b) Subject to subsection (4)(c), (d), and (e), for each  
20 category that a city, village, township, or county qualifies for in  
21 subsection (3), the city, village, township, or county shall  
22 receive 1/3 of its potential payment under this section.

23           (c) Payments under this section shall be issued to cities,  
24 villages, and townships as follows:

25           (i) Category 1, an eligible city, village, or township that  
26 certifies with the department of treasury that it has qualified for  
27 a payment under subsection (3)(a) by October 1, 2012 shall receive

1 1/6 of its available distribution on the last business day of  
2 October 2012 and 1/6 of its available distribution on the last  
3 business day of December 2012. If an eligible city, village, or  
4 township certifies with the department of treasury that it has  
5 qualified for a payment under subsection (3)(a) after October 1,  
6 2012, but prior to December 1, 2012, the city, village, or township  
7 shall receive 1/6 of its available distribution on the last  
8 business day of December 2012.

9 (ii) Category 2, an eligible city, village, or township that  
10 certifies with the department of treasury that it has qualified for  
11 a payment under subsection (3)(b) by February 1, 2013 shall receive  
12 1/6 of its available distribution on the last business day of  
13 February 2013 and 1/6 of its available distribution on the last  
14 business day of April 2013. If an eligible city, village, or  
15 township certifies with the department of treasury that it has  
16 qualified for a payment under subsection (3)(b) after February 1,  
17 2013, but prior to April 1, 2013, the city, village, or township  
18 shall receive 1/6 of its available distribution on the last  
19 business day of April 2013.

20 (iii) Category 3, an eligible city, village, or township that  
21 certifies with the department of treasury that it has qualified for  
22 a payment under subsection (3)(c) by June 1, 2013 shall receive 1/6  
23 of its available distribution on the last business day of June 2013  
24 and 1/6 of its available distribution on the last business day of  
25 August 2013. If an eligible city, village, or township certifies  
26 with the department of treasury that it has qualified for a payment  
27 under subsection (3)(c) after June 1, 2013, but prior to August 1,

1 2013, the city, village, or township shall receive 1/6 of its  
2 available distribution on the last business day of August 2013.

3 (d) Payments under this section shall be issued to counties  
4 for each category in subsection (3) until the specified due date  
5 for the category. After the specified due date for the category,  
6 payments shall be made to a county only if that county has complied  
7 with subsection (4)(a).

8 (e) If a county does not provide the required certification or  
9 fails to submit the required citizen's guide, performance  
10 dashboard, projected budget report, consolidation plan, or  
11 certification of compliance with the publicly funded health  
12 insurance contribution act, 2011 PA 152, MCL 15.561 to 15.569, by  
13 the first day of a payment month, the county shall forfeit the  
14 payment in that payment month for the uncertified category in  
15 subsection (3).

16 (f) Any city, village, township, or county that falsifies  
17 certification documents shall forfeit any future economic vitality  
18 incentive program payments or county incentive program payments and  
19 shall repay to this state all economic vitality incentive program  
20 payments or county incentive program payments it has received under  
21 this section.

22 (g) Economic vitality incentive program payments and county  
23 incentive program payments under this section shall be distributed  
24 on the last business day of October, December, February, April,  
25 June, and August.

26 (h) Payments distributed under this section may be withheld  
27 pursuant to sections 17a and 21 of the Glenn Steil state revenue

1 sharing act of 1971, 1971 PA 140, MCL 141.917a and 141.921.

2 (i) The department of treasury shall develop detailed guidance  
3 for an eligible city, village, township, or county to follow to  
4 qualify for a payment under subsection (3)(a), (b), and (c). The  
5 detailed guidance shall be posted on the department of treasury  
6 website and distributed to eligible cities, villages, townships,  
7 and counties by October 1, 2012.

8 (5) The unexpended funds appropriated in part 1 for the  
9 economic vitality incentive program and the county incentive  
10 program shall be available for expenditure for competitive grant  
11 assistance projects under section 951.

12 Sec. 955. (1) The funds appropriated in part 1 for county  
13 revenue sharing shall be distributed by the department to eligible  
14 counties 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 **LOTTERY**

20 Sec. 960. In addition to the funds appropriated in part 1 to  
21 the bureau of state lottery, there is appropriated from state  
22 lottery fund revenues the amount necessary for, and directly  
23 related to, implementing and operating lottery games under the  
24 McCauley-Traxler-Law-Bowman-McNeely lottery act, 1972 PA 239, MCL  
25 432.1 to 432.47, and activities under the Traxler-McCauley-Law-  
26 Bowman bingo act, 1972 PA 382, MCL 432.101 to 432.120, including  
27 expenditures for contractually mandated payments for vendor

1 commissions, contractually mandated payments for instant tickets  
2 intended for resale, the contractual costs of providing and  
3 maintaining the online system communications network, and incentive  
4 and bonus payments to lottery retailers.

5 Sec. 963. The bureau of state lottery shall inform all lottery  
6 retailers that the cash side of department of human services bridge  
7 cards cannot be used to purchase lottery tickets.

#### 8 **CASINO GAMING**

9 Sec. 971. From the revenue collected by the Michigan gaming  
10 control board regarding the total annual assessment of each casino  
11 licensee, \$2,000,000.00 is appropriated and shall be deposited in  
12 the compulsive gaming prevention fund as described in section  
13 12a(5) of the Michigan gaming control and revenue act, 1996 IL 1,  
14 MCL 432.212a.

15 Sec. 973. (1) Funds appropriated in part 1 for local  
16 government programs may be used to provide assistance to a local  
17 revenue sharing board referenced in an agreement authorized by the  
18 Indian gaming regulatory act, Public Law 100-497.

19 (2) A local revenue sharing board described in subsection (1)  
20 shall comply with the open meetings act, 1976 PA 267, MCL 15.261 to  
21 15.275, and the freedom of information act, 1976 PA 442, MCL 15.231  
22 to 15.246.

23 (3) A county treasurer is authorized to receive and administer  
24 funds received for and on behalf of a local revenue sharing board.  
25 Funds appropriated in part 1 for local government programs may be  
26 used to audit local revenue sharing board funds held by a county  
27 treasurer. This section does not limit the ability of local units

1 of government to enter into agreements with federally recognized  
2 Indian tribes to provide financial assistance to local units of  
3 government or to jointly provide public services.

4 (4) A local revenue sharing board described in subsection (1)  
5 shall comply with all applicable provisions of any agreement  
6 authorized by the Indian gaming regulatory act, Public Law 100-497,  
7 in which the local revenue sharing board is referenced, including,  
8 but not limited to, the disbursal of tribal casino payments  
9 received under applicable provisions of the tribal-state class III  
10 gaming compact in which those funds are received.

11 (5) The director of the department of state police and the  
12 executive director of the Michigan gaming control board are  
13 authorized to assist the local revenue sharing boards in  
14 determining allocations to be made to local public safety  
15 organizations.

16 (6) The department of treasury shall submit a report by  
17 September 30 to the senate and house of representatives standing  
18 committees on appropriations and the state budget director on the  
19 receipts and distribution of revenues by local revenue sharing  
20 boards.

21 Sec. 974. If revenues collected in the state services fee fund  
22 are less than the amounts appropriated from the fund, available  
23 revenues shall be used to fully fund the appropriation in part 1  
24 for casino gaming regulation activities before distributions are  
25 made to other state departments and agencies. If the remaining  
26 revenue in the fund is insufficient to fully fund appropriations to  
27 other state departments or agencies, the shortfall shall be

1 distributed proportionally among those departments and agencies.

2       Sec. 976. The executive director of the Michigan gaming  
3 control board may pay rewards of not more than \$5,000.00 to a  
4 person who provides information that results in the arrest and  
5 conviction on a felony or misdemeanor charge for a crime that  
6 involves the horse racing industry. A reward paid pursuant to this  
7 section shall be paid out of the appropriation in part 1 for the  
8 racing commission.

9       Sec. 977. All appropriations from the Michigan agriculture  
10 equine industry development fund, except for the racing commission  
11 and laboratory analysis program appropriations, shall be reduced  
12 proportionately if revenues to the Michigan agriculture equine  
13 industry development fund decline during the fiscal year ending  
14 September 30, 2013 to a level lower than the amount appropriated in  
15 part 1.

16       Sec. 978. The Michigan gaming control board shall use actual  
17 expenditure data in determining the actual regulatory costs of  
18 conducting racing dates and shall provide that data to the senate  
19 and house appropriations subcommittees on agriculture and general  
20 government and the senate and house fiscal agencies. The Michigan  
21 gaming control board shall not be reimbursed for more than the  
22 actual regulatory cost of conducting race dates. If a certified  
23 horsemen's organization funds more than the actual regulatory cost,  
24 the balance shall remain in the agriculture equine industry  
25 development fund to be used to fund subsequent race dates conducted  
26 by race meeting licensees with which the certified horsemen's  
27 organization has contracts. If a certified horsemen's organization

1 funds less than the actual regulatory costs of the additional horse  
2 racing dates, the Michigan gaming control board shall reduce the  
3 number of future race dates conducted by race meeting licensees  
4 with which the certified horsemen's organization has contracts.  
5 Prior to the reduction in the number of authorized race dates due  
6 to budget deficits, the executive director of the Michigan gaming  
7 control board shall provide notice to the certified horsemen's  
8 organizations with an opportunity to respond with alternatives. In  
9 determining actual costs, the Michigan gaming control board shall  
10 take into account that each specific breed may require different  
11 regulatory mechanisms.

12       Sec. 979. In addition to the funds appropriated in part 1, the  
13 Michigan gaming control board may receive and expend state lottery  
14 fund revenue in an amount not to exceed \$4,000,000.00 for necessary  
15 expenses incurred in the licensing and regulation of millionaire  
16 parties pursuant to Executive Order No. 2012-4. In accordance with  
17 section 8 of the Traxler-McCauley-Law-Bowman bingo act, 1972 PA  
18 382, MCL 432.108, the amount of necessary expenses shall not exceed  
19 the amount of revenue received under that act. The Michigan gaming  
20 control board shall provide a report to the senate and house of  
21 representatives appropriations subcommittees on general government,  
22 the senate and house fiscal agencies, and the state budget office  
23 by April 15. The report shall include, but not be limited to, total  
24 expenditures related to the licensing and regulating of millionaire  
25 parties, steps taken to ensure charities are receiving revenue due  
26 to them, progress on promulgating rules to ensure compliance with  
27 the Traxler-McCauley-Law-Bowman bingo act, 1972 PA 382, MCL 432.101

1 to 432.120, and any enforcement actions taken.

2 **MICHIGAN STRATEGIC FUND - HOUSING AND COMMUNITY DEVELOPMENT**

3 Sec. 980. MSHDA shall annually present a report to the state  
4 budget office and the subcommittees on the status of the  
5 authority's housing production goals under all financing programs  
6 established or administered by the authority. The report shall give  
7 special attention to efforts to raise affordable multifamily  
8 housing production goals.

9 Sec. 981. MSHDA shall report to the subcommittees, the state  
10 budget director, and the fiscal agencies by December 1 on the  
11 status of the loans entered into by the Michigan broadband  
12 development authority.

13 Sec. 983. In addition to the amounts appropriated in part 1  
14 for the administration of the land bank fast track authority, the  
15 authority may expend revenues received under the land bank fast  
16 track act, 2003 PA 258, MCL 124.751 to 124.774, for the purposes  
17 authorized by the act including, but not limited to, the  
18 acquisition, lease, management, demolition, maintenance, or  
19 rehabilitation of real or personal property, payment of debt  
20 service for notes or bonds issued by the authority, and other  
21 expenses to clear or quiet title property held by the authority.

22 Sec. 984. In addition to the funds appropriated in part 1, the  
23 funds collected by state historic preservation programs for  
24 document reproduction and services and application fees are  
25 appropriated for all expenses necessary to provide the required  
26 services. These funds are available for expenditure when they are  
27 received and may be carried forward into the succeeding fiscal

1 year.

2 **MICHIGAN STRATEGIC FUND**

3 Sec. 1001. (1) In addition to the funds appropriated in part  
4 1, there is appropriated an amount not to exceed \$20,000,000.00 for  
5 federal contingency funds. These funds are not available for  
6 expenditure until they have been transferred to another line item  
7 in this article under section 393(2) of the management and budget  
8 act, 1984 PA 431, MCL 18.1393.

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

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

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

27 Sec. 1005. In addition to the appropriations in part 1, Travel

1 Michigan may receive and expend private revenue related to the use  
2 of "Pure Michigan" and all other copyrighted slogans and images.  
3 This revenue may come from the direct licensing of the name and  
4 image or from the royalty payments from various merchandise sales.  
5 Revenue collected is appropriated for the marketing of the state as  
6 a travel destination. The funds are available for expenditure when  
7 they are received by the department of treasury.

8       Sec. 1006. The fund shall submit on February 15 to the  
9 subcommittees, the state budget office, and the fiscal agencies a  
10 listing of all grants which have been awarded by the fund or by the  
11 Michigan economic development corporation from the funds  
12 appropriated in part 1. The list shall include all of the  
13 following:

14       (a) The name of the recipient.

15       (b) The amount awarded to the recipient.

16       (c) The purpose of the grant.

17       Sec. 1007. (1) The fund shall provide reports to the relevant  
18 subcommittees, the state budget director, and the fiscal agencies  
19 concerning the activities of the Michigan economic development  
20 corporation grants and investment programs financed from the fund  
21 using investment or Indian gaming revenues. The report shall  
22 provide a list of individual grants, loans, and investments made  
23 from the fund. The report shall include, but not be limited to, the  
24 following programs funded in part 1:

25       (a) Travel Michigan, including any expenditures authorized  
26 under section 89b of the Michigan strategic fund act, 1984 PA 270,  
27 MCL 125.2089b, to supplement the Michigan promotion program. The

1 report shall include the number of commercials produced, the  
2 markets in which media buys have been made, and any web-based  
3 products that were created with these funds.

4 (b) Business attraction, retention, and growth, including any  
5 expenditures authorized under section 89b of the Michigan strategic  
6 fund act, 1984 PA 270, MCL 125.2089b, to supplement the Michigan  
7 business marketing program. The report shall include the number of  
8 commercials produced, the markets in which media buys have been  
9 made, and any web-based products that were created as a result of  
10 this appropriation.

11 (c) Business services.

12 (d) Community development block grants.

13 (e) Strategic fund administration.

14 (f) Renaissance zones.

15 (g) 21st century investment program.

16 (h) Business and clean air ombudsman.

17 (i) Michigan business development program.

18 (j) Community revitalization program.

19 (k) Film incentives.

20 (l) Any other programs of the fund.

21 (2) The reports in subsection (1) shall be submitted by  
22 February 15. The report for each program in subsection (1)(a)  
23 through (l) shall include details on all revenue sources, actual  
24 expenditures, and number of FTEs for that program for the previous  
25 fiscal year.

26 Sec. 1008. As a condition of receiving funds under part 1, any  
27 interlocal agreement entered into by the fund shall include

1 language which states that if a local unit of government has a  
2 contract or memorandum of understanding with a private economic  
3 development agency, the Michigan economic development corporation  
4 will work cooperatively with that private organization in that  
5 local area.

6 Sec. 1009. (1) Of the funds appropriated to the fund or  
7 through grants to the Michigan economic development corporation, no  
8 funds shall be expended for the purchase of options on land or the  
9 purchase of land unless at least 1 of the following conditions  
10 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. 1011. (1) From the general fund/general purpose

1 appropriations in part 1 to the fund and granted or transferred to  
2 the Michigan economic development corporation, any unexpended or  
3 unencumbered balance shall be disposed of in accordance with the  
4 requirements in the management and budget act, 1984 PA 431, MCL  
5 18.1101 to 18.1594, unless carryforward authorization has been  
6 otherwise provided for.

7 (2) Any encumbered funds shall be used for the same purposes  
8 for which funding was originally appropriated in this article.

9 Sec. 1012. (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 article, the fund may exercise those duties.

21 Sec. 1013. As a condition for receiving the appropriations in  
22 part 1, any staff of the Michigan economic development corporation  
23 involved in private fund-raising activities shall not be party to  
24 any decisions regarding the awarding of grants or tax abatements  
25 from the fund, the Michigan economic development corporation, or  
26 the Michigan economic growth authority.

27 Sec. 1014. (1) All funds received from repayment of loans,

1 unused grants, revenues received from sales or cash flow  
2 participation agreements, guarantees, or any combination of these  
3 or accrued interest originally distributed as part of the core  
4 communities fund, created by 2000 PA 291, shall be received, held,  
5 and applied by the fund for the purposes described in 2000 PA 291.

6 (2) The fund shall provide an annual report on the status of  
7 this fund which includes information that details the awards made.  
8 The report shall be provided to the appropriations subcommittees on  
9 general government, the fiscal agencies, and the state budget  
10 office by January 31.

11 Sec. 1020. Federal pass-through funds to local institutions  
12 and governments that are received in amounts in addition to those  
13 included in part 1 and that do not require additional state  
14 matching funds are appropriated for the purposes intended. The fund  
15 may carry forward into the succeeding fiscal year unexpended  
16 federal pass-through funds to local institutions and governments  
17 that do not require additional state matching funds. The fund shall  
18 report the amount and source of the funds to the senate  
19 appropriation subcommittee on economic development, the house  
20 appropriation subcommittee on general government, the senate and  
21 house fiscal agencies, and the state budget office within 10  
22 business days after receiving any additional pass-through funds.

23 Sec. 1023. The fund shall coordinate tourism promotion with  
24 the tourism industry. The fund shall submit a report on the  
25 geographical market locations and recreational activities used in  
26 Michigan tourism promotion material at the same time and in the  
27 same manner as it submits the report required under section 89d of

1 the Michigan strategic fund act, 1984 PA 270, MCL 125.2089d.

2       Sec. 1024. From the funds appropriated in part 1 for business  
3 attraction and economic gardening, not less than \$20,000,000.00  
4 shall be granted by the Michigan strategic fund board for  
5 brownfield redevelopment incentives and historic preservation  
6 incentives.

7       Sec. 1031. The Michigan strategic fund shall report to the  
8 senate and house of representatives appropriations subcommittees on  
9 general government, the senate and house fiscal agencies, and the  
10 state budget office by April 15, 2013 on the spending plan for the  
11 line items for innovation and entrepreneurship and business  
12 attraction and economic gardening. If the spending plan for the  
13 fiscal year is changed after that date, the fund shall notify the  
14 report recipients listed previously within 10 business days.

15       Sec. 1032. (1) The Michigan film office shall report to the  
16 subcommittees and the fiscal agencies on the status of the film  
17 incentives at the same time as it submits the annual report  
18 required under section 455 of the Michigan business tax act, 2007  
19 PA 36, MCL 208.1455. The department of treasury and the Michigan  
20 strategic fund shall provide the Michigan film office with the data  
21 necessary to prepare the report. Incentives included in the report  
22 shall include all of the following:

23       (a) The tax credit provided under section 455 of the Michigan  
24 business tax act, 2007 PA 36, MCL 208.1455.

25       (b) The tax credit provided under section 457 of the Michigan  
26 business tax act, 2007 PA 36, MCL 208.1457.

27       (c) The tax credit provided under section 459 of the Michigan

1 business tax act, 2007 PA 36, MCL 208.1459.

2 (d) The amount of any tax credit claimed under former section  
3 367 of the income tax act of 1967, 1967 PA 281.

4 (e) Any tax credits provided for film and digital media  
5 production under the Michigan economic growth authority act, 1995  
6 PA 24, MCL 207.801 to 207.810.

7 (f) Loans to an eligible production company or film and  
8 digital media private equity fund authorized under section 88d(3),  
9 (4), and (5) of the Michigan strategic fund act, 2005 PA 225, MCL  
10 125.2088d.

11 (g) Any spending or activities supported by the appropriation  
12 in part 1 for film incentives.

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

14 (a) For each tax credit, the number of contracts signed, the  
15 projected expenditures qualifying for the credit, and the estimated  
16 value of the credits. For loans, the number of loans made under  
17 each section, the interest rate of those loans, the loan amount,  
18 the percent of the projected budget of each production financed by  
19 those loans, and the estimated interest earnings from the loan. For  
20 each film incentive awarded, including any program to support and  
21 promote a qualified facility and other film infrastructure as  
22 defined in section 29h of the Michigan strategic fund act, 1984 PA  
23 270, MCL 125.2029h, the total funding awarded for each of the  
24 following:

25 (i) Direct production expenditures.

26 (ii) Michigan personnel expenditures.

27 (iii) Crew personnel expenditures.

1 (iv) Qualified personnel expenditures.

2 (v) Postproduction expenditures.

3 (vi) Qualified facility or infrastructure expenditures.

4 (vii) Spending for program administration.

5 (b) For credits authorized under section 455 of the Michigan  
6 business tax act, 2007 PA 36, MCL 208.1455, for productions  
7 completed by December 31, the expenditures of each production  
8 eligible for the credit that has filed a request for certificate of  
9 completion with the film office, broken down into expenditures for  
10 goods, services, or salaries and wages and showing separately  
11 expenditures in each local unit of government, including  
12 expenditures for personnel, whether or not they were made to a  
13 Michigan entity, and whether or not they were taxable under the  
14 laws of this state. For loans, the report shall include the number  
15 of loans that have been fully repaid, with principal and interest  
16 shown separately, and the number of loans that are delinquent or in  
17 default, and the amount of principal that is delinquent or is in  
18 default.

19 (c) For each of the tax credit incentives, loan incentives,  
20 and film incentives listed in subsection (1), a breakdown for each  
21 project or production showing each of the following:

22 (i) The number of temporary jobs created.

23 (ii) The number of permanent jobs created.

24 (iii) The number of persons employed in Michigan as a result of  
25 the incentive, on a full-time equated basis.

26 (3) For any information not included in the report due to the  
27 provisions of sections 455(6), 457(6), or 459(6) of the Michigan

1 business tax act, 2007 PA 36, MCL 208.1455, 208.1457, and 208.1459,  
2 the report shall do all of the following:

3 (a) Indicate how the information would describe the commercial  
4 and financial operations or intellectual property of the company.

5 (b) Attest that the information has not been publicly  
6 disseminated at any time.

7 (c) Describe how disclosure of the information may put the  
8 company at a competitive disadvantage.

9 (4) Any information not disclosed due to the provisions of  
10 sections 455(6), 457(6), or 459(6) of the Michigan business tax  
11 act, 2007 PA 36, MCL 208.1455, 208.1457, and 208.1459, shall be  
12 presented at the lowest level of aggregation that would no longer  
13 describe the commercial and financial operations or intellectual  
14 property of the company.

15 Sec. 1033. The Michigan film office shall report to the  
16 chairpersons of the senate and house of representatives standing  
17 committees on appropriations subcommittees on general government  
18 and the senate and house fiscal agencies on the status of the film  
19 incentives approved under section 29h of the Michigan strategic  
20 fund act, 1984 PA 270, MCL 125.2029h, not later than 30 days  
21 following the end of each quarter of the fiscal year. The report  
22 shall include all of the following:

23 (a) Direct and indirect economic impacts in this state  
24 attributable to the assistance.

25 (b) Direct and indirect job creation in this state  
26 attributable to the assistance.

27 (c) Direct and indirect private investment in this state

1 attributable to the assistance.

2 (d) The name of each eligible production company and the  
3 amount of each incentive disbursed for each state certified  
4 qualified production.

5 Sec. 1033b. It is the intent of the legislature that for funds  
6 appropriated from the general fund/general purpose revenue for the  
7 purpose of the Michigan strategic fund - film incentive program,  
8 the applicable percentage of the state certified qualified  
9 production expenditures provided in section 29h(3)(d) of the  
10 Michigan strategic fund act, 1984 PA 270, MCL 125.2029h, shall be  
11 determined based on the date of the agreement.

12 Sec. 1034. (1) From the funds appropriated in part 1 for  
13 innovation and entrepreneurship, the Michigan strategic fund shall  
14 award grants that total not more than \$8,500,000.00 for business  
15 incubators and accelerators as follows:

16 (a) A high performance regional business incubator or  
17 accelerator that provides services in at least 8 counties and  
18 received funding as an auto technology business accelerator under  
19 section 88j of the Michigan strategic fund act, 1984 PA 270, MCL  
20 125.2088j, shall receive a grant of not less than \$2,000,000.00 in  
21 fiscal year 2012-2013.

22 (b) Funding of not less than \$750,000.00 in fiscal year 2012-  
23 2013 shall be awarded to 1 high performance business incubator or  
24 accelerator in a city with a population greater than 650,000.

25 (c) Funding of not less than \$500,000.00 in fiscal year 2012-  
26 2013 shall be awarded to 1 high performance business incubator or  
27 accelerator in each of the following governmental units:

1 (i) Houghton County.

2 (ii) Isabella County.

3 (iii) Kent County.

4 (iv) Macomb County.

5 (v) Oakland County.

6 (vi) Washtenaw County.

7 (vii) Midland County.

8 (viii) A Mason County business incubator that provides services  
9 to Lake, Mason, Manistee, and Oceana Counties.

10 (d) Funding of not less than \$275,000.00 in fiscal year 2012-  
11 2013 shall be awarded to 1 high performance business incubator or  
12 accelerator in Ingham County.

13 (2) Grant funding awarded under this section may be used to  
14 fund satellite locations, as determined by the Michigan strategic  
15 fund.

16 (3) Eligible recipients for these awards shall be operational  
17 as of October 1, 2012.

18 (4) No recipient under subsection (1)(b), (c), or (d) shall  
19 receive more than \$1,000,000.00 under this section. The fund shall  
20 make 1 award under subsection (1)(a) and shall make 1 award to an  
21 incubator or accelerator located in each local government listed in  
22 subsection (1)(b), (c), or (d).

23 (5) Applicants shall submit a comprehensive business plan to  
24 the Michigan strategic fund that demonstrates the sustainability of  
25 the organization.

26 (6) Awards shall be announced by January 31.

27 (7) Each recipient business incubator or accelerator shall

1 develop a dashboard of indicators to measure the effectiveness of  
2 the business incubator and accelerator programs. Indicators shall  
3 include the direct jobs created, new companies launched as a direct  
4 result of business incubator or accelerator involvement, businesses  
5 expanded as a direct result of business incubator or accelerator  
6 involvement, direct investment in client companies, private equity  
7 financing obtained by client companies, grant funding obtained by  
8 client companies, and other measures developed by the recipient  
9 business incubators and accelerators in conjunction with the  
10 Michigan economic development corporation. Dashboard indicators  
11 shall be reported for the prior fiscal year and cumulatively, if  
12 available. Each recipient shall submit a copy of their dashboard  
13 indicators to the Michigan strategic fund by March 1. The Michigan  
14 strategic fund shall transmit the local reports to the senate and  
15 house of representatives appropriations subcommittees on general  
16 government, the senate and house fiscal agencies, and the state  
17 budget office by March 15.

18 (8) It is the intent of the legislature that any funding  
19 awarded for business incubators or accelerators in the 2013-2014  
20 fiscal year and subsequent years will be based on the performance  
21 of the program as a whole and the results of each incubator as  
22 reported in the dashboard indicators.

23 Sec. 1034b. From the funds appropriated in part 1 for  
24 innovation and entrepreneurship, the fund shall allocate  
25 \$500,000.00 to the Van Andel Institute to be used as a match for  
26 funding received from the department of defense and the national  
27 institutes of health for advanced medical research.

1       Sec. 1035. (1) From the appropriation in part 1, the Michigan  
2 council for arts and cultural affairs shall administer an arts and  
3 cultural grant program that maintains an equitable geographic  
4 distribution of funding and utilizes past arts and cultural grant  
5 programs as a guideline for administering this program. The council  
6 shall do all of the following:

7       (a) On or before October 1, the fund shall publish proposed  
8 application criteria, instructions, and forms for use by eligible  
9 applicants. The fund shall provide at least a 2-week period for  
10 public comment before finalizing the application criteria,  
11 instructions, and forms.

12       (b) A nonrefundable application fee may be assessed for each  
13 application. Application fees shall be deposited in the council for  
14 the arts fund and are appropriated for expenses necessary to  
15 administer the programs. These funds are available for expenditure  
16 when they are received and may be carried forward to the following  
17 fiscal year.

18       (c) Grants are to be made to public and private arts and  
19 cultural entities.

20       (d) Within 1 business day after the award announcements, the  
21 council shall provide to each member of the legislature and the  
22 fiscal agencies a list of all grant recipients and the total award  
23 given to each recipient, sorted by county.

24       (2) Up to \$100,000.00 from the appropriation in part 1 for  
25 arts and cultural program may be used for the administration of  
26 this grant program.

27 **MICHIGAN STRATEGIC FUND - CAREER EDUCATION**

1       Sec. 1050. (1) The fund shall publish the "activities  
2       classification structure data book" for Michigan community colleges  
3       on or before March 1.

4       (2) The fund shall compile information received from community  
5       colleges on North American Indian tuition waivers granted pursuant  
6       to 1976 PA 174, MCL 390.1251 to 390.1253, and shall submit this  
7       compilation to the house and senate appropriations subcommittees on  
8       community colleges, the fiscal agencies, and the state budget  
9       director by March 1.

10      (3) The fund shall compile information received from community  
11      colleges on the number and types of associate degrees and other  
12      certificates awarded during the previous fiscal year and shall  
13      submit this compilation to the house and senate appropriations  
14      subcommittees on community colleges, the fiscal agencies, and the  
15      state budget director by March 1.

16      (4) The fund shall place the reports required in this section  
17      on a publicly available website.

18      Sec. 1052. From the appropriation in part 1 for community  
19      ventures, \$200,000.00 shall be allocated to a nonprofit community  
20      foundation to fund an existing workforce development program that  
21      provides job placement assistance, language development services,  
22      assistance in obtaining valid professional credentials or licenses,  
23      and other services that reduce or remove barriers to employment  
24      faced by refugees from the Iraq war.

25      Sec. 1053. From the appropriation in part 1 for community  
26      ventures, the fund shall allocate \$340,000.00 for the final year of  
27      funding for precollege programs in engineering and sciences. The

1 fund shall allocate 1/2 of the appropriated amount to the Detroit  
2 precollege engineering program and the Grand Rapids area precollege  
3 engineering program, which were appropriated funds under 2005 PA  
4 156.

5       Sec. 1054. From the funds appropriated in part 1 for workforce  
6 programs subgrantees, the fund may allocate funding for grants to  
7 nonprofit organizations that offer programs to workforce investment  
8 act - eligible youth focusing on entrepreneurship, work-readiness  
9 skills, job shadowing, and financial literacy. Organizations  
10 eligible for funding under this section must have the capacity to  
11 provide similar programs in urban areas, as determined by the  
12 United States bureau of the census according to the most recent  
13 federal decennial census. Additionally, programs eligible for  
14 funding under this section must include the participation of local  
15 business partners. The fund shall develop other appropriate  
16 eligibility requirements to ensure compliance with applicable  
17 federal rules and regulations.

18 **MICHIGAN STRATEGIC FUND - WORKFORCE DEVELOPMENT**

19       Sec. 1060. The fund shall administer the jobs, education, and  
20 training program in accordance with the requirements of section  
21 407(d) of title IV of the social security act, 42 USC 607, the  
22 state social welfare act, 1939 PA 280, MCL 400.1 to 400.119b, and  
23 all other applicable laws and regulations.

24       Sec. 1062. The fund shall make available, in person or by  
25 telephone, 1 disabled veterans outreach program specialist or local  
26 veterans employment representative to Michigan works! service  
27 centers, as resources permit, during hours of operation, and shall

1 continue to make the appropriate placement of veterans and disabled  
2 veterans a priority.

3 Sec. 1063. (1) In addition to the funds appropriated in part  
4 1, any unencumbered and unrestricted federal workforce investment  
5 act or trade adjustment assistance funds available from prior  
6 fiscal years are appropriated for the purposes originally intended.

7 (2) The fund shall report by January 15 to the subcommittees,  
8 the fiscal agencies, and the state budget office on the amount by  
9 fiscal year of federal workforce investment act funds appropriated  
10 under this section.

11 Sec. 1068. (1) Of the funds appropriated in part 1 for the  
12 workforce training programs, the fund shall provide a report by  
13 February 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 workforce training programs. The report shall include the  
17 following:

18 (a) The amount of funding allocated to each Michigan works!  
19 agency and the total funding allocated to the workforce training  
20 programs statewide by fund source.

21 (b) The number of participants enrolled in education or  
22 training programs by each Michigan works! agency.

23 (c) The average duration of training for training program  
24 participants by each Michigan works! agency.

25 (d) The number of participants enrolled in remedial education  
26 programs and the number of participants enrolled in literacy  
27 programs.

1 (e) The number of participants enrolled in programs at 2-year  
2 institutions.

3 (f) The number of participants enrolled in 4-year  
4 institutions.

5 (g) The number of participants enrolled in proprietary schools  
6 or other technical training programs.

7 (h) The number of participants that have completed education  
8 or training programs.

9 (i) The number of participants who secured employment in  
10 Michigan within 1 year of completing a training program.

11 (j) The number of participants who completed a training  
12 program and secured employment in a field related to their  
13 training.

14 (k) The average wage earned by participants who completed a  
15 training program and secured employment within 1 year.

16 (2) Data collection for the report shall be for the period  
17 October 1, 2011 through September 30, 2012.

18 **REVENUE STATEMENT**

19 Sec. 1101. Pursuant to section 18 of article V of the state  
20 constitution of 1963, fund balances and estimates are presented in  
21 the following statement:

22 BUDGET RECOMMENDATIONS BY OPERATING FUNDS

23 (Amounts in millions)

24 Fiscal Year 2012-2013

25 Beginning

		Fund	Unreserved		
		Fund	Estimated	Ending	
		Balance	Revenue	Balance	
1					
2					
3					
4	OPERATING FUNDS				
5	General fund/general purpose	0110	541.9	8,619.3	73.9
6	General fund/special purpose		910.0	22,462.3	213.3
7	Special Revenue Funds:				
8	Countercyclical budget and				
9	economic stabilization	0111	261.1	3.1	264.2
10	Game and fish protection	0112	3.3	62.5	2.9
11	Michigan employment security act				
12	administration	0113	10.9	5.1	18.6
13	State aeronautics	0114	5.0	106.0	0.0
14	Michigan veterans' benefit				
15	trust	0115	0.0	5.2	0.0
16	State trunkline	0116	0.0	1,838.8	0.0
17	Michigan state waterways	0117	2.0	26.7	2.4
18	Blue Water Bridge	0118	0.0	23.6	0.0
19	Michigan transportation	0119	0.0	1,865.7	0.0
20	Comprehensive transportation	0120	18.7	322.7	0.0
21	School aid	0122	0.0	13,070.5	0.0
22	Game and fish protection trust	0124	0.0	7.0	0.0
23	State park improvement	0125	0.1	5.2	0.1
24	Forest development	0126	2.5	31.2	0.0
25	Michigan natural resources				
26	trust	0129	28.3	25.7	27.6
27	Michigan state parks endowment	0130	5.3	40.1	1.1

1	Safety education and training	0131	5.3	8.1	4.4
2	Bottle deposit	0136	0.0	13.4	0.0
3	State construction code	0138	3.8	13.1	5.9
4	Children's trust	0139	1.1	2.9	1.1
5	State casino gaming	0140	2.3	34.7	2.4
6	Michigan nongame fish and				
7	wildlife	0143	0.1	0.3	0.0
8	Michigan merit award trust	0154	0.0	113.6	0.0
9	Outdoor recreation legacy	0162	0.2	2.9	0.0
10	Off-road vehicle account	0163	0.1	3.3	0.0
11	Snowmobile account	0164	1.4	11.4	1.2
12	Silicosis dust disease				
13	and logging	0870	2.0	0.9	1.4
14	Utility consumer representation	0893	2.6	1.1	2.3
15	TOTALS		\$1,807.5	\$48,726.4	\$622.8

16 PART 2A

17 PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS

18 FOR FISCAL YEAR 2013-2014

19 GENERAL SECTIONS

20 Sec. 1201. It is the intent of the legislature to provide

21 appropriations for the fiscal year ending on September 30, 2014 for

22 the line items listed in part 1. The fiscal year 2013-2014

23 appropriations are anticipated to be the same as those for fiscal

24 year 2012-2013, except that the line items will be adjusted for

25 changes in caseload and related costs, federal fund match rates,

1 economic factors, and available revenue. These adjustments will be  
 2 determined after the January 2013 consensus revenue estimating  
 3 conference.

4 ARTICLE X  
 5 DEPARTMENT OF HUMAN SERVICES  
 6 PART 1  
 7 LINE-ITEM APPROPRIATIONS

8 Sec. 101. There is appropriated for the department of human  
 9 services for the fiscal year ending September 30, 2013, from the  
 10 following funds:

11 **DEPARTMENT OF HUMAN SERVICES**

12 APPROPRIATION SUMMARY

13	Full-time equated classified positions.....	11,758.0	
14	Full-time equated unclassified positions.....	6.0	
15	Total full-time equated positions.....	11,764.0	
16	GROSS APPROPRIATION.....		\$ 6,553,832,200
17	Interdepartmental grant revenues:		
18	Total interdepartmental grants and intradepartmental		
19	transfers .....		30,581,300
20	ADJUSTED GROSS APPROPRIATION.....		\$ 6,523,250,900
21	Federal revenues:		
22	Federal - supplemental nutrition assistance revenues		
23	(ARRA) .....		510,138,400
24	Social security act, temporary assistance for needy		
25	families .....		579,039,800

1	Total other federal revenues.....	4,295,621,300
2	Special revenue funds:	
3	Total private revenues.....	7,876,600
4	Total local revenues.....	32,529,400
5	Total other state restricted revenues.....	86,901,500
6	State general fund/general purpose.....	\$ 1,011,143,900
7	State general fund/general purpose schedule:	
8	Ongoing state general fund/general	
9	purpose .....	975,507,100
10	One-time state general fund/general	
11	purpose .....	35,636,800
12	<b>Sec. 102. EXECUTIVE OPERATIONS</b>	
13	Total full-time equated positions.....	639.7
14	Full-time equated unclassified positions.....	6.0
15	Full-time equated classified positions.....	633.7
16	Unclassified salaries--6.0 FTE positions.....	\$ 700,000
17	Salaries and wages--257.7 FTE positions.....	15,700,300
18	Contractual services, supplies, and materials.....	11,260,700
19	Demonstration projects--7.0 FTE positions.....	6,447,100
20	Inspector general salaries and wages--132.0 FTE	
21	positions .....	7,429,000
22	Electronic benefit transfer EBT.....	13,009,000
23	Michigan community service commission--15.0 FTE	
24	positions .....	11,348,500
25	AFC, children's welfare and day care licensure--222.0	
26	FTE positions .....	26,055,000
27	State office of administrative hearings and rules ....	<u>6,831,000</u>

1	GROSS APPROPRIATION.....	\$	98,780,600
2	Appropriated from:		
3	Interdepartmental grant revenues:		
4	IDG from department of education.....		13,874,900
5	Federal revenues:		
6	Social security act, temporary assistance for needy		
7	families .....		8,817,600
8	Total other federal revenues .....		44,807,000
9	Special revenue funds:		
10	Total private revenues .....		3,836,600
11	Total local revenues .....		16,400
12	Total other state restricted revenues .....		5,400
13	State general fund/general purpose .....	\$	27,422,700
14	<b>Sec. 103. CHILD SUPPORT ENFORCEMENT</b>		
15	Full-time equated classified positions.....	180.7	
16	Child support enforcement operations--174.7 FTE		
17	positions .....	\$	20,038,700
18	Legal support contracts .....		113,253,600
19	Child support incentive payments .....		32,409,600
20	State disbursement unit--6.0 FTE positions .....		<u>8,289,400</u>
21	GROSS APPROPRIATION.....	\$	173,991,300
22	Appropriated from:		
23	Federal revenues:		
24	Total federal revenues .....		152,169,100
25	State general fund/general purpose .....	\$	21,822,200
26	<b>Sec. 104. COMMUNITY ACTION AND ECONOMIC OPPORTUNITY</b>		
27	Full-time equated classified positions.....	16.0	

1	Bureau of community action and economic opportunity	
2	operations--16.0 FTE positions.....	\$ 1,989,700
3	Community services block grant.....	25,840,000
4	Weatherization assistance.....	<u>28,340,000</u>
5	GROSS APPROPRIATION.....	\$ 56,169,700
6	Appropriated from:	
7	Federal revenues:	
8	Social security act, temporary assistance for needy	
9	families .....	500
10	Total other federal revenues.....	56,169,200
11	State general fund/general purpose.....	\$ 0
12	<b>Sec. 105. ADULT AND FAMILY SERVICES</b>	
13	Full-time equated classified positions.....	46.7
14	Executive direction and support--4.0 FTE positions ...	\$ 368,900
15	Guardian contract.....	490,200
16	Adult services policy and administration--6.0 FTE	
17	positions .....	688,500
18	Office of program policy--34.7 FTE positions .....	4,372,200
19	Employment and training support services.....	5,377,800
20	Wage employment verification reporting.....	547,300
21	Nutrition education--2.0 FTE positions .....	30,025,000
22	Elder law of Michigan MiCAFE contract .....	175,000
23	Elder abuse prosecuting attorney.....	<u>300,000</u>
24	GROSS APPROPRIATION.....	\$ 42,344,900
25	Appropriated from:	
26	Interdepartmental grant revenues:	
27	IDG from department of education.....	22,500

1	Federal revenues:		
2	Social security act, temporary assistance for needy		
3	families .....	4,860,400	
4	Total other federal revenues .....	32,508,000	
5	State general fund/general purpose .....	\$ 4,954,000	
6	<b>Sec. 106. CHILDREN'S SERVICES</b>		
7	Full-time equated classified positions.....	121.8	
8	Salaries and wages--59.2 FTE positions .....	\$ 3,184,200	
9	Contractual services, supplies, and materials .....	1,134,900	
10	Interstate compact .....	179,600	
11	Families first .....	17,950,700	
12	Strong families/safe children .....	12,350,100	
13	Child protection and permanency--23.0 FTE positions ..	16,589,700	
14	Family reunification program .....	3,977,100	
15	Family preservation and prevention services		
16	administration--11.0 FTE positions .....	1,368,200	
17	Children's trust fund administration--12.0 FTE		
18	positions .....	759,200	
19	Children's trust fund grants .....	2,325,100	
20	Attorney general contract .....	3,813,000	
21	Prosecuting attorney contracts .....	2,561,700	
22	Child protection .....	673,900	
23	Domestic violence prevention and treatment--14.6 FTE		
24	positions .....	14,644,200	
25	Rape prevention and services--0.5 FTE position .....	2,572,300	
26	Child advocacy centers--0.5 FTE position .....	1,000,000	
27	Child abuse and neglect-children's justice act--1.0		

1	FTE position .....	613,000
2	Family preservation and prevention services programs .	<u>2,500,000</u>
3	GROSS APPROPRIATION.....	\$ 88,196,900
4	Appropriated from:	
5	Federal revenues:	
6	Social security act, temporary assistance for needy	
7	families .....	48,793,400
8	Total other federal revenues.....	29,603,200
9	Special revenue funds:	
10	Compulsive gaming prevention fund.....	1,040,000
11	Sexual assault victims' prevention and treatment fund	1,000,000
12	Child advocacy centers fund.....	1,000,000
13	Children's trust fund.....	2,038,500
14	State general fund/general purpose.....	\$ 4,721,800
15	<b>Sec. 107. CHILD WELFARE SERVICES</b>	
16	Full-time equated classified positions.....	4,198.7
17	Children's services administration--97.0 FTE positions	\$ 6,831,400
18	Title IV-E compliance and accountability office--4.0	
19	FTE positions .....	495,600
20	Child welfare institute--35.0 FTE positions .....	5,833,900
21	Child welfare staffing enhancement--577.0 FTE	
22	positions .....	23,320,300
23	Child protective services workers--1,481.0 FTE	
24	positions .....	65,198,200
25	Direct care workers--1,073.0 FTE positions .....	50,583,800
26	Education planners--14.0 FTE positions .....	747,400
27	Permanency planning conference coordinators--55.0 FTE	

1	positions .....	3,218,900
2	Child welfare first line supervisors--522.0 FTE	
3	positions .....	36,691,400
4	Administrative support workers--226.0 FTE positions ..	10,074,700
5	Second line supervisors and technical staff--45.0 FTE	
6	positions .....	3,278,800
7	Permanency planning specialists--48.0 FTE positions ..	3,693,200
8	Contractual services, supplies, and materials .....	7,343,200
9	Settlement monitor.....	1,625,800
10	Foster care payments.....	205,788,600
11	Serious emotional disturbance - waiver program.....	3,269,000
12	Serious emotional disturbance - nonwaiver program....	2,925,900
13	Guardianship assistance program.....	4,785,300
14	Child care fund.....	188,657,800
15	Child care fund administration--6.2 FTE positions ....	815,000
16	Adoption subsidies.....	215,422,000
17	Adoption support services--10.0 FTE positions .....	24,672,700
18	Youth in transition--5.5 FTE positions .....	14,439,200
19	Child welfare medical/psychiatric evaluations .....	6,607,500
20	Psychotropic oversight contracts .....	<u>1,118,200</u>
21	GROSS APPROPRIATION.....	\$ 887,437,800
22	Appropriated from:	
23	Interdepartmental grant revenues:	
24	IDG from department of education.....	237,600
25	Federal revenues:	
26	Social security act, temporary assistance for needy	
27	families .....	205,342,300

1	Total other federal revenues.....	292,782,300
2	Special revenue funds:	
3	Private - collections.....	1,600,000
4	Local funds - county chargeback.....	18,274,500
5	State general fund/general purpose.....	\$ 369,201,100
6	<b>Sec. 108. JUVENILE JUSTICE SERVICES</b>	
7	Full-time equated classified positions..... 183.0	
8	W.J. Maxey training school--69.0 FTE positions.....	\$ 10,514,300
9	Bay pines center--42.0 FTE positions.....	4,457,400
10	Shawono center --42.0 FTE positions.....	4,523,900
11	County juvenile officers.....	3,649,600
12	Community support services--2.0 FTE positions.....	941,100
13	Juvenile justice administration and maintenance--23.0	
14	FTE positions .....	4,362,400
15	Juvenile accountability block grant--1.0 FTE position	1,281,300
16	Committee on juvenile justice administration--4.0 FTE	
17	positions .....	331,200
18	Committee on juvenile justice grants.....	<u>5,000,000</u>
19	GROSS APPROPRIATION.....	\$ 35,061,200
20	Appropriated from:	
21	Federal revenues:	
22	Total federal revenues.....	7,091,300
23	Special revenue funds:	
24	Local funds - state share education funds.....	2,135,800
25	Local funds - county chargeback.....	8,921,100
26	State general fund/general purpose.....	\$ 16,913,000
27	<b>Sec. 109. LOCAL OFFICE STAFF AND OPERATIONS</b>	

1	Full-time equated classified positions.....	5,798.0	
2	Field staff, salaries and wages--5,559.0 FTE positions		\$ 291,359,000
3	Contractual services, supplies, and materials .....		12,082,300
4	Medical/psychiatric evaluations .....		1,420,100
5	Donated funds positions--208.0 FTE positions .....		13,197,200
6	Training and program support--21.0 FTE positions .....		2,756,400
7	Volunteer services and reimbursement .....		1,142,400
8	SSI advocates--10.0 FTE positions .....		<u>755,500</u>
9	GROSS APPROPRIATION .....		\$ 322,712,900
10	Appropriated from:		
11	Interdepartmental grant revenues:		
12	IDG from department of corrections .....		100,000
13	IDG from department of education .....		7,835,400
14	Federal revenues:		
15	Social security act, temporary assistance for needy		
16	families .....		60,630,100
17	Total other federal revenues .....		126,927,600
18	Special revenue funds:		
19	Local funds .....		3,181,600
20	Private funds - donated funds .....		2,440,000
21	Supplemental security income recoveries .....		605,900
22	State general fund/general purpose .....		\$ 120,992,300
23	<b>Sec. 110. DISABILITY DETERMINATION SERVICES</b>		
24	Full-time equated classified positions.....	572.4	
25	Disability determination operations--546.9 FTE		
26	positions .....		\$ 83,048,100
27	Medical consultation program--21.4 FTE positions .....		2,436,200

1	Retirement disability determination--4.1 FTE positions		<u>411,300</u>
2	GROSS APPROPRIATION.....	\$	85,895,600
3	Appropriated from:		
4	Interdepartmental grant revenues:		
5	IDG from DTMB - office of retirement services .....		522,800
6	Federal revenues:		
7	Total federal revenues.....		83,114,000
8	State general fund/general purpose .....	\$	2,258,800
9	<b>Sec. 111. CENTRAL SUPPORT ACCOUNTS</b>		
10	Rent.....	\$	43,603,000
11	Occupancy charge.....		8,236,400
12	Travel.....		7,265,900
13	Equipment.....		62,600
14	Worker's compensation.....		1,928,800
15	Payroll taxes and fringe benefits.....		<u>365,161,900</u>
16	GROSS APPROPRIATION.....	\$	426,258,600
17	Appropriated from:		
18	Interdepartmental grant revenues:		
19	IDG from department of education.....		6,044,500
20	Federal revenues:		
21	Social security act, temporary assistance for needy		
22	families .....		97,687,400
23	Total other federal revenues.....		168,322,700
24	State general fund/general purpose .....	\$	154,204,000
25	<b>Sec. 112. PUBLIC ASSISTANCE</b>		
26	Full-time equated classified positions.....		7.0
27	Family independence program.....	\$	255,268,500

1	State disability assistance payments .....	27,103,000
2	Food assistance program benefits .....	3,007,487,900
3	Food assistance program benefits (ARRA) .....	510,138,400
4	State supplementation .....	62,231,500
5	State supplementation administration .....	2,118,600
6	Low-income home energy assistance program .....	174,951,600
7	Food bank funding .....	1,795,000
8	Homeless programs .....	15,721,900
9	Chaldean community foundation .....	1,000,000
10	Multicultural integration funding .....	1,515,500
11	Unclaimed bodies .....	1,000,000
12	Emergency services local office allocations .....	16,092,600
13	Refugee assistance program--7.0 FTE positions .....	<u>27,929,900</u>
14	GROSS APPROPRIATION .....	\$ 4,104,354,400
15	Appropriated from:	
16	Federal revenues:	
17	Federal supplemental nutrition assistance revenues	
18	(ARRA) .....	510,138,400
19	Social security act, temporary assistance for needy	
20	families .....	104,720,700
21	Total other federal revenues .....	3,207,501,800
22	Special revenue funds:	
23	Child support collections .....	29,145,800
24	Supplemental security income recoveries .....	14,955,900
25	Merit award trust fund .....	30,100,000
26	Public assistance recoupment revenue .....	7,010,000
27	State general fund/general purpose .....	\$ 200,781,800

1	<b>Sec. 113. INFORMATION TECHNOLOGY</b>		
2	Information technology services and projects .....	\$	115,450,900
3	Child support automation.....		<u>41,735,500</u>
4	GROSS APPROPRIATION.....	\$	157,186,400
5	Appropriated from:		
6	Interdepartmental grant revenues:		
7	IDG from department of education.....		1,943,600
8	Federal revenues:		
9	Social security act, temporary assistance for needy		
10	families .....		15,987,400
11	Total other federal revenues.....		87,020,000
12	State general fund/general purpose.....	\$	52,235,400
13	<b>Sec. 114. ONE-TIME BASIS ONLY</b>		
14	State employee lump-sum payments.....	\$	10,541,900
15	Inspector general information technology.....		2,500,000
16	Before- or after-school program.....		1,000,000
17	Seita scholarship program.....		750,000
18	Juvenile justice behavioral health study.....		500,000
19	Medicaid eligibility review.....		250,000
20	State emergency relief energy services.....		<u>59,900,000</u>
21	GROSS APPROPRIATION.....	\$	75,441,900
22	Appropriated from:		
23	Federal revenues:		
24	Social security act, temporary assistance for needy		
25	families .....		32,200,000
26	Total other federal revenues.....		7,605,100
27	State general fund/general purpose.....	\$	35,636,800

## PART 2

## PROVISIONS CONCERNING APPROPRIATIONS

FOR FISCAL YEAR 2012-2013

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 2012-2013 is \$1,098,045,400.00 and state spending from state resources to be paid to local units of government for fiscal year 2012-2013 is \$100,595,000.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

## DEPARTMENT OF HUMAN SERVICES

Child care fund.....	\$	93,192,300
County juvenile officers.....		3,401,800
State disability assistance payments.....		1,564,100
Legal support contracts.....		2,341,000
Child support enforcement operations.....		13,500
Family independence program.....		<u>82,300</u>
TOTAL.....	\$	100,595,000

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

Sec. 203. As used in this article:

(a) "AFC" means adult foster care.

(b) "ARRA" means the American recovery and reinvestment act of

1 2009, Public Law 111-5.

2 (c) "Children's rights settlement agreement" means the  
3 settlement agreement entered in the case of Dwayne B. vs. Snyder,  
4 docket no. 2:06-cv-13548 in the United States district court for  
5 the eastern district of Michigan.

6 (d) "Current fiscal year" means the fiscal year ending  
7 September 30, 2013.

8 (e) "Department" means the department of human services.

9 (f) "Director" means the director of the department of human  
10 services.

11 (g) "FTE" means full-time equated.

12 (h) "IDG" means interdepartmental grant.

13 (i) "JET" means jobs, education, and training program.

14 (j) "Previous fiscal year" means the fiscal year ending  
15 September 30, 2012.

16 (k) "SSI" means supplemental security income.

17 (l) "Temporary assistance for needy families" or "TANF" or  
18 "title IV-A" means part A of title IV of the social security act,  
19 42 USC 601 to 619.

20 (m) "Title IV-D" means part D of title IV of the social  
21 security act, 42 USC 651 to 669b.

22 (n) "Title IV-E" means part E of title IV of the social  
23 security act, 42 USC 670 to 679c.

24 Sec. 204. The civil service commission shall bill departments  
25 and agencies at the end of the first fiscal quarter for the 1%  
26 charge authorized by section 5 of article XI of the state  
27 constitution of 1963. Payments shall be made for the total amount

1 of the billing by the end of the second fiscal quarter.

2       Sec. 207. (1) Sanctions, suspensions, conditions for  
3 provisional license status, and other penalties shall not be more  
4 stringent for private service providers than for public entities  
5 performing equivalent or similar services.

6       (2) Neither the department nor private service providers or  
7 licensees shall be granted preferential treatment or considered  
8 automatically to be in compliance with administrative rules based  
9 on whether they have collective bargaining agreements with direct  
10 care workers. Private service providers or licensees without  
11 collective bargaining agreements shall not be subjected to  
12 additional requirements or conditions of licensure based on their  
13 lack of collective bargaining agreements.

14       Sec. 208. Unless otherwise specified, the department shall use  
15 the Internet to fulfill the reporting requirements of this article.  
16 This requirement shall include transmission of reports via  
17 electronic mail to the recipients identified for each reporting  
18 requirement, and it shall include placement of reports on the  
19 Internet.

20       Sec. 209. 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 should 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 should 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. 211. Funds appropriated in part 1 shall not be used by a  
4 principal executive department, state agency, or authority to hire  
5 a person to provide legal services that are the responsibility of  
6 the attorney general. This prohibition does not apply to legal  
7 services for bonding activities and for those outside services that  
8 the attorney general authorizes.

9 Sec. 212. (1) In addition to funds appropriated in part 1 for  
10 all programs and services, there is appropriated for write-offs of  
11 accounts receivable, deferrals, and for prior year obligations in  
12 excess of applicable prior year appropriations, an amount equal to  
13 total write-offs and prior year obligations, but not to exceed  
14 amounts available in prior year revenues or current year revenues  
15 that are in excess of the authorized amount.

16 (2) The department's ability to satisfy appropriation fund  
17 sources in part 1 shall not be limited to collections and accruals  
18 pertaining to services provided in the current fiscal year, but  
19 shall also include reimbursements, refunds, adjustments, and  
20 settlements from prior years.

21 Sec. 213. The department may retain all of the state's share  
22 of food assistance overissuance collections as an offset to general  
23 fund/general purpose costs. Retained collections shall be applied  
24 against federal funds deductions in all appropriation units where  
25 department costs related to the investigation and recoupment of  
26 food assistance overissuances are incurred. Retained collections in  
27 excess of such costs shall be applied against the federal funds

1 deducted in the executive operations appropriation unit.

2       Sec. 214. On a quarterly basis, the department shall report on  
3 the number of FTEs in pay status by type of staff.

4       Sec. 215. If a legislative objective of this article or the  
5 social welfare act, 1939 PA 280, MCL 400.1 to 400.119b, cannot be  
6 implemented without loss of federal financial participation because  
7 implementation would conflict with or violate federal regulations,  
8 the department shall notify the state budget director, the house  
9 and senate appropriations committees, and the house and senate  
10 fiscal agencies and policy offices of that fact.

11       Sec. 217. The departments and agencies receiving  
12 appropriations in part 1 shall prepare a report on out-of-state  
13 travel expenses not later than January 1 of each year. The travel  
14 report shall be a listing of all travel by classified and  
15 unclassified employees outside this state in the immediately  
16 preceding fiscal year that was funded in whole or in part with  
17 funds appropriated in the department's budget. The report shall be  
18 submitted to the house and senate standing committees on  
19 appropriations, the house and senate fiscal agencies, and the state  
20 budget director. The report shall include the following  
21 information:

22       (a) The dates of each travel occurrence.

23       (b) The total transportation and related costs of each travel  
24 occurrence, including the proportion funded with state general  
25 fund/general purpose revenues, the proportion funded with state  
26 restricted revenues, the proportion funded with federal revenues,  
27 and the proportion funded with other revenues.

1       Sec. 219. The department shall maintain a searchable website  
2 accessible by the public at no cost that includes, but is not  
3 limited to, all of the following:

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

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

6       (c) Fiscal year-to-date payments to a selected vendor,  
7 including the vendor name, payment date, payment amount, and  
8 payment description.

9       (d) The number of active department employees by job  
10 classification.

11       (e) Job specifications and wage rates.

12       Sec. 220. The department shall ensure that faith-based  
13 organizations are able to apply and compete for services, programs,  
14 or contracts that they are qualified and suitable to fulfill. The  
15 department shall not disqualify faith-based organizations solely on  
16 the basis of the religious nature of their organization or their  
17 guiding principles or statements of faith.

18       Sec. 221. (1) If the revenue collected by the department from  
19 private and local sources exceeds the amount spent from amounts  
20 appropriated in part 1, the revenue may be carried forward, with  
21 approval from the state budget director, into the subsequent fiscal  
22 year.

23       (2) The department shall provide a report on the amount of  
24 each revenue stream to be carried forward, as well as the  
25 cumulative amount, for the closing fiscal year by October 30, 2013,  
26 to the senate and house appropriations subcommittees on the  
27 department budget, the senate and house standing committees on

1 families and human services, and the senate and house fiscal  
2 agencies and policy offices.

3 Sec. 222. The department shall report no later than April 1 of  
4 the current fiscal year on each specific policy change made to  
5 implement a public act affecting the department that took effect  
6 during the prior calendar year to the house and senate  
7 appropriations subcommittees on the budget for the department, the  
8 joint committee on administrative rules, and the senate and house  
9 fiscal agencies.

10 Sec. 225. The department may hire physicians to be part of the  
11 medical review team (MRT) on a temporary basis if Medicaid  
12 applications are backlogged more than 2,000. The temporary  
13 physicians shall be retained until the backlog has dropped below  
14 2,000 for 2 consecutive months. The role of the physicians will be  
15 to obtain medical evidence from and grant medical determinations to  
16 applicants.

17 Sec. 240. The department shall notify the house and senate  
18 appropriations committees and the house and senate fiscal agencies  
19 of any changes to a child welfare master contract that results in  
20 increased rates or increased spending on services not less than 30  
21 days before the change takes effect.

22 Sec. 250. Amounts appropriated in part 1 for information  
23 technology may be designated as work projects and carried forward  
24 to support technology projects under the direction of the  
25 department of technology, management, and budget. Funds designated  
26 in this manner are not available for expenditure until approved as  
27 work projects under section 451a of the management and budget act,

1 1984 PA 431, MCL 18.1451a.

2       Sec. 251. The department and agencies receiving appropriations  
3 in part 1 shall receive and retain copies of all reports funded  
4 from appropriations in part 1. Federal and state guidelines for  
5 short-term and long-term retention of records shall be followed.  
6 The department may electronically retain copies of reports unless  
7 otherwise required by federal and state guidelines.

8       Sec. 259. From the funds appropriated in part 1 for  
9 information technology, departments and agencies shall pay user  
10 fees to the department of technology, management, and budget for  
11 technology-related services and projects. The user fees shall be  
12 subject to provisions of an interagency agreement between the  
13 department and agencies and the department of technology,  
14 management, and budget.

15       Sec. 264. The department shall not take disciplinary action  
16 against an employee for communicating with a member of the  
17 legislature or his or her staff.

18       Sec. 265. Within 14 days after the release of the executive  
19 budget recommendation, the department shall provide the state  
20 budget director, the senate and house appropriations chairs, the  
21 senate and house appropriations subcommittees on the department  
22 budget, respectively, and the senate and house fiscal agencies with  
23 an annual report on estimated state restricted fund balances, state  
24 restricted fund projected revenues, and state restricted fund  
25 expenditures for the fiscal years ending September 30, 2012 and  
26 September 30, 2013.

27       Sec. 274. (1) The department, in collaboration with the state

1 budget office, shall submit to the house and senate appropriations  
2 subcommittees on the department budget, the house and senate fiscal  
3 agencies, and the house and senate policy offices on the day the  
4 governor submits to the legislature the budget for the ensuing  
5 fiscal year a report on spending and revenue projections for each  
6 of the capped federal funds listed below. The report shall contain  
7 actual spending and revenue in the previous fiscal year, spending  
8 and revenue projections for the current fiscal year as enacted, and  
9 spending and revenue projections within the executive budget  
10 proposal for the fiscal year beginning October 1, 2013 for each  
11 individual line item for the department budget. The report shall  
12 also include federal funds transferred to other departments. The  
13 capped federal funds shall include, but not be limited to, all of  
14 the following:

15 (a) TANF.

16 (b) Title XX social services block grant.

17 (c) Title IV-B part I child welfare services block grant.

18 (d) Title IV-B part II promoting safe and stable families  
19 funds.

20 (2) By February 15 of the current fiscal year, the department  
21 shall prepare an annual report of its efforts to identify  
22 additional TANF maintenance of effort sources from all of the  
23 following, but not limited to:

24 (a) Other departments.

25 (b) Local units of government.

26 (c) Private sources.

27 Sec. 279. (1) All contracts relating to human services shall

1 be performance-based contracts that employ a client-centered  
2 results-oriented process that is based on measurable performance  
3 indicators and desired outcomes and includes the annual assessment  
4 of the quality of services provided.

5 (2) During the annual budget presentation, the department  
6 shall provide the senate and house appropriations subcommittees on  
7 the department budget and the senate and house fiscal agencies and  
8 policy offices a report detailing measurable performance  
9 indicators, desired outcomes, and an assessment of the quality of  
10 services provided by the department during the previous fiscal  
11 year.

12 Sec. 284. (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 this article under 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 \$5,000,000.00 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 this article under 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 \$20,000,000.00 for local  
26 contingency funds. These funds are not available for expenditure  
27 until they have been transferred to another line item in this

1 article under 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 \$20,000,000.00 for private  
5 contingency funds. These funds are not available for expenditure  
6 until they have been transferred to another line item in this  
7 article under section 393(2) of the management and budget act, 1984  
8 PA 431, MCL 18.1393.

9 (5) In addition to the funds appropriated in part 1, there is  
10 appropriated an amount not to exceed \$40,000,000.00 for federal  
11 TANF contingency funds. It is the intent of the legislature that  
12 these funds shall be used to meet any shortfalls in budgeting for  
13 ongoing expenses that meet the eligibility requirements of the TANF  
14 block grant and for any other appropriate program expenses. These  
15 funds are not available for expenditure until they have been  
16 transferred to another line item in this article under section  
17 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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 this article, are legally present in the United States. The  
25 department may verify this information directly or may require  
26 contractors and subcontractors to verify the information and submit  
27 a certification to the department.

1           (2) By March 1 of the current fiscal year, the department  
2 shall submit to the house and senate appropriations committees and  
3 the house and senate fiscal agencies a report certifying that it  
4 has verified, or has required contractors and subcontractors to  
5 verify, using the e-verify system, that all new department  
6 employees and new hire employees of contractors and subcontractors  
7 are legally present in the United States.

8           Sec. 293. The department may use funds from the funds  
9 appropriated in part 1 to strengthen marriage and family relations  
10 through the practice of marriage and family therapy for  
11 individuals, families, couples, or groups. The goal of the therapy  
12 shall be strengthening families by helping them avoid, eliminate,  
13 relieve, manage, or resolve marital or family conflict or discord.

14          Sec. 294. Funds appropriated in part 1 for the statewide  
15 automated child welfare information system is contingent upon the  
16 approval of an advanced planning document from the administration  
17 for children and families. If the necessary matching funds are  
18 identified and legislatively transferred to the information and  
19 technology services and projects line item for this purpose, any  
20 corresponding federal revenue required shall be appropriated at a  
21 50% federal match rate. This appropriation may be designated as a  
22 work project under section 451a of the management and budget act,  
23 1984 PA 431, MCL 18.1451a, and carried forward to support  
24 completion of this project.

25          Sec. 296. Not later than November 15, the department shall  
26 prepare and transmit a report that provides for estimates of the  
27 total general fund/general purpose appropriation lapses at the

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

7       Sec. 298. By March 1 of the current fiscal year, the  
8 department shall provide to the senate and house appropriations  
9 subcommittees on the department budget, the senate and house fiscal  
10 agencies, and the senate and house policy offices an annual report  
11 on the supervisor-to-staff ratio by department divisions and  
12 subdivisions.

### 13   EXECUTIVE OPERATIONS

14       Sec. 307. (1) From the funds appropriated in part 1 for  
15 demonstration projects, \$400,000.00 shall be distributed as  
16 provided in subsection (2). The amount distributed under this  
17 subsection shall not exceed 50% of the total operating expenses of  
18 the program described in subsection (2), with the remaining 50%  
19 paid by local United Way organizations and other nonprofit  
20 organizations and foundations.

21       (2) Funds distributed under subsection (1) shall be  
22 distributed to Michigan 2-1-1, a nonprofit corporation organized  
23 under the laws of this state that is exempt from federal income tax  
24 under section 501(c)(3) of the internal revenue code, 26 USC  
25 501(c)(3), and whose mission is to coordinate and support a  
26 statewide 2-1-1 system. Michigan 2-1-1 shall use the funds only to

1 fulfill the Michigan 2-1-1 business plan adopted by Michigan 2-1-1  
2 in January 2005.

3 (3) Michigan 2-1-1 shall refer to the department any calls  
4 received reporting fraud, waste, or abuse of state-administered  
5 public assistance.

6 (4) Michigan 2-1-1 shall report annually to the department and  
7 the house and senate standing committees with primary jurisdiction  
8 over matters relating to human services and telecommunications on  
9 2-1-1 system performance, including, but not limited to, call  
10 volume by community health and human service needs and unmet needs  
11 identified through caller data and customer satisfaction metrics.

## 12 **ADULT AND FAMILY SERVICES**

13 Sec. 415. (1) If funds become available in part 1, the  
14 department may contract with independent contractors from various  
15 counties, including, but not limited to, faith-based and nonprofit  
16 organizations. Preference shall be given to independent contractors  
17 that provide at least 10% in matching funds, through any  
18 combination of local, state, or federal funds or in-kind or other  
19 donations. However, an independent contractor that cannot secure  
20 matching funds shall not be excluded from consideration for the  
21 fatherhood program.

22 (2) The department may choose providers that will work with  
23 counties to help eligible fathers under TANF guidelines to acquire  
24 skills that will enable them to increase their responsible behavior  
25 toward their children and the mothers of their children. An  
26 increase of financial support for their children should be a very

1 high priority as well as emotional support.

2 (3) A fatherhood initiative program established under this  
3 section shall minimally include at least 3 of the following  
4 components: promoting responsible, caring, and effective parenting  
5 through counseling; mentoring and parental education; enhancing the  
6 abilities and commitment of unemployed or low-income fathers to  
7 provide material support for their families and to avoid or leave  
8 welfare programs by assisting them to take advantage of job search  
9 programs, job training, and education to improve their work habits  
10 and work skills; improving fathers' ability to effectively manage  
11 family business affairs by means such as education, counseling, and  
12 mentoring in household matters; infant care; effective  
13 communication and respect; anger management; children's financial  
14 support; and drug-free lifestyle.

15 (4) The department is authorized to make allocations of TANF  
16 funds, of not more than 20% per county, under this section only to  
17 agencies that report necessary data to the department for the  
18 purpose of meeting TANF eligibility reporting requirements.

19 (5) Upon receipt of the promotion of responsible fatherhood  
20 funds from the United States department of health and human  
21 services, the department shall use the program criteria set forth  
22 in subsection (3) to implement the program with the federal funds.

23 Sec. 416. (1) If funds become available in part 1, the  
24 department may contract with independent contractors from various  
25 counties, including, but not limited to, faith-based and nonprofit  
26 organizations. Preference shall be given to independent contractors  
27 that provide at least 10% in matching funds, through any

1 combination of local, state, or federal funds or in-kind or other  
2 donations. However, an independent contractor that cannot secure  
3 matching funds shall not be excluded from consideration for a  
4 marriage initiative program.

5 (2) The department may choose providers to work with counties  
6 that will work to support and strengthen marriages of those  
7 eligible under the TANF guidelines. The areas of work may include,  
8 but are not limited to, marital counseling, domestic violence  
9 counseling, family counseling, effective communication, and anger  
10 management as well as parenting skills to improve the family  
11 structure.

12 (3) A marriage initiative program established under this  
13 section may include, but is not limited to, 1 or more of the  
14 following: public advertising campaigns on the value of marriage  
15 and the skills needed to increase marital stability and health;  
16 education in high schools on the value of marriage, relationship  
17 skills, and budgeting; premarital, marital, family, and domestic  
18 violence counseling; effective communication; marriage mentoring  
19 programs which use married couples as role models and mentors in  
20 at-risk communities; anger management; and parenting skills to  
21 improve the family structure.

22 (4) The department is authorized to make allocations of TANF  
23 funds, of not more than 20% per county, under this section only to  
24 agencies that report necessary data to the department for the  
25 purpose of meeting TANF eligibility reporting requirements.

26 (5) Upon receipt of the healthy marriage promotion grant from  
27 the United States department of health and human services, the

1 department shall use the program criteria set forth in subsection  
2 (3) to implement the program with the federal funds.

3 Sec. 420. (1) From the funds appropriated in part 1, the  
4 department shall contract with the prosecuting attorneys  
5 association of Michigan for 2 elder abuse resource prosecuting  
6 attorneys positions to provide the support and services necessary  
7 to increase the capability of the state's prosecutors, adult  
8 protective service system, and criminal justice system to  
9 effectively identify, investigate, and prosecute elder abuse and  
10 financial exploitation.

11 (2) By March 1 of the current fiscal year, the prosecuting  
12 attorneys association shall provide a report on the efficacy of the  
13 contract to the state budget office, the house and senate  
14 appropriations subcommittees on the department budget, the house  
15 and senate fiscal agencies, and the house and senate policy  
16 offices.

17 Sec. 423. From the funds appropriated in part 1 for elder law  
18 of Michigan MiCAFE contract, the department shall allocate not less  
19 than \$175,000.00 to the elder law of Michigan MiCAFE to assist this  
20 state's elderly population to participate in the food assistance  
21 program. The funds may be used as state matching funds to acquire  
22 available United States department of agriculture funding to  
23 provide outreach program activities, such as eligibility screen and  
24 information services, as part of a statewide food stamp hotline.

25 Sec. 424. Not later than April 1, 2013, the department may  
26 enter into a contract with a nonprofit entity that operates  
27 throughout this state to provide vehicle purchases and vehicle

1 repairs for all low-income individuals who the department  
2 determines are eligible. The department shall work in conjunction  
3 with the nonprofit entity to ensure that the barriers to self-  
4 sufficiency are removed for each individual.

5       Sec. 425. From the funds appropriated in part 1, the  
6 department shall provide individuals not more than \$500.00 for  
7 vehicle repairs, including any repairs done in the previous 12  
8 months. However, the department may in its discretion pay for  
9 repairs up to \$900.00. Payments under this section shall include  
10 the combined total of payments made by the department and work  
11 participation program. By December 31, the department shall provide  
12 to the senate and house appropriations subcommittees on the  
13 department budget, the senate and house fiscal agencies, and the  
14 senate and house policy offices a report detailing the number of  
15 payments for repairs that exceeded \$500.00 in the prior fiscal  
16 year.

#### 17 **CHILDREN'S SERVICES**

18       Sec. 501. A goal is established that not more than 35% of all  
19 children in foster care at any given time during the current fiscal  
20 year will have been in foster care for 24 months or more. During  
21 the annual budget presentation, the department shall provide a  
22 report describing the steps that will be taken to achieve the  
23 specific goal established in this section.

24       Sec. 502. From the funds appropriated in part 1 for foster  
25 care, the department shall provide 50% reimbursement to Indian  
26 tribal governments for foster care expenditures for children who

1 are under the jurisdiction of Indian tribal courts and who are not  
2 otherwise eligible for federal foster care cost sharing.

3 Sec. 503. The department shall oversee a contract with an  
4 outside vendor to establish per diem rates for private agencies  
5 providing foster care, residential care, and juvenile justice, and  
6 to establish per diem rates for the department providing same  
7 services, using an economic rate-setting methodology that results  
8 in a rate that is adequate, reasonable, cost-based, compliant with  
9 federal regulations, and supportive of state contractual  
10 requirements. The outside vendor shall consult with private  
11 providers that have contracts with the department on establishing  
12 the costs of providing services. The outside vendor shall establish  
13 an agreement among the private providers and the department on the  
14 parameters for setting the costs before recommending the per diem  
15 rates. The rates shall be established by an outside vendor before  
16 the implementation of contracts. The department shall provide to  
17 the senate and house appropriations subcommittees on the department  
18 budget, the senate and house standing committees on families and  
19 human services, and the senate and house fiscal agencies and policy  
20 offices a report detailing the rates by March 1 of the current  
21 fiscal year.

22 Sec. 504. The department shall establish the statewide  
23 automated child welfare information system by September 30, 2013.

24 Sec. 505. By March 1 of the current fiscal year, the  
25 department and Wayne County shall provide to the senate and house  
26 appropriations committees on the department budget and the senate  
27 and house fiscal agencies and policy offices a report for youth

1 served in the previous fiscal year and in the first quarter of the  
2 current fiscal year outlining the number of youth served within  
3 each juvenile justice system, the type of setting for each youth,  
4 performance outcomes, and financial costs or savings.

5 Sec. 506. The department shall guarantee that a child under  
6 state or court supervision who receives Medicaid will continue to  
7 receive Medicaid with no break in coverage if the child moves to  
8 another county and remains under the supervision of the state or  
9 court. The state or court supervision in this section may be  
10 provided through public or private service providers.

11 Sec. 507. The department's ability to satisfy appropriation  
12 deducts in part 1 for foster care private collections shall not be  
13 limited to collections and accruals pertaining to services provided  
14 only in the current fiscal year but may include revenues collected  
15 during the current fiscal year for services provided in prior  
16 fiscal years.

17 Sec. 508. (1) In addition to the amount appropriated in part 1  
18 for children's trust fund grants, money granted or money received  
19 as gifts or donations to the children's trust fund created by 1982  
20 PA 249, MCL 21.171 to 21.172, is appropriated for expenditure.

21 (2) The department and the child abuse neglect and prevention  
22 board shall collaborate to ensure that administrative delays are  
23 avoided and the local grant recipients and direct service providers  
24 receive money in an expeditious manner. The department and board  
25 shall seek to have the children's trust fund grants distributed no  
26 later than October 31 of the current fiscal year.

27 Sec. 510. The department, in conjunction with the legislature

1 and representatives from the counties and private child welfare  
2 providers, shall carry out a work group to determine how the state  
3 can best assist counties on identifying and providing performance-  
4 based community programs for foster care and juvenile justice. By  
5 March 1, 2013, the department shall provide to the senate and house  
6 appropriations subcommittees on the department budget, the senate  
7 and house standing committees on families and human services, and  
8 the senate and house fiscal agencies and policy offices a report  
9 detailing the work group findings.

10       Sec. 511. (1) By February 1, 2013, the department, in  
11 conjunction with the legislature, representatives from private  
12 providers, state court administrators, and other interested  
13 parties, shall carry out a work group to determine which statewide,  
14 standardized assessment tools will be used for children in both the  
15 foster care and juvenile justice systems, and the costs of  
16 implementing the tools. The tools shall be used by the state, the  
17 private providers, and the courts for all children under their  
18 supervision. By March 1, 2013, the department shall provide to the  
19 senate and house appropriations subcommittees on the department  
20 budget, the senate and house standing committees on families and  
21 human services, and the senate and house fiscal agencies and policy  
22 offices a report detailing the work group findings.

23       (2) The department shall track the number and percentage of  
24 children who received both a physical and mental health assessment  
25 before placement in the foster care and juvenile justice systems  
26 and provide quarterly reports to the senate and house  
27 appropriations subcommittees on the department budget, the senate

1 and house standing committees on families and human services, and  
2 the senate and house fiscal agencies and policy offices on the  
3 number and percentage of children who received the assessments.

4 Sec. 512. The department shall conduct an analysis of expenses  
5 in the child care fund at the county level. By March 1, 2013, the  
6 department shall provide to the senate and house appropriations  
7 subcommittees on the department budget, the senate and house  
8 standing committees on families and human services, and the senate  
9 and house fiscal agencies and policy offices a report detailing the  
10 findings.

11 Sec. 513. (1) The department shall not expend funds  
12 appropriated in part 1 to pay for the direct placement by the  
13 department of a child in an out-of-state facility unless all of the  
14 following conditions are met:

15 (a) There is no appropriate placement available in this state  
16 as determined by the department interstate compact office.

17 (b) An out-of-state placement exists that is nearer to the  
18 child's home than the closest appropriate in-state placement as  
19 determined by the department interstate compact office.

20 (c) The out-of-state facility meets all of the licensing  
21 standards of this state for a comparable facility.

22 (d) The out-of-state facility meets all of the applicable  
23 licensing standards of the state in which it is located.

24 (e) The department has done an on-site visit to the out-of-  
25 state facility, reviewed the facility records, reviewed licensing  
26 records and reports on the facility, and believes that the facility  
27 is an appropriate placement for the child.

1           (2) The department shall not expend money for a child placed  
2 in an out-of-state facility without approval of the deputy director  
3 for children's services. The department shall notify the  
4 appropriate state agency in that state including the name of the  
5 out-of-state provider who accepted the placement.

6           (3) The department shall submit a report by February 1 of the  
7 current fiscal year on the number of children who were placed in  
8 out-of-state facilities during the previous fiscal year, the number  
9 of Michigan children residing in such facilities at the time of the  
10 report, the total cost and average per diem cost of these out-of-  
11 state placements to this state, and a list of each such placement  
12 arranged by the Michigan county of residence for each child.

13           Sec. 514. The department shall make a comprehensive report  
14 concerning children's protective services (CPS) to the legislature,  
15 including the senate and house policy offices and the state budget  
16 director, by January 1 of the current fiscal year, that shall  
17 include all of the following:

18           (a) Statistical information including, at a minimum, all of  
19 the following:

20           (i) The total number of reports of abuse or neglect  
21 investigated under the child protection law, 1975 PA 238, MCL  
22 722.621 to 722.638, and the number of cases classified under  
23 category I or category II and the number of cases classified under  
24 category III, category IV, or category V.

25           (ii) Characteristics of perpetrators of abuse or neglect and  
26 the child victims, such as age, relationship, race, and ethnicity  
27 and whether the perpetrator exposed the child victim to drug

1 activity, including the manufacture of illicit drugs, that exposed  
2 the child victim to substance abuse, a drug house, or  
3 methamphetamine.

4 (iii) The mandatory reporter category in which the individual  
5 who made the report fits, or other categorization if the individual  
6 is not within a group required to report under the child protection  
7 law, 1975 PA 238, MCL 722.621 to 722.638.

8 (iv) The number of cases that resulted in the separation of the  
9 child from the parent or guardian and the period of time of that  
10 separation, up to and including termination of parental rights.

11 (v) For the reported complaints of abuse or neglect by  
12 teachers, school administrators, and school counselors, the number  
13 of cases classified under category I or category II and the number  
14 of cases classified under category III, category IV, or category V.

15 (vi) For the reported complaints of abuse or neglect by  
16 teachers, school administrators, and school counselors, the number  
17 of cases that resulted in separation of the child from the parent  
18 or guardian and the period of time of that separation, up to and  
19 including termination of parental rights.

20 (b) New policies related to children's protective services  
21 including, but not limited to, major policy changes and court  
22 decisions affecting the children's protective services system  
23 during the immediately preceding 12-month period.

24 (c) The information contained in the report required under  
25 section 8d(5) of the child protection law, 1975 PA 238, MCL  
26 722.628d, on cases classified under category III.

27 (d) The department policy, or changes to the department

1 policy, regarding children who have been exposed to the production  
2 or manufacture of methamphetamines.

3 Sec. 515. The department, in conjunction with court and county  
4 personnel and representatives of the private child welfare agencies  
5 operating in Kent County, shall conduct a work group that will  
6 identify a plan for implementing a pilot program to privatize all  
7 foster care and adoption services, except for child protective  
8 services, in Kent County by September 30, 2013.

9 Sec. 516. The department shall prepare a report by county that  
10 includes the number and percentage of foster care parents who were  
11 successfully retained in the foster care program and compares  
12 figures at the beginning of the fiscal year to the end-of-year  
13 totals and provide the report by October 30, 2013 to the senate and  
14 house appropriations subcommittees on the department budget, the  
15 senate and house standing committees on families and human  
16 services, and the senate and house fiscal agencies and policy  
17 offices.

18 Sec. 517. The department, in conjunction with the legislature,  
19 shall conduct a work group on the feasibility of implementing a  
20 dual-track child protective services pilot program and shall  
21 examine the state's definition of child abuse and shall determine  
22 whether the definition should be amended. By March 1, 2013, the  
23 department shall provide a report on the findings of the work group  
24 to the senate and house appropriations subcommittees on the  
25 department budget, the senate and house standing committees on  
26 families and human services, and the senate and house fiscal  
27 agencies and policy offices.

1       Sec. 519. The department shall permit any private agency that  
2 has an existing contract with this state to provide foster care  
3 services to be also eligible to provide treatment foster care  
4 services.

5       Sec. 523. (1) By March 15 of the current fiscal year, the  
6 department shall report on family preservation programs for which  
7 money is appropriated in part 1 to the senate and house  
8 appropriations subcommittees on the department budget. The report  
9 shall contain all of the following for each program:

10       (a) The average cost per recipient served.

11       (b) Measurable performance indicators.

12       (c) Desired outcomes or results and goals that can be measured  
13 on an annual basis, or desired results for a defined number of  
14 years.

15       (d) Monitored results.

16       (e) Innovations that may include savings or reductions in  
17 administrative costs.

18       (2) If money becomes available in part 1 for youth in  
19 transition and domestic violence prevention and treatment, the  
20 department is authorized to make allocations of TANF funds only to  
21 agencies that report necessary data to the department for the  
22 purpose of meeting TANF eligibility reporting requirements.

23       Sec. 525. The department shall implement the same on-site  
24 evaluation processes for privately operated child welfare and  
25 juvenile justice residential facilities as is used to evaluate  
26 state-operated facilities. Penalties for noncompliance shall be the  
27 same for privately operated child welfare and juvenile justice

1 residential facilities and state-operated facilities.

2       Sec. 526. From the funds appropriated in part 1 for foster  
3 care payments and related administrative costs, the department may  
4 implement the federally approved title IV-E child welfare waiver  
5 demonstration project.

6       Sec. 527. Per the department's request for 577.0 additional  
7 FTEs, the funds to cover these costs shall be transferred from the  
8 child welfare staffing enhancement line item to the appropriate  
9 salary and wages, central support, information technology, and  
10 contractual services, supplies, and materials line items. These  
11 funds are not available for expenditure until they have been  
12 transferred to another line item in this article under section  
13 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

14       Sec. 532. (1) The department, in collaboration with  
15 representatives of private child and family agencies, shall revise  
16 and improve the annual licensing review process and the annual  
17 contract compliance review process for child placing agencies and  
18 child caring institutions. The improvement goals shall be safety  
19 and care for children. Improvements to the review process shall be  
20 directed toward alleviating administrative burdens so that agency  
21 resources may be focused on children. The revision shall include  
22 identification of duplicative staff activities and information  
23 sought from child placing agencies and child caring institutions in  
24 the annual review process. The department shall 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 director on or before January 15 of the

1 current fiscal year on the findings of the annual licensing review.

2 (2) The department shall conduct licensing reviews no more  
3 than once every 2 years for child placing agencies and child caring  
4 institutions that are nationally accredited and have no outstanding  
5 violations.

6 Sec. 533. (1) The department shall make payments to child  
7 placing facilities for in-home and out-of-home care services and  
8 adoption services within 30 days of receiving all necessary  
9 documentation from those agencies.

10 (2) The department shall establish a work group in conjunction  
11 with the legislature and private service providers to develop a  
12 plan to implement electronic invoices and payments for all  
13 contracts with child placing agencies.

14 (3) The department shall provide a report on the activities  
15 under this section by March 1, 2013 for implementation in the  
16 fiscal year ending September 30, 2014.

17 Sec. 537. The department, in collaboration with child placing  
18 agencies, shall develop a strategy to implement section 115o of the  
19 social welfare act, 1939 PA 280, MCL 400.115o. The strategy shall  
20 include a requirement that a department caseworker responsible for  
21 preparing a recommendation to a court concerning a juvenile  
22 placement shall provide, as part of the recommendation, information  
23 regarding the requirements of section 115o of the social welfare  
24 act, 1939 PA 280, MCL 400.115o.

25 Sec. 540. If a physician or psychiatrist who is providing  
26 services to state or court wards placed in a residential facility  
27 submits a formal request to the department to change the

1 psychotropic medication of a ward, the department shall, if the  
2 ward is a state ward, make a determination on the proposed change  
3 within 30 days after the request or, if the ward is a temporary  
4 court ward, seek parental consent within 7 business days after the  
5 request.

6       Sec. 546. (1) From the funds appropriated in part 1 for foster  
7 care payments and from child care fund, the department shall pay  
8 providers of foster care services not less than a \$37.00  
9 administrative rate.

10       (2) From the funds appropriated in part 1 for foster care  
11 payments and from child care fund, the department shall pay  
12 providers of general independent living services not less than a  
13 \$28.00 administrative rate.

14       (3) From the funds appropriated in part 1, the department  
15 shall reinstate the specialized independent living services  
16 administrative rate to levels that were in place for the fiscal  
17 year ending September 30, 2011.

18       Sec. 556. The department shall provide an annual report to the  
19 subcommittees of the senate and house appropriations committees on  
20 the department budget with the number of complaints filed by  
21 adoptive parents who were not notified that their adopted child had  
22 special needs.

23       Sec. 574. (1) From the funds appropriated in part 1 for foster  
24 care payments, \$2,500,000.00 is allocated to support contracts with  
25 child placing agencies to facilitate the licensure of relative  
26 caregivers as foster parents. Agencies shall receive \$2,300.00 for  
27 each facilitated licensure. The agency facilitating the licensure

1 would retain the placement and continue to provide case management  
2 services for at least 50% of the newly licensed cases for which the  
3 placement was appropriate to the agency. Up to 50% of the newly  
4 licensed cases would have direct foster care services provided by  
5 the department.

6 (2) From the funds appropriated for foster care payments,  
7 \$375,000.00 is allocated to support family incentive grants to  
8 private and community-based foster care service providers to assist  
9 with home improvements or payment for physical exams for applicants  
10 needed by foster families to accommodate foster children.

11 Sec. 583. By February 1 of the current fiscal year, the  
12 department shall implement the recommendations of the work group  
13 conducted in the fiscal year ending September 30, 2012 to determine  
14 what caused individuals participating as foster parents during the  
15 previous fiscal year to drop out of the program. The department  
16 shall provide to the senate and house appropriations subcommittees  
17 on the department budget, the senate and house standing committees  
18 on families and human services, and the senate and house fiscal  
19 agencies and policy offices a report detailing the department's  
20 progress in implementing the recommendations.

21 Sec. 585. (1) The department shall allow private nationally  
22 accredited foster care and adoption agencies to conduct their own  
23 staff training, based on current department policies and  
24 procedures, provided that the agency trainer and training materials  
25 are accredited by the department and that the agency documents to  
26 the department that the training was provided. The department shall  
27 provide access to any training materials requested by the private

1 agencies to facilitate this training.

2 (2) The department shall post on the department's website a  
3 list of all relevant departmental training materials available to  
4 private child placing agencies that are allowed to conduct their  
5 own training in accordance with this section. The department shall  
6 also provide to private child placing agencies that are allowed to  
7 conduct their own training any updated training materials as they  
8 become available.

9 Sec. 588. (1) Concurrently with public release, the department  
10 shall transmit all reports from the court-appointed settlement  
11 monitor, including, but not limited to, the needs assessment and  
12 period outcome reporting, to the state budget office, the senate  
13 and house appropriations subcommittees on the department budget,  
14 and the senate and house fiscal agencies, without revision.

15 (2) The department shall report quarterly to the state budget  
16 office, the senate and house appropriations subcommittees on the  
17 department budget, and the senate and house fiscal agencies, on the  
18 number of children enrolled in the guardianship assistance and  
19 foster care - children with serious emotional disturbance waiver  
20 programs.

21 Sec. 589. (1) From the funds appropriated in part 1 to  
22 facilitate the transfer of foster care cases currently under  
23 department supervision from department supervision to private child  
24 placing agency supervision, the department shall not transfer any  
25 foster care cases that require a county contribution to the private  
26 agency administrative rate.

27 (2) On a monthly basis, the department shall report on the

1 number of all foster care cases administered by the department and  
2 all foster care cases administered by private providers.

### 3 PUBLIC ASSISTANCE

4 Sec. 601. Whenever a client agrees to the release of his or  
5 her name and address to the local housing authority, the department  
6 shall request from the local housing authority information  
7 regarding whether the housing unit for which vendoring has been  
8 requested meets applicable local housing codes. Vendoring shall be  
9 terminated for those units that the local authority indicates in  
10 writing do not meet local housing codes until such time as the  
11 local authority indicates in writing that local housing codes have  
12 been met.

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 which meets  
23 federal supplemental security income disability standards, except  
24 that the minimum duration of the disability shall be 90 days.  
25 Substance abuse alone is not defined as a basis for eligibility.

26 (c) A resident of an adult foster care facility, a home for

1 the aged, a county infirmary, or a substance abuse treatment  
2 center.

3 (d) A person receiving 30-day postresidential substance abuse  
4 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 provided that the payments are not for  
12 food, clothing, shelter, or result in a reduction in the  
13 recipient's 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. 612. The department shall implement an asset test as part  
17 of the eligibility determination for applicants and existing  
18 recipients of the refugee assistance program medical benefits.

19 Sec. 613. The department shall provide reimbursements for the  
20 final disposition of indigent persons if the deceased's remains  
21 have not been claimed by a person having the right to control the  
22 disposition of the body regardless of whether there is no person  
23 with that right, the person cannot be located, or the person fails  
24 or refuses to exercise that right. The maximum allowable  
25 reimbursement for the final disposition shall be \$800.00. In  
26 addition, reimbursement for a cremation permit fee of up to \$75.00  
27 and for mileage at the standard rate will also be made available

1 for an eligible cremation. The reimbursements under this section  
2 shall be used for disposal by cremation unless the deceased's  
3 expressed religious preference prohibits cremation.

4 Sec. 615. Except as required by federal law or regulations,  
5 funds appropriated in part 1 shall not be used to provide public  
6 assistance to a person who is an illegal alien. This section shall  
7 not prohibit the department from entering into contracts with food  
8 banks, emergency shelter providers, or other human services  
9 agencies who may, as a normal part of doing business, provide food  
10 or emergency shelter.

11 Sec. 616. The department shall require retailers that  
12 participate in the electronic benefits transfer program to charge  
13 no more than \$2.50 in fees for cash back as a condition of  
14 participation.

15 Sec. 617. The department shall prepare a report on the number  
16 and percentage of public assistance recipients, categorized by type  
17 of assistance received, who were no longer eligible for assistance  
18 because of their status in the law enforcement information network  
19 and provide the report by October 1, 2013 to the senate and house  
20 appropriations subcommittees on the department budget, the senate  
21 and house standing committees on families and human services, and  
22 the senate and house fiscal agencies and policy offices.

23 Sec. 619. (1) Subject to subsection (2), the department shall  
24 exempt from the denial of title IV-A assistance and food assistance  
25 benefits under 21 USC 862a any individual who has been convicted of  
26 a felony that included the possession, use, or distribution of a  
27 controlled substance, after August 22, 1996, provided that the

1 individual is not in violation of his or her probation or parole  
2 requirements. Benefits shall be provided to such individuals as  
3 follows:

4 (a) A third-party payee or vendor shall be required for any  
5 cash benefits provided.

6 (b) An authorized representative shall be required for food  
7 assistance receipt.

8 (2) Subject to federal approval, an individual is not entitled  
9 to the exemption in this section if the individual was convicted in  
10 2 or more separate cases of a felony that included the possession,  
11 use, or distribution of a controlled substance after August 22,  
12 1996.

13 Sec. 643. As a condition of receipt of federal TANF funds,  
14 homeless shelters and human services agencies shall collaborate  
15 with the department to obtain necessary TANF eligibility  
16 information on families as soon as possible after admitting a  
17 family to the homeless shelter. From the funds appropriated in part  
18 1 for homeless programs, the department is authorized to make  
19 allocations of TANF funds only to the agencies that report  
20 necessary data to the department for the purpose of meeting TANF  
21 eligibility reporting requirements. Homeless shelters or human  
22 services agencies that do not report necessary data to the  
23 department for the purpose of meeting TANF eligibility reporting  
24 requirements will not receive reimbursements which exceed the per  
25 diem amount they received in fiscal year 2000. The use of TANF  
26 funds under this section should not be considered an ongoing  
27 commitment of funding.

1       Sec. 645. An individual or family is considered homeless, for  
2 purposes of eligibility for state emergency relief, if living  
3 temporarily with others in order to escape domestic violence. For  
4 purposes of this section, domestic violence is defined and verified  
5 in the same manner as in the department's policies on good cause  
6 for not cooperating with child support and paternity requirements.

7       Sec. 653. From the funds appropriated in part 1 for food  
8 assistance, an individual who is the victim of domestic violence  
9 and does not qualify for any other exemption may be exempt from the  
10 3-month in 36-month limit on receiving food assistance under 7 USC  
11 2015. This exemption can be extended an additional 3 months upon  
12 demonstration of continuing need.

13       Sec. 657. The department shall notify persons eligible for  
14 extended family independence program benefits under section 57s of  
15 the social welfare act, 1939 PA 280, MCL 400.57s, that receiving  
16 extended family independence program benefits will count toward the  
17 federal and state lifetime limits.

18       Sec. 660. From the funds appropriated in part 1 for food bank  
19 funding, the department is authorized to make allocations of TANF  
20 funds only to the agencies that report necessary data to the  
21 department for the purpose of meeting TANF eligibility reporting  
22 requirements. The agencies that do not report necessary data to the  
23 department for the purpose of meeting TANF eligibility reporting  
24 requirements will not receive allocations in excess of those  
25 received in fiscal year 2000. The use of TANF funds under this  
26 section should not be considered an ongoing commitment of funding.

27       Sec. 669. The department shall allocate up to \$2,880,000.00

1 for the annual clothing allowance. The allowance shall be granted  
2 to all eligible children in a family independence program group  
3 that does not include an adult.

4       Sec. 672. (1) The department's office of inspector general  
5 shall report to the senate and house of representatives  
6 appropriations subcommittees on the department budget, the senate  
7 and house fiscal agencies, and the senate and house policy offices  
8 by March 1 of the current fiscal year on department efforts to  
9 reduce inappropriate use of Michigan bridge cards. The department  
10 shall provide information on the number of recipients of services  
11 who used their electronic benefit transfer card inappropriately and  
12 the current status of each case, the number of recipients whose  
13 benefits were revoked, whether permanently or temporarily, as a  
14 result of inappropriate use, and the number of retailers that were  
15 fined or removed from the electronic benefit transfer program for  
16 permitting inappropriate use of the cards.

17       (2) As used in this section, "inappropriate use" means not  
18 used to meet a family's ongoing basic needs, including food,  
19 clothing, shelter, utilities, household goods, personal care items,  
20 and general incidentals.

21       Sec. 677. The department shall establish a state goal for the  
22 percentage of family independence program (FIP) cases involved in  
23 employment activities. The percentage established shall not be less  
24 than 50%. On a monthly basis, the department shall 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 director on the current percentage of FIP

1 cases involved in JET employment activities and an estimate of the  
2 current percentage of FIP cases that meet federal work  
3 participation requirements.

4 Sec. 686. (1) The department shall ensure that program policy  
5 requires caseworkers to confirm that individuals presenting  
6 personal identification issued by another state seeking assistance  
7 through the family independence program, food assistance program,  
8 state disability assistance program, or medical assistance program  
9 are not receiving benefits from any other state.

10 (2) The department shall require caseworkers to confirm the  
11 address provided by any individual seeking family independence  
12 program benefits or state disability assistance benefits.

13 (3) The department shall prohibit individuals with property  
14 assets assessed at a value higher than \$500,000.00 from accessing  
15 assistance through department-administered programs, unless such a  
16 prohibition would violate federal rules and guidelines.

17 (4) The department shall require caseworkers to obtain an up-  
18 to-date telephone number during the eligibility determination or  
19 redetermination process for individuals seeking medical assistance  
20 benefits. On a monthly basis, the department shall provide the  
21 department of community health an updated list of telephone numbers  
22 for medical assistance recipients.

23 Sec. 696. From the funds appropriated in part 1, the  
24 department shall allocate \$1,000,000.00 to the Chaldean community  
25 foundation. This money shall be utilized to provide translation  
26 services, health care services, youth tutoring and mentoring  
27 programs, and refugee resettlement services.

1     **JUVENILE JUSTICE SERVICES**

2           Sec. 706. Counties shall be subject to 50% chargeback for the  
3 use of alternative regional detention services, if those detention  
4 services do not fall under the basic provision of section 117e of  
5 the social welfare act, 1939 PA 280, MCL 400.117e, or if a county  
6 operates those detention services programs primarily with  
7 professional rather than volunteer staff.

8           Sec. 707. In order to be reimbursed for child care fund  
9 expenditures, counties are required to submit department-developed  
10 reports to enable the department to document potential federally  
11 claimable expenditures. This requirement is in accordance with the  
12 reporting requirements specified in section 117a(7) of the social  
13 welfare act, 1939 PA 280, MCL 400.117a.

14          Sec. 708. As a condition of receiving funds appropriated in  
15 part 1 for the child care fund line item, by December 15 of the  
16 current fiscal year, counties shall have an approved service  
17 spending plan for the current fiscal year. Counties must submit the  
18 service spending plan to the department by October 1 of the current  
19 fiscal year for approval. The department shall approve within 30  
20 calendar days after receipt a properly completed service plan that  
21 complies with the requirements of the social welfare act, 1939 PA  
22 280, MCL 400.1 to 400.119b.

23          Sec. 710. The department, Wayne County, and the third circuit  
24 court may rewrite the memorandum of understanding (MOU) that  
25 permits Wayne County to manage its juvenile justice system so that  
26 the MOU takes into account all interested parties, including, but

1 not limited to, the legislature.

2       Sec. 719. The department shall notify the legislature at least  
3 30 days before closing or making any change in the status,  
4 including the licensed bed capacity and operating bed capacity, of  
5 a state juvenile justice facility.

6       Sec. 721. If the demand for placements at state-operated  
7 juvenile justice residential facilities exceeds capacity, the  
8 department shall not increase the available occupancy or services  
9 at the facilities, and shall post a request for proposals for a  
10 contract with not less than 1 private provider of residential  
11 services for juvenile justice youth to be a residential facility of  
12 last resort.

### 13 LOCAL OFFICE SERVICES

14       Sec. 750. 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       Sec. 753. By January 1, 2012, the department shall implement  
21 the recommendations of the 2004 public private partnership  
22 initiative's training committee to define, design, and implement a  
23 train-the-trainer program to certify private agency staff to  
24 deliver child welfare staff training, explore the use of e-learning  
25 technologies, and include consumers in the design and

1 implementation of training. The intent of the legislature is to  
2 reduce training and travel costs for both the department and the  
3 private agencies. The department shall report no later than  
4 December 1 of the current fiscal year on each specific policy  
5 change made to implement enacted legislation and the plans to  
6 implement the recommendations, including timelines, to the senate  
7 and house appropriations subcommittees on the department budget,  
8 the senate and house standing committees on human services matters,  
9 the senate and house fiscal agencies and policy offices, and the  
10 state budget director.

11 **CHILD SUPPORT ENFORCEMENT**

12 Sec. 901. (1) The appropriations in part 1 assume a total  
13 federal child support incentive payment of \$26,500,000.00.

14 (2) From the federal money received for child support  
15 incentive payments, \$12,000,000.00 shall be retained by the state  
16 and expended for child support program expenses.

17 (3) From the federal money received for child support  
18 incentive payments, \$14,500,000.00 shall be paid to the counties  
19 based on each county's performance level for each of the federal  
20 performance measures as established in 45 CFR 305.2.

21 (4) If the child support incentive payment to the state from  
22 the federal government is greater than \$26,500,000.00, then 100% of  
23 the excess shall be retained by the state and is appropriated until  
24 the total retained by the state reaches \$15,397,400.00.

25 (5) If the child support incentive payment to the state from  
26 the federal government is greater than the amount needed to satisfy

1 the provisions identified in subsections (1), (2), (3), and (4),  
2 the additional funds shall be subject to appropriation by the  
3 legislature.

4 (6) If the child support incentive payment to the state from  
5 the federal government is less than \$26,500,000.00, then the state  
6 and county share shall each be reduced by 50% of the shortfall.

7 Sec. 909. (1) If statewide retained child support collections  
8 exceed \$38,300,000.00, 75% of the amount in excess of  
9 \$38,300,000.00 is appropriated to legal support contracts. This  
10 excess appropriation may be distributed to eligible counties to  
11 supplement and not supplant county title IV-D funding.

12 (2) Each county whose retained child support collections in  
13 the current fiscal year exceed its fiscal year 2004-2005 retained  
14 child support collections, excluding tax offset and financial  
15 institution data match collections in both the current year and  
16 fiscal year 2004-2005, shall receive its proportional share of the  
17 75% excess.

18 Sec. 910. (1) If title IV-D-related child support collections  
19 are escheated, the state budget director is authorized to adjust  
20 the sources of financing for the funds appropriated in part 1 for  
21 legal support contracts to reduce federal authorization by 66% of  
22 the escheated amount and increase general fund/general purpose  
23 authorization by the same amount. This budget adjustment is  
24 required to offset the loss of federal revenue due to the escheated  
25 amount being counted as title IV-D program income in accordance  
26 with federal regulations at 45 CFR 304.50.

27 (2) The department shall notify the chairs of the house and

senate appropriations subcommittees on the department budget and the house and senate fiscal agencies within 15 days of the authorization adjustment in subsection (1).

**COMMUNITY ACTION AND ECONOMIC OPPORTUNITY**

Sec. 1105. The department shall report to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, the house and senate policy offices, and the state budget office by February 1 of the current fiscal year on the number of homes, the approximate value of each home, and the square footage of each home weatherized through the appropriations in section 104 during the preceding quarter of the calendar year.

**ONE-TIME BASIS ONLY**

Sec. 1201. From the funds appropriated in part 1, the department shall allocate \$2,500,000.00 for information technology improvements that will improve the office of inspector general's efforts to reduce waste, fraud, and abuse.

Sec. 1203. The department shall allocate \$1,000,000.00 for the operation of a statewide before- or after-school program targeted to children in kindergarten through ninth grade. Eligible programs must serve geographic areas near school buildings that do not meet federal no child left behind annual yearly progress (AYP) requirements and that include the before- or after-school programs in the AYP plans as a means to improve outcomes and serve children living in households with income below 200% of the federal poverty

1 guidelines as established by the United States department of health  
2 and human services.

3       Sec. 1205. (1) From the funds appropriated in part 1, the  
4 department shall allocate \$500,000.00 to enter into a contract with  
5 a state university or outside research entity to conduct a  
6 behavioral health study of juvenile justice facilities operated or  
7 contracted for by the state. The study shall utilize diagnostic  
8 clinical interviews with and records reviews for a representative  
9 random sample of juvenile justice system detainees to develop a  
10 report on each of the following:

11       (a) The proportion of juvenile justice detainees with a  
12 primary diagnosis of emotional disorder, the percentage of those  
13 detainees considered to currently require mental health treatment,  
14 and the proportion of those detainees currently receiving mental  
15 health services, including a description and breakdown,  
16 encompassing, at a minimum, the categories of inpatient,  
17 residential, and outpatient care, of the type of mental health  
18 services provided to those detainees.

19       (b) The proportion of juvenile justice detainees with a  
20 primary diagnosis of addiction disorder, the percentage of those  
21 detainees considered to currently require substance abuse  
22 treatment, and the proportion of those detainees currently  
23 receiving substance abuse services, including a description and  
24 breakdown, encompassing, at a minimum, the categories of  
25 residential and outpatient care, of the type of substance abuse  
26 services provided to those detainees.

27       (c) The proportion of juvenile justice detainees with a dual

1 diagnosis of emotional disorder and addiction disorder, the  
2 percentage of those detainees considered to currently require  
3 treatment for their condition, and the proportion of those  
4 detainees currently receiving that treatment, including a  
5 description and breakdown, encompassing, at a minimum, the  
6 categories of mental health inpatient, mental health residential,  
7 mental health outpatient, substance abuse residential, and  
8 substance abuse outpatient, of the type of treatment provided to  
9 those detainees.

10 (d) Data indicating whether juvenile justice detainees with a  
11 primary diagnosis of emotional disorder, a primary diagnosis of  
12 addiction disorder, and a dual diagnosis of emotional disorder and  
13 addiction disorder were previously hospitalized in a state  
14 psychiatric hospital for persons with mental illness. These data  
15 shall be broken down according to each of these 3 respective  
16 categories.

17 (e) Data indicating whether and with what frequency juvenile  
18 justice detainees with a primary diagnosis of emotional disorder, a  
19 primary diagnosis of addiction disorder, and a dual diagnosis of  
20 emotional disorder and addiction disorder have been detained  
21 previously. These data shall be broken down according to each of  
22 these 3 respective categories.

23 (f) Data classifying the types of offenses historically  
24 committed by juvenile justice detainees with a primary diagnosis of  
25 emotional disorder, a primary diagnosis of addiction disorder, and  
26 a dual diagnosis of emotional disorder and addiction disorder.  
27 These data shall be broken down according to each of these 3

1    respective categories.

2           (g) Data indicating whether juvenile justice detainees have  
3    previously received services managed by a community mental health  
4    program or substance abuse coordinating agency. These data shall be  
5    broken down according to the respective categories of detainees  
6    with a primary diagnosis of emotional disorder, a primary diagnosis  
7    of addiction disorder, and a dual diagnosis of emotional disorder  
8    and addiction disorder.

9           (2) The report referenced under subsection (1) would be  
10   provided not later than June 30 of the current fiscal year to the  
11   senate and house appropriations subcommittees on human services,  
12   the senate and house fiscal agencies and policy offices, and the  
13   state budget director.

14          Sec. 1207. (1) The department shall make a determination of  
15   Medicaid eligibility not later than 60 days after all information  
16   to make the determination is received from the applicant if  
17   disability is an eligibility factor. For all other Medicaid  
18   applicants, including patients of a nursing home, the department  
19   shall make a determination of Medicaid eligibility within 45 days  
20   of application.

21          (2) From the funds appropriated in part 1, the department  
22   shall implement at 2 local offices a LEAN process to increase the  
23   efficiency of Medicaid eligibility determination not later than  
24   December 1, 2012. The goals of the LEAN process shall include, but  
25   not be limited to, identifying ways to reduce the number of days  
26   that a determination is made for applicants who have submitted all  
27   required information from 60 days to 45 days for applicants for

1 whom disability is an eligibility factor, and 45 days to 30 days  
2 for patients who reside in nursing homes and all other Medicaid  
3 applicants.

4 (3) Not later than April 1, 2013, the department shall provide  
5 a report to the senate and house appropriations subcommittees on  
6 the department budget, the senate and house standing committees on  
7 families and human services, and the senate and house fiscal  
8 agencies and policy offices detailing the outcomes of the LEAN  
9 process, the department's progress in achieving the eligibility  
10 standard of promptness at the 2 local offices, and the department's  
11 plan for implementing efficiency standards identified in the LEAN  
12 process statewide.

13 Sec. 1208. From the funds appropriated in part 1 for Seita  
14 scholarship program, the department shall allocate \$750,000.00 to  
15 the Seita scholarship program.

16 PART 2A

17 PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS  
18 FOR FISCAL YEAR 2013-2014

19 GENERAL SECTIONS

20 Sec. 1301. It is the intent of the legislature to provide  
21 appropriations for the fiscal year ending on September 30, 2014 for  
22 the line items listed in part 1. The fiscal year 2013-2014  
23 appropriations are anticipated to be the same as those for fiscal  
24 year 2012-2013, except that the line items will be adjusted for  
25 changes in caseload and related costs, federal fund match rates,

economic factors, and available revenue. These adjustments will be determined after the January 2013 consensus revenue estimating conference.

# ARTICLE XI

## JUDICIARY

### PART 1

#### LINE-ITEM APPROPRIATIONS

Sec. 101. Subject to the conditions set forth in this article, the amounts listed in this part are appropriated for the judicial branch for the fiscal year ending September 30, 2013, from the funds indicated in this part. The following is a summary of the appropriations in this part:

#### JUDICIARY

##### APPROPRIATION SUMMARY

Full-time equated exempted positions..... 472.0

GROSS APPROPRIATION..... \$ 273,760,100

Interdepartmental grant revenues:

Total interdepartmental grants and intradepartmental

transfers ..... 2,638,200

ADJUSTED GROSS APPROPRIATION..... \$ 271,121,900

Federal revenues:

Total federal revenues..... 6,017,100

Special revenue funds:

Total local revenues..... 7,049,300

Total private revenues..... 921,800

1	Total other state restricted revenues .....	86,382,200
2	State general fund/general purpose .....	\$ 170,751,500
3	State general fund/general purpose schedule:	
4	Ongoing state general fund/general	
5	purpose .....	\$170,114,600
6	One-time state general fund/general	
7	purpose .....	\$636,900
8	<b>Sec. 102. SUPREME COURT</b>	
9	Full-time equated exempted positions.....	237.0
10	Supreme court administration--92.0 FTE positions .....	\$ 12,701,800
11	Judicial institute--13.0 FTE positions .....	2,151,300
12	State court administrative office--61.0 FTE positions	13,645,900
13	Judicial information systems--22.0 FTE positions .....	3,498,100
14	Direct trial court automation support--36.0 FTE	
15	positions .....	6,970,700
16	Foster care review board--10.0 FTE positions .....	1,493,700
17	Community dispute resolution--3.0 FTE positions .....	2,350,900
18	Other federal grants .....	275,100
19	Drug treatment courts .....	13,383,000
20	Community court pilot project .....	<u>20,000</u>
21	GROSS APPROPRIATION .....	\$ 56,490,500
22	Appropriated from:	
23	Interdepartmental grant revenues:	
24	IDG from department of state police .....	1,800,000
25	IDG from department of corrections .....	50,000
26	IDG from state police - Michigan justice training fund	326,200
27	Federal revenues:	

1	DOJ, victims assistance programs.....	54,300
2	DOJ, drug court training and evaluation.....	300,000
3	DOT, national highway traffic safety administration..	1,380,900
4	HHS, access and visitation grant.....	593,800
5	HHS, children's justice grant.....	222,600
6	HHS, court improvement project.....	1,251,900
7	HHS, title IV-D child support program.....	979,700
8	HHS, title IV-E foster care program.....	625,900
9	Other federal grant revenues.....	275,100
10	Special revenue funds:	
11	Local - user fees.....	6,970,700
12	Private.....	182,500
13	Private - interest on lawyers trust accounts.....	251,100
14	Private - state justice institute.....	401,000
15	Community dispute resolution fund.....	2,350,900
16	Court of appeals filing/motion fees.....	1,641,800
17	Law exam fees.....	608,900
18	Drug court fund.....	1,920,500
19	Miscellaneous revenue.....	335,900
20	Justice system fund.....	755,400
21	State court fund.....	365,900
22	State general fund/general purpose.....	\$ 32,845,500
23	<b>Sec. 103. COURT OF APPEALS</b>	
24	Full-time equated exempted positions.....	175.0
25	Court of appeals operations--175.0 FTE positions.....	\$ <u>21,551,100</u>
26	GROSS APPROPRIATION.....	\$ 21,551,100
27	Appropriated from:	

1	State general fund/general purpose .....	\$	21,551,100
2	<b>Sec. 104. BRANCHWIDE APPROPRIATIONS</b>		
3	Full-time equated exempted positions .....		4.0
4	Branchwide appropriations--4.0 FTE positions .....	\$	<u>8,365,400</u>
5	GROSS APPROPRIATION .....	\$	8,365,400
6	Appropriated from:		
7	State general fund/general purpose .....	\$	8,365,400
8	<b>Sec. 105. JUSTICES' AND JUDGES' COMPENSATION</b>		
9	Full-time judges positions .....		607.0
10	Supreme court justices' salaries--7.0 justices .....	\$	1,152,300
11	Court of appeals judges' salaries--28.0 judges .....		4,240,300
12	District court judges' state base salaries--250.0		
13	judges .....		23,183,300
14	District court judicial salary standardization .....		11,453,900
15	Probate court judges' state base salaries--104.0		
16	judges .....		9,722,100
17	Probate court judicial salary standardization .....		4,715,300
18	Circuit court judges' state base salaries--218.0		
19	judges .....		20,558,100
20	Circuit court judicial salary standardization .....		9,979,300
21	Judges' retirement system defined contributions .....		3,998,400
22	OASI, social security .....		<u>5,559,800</u>
23	GROSS APPROPRIATION .....	\$	94,562,800
24	Appropriated from:		
25	Special revenue funds:		
26	Court fee fund .....		4,890,200
27	State general fund/general purpose .....	\$	89,672,600

1	<b>Sec. 106. JUDICIAL AGENCIES</b>		
2	Full-time equated exempted positions.....	7.0	
3	Judicial tenure commission--7.0 FTE positions .....	\$	<u>1,084,600</u>
4	GROSS APPROPRIATION.....	\$	1,084,600
5	Appropriated from:		
6	State general fund/general purpose .....	\$	1,084,600
7	<b>Sec. 107. INDIGENT DEFENSE - CRIMINAL</b>		
8	Full-time equated exempted positions.....	49.0	
9	Appellate public defender program--42.0 FTE positions	\$	6,109,300
10	Appellate assigned counsel administration--7.0 FTE		
11	positions .....		<u>1,032,100</u>
12	GROSS APPROPRIATION.....	\$	7,141,400
13	Appropriated from:		
14	Interdepartmental grant revenues:		
15	IDG from state police - Michigan justice training fund		452,900
16	Federal revenues:		
17	Other federal grant revenues .....		281,700
18	Special revenue funds:		
19	Private - interest on lawyers trust accounts .....		79,000
20	Miscellaneous revenue .....		127,500
21	State general fund/general purpose .....	\$	6,200,300
22	<b>Sec. 108. INDIGENT CIVIL LEGAL ASSISTANCE</b>		
23	Indigent civil legal assistance .....	\$	<u>7,937,000</u>
24	GROSS APPROPRIATION.....	\$	7,937,000
25	Appropriated from:		
26	Special revenue funds:		
27	State court fund.....		7,937,000

1	State general fund/general purpose .....	\$	0
2	<b>Sec. 109. TRIAL COURT OPERATIONS</b>		
3	Court equity fund reimbursements .....	\$	60,835,100
4	Judicial technology improvement fund .....		<u>4,815,000</u>
5	GROSS APPROPRIATION .....	\$	65,650,100
6	Appropriated from:		
7	Special revenue funds:		
8	Court equity fund .....		50,440,000
9	Judicial technology improvement fund .....		4,815,000
10	State general fund/general purpose .....	\$	10,395,100
11	<b>Sec. 110. GRANTS AND REIMBURSEMENTS TO LOCAL</b>		
12	<b>GOVERNMENT</b>		
13	Drug case-flow program .....	\$	250,000
14	Drunk driving case-flow program .....		3,300,000
15	Juror compensation reimbursement .....		<u>6,600,000</u>
16	GROSS APPROPRIATION .....	\$	10,150,000
17	Appropriated from:		
18	Special revenue funds:		
19	Drug fund .....		250,000
20	Drunk driving fund .....		3,300,000
21	Juror compensation fund .....		6,600,000
22	State general fund/general purpose .....	\$	0
23	<b>Sec. 111. ONE-TIME BASIS ONLY APPROPRIATIONS</b>		
24	State employee lump-sum payments .....	\$	<u>827,200</u>
25	GROSS APPROPRIATION .....	\$	827,200
26	Appropriated from:		
27	One-time interdepartmental grant .....		9,100

1	One-time federal revenue.....	51,200
2	One-time local revenue.....	78,600
3	One-time private revenue.....	8,200
4	One-time state restricted revenue.....	43,200
5	State general fund/general purpose.....	\$ 636,900

6 PART 2

7 PROVISIONS CONCERNING APPROPRIATIONS

8 FOR FISCAL YEAR 2012-2013

9 **GENERAL SECTIONS**

10 Sec. 201. Pursuant to section 30 of article IX of the state

11 constitution of 1963, total state spending from state resources

12 under part 1 for fiscal year 2012-2013 is \$257,133,700.00 and state

13 spending from state resources to be paid to local units of

14 government for fiscal year 2012-2013 is \$127,604,200.00. The

15 itemized statement below identifies appropriations from which

16 spending to local units of government will occur:

17 JUDICIARY

18 SUPREME COURT

19	State court administrative office.....	\$ 1,611,900
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20	Drug treatment courts.....	13,383,000
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21 TRIAL COURT OPERATIONS

22	Court equity fund reimbursements.....	\$ 60,835,100
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23	Judicial technology improvement fund.....	4,815,000
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24 JUSTICES' AND JUDGES' COMPENSATION

25	District court judicial salary standardization.....	\$ 11,453,900
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1	Probate court judges' state base salaries .....	9,722,100
2	Probate court judicial salary standardization .....	4,715,300
3	Circuit court judicial salary standardization .....	9,979,300
4	Grant to OASI contribution fund, employers share,	
5	social security .....	938,600
6	GRANTS AND REIMBURSEMENTS TO LOCAL GOVERNMENT	
7	Drunk driving case-flow program .....	\$ 3,300,000
8	Drug case-flow program .....	250,000
9	Juror compensation reimbursement .....	<u>6,600,000</u>
10	TOTAL .....	\$ 127,604,200

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

14       (2) Funds appropriated in part 1 to an entity within the  
 15 judicial branch shall not be expended or transferred to another  
 16 account without written approval of the authorized agent of the  
 17 judicial entity. If the authorized agent of the judicial entity  
 18 notifies the state budget director of its approval of an  
 19 expenditure or transfer, the state budget director shall  
 20 immediately make the expenditure or transfer. The authorized  
 21 judicial entity agent shall be designated by the chief justice of  
 22 the supreme court.

23       Sec. 203. As used in this article:

24       (a) "DOJ" means the United States department of justice.

25       (b) "DOT" means the United States department of  
 26 transportation.

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

1 (d) "HHS" means the United States department of health and  
2 human services.

3 (e) "IDG" means interdepartmental grant.

4 (f) "OASI" means old age survivor's insurance.

5 Sec. 204. The judicial branch shall not take disciplinary  
6 action against an employee for communicating with a member of the  
7 legislature or his or her staff.

8 Sec. 208. The reporting requirements of this article shall be  
9 completed with the approval of, and at the direction of, the  
10 supreme court, except as otherwise provided in this article. The  
11 judicial branch shall use the Internet to fulfill the reporting  
12 requirements of this article. This may include transmission of  
13 reports via electronic mail to the recipients identified for each  
14 reporting requirement, or it may include placement of reports on an  
15 Internet or Intranet site.

16 Sec. 212. The judicial branch receiving appropriations in part  
17 1 shall receive and retain copies of all reports funded from  
18 appropriations in part 1. Federal and state guidelines for short-  
19 term and long-term retention of records shall be followed. The  
20 judicial branch may electronically retain copies of reports unless  
21 otherwise required by federal and state guidelines.

22 Sec. 214. Funds appropriated in part 1 shall not be used for  
23 the purchase of foreign goods or services, or both, if  
24 competitively priced and of comparable quality American goods or  
25 services, or both, are available. Preference shall be given to  
26 goods or services, or both, manufactured or provided by Michigan  
27 businesses, if they are competitively priced and of comparable

1 quality. In addition, preference shall be given to goods or  
2 services, or both, that are manufactured or provided by Michigan  
3 businesses owned and operated by veterans, if they are  
4 competitively priced and of comparable quality.

5 Sec. 215. Not later than January 1 of each year, the state  
6 court administrative office shall prepare a travel report listing  
7 all travel by judicial branch employees outside this state in the  
8 immediately preceding fiscal year that was funded in whole or in  
9 part with funds appropriated in the budget for the judicial branch.  
10 The report shall be submitted to the senate and house of  
11 representatives standing committees on appropriations, the senate  
12 and house fiscal agencies, and the state budget director. The  
13 report shall include the following information:

14 (a) The dates of each travel occurrence.

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

20 Sec. 219. Not later than November 15, 2013, the judiciary  
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 fiscal year. This report shall summarize the projected  
24 year-end general fund/general purpose appropriation lapses by major  
25 program or program areas. The report shall be transmitted to the  
26 office of the state budget, the chairpersons of the senate and  
27 house appropriations committees, and the senate and house fiscal

1 agencies.

2       Sec. 221. From the funds appropriated in part 1, the judicial  
3 branch shall develop, post, and maintain, on a user-friendly and  
4 publicly accessible Internet site, all expenditures made by the  
5 judicial branch within a fiscal year. The posting shall include the  
6 purpose for which each expenditure is made. The judicial branch  
7 shall not provide financial information on its website under this  
8 section if doing so would violate a federal or state law, rule,  
9 regulation, or guideline that establishes privacy or security  
10 standards applicable to that financial information.

11       Sec. 222. Within 14 days after the release of the executive  
12 budget recommendation, the judicial branch shall provide the state  
13 budget director, the senate and house appropriations chairs, the  
14 senate and house appropriations subcommittees on the judiciary,  
15 respectively, and the senate and house fiscal agencies with an  
16 annual report on estimated state restricted fund balances, state  
17 restricted fund projected revenues, and state restricted fund  
18 expenditures for the fiscal years ending September 30, 2012 and  
19 September 30, 2013.

20       **JUDICIAL BRANCH**

21       Sec. 301. Pursuant to the appropriations in part 1, the direct  
22 trial court automation support program of the state court  
23 administrative office shall recover direct and overhead costs from  
24 trial courts by charging for services rendered. The fee shall cover  
25 the actual costs incurred to the direct trial court automation  
26 support program in providing the service, including development of

1 future versions of case management systems.

2 Sec. 302. Funds appropriated within the judicial branch shall  
3 not be expended by any component within the judicial branch without  
4 the approval of the supreme court.

5 Sec. 303. Of the amount appropriated in part 1 for the  
6 judicial branch, \$325,000.00 is allocated for circuit court  
7 reimbursement under section 3 of 1978 PA 16, MCL 800.453, and  
8 \$186,900.00 is allocated for court of claims reimbursement under  
9 section 6413 of the revised judicature act of 1961, 1961 PA 236,  
10 MCL 600.6413.

11 Sec. 306. The supreme court and the state court administrative  
12 office shall continue to maintain, as a priority, the assisting of  
13 local trial courts in improving the collection of judgments.

14 Sec. 308. If sufficient funds are not available from the court  
15 fee fund to pay judges' compensation, the difference between the  
16 appropriated amount from that fund for judges' compensation and the  
17 actual amount available after the amount appropriated for trial  
18 court reimbursement is made shall be appropriated from the state  
19 general fund for judges' compensation.

20 Sec. 309. By April 1, 2013, the state court administrative  
21 office shall provide an update on the status of the pilot mental  
22 health courts to the state budget director, the senate and house  
23 appropriations subcommittees on the judiciary, and the senate and  
24 house fiscal agencies.

25 Sec. 310. From the funds appropriated in part 1 for drug  
26 treatment court programs, with the approval of and at the  
27 discretion of the supreme court, the state court administrative

1 office shall evaluate and collect data on the performance of drug  
2 treatment court programs. The state court administrative office  
3 shall provide an annual review of the performance of drug courts as  
4 prescribed in section 1078(6) of the revised judicature act of  
5 1961, 1961 PA 236, MCL 600.1078. All of the following apply to that  
6 annual review:

7 (a) It shall include measures of the impact of drug court  
8 programs in changing offender criminal involvement (recidivism) and  
9 substance abuse and in reducing prison admissions.

10 (b) It shall be completed no later than April 1 of each year  
11 and shall also be provided to the senate and house appropriations  
12 subcommittees on the judiciary, the senate and house fiscal  
13 agencies, and the state budget director.

14 (c) The evaluation of a program funded with federal Byrne  
15 funds shall be consistent with the requirements contained in the  
16 federal Byrne grant for that program.

17 Sec. 311. (1) The funds appropriated in part 1 for drug  
18 treatment courts shall be administered by the state court  
19 administrative office to operate drug treatment court programs. A  
20 drug treatment court shall be responsible for handling cases  
21 involving substance abusing nonviolent offenders through  
22 comprehensive supervision, testing, treatment services, and  
23 immediate sanctions and incentives. A drug treatment court shall  
24 use all available county and state personnel involved in the  
25 disposition of cases including, but not limited to, parole and  
26 probation agents, prosecuting attorneys, defense attorneys, and  
27 community corrections providers. The funds may be used in

1 connection with other federal, state, and local funding sources.

2 (2) From the funds appropriated in part 1, the chief justice  
3 shall allocate sufficient funds for the judicial institute to  
4 provide in-state training for those identified in subsection (1),  
5 including training for new drug treatment court judges.

6 (3) For drug treatment court grants, consideration for  
7 priority may be given to those courts where higher instances of  
8 substance abuse cases are filed.

9 (4) The judiciary shall receive \$1,800,000.00 in Byrne formula  
10 grant funding as an interdepartmental grant from the department of  
11 state police to be used for expansion of drug treatment courts, to  
12 assist in avoiding prison bed space growth for nonviolent offenders  
13 in collaboration with the department of corrections.

14 Sec. 312. From the funds appropriated in part 1, the state  
15 court administrator shall produce a statistical report regarding  
16 the implementation of the parental rights restoration act, 1990 PA  
17 211, MCL 722.901 to 722.908, as it pertains to minors seeking a  
18 court-issued waiver of parental consent. The state court  
19 administrative office shall report the total number of petitions  
20 filed and the total number of petitions granted in accordance with  
21 section 208.

22 Sec. 317. Funds appropriated in part 1 shall not be used for  
23 the permanent assignment of state-owned vehicles to justices or  
24 judges or any other judicial branch employee. This section does not  
25 preclude the use of state-owned motor pool vehicles for state  
26 business in accordance with approved guidelines.

27 Sec. 318. The funds appropriated in part 1 for the community

1 court pilot project shall be used for the purposes of administering  
2 a pilot program of neighborhood-focused community courts. The state  
3 court administrative office shall work collaboratively with the  
4 designated courts when establishing the community courts.

5       Sec. 320. (1) From the funds appropriated in part 1 for drug  
6 treatment courts, \$6,000,000.00, including \$1,641,800.00 from court  
7 of appeals filing fees and motion fees and \$87,600.00 of  
8 miscellaneous revenue transferred from court of appeals funding,  
9 shall be administered by the state court administrative office to  
10 distribute as grants to qualifying courts to support a swift-and-  
11 sure sanctions grant program. Of the \$6,000,000.00 designated for  
12 the program, not more than \$100,000.00 shall be available to the  
13 state court administrative office to pay for employee costs  
14 associated with the administration of the program funds. Courts  
15 interested in participating in the swift-and-sure sanctions program  
16 may apply to the state court administrative office for a portion of  
17 the funds appropriated in part 1 under this section.

18       (2) The state court administrative office may award the swift-  
19 and-sure sanctions grant funds to any court that applies under  
20 subsection (1), that intends to operate, or is already operating, a  
21 swift-and-sure sanctions program, and that meets 1 or both of the  
22 following qualifications:

23       (a) The court operates a drug treatment court.

24       (b) The court is part of a unified trial court system.

25       (3) The state court administrative office shall give the  
26 following priority in awarding swift-and-sure sanctions grant  
27 funds:

1 (a) Courts that have already had a swift-and-sure sanctions  
2 program in operation in prior years and are making satisfactory  
3 progress in establishing and improving their programs.

4 (b) Courts located in counties that have high numbers of  
5 residents or former residents under the supervision of the  
6 department of corrections.

7 (4) By April 1, 2013, a court that receives funding under this  
8 section shall provide a report on the program to the state budget  
9 director, the senate and house appropriations subcommittees on the  
10 judiciary, and the senate and house fiscal agencies. The report  
11 shall include all of the following:

12 (a) The number of offenders who participate in the program.

13 (b) The criminal history of offenders who participate in the  
14 program.

15 (c) The recidivism rate of offenders who participate in the  
16 program, including the rate of return to jail, prison, or both.

17 (d) A detailed description of the establishment and parameters  
18 of the program.

19 (5) As used in this section:

20 (a) "Program" means a swift-and-sure sanctions program.

21 (b) "Unified trial court system" means a trial court in which  
22 all of the circuit, district, and probate court judges may be  
23 assigned to any division of that trial court to meet the demands of  
24 the trial court's caseload.

25 Sec. 321. It is the intent of the legislature that the  
26 judicial branch support a statewide legal self-help Internet  
27 website and local nonprofit self-help centers that use the

1 statewide website to provide assistance to individuals representing  
2 themselves in civil legal proceedings.

3 Sec. 322. If Byrne formula grant funding is awarded to the  
4 state appellate defender, the state appellate defender office may  
5 receive and expend Byrne formula grant funds in an amount not  
6 exceeding \$250,000.00 as an interdepartmental grant from the  
7 department of state police.

8 PART 2A

9 PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS

10 FOR FISCAL YEAR 2013-2014

11 GENERAL SECTIONS

12 Sec. 1201. It is the intent of the legislature to provide  
13 appropriations for the fiscal year ending on September 30, 2014 for  
14 the line items listed in part 1. The fiscal year 2013-2014  
15 appropriations are anticipated to be the same as those for fiscal  
16 year 2012-2013, 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 2013 consensus revenue estimating  
20 conference.

21 ARTICLE XII

22 DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS

23 PART 1

24 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 this article, for the fiscal year ending September 30, 2013, 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..... 4,259.8

GROSS APPROPRIATION..... \$ 791,943,300

Interdepartmental grant revenues:

Total interdepartmental grants and intradepartmental

transfers ..... 13,496,900

ADJUSTED GROSS APPROPRIATION..... \$ 778,446,400

Federal revenues:

Total federal revenues..... 391,076,000

Special revenue funds:

Total local revenues..... 7,159,900

Total private revenues..... 3,927,800

Total other state restricted revenues..... 325,711,800

State general fund/general purpose..... \$ 50,570,900

State general fund/general purpose schedule:

Ongoing state general fund/general

purpose ..... 50,393,400

One-time state general fund/general

purpose ..... 177,500

1	<b>Sec. 102. DEPARTMENTAL ADMINISTRATION</b>	
2	Full-time equated unclassified positions.....	57.5
3	Full-time equated classified positions.....	128.0
4	Unclassified salaries--57.5 FTE positions.....	\$ 4,595,900
5	Executive director programs--33.0 FTE positions .....	5,678,300
6	Property management.....	12,495,200
7	Rent.....	12,032,200
8	Worker's compensation.....	713,200
9	Special project advances.....	200,000
10	Administrative services--91.0 FTE positions .....	10,655,400
11	Office of regulatory reinvention--4.0 FTE positions ..	<u>415,800</u>
12	GROSS APPROPRIATION.....	\$ 46,786,000
13	Appropriated from:	
14	Federal revenues:	
15	DOE-OEERE, multiple grants.....	3,000
16	DED-OSERS, rehabilitation services, vocational	
17	rehabilitation of state grants.....	4,219,600
18	DOL-ETA, unemployment insurance.....	12,335,400
19	DOL, multiple grants for safety and health.....	797,600
20	Federal revenues.....	453,100
21	Title XVIII Medicare.....	423,100
22	Title XIX Medicaid.....	21,700
23	Title XIX Medicaid, facility certification fees .....	265,800
24	Special revenue funds:	
25	Private - special project advances.....	200,000
26	Local revenues.....	130,900
27	Bank fees.....	381,700

1	Boiler fee revenue.....	244,400
2	Construction code fund.....	1,239,300
3	Consumer finance fees.....	78,300
4	Contingent fund, penalty and interest account.....	39,900
5	Corporation fees.....	4,442,000
6	Credit union fees.....	386,900
7	Deferred presentment service transaction fees.....	25,000
8	Elevator fees.....	251,500
9	Fees and collections/asbestos.....	104,200
10	Fire service fees.....	805,700
11	Health professions regulatory fund.....	1,667,900
12	Health systems fees.....	285,000
13	Insurance licensing and regulation fees.....	1,848,600
14	Insurance bureau fund.....	589,600
15	Licensing and regulation fees.....	1,092,300
16	Liquor license revenue.....	34,500
17	Liquor purchase revolving fund.....	5,020,600
18	MBLSLA fund.....	86,400
19	Mobile home code fund.....	253,400
20	Motor carrier fees.....	238,100
21	Private occupational school license fees.....	14,000
22	Public utility assessments.....	2,519,500
23	Radiological health fees.....	95,600
24	Safety education and training fund.....	798,900
25	Second injury fund.....	255,500
26	Securities fees.....	2,555,500
27	Self-insurers security fund.....	92,300

1	Silicosis and dust disease fund.....	113,900
2	Tax tribunal fund.....	192,600
3	Video franchise assessments.....	4,000
4	Workers' compensation administrative revolving fund..	134,500
5	State general fund/general purpose.....	\$ 2,044,200
6	<b>Sec. 103. OFFICE OF FINANCIAL AND INSURANCE</b>	
7	<b>REGULATION</b>	
8	Full-time equated classified positions.....	374.0
9	Administration--45.0 FTE positions.....	\$ 7,956,900
10	Financial evaluation--209.0 FTE positions.....	36,871,300
11	Regulatory compliance and consumer assistance--120.0	
12	FTE positions .....	<u>19,684,400</u>
13	GROSS APPROPRIATION.....	\$ 64,512,600
14	Appropriated from:	
15	Federal revenues:	
16	Federal revenues.....	2,000,000
17	Special revenue funds:	
18	Bank fees.....	8,801,900
19	Captive insurance regulatory and supervision fund....	279,400
20	Consumer finance fees.....	4,673,700
21	Credit union fees.....	6,796,400
22	Deferred presentment service transaction fees.....	2,900,800
23	Insurance bureau fund.....	22,012,300
24	Insurance continuing education fees.....	1,097,400
25	Insurance licensing and regulation fees.....	5,168,300
26	MBLSLA fund.....	4,629,600
27	Multiple employer welfare arrangement.....	72,600

1	Securities fees.....		5,080,200
2	Securities investor education and training fund.....		1,000,000
3	State general fund/general purpose.....	\$	0
4	<b>Sec. 104. PUBLIC SERVICE COMMISSION AND ENERGY</b>		
5	<b>SYSTEMS</b>		
6	Full-time equated classified positions.....	193.0	
7	Public service commission--190.0 FTE positions.....	\$	29,265,100
8	METRO authority--3.0 FTE positions.....		<u>367,300</u>
9	GROSS APPROPRIATION.....	\$	29,632,400
10	Appropriated from:		
11	Federal revenues:		
12	DOE-OEERE, multiple grants.....		9,000
13	DOT, gas pipeline safety.....		950,000
14	Special revenue funds:		
15	Children's protection registry fund.....		272,600
16	Motor carrier fees.....		2,520,300
17	Public utility assessments.....		25,040,500
18	Restructuring mechanism assessments.....		440,000
19	Video franchise assessments.....		400,000
20	State general fund/general purpose.....	\$	0
21	<b>Sec. 105. LIQUOR CONTROL COMMISSION</b>		
22	Full-time equated classified positions.....	152.0	
23	Management support services--28.0 FTE positions.....	\$	4,185,100
24	Liquor licensing and enforcement--124.0 FTE positions		<u>14,523,800</u>
25	GROSS APPROPRIATION.....	\$	18,708,900
26	Appropriated from:		
27	Special revenue funds:		

1	Direct shipper enforcement revolving fund.....	120,000
2	Liquor license revenue.....	7,510,400
3	Liquor purchase revolving fund.....	11,078,500
4	State general fund/general purpose.....	\$ 0
5	<b>Sec. 106. OCCUPATIONAL REGULATION</b>	
6	Full-time equated classified positions.....	795.3
7	Boiler inspection program--23.0 FTE positions.....	\$ 3,172,900
8	Bureau of fire services--62.0 FTE positions.....	7,641,000
9	Bureau of construction codes--100.0 FTE positions....	14,731,600
10	Bureau of commercial services--155.0 FTE positions...	21,299,300
11	Elevator inspection program--30.0 FTE positions.....	3,545,600
12	Bureau of health professions--151.0 FTE positions....	26,822,000
13	Medical marihuana program--9.0 FTE positions.....	4,200,000
14	Bureau of health systems--211.4 FTE positions.....	27,197,600
15	Radiological health administration--21.4 FTE positions	3,345,400
16	Background check program--5.5 FTE positions.....	2,595,000
17	Manufactured housing and land resources	
18	program--18.0 FTE positions .....	2,874,700
19	Property development group--9.0 FTE positions.....	<u>1,767,500</u>
20	GROSS APPROPRIATION.....	\$ 119,192,600
21	Appropriated from:	
22	Interdepartmental grant revenues:	
23	IDG from department of community health, inspection	
24	contract .....	100,000
25	Federal revenues:	
26	Clinical lab improvement.....	386,700
27	DOT.....	60,000

1	FEMA.....	28,000
2	Mammography quality standards.....	744,500
3	Title XVIII Medicare.....	10,946,600
4	Title XIX Medicaid.....	968,900
5	Title XIX Medicaid, facility certification fees.....	7,483,600
6	Special revenue funds:	
7	Private - civil monetary penalties.....	200,000
8	Accountancy enforcement fund.....	404,800
9	Boiler fee revenue.....	3,627,500
10	Builder enforcement fund.....	450,800
11	Construction code fund.....	13,853,400
12	Corporation fees.....	6,728,000
13	Elevator fees.....	3,969,200
14	Fire alarm fees.....	125,400
15	Fire safety standard and enforcement fund.....	40,000
16	Fire service fees.....	2,346,000
17	Fireworks safety fund.....	652,700
18	Health professions regulatory fund.....	27,624,900
19	Health systems fees.....	2,555,700
20	Licensing and regulation fees.....	11,998,200
21	Liquor purchase revolving fund.....	3,003,900
22	Mobile home code fund.....	2,874,700
23	Nurse professional fund.....	1,883,300
24	Pain management fees.....	1,770,600
25	Private occupational school license fees.....	832,200
26	Property development fees.....	298,900
27	Radiological health fees.....	2,600,900

1	Real estate appraiser continuing education fund.....	47,000
2	Real estate education fund.....	338,100
3	Real estate enforcement fund.....	694,300
4	Survey and remonumentation fund.....	809,700
5	Security business fund.....	340,100
6	Unarmed combat fund.....	124,700
7	State general fund/general purpose.....	\$ 8,279,300
8	<b>Sec. 107. MICHIGAN OCCUPATIONAL SAFETY AND HEALTH</b>	
9	<b>ADMINISTRATION</b>	
10	Full-time equated classified positions..... 250.0	
11	Occupational safety and health--219.0 FTE positions ..	\$ 30,623,000
12	Wage and hour division--31.0 FTE positions.....	<u>3,388,300</u>
13	GROSS APPROPRIATION.....	\$ 34,011,300
14	Appropriated from:	
15	Federal revenues:	
16	DOL, multiple grants for safety and health.....	14,371,900
17	Special revenue funds:	
18	Corporation fees.....	6,244,900
19	Fees and collections/asbestos.....	984,100
20	Safety education and training fund.....	9,039,600
21	Securities fees.....	3,370,800
22	State general fund/general purpose.....	\$ 0
23	<b>Sec. 108. EMPLOYMENT SERVICES</b>	
24	Full-time equated classified positions..... 2,104.6	
25	Worker's compensation administration--69.6 FTE	
26	positions .....	\$ 7,646,100
27	Insurance funds administration--25.0 FTE positions ...	5,138,900

1	Supplemental benefit fund.....	820,000
2	Unemployment insurance agency--1,262.7 FTE positions .	152,814,400
3	Advocacy assistance program.....	1,500,000
4	Special audit and collections program--34.0 FTE	
5	positions .....	3,301,300
6	Training program for agency staff--2.1 FTE positions .	1,849,500
7	Expanded fraud control program--33.2 FTE positions ...	3,811,400
8	Commission for the blind--107.0 FTE positions .....	27,748,900
9	Michigan rehabilitation services--550.0 FTE positions	77,290,200
10	Employment and labor relations--21.0 FTE positions ...	<u>3,984,500</u>
11	GROSS APPROPRIATION.....	\$ 285,905,200
12	Appropriated from:	
13	Federal revenues:	
14	DED-OPSE, multiple grants.....	1,333,300
15	DED-OSERS, centers for independent living.....	60,300
16	DED-OSERS, rehabilitation long-term training.....	328,400
17	DED-OSERS, rehabilitation services, vocational	
18	rehabilitation of state grants.....	60,799,100
19	DED-OSERS, state grants for technical related	
20	assistance .....	67,700
21	DOL, employment and training administration.....	1,355,800
22	DOL-ETA, unemployment insurance.....	156,606,100
23	Federal revenues.....	21,034,900
24	HHS-SSA, supplemental security income.....	4,079,400
25	Special revenue funds:	
26	Private - gifts, bequests, and donations.....	816,000
27	Private revenues.....	111,800

1	Local revenues.....	529,000
2	Corporation fees.....	1,892,000
3	Contingent fund, regular penalty and interest .....	4,314,700
4	Michigan commission for the blind business	
5	enterprise program fund .....	562,000
6	Rehabilitation service fees.....	1,401,500
7	Second injury fund.....	2,911,400
8	Securities fees.....	4,394,500
9	Self-insurers security fund.....	1,308,200
10	Silicosis and dust disease fund.....	1,064,300
11	Special fraud control fund.....	1,000,000
12	Workers' compensation administrative revolving fund..	2,383,000
13	State general fund/general purpose.....	\$ 17,551,800
14	<b>Sec. 109. MICHIGAN ADMINISTRATIVE HEARING SYSTEM</b>	
15	Full-time equated classified positions.....	260.9
16	Michigan administrative hearing system--231.4 FTE	
17	positions .....	\$ 35,418,100
18	Michigan compensation appellate commission--29.5 FTE	
19	positions .....	<u>3,835,200</u>
20	GROSS APPROPRIATION.....	\$ 39,253,300
21	Appropriated from:	
22	Interdepartmental grant revenues:	
23	IDG - administrative hearings.....	13,233,400
24	Federal revenues:	
25	DOL-ETA, unemployment insurance.....	3,552,400
26	Federal revenue - administrative hearings and rules ..	8,531,000
27	Special revenue funds:	

1	State restricted revenue - administrative hearings	
2	and rules .....	12,641,000
3	Workers' compensation administrative revolving fund..	282,800
4	State general fund/general purpose .....	\$ 1,012,700
5	<b>Sec. 110. INFORMATION TECHNOLOGY</b>	
6	Information technology services and projects .....	\$ 45,310,200
7	Liquor control commission IT upgrades .....	<u>2,000,000</u>
8	GROSS APPROPRIATION .....	\$ 47,310,200
9	Appropriated from:	
10	Federal revenues:	
11	DOL-ETA, unemployment insurance .....	22,256,000
12	DOL, multiple grants for safety and health .....	273,700
13	Federal revenues .....	3,584,100
14	Special revenue funds:	
15	Bank fees .....	219,500
16	Boiler fee revenue .....	280,500
17	Construction code fund .....	1,137,800
18	Consumer finance fees .....	95,100
19	Corporation fees .....	5,343,600
20	Credit union fees .....	192,100
21	Deferred presentment service transaction fees .....	85,700
22	Elevator fees .....	271,300
23	Fees and collections/asbestos .....	11,000
24	Fire service fees .....	353,500
25	Health professions regulatory fund .....	873,900
26	Health systems fees .....	186,400
27	Insurance continuing education fees .....	11,700

1	Insurance bureau fund.....	545,500
2	Insurance licensing and regulation fees.....	315,000
3	Licensing and regulation fees.....	1,757,500
4	Liquor purchase revolving fund.....	4,915,400
5	MBLSLA fund.....	104,100
6	Mobile home code fund.....	245,200
7	Motor carrier fees.....	191,300
8	Pain management fees.....	160,000
9	Public utility assessments.....	1,550,800
10	Radiological health fees.....	140,000
11	Safety education and training fund.....	667,100
12	Second injury fund.....	143,600
13	Securities fees.....	990,600
14	Self-insurers security fund.....	71,500
15	Silicosis and dust disease fund.....	61,500
16	Tax tribunal fund.....	210,000
17	State general fund/general purpose.....	\$ 65,200
18	<b>Sec. 111. DEPARTMENT GRANTS</b>	
19	Personal assistance services.....	\$ 459,500
20	Vocational rehabilitation customer support.....	57,328,400
21	Independent living.....	4,488,600
22	Fire protection grants.....	9,273,900
23	Liquor law enforcement grants.....	6,600,000
24	Remonumentation grants.....	5,300,000
25	Private grant programs.....	1,500,000
26	Subregional libraries state aid.....	451,800
27	Utility consumer representation.....	950,000

1	Youth low-vision program.....	<u>241,800</u>
2	GROSS APPROPRIATION.....	\$ 86,594,000
3	Appropriated from:	
4	Federal revenues:	
5	DED-OSERS, centers for independent living.....	450,200
6	DED-OSERS, rehabilitation services, vocational	
7	rehabilitation of state grants.....	37,056,700
8	DED-OSERS, rehabilitation services facilities.....	2,272,500
9	DED-OSERS, supported employment.....	1,541,300
10	DED-OSERS, state grants for technical related	
11	assistance .....	2,240,800
12	HHS-SSA, supplemental security income.....	4,368,400
13	Special revenue funds:	
14	Private - gifts, bequests, and donations.....	1,100,000
15	Private revenues.....	1,500,000
16	Local vocational rehabilitation match.....	6,300,000
17	Local vocational rehabilitation facilities match.....	200,000
18	Contingent fund, penalty and interest account.....	1,000,000
19	Fire protection fund.....	8,500,000
20	Liquor purchase revolving fund.....	773,900
21	Liquor license revenue.....	6,600,000
22	Survey and remonumentation fund.....	5,300,000
23	Utility consumer representation fund.....	950,000
24	State general fund/general purpose.....	\$ 6,440,200
25	<b>Sec. 112. ONE-TIME BASIS ONLY APPROPRIATIONS</b>	
26	State employee lump-sum payments.....	\$ <u>5,036,800</u>
27	GROSS APPROPRIATION.....	\$ 5,036,800

1	Appropriated from:		
2	Interdepartmental grant revenues .....		163,500
3	Federal revenues .....		2,815,400
4	State restricted revenues .....		1,880,400
5	State general fund/general purpose .....	\$	177,500
6	<b>Sec. 113. AUTISM COVERAGE</b>		
7	Full-time equated classified positions .....	2.0	
8	Autism coverage reimbursement program--2.0 FTE		
9	positions .....	\$	<u>15,000,000</u>
10	GROSS APPROPRIATION .....	\$	15,000,000
11	Appropriated from:		
12	State general fund/general purpose .....	\$	15,000,000

13 PART 2

14 PROVISIONS CONCERNING APPROPRIATIONS

15 FOR FISCAL YEAR 2012-2013

16 **GENERAL SECTIONS**

17 Sec. 201. Pursuant to section 30 of article IX of the state

18 constitution of 1963, total state spending from state resources

19 under part 1 for fiscal year 2012-2013 is \$376,282,700.00 and state

20 spending from state resources to be paid to local units of

21 government for fiscal year 2012-2013 is \$21,625,700.00. The

22 itemized statement below identifies appropriations from which

23 spending to local units of government will occur:

24 DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS

25	Fire protection grants .....	\$	9,273,900
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1	Liquor law enforcement.....	6,600,000
2	Remonumentation grants.....	5,300,000
3	Subregional libraries state aid.....	<u>451,800</u>
4	Total department of licensing and regulatory	
5	affairs .....	\$ 21,625,700

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

9       Sec. 203. As used in this article:

10       (a) "Department" means the department of licensing and  
11 regulatory affairs.

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

13       (c) "DOL" means the United States department of labor.

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

16       (e) "MAHS" means Michigan administrative hearing system.

17       (f) "MARVIN" means Michigan's automated response voice  
18 interactive network.

19       (g) "Subcommittees" means all members of the subcommittees of  
20 the house and senate appropriations committees with jurisdiction  
21 over the budget for the department.

22       Sec. 208. Unless otherwise specified, the department shall use  
23 the Internet to fulfill the reporting requirements of this article.  
24 This requirement may include transmission of reports via electronic  
25 mail to the recipients identified for each reporting requirement,  
26 or it may include placement of reports on an Internet or Intranet  
27 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 shall 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. (1) Amounts appropriated in part 1 for information  
12 technology may be designated as work projects and carried forward  
13 to support technology projects under the direction of the  
14 department of technology, management, and budget. Funds designated  
15 in this manner are not available for expenditure until approved as  
16 work projects under section 451a of the management and budget act,  
17 1984 PA 431, MCL 18.1451a.

18       (2) The funds appropriated in part 1 for liquor control  
19 commission information technology are designated as work project  
20 appropriations and shall not lapse at the end of the fiscal year.  
21 Any unencumbered and unexpended funds shall continue to be  
22 available for expenditure until the project has been completed.  
23 Additional appropriations in future budgets are anticipated to  
24 complete the work project within an estimated 5 years.

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 or reports unless  
3 otherwise required by federal and state guidelines.

4 Sec. 214. From the funds appropriated in part 1 for  
5 information technology, departments and agencies shall pay user  
6 fees to the department of technology, management, and budget for  
7 technology-related services and projects. The user fees shall be  
8 subject to provisions of an interagency agreement between the  
9 departments and agencies and the department of technology,  
10 management, and budget.

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

14 Sec. 216. Not later than November 15, the department shall  
15 prepare and transmit a report that provides for estimates of the  
16 total general fund/general purpose appropriation lapses at the  
17 close of the fiscal year. This report shall summarize the projected  
18 year-end general fund/general purpose appropriation lapses by major  
19 departmental program or program areas. The report shall be  
20 transmitted to the office of the state budget, the chairpersons of  
21 the senate and house of representatives standing committees on  
22 appropriations, and the senate and house fiscal agencies.

23 Sec. 217. (1) Due to the current budgetary problems in this  
24 state, out-of-state travel shall be limited to situations in which  
25 1 or more of the following conditions apply:

26 (a) The travel is required by legal mandate or court order or  
27 for law enforcement purposes.

1 (b) The travel is necessary to protect the health or safety of  
2 Michigan citizens or visitors or to assist other states in similar  
3 circumstances.

4 (c) The travel is necessary to produce budgetary savings or to  
5 increase state revenues, including protecting existing federal  
6 funds or securing additional federal funds.

7 (d) The travel is necessary to comply with federal  
8 requirements.

9 (e) The travel is necessary to secure specialized training for  
10 staff that is not available within this state.

11 (f) The travel is financed entirely by federal or nonstate  
12 funds.

13 (2) The department shall not approve the travel of more than 1  
14 departmental employee to a specific professional development  
15 conference or training seminar that is located outside of this  
16 state unless a professional development conference or training  
17 seminar is funded by a federal or private funding source and  
18 requires more than 1 person from a department to attend, or the  
19 conference or training seminar includes multiple issues in which 1  
20 employee from the department does not have expertise.

21 (3) Not later than January 1, each department shall prepare a  
22 travel report listing all travel by classified and unclassified  
23 employees outside this state in the immediately preceding fiscal  
24 year that was funded in whole or in part with funds appropriated in  
25 the department's budget. The report shall be submitted to the  
26 senate and house of representatives standing committees on  
27 appropriations, the senate and house fiscal agencies, and the state

1 budget director. The report shall include the following  
2 information:

3 (a) The name of each person receiving reimbursement for travel  
4 outside this state or whose travel costs were paid by this state.

5 (b) The destination of each travel occurrence.

6 (c) The dates of each travel occurrence.

7 (d) A brief statement of the reason for each travel  
8 occurrence.

9 (e) The transportation and related costs of each travel  
10 occurrence, including the proportion funded with state general  
11 fund/general purpose revenues, the proportion funded with state  
12 restricted revenues, the proportion funded with federal revenues,  
13 and the proportion funded with other revenues.

14 (f) A total of all out-of-state travel funded for the  
15 immediately preceding fiscal year.

16 Sec. 219. It is the intent of the legislature that all  
17 principal executive departments and agencies cooperate with the  
18 development and implementation of the department of technology,  
19 management, and budget statewide office space consolidation plan.

20 Sec. 220. The department may carry into the succeeding fiscal  
21 year unexpended federal pass-through funds to local institutions  
22 and governments that do not require additional state matching  
23 funds. Federal pass-through funds to local institutions and  
24 governments that are received in amounts in addition to those  
25 included in part 1 and that do not require additional state  
26 matching funds are appropriated for the purposes intended. Within  
27 14 days after the receipt of federal pass-through funds, the

1 department shall notify the house and senate chairpersons of the  
2 subcommittees, the fiscal agencies, and the state budget director  
3 of pass-through funds appropriated under this section.

4       Sec. 221. Funds appropriated in part 1 shall not be used by a  
5 principal executive department, state agency, or authority to hire  
6 a person to provide legal services that are the responsibility of  
7 the attorney general. This prohibition does not apply to legal  
8 services for bonding activities and for those outside services that  
9 the attorney general authorizes.

10       Sec. 223. (1) In addition to the funds appropriated in part 1,  
11 there is appropriated an amount not to exceed \$45,000,000.00 for  
12 federal contingency funds. These funds are not available for  
13 expenditure until they have been transferred to another line item  
14 in this article under section 393(2) of the management and budget  
15 act, 1984 PA 431, MCL 18.1393.

16       (2) In addition to the funds appropriated in part 1, there is  
17 appropriated an amount not to exceed \$31,000,000.00 for state  
18 restricted contingency funds. These funds are not available for  
19 expenditure until they have been transferred to another line item  
20 in this article under section 393(2) of the management and budget  
21 act, 1984 PA 431, MCL 18.1393.

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

1           (4) In addition to the funds appropriated in part 1, there is  
2 appropriated an amount not to exceed \$600,000.00 for private  
3 contingency funds. These funds are not available for expenditure  
4 until they have been transferred to another line item in this  
5 article under section 393(2) of the management and budget act, 1984  
6 PA 431, MCL 18.1393.

7           Sec. 225. Within 10 days after the receipt of a grant  
8 appropriated in the private grant funded projects line item in part  
9 1, the department shall notify the house and senate chairpersons of  
10 the subcommittees, the fiscal agencies, and the state budget  
11 director of the receipt of the grant, including the funding source,  
12 purpose, and amount of the grant.

13           Sec. 227. (1) The department shall sell documents at a price  
14 not to exceed the cost of production and distribution. Money  
15 received from the sale of these documents shall revert to the  
16 department. In addition to the funds appropriated in part 1, these  
17 funds are available for expenditure when they are received by the  
18 department of treasury. This subsection applies only for the  
19 following documents:

20           (a) Corporation and securities division documents, reports,  
21 and papers required or permitted by law pursuant to section 1060(5)  
22 of the business corporation act, 1972 PA 284, MCL 450.2060.

23           (b) The subdivision control manual, the state boundary  
24 commission operations manual, and other local government assistance  
25 manuals.

26           (c) The Michigan liquor control code of 1998, 1998 PA 58, MCL  
27 436.1101 to 436.2303.

1 (d) The mobile home commission act, 1987 PA 96, MCL 125.2301  
2 to 125.2349; the business corporation act, 1972 PA 284, MCL  
3 450.1101 to 450.2098; the nonprofit corporation act, 1982 PA 162,  
4 MCL 450.2101 to 450.3192; and the uniform securities act (2002),  
5 2008 PA 551, MCL 451.2101 to 451.2703.

6 (e) Worker's compensation health care services rules.

7 (f) Construction code manuals.

8 (g) Copies of transcripts from administrative law hearings.

9 (2) In addition to the funds appropriated in part 1, funds  
10 collected by the department under sections 55, 57, 58, and 59 of  
11 the administrative procedures act of 1969, 1969 PA 306, MCL 24.255,  
12 24.257, 24.258, and 24.259, and section 203 of the legislative  
13 council act, 1986 PA 268, MCL 4.1203, are appropriated for all  
14 expenses necessary to provide for the cost of publication and  
15 distribution. The funds appropriated under this section are  
16 allotted for expenditure when they are received by the department  
17 of treasury and shall not lapse to the general fund at the end of  
18 the fiscal year.

19 Sec. 228. Unless prohibited by law, the department may accept  
20 credit card or other electronic means of payment for licenses,  
21 fees, or permits.

22 Sec. 230. By October 31, 2012, the department shall identify  
23 10 principal measurable outcomes to be affected by expenditure of  
24 the funds appropriated in part 1 and submit a report to the house  
25 and senate appropriations committees, the house and senate fiscal  
26 agencies, and the state budget director that ranks the outcomes by  
27 level of importance and contains current data on those outcomes.

1 Beginning on April 1, 2013, the department shall provide biannual  
2 updates to the house and senate appropriations committees on  
3 changes in those measurable outcomes and departmental efforts to  
4 improve the outcomes.

5 Sec. 231. The department shall work with the department of  
6 technology, management, and budget to maintain a searchable website  
7 accessible by the public at no cost that includes, but is not  
8 limited to, all of the following:

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. 232. The department shall not develop or produce any  
18 television productions.

19 Sec. 234. Within 14 days after the release of the executive  
20 budget recommendation, the department shall provide the state  
21 budget director, the senate and house appropriations chairs, the  
22 senate and house appropriations subcommittees on licensing and  
23 regulatory affairs, respectively, and the senate and house fiscal  
24 agencies with an annual report on estimated state restricted fund  
25 balances, state restricted fund projected revenues, and state  
26 restricted fund expenditures for the fiscal years ending September  
27 30, 2012 and September 30, 2013.

1       Sec. 236. Within 14 days of making expenditures from the  
2       appropriations in part 1 for state employee lump-sum payments, the  
3       department shall submit to the state budget director, the  
4       subcommittees, and the fiscal agencies a report containing the  
5       name, payment amount, position, nonexclusively represented employee  
6       status, and bureau/agency of any employee receiving a lump-sum  
7       payment of more than \$1,000.00.

8       REGULATORY

9       Sec. 301. (1) The appropriation in part 1 for fire protection  
10      grants shall be appropriated to cities, villages, and townships  
11      with state-owned facilities for fire services, instead of taxes, in  
12      accordance with 1977 PA 289, MCL 141.951 to 141.956.

13      (2) Cities, villages, and townships with state-owned  
14      facilities shall report to the department no later than January 1  
15      on a form developed by the department in order to be eligible to  
16      receive funds appropriated in part 1 for fire protection grants.  
17      The report shall indicate all of the following:

18      (a) The ability to respond to state facilities in their  
19      service area.

20      (b) The cost for being prepared and able to respond to fire  
21      service situations during the most recent fiscal year.

22      (c) The fire-related activities of police and fire departments  
23      on state property.

24      (d) The costs of these activities.

25      (e) The expenditures from fire protection grants.

26      (3) The department shall prepare a summary of the local

submissions and provide it to the subcommittees, fiscal agencies, and the state budget director by March 31.

Sec. 302. Money appropriated under this article for the bureau of fire services shall not be expended unless, in accordance with section 2c of the fire prevention code, 1941 PA 207, MCL 29.2c, inspection and plan review fees will be charged according to the following schedule:

Operation and maintenance inspection fee

<u>Facility type</u>	<u>Facility size</u>	<u>Fee</u>
Hospitals	Any	\$8.00 per bed

Plan review and construction inspection fees for  
hospitals and schools

<u>Project cost range</u>	<u>Fee</u>
\$101,000.00 or less	minimum fee of \$155.00
\$101,001.00 to \$1,500,000.00	\$1.60 per \$1,000.00
\$1,500,001.00 to \$10,000,000.00	\$1.30 per \$1,000.00
\$10,000,001.00 or more	\$1.10 per \$1,000.00
	or a maximum fee of \$60,000.00.

Sec. 303. The funds collected by the department for licenses, permits, and other elevator regulation fees set forth in the Michigan administrative code and as determined under section 8 of 1976 PA 333, MCL 338.2158, and section 16 of 1967 PA 227, MCL 408.816, that are unexpended at the end of the fiscal year shall carry forward to the subsequent fiscal year.

Sec. 304. The department may make available to interested entities otherwise unavailable customized listings of nonconfidential information in its possession, such as names and

1 addresses of licensees. The department may establish and collect a  
2 reasonable charge to provide this service. The revenue received  
3 from this service shall be used to offset expenses to provide the  
4 service. Any balance of this revenue collected and unexpended at  
5 the end of the fiscal year shall revert to the appropriate  
6 restricted fund.

7       Sec. 320. If the revenue collected by the department from  
8 licensing and regulation fees collected by the bureau of commercial  
9 services exceeds the amount expended from appropriations in part 1,  
10 the revenue may be carried forward into the subsequent fiscal year.  
11 The revenue carried forward under this section shall be used as the  
12 first source of funds in the subsequent fiscal year.

13       Sec. 330. Funds earned or authorized by the DOL in excess of  
14 the gross appropriation in part 1 for the unemployment insurance  
15 agency from the DOL are appropriated and may be expended for  
16 staffing and related expenses incurred in the operation of its  
17 programs. These funds may be spent after the department notifies  
18 the state budget director and the subcommittees of the purpose and  
19 amount of each grant award.

20       Sec. 332. The unemployment insurance agency shall provide the  
21 subcommittees, fiscal agencies, and state budget office with  
22 quarterly status reports on the development of the agency's  
23 integrated system project. The quarterly status reports shall  
24 include, but not be limited to, a summary of the expenditures for  
25 the project, project budget information, a summary of the tasks  
26 completed and milestones reached to date, the percentage of the  
27 total project completed to date, and a summary of the tasks

1 anticipated to be completed in the subsequent quarter.

2       Sec. 333. The department shall report quarterly to the members  
3 of the house and senate committees on appropriations, the fiscal  
4 agencies, and the state budget director on the percentage of  
5 unemployment claimants that meet the certification requirements for  
6 receiving benefits by using the Internet MARVIN system. The  
7 department shall implement improvements to the Internet MARVIN  
8 system that promote greater ease of access and security with a goal  
9 of reaching 50% of users certifying by using the Internet MARVIN  
10 system.

11       Sec. 340. MIOSHA shall provide an annual report by February 1  
12 of each year to the state budget director, the fiscal agencies, and  
13 the subcommittees on the number of individuals killed and the  
14 number of individuals injured on the job within industries  
15 regulated by the bureau during the most recent year for which data  
16 are available.

17       Sec. 341. The department shall not promulgate or adopt a rule  
18 more stringent than the applicable federal standard unless  
19 specifically authorized by statute.

20       Sec. 342. From the funds appropriated in part 1 for Michigan  
21 occupational safety and health consultation education and training  
22 (CET) grants, not less than \$80,000.00 shall be allocated to  
23 nonprofit organizations representing the mining industry in  
24 Michigan.

25       Sec. 368. No later than March 1, the department shall submit a  
26 report to the state budget office, the fiscal agencies, and the  
27 subcommittees, providing expenditure and revenue data and

1 statistical data on licensing and regulatory activities of the  
2 bureau of commercial services and the bureau of construction codes  
3 during the previous fiscal year. To the extent possible, the data  
4 required shall be reported for each individual occupation, trade,  
5 or industry regulated.

6 Sec. 380. Funds remaining in the homeowner construction lien  
7 recovery fund are appropriated to the department for payment of  
8 court-ordered homeowner construction lien recovery fund judgments  
9 entered prior to August 23, 2010. Pursuant to available funds, the  
10 payment of final judgments shall be made in the order in which the  
11 final judgments were entered and began accruing interest.

12 Sec. 390. (1) The Michigan tax tribunal within the Michigan  
13 administrative hearing system shall submit a report containing all  
14 of the following for the previous fiscal year:

15 (a) The number of cases heard and the number of cases decided  
16 by MAHS hearings officers, contractual hearings officers, and  
17 tribunal members during the fiscal year.

18 (b) The number of case filings and dispositions and the number  
19 of active and pending cases before the small claims division and  
20 the entire tribunal.

21 (c) The average and maximum time elapsed, both tolled and  
22 untolled, between case filings and final dispositions.

23 (d) The amount and percentage of tax tribunal fees generated  
24 by motions to amend.

25 (2) The report required under subsection (1) shall be  
26 submitted to the subcommittees, fiscal agencies, and state budget  
27 office not later than November 1.

1       Sec. 391. In addition to the funds appropriated in part 1, the  
2 funds collected by the office of financial and insurance regulation  
3 in connection with a conservatorship pursuant to section 32 of the  
4 mortgage brokers, lenders, and servicers licensing act, 1987 PA  
5 173, MCL 445.1682, and funds collected by the department from  
6 corporations being liquidated pursuant to the insurance code of  
7 1956, 1956 PA 218, MCL 500.100 to 500.8302, shall be appropriated  
8 for all expenses necessary to provide for the required services.  
9 Funds are available for expenditure when they are received by the  
10 department of treasury and shall not lapse to the general fund at  
11 the end of the fiscal year.

12 **MICHIGAN REHABILITATION SERVICES AND MICHIGAN COMMISSION FOR THE**  
13 **BLIND**

14       Sec. 603. The local match requirements for vocational  
15 rehabilitation facilities establishment grants shall not exceed  
16 21.3% for the fiscal year ending September 30.

17       Sec. 604. All funds appropriated in part 1 for independent  
18 living shall be used for the support of centers for independent  
19 living in compliance with federal rules and regulations for such  
20 centers, by existing centers in serving underserved areas, and for  
21 projects to build capacity of centers to deliver independent living  
22 services. Applications for such funds shall be reviewed in  
23 accordance with criteria and procedures established by the  
24 department. Funds must be used in a manner consistent with the  
25 state plan for independent living.

26       Sec. 610. (1) The appropriation in part 1 for the Michigan

1 commission for the blind includes funds for case services. These  
2 funds may be used for tuition payments for blind clients.

3 (2) Revenue collected by the Michigan commission for the blind  
4 and from private and local sources that is unexpended at the end of  
5 the fiscal year may carry forward to the subsequent fiscal year.

6 Sec. 611. The Michigan commission for the blind and the  
7 Michigan rehabilitation services shall work collaboratively with  
8 service organizations and government entities to identify qualified  
9 match dollars to maximize use of available federal vocational  
10 rehabilitation funds.

11 Sec. 613. (1) The funds appropriated in part 1 for a regional  
12 or subregional library shall not be released until a budget for  
13 that regional or subregional library has been approved by the  
14 department for expenditures for library services directly serving  
15 the blind and persons with disabilities.

16 (2) In order to receive subregional state aid as appropriated  
17 in part 1, a regional or subregional library's fiscal agency shall  
18 agree to maintain local funding support at the same level in the  
19 current fiscal year as in the fiscal agency's preceding fiscal  
20 year. If a reduction in expenditures equally affects all agencies  
21 in a local unit of government that is the regional or subregional  
22 library's fiscal agency, that reduction shall not be interpreted as  
23 a reduction in local support and shall not disqualify a regional or  
24 subregional library from receiving state aid under part 1. If a  
25 reduction in income affects a library cooperative or district  
26 library that is a regional or subregional library's fiscal agency  
27 or a reduction in expenditures for the regional or subregional

1 library's fiscal agency, a reduction in expenditures for the  
2 regional or subregional library shall not be interpreted as a  
3 reduction in local support and shall not disqualify a regional or  
4 subregional library from receiving state aid under part 1.

5       Sec. 615. The department may provide and enter into agreements  
6 to provide general services, training, meetings, information,  
7 special equipment, software, facility use, and technical consulting  
8 services to other principal executive departments, state agencies,  
9 local units of government, the judicial branch of government, other  
10 organizations, and patrons of department facilities. The department  
11 may charge fees for these services that are reasonably related to  
12 the cost of providing the services. In addition to the funds  
13 appropriated in part 1, funds collected by the department for these  
14 services are appropriated for all expenses necessary. The funds  
15 appropriated under this section are allotted for expenditure when  
16 they are received by the department of treasury.

#### 17 **HEALTH REGULATION**

18       Sec. 714. (1) The department shall report by April 1 to the  
19 subcommittees, fiscal agencies, and state budget director on the  
20 timeliness of nursing facility complaint investigations and the  
21 number of allegations that are substantiated on an annual basis.  
22 The report shall consist of the number of allegations filed by  
23 consumers and the number of facility-reported incidents. The  
24 department shall make every effort to contact every complainant and  
25 the subject of a complaint during an investigation.

26       (2) The department shall gather information on its most

1 frequently cited complaint deficiencies for the prior 3 fiscal  
2 years and include that information in the report required under  
3 subsection (1). The department shall determine whether there is an  
4 increase in the number of citations from 1 year to the next and  
5 assess the cause of the increase, if any, and whether education and  
6 training of nursing facility staff or department staff is needed.

7       Sec. 726. (1) The department shall submit a report by January  
8 1 to the standing committees on appropriations of the senate and  
9 house of representatives, the fiscal agencies, and the state budget  
10 director that includes all of the following information for the  
11 prior fiscal year regarding the medical marihuana program under the  
12 Michigan medical marihuana act, 2008 IL 1, MCL 333.26421 to  
13 333.26430:

14       (a) The number of initial applications received.

15       (b) The number of initial applications approved and the number  
16 of initial applications denied.

17       (c) The average amount of time, from receipt to approval or  
18 denial, to process an initial application.

19       (d) The number of renewal applications received.

20       (e) The number of renewal applications approved and the number  
21 of renewal applications denied.

22       (f) The average amount of time, from receipt to approval or  
23 denial, to process a renewal application.

24       (g) The percentage of initial applications not approved or  
25 denied within the time requirements established in section 6 of the  
26 Michigan medical marihuana act, 2008 IL 1, MCL 333.26426.

27       (h) The percentage of renewal applications not approved or

1 denied within the time requirements established in section 6 of the  
2 Michigan medical marihuana act, 2008 IL 1, MCL 333.26426.

3 (i) The percentage of registry cards for approved initial  
4 applications not issued within the time requirements established in  
5 section 6 of the Michigan medical marihuana act, 2008 IL 1, MCL  
6 333.26426.

7 (j) The percentage of registry cards for approved renewal  
8 applications not issued within the time requirements established in  
9 section 6 of the Michigan medical marihuana act, 2008 IL 1, MCL  
10 333.26426.

11 (k) The amount collected from the medical marihuana program  
12 application and renewal fees authorized in section 5 of the  
13 Michigan medical marihuana act, 2008 IL 1, MCL 333.26425.

14 (l) The costs of administering the medical marihuana program  
15 under the Michigan medical marihuana act, 2008 IL 1, MCL 333.26421  
16 to 333.26430.

17 (2) If the required fees are shown to be insufficient to  
18 offset all expenses of implementing and administering the medical  
19 marihuana program, the department shall review and revise the  
20 application and renewal fees accordingly to ensure that all  
21 expenses of implementing and administering the medical marihuana  
22 program are offset as is permitted under section 5 of the Michigan  
23 medical marihuana act, 2008 IL 1, MCL 333.26425.

24 Sec. 731. (1) The bureau of health systems shall prepare a  
25 report detailing the number of facilities, locations, and beds for  
26 each type of health facility licensed, certified, inspected, or  
27 otherwise regulated by the bureau. The report shall also include

1 the bureau's cost to license, certify, inspect, or otherwise  
2 regulate each type of facility. The data required by this  
3 subsection shall be collected and reported on acute care hospitals,  
4 home health agencies, hospices, hospice residences, psychiatric  
5 units in general hospitals, psychiatric hospitals, partial  
6 hospitalization psychiatric programs, outpatient surgical  
7 facilities, laboratories, end stage renal disease facilities, rural  
8 health clinics, substance abuse programs, long-term care facilities  
9 including nursing homes, hospital long-term care units, county  
10 medical care facilities, and radiation machines.

11 (2) By February 1, the bureau of health systems shall work  
12 with interested stakeholders to recommend to the governor and the  
13 legislature a schedule of fees to be charged by the bureau for  
14 regulating health facilities. The fee schedule proposed by the  
15 bureau shall bear a direct relationship to the cost of the service  
16 or act, including overhead expenses. The report shall also  
17 recommend the necessary statutory and administrative rule changes  
18 necessary to implement the recommended fee schedule.

19 Sec. 732. From the appropriations made in part 1 for the  
20 bureau of health systems, at least \$530,000.00 must be expended for  
21 activities related to the inspection and licensing of freestanding  
22 surgical outpatient facilities.

### 23 AUTISM COVERAGE

24 Sec. 801. Of the amount appropriated in part 1 for the autism  
25 coverage fund, \$15,000,000.00 is appropriated and may be expended  
26 by the department as provided in the autism coverage reimbursement

1 act, 2012 PA 101, MCL 550.1831 to 550.1841.

2 Sec. 802. (1) From the funds appropriated in part 1, the  
3 department shall produce a report that contains all of the  
4 following information on the autism coverage program for the fiscal  
5 year ending September 30, 2013:

6 (a) The number of reimbursements for diagnosis or treatment in  
7 each county.

8 (b) The average cost of a diagnosis reimbursement.

9 (c) The average cost of a treatment reimbursement.

10 (2) By September 30, 2013, the department shall provide the  
11 report required under subsection (1) to the house and senate  
12 appropriations committees, the fiscal agencies, and the state  
13 budget director using all available information at that time.

14 PART 2A

15 PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS

16 FOR FISCAL YEAR 2013-2014

17 **GENERAL SECTIONS**

18 Sec. 1201. It is the intent of the legislature to provide  
19 appropriations for the fiscal year ending on September 30, 2014 for  
20 the line items listed in part 1. The fiscal year 2013-2014  
21 appropriations are anticipated to be the same as those for fiscal  
22 year 2012-2013, except that the line items will be adjusted for  
23 changes in caseload and related costs, federal fund match rates,  
24 economic factors, and available revenue. These adjustments will be  
25 determined after the January 2013 consensus revenue estimating

1 conference.

2 ARTICLE XIII

3 DEPARTMENT OF MILITARY AND VETERANS AFFAIRS

4 PART 1

5 LINE-ITEM APPROPRIATIONS

6 Sec. 101. Subject to the conditions set forth in this article,  
 7 the amounts listed in this part for the department of military and  
 8 veterans affairs are appropriated for the fiscal year ending  
 9 September 30, 2013 from the funds indicated in this part. The  
 10 following is a summary of the appropriations in this part:

11 **DEPARTMENT OF MILITARY AND VETERANS AFFAIRS**

12 APPROPRIATION SUMMARY

13	Full-time equated unclassified positions .....	8.0	
14	Full-time equated classified positions .....	834.0	
15	GROSS APPROPRIATION.....	\$	172,073,600
16	Total interdepartmental grants and intradepartmental		
17	transfers .....		1,166,500
18	Schedule of interdepartmental grant revenue sources:		
19	IDG, challenge grant .....	165,800	
20	IDG, community health .....	100,000	
21	IDG, state police .....	900,000	
22	Interdepartmental grant revenues.....	700	
23	ADJUSTED GROSS APPROPRIATION .....		170,907,100
24	Total federal revenues.....		99,239,400
25	Schedule of federal revenue sources:		

1	DOD-DOA-NGB .....	69,073,300	
2	DVA-VHA .....	26,160,100	
3	HHS-Medicare .....	3,363,000	
4	HHS-Medicaid .....	185,500	
5	Federal counter narcotics revenues.....	50,000	
6	Federal revenues .....	407,500	
7	Total local revenues.....		1,503,600
8	Schedule of local revenue sources:		
9	Local - school aid revenue .....	1,500,000	
10	Local revenues .....	3,600	
11	Total private revenues.....		1,503,700
12	Schedule of private revenue sources:		
13	Private donations .....	959,500	
14	Private - veterans' home post and posthumous funds		
15	.....	540,000	
16	Private revenues .....	4,200	
17	Total other state restricted revenues.....		30,427,000
18	Schedule of restricted revenue sources:		
19	Rental fees .....	346,400	
20	Mackinac Bridge authority .....	70,000	
21	Test project fees .....	100,000	
22	Income and assessments .....	20,345,900	
23	Lease revenue .....	12,200	
24	Michigan veterans trust fund .....	5,166,500	
25	Michigan family relief fund .....	1,000,000	
26	Military construction fund .....	3,250,000	
27	State restricted revenues .....	136,000	

1	State general fund/general purpose.....	\$	38,233,400
2	State general fund/general purpose schedule:		
3	Ongoing state general fund/general		
4	purpose .....		32,177,500
5	One-time state general fund/general		
6	purpose .....		6,055,900
7	<b>Sec. 102. HEADQUARTERS AND ARMORIES</b>		
8	Full-time equated unclassified positions .....		8.0
9	Full-time equated classified positions .....		284.0
10	Unclassified positions.....	\$	1,165,000
11	Headquarters and armories.....		<u>54,574,100</u>
12	GROSS APPROPRIATION.....	\$	55,739,100
13	Appropriated from:		
14	Interdepartmental grant revenues.....		1,000,000
15	Federal revenues.....		40,541,000
16	State restricted revenues.....		901,200
17	State general fund/general purpose.....	\$	13,296,900
18	Schedule of programs:		
19	Headquarters and armories .....		11,958,800
20	Military appeals tribunal .....		900
21	State active duty .....		100,100
22	Homeland security .....		1,000,000
23	Military training sites and support facilities		
24	.....		30,065,500
25	Military training site and support facilities test		
26	projects .....		100,000
27	Departmentwide accounts .....		1,869,100

1	Special maintenance - state .....	3,051,200	
2	Special maintenance - federal.....	5,300,000	
3	Counter narcotic operations .....	50,000	
4	Information technology services and projects		
5	.....	1,078,500	
6	<b>Sec. 103. VETERANS OUTREACH</b>		
7	Full-time equated classified positions .....	9.0	
8	Veterans outreach.....	\$	<u>8,720,700</u>
9	GROSS APPROPRIATION.....	\$	8,720,700
10	Appropriated from:		
11	State restricted revenues.....		5,166,500
12	State general fund/general purpose.....	\$	3,554,200
13	Schedule of programs:		
14	Veterans advice, advocacy, and assistance grants		
15	.....		2,904,600
16	Veterans' affairs directorate administration.		649,600
17	Veterans' trust fund administration.....		1,420,000
18	Veterans' trust fund grants .....		3,746,500
19	<b>Sec. 104. COMMUNITY OUTREACH PROGRAMS</b>		
20	Full-time equated classified positions.....		40.0
21	Community outreach programs.....	\$	<u>8,203,700</u>
22	GROSS APPROPRIATION.....	\$	8,203,700
23	Appropriated from:		
24	Interdepartmental grant revenues.....		165,800
25	Federal revenues.....		4,973,400
26	Local revenues.....		1,500,000
27	Private revenues.....		959,500

1	State restricted revenues.....	600,000
2	State general fund/general purpose.....	\$ 5,000
3	Schedule of programs:	
4	Michigan emergency volunteers.....	5,000
5	ChalleNGe program .....	5,276,700
6	Military family relief fund .....	600,000
7	Starbase grant .....	2,322,000
8	<b>Sec. 105. HOMES</b>	
9	Full-time equated classified positions.....	501.0
10	Homes.....	\$ <u>65,552,200</u>
11	GROSS APPROPRIATION.....	\$ 65,552,200
12	Appropriated from:	
13	Federal revenues.....	29,317,500
14	Private revenues.....	540,000
15	State restricted revenues.....	20,373,300
16	State general fund/general purpose.....	\$ 15,321,400
17	Schedule of programs:	
18	Grand Rapids veterans' home .....	46,516,500
19	Board of managers .....	665,000
20	D.J. Jacobetti veterans' home.....	18,095,700
21	Board of managers .....	275,000
22	<b>Sec. 106. CAPITAL OUTLAY AND ONE-TIME APPROPRIATIONS</b>	
23	Special maintenance, remodeling and additions.....	\$ 15,000,000
24	Land acquisitions and appraisals.....	250,000
25	Flint armory replacement.....	12,000,000
26	State employee lump-sum payments.....	707,900
27	Special maintenance - state.....	2,400,000

1	Special maintenance and remodeling - Grand Rapids	
2	veterans' home .....	1,600,000
3	Special maintenance and remodeling - D.J. Jacobetti	
4	veterans' home .....	516,000
5	Veterans service enhancements .....	434,000
6	County counselor accreditation .....	200,000
7	Department data upgrades and digitization of records .	<u>750,000</u>
8	GROSS APPROPRIATION .....	\$ 33,857,900
9	Appropriated from:	
10	Interdepartmental grant revenues .....	700
11	Federal revenues .....	24,407,500
12	Local revenues .....	3,600
13	Private revenues .....	4,200
14	State restricted revenues .....	3,386,000
15	State general fund/general purpose .....	\$ 6,055,900

## PART 2

## PROVISIONS CONCERNING APPROPRIATIONS

FOR FISCAL YEAR 2012-2013

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 2012-2013 is \$68,660,400.00 and state spending from state resources to be paid to local units of government for fiscal year 2012-2013 is \$120,000.00. The itemized statement below identifies appropriations from which spending to

1 local units of government will occur:

2 DEPARTMENT OF MILITARY AND VETERANS AFFAIRS

3 Military..... \$ 70,000

4 Schedule of programs:

5 Payments in lieu of taxes..... 70,000

6 Veterans and community outreach..... 50,000

7 Schedule of programs:

8 County counselor education and training expenses ..... 50,000

9 TOTAL ..... \$ 120,000

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

13 Sec. 203. As used in this article:

14 (a) "Department" means the department of military and veterans  
 15 affairs.

16 (b) "DOD" means the United States department of defense.

17 (c) "DOD-DOA-NGB" means the DOD department of the army,  
 18 national guard bureau.

19 (d) "DVA" means the United States department of veterans  
 20 affairs.

21 (e) "DVA-VHA" means the DVA veterans health administration.

22 (f) "FTE" means full-time equated.

23 (g) "HHS" means the United States department of health and  
 24 human services.

25 (h) "IDG" means interdepartmental grant.

26 (i) "MCL" means Michigan Compiled Laws.

27 (j) "PA" means public act.

1       (k) "Work project" means a group of activities featuring a  
2 fixed duration, budget, and scope that is expected to cause a  
3 measurable change in the delivery, efficiency, or effectiveness of  
4 1 or more operations.

5       (l) "Large veterans service organization" means a VSO that can  
6 certify that its membership exceeds 30,000 individuals.

7       (m) "Medium veterans service organization" means a VSO that  
8 can certify that its membership is between 2,500 and 30,000  
9 individuals.

10       (n) "Small veterans service organization" means a VSO that can  
11 certify that its membership is between 1,000 and 2,499 individuals.

12       (o) "VSO" means veterans service organization.

13       Sec. 204. The following shall constitute the appropriations  
14 from part 1 for interdepartmental grant funds received by the  
15 department from sources outside the department: \$165,800.00 from  
16 challenge grant; \$100,000.00 from the department of community  
17 health; and \$900,000.00 from the department of state police.

18       Sec. 206. (1) In addition to the funds appropriated in part 1,  
19 there is appropriated an amount not to exceed \$10,000,000.00 for  
20 federal contingency funds. These funds are not available for  
21 expenditure until they have been transferred to another line item  
22 in this article under section 393(2) of the management and budget  
23 act, 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 \$2,000,000.00 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 this article under section 393(2) of the management and budget  
2 act, 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 this  
7 article under section 393(2) of the management and budget act, 1984  
8 PA 431, MCL 18.1393.

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

15 Sec. 207. The department shall provide the data necessary for  
16 the department of technology, management, and budget to maintain a  
17 searchable website that is accessible by the public at no cost that  
18 includes, but is not limited to, all of the following:

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. 208. The department shall use the Internet to fulfill the

1 reporting requirements of this article. This requirement may  
2 include transmission of reports via electronic mail to the  
3 recipients identified for each reporting requirement, or it may  
4 include placement of reports on an Internet or Intranet site.

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

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

22       Sec. 212. The department shall receive and retain copies of  
23 all reports funded from appropriations in part 1. Federal and state  
24 guidelines for short-term and long-term retention of records shall  
25 be followed. The department may electronically retain copies of  
26 reports unless otherwise required by federal and state guidelines.

27       Sec. 215. The department shall not take disciplinary action

1 against an employee for communicating with a member of the  
2 legislature or his or her staff.

3 Sec. 216. (1) Notwithstanding any other provision of this  
4 article, the schedule of programs in part 1 lists programs which  
5 may, but are not required to be, funded under this article.

6 (2) Notwithstanding any other provisions of this article, the  
7 schedule of revenue sources in part 1 may or may not be received  
8 from the funding entities listed.

9 (3) Any funding required by statute is not subject to funding  
10 flexibility and shall be funded in accordance with that statute.

11 Sec. 217. The department shall improve its budgetary  
12 efficiency pertaining to the delivery of core services delineated  
13 in section 222 by doing all of the following:

14 (a) Prioritizing personnel over buildings in budgetary  
15 efficiency considerations.

16 (b) Pursuing the physical or virtual consolidation of support  
17 service functions such as information technology, human resources,  
18 and accounting as a means of improving standardization and  
19 efficiency.

20 (c) Seeking expenditure reductions whenever possible through  
21 the streamlining of existing service delivery activities.

22 (d) Identifying efficiencies that can be gained via the  
23 reduction or elimination of programs, policies, and practices which  
24 have outlived their usefulness.

25 Sec. 218. The department shall prepare a report on out-of-  
26 state travel expenses not later than January 1 of each year. The  
27 travel report shall be a listing of all travel by classified and

1 unclassified employees outside this state in the immediately  
2 preceding fiscal year that was funded in whole or in part with  
3 funds appropriated in the department's budget. The report shall be  
4 submitted to the house and senate standing committees on  
5 appropriations, the house and senate fiscal agencies, and the state  
6 budget director. The report shall include the following  
7 information:

8 (a) The dates of each travel occurrence.

9 (b) The total transportation and related costs of each travel  
10 occurrence, including the proportion funded with state general  
11 fund/general purpose revenues, the proportion funded with state  
12 restricted revenues, the proportion funded with federal revenues,  
13 and the proportion funded with other revenues.

14 Sec. 219. (1) The department shall provide quarterly reports,  
15 beginning October 1, to the senate and house appropriations  
16 subcommittees, and the senate and house fiscal agencies, which  
17 provide the following data:

18 (a) A list of all major work projects, including a status  
19 report of each project.

20 (b) The department's financial status, featuring a report of  
21 budgeted versus actual expenditures by part 1 line item including a  
22 year-end projection of budget requirements. If projected department  
23 budget requirements exceed the allocated budget, the report shall  
24 include a plan to reduce overall expenses while still satisfying  
25 specified service level requirements.

26 (c) Evidence of efficiencies and management of funds within  
27 established appropriations, documented through the DTMB monthly

1 expenditure report as described in section 301(3) of this part.

2 (d) A list of projected armory closings from section 302(6) of  
3 this part.

4 (e) A list of property sales as described in section 223 of  
5 this part.

6 (2) The department shall provide all information necessary to  
7 validate that the requirements of this part have been achieved.

8 (3) The department shall provide a corrective action plan  
9 within 30 days of a quarterly report under this section for any  
10 requirements of this part that have not been achieved. The  
11 department shall provide a monthly status of corrective action  
12 plans.

13 (4) The department shall provide a summary of fund shifts,  
14 that have been approved by the state budget office, that have  
15 occurred between items listed in the schedule of programs mentioned  
16 in part 1 on a quarterly basis to the senate and house  
17 appropriations subcommittees on state police and military and  
18 veterans affairs, and the senate and house fiscal agencies.

19 (5) The department shall provide a corrective action plan for  
20 any service metrics that do not meet requirements. The department  
21 shall provide a status of correction action plans at the next  
22 quarterly review.

23 (6) The Grand Rapids and D.J. Jacobetti veterans' homes shall  
24 provide to the appropriate senate and house appropriations  
25 subcommittees the results of the veterans' homes annual veterans'  
26 affairs inspection and their corrective action plans.

27 Sec. 220. The department shall provide the following data to

1 the appropriate senate and house appropriations subcommittees and  
2 the senate and house fiscal agencies on an annual basis:

3 (a) Using information received from the grant recipients in  
4 section 401 of this part, a progress report on metric requirements,  
5 copies of certified financial audits and tax reports of grant  
6 recipients, a listing from grant recipients of expenditures by  
7 spending category, including a listing of individual salaries of  
8 each officer and administrative staff, a listing of volunteer hours  
9 including the hours, series, and donations provided to residents of  
10 the Grand Rapids veterans' home and the D.J. Jacobetti veterans'  
11 home. The department shall provide within the report a specific  
12 notification whether any veterans grant recipients failed to comply  
13 with established reporting requirements.

14 (b) The Grand Rapids veterans' home and the D.J. Jacobetti  
15 veterans' home shall produce a report including an accounting of  
16 member populations and bed space available, a description and  
17 accounting of services and activities provided to members,  
18 financial information, and current state nursing home licensure  
19 status.

20 (c) A detailed report of the Michigan veteran's trust fund  
21 that includes information on grants provided from the emergency  
22 grant program, including details concerning the methodology of  
23 allocations, the selection of emergency grant program authorized  
24 agents, and a detailed breakdown of trust fund expenditures for  
25 that year. The report shall also provide an update on the  
26 department's efforts to reduce program administrative costs and  
27 maintain the Michigan veterans' trust fund corpus to its original

1 amount of at least \$50,000,000.00.

2       Sec. 222. The appropriations in part 1 are for the core  
3 services, support services, and work projects of the department,  
4 including, but not limited to, the following core services:  
5 armories and joint forces readiness, maintenance and operation of  
6 army national guard training facilities, operation and maintenance  
7 of air national guard air bases, veterans affairs directorate and  
8 administration of the veterans trust fund, administration and  
9 oversight of veterans advice, advocacy, and assistance grants,  
10 training support for county veterans counselors, administration of  
11 the military family relief fund, the Michigan youth challenge  
12 academy program, and the administration of the Grand Rapids  
13 veterans' home and the D.J. Jacobetti veterans' home.

14       Sec. 223. Sixty days prior to the public announcement of the  
15 intention to sell any department property, the department shall  
16 submit notification of that intent to the appropriate senate and  
17 house appropriations subcommittees and the senate and house fiscal  
18 agencies.

19       Sec. 225. Funds appropriated in part 1 shall not be used by  
20 the department to hire a person to provide legal services that are  
21 the responsibility of the attorney general. This prohibition does  
22 not apply to legal services for bonding activities and for those  
23 activities that the attorney general authorizes.

24       Sec. 226. The department shall seek partnerships with United  
25 States armed forces reserve units for the colocation of activities,  
26 including sharing in the acquisition and costs for facilities.

27       Sec. 227. Bids for contract services shall not exclude public

1 employee unions from the bid process.

2       Sec. 228. Not later than November 15, the department shall  
3 prepare and transmit a report that provides for estimates of the  
4 total general fund/general purpose appropriations lapses at the  
5 close of the fiscal year. This report shall summarize the projected  
6 year-end general fund/general purpose appropriations lapses by  
7 major departmental program or program areas. The report shall be  
8 transmitted to the office of the state budget, the chairpersons of  
9 the senate and house standing committees on appropriations, the  
10 senate and house appropriations subcommittees, and the senate and  
11 house fiscal agencies.

12       Sec. 229. Within 14 days after the release of the executive  
13 budget recommendation, the department shall provide the state  
14 budget director, the senate and house appropriations chairs, the  
15 senate and house appropriations subcommittees on state police and  
16 military and veterans affairs, and the senate and house fiscal  
17 agencies with an annual report on estimated state restricted fund  
18 balances, state restricted fund projected revenues, and state  
19 restricted fund expenditures for the fiscal years ending September  
20 30, 2012 and September 30, 2013.

#### 21 **HEADQUARTERS AND ARMORIES**

22       Sec. 300. (1) From the funds appropriated in part 1, there is  
23 funding to support unclassified employee positions as authorized by  
24 section 5 of article XI of the state constitution of 1963. These  
25 positions include the following: department director, the adjutant  
26 general for Michigan; assistant adjutant general - army; assistant

1 adjutant general - installations; assistant adjutant general - air;  
2 director, veterans affairs directorate; deputy director,  
3 installations command; director, strategy and policy; and director,  
4 public safety project.

5 (2) Not less than 30 days prior to the department submitting a  
6 request for an additional unclassified employee position from the  
7 civil service commission, or for any substantive change to the  
8 duties of an existing unclassified employee position, the  
9 department shall notify the senate and house appropriations  
10 subcommittees on state police and military affairs and the senate  
11 and house fiscal agencies.

12 Sec. 301. (1) The department shall provide administrative  
13 support for department operations.

14 (2) The department shall maintain the staffing and resources  
15 necessary to ensure proper accountability of state funds.

16 (3) The department shall maintain the staffing and resources  
17 necessary to adhere to the state of Michigan financial management  
18 guide for accounting, contracting, purchasing, budgeting, and  
19 financial reporting and the administrative guide to state  
20 government.

21 (4) The department shall ensure fiscal controls relating to  
22 procurement of goods and services and other expenditures.

23 Sec. 302. (1) The department shall operate and maintain  
24 national guard armories.

25 (2) The department shall provide resources necessary to ensure  
26 that armories are maintained in accordance with army regulation  
27 210-14.

1           (3) The department shall evaluate armories for consolidation,  
2 energy, and utility efficiency and identify work projects that  
3 would improve this efficiency.

4           (4) The department shall establish a system that measures the  
5 condition and adequacy of armory facilities using both quality and  
6 functionality criteria based off the installation status report-  
7 infrastructure inspections that are conducted annually as a  
8 requirement set forth by the national guard.

9           (5) The department shall identify and upgrade 15 red armories  
10 to yellow or green facilities as determined by the measure  
11 established in subsection (4).

12           (6) The department shall consult with the house and senate  
13 appropriations subcommittees on state police and military and  
14 veterans affairs regarding the projected closing or consolidation  
15 of any national guard armories.

16           Sec. 303. (1) The department shall provide army national guard  
17 forces, when directed, for state and local emergencies and in  
18 support of national military requirements.

19           (2) The department shall provide resources necessary to train  
20 and equip military forces to standards set by the United States  
21 armed forces.

22           Sec. 304. (1) The department shall operate and maintain army  
23 national guard training facilities, including Fort Custer and Camp  
24 Grayling.

25           (2) The department shall provide resources necessary to meet  
26 building maintenance requirements per performance specifications  
27 established in master cooperative agreement appendix 1, section

1 104, national guard bureau regulations.

2 (3) Army national guard training facilities security  
3 management shall secure all locations, monitor alarm equipment, and  
4 adhere to state laws, statutes, and army regulation 190-56 and  
5 master cooperative agreement appendix 3, section 308, national  
6 guard bureau regulations.

7 (4) Using individual facility assessments, the department  
8 shall improve the adequacy of utilities and infrastructure of the  
9 air bases. The department shall improve quality rating at the air  
10 base facilities based on the number of faults corrected and dollars  
11 available (spent) during the fiscal year.

12 Sec. 305. (1) The department shall provide air national guard  
13 forces, when directed, for state and local emergencies and in  
14 support of national military requirements.

15 (2) The department shall provide resources necessary to train  
16 and equip military forces to standards set by the United States  
17 armed forces.

18 (3) Using individual facility assessments, the department  
19 shall improve the adequacy of utilities and infrastructure of the  
20 military training sites and support facilities. The department  
21 shall improve quality rating at the facilities based on the number  
22 of faults corrected and dollars available (spent) during the fiscal  
23 year.

24 Sec. 306. (1) The department shall operate and maintain air  
25 national guard air bases, including Selfridge air national guard  
26 base, Battle Creek air national guard base, and Alpena combat  
27 readiness training center.

1           (2) The department shall provide resources necessary to meet  
2 facility maintenance at air national guard bases, including  
3 maintenance and preventive maintenance of authorized building and  
4 systems at no less than the minimum standards required by  
5 applicable federal, state, and local agencies.

6           (3) The department shall maintain the staffing and resources  
7 necessary to provide security services at air national guard bases,  
8 including the security of the location and the monitoring of alarm  
9 equipment, in accordance with air force instruction 31-101 and  
10 master cooperative agreement appendix 23, section 2308, national  
11 guard bureau regulations.

#### 12 **VETERANS OUTREACH**

13           Sec. 401. (1) The department shall provide advice, advocacy,  
14 and assistance services to Michigan veterans.

15           (2) The department shall maintain the staffing and resources  
16 necessary to develop and operate a program that will provide  
17 benefits counseling and representation to veterans of this state  
18 for the purpose of assisting veterans to obtain United States  
19 department of veteran affairs health, financial, and memorial  
20 benefits for which they are eligible.

21           (3) Grants recipients in this section shall submit a report to  
22 the department on the number of claims filed for veterans in this  
23 state with the United States department of veterans affairs and the  
24 number of actual claims awarded.

25           (4) The department shall create a 5-member advisory board  
26 consisting of presidents/commanders from 2 large veterans service

1 organizations, 2 medium veterans service organizations, and 1 small  
2 veterans service organization. The board shall meet no less than  
3 twice a year, without reimbursement by the department, and have the  
4 following duties:

5 (a) Assist the department in establishing criteria for grant  
6 awards. The department, while utilizing advice provided by the  
7 board in establishing grant criteria, is solely responsible for  
8 determination of the amounts and recipients of the grants.

9 (b) Serve as a liaison between the grant recipients, the  
10 department, and the legislature.

11 (c) Assist the department in developing plans, reviewing  
12 service delivery, and identifying goals to better assist veterans  
13 in applying for and receiving benefits from the federal, state, and  
14 local governments.

15 (d) Provide a forum regarding veterans' issues, including  
16 suggesting changes in department programs that address veterans'  
17 changing needs.

18 (5) Of the appropriation in part 1 for veterans advice,  
19 advocacy, and assistance, grants shall be distributed by the  
20 department in the form of 5 grants for the period beginning October  
21 1, 2012, including 1 specialized grant. The specialized grant shall  
22 be awarded to a group specializing in advocacy for paralyzed  
23 veterans.

24 (6) Money used for grants shall be used only for salaries,  
25 wages, related personnel costs, in-state training, and equipment  
26 for accredited veteran service advocacy officers and necessary  
27 support and managerial staff.

1           (7) The department shall take steps to improve the  
2 coordination of veterans' benefits counseling in the state to  
3 maximize the effective and efficient use of taxpayer dollars in  
4 this goal and to ensure that every veteran is served.

5           (8) The department shall increase its responsibility in the  
6 administration, management, oversight, and outreach of the delivery  
7 of services to veterans by working with grant recipients, the  
8 veterans advisory board, county veterans counselors, and  
9 representatives from the Michigan veterans trust fund to identify,  
10 implement, and evaluate steps to do all the following:

11           (a) Improve national standing with regard to veterans affairs  
12 benefits granted per veteran, including veterans education  
13 benefits.

14           (b) Increase the percentage of veterans in this state who  
15 become aware of their eligibility for service-connected disability  
16 or pension benefits from the United States department of veterans  
17 affairs.

18           (c) Increase the percentage of veterans in this state who  
19 become aware of their eligibility for enrollment in the veterans  
20 affairs health care system.

21           (d) Expand training opportunities for veteran service  
22 organization service officers.

23           (e) Increase the percentage of veterans in this state who  
24 become aware of their eligibility for education benefits under the  
25 post-9/11 veterans education assistance improvements act of 2010.

26           (f) Increase the percentage of veterans in this state who  
27 become aware of job training and job placement opportunities.

1       Sec. 402. (1) The Michigan veterans' trust fund board together  
2 with the department shall provide emergency grants for disbursement  
3 from the Michigan veterans' trust fund.

4       (2) The Michigan veterans' trust fund board together with the  
5 department shall maintain the staffing and resources necessary to  
6 provide outreach to veterans who may need and qualify for veterans  
7 trust fund emergency grants.

8       (3) The Michigan veterans' trust fund board shall work to  
9 increase the percentage of grant applications that are approved and  
10 received by eligible families by 5% over those approved and  
11 received by eligible families in fiscal year 2010-2011.

12       Sec. 404. (1) The department shall provide training support  
13 for county veterans counselors.

14       (2) The department shall provide resources necessary to  
15 provide county veterans counselors with training to ensure quality  
16 services to veterans.

17       (3) The department shall work with counties towards the goal  
18 of having at least 1 county veterans counselor in every county in  
19 this state.

20       (4) The Michigan veterans' affairs directorate administration  
21 and the Michigan veterans' trust fund administration shall take  
22 steps to assist the county veterans counselors of this state to  
23 obtain training necessary for the execution of their duties.

24       COMMUNITY OUTREACH PROGRAMS

25       Sec. 501. (1) The department shall provide grants for  
26 disbursement from the military family relief fund.

1           (2) The department shall maintain the staffing and resources  
2 necessary to provide outreach to the Michigan families of active  
3 members of the armed forces.

4           (3) The department shall work to increase the percentage of  
5 military family relief grant applications that are approved and  
6 received by eligible families by 5% over those approved and  
7 received by eligible families in fiscal year 2010-2011.

8           Sec. 502. (1) The department shall maintain the Michigan youth  
9 challenge academy to provide values, skills, education, and self-  
10 discipline instruction for at-risk youth.

11           (2) The department shall ensure that at least 65% of the  
12 cadets who enroll in the Michigan youth challenge academy meet the  
13 requirement for graduation from the academy.

14           (3) The department shall take steps to recruit candidates to  
15 the challenge program from economically disadvantaged areas,  
16 including those with low-income and high-unemployment backgrounds.

17           (4) The department shall partner with the department of human  
18 services to identify youth who may be eligible for the challenge  
19 program from those youth served by department of human services  
20 programs. These eligible youth shall be given priority for  
21 enrollment in the program.

22           (5) The funds appropriated in this article for private  
23 donations to the Michigan youth challenge program shall be  
24 considered state restricted revenue, and unexpended funds remaining  
25 at the close of the fiscal year shall not lapse to the general fund  
26 but shall be carried forward to the subsequent fiscal year.

1 HOMES

2 Sec. 601. (1) The department shall provide compassionate,  
3 quality interdisciplinary care at the state's Grand Rapids and D.J.  
4 Jacobetti veterans' homes so that members can achieve their highest  
5 potential of wellness, independence, self-worth, and dignity.

6 (2) The department shall provide resources necessary to  
7 provide adequate nursing care services to veterans in accordance  
8 with federal standards, including the following:

9 (a) A licensed minimum number of 403 residents in skilled  
10 nursing beds at the Grand Rapids veterans' home.

11 (b) A licensed minimum number of 72 residents in domiciliary  
12 beds at the Grand Rapids veterans' home.

13 (c) A licensed minimum number of 158 residents in skilled  
14 nursing beds at the D.J. Jacobetti veterans' home.

15 (d) A licensed minimum number of 11 residents in domiciliary  
16 beds at the D.J. Jacobetti veterans' home.

17 (3) The Grand Rapids and D.J. Jacobetti veterans' homes shall  
18 ensure that their medical staffing is in accordance with United  
19 States department of veterans administration standards.

20 (4) The Grand Rapids and D.J. Jacobetti veterans' homes shall  
21 ensure that transportation is assured for each resident for every  
22 medical appointment outside the veterans' home.

23 (5) The Grand Rapids and D.J. Jacobetti veterans' homes shall  
24 ensure that each member resident receives daily laundry service.

25 (6) The Grand Rapids and D.J. Jacobetti veterans' homes shall  
26 ensure that maintenance and custodial services are provided for  
27 each home in accordance with applicable local, state, and federal

1 standards.

2 (7) The Grand Rapids and D.J. Jacobetti veterans' homes shall  
3 ensure that each resident receives a medical and care assessment  
4 including a dietary plan upon admission to the home, with meals and  
5 snacks provided in accordance with the plan and R 325.20803 of the  
6 Michigan administrative code.

7 (8) The money appropriated in this article for the boards of  
8 managers may be expended for facility improvements, the purchase  
9 and repair of equipment and furnishings, member services, and other  
10 purposes that benefit the Grand Rapids and D.J. Jacobetti veterans'  
11 homes.

12 (9) Appropriations in this article for the Grand Rapids and  
13 D.J. Jacobetti veterans' homes shall not be used for any purpose  
14 other than for veterans and veterans' families.

15 (10) The department shall, prior to altering the spending plan  
16 by the board of managers of post and posthumous funds, report to  
17 the appropriate senate and house appropriations subcommittees 30  
18 days prior to that action and shall indicate the rationale for that  
19 decision.

20 (11) Any contractor providing competency evaluated nursing  
21 assistants (CENA) to the Grand Rapids and D.J. Jacobetti veterans'  
22 homes shall ensure that each CENA has at least 8 hours of training  
23 on information provided by the veterans' home.

24 (12) Any contractor providing competency evaluated nursing  
25 assistants to the Grand Rapids and D.J. Jacobetti veterans' homes  
26 shall ensure that each CENA has at least 1 eight-hour shift of  
27 shadowing at the veterans' home.

1           (13) Any contractor providing competency evaluated nursing  
2 assistants to the Grand Rapids and D.J. Jacobetti veterans' homes  
3 shall ensure that each CENA is competent in the basic skills needed  
4 to perform his or her assigned duties at the veterans' home.

5           (14) Any contractor providing competency evaluated nursing  
6 assistants to the Grand Rapids and D.J. Jacobetti veterans' homes  
7 shall ensure that each CENA has at least 1 year of experience in  
8 long-term care.

9           (15) The Grand Rapids and D.J. Jacobetti veterans' homes shall  
10 provide each CENA at least 12 hours of in-service training once  
11 that individual has been assigned to the veterans' home.

12           (16) The Grand Rapids and D.J. Jacobetti veterans' homes shall  
13 ensure that care services are provided to each resident of the  
14 veterans' homes in accordance with standards set by the United  
15 States department of veterans' affairs.

16           Sec. 602. (1) It is the intent of the legislature that the  
17 office of the Michigan veterans' facility ombudsman be created  
18 within the legislative council. The ombudsman shall be appointed by  
19 and serve at the pleasure of the legislative council.

20           (2) The legislative council shall establish procedures for  
21 approving the budget of the office, for expending funds of the  
22 office, and for the employment of personnel for the office.

23           (3) The purpose of the ombudsman is to conduct investigations,  
24 when deemed necessary, upon his or her own initiative or upon  
25 receipt of a complaint from a resident veteran, family member of a  
26 resident veteran, or legislator who files a complaint concerning an  
27 action, omission, decision, recommendation, practice, or other

1 procedure of the department of military and veterans affairs or a  
2 condition existing at a Michigan veterans' facility that is alleged  
3 to be contrary to law or departmental policy or that poses a  
4 significant health or safety issue for which there is no effective  
5 administrative remedy.

6 (4) Subject to approval of the legislative council, the  
7 ombudsman shall establish procedures for receiving and processing  
8 complaints, conducting investigations, holding hearings, and  
9 reporting the findings resulting from the investigations.

10 (5) Upon request and without the requirement of any release,  
11 the ombudsman shall be given access to all information, records,  
12 and documents in the possession of the department of military and  
13 veterans affairs or a Michigan veterans' facility that the  
14 ombudsman deems necessary in an investigation.

15 (6) Upon request and without notice, the ombudsman shall be  
16 granted entrance to inspect at any time any Michigan veterans'  
17 facility.

18 (7) The ombudsman may hold informal hearings and may request  
19 that any person appear before the ombudsman or at a hearing and  
20 give testimony or produce documentary or other evidence that the  
21 ombudsman deems relevant to an investigation.

22 (8) The ombudsman shall advise a complainant to pursue all  
23 administrative remedies open to the complainant. The ombudsman may  
24 request and shall receive from the department of military and  
25 veterans affairs or from a Michigan veterans' facility a progress  
26 report concerning the administrative processing of a complaint.  
27 After administrative action on a complaint, the ombudsman may

1 conduct further investigation on the request of a complainant or on  
2 his or her own initiative.

3 (9) The ombudsman is not required to conduct an investigation  
4 on a complaint brought before the ombudsman. A complainant is not  
5 entitled as a right to be heard by the ombudsman.

6 (10) Upon receiving a complaint and deciding to investigate  
7 the complaint, the ombudsman shall notify the complainant, the  
8 resident veteran or resident veterans affected, and the department  
9 of military and veterans affairs. If the ombudsman declines to  
10 investigate, the ombudsman shall notify the complainant, in  
11 writing, and inform the resident veteran or veterans affected of  
12 the reasons for the ombudsman's decision.

13 (11) Correspondence between the ombudsman and a complainant is  
14 confidential and is privileged communication. A report prepared and  
15 recommendations made by the ombudsman and submitted to the  
16 legislative council are exempt from disclosure under the freedom of  
17 information act, 1976 PA 442, MCL 15.231 to 15.246.

18 (12) The ombudsman shall prepare and submit a report of the  
19 findings of an investigation and make recommendations to the  
20 legislative council within 30 days after completing the  
21 investigation if the ombudsman finds any of the following:

22 (a) A matter that should be considered by the department.

23 (b) An act that should be modified or canceled.

24 (c) A statute or rule that should be altered.

25 (d) Acts for which justification is necessary.

26 (e) Significant resident veteran health and safety issues as  
27 determined by the council.

1 (f) Any other significant concerns as determined by the  
2 council.

3 (13) Before announcing a conclusion or recommendation that  
4 expressly or by implication criticizes a person or Michigan  
5 veterans' facility or the department of military and veterans  
6 affairs, the ombudsman shall consult with that person or facility  
7 or the department.

8 (14) The ombudsman may request to be notified by a person or  
9 Michigan veterans' facility or the department of military and  
10 veterans affairs, within a specified time, of any action taken on  
11 any recommendation presented. The ombudsman shall notify the  
12 complainant of the actions taken by the person, the facility, or  
13 the department of military and veterans affairs.

14 (15) The ombudsman shall submit to the legislative council and  
15 the legislature an annual report on the conduct of the office.

16 (16) A resident veteran shall not be penalized in any way by a  
17 person or Michigan veterans' facility or the department of military  
18 and veterans affairs as a result of filing a complaint, complaining  
19 to a legislator, or cooperating with the ombudsman in investigating  
20 a complaint. A person or facility or the department shall not  
21 hinder the lawful actions of the ombudsman or employees of the  
22 office or willfully refuse to comply with any lawful demand of the  
23 office.

#### 24 **CAPITAL OUTLAY AND ONE-TIME APPROPRIATIONS**

25 Sec. 701. (1) The director shall allocate lump-sum  
26 appropriations made in this article consistent with statutory

1 provisions and the purposes for which funds were appropriated.  
2 Lump-sum allocations shall address priority program or facility  
3 needs and may include, but are not limited to, design,  
4 construction, remodeling and addition, special maintenance, major  
5 special maintenance, energy conservation, and demolition.

6 (2) The state budget director may authorize that funds  
7 appropriated for lump-sum appropriations shall be available for no  
8 more than 3 fiscal years following the fiscal year in which the  
9 original appropriation was made. Any remaining balance from  
10 allocations made in this section shall lapse to the fund from which  
11 it was appropriated pursuant to the lapsing of funds as provided in  
12 the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

13 Sec. 702. The appropriations in part 1 for capital outlay  
14 shall be carried forward at the end of the fiscal year consistent  
15 with section 248 of the management and budget act, 1984 PA 431, MCL  
16 18.1248.

17 Sec. 703. (1) One-time appropriations in part 1 for special  
18 maintenance and remodeling at the Grand Rapids veterans' home and  
19 the D.J. Jacobetti veterans' home shall be used for maintenance and  
20 information technology needs at the homes. Maintenance and  
21 remodeling include improvements to the mechanical, electrical,  
22 plumbing, and security systems, roof repairs and replacements,  
23 energy conservation measures, lighting upgrades, repair and  
24 replacement of floors, pipe insulation, windows, boilers, new and  
25 upgraded fire detection and suppression systems, and other repairs,  
26 upgrades, and renovation projects as approved by the senate and  
27 house appropriations subcommittees on state police and military and

1 veterans affairs.

2 (2) The Grand Rapids veterans' home and the D.J. Jacobetti  
3 veterans' home shall report by November 1 to the senate and house  
4 appropriations subcommittees on state police and military and  
5 veterans affairs on their plans for expending the 1-time  
6 appropriations contained in part 1.

7 Sec. 704. (1) One-time appropriations in part 1 for veterans  
8 service enhancements shall be used to establish and implement a  
9 college campus initiative, in collaboration with the United States  
10 department of veterans affairs vocational rehabilitation program,  
11 to assist veterans on campus with enrolling in the veterans affairs  
12 health care system or with filing claims for disabilities with the  
13 United States department of veterans affairs.

14 (2) One-time appropriations in part 1 for veterans service  
15 enhancements shall be used to implement an Internet-based data  
16 system, in collaboration with the Michigan association of county  
17 veterans counselors, to ensure that Michigan's veterans and their  
18 families receive professional assistance, advocacy, and counseling  
19 to obtain and receive the benefits to which they are entitled.

20 (3) The department shall report by November 1 to the senate  
21 and house appropriations subcommittees on state police and military  
22 and veterans affairs on their plans for expending the 1-time  
23 appropriations contained in part 1.

24 Sec. 705. From the funds appropriated in part 1, the  
25 department shall develop an application and grant process to fund  
26 additional accredited veterans service officers. The grants shall  
27 be made available to underserved counties, based on need of

1 veterans services. The grant program shall increase the number of  
2 county veterans counselors who are accredited from the number who  
3 were accredited in fiscal year 2011-2012.

4 Sec. 706. From the funds appropriated in part 1, the  
5 department shall digitize all medical records and military  
6 discharge documents which are currently on paper and microfilm.

7 PART 2A

8 PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS  
9 FOR FISCAL YEAR 2013-2014

10 GENERAL SECTIONS

11 Sec. 1201. (1) It is the intent of the legislature to provide  
12 appropriations for the fiscal year ending on September 30, 2014 for  
13 the line items listed in part 1. The fiscal year 2013-2014  
14 appropriations are anticipated to be the same as those for fiscal  
15 year 2012-2013, excluding appropriations designated as 1-time  
16 appropriations and adjusting for changes in caseload and related  
17 costs, federal fund match rates, economic factors, and available  
18 revenue. These adjustments will be determined after the January  
19 2013 consensus revenue estimating conference.

20 (2) The department shall identify and upgrade 15 red armories  
21 to yellow or green facilities as determined by the measure  
22 established in section 302.

23 ARTICLE XIV

24 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, 2013, from the following funds:

**DEPARTMENT OF NATURAL RESOURCES**

## APPROPRIATION SUMMARY

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

Full-time equated classified positions..... 2,093.8

GROSS APPROPRIATION..... \$ 337,882,800

Interdepartmental grant revenues:

Total interdepartmental grants and intradepartmental

transfers ..... 2,027,200

ADJUSTED GROSS APPROPRIATION..... \$ 335,855,600

Federal revenues:

Total federal revenues..... 66,524,800

Special revenue funds:

Total private revenues..... 7,239,200

Total other state restricted revenues..... 242,353,700

State general fund/general purpose..... \$ 19,737,900

State general fund/general purpose schedule:

Ongoing state general fund/general

purpose ..... 17,641,700

One-time state general fund/general

purpose ..... 2,096,200

## FUND SOURCE SUMMARY

1	Full-time equated unclassified positions.....	6.0	
2	Full-time equated classified positions.....	2,093.8	
3	GROSS APPROPRIATION.....		\$ 337,882,800
4	Interdepartmental grant revenues:		
5	IDG, land acquisition services to work orders .....		436,500
6	IDG, MacMullan conference center revenue .....		1,579,400
7	Interdepartmental grant revenues .....		11,300
8	Total interdepartmental grants and intradepartmental		
9	transfers .....		2,027,200
10	ADJUSTED GROSS APPROPRIATION.....		\$ 335,855,600
11	Federal revenues:		
12	Federal funds .....		66,524,800
13	Total federal revenues .....		66,524,800
14	Special revenue funds:		
15	Private funds .....		7,206,600
16	Private - Mann house trust fund .....		32,600
17	Total private revenues .....		7,239,200
18	Aircraft fees .....		301,400
19	Cervidae licensing and inspection fees .....		132,300
20	Clean Michigan initiative fund .....		28,200
21	Commercial forest fund .....		52,100
22	Forest development fund .....		36,205,200
23	Forest land user charges .....		574,800
24	Forest recreation account .....		2,176,000
25	Game and fish protection fund .....		63,397,200
26	Game and fish protection fund - deer habitat reserve .		2,579,100
27	Game and fish protection fund - fisheries settlement .		934,800

1	Game and fish protection fund - turkey permit fees ...	1,651,100
2	Game and fish protection fund - waterfowl fees .....	116,800
3	Game and fish - wildlife resource protection fund ....	1,142,400
4	Game and fish protection fund - youth hunting and	
5	fishing education and outreach fund.....	57,100
6	History fees fund.....	311,400
7	Land exchange facilitation fund.....	5,876,600
8	Local public recreation facilities fund.....	858,400
9	Mackinac Island state park fund.....	1,784,400
10	Mackinac Island state park operation fund.....	187,500
11	Marine safety fund.....	3,991,900
12	Michigan heritage publications fund.....	52,200
13	Michigan natural resources trust fund.....	1,217,300
14	Michigan state parks endowment fund.....	27,221,100
15	Michigan state waterways fund.....	20,334,400
16	Michigan trailways fund.....	25,600
17	Museum operations fund.....	575,100
18	Nongame wildlife fund.....	687,400
19	Off-road vehicle safety education fund.....	317,800
20	Off-road vehicle trail improvement fund.....	3,635,500
21	Park improvement fund.....	43,090,100
22	Permanent snowmobile trail easement fund.....	700,000
23	Public use and replacement deed fees.....	52,400
24	Recreation improvement account.....	1,276,700
25	Recreation passport fees.....	7,853,900
26	Snowmobile registration fee revenue.....	1,665,700
27	Snowmobile trail improvement fund.....	9,750,400

1	Sportsmen against hunger fund.....	30,300
2	State restricted revenues.....	1,509,100
3	Total other state restricted revenues.....	242,353,700
4	State general fund/general purpose.....	\$ 19,737,900
5	<b>Sec. 102. EXECUTIVE OPERATIONS</b>	
6	Full-time equated unclassified positions.....	6.0
7	Full-time equated classified positions.....	11.6
8	Natural resources commission.....	\$ 77,100
9	Unclassified salaries--6.0 FTE positions.....	700,000
10	Executive direction--11.6 FTE positions.....	<u>2,038,900</u>
11	GROSS APPROPRIATION.....	\$ 2,816,000
12	Appropriated from:	
13	Interdepartmental grant revenues:	
14	Special revenue funds:	
15	Forest development fund.....	395,800
16	Forest land user charges.....	7,900
17	Forest recreation account.....	14,700
18	Game and fish protection fund.....	1,173,400
19	Game and fish protection fund - deer habitat reserve .	31,100
20	Game and fish protection fund - turkey permit fees ...	18,500
21	Game and fish protection fund - waterfowl fees .....	200
22	Game and fish protection fund - wildlife resource	
23	protection fund .....	14,600
24	Land exchange facilitation fund.....	16,400
25	Marine safety fund.....	27,200
26	Michigan natural resources trust fund.....	1,400
27	Michigan state parks endowment fund.....	151,700

1	Michigan state waterways fund.....		179,300
2	Nongame wildlife fund.....		5,200
3	Off-road vehicle trail improvement fund.....		43,500
4	Park improvement fund.....		426,400
5	Recreation improvement account.....		3,500
6	Snowmobile registration fee revenue.....		12,100
7	Snowmobile trail improvement fund.....		27,100
8	Sportsmen against hunger fund.....		100
9	State general fund/general purpose.....	\$	265,900
10	<b>Sec. 103. DEPARTMENT INITIATIVES</b>		
11	Great Lakes restoration initiative.....	\$	5,500,000
12	Summer youth initiative.....		<u>3,000,000</u>
13	GROSS APPROPRIATION.....	\$	8,500,000
14	Appropriated from:		
15	Federal revenues:		
16	Federal funds.....		5,500,000
17	State general fund/general purpose.....	\$	3,000,000
18	<b>Sec. 104. DEPARTMENT SUPPORT SERVICES</b>		
19	Full-time equated classified positions..... 99.5		
20	Finance and operations--95.5 FTE positions.....	\$	15,640,600
21	Accounting service center.....		1,377,100
22	Legal services--4.0 FTE positions.....		556,300
23	Building occupancy charges.....		2,961,900
24	Rent - privately owned property.....		488,400
25	Gifts and bequests.....		<u>5,000,000</u>
26	GROSS APPROPRIATION.....	\$	26,024,300
27	Appropriated from:		

1	Interdepartmental grant revenues:	
2	IDG, land acquisition services to work orders .....	436,500
3	Federal revenues:	
4	Federal funds .....	225,500
5	Special revenue funds:	
6	Private funds .....	5,000,000
7	Clean Michigan initiative fund .....	28,200
8	Commercial forest fund .....	100
9	Forest development fund .....	2,633,900
10	Forest land user charges .....	26,000
11	Forest recreation account .....	45,000
12	Game and fish protection fund .....	4,863,500
13	Game and fish protection fund - deer habitat reserve .	242,200
14	Game and fish protection fund - turkey permit fees ...	156,800
15	Game and fish protection fund - waterfowl fees .....	800
16	Game and fish protection fund - wildlife resource	
17	protection fund .....	33,100
18	Game and fish protection fund - youth hunting and	
19	fishing education and outreach fund .....	100
20	Land exchange facilitation fund .....	5,749,500
21	Local public recreation facilities fund .....	87,100
22	Marine safety fund .....	352,900
23	Michigan natural resources trust fund .....	1,194,900
24	Michigan state parks endowment fund .....	453,900
25	Michigan state waterways fund .....	534,000
26	Nongame wildlife fund .....	16,200
27	Off-road vehicle trail improvement fund .....	38,300

1	Park improvement fund.....		1,161,000
2	Public use and replacement deed fees.....		52,400
3	Recreation improvement account.....		17,000
4	Snowmobile registration fee revenue.....		62,600
5	Snowmobile trail improvement fund.....		196,600
6	Sportsmen against hunger.....		400
7	State general fund/general purpose.....	\$	2,415,800
8	<b>Sec. 105. COMMUNICATION AND CUSTOMER SERVICES</b>		
9	Full-time equated classified positions.....	127.3	
10	Marketing and outreach--77.3 FTE positions.....	\$	13,408,300
11	Michigan historical center--35.0 FTE positions.....		3,700,600
12	Archives--8.0 FTE positions.....		837,100
13	Museum stores--6.0 FTE positions.....		575,100
14	Special programs (Mann house)--1.0 FTE positions.....		<u>43,100</u>
15	GROSS APPROPRIATION.....	\$	18,564,200
16	Appropriated from:		
17	Interdepartmental grant revenues:		
18	Federal revenues:		
19	Federal funds.....		2,068,400
20	Special revenue funds:		
21	Private funds.....		377,300
22	Private - Mann house trust fund.....		32,600
23	Forest development fund.....		126,900
24	Forest recreation account.....		15,900
25	Game and fish protection fund.....		8,212,400
26	Game and fish protection fund - youth hunting and		
27	fishing education and outreach fund.....		51,600

1	History fees fund.....	311,400
2	Land exchange facilitation fund.....	44,200
3	Marine safety fund.....	34,100
4	Michigan heritage publications fund.....	52,200
5	Michigan state parks endowment fund.....	85,400
6	Michigan state waterways fund.....	140,900
7	Museum operations fund.....	575,100
8	Nongame wildlife fund.....	10,400
9	Off-road vehicle safety education fund.....	56,000
10	Off-road vehicle trail improvement fund.....	19,600
11	Park improvement fund.....	2,491,900
12	Recreation passport fees.....	22,800
13	Snowmobile registration fee revenue.....	60,500
14	Snowmobile trail improvement fund.....	43,500
15	Sportsmen against hunger fund.....	29,200
16	State general fund/general purpose.....	\$ 3,701,900
17	<b>Sec. 106. WILDLIFE MANAGEMENT</b>	
18	Full-time equated classified positions.....	205.5
19	Wildlife management--196.5 FTE positions.....	\$ 29,547,700
20	Natural resources heritage--9.0 FTE positions.....	1,145,700
21	State game and wildlife area maintenance.....	<u>750,000</u>
22	GROSS APPROPRIATION.....	\$ 31,443,400
23	Appropriated from:	
24	Interdepartmental grant revenues:	
25	Federal revenues:	
26	Federal funds.....	15,964,400
27	Special revenue funds:	

1	Private funds.....	180,800
2	Cervidae licensing and inspection fees .....	81,600
3	Forest development fund.....	74,300
4	Game and fish protection fund.....	9,264,600
5	Game and fish protection fund - deer habitat reserve .	2,130,000
6	Game and fish protection fund - turkey permit fees ...	1,387,300
7	Game and fish protection fund - waterfowl fees .....	113,600
8	Nongame wildlife fund.....	611,600
9	State general fund/general purpose.....	\$ 1,635,200
10	<b>Sec. 107. FISHERIES MANAGEMENT</b>	
11	Full-time equated classified positions.....	210.0
12	Aquatic resource mitigation--2.0 FTE positions .....	\$ 934,800
13	Fish production--58.0 FTE positions .....	9,115,000
14	Fisheries resource management--150.0 FTE positions ...	19,074,800
15	Cormorant population mitigation program.....	<u>100,000</u>
16	GROSS APPROPRIATION.....	\$ 29,224,600
17	Appropriated from:	
18	Interdepartmental grant revenues:	
19	Federal revenues:	
20	Federal funds.....	11,105,800
21	Special revenue funds:	
22	Private funds.....	129,200
23	Game and fish protection fund.....	16,954,800
24	Game and fish protection fund - fisheries settlement .	934,800
25	State general fund/general purpose.....	\$ 100,000
26	<b>Sec. 108. LAW ENFORCEMENT</b>	
27	Full-time equated classified positions.....	215.0

1	General law enforcement--215.0 FTE positions .....	\$	<u>29,018,100</u>
2	GROSS APPROPRIATION.....	\$	29,018,100
3	Appropriated from:		
4	Interdepartmental grant revenues:		
5	Federal revenues:		
6	Federal funds.....		5,634,100
7	Special revenue funds:		
8	Cervidae licensing and inspection fees .....		50,700
9	Forest development fund.....		42,900
10	Forest recreation account.....		68,800
11	Game and fish protection fund.....		17,308,600
12	Game and fish protection fund - wildlife resource		
13	protection fund .....		1,044,900
14	Marine safety fund.....		1,513,000
15	Michigan state parks endowment fund.....		67,500
16	Michigan state waterways fund.....		20,300
17	Off-road vehicle safety education fund.....		92,300
18	Off-road vehicle trail improvement fund.....		959,000
19	Park improvement fund.....		68,800
20	Snowmobile registration fee revenue.....		861,800
21	State general fund/general purpose.....	\$	1,285,400
22	<b>Sec. 109. PARKS AND RECREATION DIVISION</b>		
23	Full-time equated classified positions.....		877.9
24	MacMullan conference center--15.0 FTE positions .....	\$	1,579,400
25	Recreational boating--163.5 FTE positions .....		16,550,100
26	State parks--651.4 FTE positions .....		56,330,000
27	Forest recreation--48.0 FTE positions .....		5,553,300

1	State parks improvement revenue bonds - debt service .	<u>1,157,000</u>
2	GROSS APPROPRIATION.....	\$ 81,169,800
3	Appropriated from:	
4	Interdepartmental grant revenues:	
5	IDG, MacMullan conference center revenue .....	1,579,400
6	Federal revenues:	
7	Federal funds.....	3,145,300
8	Special revenue funds:	
9	Forest recreation account.....	1,977,600
10	Private funds.....	405,800
11	Michigan state parks endowment fund.....	18,757,200
12	Michigan state waterways fund.....	13,992,800
13	Michigan trailways fund.....	25,500
14	Off-road vehicle safety education fund.....	7,100
15	Off-road vehicle trail improvement fund.....	814,400
16	Park improvement fund.....	37,733,100
17	Recreation improvement account.....	317,500
18	Recreation passport fees.....	258,300
19	Snowmobile registration fee revenue.....	15,000
20	Snowmobile trail improvement fund.....	1,874,800
21	State general fund/general purpose.....	\$ 266,000
22	<b>Sec. 110. MACKINAC ISLAND STATE PARK COMMISSION</b>	
23	Full-time equated classified positions.....	15.0
24	Historical facilities system--13.0 FTE positions .....	\$ 1,784,400
25	Mackinac Island state park operations--2.0 FTE	
26	positions .....	<u>187,500</u>
27	GROSS APPROPRIATION.....	\$ 1,971,900

1	Appropriated from:	
2	Special revenue funds:	
3	Mackinac Island state park fund.....	1,784,400
4	Mackinac Island state park operation fund.....	187,500
5	State general fund/general purpose.....	\$ 0
6	<b>Sec. 111. FOREST RESOURCES DIVISION</b>	
7	Full-time equated classified positions.....	332.0
8	Adopt-a-forest program.....	\$ 25,000
9	Cooperative resource programs--10.0 FTE positions....	1,207,300
10	Forest management and timber market	
11	development--177.0 FTE positions.....	25,353,900
12	Forest fire equipment.....	431,500
13	Wildfire protection--110.0 FTE positions.....	12,753,700
14	Forest management initiatives--10.0 FTE positions....	987,600
15	Minerals management--25.0 FTE positions.....	<u>3,200,200</u>
16	GROSS APPROPRIATION.....	\$ 43,959,200
17	Appropriated from:	
18	Interdepartmental grant revenue:	
19	Federal revenues:	
20	Federal funds.....	2,987,500
21	Special revenue funds:	
22	Private funds.....	998,000
23	Aircraft fees.....	301,400
24	Commercial forest fund.....	47,500
25	Forest development fund.....	31,268,700
26	Forest land user charges.....	486,500
27	Game and fish protection fund.....	1,808,300

1	Michigan state parks endowment fund.....	2,507,300
2	Michigan state waterways fund.....	48,000
3	State general fund/general purpose.....	\$ 3,506,000
4	<b>Sec. 112. GRANTS</b>	
5	Dam management grant program.....	\$ 350,000
6	Deer habitat improvement partnership initiative.....	50,000
7	Federal - clean vessel act grants.....	400,000
8	Federal - forest stewardship grants.....	3,125,000
9	Federal - land and water conservation fund payments..	2,566,900
10	Federal - rural community fire protection.....	300,000
11	Federal - urban forestry grants.....	3,024,000
12	Game and nongame wildlife fund grants.....	8,900
13	Grants to communities - federal oil, gas, and timber	
14	payments .....	3,450,000
15	Grant to counties - marine safety.....	3,647,400
16	National recreational trails.....	3,900,000
17	Off-road vehicle safety training grants.....	150,000
18	Off-road vehicle trail improvement grants.....	1,742,200
19	Recreation improvement fund grants.....	918,900
20	Recreation passport local grants.....	771,300
21	Snowmobile law enforcement grants.....	604,800
22	Snowmobile local grants program.....	7,489,400
23	Trail easements.....	<u>700,000</u>
24	GROSS APPROPRIATION.....	\$ 33,198,800
25	Appropriated from:	
26	Federal revenues:	
27	Federal funds.....	18,333,300

1	Special revenue funds:	
2	Private funds.....	100,000
3	Game and fish protection fund - deer habitat reserve .	50,000
4	Local public recreation facilities fund.....	771,300
5	Marine safety fund.....	1,980,000
6	Nongame wildlife fund.....	8,900
7	Off-road vehicle safety education fund.....	150,000
8	Off-road vehicle trail improvement fund.....	1,742,200
9	Permanent snowmobile trail easement fund.....	700,000
10	Recreation improvement account.....	918,900
11	Snowmobile registration fee revenue.....	604,800
12	Snowmobile trail improvement fund.....	7,489,400
13	State general fund/general purpose.....	\$ 350,000
14	<b>Sec. 113. INFORMATION TECHNOLOGY</b>	
15	Information technology services and projects .....	\$ <u>9,723,400</u>
16	GROSS APPROPRIATION.....	\$ 9,723,400
17	Appropriated from:	
18	Interdepartmental grant revenues:	
19	Special revenue funds:	
20	Commercial forest fund.....	4,500
21	Forest development fund.....	1,662,700
22	Forest land user charges.....	54,400
23	Forest recreation account.....	54,000
24	Game and fish protection fund.....	3,811,600
25	Game and fish protection fund - deer habitat reserve .	125,800
26	Game and fish protection fund - turkey permit fees ...	88,500
27	Game and fish protection fund - waterfowl fees .....	2,200

1	Game and fish protection fund - wildlife resource	
2	protection fund .....	49,800
3	Game and fish protection fund - youth hunting and	
4	fishing education and outreach fund.....	5,400
5	Land exchange facilitation fund.....	66,500
6	Marine safety fund.....	84,700
7	Michigan natural resources trust fund.....	21,000
8	Michigan state parks endowment fund.....	645,000
9	Michigan state waterways fund.....	468,500
10	Michigan trailways fund.....	100
11	Nongame wildlife fund.....	35,100
12	Off-road vehicle safety education fund.....	12,400
13	Off-road vehicle trail improvement fund.....	18,500
14	Park improvement fund.....	1,208,900
15	Recreation improvement account.....	19,800
16	Snowmobile registration fee revenue.....	48,900
17	Snowmobile trail improvement fund.....	119,000
18	Sportsmen against hunger fund.....	600
19	State general fund/general purpose.....	\$ 1,115,500
20	<b>Sec. 114. CAPITAL OUTLAY</b>	
21	<b>(a) STATE PARK AND FOREST AREA IMPROVEMENTS</b>	
22	State parks repair and maintenance.....	\$ <u>12,125,900</u>
23	GROSS APPROPRIATION.....	\$ 12,125,900
24	Appropriated from:	
25	Federal revenues:	
26	Special revenue funds:	
27	Michigan state parks endowment fund.....	4,553,100

1	Recreation passport fees.....	7,572,800
2	State general fund/general purpose.....	\$ 0
3	<b>(b) WATERWAYS BOATING PROGRAM</b>	
4	Infrastructure improvements - local projects.....	\$ 737,000
5	Boating program, state boating access projects:	
6	State infrastructure improvement and land acquisition	2,091,400
7	Port Austin state harbor, Huron County, dredging,	
8	utilities, and replacement of docks and piers,	
9	phase III (total authorized cost is increased from	
10	\$5,000,000 to \$7,283,600; federal share \$1,100,000;	
11	state share is increased from \$3,900,000 to	
12	\$6,183,600) .....	2,283,600
13	Presque Isle, Marquette County, removal and	
14	reconstruction of boat launch, phase I (total	
15	authorized cost is \$402,400; state share is	
16	\$201,200; local share is \$201,200).....	201,200
17	Munising, Alger County, east breakwall extension,	
18	phase I (total authorized cost is \$874,800; state	
19	share is \$437,400; local share is \$437,400).....	437,400
20	Boating program, harbors and docks, state facilities:	
21	Boating program, harbors and docks, local facilities:	
22	Manistique, Schoolcraft County, floating docks, and	
23	replacement of bin-walls, phase II (total	
24	authorized cost is increased from \$1,660,000 to	
25	\$2,660,000; state share is increased from \$830,000	
26	to \$1,330,000; local share is increased from	
27	\$830,000 to \$1,330,000) .....	<u>500,000</u>

1	GROSS APPROPRIATION.....	\$	6,250,600
2	Appropriated from:		
3	Federal revenues:		
4	Federal funds.....		1,300,000
5	Special revenue funds:		
6	Michigan state waterways fund.....		4,950,600
7	State general fund/general purpose.....	\$	0
8	<b>Sec. 115. ONE-TIME BASIS ONLY APPROPRIATIONS</b>		
9	State employee lump-sum payments.....	\$	1,892,600
10	Dam management program.....		<u>2,000,000</u>
11	GROSS APPROPRIATION.....	\$	3,892,600
12	Appropriated from:		
13	Interdepartmental grant revenues:		
14	Interdepartmental grant revenues.....		11,300
15	Federal revenues:		
16	Federal funds.....		260,500
17	Special revenue funds		
18	Private funds.....		15,500
19	State restricted revenues.....		1,509,100
20	State general fund/general purpose.....	\$	2,096,200

21 PART 2

22 PROVISIONS CONCERNING APPROPRIATIONS

23 FOR FISCAL YEAR 2012-2013

24 **GENERAL SECTIONS**

25 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 2012-2013 is \$262,091,600.00 and state spending from state resources to be paid to local units of government for fiscal year 2012-2013 is \$5,921,100.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF NATURAL RESOURCES

GRANTS

Dam management grant program.....	\$	175,000
Grants to counties - marine safety.....		1,980,000
Off-road vehicle safety training grants.....		150,000
Off-road vehicle trail improvement grants.....		272,500
Recreation improvement fund grants.....		91,900
Recreation passport local grants.....		771,300
Snowmobile law enforcement grants.....		604,800

CAPITAL OUTLAY

Waterways boating program.....	\$	<u>1,875,600</u>
TOTAL.....	\$	5,921,100

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

Sec. 203. As used in this article:

- (a) "Commission" means the natural resources commission.
- (b) "Department" means the department of natural resources.
- (c) "FTE" means full-time equated.
- (d) "IDG" means interdepartmental grant.
- (e) "IDT" means intradepartmental transfer.

1       Sec. 204. The civil service commission shall bill the  
 2 department and agencies at the end of the first fiscal quarter for  
 3 the 1% charge authorized by section 5 of article XI of the state  
 4 constitution of 1963. Payments shall be made for the total amount  
 5 of the billing by the end of the second fiscal quarter.

6       Sec. 205. Unless otherwise specified, the department shall use  
 7 the Internet to fulfill the reporting requirements of this article.  
 8 This requirement may include transmission of reports via electronic  
 9 mail to the recipients identified for each reporting requirement,  
 10 or it may include placement of reports on an Internet or Intranet  
 11 site.

12       Sec. 206. Appropriations of state restricted game and fish  
 13 protection funds have been made in the following amounts to the  
 14 following departments and agencies in their respective  
 15 appropriation acts:

16	Legislative auditor general.....	\$	25,800
17	Attorney general.....		838,000
18	Department of technology, management, and budget.....		475,400
19	Department of treasury.....		1,205,500

20       Sec. 207. Pursuant to section 43703(3) of the natural  
 21 resources and environmental protection act, 1994 PA 451, MCL  
 22 324.43703, there is appropriated from the game and fish protection  
 23 trust fund to the game and fish protection account of the Michigan  
 24 conservation and recreation legacy fund, \$6,000,000.00 for the  
 25 fiscal year ending September 30, 2013.

26       Sec. 208. From the funds appropriated in part 1 for  
 27 information technology, departments and agencies shall pay user

1 fees to the department of technology, management, and budget for  
2 technology-related services and projects. The user fees shall be  
3 subject to provisions of an interagency agreement between the  
4 department and agencies and the department of technology,  
5 management, and budget.

6       Sec. 210. Funds appropriated in part 1 shall not be used for  
7 the purchase of foreign goods or services, or both, if  
8 competitively priced and of comparable quality American goods or  
9 services, or both, are available. Preference shall be given to  
10 goods or services, or both, manufactured or provided by Michigan  
11 businesses if they are competitively priced and of comparable  
12 quality. In addition, preference should be given to goods or  
13 services, or both, that are manufactured or provided by Michigan  
14 businesses owned and operated by veterans, if they are  
15 competitively priced and of comparable quality.

16       Sec. 211. The director of the department shall take all  
17 reasonable steps to ensure businesses in deprived and depressed  
18 communities compete for and perform contracts to provide services  
19 or supplies, or both. The director shall strongly encourage firms  
20 with which the department contracts to subcontract with certified  
21 businesses in depressed and deprived communities for services,  
22 supplies, or both.

23       Sec. 212. 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. 214. Funds appropriated in part 1 shall not be used by a  
27 principal executive department, state agency, or authority to hire

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

5 Sec. 215. (1) In addition to the funds appropriated in part 1,  
6 there is appropriated an amount not to exceed \$3,000,000.00 for  
7 federal contingency funds. These funds are not available for  
8 expenditure until they have been transferred to another line item  
9 in this article under section 393(2) of the management and budget  
10 act, 1984 PA 431, MCL 18.1393.

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

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

23 (4) In addition to the funds appropriated in part 1, there is  
24 appropriated an amount not to exceed \$1,000,000.00 for private  
25 contingency funds. These funds are not available for expenditure  
26 until they have been transferred to another line item in this  
27 article under section 393(2) of the management and budget act, 1984

1 PA 431, MCL 18.1393.

2 Sec. 216. Amounts appropriated in part 1 for information  
3 technology may be designated as work projects and carried forward  
4 to support technology projects under the direction of the  
5 department of technology, management, and budget. Funds designated  
6 in this manner are not available for expenditure until approved as  
7 work projects under section 451a of the management and budget act,  
8 1984 PA 431, MCL 18.1451a.

9 Sec. 217. The department and agencies receiving appropriations  
10 in part 1 shall receive and retain copies of all reports funded  
11 from appropriations in part 1. Federal and state guidelines for  
12 short-term and long-term retention of records shall be followed.  
13 The department may electronically retain copies of reports unless  
14 otherwise required by federal and state guidelines.

15 Sec. 218. The departments and agencies receiving  
16 appropriations in part 1 shall prepare a report on out-of-state  
17 travel expenses not later than January 1 of each year. The travel  
18 report shall be a listing of all travel by classified and  
19 unclassified employees outside this state in the immediately  
20 preceding fiscal year that was funded in whole or in part with  
21 funds appropriated in the department's budget. The report shall be  
22 submitted to the house and senate standing committees on  
23 appropriations, the house and senate fiscal agencies, and the state  
24 budget director. The report shall include the following  
25 information:

26 (a) The dates of each travel occurrence.

27 (b) The total transportation and related costs of each travel

1 occurrence, including the proportion funded with state general  
2 fund/general purpose revenues, the proportion funded with state  
3 restricted revenues, the proportion funded with federal revenues,  
4 and the proportion funded with other revenues.

5 Sec. 219. It is the intent of the legislature that all  
6 principal executive departments and agencies cooperate with the  
7 development and implementation of the department of technology,  
8 management, and budget statewide office space consolidation plan.

9 Sec. 220. Not later than November 15, the department shall  
10 prepare and transmit a report that provides for estimates of the  
11 total general fund/general purpose appropriation lapses at the  
12 close of the fiscal year. This report shall summarize the projected  
13 year-end general fund/general purpose appropriation lapses by major  
14 departmental program or program areas. The report shall be  
15 transmitted to the office of the state budget, the chairpersons of  
16 the senate and house of representatives standing committees on  
17 appropriations, and the senate and house fiscal agencies.

18 Sec. 222. Within 14 days after the release of the executive  
19 budget recommendation, the department shall provide the state  
20 budget director, the senate and house appropriations chairs, the  
21 senate and house appropriations subcommittees on natural resources,  
22 respectively, and the senate and house fiscal agencies with an  
23 annual report on estimated state restricted fund balances, state  
24 restricted fund projected revenues, and state restricted fund  
25 expenditures for the fiscal years ending September 30, 2012 and  
26 September 30, 2013.

27 Sec. 223. Before January 31, 2013, the department, in

1 cooperation with the Michigan state waterways commission, shall  
2 provide to the state budget director, the senate and house  
3 appropriations subcommittees on natural resources, and the senate  
4 and house fiscal agencies a list of projects completed by the  
5 commission in fiscal year 2011-2012, including the county and  
6 municipality in which each project is located.

7       Sec. 230. By October 31, 2012, the department shall identify  
8 10 principal measurable outcomes to be affected by expenditure of  
9 the funds appropriated in part 1 and submit a report to the house  
10 and senate appropriations committees, the house and senate fiscal  
11 agencies, and the state budget director that ranks the outcomes by  
12 level of importance and contains current data on those outcomes.  
13 Beginning on April 1, 2013, the department shall provide biannual  
14 updates to the house and senate appropriations committees on  
15 changes in those measurable outcomes and departmental efforts to  
16 improve the outcomes.

17       Sec. 233. On a quarterly basis, the department shall report on  
18 the number of FTEs in pay status by civil service classification to  
19 the senate and house appropriations subcommittees on natural  
20 resources and environment and the senate and house fiscal agencies.

21       Sec. 234. The department shall maintain a searchable website  
22 accessible by the public at no cost that includes, but is not  
23 limited to, all of the following:

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 **DEPARTMENT SUPPORT SERVICES**

6 Sec. 302. The department may charge land acquisition projects  
7 appropriated for the fiscal year ending September 30, 2013, and for  
8 prior fiscal years, a standard percentage fee to recover actual  
9 costs, and may use the revenue derived to support the land  
10 acquisition service charges provided for in part 1.

11 Sec. 303. As appropriated in part 1, the department may charge  
12 both application fees and transaction fees related to the exchange  
13 or sale of state-owned land or rights in land authorized by part 21  
14 of the natural resources and environmental protection act, 1994 PA  
15 451, MCL 324.2101 to 324.2162. The fees shall be set by the  
16 director of the department at a rate which allows the department to  
17 recover its costs for providing these services.

18 **COMMUNICATION AND CUSTOMER SERVICES**

19 Sec. 404. For the purposes of administering the museum store  
20 as provided in section 7a of 1913 PA 271, MCL 399.7a, the  
21 department is exempt from section 261 of the management and budget  
22 act, 1984 PA 431, MCL 18.1261.

23 Sec. 405. As appropriated in part 1, proceeds in excess of  
24 costs incurred in the conduct of auctions, sales, or transfers of  
25 artifacts no longer considered suitable for the collections of the

1 state historical museum may be expended upon receipt for additional  
2 material for the collection. The department shall notify the  
3 chairpersons, vice chairpersons, and minority vice chairpersons of  
4 the senate and house appropriations subcommittees on natural  
5 resources 1 week prior to any auctions or sales. Any unexpended  
6 funds may be carried forward into the next succeeding fiscal year.

7       Sec. 406. As appropriated in part 1, funds collected by the  
8 department for historical markers; document reproduction and  
9 services; conferences, admissions, workshops, and training classes;  
10 and the use of specialized equipment, facilities, exhibits,  
11 collections, and software shall be used for expenses necessary to  
12 provide the required services. The department may charge fees for  
13 the aforementioned services, including admission fees. It is the  
14 intent of the legislature that if sufficient revenues are  
15 available, as a condition of the expenditure of revenue from  
16 admission fees to the Michigan historical museum, admission to the  
17 museum shall be free for children under 18 years of age. The  
18 department may accept voluntary admissions contributions of \$2.00  
19 for children under 18 years of age. Any unexpended funds may be  
20 carried forward into the next succeeding fiscal year.

21       Sec. 408. By October 21, 2012, the department shall submit to  
22 the senate and house appropriations subcommittees on natural  
23 resources a report on all land transactions approved by the  
24 commission in the fiscal year ending September 30, 2012. For each  
25 land transaction, the report shall include the size of the parcel,  
26 the county and municipality in which the parcel is located, the  
27 dollar amount of the transaction, the fund source affected by the

1 transaction, and whether the transaction is by purchase, public  
2 auction, transfer, exchange, or conveyance.

3 Sec. 409. By January 1, 2013, the department shall produce a  
4 report identifying active oil and gas leases entered into before  
5 July 1995 which are larger than 160 acres in size and where the  
6 acreage held in a producing unit is less than or equal to 1/4 of  
7 the total lease acreage.

#### 8 **WILDLIFE DIVISION**

9 Sec. 503. From the funds appropriated in part 1, the  
10 department shall produce a report detailing any efforts undertaken  
11 to enforce the invasive species order on swine raised under the  
12 husbandry of residents of this state. The report shall include fund  
13 sources used and the amount of expenditures and shall be submitted  
14 to the legislature by December 31, 2012.

15 Sec. 504. From the funds appropriated in part 1, the  
16 department shall provide a report to the legislature on the use of  
17 registration fees collected from privately owned cervid operations.  
18 Appropriations in part 1 from cervidae licensing and inspection  
19 fees shall not be used for anything other than work directly  
20 related to the regulation of privately owned cervids in this state.

#### 21 **FISHERIES DIVISION**

22 Sec. 601. (1) From the appropriation in part 1 for aquatic  
23 resource mitigation, not more than \$758,000.00 shall be allocated  
24 for grants to watershed councils, resource development councils,  
25 soil conservation districts, local governmental units, and other

1 nonprofit organizations for stream habitat stabilization and soil  
2 erosion control.

3 (2) The fisheries division in the department shall develop  
4 priority and cost estimates for all projects recommended for grants  
5 under subsection (1).

6 Sec. 602. As a condition of expenditure of fisheries  
7 management appropriations under part 1, the department of natural  
8 resources shall not impede the certification process for water  
9 control structures on Michigan waterways. The department of natural  
10 resources shall fund from funds appropriated in part 1 all non-  
11 water-quality studies or requirements that the department requests  
12 of either of the following:

13 (a) The department of environmental quality as a condition for  
14 issuance of a certification under section 401 of the federal water  
15 pollution control act, 33 USC 1341.

16 (b) The federal energy regulatory commission as a condition of  
17 licensing under the federal power act, 16 USC 791a to 825r.

18 Sec. 603. The department shall provide a quarterly report to  
19 the legislature on use of funding provided for cormorant  
20 management. The department shall use general fund/general purpose  
21 revenue for this purpose and submit revenue appropriated in this  
22 article for cormorant management to the United States department of  
23 agriculture animal and plant health inspection service to allow for  
24 increased taking of cormorants and their nests.

## 25 PARKS AND RECREATION DIVISION

26 Sec. 702. The department shall notify the house and senate

1 appropriations subcommittees on natural resources and the house and  
2 senate fiscal agencies if it intends to reduce operations or reduce  
3 recreation opportunities in any state park or recreation area.

#### 4 **FOREST RESOURCES DIVISION**

5       Sec. 801. In addition to the funds appropriated in part 1,  
6 \$350,000.00 is appropriated to the department to cover costs  
7 related to any declared emergency involving the collapse of any  
8 abandoned mine shaft located on state land. This appropriation  
9 shall not be expended unless the state budget director recommends  
10 the expenditure and the department notifies the house and senate  
11 committees on appropriations.

12       Sec. 802. Of the funds appropriated in part 1, the department  
13 shall, subject to the forest certification process, prescribe  
14 treatment on 79,000 acres, prepare appropriate treatment for not  
15 less than 67,500 acres at the current average rate of 12.5 to 15  
16 cords per acre, and offer those cords for sale in the 2012-2013  
17 fiscal year, provided that the department shall take into  
18 consideration the impact of timber harvesting on wildlife habitat  
19 and recreation uses. The department shall, subject to the forest  
20 certification process, increase marking or treatment of hardwood  
21 timber for sale and harvest by 10% over 2011-2012 fiscal year  
22 levels. In addition, the department shall take into consideration  
23 silvicultural analysis and report annually to the legislature on  
24 plans and efforts to address factors limiting management of timber.  
25 The department shall increase the number of prepared acres if it  
26 appears that regional market demand requires increased volumes of

1 harvested timber. The department shall provide quarterly reports on  
2 the number of acres treated, pursuant to this section, to the  
3 senate and house appropriations subcommittees on natural resources  
4 and the standing committees of the senate and house of  
5 representatives with primary responsibility for natural resources  
6 issues. The department shall complete and deliver these reports no  
7 later than 45 days after the end of the fiscal quarter.

8       Sec. 803. In addition to the money appropriated in this  
9 article, the department may receive and expend money from federal  
10 sources for the purpose of providing response to wildfires as  
11 required by a compact with the federal government. If additional  
12 expenditure authorization is required, the department shall notify  
13 the state budget office that expenditure under this section is  
14 required. The department shall notify the house and senate  
15 appropriations subcommittees on natural resources and the house and  
16 senate fiscal agencies of the expenditures under this section by  
17 November 1, 2013.

18       Sec. 804. The department shall continue to work cooperatively  
19 with horseback riding interests to maximize riding opportunities in  
20 the state.

21       Sec. 805. The department shall spend amounts appropriated in  
22 part 1 for forest-related activities to employ or contract for  
23 sufficient foresters to mark timber, pursuant to section 802.

24       Sec. 806. It is the intent of the legislature that forest  
25 campgrounds proposed for closure by the department will be open and  
26 accessible to the general public.

1    **LAW ENFORCEMENT**

2           Sec. 901. The appropriation in part 1 for snowmobile law  
3 enforcement grants shall be used by the department to provide  
4 grants to county law enforcement agencies to enforce part 821 of  
5 the natural resources and environmental protection act, 1994 PA  
6 451, MCL 324.82101 to 324.82160, including rules promulgated under  
7 that part and ordinances enacted pursuant to that part. The  
8 department shall consider the number of enforcement hours and the  
9 number of miles of snowmobile trails in each county in allocating  
10 these grants. Any funds not distributed to counties revert back to  
11 the snowmobile registration fee subaccount created under section  
12 82111 of the natural resources and environmental protection act,  
13 1994 PA 451, MCL 324.82111. Counties shall provide semiannual  
14 reports to the department on the use of grant money received under  
15 this section.

16          Sec. 902. The department shall provide a report on the marine  
17 safety grant program to the senate and house appropriations  
18 subcommittees on natural resources and the senate and house fiscal  
19 agencies by December 1, 2012. The report shall include the  
20 following information for the preceding year: the total amount of  
21 revenue received for watercraft registrations, the amount deposited  
22 into the marine safety fund, and the expenditures made from the  
23 marine safety fund, including the amounts expended for department  
24 administration, other state agencies, the law enforcement division,  
25 and grants to counties. The report shall also include the  
26 distribution methodology used by the department to distribute the  
27 marine safety grants and a list of the grants and the amounts

1 awarded by county.

2 **GRANTS**

3 Sec. 1001. Federal pass-through funds to local institutions  
4 and governments that are received in amounts in addition to those  
5 included in part 1 for grants to communities - federal oil, gas,  
6 and timber payments and that do not require additional state  
7 matching funds are appropriated for the purposes intended. By  
8 November 30, 2012, the department shall report to the senate and  
9 house appropriations subcommittees on natural resources, the senate  
10 and house fiscal agencies, and the state budget director on all  
11 amounts appropriated under this section during the fiscal year  
12 ending September 30, 2012.

13 Sec. 1002. Subject to part 811 of the natural resources and  
14 environmental protection act, 1994 PA 451, MCL 324.81101 to  
15 324.81150, from the funds appropriated in part 1 for off-road  
16 vehicle trail improvements grants, not less than \$980,000.00 shall  
17 be spent on the development of new trails in accordance with the  
18 off-road vehicle trail expansion plan submitted to the legislature  
19 pursuant to section 807 of article 14 of 2005 PA 154.

20 Sec. 1003. (1) The appropriation in part 1 for the dam  
21 management grant program shall be used by the department to provide  
22 grants for the maintenance, repair, or removal of failing dams. The  
23 department shall require each grant application to include a  
24 written long-term plan for each dam that is covered by the  
25 application.

26 (2) The unexpended funds appropriated in part 1 for the dam

1 management grant program are considered work project  
2 appropriations, and any unencumbered or unallotted funds are  
3 carried forward into the succeeding fiscal year. The following is  
4 in compliance with section 451a(1) of the management and budget  
5 act, 1984 PA 431, MCL 18.1451a:

6 (a) The purpose of the projects to be carried forward is to  
7 provide for maintenance, repair, or removal of dams.

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

9 (c) The total estimated cost of all projects is \$2,000,000.00.

10 (d) The tentative completion date is September 30, 2017.

#### 11 CAPITAL OUTLAY

12 Sec. 1101. The appropriation made in this article for the  
13 harbors and docks program is for the purpose of participating with  
14 the federal government and assisting local units of government,  
15 public colleges and universities, or other governmental entities in  
16 this state with the construction and improvement of recreational  
17 boating facilities within this state. Subject to the approval of  
18 the state administrative board, this money shall be allocated by  
19 the department to the federal government, or to the governmental  
20 entities involved in the particular projects. An allocation shall  
21 not exceed the state portion as listed with each project  
22 description. The department shall take the steps necessary to match  
23 federal money available for the construction and improvement of  
24 recreational boating facilities within the state, and to meet  
25 requirements of the federal government.

26 Sec. 1102. (1) The director of the department shall allocate

1 lump-sum appropriations to the department made in this article  
2 consistent with statutory provisions and the purposes for which  
3 funds were appropriated. Lump-sum allocations shall address  
4 priority program or facility needs and may include, but are not  
5 limited to, design, construction, remodeling and addition, special  
6 maintenance, major special maintenance, energy conservation, and  
7 demolition.

8 (2) The state budget director may authorize that funds  
9 appropriated for lump-sum appropriations shall be available for no  
10 more than 3 fiscal years following the fiscal year in which the  
11 original appropriation was made. Any remaining balance from  
12 allocations made in this section shall lapse to the fund from which  
13 it was appropriated pursuant to the lapsing of funds as provided in  
14 the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

15 Sec. 1103. The appropriations in part 1 for capital outlay  
16 shall be carried forward at the end of the fiscal year consistent  
17 with the provisions of section 248 of the management and budget  
18 act, 1984 PA 431, MCL 18.1248.

19 PART 2A

20 PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS

21 FOR FISCAL YEAR 2013-2014

22 **GENERAL SECTIONS**

23 Sec. 1201. It is the intent of the legislature to provide  
24 appropriations for the fiscal year ending on September 30, 2014 for  
25 the line items listed in part 1. The fiscal year 2013-2014

appropriations are anticipated to be the same as those for fiscal year 2012-2013, 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 2013 consensus revenue estimating conference.

# ARTICLE XVI

## DEPARTMENT OF STATE POLICE

### PART 1

#### LINE-ITEM APPROPRIATIONS

Sec. 101. Subject to the conditions set forth in this article, the amounts listed in this part for the department of state police are appropriated for the fiscal year ending September 30, 2013, from the funds indicated in this part. The following is a summary of the appropriations in this part:

#### **DEPARTMENT OF STATE POLICE**

##### APPROPRIATION SUMMARY

Full-time equated unclassified positions..... 3.0

Full-time equated classified positions..... 2,881.0

GROSS APPROPRIATION..... \$ 577,982,700

Total interdepartmental grants and intradepartmental

transfers ..... 25,238,500

Schedule of interdepartmental grant revenue sources:

IDG, training academy charges..... 2,601,300

IDG-MDOC, contract ..... 176,800

1	IDG-MDOS .....	353,700	
2	IDG-MDOT, state trunkline fund.....	11,217,900	
3	IDG-MDTR, casino gaming fees .....	5,694,600	
4	IDG-MDTR, emergency telephone fund		
5	coordinator .....	647,200	
6	IDG-MDTR, emergency telephone fund		
7	operations .....	693,300	
8	IDT, auto theft funds .....	685,200	
9	IDT, Michigan justice training fund.....	1,450,000	
10	IDT, truck safety fund .....	1,549,800	
11	Interdepartmental grant revenues.....	168,700	
12	ADJUSTED GROSS APPROPRIATION.....	\$	552,744,200
13	Total federal revenues.....		104,911,000
14	Schedule of federal revenue sources:		
15	DHS .....	55,453,300	
16	DOJ .....	15,536,500	
17	DOJ interest bearing .....	8,139,400	
18	DOT .....	23,868,800	
19	Federal investigations - reimbursed		
20	services .....	1,043,900	
21	Federal narcotics investigation revenues.....	619,400	
22	Federal revenues .....	249,700	
23	Total local revenues.....		6,869,400
24	Schedule of local revenue sources:		
25	Local - AFIS fees .....	80,500	
26	Local - LEIN fees .....	1,209,800	
27	Local - MPSCS subscriber and maintenance		

1	fees .....	1,924,800	
2	Local - reimbursed services .....	1,980,500	
3	Local - school bus revenue .....	1,634,900	
4	Local revenues .....	38,900	
5	Total private revenues.....		231,300
6	Schedule of private revenue sources:		
7	Private donations .....	229,600	
8	Private revenues .....	1,700	
9	Total state restricted revenues.....		123,218,700
10	Schedule of restricted revenue sources:		
11	Auto theft prevention fund .....	6,772,000	
12	Criminal justice information center		
13	service fees .....	17,759,900	
14	Concealed weapons enforcement fee.....	100,000	
15	Drunk driving prevention and training		
16	fund .....	1,363,500	
17	Forensic science reimbursement fees.....	1,445,600	
18	Forfeiture funds .....	89,500	
19	Hazardous materials training center fees...	1,461,000	
20	Highway safety fund .....	12,242,700	
21	Licensing fees .....	9,100	
22	Michigan justice training fund.....	8,404,100	
23	Michigan merit award trust fund.....	716,200	
24	Motor carrier fees .....	4,660,300	
25	Narcotics investigation revenues.....	1,030,800	
26	Nuclear plant emergency planning		
27	reimbursement .....	2,120,500	

1	Precision driving track fees .....	300,500	
2	Reimbursed services .....	944,000	
3	Rental of department aircraft.....	56,100	
4	Secondary road patrol and training fund...	15,236,100	
5	Sex offender registration fund.....	295,800	
6	State forensic laboratory fund.....	1,861,000	
7	State police service fees .....	2,162,500	
8	State services fee fund .....	11,254,400	
9	Tobacco tax revenue .....	4,000,000	
10	Traffic crash revenue .....	328,300	
11	Traffic law enforcement and safety fund...	24,912,100	
12	Trooper school recruitment fund.....	1,100	
13	Truck driver safety fund .....	3,015,800	
14	State restricted revenues .....	675,800	
15	State general fund/general purpose.....	\$	317,513,800
16	State general fund/general purpose schedule:		
17	Ongoing state general fund/general		
18	purpose .....	312,654,900	
19	One-time state general fund/general		
20	purpose .....	4,858,900	
21	<b>Sec. 102. EXECUTIVE DIRECTION</b>		
22	Full-time equated unclassified positions.....	3.0	
23	Full-time equated classified positions.....	38.0	
24	Unclassified positions.....	\$	700,000
25	Executive direction.....		<u>5,195,400</u>
26	GROSS APPROPRIATION.....	\$	5,895,400
27	Appropriated from:		

1	Interdepartmental grant revenues.....	40,900
2	State restricted revenues.....	767,100
3	State general fund/general purpose.....	\$ 5,087,400
4	Schedule of programs:	
5	Executive direction .....	2,894,300
6	Special operations and events.....	2,301,100
7	<b>Sec. 103. SCIENCE, TECHNOLOGY, AND TRAINING BUREAU</b>	
8	Full-time equated classified positions.....	198.0
9	Science, technology, and training bureau.....	\$ <u>73,317,900</u>
10	GROSS APPROPRIATION.....	\$ 73,317,900
11	Appropriated from:	
12	Interdepartmental grant revenues.....	6,103,900
13	Federal revenues.....	5,279,100
14	Local revenues.....	3,170,500
15	State restricted revenues.....	27,966,600
16	State general fund/general purpose.....	\$ 30,797,800
17	Schedule of programs:	
18	Criminal justice information center	
19	division .....	12,442,000
20	Criminal records improvement .....	1,268,200
21	Traffic safety .....	2,122,400
22	Standards and training/justice training	
23	grants .....	9,061,000
24	Concealed weapons enforcement training.....	100,000
25	Training only to local units .....	631,300
26	Public safety officers benefit program.....	149,600
27	Training administration .....	5,409,900

1	Information technology services and	
2	projects .....	21,258,700
3	Michigan public safety communications	
4	system .....	14,099,300
5	In-service training - law enforcement	
6	distribution .....	450,000
7	In-service training - competitive.....	1,000,000
8	Traffic services .....	5,325,500
9	<b>Sec. 104. FORENSIC SCIENCES</b>	
10	Full-time equated classified positions.....	265.0
11	Forensic sciences.....	\$ <u>41,826,700</u>
12	GROSS APPROPRIATION.....	\$ 41,826,700
13	Appropriated from:	
14	Federal revenues.....	5,027,700
15	State restricted revenues.....	14,290,200
16	State general fund/general purpose.....	\$ 22,508,800
17	Schedule of programs:	
18	Laboratory operations .....	31,900,200
19	DNA analysis program .....	9,926,500
20	<b>Sec. 105. UNIFORM SERVICES</b>	
21	Full-time equated classified positions.....	1,486.0
22	Uniform services.....	\$ <u>201,690,900</u>
23	GROSS APPROPRIATION.....	\$ 201,690,900
24	Appropriated from:	
25	Federal revenues.....	2,077,900
26	State restricted revenues .....	39,063,900
27	State general fund/general purpose .....	\$ 160,549,100

1	Schedule of programs:	
2	Uniform services .....	47,354,100
3	Capitol security guards .....	712,200
4	At-post troopers .....	133,692,200
5	Reimbursed services .....	2,162,500
6	Law enforcement enhancement .....	15,000,000
7	Public safety initiative .....	2,769,900
8	<b>Sec. 106. SPECIALIZED SERVICES</b>	
9	Full-time equated classified positions.....	646.0
10	Specialized services.....	\$ <u>96,174,400</u>
11	GROSS APPROPRIATION.....	\$ 96,174,400
12	Appropriated from:	
13	Interdepartmental grant revenues.....	17,428,100
14	Federal revenues.....	14,217,800
15	Local revenues.....	3,600,000
16	Private revenues.....	229,600
17	State restricted revenues.....	9,926,600
18	State general fund/general purpose.....	\$ 50,772,300
19	Schedule of programs:	
20	Narcotics investigation funds.....	265,100
21	Operational support .....	16,049,400
22	Aviation program .....	1,614,700
23	Criminal investigations .....	31,726,800
24	Federal antidrug initiatives .....	11,154,200
25	Reimbursed services, materials, and	
26	equipment .....	3,024,400
27	Auto theft prevention program.....	1,128,800

1	Casino gaming oversight .....	5,519,300	
2	Fire investigations .....	1,899,000	
3	Parole absconder sweeps .....	12,700	
4	Motor carrier enforcement .....	12,347,400	
5	Truck safety enforcement team operations...	1,511,400	
6	Safety inspections .....	6,790,400	
7	School bus inspections .....	1,619,500	
8	Safety projects .....	1,511,300	
9	<b>Sec. 107. SUPPORT SERVICES</b>		
10	Full-time equated classified positions.....	248.0	
11	Support services.....		\$ 153,083,700
12	GROSS APPROPRIATION.....		\$ 153,083,700
13	Appropriated from:		
14	Interdepartmental grant revenues.....		1,496,900
15	Federal revenues.....		78,058,800
16	Local revenues.....		60,000
17	State restricted revenues.....		30,528,500
18	State general fund/general purpose.....		\$ 42,939,500
19	Schedule of programs:		
20	Auto theft prevention program.....	6,754,400	
21	Special maintenance and utilities.....	402,800	
22	Rent and building occupancy charges.....	8,309,500	
23	Worker's compensation .....	3,031,500	
24	Fleet leasing .....	15,630,700	
25	Management services .....	14,182,600	
26	Budget and financial services.....	1,780,700	
27	Office of justice program grants.....	8,537,800	

1	Accounting service center .....	1,150,400
2	State program planning and administration..	1,149,400
3	Secondary road patrol program.....	14,060,200
4	Truck safety program .....	3,014,000
5	Federal highway traffic safety	
6	coordination .....	12,836,400
7	Emergency management planning and	
8	administration .....	6,090,300
9	Grants to local government .....	2,482,100
10	FEMA program assistance .....	5,341,000
11	Nuclear power plant emergency planning.....	2,076,800
12	Hazardous materials programs .....	46,253,000
13	Interdepartmental grant to legislature.....	100

14     **Sec. 108. ONE-TIME APPROPRIATIONS**

15	Michigan international speedway traffic control .....	\$	800,000
16	At-post troopers - replace outdated equipment .....		1,623,700
17	Rent and building occupancy charges .....		350,000
18	State employee lump-sum payments .....		<u>3,220,000</u>
19	GROSS APPROPRIATION .....	\$	5,993,700
20	Appropriated from:		
21	Interdepartmental grant revenues .....		168,700
22	Federal revenues .....		249,700
23	Local revenues .....		38,900
24	Private revenues .....		1,700
25	State restricted revenues .....		675,800
26	State general fund/general purpose .....	\$	4,858,900

## PART 2

## PROVISIONS CONCERNING APPROPRIATIONS

FOR FISCAL YEAR 2012-2013

**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 2012-2013 is \$440,732,500.00 and state spending from state resources to be paid to local units of government for fiscal year 2012-2013 is \$18,728,700.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

## DEPARTMENT OF STATE POLICE

Science, technology, and training bureau .....	\$	4,178,400
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## Schedule of programs:

Justice training grants .....	4,054,400
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Training only to local units .....	124,000
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Support services .....	14,550,300
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## Schedule of programs:

Secondary road patrol .....	13,920,300
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Management services .....	<u>630,000</u>
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TOTAL .....	\$	18,728,700
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Sec. 202. The appropriations authorized under this article are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

Sec. 203. As used in this article:

(a) "AFIS" means the automated fingerprint identification

- 1 system.
- 2 (b) "CJIC" means the criminal justice information center.
- 3 (c) "C.J.I.S." means the criminal justice information systems.
- 4 (d) "Department" means the department of state police.
- 5 (e) "DHS" means the United States department of homeland  
6 security.
- 7 (f) "DNA" means deoxyribonucleic acid.
- 8 (g) "DOJ" means the United States department of justice.
- 9 (h) "DOT" means the United States department of  
10 transportation.
- 11 (i) "DTMB" means the department of technology, management, and  
12 budget.
- 13 (j) "FEMA" means the federal emergency management agency.
- 14 (k) "FTE" means full-time equated.
- 15 (l) "IDG" means interdepartmental grant.
- 16 (m) "IDT" means intradepartmental transfer.
- 17 (n) "LEIN" means the law enforcement information network.
- 18 (o) "MCL" means Michigan Compiled Laws.
- 19 (p) "MCOLES" means Michigan commission on law enforcement  
20 standards.
- 21 (q) "MDCH" means the Michigan department of community health.
- 22 (r) "MDOC" means the Michigan department of corrections.
- 23 (s) "MDOS" means the Michigan department of state.
- 24 (t) "MDOT" means the Michigan department of transportation.
- 25 (u) "MDTR" means the Michigan department of treasury.
- 26 (v) "MPSCS" means Michigan public safety communications  
27 system.

1 (w) "PA" means public act.

2 (x) "Work project" means a group of activities featuring a  
3 fixed duration, budget, and scope that is expected to cause a  
4 measurable change in the delivery, efficiency, or effectiveness of  
5 1 or more operations.

6 Sec. 204. The following shall constitute the appropriations  
7 from part 1 for interdepartmental grant funds received by the  
8 department from sources outside the department: \$2,601,300.00 from  
9 training academy charges; \$176,800.00 from the department of  
10 corrections contract; \$353,700.00 from the department of state;  
11 \$11,217,900.00 from the department of transportation - state  
12 trunkline funds; \$5,692,200.00 from casino gaming fees; \$646,900.00  
13 from the department of treasury - emergency telephone fund  
14 coordinator; and \$693,300.00 from the department of treasury -  
15 emergency telephone fund operations.

16 Sec. 205. (1) The following shall constitute the  
17 appropriations from part 1 for interdepartmental grant funds made  
18 from the department to other departments: \$1,157,100.00 to the  
19 department of environmental quality - radiological emergency  
20 preparedness; \$150,100.00 to the department of attorney general -  
21 justice training competitive grant; \$779,100.00 to the judiciary -  
22 justice training competitive grant; \$352,700.00 to the department  
23 of attorney general - operations; \$900,000.00 to the department of  
24 military and veterans affairs - homeland security grant;  
25 \$21,258,700.00 to DTMB - information technology services and  
26 projects; and \$14,099,300.00 to DTMB - Michigan public safety  
27 communications systems.

1           (2) Based on the availability of federal funding and the  
2 demonstrated need as indicated by applications submitted to the  
3 state court administrative office, the department shall provide  
4 \$1,800,000.00 in Byrne justice assistance grant program funding to  
5 the judiciary by interdepartmental grant.

6           Sec. 206. (1) In addition to the funds appropriated in part 1,  
7 there is appropriated an amount not to exceed \$10,000,000.00 for  
8 federal contingency funds. These funds are not available for  
9 expenditure until they have been transferred to another line item  
10 in this article under section 393(2) of the management and budget  
11 act, 1984 PA 431, MCL 18.1393.

12           (2) In addition to the funds appropriated in part 1, there is  
13 appropriated an amount not to exceed \$3,500,000.00 for state  
14 restricted contingency funds. These funds are not available for  
15 expenditure until they have been transferred to another line item  
16 in this article under section 393(2) of the management and budget  
17 act, 1984 PA 431, MCL 18.1393.

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

24           (4) In addition to the funds appropriated in part 1, there is  
25 appropriated an amount not to exceed \$200,000.00 for private  
26 contingency funds. These funds are not available for expenditure  
27 until they have been transferred to another line item in this

1 article under section 393(2) of the management and budget act, 1984  
2 PA 431, MCL 18.1393.

3 Sec. 207. The department shall provide the data necessary for  
4 the department of technology, management, and budget to maintain a  
5 searchable website that is accessible by the public at no cost that  
6 includes, but is not limited to, all of the following:

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. 208. The department shall use the Internet to fulfill the  
16 reporting requirements of this article. This requirement may  
17 include transmission of reports via electronic mail to the  
18 recipients identified for each reporting requirement, or it may  
19 include placement of reports on an Internet or Intranet site.

20 Sec. 209. 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. 210. The department 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, for  
6 the department. The director of the department shall strongly  
7 encourage firms with which the department contracts to subcontract  
8 with certified businesses in depressed and deprived communities for  
9 services or supplies, or both.

10 Sec. 212. The department shall receive and retain copies of  
11 all reports funded from appropriations in part 1. Federal and state  
12 guidelines for short-term and long-term retention of records shall  
13 be followed. The department may electronically retain copies of  
14 reports unless otherwise required by federal and state guidelines.

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

18 Sec. 216. (1) Notwithstanding any other provision of this  
19 article, the schedule of programs in part 1 lists programs which  
20 may, but are not required to be, funded under this article.

21 (2) Notwithstanding any other provisions of this article, the  
22 schedule of revenue sources in part 1 may or may not be received  
23 from the funding entities listed.

24 (3) The secondary road patrol funding is not subject to  
25 funding flexibility and shall be funded in accordance with section  
26 629e of the Michigan vehicle code, 1949 PA 300, MCL 257.629e.

27 (4) Any funding required by statute is not subject to funding

1 flexibility and shall be funded in accordance with that statute.

2       Sec. 217. The department shall improve its budgetary  
3 efficiency pertaining to the delivery of core services delineated  
4 in section 221 by doing all of the following:

5       (a) Prioritizing personnel over buildings in budgetary  
6 efficiency considerations.

7       (b) Pursuing the physical or virtual consolidation of support  
8 service functions such as information technology, human resources,  
9 and accounting as a means of improving standardization and  
10 efficiency.

11       (c) Seeking expenditure reductions whenever possible through  
12 the streamlining of existing service delivery activities.

13       (d) Identifying efficiencies that can be gained via the  
14 reduction or elimination of programs, policies, and practices which  
15 have outlived their usefulness.

16       Sec. 218. The department shall prepare a report on out-of-  
17 state travel expenses not later than January 1 of each year. The  
18 travel report shall be a listing of all travel by classified and  
19 unclassified employees outside this state in the immediately  
20 preceding fiscal year that was funded in whole or in part with  
21 funds appropriated in the department's budget. The report shall be  
22 submitted to the house and senate standing committees on  
23 appropriations, the house and senate fiscal agencies, and the state  
24 budget director. The report shall include the following  
25 information:

26       (a) The dates of each travel occurrence.

27       (b) The total transportation and related costs of each travel

1 occurrence, including the proportion funded with state general  
2 fund/general purpose revenues, the proportion funded with state  
3 restricted revenues, the proportion funded with federal revenues,  
4 and the proportion funded with other revenues.

5 Sec. 219. (1) The department shall provide quarterly reports,  
6 beginning October 1, to the appropriate senate and house  
7 appropriations subcommittees and the senate and house fiscal  
8 agencies, which provide the following data:

9 (a) A list of major work projects, including the status of  
10 each project.

11 (b) The department's financial status, featuring a report of  
12 budgeted versus actual expenditures by part 1 line item including a  
13 year-end projection of budget requirements. If projected department  
14 budget requirements exceed the allocated budget, the report shall  
15 include a plan to reduce overall expenses while still satisfying  
16 specified service level requirements.

17 (c) Forensic laboratory system staffing levels and vacancies  
18 and backlogs in all disciplines.

19 (2) The department shall provide all information necessary to  
20 validate that the requirements of this part have been achieved.

21 (3) The department shall provide a corrective action plan  
22 within 30 days of a quarterly report under this section for any  
23 requirements of this part that have not been achieved. The  
24 department shall provide a monthly status of correction action  
25 plans.

26 (4) The department shall provide a summary of fund shifts,  
27 that have been approved by the state budget office, that have

1 occurred between items listed in the schedule of programs mentioned  
2 in part 1 on a quarterly basis to the senate and house  
3 appropriations subcommittees on state police and military affairs  
4 and the senate and house fiscal agencies.

5       Sec. 220. The department shall provide the following data to  
6 the appropriate senate and house appropriations subcommittees and  
7 the senate and house fiscal agencies on an annual basis:

8       (a) As it pertains to inspections conducted by the traffic  
9 safety division, all of the following:

10       (i) The number of buses and vehicles inspected by the  
11 department.

12       (ii) The number of buses and vehicles passing and failing  
13 inspection.

14       (iii) The estimated number of buses and vehicles not inspected.

15       (b) A report on the status of assessments collected and  
16 authorized under section 629e of the Michigan vehicle code, 1949 PA  
17 300, MCL 257.629e, for the purpose of supporting the secondary road  
18 patrol grant program. The report shall contain updated information  
19 on collection levels, revised projected grant allotments to  
20 counties for the year, a comparison of projected collections and  
21 grant distribution levels with the funds appropriated in part 1 for  
22 the secondary road patrol program, and the extent collection levels  
23 have exceeded or failed to meet appropriated levels for the current  
24 fiscal year or expenditure levels from the previous fiscal year.

25       (c) A report regarding the department's activities related to  
26 casino gaming oversight. The report shall contain the following:

27       (i) The amount of money received and expended.

1           (ii) The nature and structure of the casino gaming oversight  
2 unit.

3           (iii) The positions and classifications of employees assigned.

4           (iv) The number of full-time and part-time employees and the  
5 aggregate number of FTEs.

6           (v) The duties and responsibilities of the assigned employees.

7       Sec. 221. The appropriations in part 1 are for the core  
8 services, support services, and work projects of the department,  
9 including, but not limited to, the following core services: traffic  
10 safety and enforcement, complaint and criminal investigations, fire  
11 investigation, sex offender registry and enforcement, specialty  
12 teams, civil disorder response - mobilization, capitol security,  
13 hazardous materials response training, intelligence gathering and  
14 dissemination, state emergency operations center, criminal history  
15 system, fingerprint and background checks, the law enforcement  
16 information network, forensics, training and recruiting, public  
17 awareness campaigns, and establishing and monitoring law  
18 enforcement standards.

19       Sec. 222. The department shall notify the senate and house  
20 appropriations subcommittees on state police and military and  
21 veterans affairs and the senate and house fiscal agencies not less  
22 than 90 days before recommending to close or consolidate any state  
23 police posts. The notification shall include a local and state  
24 impact study of the proposed post closure or consolidation.

25       Sec. 223. At least 60 days before beginning any effort to  
26 privatize, the department shall submit a complete project plan to  
27 the senate and house fiscal agencies. The plan shall include the

1 criteria under which the privatization initiative will be  
2 evaluated. The evaluation shall be completed and submitted to the  
3 senate and house appropriations subcommittees and the senate and  
4 house fiscal agencies within 30 months.

5       Sec. 224. Funds appropriated in part 1 shall not be used by  
6 the department to hire a person to provide legal services that are  
7 the responsibility of the attorney general. This prohibition does  
8 not apply to legal services for bonding activities and for those  
9 activities that the attorney general authorizes.

10       Sec. 226. (1) It is the intent of the legislature that the  
11 department shall not provide any subsidy for contractual services  
12 it provides.

13       (2) When the department provides contractual services to a  
14 local unit of government, the department shall be reimbursed for  
15 all costs incurred in providing the services, including, but not  
16 limited to, retirement and overtime costs.

17       (3) The department shall define service cost models for those  
18 services requiring reimbursement.

19       (4) Contractual services provided to an entity other than a  
20 local unit of government may be provided by department personnel,  
21 but only on an overtime basis outside the normal work schedule of  
22 the personnel.

23       (5) This section does not apply to state agencies.

24       Sec. 227. The department shall define interoperability  
25 standards to ensure effective communication between state, local,  
26 regional, and federal agencies under public safety scenarios. The  
27 department shall monitor compliance with these interoperability

1 standards by the agencies and notify the legislature and pertinent  
2 agency management of noncompliance within 30 days of this  
3 determination.

4       Sec. 228. Not later than November 15, the department shall  
5 prepare and transmit a report that provides for estimates of the  
6 total general fund/general purpose appropriations lapses at the  
7 close of the fiscal year. This report shall summarize the projected  
8 year-end general fund/general purpose appropriations lapses by  
9 major departmental program or program areas. The report shall be  
10 transmitted to the office of the state budget, the chairpersons of  
11 the senate and house standing committees on appropriations, the  
12 senate and house appropriations subcommittees, and the senate and  
13 house fiscal agencies.

14       Sec. 229. Within 14 days after the release of the executive  
15 budget recommendation, the department shall provide the state  
16 budget director, the senate and house appropriations chairs, the  
17 senate and house appropriations subcommittees on state police and  
18 military and veterans affairs, and the senate and house fiscal  
19 agencies with an annual report on estimated state restricted fund  
20 balances, state restricted fund projected revenues, and state  
21 restricted fund expenditures for the fiscal years ending September  
22 30, 2012 and September 30, 2013.

23       Sec. 230. The department may pursue entering into an agreement  
24 with Calhoun County to build a new facility in that county which  
25 would serve as the new state police post for region 4 of district  
26 5, as identified by the department.

27       Sec. 231. The department, in keeping with its role as the

1 general law enforcement agency of the state and as the law  
2 enforcement agency of last resort for communities that are either  
3 without local law enforcement resources or are seriously  
4 underserved by local law enforcement resources, shall provide  
5 general law enforcement assistance to those communities until  
6 adequate law enforcement services can be provided to those  
7 communities by other means.

8       Sec. 232. The department shall serve as an active liaison  
9 between the department of technology, management, and budget and  
10 local public safety agencies to facilitate the use of the MPSCS  
11 towers by those local public safety agencies that have an interest  
12 in using the towers as a part of their communication system.

### 13 **EXECUTIVE DIRECTION**

14       Sec. 250. (1) From the funds appropriated in part 1, there is  
15 funding to support unclassified employee positions as authorized by  
16 section 5 of article XI of the state constitution of 1963. These  
17 positions include the following: department director, chief  
18 administrative officer, and executive director of the Michigan  
19 commission on law enforcement standards.

20       (2) Not less than 30 days prior to the department submitting a  
21 request for an additional unclassified employee position from the  
22 civil service commission, or for any substantive change to the  
23 duties of an existing unclassified employee position, the  
24 department shall notify the senate and house appropriations  
25 subcommittees on state police and military affairs and the senate  
26 and house fiscal agencies.

1    **SCIENCE, TECHNOLOGY, AND TRAINING BUREAU**

2           Sec. 301. (1) The department shall develop and deliver  
3 professional, innovative, and quality training that supports the  
4 enforcement and public safety efforts of the criminal justice  
5 community.

6           (2) The department shall maintain the staffing and resources  
7 necessary to provide educational opportunities for personal and  
8 professional growth to a minimum of 10,000 state and local law  
9 enforcement employees and other public safety partners.

10          (3) The department shall maintain the staffing and resources  
11 necessary to provide educational opportunities for personal and  
12 professional growth to a minimum of 3,000 community members.

13          (4) The department shall define and implement methods with a  
14 goal of reducing the cost of training services delivery by 20%.  
15 These methods may include the pursuit of technology to reach  
16 students throughout the state utilizing distance learning.

17          (5) The department shall place emphasis on recruiting MCOLES-  
18 certified police officers for the trooper recruit school. Emphasis  
19 shall be given in the hiring process to those officers who are on  
20 layoff and possess valid MCOLES certification. Any emphasis given  
21 in the recruiting and selection process shall be consistent with  
22 the department's hiring standards and in accordance with civil  
23 service rules.

24          (6) The department shall develop and provide a service  
25 delivery cost model for its training activities.

26          (7) The department shall place emphasis on recruiting and

1 hiring veterans, particularly for any trooper recruit school  
2 convened. Any emphasis given in the recruiting and selection  
3 process shall be consistent with the department's hiring standards  
4 and in accordance with civil service rules. Beginning October 1,  
5 the department shall submit a report to the senate and house  
6 appropriations subcommittees on state police and military affairs  
7 within 60 days of the conclusion of any trooper recruit school. The  
8 report shall include the following:

9 (a) The number of veterans who commenced that trooper recruit  
10 school.

11 (b) The number of veterans who concluded that trooper recruit  
12 school.

13 (c) The devices or campaigns that were used to specifically  
14 recruit veterans for that trooper recruit school.

15 Sec. 302. (1) MCOLES shall establish standards for the  
16 selection, employment, training, education, licensing, and  
17 revocation of all law enforcement officers.

18 (2) MCOLES shall maintain the staffing and resources necessary  
19 to provide the basic law enforcement training curriculum for 20  
20 academy programs statewide.

21 (3) MCOLES shall maintain a minimum 98% passing rate from the  
22 MCOLES licensing exam without lowering academic standards to  
23 achieve this rate.

24 Sec. 303. (1) The department shall maintain a criminal history  
25 system and the state accident data collection system in the support  
26 of public safety and law enforcement communities in this state.

27 (2) The department shall maintain the staffing and resources

1 necessary to adhere to 1925 PA 289, MCL 28.241 to 28.248.

2 (3) The department shall improve the accuracy, timeliness, and  
3 completeness of criminal history information by conducting 30  
4 outreach activities targeted to criminal justice agencies.

5 (4) The department shall maintain the state accident data  
6 collection system and make this information available to the public  
7 at a reasonable cost. For bulk access to the accident records in  
8 which the vehicle identification number has been collected and  
9 computerized, the department shall make those records available to  
10 the public at cost, provided that the name and address have been  
11 excluded.

12 Sec. 304. (1) The department shall provide fingerprint and  
13 background check services in support of public safety and law  
14 enforcement communities in this state.

15 (2) The department shall maintain the staffing and resources  
16 necessary to process fingerprint and background check services  
17 commensurate with fiscal year 2009-2010.

18 (3) The department shall maintain resources and educational  
19 outreach for the electronic submission of fingerprint information  
20 from local law enforcement agencies and maintain at least a 97%  
21 submission rate.

22 (4) The department shall define and maintain a cost model  
23 pertaining to providing fingerprint check services and provide for  
24 the following:

25 (a) Fingerprint service fees shall be commensurate with the  
26 actual costs of delivering this service.

27 (b) The department shall pursue means of reducing the expenses

1 associated with delivering this service.

2       Sec. 305. (1) The department shall maintain the law  
3 enforcement information network in support of public safety and law  
4 enforcement communities in this state.

5       (2) The department shall maintain the staffing and resources  
6 necessary to adhere to the C.J.I.S. policy council act, 1974 PA  
7 163, MCL 28.211 to 28.215.

8       (3) The department shall audit criminal justice agencies as  
9 required by federal guidelines.

10       (4) The appropriations in part 1 do not contain any funding  
11 from LEIN user fees for services rendered in fiscal year 2012-2013.  
12 If the department chooses to propose such a fee for fiscal year  
13 2012-2013, the department shall do each of the following:

14       (a) Notify the senate and house appropriations subcommittees  
15 on state police and military and veterans affairs and the senate  
16 and house fiscal agencies no less than 90 days prior to  
17 establishing the fee.

18       (b) Define and maintain a cost model pertaining to the  
19 provision of LEIN administration services. LEIN service fees shall  
20 be commensurate with the actual costs of delivering this service.  
21 The department shall pursue means of reducing the expenses  
22 associated with delivering this service.

23       Sec. 306. (1) The department shall oversee the sex offender  
24 registry and its enforcement in this state.

25       (2) The department shall maintain the staff and resources  
26 necessary to enforce the provision of the sex offenders  
27 registration act, 1994 PA 295, MCL 28.721 to 28.736.

1           (3) The department shall maintain the staffing and resources  
2 necessary to perform activities to maintain a 93% compliance rate  
3 for reporting by registered sex offenders.

#### 4   **FORENSIC SCIENCES**

5           Sec. 401. (1) The department shall provide forensic testing  
6 services to aid in criminal investigations.

7           (2) The department shall maintain the staffing and resources  
8 necessary to provide forensic evidence with an average turnaround  
9 time of 82 days assuming an annual caseload volume commensurate  
10 with that received in fiscal year 2009-2010.

11          (3) The department shall hire and train 20 additional forensic  
12 employees with the intent of reaching an average 30-day turnaround  
13 for forensic evidence.

14          (4) If changes are made to the department's protocol for  
15 retaining and purging DNA analysis samples and records, the  
16 department shall post a copy of the protocol changes on the  
17 department's website.

#### 18   **UNIFORM SERVICES**

19          Sec. 501. (1) The department shall oversee traffic safety and  
20 enforcement in this state.

21          (2) The department shall maintain the staffing and resources  
22 necessary to make traffic contacts per patrol hours commensurate  
23 with the service level and contact areas exhibited in fiscal year  
24 2010-2011. There shall be no degradation of road patrol services to  
25 any region of this state.

1           (3) The department shall maintain the staffing and resources  
2 necessary to continually work to enhance traffic safety throughout  
3 the state.

4           Sec. 502. Department enlisted personnel who are employed to  
5 enforce traffic laws as provided in section 629e of the Michigan  
6 vehicle code, 1949 PA 300, MCL 257.629e, shall not be prohibited  
7 from responding to crimes in progress or other emergency situations  
8 and are responsible for protecting every citizen of this state from  
9 harm.

10          Sec. 503. The department shall dedicate a minimum of 23,374  
11 patrol hours in distressed cities in this state.

12          Sec. 504. The department shall hire and train 180 troopers.

13          Sec. 505. (1) The department shall provide security services  
14 at the state capitol building.

15          (2) The department shall maintain the staff and resources  
16 necessary to respond to emergencies at the house office building,  
17 Farnum building, capitol parking lot, Townsend parking ramp, and  
18 Roosevelt parking ramp.

19          (3) The department shall pursue federal grants to improve the  
20 security at the capitol building.

21          (4) The department may develop a phased approach for improving  
22 security at the capitol building.

23          Sec. 506. The department shall submit a report on or before  
24 April 1 to the appropriate senate and house appropriations  
25 subcommittees and the senate and house fiscal agencies regarding  
26 the cities in distress public safety initiative and any measures  
27 relative to the law enforcement enhancement scheduled program

1 contained in part 1. The report shall include, but is not limited  
2 to, the following information for the prior 6 months:

3 (a) Statistics regarding relevant trooper schools, including  
4 the number of applications, the number of troopers graduated, and  
5 the cities or posts in which each of these troopers is assigned or  
6 stationed.

7 (b) Statistics regarding criminal activity, including the  
8 number of arrests made by troopers assigned to the cities in  
9 distress, the number of traffic stops made by troopers assigned to  
10 cities in distress, the number of parole or probation violators  
11 arrested by troopers assigned to cities in distress, the number of  
12 violent and assaultive crimes committed in the cities in distress,  
13 the number of illegal drug and narcotic crimes committed in the  
14 cities in distress, and the number of property crimes committed in  
15 the cities in distress.

16 (c) Where reasonably available, statistics regarding the  
17 number of local law enforcement officers employed by the cities in  
18 distress and the number of criminal prosecutions in the counties in  
19 which the cities in distress are located.

20 Sec. 507. The department shall submit a report on or before  
21 April 1 to the appropriate senate and house appropriations  
22 subcommittees and the senate and house fiscal agencies regarding  
23 transition by the department to the regional policing model. The  
24 report shall include, but is not limited to, information on costs  
25 and savings associated with the termination of lease agreements,  
26 costs associated with maintenance and fuel usage resulting from  
27 increased mileage on patrol vehicles, and costs and savings

1 associated with shifting personnel from traditional office  
2 assignments to road patrol assignments.

3 **SPECIALIZED SERVICES**

4 Sec. 601. (1) The department shall provide specialty services  
5 to citizens of this state in accordance with all applicable state  
6 and federal laws and regulations.

7 (2) The department shall maintain the staffing and resources  
8 necessary to provide training to maintain readiness to respond  
9 appropriately to at least the number of requests for specialty  
10 services which occurred in fiscal year 2009-2010.

11 (3) The canine unit shall be available for call out statewide  
12 100% of the time.

13 (4) The bomb squad unit shall be available for call out  
14 statewide 100% of the time.

15 (5) The emergency support teams shall be available for call  
16 out statewide 100% of the time.

17 (6) The underwater recovery unit shall be available for call  
18 out statewide 100% of the time.

19 (7) Aviation services shall be available for call out  
20 statewide 100% of the time, unless prohibited by weather or  
21 unexpected mechanical breakdowns.

22 (8) Money privately donated to the department is appropriated  
23 under part 1 to be used for the purposes designated by the donor of  
24 the money. Money privately donated to the department's canine unit  
25 shall be used to purchase equipment and other items to enhance the  
26 operation of the canine unit.

1           Sec. 602. (1) The department shall identify and apprehend  
2 criminals through criminal investigations in this state.

3           (2) The department shall maintain the staffing and resources  
4 necessary to devote a comparable number of hours investigating  
5 crimes as those performed in fiscal year 2009-2010.

6           (3) The department shall maintain the staffing and resources  
7 necessary to annually meet or exceed a case clearance rate of 56%.

8           (4) The department shall provide protection to this state, its  
9 economy, welfare, and vital state-sponsored programs through the  
10 prevention and suppression of organized smuggling of untaxed  
11 tobacco products in the state, through enforcement of the tobacco  
12 products tax act, 1993 PA 327, MCL 205.421 to 205.436, and other  
13 laws pertaining to combating criminal activity in this state, by  
14 maintaining a tobacco tax enforcement unit that will dedicate a  
15 minimum of 8,320 hours to tobacco tax enforcement.

16           (5) The department shall submit an annual report on or by  
17 October 15 to the senate and house appropriations subcommittees on  
18 state police and military and veterans affairs, the senate and  
19 house appropriations subcommittees on general government, and the  
20 senate and house fiscal agencies, which details expenditures  
21 related to tax enforcement activities for the prior fiscal year.

22           Sec. 603. (1) The department shall provide fire investigation  
23 services to citizens of this state through investigative assistance  
24 to local law enforcement agencies.

25           (2) The department shall maintain the staffing and resources  
26 necessary to maintain readiness to respond appropriately to at  
27 least the number of requests for service which occurred in fiscal

1 year 2009-2010.

2 (3) The fire investigation unit shall be available for call  
3 out statewide 100% of the time.

4 Sec. 604. The department shall inspect all black and yellow  
5 school buses annually.

6 Sec. 605. The department shall maintain the staffing and  
7 resources necessary to annually inspect at least 53,000 commercial  
8 vehicles.

9 **SUPPORT SERVICES**

10 Sec. 701. (1) The department shall respond to civil disorders  
11 and natural disasters.

12 (2) The department shall, at a minimum, maintain readiness  
13 including training and equipment to respond to civil disorders and  
14 natural disasters commensurate with the capabilities of fiscal year  
15 2009-2010.

16 Sec. 702. (1) The department shall operate the Michigan  
17 intelligence operation center as the state's federally recognized  
18 fusion center.

19 (2) The department shall ensure public safety through the  
20 emergency management and homeland security division by providing  
21 public and private sector partners with timely and accurate  
22 information and regarding critical information key resources  
23 threats as reported to or discovered by the Michigan intelligence  
24 operations center and increase public awareness on how to report  
25 suspicious activity through website or telephone communications.

26 (3) The department shall seek to increase the number of public

1 and private sector contacts which receive vital homeland security  
2 information and intelligence in order to enhance the safety and  
3 security for citizens of this state.

4 Sec. 703. (1) The department shall provide hazardous materials  
5 response training.

6 (2) The department shall maintain the staffing and resources  
7 necessary to serve approximately 110 local emergency management  
8 preparedness programs and 88 local emergency planning committees in  
9 this state.

10 (3) The department shall conduct a minimum of 3 training  
11 sessions to enhance safe response in the event of natural or  
12 manmade incidents, emergencies, or disasters.

13 (4) The department's emergency management division shall make  
14 every effort to ensure both of the following:

15 (a) That homeland security grants offered by the federal  
16 government and channeled through the department are allocated to  
17 first responder entities in the highest percentage possible.

18 (b) That homeland security grants awarded to the city of  
19 Detroit shall not be used to supplant city general funds designated  
20 to support first responder operations.

21 Sec. 704. (1) The department shall operate and maintain the  
22 state's emergency operations center and provide command and control  
23 in support of emergency response services.

24 (2) The department shall maintain readiness, including  
25 training and equipment to respond to civil disorders and natural  
26 disasters.

27 (3) By September 30, 2013, the department shall begin

1 construction or renovation of a state emergency operations center  
2 to facilitate relocation from its current site at Collins Road.

3 (4) The state director of emergency management may expend  
4 money appropriated under this article to call upon any agency or  
5 department of the state or any resource of the state to protect  
6 life or property or to provide for the health or safety of the  
7 population in any area of the state in which the governor proclaims  
8 a state of emergency or state of disaster under 1945 PA 302, MCL  
9 10.31 to 10.33, or under the emergency management act, 1976 PA 390,  
10 MCL 30.401 to 30.421. The state director of emergency management  
11 may expend the amounts the director considers necessary to  
12 accomplish these purposes. The director shall submit to the state  
13 budget director as soon as possible a complete report of all  
14 actions taken under the authority of this section. The report shall  
15 contain, as a separate item, a statement of all money expended that  
16 is not reimbursable from federal money. The state budget director  
17 shall review the expenditures and submit recommendations to the  
18 legislature in regard to any possible need for a supplemental  
19 appropriation.

20 (5) In addition to the money appropriated in this article, the  
21 department may receive and expend money from local, private,  
22 federal, or state sources for the purpose of providing emergency  
23 management training to local or private interests and for the  
24 purpose of supporting emergency preparedness, response, recovery,  
25 and mitigation activity. If additional expenditure authorization in  
26 the Michigan administrative information network is approved by the  
27 state budget office under this section, the department and the

1 state budget office shall notify the senate and house  
2 appropriations subcommittees on state police and military and  
3 veterans affairs and the senate and house fiscal agencies within 10  
4 days after the approval. The notification shall include the amount  
5 and source and the additional authorization, the date of its  
6 approval, and the projected use of funds to be expended under the  
7 authorization.

8 Sec. 705. (1) The department shall conduct public awareness  
9 campaigns regarding various public safety issues.

10 (2) The department shall provide resources and technical  
11 assistance to train child passenger safety technicians to promote  
12 public education and awareness to parents.

13 PART 2A

14 PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS

15 FOR FISCAL YEAR 2013-2014

16 **GENERAL SECTIONS**

17 Sec. 1201. (1) It is the intent of the legislature to provide  
18 appropriations for the fiscal year ending on September 30, 2014 for  
19 the line items listed in part 1. The fiscal year 2013-2014  
20 appropriations are anticipated to be the same as those for fiscal  
21 year 2012-2013, excluding appropriations designated as 1-time  
22 appropriations and adjusting for changes in caseload and related  
23 costs, federal fund match rates, economic factors, and available  
24 revenue. These adjustments will be determined after the January  
25 2013 consensus revenue estimating conference.

(2) It is the intent of the legislature that the 180 troopers hired during fiscal year 2012-2013 shall be used to reduce crime rates in this state's most distressed cities once fully deployed.

(3) It is the intent of the legislature that the 20 additional forensic employees hired during fiscal year 2012-2013 shall be used to reach an average 30-day turnaround for forensic evidence once fully trained.

## ARTICLE XVII

### STATE TRANSPORTATION DEPARTMENT

#### PART 1

#### LINE-ITEM APPROPRIATIONS

Sec. 101. Subject to the conditions set forth in this article, the amounts listed in this part are appropriated for the state transportation department and certain state purposes designated in this article for the fiscal year ending September 30, 2013, from the funds indicated in this part. The following is a summary of the appropriations in this part:

#### **STATE TRANSPORTATION DEPARTMENT**

#### APPROPRIATION SUMMARY

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

Full-time equated classified positions..... 2,912.3

GROSS APPROPRIATION..... \$ 3,466,187,500

Total interdepartmental grants and intradepartmental

transfers ..... 3,531,900

ADJUSTED GROSS APPROPRIATION..... \$ 3,462,655,600

1	Federal revenues:	
2	DOT, federal transit administration.....	62,095,000
3	DOT-FHWA, highway research, planning, and construction	1,074,452,000
4	DOT-FRA, local rail service assistance.....	100,000
5	DOT-FRA, rail passenger/HSGT.....	3,000,000
6	DOT, federal aviation administration.....	82,183,100
7	Total federal revenues.....	1,221,830,100
8	Special revenue funds:	
9	Local revenues.....	52,080,200
10	Private revenues.....	100,000
11	Total local and private revenues.....	52,180,200
12	Blue Water Bridge fund.....	19,262,400
13	Comprehensive transportation fund.....	265,247,300
14	Economic development fund.....	41,590,000
15	IRS debt service rebate.....	7,523,500
16	Intercity bus equipment fund.....	140,000
17	Local bridge fund.....	30,025,400
18	Michigan transportation fund.....	979,076,200
19	Rail freight fund.....	2,000,000
20	State aeronautics fund.....	27,833,400
21	State trunkline fund.....	789,701,100
22	One-time state restricted revenues.....	3,246,000
23	Total other state restricted revenues.....	2,165,645,300
24	State general fund/general purpose.....	\$ 23,000,000
25	State general fund/general purpose schedule:	
26	Ongoing state general fund/general	
27	purpose .....	0

1	One-time state general fund/general		
2	purpose .....	23,000,000	
3	<b>Sec. 102. DEBT SERVICE</b>		
4	State trunkline.....	\$	199,473,700
5	Economic development.....		9,115,900
6	Local bridge fund.....		3,261,700
7	Blue Water Bridge fund.....		5,950,200
8	Airport safety and protection plan.....		3,892,600
9	Comprehensive transportation.....		<u>18,580,400</u>
10	GROSS APPROPRIATION.....	\$	240,274,500
11	Appropriated from:		
12	Federal revenues:		
13	DOT-FHWA, highway research, planning, and construction		45,866,700
14	Special revenue funds:		
15	Blue Water Bridge fund.....		5,950,200
16	Comprehensive transportation fund.....		18,580,400
17	Economic development fund.....		9,115,900
18	Local bridge fund.....		3,261,700
19	IRS debt service rebate.....		7,523,500
20	State aeronautics fund.....		3,892,600
21	State trunkline fund.....		146,083,500
22	State general fund/general purpose.....	\$	0
23	<b>Sec. 103. COLLECTION, ENFORCEMENT, AND OTHER AGENCY</b>		
24	<b>SUPPORT SERVICES</b>		
25	MTF grant to department of environmental quality .....	\$	1,231,400
26	MTF grant to department of state for collection of		
27	revenue and fees .....		20,000,000

1	MTF grant to department of treasury .....	2,500,000
2	MTF grant to legislative auditor general .....	240,700
3	STF grant to department of attorney general .....	2,387,000
4	STF grant to civil service commission .....	5,697,000
5	STF grant to department of technology, management, and	
6	budget .....	1,420,600
7	STF grant to department of state police .....	11,217,900
8	STF grant to department of treasury .....	124,300
9	STF grant to legislative auditor general .....	558,900
10	SAF grant to department of attorney general .....	174,400
11	SAF grant to civil service commission .....	150,000
12	SAF grant to department of technology, management, and	
13	budget .....	38,900
14	SAF grant to department of treasury .....	73,700
15	SAF grant to legislative auditor general .....	23,000
16	CTF grant to department of attorney general .....	200,900
17	CTF grant to civil service commission .....	200,000
18	CTF grant to department of technology, management, and	
19	budget .....	44,100
20	CTF grant to department of treasury .....	5,500
21	CTF grant to legislative auditor general .....	<u>29,600</u>
22	GROSS APPROPRIATION .....	\$ 46,317,900
23	Appropriated from:	
24	Special revenue funds:	
25	Comprehensive transportation fund .....	480,100
26	Michigan transportation fund .....	23,972,100
27	State aeronautics fund .....	460,000

1	State trunkline fund.....	21,405,700
2	State general fund/general purpose.....	\$ 0
3	<b>Sec. 104. EXECUTIVE DIRECTION</b>	
4	Full-time equated unclassified positions.....	6.0
5	Full-time equated classified positions.....	29.3
6	Unclassified salaries.....	\$ 700,000
7	Asset management council.....	1,626,400
8	Commission audit--29.3 FTE positions.....	<u>3,209,300</u>
9	GROSS APPROPRIATION.....	\$ 5,535,700
10	Appropriated from:	
11	Special revenue funds:	
12	Michigan transportation fund.....	1,626,400
13	State trunkline fund.....	3,909,300
14	State general fund/general purpose.....	\$ 0
15	<b>Sec. 105. BUSINESS SUPPORT</b>	
16	Full-time equated classified positions.....	77.5
17	Business support services--67.5 FTE positions.....	\$ 9,089,900
18	Economic development and enhancement programs--10.0	
19	FTE positions .....	1,524,600
20	Property management.....	8,070,900
21	Worker's compensation.....	<u>1,922,300</u>
22	GROSS APPROPRIATION.....	\$ 20,607,700
23	Appropriated from:	
24	Special revenue funds:	
25	Comprehensive transportation fund.....	1,175,400
26	Economic development fund.....	378,700
27	Michigan transportation fund.....	343,600

1	State aeronautics fund.....	629,600
2	State trunkline fund.....	18,080,400
3	State general fund/general purpose.....	\$ 0
4	<b>Sec. 106. INFORMATION TECHNOLOGY</b>	
5	Information technology services and projects .....	\$ <u>30,128,000</u>
6	GROSS APPROPRIATION.....	\$ 30,128,000
7	Appropriated from:	
8	Federal revenues:	
9	DOT-FHWA, highway research, planning, and construction	520,500
10	Special revenue funds:	
11	Blue Water Bridge fund.....	51,400
12	Comprehensive transportation fund.....	208,600
13	Economic development fund.....	37,200
14	Michigan transportation fund.....	275,500
15	State aeronautics fund.....	162,800
16	State trunkline fund.....	28,872,000
17	State general fund/general purpose.....	\$ 0
18	<b>Sec. 107. FINANCE, CONTRACTS, AND SUPPORT SERVICES</b>	
19	Full-time equated classified positions.....	185.0
20	Finance, contracts, and support services .....	\$ <u>20,137,500</u>
21	GROSS APPROPRIATION.....	\$ 20,137,500
22	Appropriated from:	
23	Interdepartmental grant revenues:	
24	IDG for accounting service center user charges .....	3,517,100
25	Special revenue funds:	
26	Michigan transportation fund.....	1,770,800
27	State trunkline fund.....	14,849,600

1	State general fund/general purpose .....	\$	0
2	<b>Sec. 108. TRANSPORTATION PLANNING</b>		
3	Full-time equated classified positions .....	141.0	
4	Transportation planning--141.0 FTE positions .....	\$	38,262,000
5	Grants to regional planning councils .....		<u>488,800</u>
6	GROSS APPROPRIATION .....	\$	38,750,800
7	Appropriated from:		
8	Federal revenues:		
9	DOT-FHWA, highway research, planning, and construction		22,000,000
10	Special revenue funds:		
11	Comprehensive transportation fund .....		610,500
12	Michigan transportation fund .....		6,096,700
13	State aeronautics fund .....		15,000
14	State trunkline fund .....		10,028,600
15	State general fund/general purpose .....	\$	0
16	<b>Sec. 109. DESIGN AND ENGINEERING SERVICES</b>		
17	Full-time equated classified positions .....	1,498.8	
18	Engineering services--701.1 FTE positions .....	\$	66,957,000
19	Program services--735.7 FTE positions .....		56,755,800
20	Intelligent transportation systems operations--12.0		
21	FTE positions .....		10,674,000
22	Welcome center operations--50.0 FTE positions .....		<u>4,285,000</u>
23	GROSS APPROPRIATION .....	\$	138,671,800
24	Appropriated from:		
25	Federal revenues:		
26	DOT-FHWA, highway research, planning, and construction		23,529,800
27	Special revenue funds:		

1	Michigan transportation fund.....	7,843,400
2	State trunkline fund.....	107,298,600
3	State general fund/general purpose.....	\$ 0
4	<b>Sec. 110. HIGHWAY MAINTENANCE</b>	
5	Full-time equated classified positions.....	808.7
6	State trunkline operations--808.7 FTE positions.....	\$ <u>273,395,700</u>
7	GROSS APPROPRIATION.....	\$ 273,395,700
8	Appropriated from:	
9	Special revenue funds:	
10	State trunkline fund.....	273,395,700
11	State general fund/general purpose.....	\$ 0
12	<b>Sec. 111. ROAD AND BRIDGE PROGRAMS</b>	
13	State trunkline federal aid and road and bridge	
14	construction .....	\$ 941,053,200
15	Local federal aid and road and bridge construction...	240,443,000
16	Grants to local programs.....	33,000,000
17	Rail grade crossing.....	3,000,000
18	Local bridge program.....	26,763,700
19	County road commissions.....	576,860,100
20	Cities and villages.....	<u>321,625,300</u>
21	GROSS APPROPRIATION.....	\$ 2,142,745,300
22	Appropriated from:	
23	Federal revenues:	
24	DOT-FHWA, highway research, planning, and construction	982,535,000
25	Special revenue funds:	
26	Local funds.....	30,000,000
27	Blue Water Bridge fund.....	7,107,300

1	Local bridge fund.....	26,763,700
2	Michigan transportation fund.....	934,485,400
3	State trunkline fund.....	161,853,900
4	State general fund/general purpose.....	0
5	<b>Sec. 112. BLUE WATER BRIDGE</b>	
6	Full-time equated classified positions..... 41.0	
7	Blue Water Bridge operations--41.0 FTE positions.....	\$ <u>6,153,500</u>
8	GROSS APPROPRIATION.....	\$ 6,153,500
9	Appropriated from:	
10	Special revenue funds:	
11	Blue Water Bridge fund.....	6,153,500
12	State general fund/general purpose.....	\$ 0
13	<b>Sec. 113. TRANSPORTATION ECONOMIC DEVELOPMENT</b>	
14	Forest roads.....	\$ 5,000,000
15	Rural county urban system.....	2,500,000
16	Target industries/economic redevelopment.....	8,029,000
17	Urban county congestion.....	8,264,600
18	Rural county primary.....	<u>8,264,600</u>
19	GROSS APPROPRIATION.....	\$ 32,058,200
20	Appropriated from:	
21	Special revenue funds:	
22	Economic development fund.....	32,058,200
23	State general fund/general purpose.....	\$ 0
24	<b>Sec. 114. AERONAUTICS SERVICES</b>	
25	Full-time equated classified positions..... 54.0	
26	Aeronautics services.....	\$ 7,568,500
27	Air service program.....	<u>700,000</u>

1	GROSS APPROPRIATION.....	\$	8,268,500
2	Appropriated from:		
3	Special revenue funds:		
4	State aeronautics fund.....		8,268,500
5	State general fund/general purpose.....	\$	0
6	<b>Sec. 115. PUBLIC TRANSPORTATION SERVICES</b>		
7	Full-time equated classified positions.....		40.5
8	Passenger transportation services--40.5 FTE positions	\$	<u>6,126,200</u>
9	GROSS APPROPRIATION.....	\$	6,126,200
10	Appropriated from:		
11	Federal revenues:		
12	DOT, federal transit administration.....		972,100
13	Special revenue funds:		
14	Comprehensive transportation fund.....		4,974,700
15	Michigan transportation fund.....		179,400
16	State general fund/general purpose.....	\$	0
17	<b>Sec. 116. BUS TRANSIT DIVISION: STATUTORY OPERATING</b>		
18	Local bus operating.....	\$	166,624,000
19	Nonurban operating/capital.....		<u>22,787,900</u>
20	GROSS APPROPRIATION.....	\$	189,411,900
21	Appropriated from:		
22	Federal revenues:		
23	DOT, federal transit administration.....		21,987,900
24	Special revenue funds:		
25	Comprehensive transportation fund.....		166,624,000
26	Local funds.....		800,000
27	State general fund/general purpose.....	\$	0

1	<b>Sec. 117. INTERCITY PASSENGER AND FREIGHT</b>		
2	Full-time equated classified positions.....	36.5	
3	Office of rail--36.5 FTE positions.....	\$	5,768,900
4	Freight property management.....		1,000,000
5	Detroit/Wayne County port authority.....		468,200
6	Intercity services.....		7,690,000
7	Rail passenger service/rail operations and		
8	infrastructure .....		24,592,000
9	Marine passenger service.....		400,000
10	Terminal development.....		<u>461,000</u>
11	GROSS APPROPRIATION.....	\$	40,380,100
12	Appropriated from:		
13	Federal revenues:		
14	DOT, federal transit administration.....		4,500,000
15	DOT-FRA, local rail service assistance.....		100,000
16	DOT-FRA, rail passenger/PRIIA.....		3,000,000
17	Special revenue funds:		
18	Local funds.....		150,000
19	Private funds.....		100,000
20	Comprehensive transportation fund.....		26,984,900
21	Intercity bus equipment fund.....		140,000
22	Rail freight fund.....		2,000,000
23	Michigan transportation fund.....		2,482,900
24	State trunkline fund.....		922,300
25	State general fund/general purpose.....	\$	0
26	<b>Sec. 118. PUBLIC TRANSPORTATION DEVELOPMENT</b>		
27	Specialized services.....	\$	8,913,800

1	Municipal credit program.....	2,000,000
2	Transit capital.....	66,942,900
3	Van pooling.....	807,000
4	Service initiatives.....	1,865,000
5	Transportation to work.....	<u>9,700,000</u>
6	GROSS APPROPRIATION.....	\$ 90,228,700
7	Appropriated from:	
8	Federal revenues:	
9	DOT, federal transit administration.....	34,635,000
10	Special revenue funds:	
11	Local funds.....	9,985,000
12	Comprehensive transportation fund.....	45,608,700
13	State general fund/general purpose.....	\$ 0
14	<b>Sec. 119. CAPITAL OUTLAY</b>	
15	<b>(1) BUILDINGS AND FACILITIES</b>	
16	Special maintenance, remodeling, and additions.....	\$ 3,001,500
17	GROSS APPROPRIATION.....	3,001,500
18	Appropriated from:	
19	State trunkline fund.....	3,001,500
20	State general fund/general purpose.....	\$ 0
21	<b>(2) AIRPORT IMPROVEMENT PROGRAMS</b>	
22	Airport safety, protection, and improvement program..	\$ 107,733,200
23	GROSS APPROPRIATION.....	107,733,200
24	Appropriated from:	
25	Federal revenues:	
26	DOT, federal aviation administration.....	82,183,100
27	Special revenue funds:	

1	Local funds.....	11,145,200
2	State aeronautics fund.....	14,404,900
3	State general fund/general purpose.....	\$ 0
4	<b>Sec. 120. ONE-TIME BASIS ONLY</b>	
5	State employee lump-sum payments.....	\$ 3,260,800
6	Federal aid match for transit capital.....	12,000,000
7	Federal aid match for rail operations and	
8	infrastructure .....	<u>11,000,000</u>
9	GROSS APPROPRIATION.....	\$ 26,260,800
10	Appropriated from:	
11	One-time interdepartmental grant revenues.....	14,800
12	One-time state restricted revenues.....	3,246,000
13	State general fund/general purpose.....	\$ 23,000,000

14 PART 2

15 PROVISIONS CONCERNING APPROPRIATIONS

16 FOR FISCAL YEAR 2012-2013

17 Sec. 201. Pursuant to section 30 of article IX of the state

18 constitution of 1963, total state spending from state resources

19 under part 1 for fiscal year 2012-2013 is \$2,188,645,300.00 and

20 state spending from state resources to be paid to local units of

21 government for fiscal year 2012-2013 is \$1,233,655,900.00. The

22 itemized statement below identifies appropriations from which

23 spending to local units of government will occur:

24 DEPARTMENT OF TRANSPORTATION

1	Grants to regional planning councils.....	\$	488,800
2	Grants to local programs.....		33,000,000
3	Rail grade crossing.....		3,000,000
4	Local bridge program.....		26,763,700
5	Grants to county road commissions.....		576,860,100
6	Grants to cities and villages.....		321,625,300
7	Economic development fund.....		32,058,200
8	Air service program.....		700,000
9	Local bus operating.....		166,624,000
10	Detroit/Wayne County port authority.....		468,200
11	Marine passenger service.....		400,000
12	Terminal development.....		461,000
13	Specialized services.....		3,943,800
14	Municipal credit program.....		2,000,000
15	Transit capital.....		33,642,900
16	Service initiatives.....		515,000
17	Transportation to work.....		4,700,000
18	Airport safety, protection, and improvement		
19	program.....		14,404,900
20	One-time transit capital.....		<u>12,000,000</u>
21	Total payments to local units of government.....	\$	1,233,655,900

22       Sec. 202. The appropriations authorized under this article are  
23 subject to the management and budget act, 1984 PA 431, MCL 18.1101  
24 to 18.1594.

25       Sec. 203. As used in this article:

26       (a) "AASHTO" means the American association of state highway  
27 and transportation officials.

1 (b) "ASTM" means the American society for testing and  
2 materials.

3 (c) "CTF" means comprehensive transportation fund.

4 (d) "Department" means the department of transportation.

5 (e) "DOT" means the United States department of  
6 transportation.

7 (f) "DOT-FHWA" means DOT, federal highway administration.

8 (g) "DOT-FRA" means DOT, federal railroad administration.

9 (h) "DOT-FRA, rail passenger/HSGT" means DOT, federal railroad  
10 administration, high-speed ground transportation.

11 (i) "EDF" means economic development fund.

12 (j) "FTE" means full-time equated.

13 (k) "IRS" means the internal revenue service.

14 (l) "MTF" means Michigan transportation fund.

15 (m) "RIF" means recreation improvement fund.

16 (n) "SAF" means state aeronautics fund.

17 (o) "STF" means state trunkline fund.

18 Sec. 206. (1) In addition to the funds appropriated in part 1,  
19 there is appropriated an amount not to exceed \$200,000,000.00 for  
20 federal contingency funds. These funds are not available for  
21 expenditure until they have been transferred to another line item  
22 in this article pursuant to section 393(2) of the management and  
23 budget act, 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 \$40,000,000.00 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 this article pursuant to section 393(2) of the management and  
2 budget act, 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 \$1,000,000.00 for local  
5 contingency funds. These funds are not available for expenditure  
6 until they have been transferred to another line item in this  
7 article pursuant to section 393(2) of the management and budget  
8 act, 1984 PA 431, 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 this  
13 article pursuant to section 393(2) of the management and budget  
14 act, 1984 PA 431, MCL 18.1393.

15 Sec. 207. (1) The department shall maintain a searchable  
16 website accessible by the public at no cost that includes, but is  
17 not limited to, all of the following:

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

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

20 (c) Fiscal year-to-date payments to a selected vendor,  
21 including the vendor name, payment date, payment amount, and  
22 payment description.

23 (d) The number of active department employees by job  
24 classification.

25 (e) Job specifications and wage rates.

26 (2) The department may develop and operate its own website to  
27 provide this information or may reference the state's central

1 transparency website as the source for this information.

2       Sec. 208. Unless otherwise specified, the department shall use  
3 the Internet to fulfill the reporting requirements of this article.  
4 This requirement may include transmission of reports via electronic  
5 mail to the recipients identified for each reporting requirement or  
6 it may include placement of reports on an Internet or Intranet  
7 site.

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

18       Sec. 211. Amounts appropriated in part 1 for information  
19 technology may be designated as work projects and carried forward  
20 to support technology projects under the direction of the  
21 department of technology, management, and budget. Funds designated  
22 in this manner are not available for expenditure until approved as  
23 work projects under section 451a of the management and budget act,  
24 1984 PA 431, MCL 18.1451a.

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. 214. From the funds appropriated in part 1 for  
5 information technology, departments and agencies shall pay user  
6 fees to the department of technology, management, and budget for  
7 technology-related services and projects. The user fees shall be  
8 subject to provisions of an interagency agreement between the  
9 department and agencies and the department of technology,  
10 management, and budget.

11 Sec. 215. A department shall not take disciplinary action  
12 against an employee for communicating with a member of the  
13 legislature or his or her staff.

14 Sec. 219. It is the intent of the legislature that all  
15 principal executive departments and agencies cooperate with the  
16 development and implementation of the department of technology,  
17 management, and budget statewide office space consolidation plan.

18 Sec. 228. Not later than November 15, the department shall  
19 prepare and transmit a report that provides for estimates of the  
20 total general fund/general purpose appropriation lapses at the  
21 close of the fiscal year. This report shall summarize the projected  
22 year-end general fund/general purpose appropriation lapses by major  
23 departmental program or program areas. The report shall be  
24 transmitted to the office of the state budget, the chairpersons of  
25 the senate and house of representatives standing committees on  
26 appropriations, and the senate and house fiscal agencies.

27 Sec. 229. Within 14 days after the release of the executive

1 budget recommendation, the department shall provide the state  
2 budget director, the senate and house appropriations chairs, the  
3 senate and house appropriations subcommittees on transportation,  
4 respectively, and the senate and house fiscal agencies with an  
5 annual report on estimated state restricted fund balances, state  
6 restricted fund projected revenues, and state restricted fund  
7 expenditures for the fiscal years ending September 30, 2012 and  
8 September 30, 2013.

9       Sec. 230. By October 31, 2012, the department shall identify  
10 10 principal measurable outcomes to be affected by expenditure of  
11 the funds appropriated in part 1 and submit a report to the house  
12 and senate appropriations committees, the house and senate fiscal  
13 agencies, and the state budget director that ranks the outcomes by  
14 level of importance and contains current data on those outcomes.  
15 Beginning on April 1, 2013, the department shall provide biannual  
16 updates to the house and senate appropriations committees on  
17 changes in those measurable outcomes and departmental efforts to  
18 improve the outcomes.

19       Sec. 260. (1) Due to the current budgetary problems in this  
20 state, out-of-state travel shall be limited to situations in which  
21 1 or more of the following conditions apply:

22       (a) The travel is required by legal mandate or court order or  
23 for law enforcement purposes.

24       (b) The travel is necessary to protect the health or safety of  
25 Michigan citizens or visitors or to assist other states in similar  
26 circumstances.

27       (c) The travel is necessary to produce budgetary savings or to

1 increase state revenues, including protecting existing federal  
2 funds or securing additional federal funds.

3 (d) The travel is necessary to comply with federal  
4 requirements.

5 (e) The travel is necessary to secure specialized training for  
6 staff that is not available within this state.

7 (f) The travel is financed entirely by federal or nonstate  
8 funds.

9 (2) If out-of-state travel is necessary but does not meet 1 or  
10 more of the conditions in subsection (1), the state budget director  
11 may grant an exception to allow the travel. Any exceptions granted  
12 by the state budget director shall be reported on a monthly basis  
13 to the house and senate appropriations committees.

14 (3) Not later than January 1 of each year, each department  
15 shall prepare a travel report listing all travel by classified and  
16 unclassified employees outside this state in the immediately  
17 preceding fiscal year that was funded in whole or in part with  
18 funds appropriated in the department's budget. The report shall be  
19 submitted to the chairs and members of the house and senate  
20 appropriations committees, the fiscal agencies, and the state  
21 budget director. The report shall include the following  
22 information:

23 (a) The name of each person receiving reimbursement for travel  
24 outside this state or whose travel costs were paid by this state.

25 (b) The destination of each travel occurrence.

26 (c) The dates of each travel occurrence.

27 (d) A brief statement of the reason for each travel

1 occurrence.

2 (e) 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 (f) A total of all out-of-state travel funded for the  
8 immediately preceding fiscal year.

9 Sec. 262. Funds appropriated in part 1 shall not be used by a  
10 principal executive department, state agency, or authority to hire  
11 a person to provide legal services that are the responsibility of  
12 the attorney general. This prohibition does not apply to legal  
13 services for bonding activities and for those activities that the  
14 attorney general authorizes.

15 Sec. 263. (1) The department shall report no later than April  
16 1, 2013 on each specific policy change made to implement a public  
17 act affecting the department that took effect during the prior  
18 calendar year to the house and senate appropriations subcommittees  
19 on the budget for the department, the joint committee on  
20 administrative rules, and the senate and house fiscal agencies.

21 (2) Funds appropriated in part 1 shall not be used by the  
22 department to adopt a rule that will apply to a small business and  
23 that will have a disproportionate economic impact on small  
24 businesses because of the size of those businesses if the  
25 department fails to reduce the disproportionate economic impact of  
26 the rule on small businesses as provided under section 40 of the  
27 administrative procedures act of 1969, 1969 PA 306, MCL 24.240.

1 (3) As used in this section:

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

4 (b) "Small business" means that term as defined under section  
5 7a of the administrative procedures act of 1969, 1969 PA 306, MCL  
6 24.207a.

7 Sec. 270. In order to reduce costs and maintain quality, it is  
8 the intent of the legislature that, excluding the fleet of motor  
9 vehicles for the department of state police, the department will  
10 prioritize the utilization of remanufactured parts as the primary  
11 means of maintenance and repair for the state of Michigan's fleet  
12 of motor vehicles.

### 13 DEPARTMENTAL SECTIONS

14 Sec. 301. (1) The department may establish a fee schedule and  
15 collect fees sufficient to cover the costs to issue the permits  
16 that the department is authorized by law to issue upon request,  
17 unless otherwise stipulated by law. All permit fees are  
18 nonrefundable application fees and shall be credited to the  
19 appropriate fund to recover the direct and indirect costs of  
20 receiving, reviewing, and processing the requests.

21 (2) A bridge authority shall hold 3 public hearings on an  
22 increase in any toll charged by the authority at least 30 days  
23 before the toll change will become effective. Two of the hearings  
24 shall be held within 5 miles of the bridge over which the bridge  
25 authority has jurisdiction. One hearing shall be held in Lansing.  
26 Public hearings held under this section shall be conducted in

1 accordance with the open meetings act, 1976 PA 267, MCL 15.261 to  
2 15.275, and shall be conducted so as to provide a reasonable  
3 opportunity for public comment, including both spoken and written  
4 comments.

5       Sec. 303. On request, the department shall provide to a  
6 legislator, in writing, a report on the amount of money to be  
7 received by each city and village and the county road commission of  
8 each county, that is included in whole or in part within the  
9 legislator's legislative district.

10       Sec. 304. If, as a requirement of bidding on a highway  
11 project, the department requires a contractor to submit financial  
12 or proprietary documentation as to how the bid was calculated, that  
13 bid documentation shall be kept confidential and shall not be  
14 disclosed other than to a department representative without the  
15 contractor's written consent. The department may disclose the bid  
16 documentation if necessary to address or defend a claim by a  
17 contractor.

18       Sec. 305. The department shall permit space on public  
19 passenger transportation properties to be occupied by public or  
20 private tenants on a competitive market rate basis. The department  
21 shall require that revenue from the tenants be placed in an account  
22 to be used to pay the costs to maintain and improve the property.

23       Sec. 306. (1) The amounts appropriated in section 103 to  
24 support tax and fee collection, law enforcement, and other program  
25 services provided to the department and to transportation funds by  
26 other state departments shall be expended from transportation funds  
27 pursuant to annual contracts between the department and those other

1 state departments. The contracts shall be executed prior to the  
2 expenditure or obligation of those funds. The contracts shall  
3 provide, but are not limited to, the following data applicable to  
4 each state department:

5 (a) Estimated costs to be recovered from transportation funds.

6 (b) Description of services provided to the department and/or  
7 transportation funds and financed with transportation funds.

8 (c) Detailed cost allocation methods appropriate to the type  
9 of services being provided and the activities financed with  
10 transportation funds.

11 (2) Not later than 2 months after publication of the state of  
12 Michigan comprehensive annual financial report, each state  
13 department receiving funding pursuant to an interdepartment  
14 contract with the department shall submit a written report to the  
15 department, the state budget director, and the house and senate  
16 fiscal agencies stating by spending authorization account the  
17 amount of estimated funds contracted with the department, the  
18 amount of funds expended, the amount of funds returned to the  
19 transportation funds, and any unreimbursed transportation-related  
20 costs incurred but not billed to transportation funds. A copy of  
21 the report shall be submitted to the auditor general, and the  
22 report shall be subject to audit by the auditor general as provided  
23 in subsection (3).

24 (3) Biennially, in each even-numbered fiscal year, the auditor  
25 general shall conduct an audit of charges to transportation funds  
26 by state departments for the 2 preceding fiscal years. The audit  
27 shall include both charges governed by interdepartmental contracts

1 as well as miscellaneous charges from other state departments not  
2 governed by contracts. The auditor general shall prepare a detailed  
3 report, with recommendations and conclusions, including a summary  
4 of charges and related services to transportation funds by  
5 department, the appropriateness of those charges, the cost  
6 allocation methodologies used in determining the level of funding,  
7 and any unreimbursed transportation-related costs, if any. The  
8 report shall be provided to the senate and house of representatives  
9 committees on appropriations, the senate and house fiscal agencies,  
10 and the state budget director 9 months after publication of the  
11 state of Michigan comprehensive annual financial report.

12       Sec. 307. Before March 1 of each year, the department will  
13 provide to the legislature, the state budget office, and the house  
14 and senate fiscal agencies its rolling 5-year plan listing by  
15 county or by county road commission all highway construction  
16 projects for the fiscal year and all expected projects for the  
17 ensuing fiscal years.

18       Sec. 308. (1) The department and local road agencies that  
19 receive appropriations under this article shall pursue compliance  
20 with contract specifications for construction and maintenance of  
21 state highways and local roads and streets. Work shall not be  
22 accepted and paid for until it complies with contract requirements.  
23 Contractors with unsatisfactory performance ratings shall be  
24 restricted from future bidding through the prequalification process  
25 established by the department or a local road agency. The  
26 department, county road commissions, and cities and villages shall  
27 report to the house of representatives and senate appropriations

1 subcommittees on transportation, the senate and house fiscal  
2 agencies, and the state budget director on their respective  
3 activities under this section.

4 (2) A contractor's prequalification rating shall not be  
5 reduced or restricted until all administrative appeals have been  
6 completed. The department can take immediate action regarding a  
7 contractor's prequalification rating for public safety reasons or  
8 to prevent fraud and malfeasance of public funds.

9 Sec. 310. The department shall provide in a timely manner  
10 copies of the agenda and approved minutes of monthly transportation  
11 commission meetings to the members of the house and senate  
12 appropriations subcommittees on transportation, the house and  
13 senate fiscal agencies, and the state budget director.

14 Sec. 313. (1) From funds appropriated in part 1, the  
15 department may increase a state infrastructure bank program and  
16 grant or loan funds in accordance with regulations of the state  
17 infrastructure bank program of the United States department of  
18 transportation. The state infrastructure bank is to be administered  
19 by the department for the purpose of providing a revolving, self-  
20 sustaining resource for financing transportation infrastructure  
21 projects.

22 (2) In addition to funds provided in subsection (1), money  
23 received by the state as federal grants, repayment of state  
24 infrastructure bank loans, or other reimbursement or revenue  
25 received by the state as a result of projects funded by the program  
26 and interest earned on that money shall be deposited in the  
27 revolving state infrastructure bank fund and shall be available for

1 transportation infrastructure projects. At the close of the fiscal  
2 year, any unencumbered funds remaining in the state infrastructure  
3 bank fund shall remain in the fund and be carried forward into the  
4 succeeding fiscal year.

5 Sec. 319. The department shall post signs at each rest area to  
6 identify the agency or contractor responsible for maintenance of  
7 the rest area. The signs shall include a department telephone  
8 number and shall indicate that unsafe or unclean conditions at the  
9 rest area may be reported to that telephone number.

10 Sec. 353. The department shall review its contractor payment  
11 process and ensure that all prime contractors are paid promptly.  
12 The department shall ensure that prime contractors are in  
13 compliance with special provision 109.10 regarding the prompt  
14 payment of subcontractors.

15 Sec. 357. When presented with complete local federal aid  
16 project submittals, the department shall complete all necessary  
17 reviews and inspections required to let local federal aid projects  
18 within 120 days of receipt. The department shall implement a system  
19 for monitoring the local federal aid project review process.

20 Sec. 375. The department is prohibited from reimbursing  
21 contractors or consultants for costs associated with groundbreaking  
22 ceremonies, receptions, open houses, or press conferences related  
23 to transportation projects funded, in whole or in part, by revenue  
24 appropriated in part 1.

25 Sec. 381. The department shall require as a condition of each  
26 contract or subcontract for construction, maintenance, or  
27 engineering services that the prequalified contractor or

1 prequalified subcontractor agree to use the E-Verify system to  
2 verify that all persons hired during the contract term by the  
3 contractor or subcontractor are legally present and authorized to  
4 work in the United States. The department may verify this  
5 information directly or may require contractors and subcontractors  
6 to verify the information and submit a certification to the  
7 department. The department shall report to the house and senate  
8 appropriations committees and the house and senate fiscal agencies  
9 by March 1, 2013 describing the processes it has developed and  
10 implemented under provisions of this section. As used in this  
11 section, "E-Verify" means an Internet-based system operated by the  
12 department of homeland security, U.S. citizenship and immigration  
13 services in partnership with the social security administration.

14       Sec. 382. It is the intent of the legislature that every 5  
15 years the department and the state budget office provide for an  
16 independent study of the state government needs for a state  
17 aircraft fleet, including a study of the costs associated with the  
18 current fleet or other arrangements for air travel.

19       Sec. 383. (1) The department shall prepare an annual report on  
20 all travel by executive branch employees, and others including  
21 local public officials, university employees, and other public  
22 employees on department-owned aircraft. The report shall include,  
23 by department, the name of the traveler, the travel origination  
24 location, the travel destination location, type of aircraft, and  
25 the total estimated costs associated with the air travel.

26       (2) The report shall be submitted to the senate and house  
27 appropriations subcommittees on transportation and the house and

1 senate fiscal agencies no later than July 1.

2 (3) From the funds appropriated in part 1, the department is  
3 prohibited from transporting legislators or legislative staff on  
4 state-owned aircraft without prior approval from the senate  
5 majority leader or the speaker of the house of representatives and  
6 only when the aircraft is already scheduled by state employees on  
7 related official state business.

8 (4) The department shall maintain a system for recovering the  
9 cost of operating department-owned aircraft through charges to  
10 aircraft users.

11 Sec. 384. (1) The department shall not expend any state  
12 transportation revenue for construction planning or construction of  
13 the Detroit River International Crossing or a renamed successor. In  
14 addition, except as provided in subsection (3), the department  
15 shall not commit the state to any new contract related to the  
16 construction planning or construction of the Detroit River  
17 International Crossing or a renamed successor unless the  
18 legislature has enacted specific enabling legislation to allow for  
19 the construction of the Detroit River International Crossing or a  
20 renamed successor, and the department has completed the Gateway  
21 project.

22 (2) On or before March 31, 2013, the department shall report  
23 to the state budget director, the house and senate appropriations  
24 subcommittees on transportation, and the house and senate fiscal  
25 agencies on department activities related to the Detroit River  
26 International Crossing or a renamed successor.

27 (3) If the legislature enacts specific enabling legislation

1 for the construction of the Detroit River International Crossing or  
2 a renamed successor, subsection (1) does not apply once the  
3 enabling legislation goes into effect.

4 Sec. 385. (1) The department shall use all available toll  
5 credits, as provided by private toll facilities in this state and  
6 certified by the federal highway administration, to match available  
7 federal aid highway funds.

8 (2) The department shall not use toll credits generated by a  
9 private tolled bridge crossing to finance, design, plan, construct,  
10 operate, or maintain any international bridge crossing within 5  
11 miles of that privately tolled bridge.

12 Sec. 395. It is the intent of the legislature that the Gateway  
13 project be completed, including, but not limited to, all access  
14 ramps and other necessary roadwork, stoplights, and plaza work.

15 **FEDERAL**

16 Sec. 401. Within 30 days of receiving the applicable fiscal  
17 year authorization from the federal government to commit  
18 transportation funds, the department shall notify local agency  
19 representatives, the senate and house of representatives  
20 appropriations transportation subcommittees, the senate and house  
21 fiscal agencies, and the state budget director regarding the amount  
22 of federal aid for categorical allocations to state and local  
23 agency programs not specifically allocated in either federal or  
24 state law.

25 Sec. 402. A portion of the federal DOT-FHWA highway research,  
26 planning, and construction funds made available to the state shall

1 be allocated to transportation programs administered by local  
2 jurisdictions in accordance with section 10o of 1951 PA 51, MCL  
3 247.660o. A local road agency, with respect to a project approved  
4 for federal aid funding in a state transportation improvement  
5 program, may enter into a voluntary buyout agreement with the  
6 department or with another local road agency to exchange the  
7 federal aid with state restricted transportation funds as agreed to  
8 by the respective parties. The state restricted transportation  
9 funds received in exchange for federal aid funds shall be used for  
10 the same purpose as the federal aid funds were originally intended.

11 **MICHIGAN TRANSPORTATION FUND**

12 Sec. 501. The money received under the motor carrier act, 1933  
13 PA 254, MCL 475.1 to 479.43, and not appropriated to the department  
14 of licensing and regulatory affairs or the department of state  
15 police is deposited in the Michigan transportation fund.

16 Sec. 503. (1) The funds appropriated in part 1 for the  
17 economic development and local bridge programs shall not lapse at  
18 the end of the fiscal year but shall carry forward each fiscal year  
19 for the purposes for which appropriated in accordance with 1987 PA  
20 231, MCL 247.901 to 247.913, and section 10(5) of 1951 PA 51, MCL  
21 247.660.

22 (2) Interest earned in the department of transportation  
23 economic development fund and local bridge fund shall remain in the  
24 respective funds and shall be allocated to the respective programs  
25 based on actual interest earned at the end of each fiscal year.

26 (3) In addition to the funds appropriated in part 1, the

1 department of transportation economic development fund and local  
2 bridge fund may receive federal, local, or private funds or  
3 restricted source funds such as interest earnings. These funds are  
4 appropriated for projects that are consistent with the purposes of  
5 the respective funds.

6 (4) None of the funds statutorily dedicated to the  
7 transportation economic development fund and local bridge fund  
8 shall be diverted to other projects.

9 Sec. 504. Funds from the Michigan transportation fund (MTF)  
10 shall be distributed to the comprehensive transportation fund  
11 (CTF), the economic development fund (EDF), the recreation  
12 improvement fund (RIF), and the state trunkline fund (STF), in  
13 accordance with this article and part 711 of the natural resources  
14 and environmental protection act, 1994 PA 451, MCL 324.71101 to  
15 324.71108, and may only be used as specified in this article, 1951  
16 PA 51, MCL 247.651 to 247.675, and part 711 of the natural  
17 resources and environmental protection act, 1994 PA 451, MCL  
18 324.71101 to 324.71108.

#### 19 **STATE TRUNKLINE FUND**

20 Sec. 601. The department shall work with the road construction  
21 industry and engineering consulting community to develop  
22 performance and road construction warranties for construction  
23 contracts. The development of warranties shall include warranties  
24 on materials, workmanship, performance criteria, and design/build  
25 projects. The department will report by September 30 of each  
26 calendar year to the house of representatives and senate

1 appropriations subcommittees on transportation, the state budget  
2 director, and the house and senate fiscal agencies on the status of  
3 efforts to develop performance and road construction warranties.

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 and the number of days that each project was completed either ahead  
8 or past the contracted completion date. This report shall be  
9 provided to the senate and house appropriations subcommittees on  
10 transportation, the senate and house standing committees on  
11 transportation, and the senate and house fiscal agencies.

12       Sec. 660. (1) The legislature encourages the department to  
13 examine the use of alternative road surface materials, including  
14 recycled materials, and to develop criteria and specifications for  
15 their use in both department-managed and contracted projects.

16       (2) The department shall evaluate the use of a bituminous mix  
17 which incorporates crumb rubber from scrap tires.

18       Sec. 661. Of the appropriation from the state trunkline fund  
19 in part 1 for state trunkline federal aid and road and bridge  
20 construction, \$100,000,000.00 represents estimated revenue from  
21 passage of Senate Bill No. 351 of the 2011-2012 legislative session  
22 and is intended to ensure that the state is able to match all  
23 available federal-aid highway funds.

#### 24    COMPREHENSIVE TRANSPORTATION FUND

25       Sec. 701. The department shall establish an intercity bus  
26 equipment and facility fund as a subsidiary fund within the

1 comprehensive transportation fund created under section 10b of 1951  
2 PA 51, MCL 247.660b. Proceeds received by the state from the sale  
3 of state-owned intercity bus equipment shall be credited to the  
4 intercity bus equipment facility fund for the purchase and repair  
5 of intercity bus equipment, as appropriated. Security deposits not  
6 returned to a lessee of state-owned intercity bus equipment under  
7 terms of the lease agreement shall be credited to the intercity bus  
8 equipment fund for the repair of intercity bus equipment, as  
9 appropriated. Money received by the department from lease payments  
10 for state-owned intercity bus equipment, and facility maintenance  
11 charges under terms of leases of state-owned intercity facilities,  
12 shall be credited to the intercity bus equipment facility fund for  
13 the purchase and repair of intercity bus equipment or for the  
14 maintenance and rehabilitation of state-owned intercity facilities,  
15 as appropriated. At the close of the fiscal year, any funds  
16 remaining in the intercity bus equipment facility fund shall remain  
17 in the fund and be carried forward into the succeeding fiscal year.

18       Sec. 702. Money that is received by the state as repayment for  
19 loans made for rail or water freight capital projects, and as a  
20 result of the sale of property or equipment used or projected to be  
21 used for rail or water freight projects shall be deposited in the  
22 fund created by section 17 of the state transportation preservation  
23 act of 1976, 1976 PA 295, MCL 474.67. At the close of the fiscal  
24 year, any funds remaining in the rail freight fund shall remain in  
25 the fund and be carried forward into the succeeding fiscal year.

26       Sec. 703. After receiving notification from a railroad company  
27 pursuant to section 8 of the state transportation preservation act

1 of 1976, 1976 PA 295, MCL 474.58, the department shall immediately  
2 notify the house of representatives and senate appropriations  
3 subcommittees on transportation and the state budget office that  
4 the railroad company has filed with the appropriate governmental  
5 agencies for abandonment of a line.

6       Sec. 706. The Detroit/Wayne County port authority shall issue  
7 a complete operations assessment and a financial disclosure  
8 statement. The operations assessment shall include operational  
9 goals for the next 5 years and recommendations to improve land  
10 acquisition and development efficiency. The report shall be  
11 completed and submitted to the house of representatives and senate  
12 appropriations subcommittees on transportation, the state budget  
13 director, and the house and senate fiscal agencies by February 15  
14 of each fiscal year for the prior fiscal year.

15       Sec. 711. (1) From the funds appropriated in part 1 from the  
16 comprehensive transportation fund for rail passenger service, the  
17 department shall negotiate with a rail carrier to provide rail  
18 service between Grand Rapids and Chicago and between Port Huron and  
19 Chicago, consistent with the other provisions of this section.

20       (2) The rail carrier shall, as a condition to receiving a  
21 state operating subsidy, maintain a system to monitor, collect, and  
22 resolve customer complaints and shall make the information  
23 available to the department, the house and senate appropriations  
24 subcommittees on transportation, and the house and senate fiscal  
25 agencies.

26       (3) Future state support for the service between Grand Rapids  
27 and Chicago and Port Huron and Chicago is dependent on the

1 department's ability to provide a plan and a contract for services  
2 that increase ridership and revenue, reduce operating costs, and  
3 improve on-time performance.

4 (4) No state subsidy shall be provided from the funds  
5 appropriated in part 1 if the chosen rail carrier is Amtrak and  
6 Amtrak discontinued service or any portion of the service between  
7 Port Huron and Chicago or Grand Rapids and Chicago during the  
8 preceding fiscal year, unless the discontinuance of service was for  
9 track maintenance or was caused by acts of God.

10 (5) For rail passenger service supported in any part through  
11 capital or operating assistance from funds appropriated in this  
12 act, the department shall work with the rail carrier to identify  
13 ways in which reasonable transport of bicycles by passengers can be  
14 accommodated.

15 (6) The department shall report to the house and senate  
16 appropriations subcommittees on transportation and the house and  
17 senate fiscal agencies, not later than July 1, 2013, on the status  
18 of capital grants related to rail passenger service in Michigan.  
19 The report shall identify, and describe the status of, capital  
20 improvement projects related to higher train speeds, reduced travel  
21 time, station renovations, and other service improvements. The  
22 report shall also identify actual or anticipated costs of these  
23 projects, funding sources, and anticipated costs and funding  
24 sources required to maintain the improvements.

25 Sec. 731. The department shall charge public transit agencies  
26 and intercity bus carriers equal rates per square foot for leasing  
27 space in state-owned intermodal facilities.

1       Sec. 735. For the fiscal year ending September 30, 2013, the  
2       appropriation to a street railway pursuant to section 10e(22) of  
3       1951 PA 51, MCL 247.660e, is \$0.

4       Sec. 740. The department shall report by March 1 of each year  
5       to the house of representatives and senate appropriations  
6       subcommittees on transportation, the house and senate fiscal  
7       agencies, and the state budget director the encumbered and  
8       unencumbered balances of the comprehensive transportation fund.

9       Sec. 741. By December 1, 2012, the department shall submit a  
10      report to the senate and house appropriations subcommittees on  
11      transportation and the senate and house fiscal agencies on the  
12      need, feasibility, and cost for increasing the safety standard of  
13      transit buses procured by Michigan transit agencies by requiring a  
14      federally approved rollover test standard.

#### 15      **AERONAUTICS FUND**

16      Sec. 801. Except as otherwise provided in section 903 for  
17      capital outlay, at the close of the fiscal year, any unobligated  
18      and unexpended balance in the state aeronautics fund created in the  
19      aeronautics code of the state of Michigan, 1945 PA 327, MCL 259.1  
20      to 259.208, shall lapse to the state aeronautics fund and be  
21      appropriated by the legislature in the immediately succeeding  
22      fiscal year.

#### 23      **CAPITAL OUTLAY**

24      Sec. 901. (1) From federal-state-local project appropriations  
25      contained in part 1 for the purpose of assisting political entities

1 and subdivisions of this state in the construction and improvement  
2 of publicly used airports and landing fields within this state, the  
3 state transportation department may permit the award of contracts  
4 on behalf of units of local government for the authorized locations  
5 not to exceed the indicated amounts, of which the state allocated  
6 portion shall not exceed the amount appropriated in part 1.

7 (2) Political entities and subdivisions shall provide not less  
8 than 2.5% of the cost of any project under this section, unless a  
9 total nonfederal share greater than 5% is otherwise specified in  
10 federal law. State money shall not be allocated until local money  
11 is allocated. State money for any 1 project shall not exceed 1/3 of  
12 the total appropriation in part 1 from state funds for airport  
13 improvement programs.

14 (3) The Michigan aeronautics commission may take those steps  
15 necessary to match federal money available for airport construction  
16 and improvement within this state and to meet the matching  
17 requirements of the federal government. Whether acting alone or  
18 jointly with another political subdivision or public agency or with  
19 this state, a political subdivision or public agency of this state  
20 shall not submit to any agency of the federal government a project  
21 application for airport planning or development unless it is  
22 authorized in this article and the project application is approved  
23 by the governing body of each political subdivision or public  
24 agency making the application and by the Michigan aeronautics  
25 commission.

26 Sec. 902. Before the end of each fiscal year, the state  
27 transportation department shall report to the house and senate

1 appropriations subcommittees on transportation and the house and  
2 senate fiscal agencies on the status of airport improvement  
3 projects funded in part 1 with the estimated dollars allocated for  
4 each project. If there has to be a delay in reporting, the state  
5 transportation department shall notify the house and senate  
6 appropriations subcommittees on transportation in writing of the  
7 date the report will be received.

8       Sec. 903. The appropriations in part 1 for capital outlay  
9 shall be carried forward at the end of the fiscal year consistent  
10 with the provisions of section 248 of the management and budget  
11 act, 1984 PA 431, MCL 18.1248.

12       Sec. 904. (1) The director shall allocate lump-sum  
13 appropriations made in this article consistent with statutory  
14 provisions and the purposes for which funds were appropriated.  
15 Lump-sum allocations shall address priority program or facility  
16 needs and may include, but are not limited to, design,  
17 construction, remodeling and addition, special maintenance, major  
18 special maintenance, energy conservation, and demolition.

19       (2) The state budget director may authorize that funds  
20 appropriated for lump-sum appropriations and designated as work  
21 project appropriations shall be available for no more than 3 fiscal  
22 years following the fiscal year in which the original appropriation  
23 was made. Any remaining balance from allocations made in this  
24 section shall lapse to the fund from which it was appropriated  
25 pursuant to the lapsing of funds as provided in the management and  
26 budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

27       Sec. 905. Of the appropriation from the state aeronautics fund

1 in part 1 for airport safety, protection, and improvement,  
2 \$10,000,000.00 represents estimated revenue from passage of House  
3 Bill No. 4025 of the 2011-2012 legislative session and is intended  
4 to ensure that the state is able to match all available federal  
5 airport improvement program grant funds.

6 **ONE-TIME BASIS ONLY**

7 Sec. 1001. In awarding grants to local public transit agencies  
8 with service populations greater than 50,000, from the 1-time  
9 general fund/general purpose appropriation in part 1, federal aid  
10 match for transit capital, the department shall give priority to  
11 the following:

12 (a) Projects for bus rehabilitation.

13 (b) Project applications from agencies which recover not less  
14 than 20% of fixed route operating costs from farebox revenue.

15 Sec. 1002. (1) General fund/general purpose revenue  
16 appropriated in part 1 for federal aid match for transit capital,  
17 and federal aid match for rail operations and infrastructure, not  
18 expended or encumbered by September 30, 2013, shall lapse to the  
19 state general fund.

20 (2) By September 30, 2013, the department shall report to the  
21 house and senate appropriations subcommittees on transportation,  
22 and the house and senate fiscal agencies, on the use of funds  
23 appropriated in part 1 for transit capital and rail operations and  
24 infrastructure. The report shall include a summary of funds  
25 expended, encumbered, and lapsed for both transit capital and rail  
26 operations and infrastructure. With regard to transit capital

1 projects, the report shall include grantees, grant amounts, project  
2 description, and project completion dates. With regard to rail  
3 operations and infrastructure projects, the report shall include  
4 grant amounts, project description, and project completion dates.

5 PART 2A  
6 PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS  
7 FOR FISCAL YEAR 2013-2014

8 **GENERAL SECTIONS**

9 Sec. 1201. It is the intent of the legislature to provide  
10 appropriations for the fiscal year ending on September 30, 2014 for  
11 the line items listed in part 1. The fiscal year 2013-2014  
12 appropriations are anticipated to be the same as those for fiscal  
13 year 2012-2013, except that the line items will be adjusted for  
14 changes in caseload and related costs, federal fund match rates,  
15 economic factors, available revenue. These adjustments will be  
16 determined after the January 2013 consensus revenue estimating  
17 conference.