

DRAFT 1
SUBSTITUTE FOR
HOUSE BILL NO. 4323

A bill to make, supplement, adjust, and consolidate appropriations for various state departments and agencies, the judicial branch, and the legislative branch for the fiscal year ending September 30, 2018; to provide for certain conditions on appropriations; and to provide for the expenditure of the appropriations.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1
2
3
4
5
6
7

ARTICLE I

DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of agriculture and rural development for the fiscal year ending September 30, 2018, from the following funds:



1 **DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT**

2 APPROPRIATION SUMMARY

3	Full-time equated unclassified positions	6.0	
4	Full-time equated classified positions	491.5	
5	GROSS APPROPRIATION		\$ 103,328,800
6	Interdepartmental grant revenues:		
7	IDG from LARA (LCC), liquor quality testing fees		221,800
8	IDG from MDEQ, biosolids		88,500
9	Total interdepartmental grants and intradepartmental		
10	transfers.....		310,300
11	ADJUSTED GROSS APPROPRIATION		\$ 103,018,500
12	Federal revenues:		
13	Department of Interior		238,800
14	EPA, multiple grants		1,268,100
15	HHS, multiple grants		3,633,900
16	USDA, multiple grants		6,133,100
17	Total federal revenues		11,273,900
18	Special revenue funds:		
19	Private - commodity group revenue		80,500
20	Private - Slow the Spread Foundation		21,100
21	Total private revenues		101,600
22	Agricultural preservation fund		1,427,800
23	Agriculture equine industry development fund		3,667,200
24	Agriculture licensing and inspection fees		4,065,800
25	Animal welfare fund.....		193,300
26	Commodity inspection fees		710,700
27	Consumer and industry food safety education fund		355,800



1	Dairy and food safety fund	5,925,300
2	Drinking water declaration of emergency reserve fund .	100
3	Feed control fund	1,243,200
4	Fertilizer control fund	849,900
5	Freshwater protection fund	7,914,500
6	Gasoline inspection and testing fund	1,504,700
7	Grain dealers fee fund	580,000
8	Horticulture fund	38,800
9	Industry support funds	444,900
10	Migratory labor housing fund	167,800
11	Nonretail liquor fees	908,900
12	Private forestland enhancement fund	480,200
13	Refined petroleum fund	3,197,100
14	Rural development fund	2,000,000
15	Testing fees	265,000
16	Weights and measures regulation fees	720,000
17	Total other state restricted revenues	36,661,000
18	State general fund/general purpose	\$ 54,982,000
19	Sec. 102. DEPARTMENTWIDE	
20	Full-time equated unclassified positions	6.0
21	Full-time equated classified positions	24.0
22	Unclassified positions--6.0 FTE positions	\$ 562,300
23	Accounting service center	1,150,400
24	Commissions and boards	23,800
25	Emergency management--4.0 FTE positions	979,600
26	Executive direction--20.0 FTE positions	2,216,900
27	Property management	<u>709,000</u>



1	GROSS APPROPRIATION	\$	5,642,000
2	Appropriated from:		
3	Federal revenues:		
4	HHS, multiple grants		334,400
5	Special revenue funds:		
6	Agricultural preservation fund		17,000
7	Agriculture licensing and inspection fees		127,700
8	Freshwater protection fund		25,300
9	Industry support funds		54,300
10	Nonretail liquor fees		30,500
11	State general fund/general purpose	\$	5,052,800
12	Sec. 103. INFORMATION AND TECHNOLOGY		
13	Information technology services and projects	\$	<u>1,778,500</u>
14	GROSS APPROPRIATION	\$	1,778,500
15	Appropriated from:		
16	Interdepartmental grant revenues:		
17	IDG from LARA (LCC), liquor quality testing fees		3,200
18	Special revenue funds:		
19	Agricultural preservation fund		200
20	Agriculture licensing and inspection fees		93,800
21	Dairy and food safety fund		61,200
22	Freshwater protection fund		100
23	Gasoline inspection and testing fund		31,800
24	Nonretail liquor fees		500
25	State general fund/general purpose	\$	1,587,700
26	Sec. 104. FOOD AND DAIRY		
27	Full-time equated classified positions		125.0



1	Food safety and quality assurance--94.0 FTE positions	\$	16,648,400
2	Milk safety and quality assurance--31.0 FTE positions		<u>4,510,300</u>
3	GROSS APPROPRIATION	\$	21,158,700
4	Appropriated from:		
5	Federal revenues:		
6	HHS, multiple grants		2,301,500
7	USDA, multiple grants		136,300
8	Special revenue funds:		
9	Consumer and industry food safety education fund		355,800
10	Dairy and food safety fund		5,373,900
11	State general fund/general purpose	\$	12,991,200
12	Sec. 105. ANIMAL INDUSTRY		
13	Full-time equated classified positions		61.0
14	Animal agriculture initiative	\$	399,000
15	Animal disease prevention and response--61.0 FTE		
16	positions		9,267,300
17	Indemnification - livestock depredation		<u>50,000</u>
18	GROSS APPROPRIATION	\$	9,716,300
19	Appropriated from:		
20	Federal revenues:		
21	Department of Interior		40,800
22	HHS, multiple grants		46,600
23	USDA, multiple grants		528,600
24	Special revenue funds:		
25	Private - commodity group revenue		30,500
26	Agriculture licensing and inspection fees		69,700
27	Animal welfare fund		193,300



1	State general fund/general purpose	\$	8,806,800
2	Sec. 106. PESTICIDE AND PLANT PEST MANAGEMENT		
3	Full-time equated classified positions		94.0
4	Pesticide and plant pest management--88.0 FTE		
5	positions.....	\$	14,073,800
6	Producer security/grain dealers--6.0 FTE positions ...		<u>618,500</u>
7	GROSS APPROPRIATION	\$	14,692,300
8	Appropriated from:		
9	Federal revenues:		
10	Department of Interior		101,700
11	EPA, multiple grants		536,700
12	HHS, multiple grants		325,100
13	USDA, multiple grants		715,000
14	Special revenue funds:		
15	Private - Slow the Spread Foundation		21,100
16	Agriculture licensing and inspection fees		3,543,200
17	Commodity inspection fees		709,600
18	Feed control fund.....		1,056,600
19	Fertilizer control fund.....		825,900
20	Freshwater protection fund.....		154,600
21	Grain dealers fee fund.....		572,100
22	Horticulture fund.....		38,800
23	Industry support funds		248,000
24	State general fund/general purpose	\$	5,843,900
25	Sec. 107. ENVIRONMENTAL STEWARDSHIP		
26	Full-time equated classified positions		63.5
27	Environmental stewardship - MAEAP--25.0 FTE positions	\$	10,236,600



1	Farmland and open space preservation--10.0 FTE	
2	positions.....	1,623,100
3	Intercounty drain--5.0 FTE positions	672,900
4	Migrant labor housing--9.0 FTE positions	1,206,800
5	Qualified forest program--9.0 FTE positions	2,351,200
6	Right-to-farm--5.5 FTE positions	<u>820,800</u>
7	GROSS APPROPRIATION	\$ 16,911,400
8	Appropriated from:	
9	Interdepartmental grant revenues:	
10	IDG from MDEQ, biosolids	88,500
11	Federal revenues:	
12	Department of Interior	96,300
13	EPA, multiple grants	558,700
14	USDA, multiple grants	822,300
15	Special revenue funds:	
16	Agricultural preservation fund	1,410,600
17	Freshwater protection fund	7,689,500
18	Migratory labor housing fund	139,200
19	Private forestland enhancement fund	480,200
20	State general fund/general purpose	\$ 5,626,100
21	Sec. 108. LABORATORY PROGRAM	
22	Full-time equated classified positions.....	107.0
23	Central licensing and customer call center--11.0 FTE	
24	positions.....	\$ 1,218,000
25	Consumer protection program--41.0 FTE positions	6,711,200
26	Laboratory services--42.0 FTE positions	6,829,000
27	USDA monitoring--13.0 FTE positions	<u>1,622,100</u>



1	GROSS APPROPRIATION	\$	16,380,300
2	Appropriated from:		
3	Interdepartmental grant revenues:		
4	IDG from LARA (LCC), liquor quality testing fees		218,600
5	Federal revenues:		
6	EPA, multiple grants		172,700
7	HHS, multiple grants		626,300
8	USDA, multiple grants		1,623,200
9	Special revenue funds:		
10	Agriculture licensing and inspection fees		231,400
11	Commodity inspection fees		1,100
12	Dairy and food safety fund		490,200
13	Feed control fund		186,600
14	Fertilizer control fund		24,000
15	Freshwater protection fund		45,000
16	Gasoline inspection and testing fund		1,472,900
17	Grain dealers fee fund		7,900
18	Migratory housing fund		28,600
19	Refined petroleum fund		3,197,100
20	Testing fees		265,000
21	Weights and measures regulation fees		720,000
22	State general fund/general purpose	\$	7,069,700
23	Sec. 109. AGRICULTURE DEVELOPMENT		
24	Full-time equated classified positions		17.0
25	Agriculture development--12.0 FTE positions	\$	4,019,800
26	Food and agriculture investment program		2,500,000
27	Grape and wine program--3.0 FTE positions		927,000



1	Rural development fund grant program--1.0 FTE	
2	position.....	2,000,000
3	Statistical reporting service--1.0 FTE position	<u>204,700</u>
4	GROSS APPROPRIATION	\$ 9,651,500
5	Appropriated from:	
6	Federal revenues:	
7	USDA, multiple grants	2,307,700
8	Special revenue funds:	
9	Industry support funds	142,600
10	Nonretail liquor fees	877,900
11	Private - commodity group revenue	50,000
12	Rural development fund	2,000,000
13	State general fund/general purpose	\$ 4,273,300
14	Sec. 110. FAIRS AND EXPOSITIONS	
15	County fairs, shows, and expositions	\$ 300,400
16	Festivals and events	100
17	Fairs and racing	256,600
18	Licensed tracks - light horse racing	40,300
19	Light horse racing - breeders' awards	20,000
20	Purses and supplements - fairs/licensed tracks	708,300
21	Standardbred breeders' awards	345,900
22	Standardbred purses and supplements - licensed tracks	671,800
23	Standardbred sire stakes	275,000
24	Thoroughbred breeders' awards	368,600
25	Thoroughbred sire stakes	378,800
26	Thoroughbred supplements - licensed tracks	<u>601,900</u>
27	GROSS APPROPRIATION	\$ 3,967,700

1	Appropriated from:	
2	Special revenue funds:	
3	Agriculture equine industry development fund	3,667,200
4	State general fund/general purpose	\$ 300,500
5	Sec. 111. ONE-TIME BASIS ONLY	
6	Double-up food bucks (statewide)	\$ 750,000
7	Drinking water declaration of emergency	680,100
8	Enhanced wildlife risk management project	500,000
9	Intercounty drain	250,000
10	Tree fruit commission	<u>1,250,000</u>
11	GROSS APPROPRIATION	\$ 3,430,100
12	Appropriated from:	
13	Drinking water declaration of emergency reserve fund .	100
14	State general fund/general purpose	\$ 3,430,000

15 PART 2
 16 PROVISIONS CONCERNING APPROPRIATIONS
 17 FOR FISCAL YEAR 2017-2018

18 **GENERAL SECTIONS**

19 Sec. 201. Pursuant to section 30 of article IX of the state
 20 constitution of 1963, total state spending from state resources
 21 under part 1 for fiscal year 2017-2018 is \$91,643,000.00 and state
 22 spending from state resources to be paid to local units of
 23 government for fiscal year 2017-2018 is \$6,850,000.00. The itemized
 24 statement below identifies appropriations from which spending to
 25 local units of government will occur:



1	DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT	
2	Environmental stewardship/MAEAP	\$ 4,250,000
3	Enhanced wildlife risk management project	500,000
4	Qualified forest program	1,500,000
5	Rural development fund grant program	<u>600,000</u>
6	TOTAL	\$ 6,850,000

7 Sec. 202. The appropriations authorized under part 1 and this
 8 part are subject to the management and budget act, 1984 PA 431, MCL
 9 18.1101 to 18.1594.

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

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

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

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

16 (d) "FDA" means the United States Food and Drug
 17 Administration.

18 (e) "Fiscal agencies" means the Michigan house fiscal agency
 19 and the Michigan senate fiscal agency.

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

21 (g) "HHS" means the United States Department of Health and
 22 Human Services.

23 (h) "IDG" means interdepartmental grant.

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

26 (j) "LCC" means the Michigan liquor control commission.

27 (k) "MAEAP" means the Michigan agriculture environmental



1 assurance program.

2 (l) "MDEQ" means the Michigan department of environmental
3 quality.

4 (m) "MDNR" means the Michigan department of natural resources.

5 (n) "MOU" means memorandum of understanding.

6 (o) "Subcommittees" means all members of the subcommittees of
7 the house and senate appropriations committees with jurisdiction
8 over the budget for the department.

9 (p) "TB" means tuberculosis.

10 (q) "USDA" means the United States Department of Agriculture.

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

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

27 Sec. 206. The director shall take all reasonable steps to



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

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

17 (a) The dates of each travel occurrence.

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

23 Sec. 208. 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 outside services that



1 the attorney general authorizes.

2 Sec. 209. Not later than November 30, the state budget office
3 shall prepare and transmit a report that provides for estimates of
4 the total general fund/general purpose appropriation lapses at the
5 close of the prior fiscal year. This report shall summarize the
6 projected year-end general fund/general purpose appropriation
7 lapses by major departmental program or program areas. The report
8 shall be transmitted to the chairpersons of the senate and house of
9 representatives standing committees on appropriations and the
10 senate and house fiscal agencies.

11 Sec. 210. (1) In addition to the funds appropriated in part 1,
12 there is appropriated an amount not to exceed \$5,000,000.00 for
13 federal contingency funds. These funds are not available for
14 expenditure until they have been transferred to another line item
15 in part 1 under section 393(2) of the management and budget act,
16 1984 PA 431, MCL 18.1393.

17 (2) In addition to the funds appropriated in part 1, there is
18 appropriated an amount not to exceed \$6,000,000.00 for state
19 restricted contingency funds. These funds are not available for
20 expenditure until they have been transferred to another line item
21 in part 1 under section 393(2) of the management and budget act,
22 1984 PA 431, MCL 18.1393.

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



1 MCL 18.1393.

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

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

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

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

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

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

19 (e) Job specifications and wage rates.

20 Sec. 212. Within 14 days after the release of the executive
21 budget recommendation, the department shall cooperate with the
22 state budget office to provide the senate and house appropriations
23 chairs, the subcommittees, respectively, and the senate and house
24 fiscal agencies with an annual report on estimated state restricted
25 fund balances, state restricted fund projected revenues, and state
26 restricted fund expenditures for the fiscal years ending September
27 30, 2017 and September 30, 2018.



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

5 Sec. 214. Total authorized appropriations from all sources
6 under part 1 for legacy costs for the fiscal year ending September
7 30, 2018 is \$12,400,000.00. From this amount, total agency
8 appropriations for pension-related legacy costs are estimated at
9 \$6,381,100.00. Total agency appropriations for retiree health care
10 legacy costs are estimated at \$6,018,900.00.

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

20 **DEPARTMENTAL ADMINISTRATION AND SUPPORT**

21 Sec. 301. (1) The department may establish a fee schedule and
22 collect fees for the following work activities and services:

23 (a) Pesticide and plant pest management propagation and
24 certification of virus-free foundation stock.

25 (b) Fruit and vegetable inspection and grading services at
26 shipping and termination points and processing plants.



1 (c) Laboratory support testing for testing horses in draft
2 horse pulling contests at county fairs when local jurisdictions
3 request state assistance.

4 (d) Laboratory support analyses to determine foreign
5 substances in horses engaged in racing or pulling contests at
6 tracks.

7 (e) Laboratory support analyses of food, livestock, and
8 agricultural products for disease, foreign products for disease,
9 toxic materials, foreign substances, and quality standards.

10 (f) Laboratory support test samples for other state and local
11 agencies and public or private organizations.

12 (2) The department may receive and expend revenue from the
13 fees authorized under subsection (1), subject to appropriation, for
14 the purpose of recovering expenses associated with the work
15 activities and services described in subsection (1). Fee revenue
16 collected by the department under subsection (1) shall not lapse to
17 the state general fund at the end of the fiscal year but shall
18 carry forward for appropriation by the legislature in the
19 subsequent fiscal year.

20 (3) The department shall notify the subcommittees, the fiscal
21 agencies, and the state budget office 30 days prior to proposing
22 changes in fees authorized under this section or under section 5 of
23 1915 PA 91, MCL 285.35.

24 (4) On or before February 1 of each year, the department shall
25 provide a report to the subcommittees, the fiscal agencies, and the
26 state budget office detailing all the fees charged by the
27 department under the authorization provided in this section,



1 including, but not limited to, rates, number of individuals paying
2 each fee, and the revenue generated by each fee in the previous
3 fiscal year.

4 Sec. 302. (1) The department may contract with or provide
5 grants to local units of government, institutions of higher
6 education, or nonprofit organizations to support activities
7 authorized by appropriations in part 1. As used in this section,
8 contracts and grants include, but are not limited to, contracts for
9 delivery of groundwater/freshwater programs, MAEAP technical
10 assistance, forest management, invasive species monitoring,
11 wildlife risk mitigation, grants promoting proper pesticide
12 disposal, and research grants for the purpose of enhancing the
13 agricultural industries in this state.

14 (2) The department shall provide notice of contracts or grants
15 authorized under this section to the subcommittees, the fiscal
16 agencies, and the state budget office not later than 7 days before
17 the department notifies contract or grant recipients.

18 **FOOD AND DAIRY**

19 Sec. 401. (1) The department shall report on the previous
20 calendar year's activities of the food and dairy division. The
21 report shall include information on activities and outcomes of the
22 dairy safety and inspection program, the food safety inspection
23 program, the foodborne illness and emergency response program, and
24 the food service program.

25 (2) The report shall include information on significant
26 foodborne outbreaks and emergencies, including any enforcement



1 actions taken related to food safety during the prior calendar
2 year.

3 (3) The report shall be transmitted to the subcommittees, the
4 fiscal agencies, and the state budget office and posted to the
5 department's website on or before April 1 of each year.

6 Sec. 403. It is the intent of the legislature that the
7 department work with the FDA and representatives of agriculture
8 producers to develop on-farm food safety education and training
9 programs to assist producers in implementing the food safety
10 modernization act, Public Law 111-353, requirements. The department
11 may receive and expend federal revenues in excess of the federal
12 revenue appropriated in part 1, section 104, for food safety
13 modernization act, Public Law 111-353, education and training
14 program activities. The department shall notify the subcommittees
15 and the fiscal agencies prior to expending federal revenues
16 authorized under this section.

17 **ANIMAL INDUSTRY**

18 Sec. 451. From the funds appropriated in part 1 for bovine
19 tuberculosis, the department shall pay for all whole herd testing
20 costs and individual animal testing costs in the modified
21 accredited zone to maintain split-state status requirements. These
22 costs include indemnity and compensation for injury causing death
23 or downer to animals.

24 Sec. 452. The department shall report on the previous calendar
25 year's activities of the animal industry division. The report shall
26 be transmitted to the subcommittees, the fiscal agencies, and the



1 state budget office and posted to the department's website on or
2 before April 1 of each year.

3 Sec. 453. (1) From the funds appropriated in part 1 for animal
4 disease prevention and response, the department may provide for
5 indemnity pursuant to the animal industry act, 1988 PA 466, MCL
6 287.701 to 287.746, not to exceed \$100,000.00 per order. Any
7 indemnification agreement between the department and an owner of
8 livestock that exceeds \$100,000.00 shall be subject to specific
9 appropriation by the legislature.

10 (2) The department shall not make an indemnification payment
11 under the animal industry act, 1988 PA 466, MCL 287.701 to 287.746,
12 until the department provides all of the following information to
13 the subcommittees, the fiscal agencies, and the state budget
14 office:

15 (a) The reason for the indemnification.

16 (b) The amount of the indemnification.

17 (3) From the funds appropriated in part 1 for indemnification
18 - livestock depredation, the department shall make indemnification
19 payments for livestock killed by a wolf, coyote, or cougar pursuant
20 to the wildlife depredation indemnification act, 2012 PA 487, MCL
21 285.361 to 285.365.

22 (4) The department shall include in the annual report required
23 under section 452 all indemnification payments for livestock
24 depredation made in the 15-month period ending December 31, 2017.
25 The report shall include all of the following information:

26 (a) The reason for the indemnification.

27 (b) The amount of the indemnification.



1 (c) The person to whom the indemnification was paid.

2 Sec. 454. The department shall use its resources to
3 collaborate with the USDA to monitor bovine TB, consistent with the
4 May 2014 memorandum of understanding between the department and the
5 USDA.

6 Sec. 457. (1) On or before October 15, 2017, the department
7 shall provide to the subcommittees, the fiscal agencies, and the
8 state budget office a report on bovine TB status and department
9 activities.

10 (2) For each fiscal quarter following the report required in
11 subsection (1), the department shall provide an update to the
12 subcommittees, the fiscal agencies, and the state budget office.
13 The quarterly update reports shall identify significant impacts to
14 the program, including new incidence of bovine TB in this state,
15 department activity associated with specific new incidence of
16 bovine TB, any changes in USDA requirements or movement orders,
17 information and data on: wildlife risk mitigation plan
18 implementation in the modified accredited zone; implementation of a
19 movement certificate process; progress toward annual surveillance
20 test requirements; efforts to work with slaughter facilities in
21 this state, as well as those that slaughter a significant number of
22 animals from this state; educational programs and information for
23 this state's livestock community; any other item the legislature
24 should be aware of that will promote or hinder efforts to achieve
25 bovine TB-free status for this state.

26 Sec. 458. From the funds appropriated in part 1 for animal
27 industry, the department shall provide inspection and testing of



1 aquaculture facilities and aquaculture researchers as provided
2 under section 7 of the Michigan aquaculture development act, 1996
3 PA 199, MCL 286.877.

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

13 Sec. 461. (1) From the funds appropriated in part 1 for bovine
14 TB risk mitigation, the department shall establish a program to
15 identify and mitigate risks related to the transmission of bovine
16 TB from the wildlife to cattle. Risk mitigation activities shall
17 include matching grants to livestock producers to implement risk
18 mitigation projects. Risk mitigation matching grants made under
19 this section may provide no more than 50% of the cost of risk
20 mitigation projects. Grants under this section may be made only for
21 risk mitigation projects identified and approved by the department
22 prior to the start of project activity. The department may work
23 with local conservation districts in implementing the bovine TB
24 risk mitigation program.

25 (2) From the funds appropriated in part 1 for bovine TB risk
26 mitigation, not to exceed \$20,000.00, the department shall
27 establish a matching grant program to assist in the construction of



1 protective systems for apiaries. The department may make grants
2 under this program to reimburse apiary owners for costs of projects
3 designed to protect apiaries from damage by wildlife, subject to
4 all of the following:

5 (a) Grants may not exceed \$250.00 per apiary site.

6 (b) Grants may not exceed 50% of project cost.

7 (c) Grants under this subsection may be made only for projects
8 identified and approved by the department prior to the start of
9 project activity.

10 **PESTICIDE AND PLANT PEST MANAGEMENT**

11 Sec. 501. The department shall report on the previous calendar
12 year's activities of the pesticide and plant pest management
13 division. The report shall be transmitted to the subcommittees, the
14 fiscal agencies, and the state budget office and posted to the
15 department's website on or before April 1 of each year.

16 **ENVIRONMENTAL STEWARDSHIP**

17 Sec. 601. The funds appropriated in part 1 for environmental
18 stewardship/MAEAP shall be used to support department agriculture
19 pollution prevention programs, including groundwater and freshwater
20 protection programs under part 87 of the Michigan natural resources
21 and environmental protection act, 1994 PA 451, MCL 324.8701 to
22 324.8717, and technical assistance in implementing conservation
23 grants available under the federal farm bill of 2014.

24 Sec. 602. The department shall report on the previous calendar
25 year's activities of the environmental stewardship division. The



1 report shall be transmitted to the subcommittees, the fiscal
2 agencies, and the state budget office and posted to the
3 department's website on or before April 1 of each year.

4 Sec. 604. The department may receive and expend federal
5 revenues in excess of the federal revenue appropriated in part 1,
6 section 107, for environmental stewardship and MAEAP activities.
7 The department shall notify the subcommittees, the fiscal agencies,
8 and the state budget office prior to expending federal revenues
9 authorized under this section.

10 Sec. 608. (1) The appropriations in part 1 for qualified
11 forest affidavit program are for the purpose of increasing the
12 knowledge of nonindustrial private forestland owners of sound
13 forest management practices and increasing the amount of commercial
14 timber production from those lands.

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

19 **LABORATORY PROGRAM**

20 Sec. 651. The department shall report on the previous calendar
21 year's activities of the laboratory division. The report shall be
22 transmitted to the subcommittees, the fiscal agencies, and the
23 state budget office and posted to the department's website on or
24 before April 1 of each year.

25 **AGRICULTURE DEVELOPMENT**



1 Sec. 702. The department shall work with the rural development
2 fund board to establish a process and criteria for funding projects
3 as well as establishing metrics and measurable outcomes for the
4 program. Funds appropriated from the rural development fund shall
5 be used in accordance with the provisions of the rural development
6 fund act, 2012 PA 411, MCL 286.941 to 286.947.

7 Sec. 706. (1) From the funds appropriated in part 1 for
8 agriculture development, the department shall increase trade show
9 and export business visit attendance by 10 trade shows and 10
10 export business visits from the 2016-2017 fiscal year. The purpose
11 of this expansion is to promote the business of Michigan companies
12 and their products in global markets.

13 (2) The department shall report on the previous calendar
14 year's activities of the agriculture development division. The
15 report shall be transmitted to the subcommittees, the fiscal
16 agencies, and the state budget office and posted to the
17 department's website on or before April 1 of each year.

18 (3) The report shall include the following information on any
19 grants awarded during the prior fiscal year:

20 (a) The name of the grantee.

21 (b) The amount of the grant.

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

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

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

26 Sec. 709. (1) Not later than April 1 of the current fiscal
27 year, the department shall provide a report to the subcommittees,



1 fiscal agencies, and the state budget office describing the
2 activities of the grape and wine industry council established under
3 section 303 of the Michigan liquor control code of 1998, 1998 PA
4 58, MCL 436.1303.

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

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

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

11 (c) Grants awarded during the previous fiscal year and the
12 results of research grant projects completed during the previous
13 fiscal year.

14 Sec. 711. (1) From the funds appropriated in part 1 for the
15 food and agriculture investment program, the department shall
16 establish and administer a food and agriculture investment program.

17 (2) The food and agriculture investment program shall expand
18 the Michigan food and agriculture sector, grow Michigan exports,
19 promote the development of value-added agricultural production,
20 food hubs, food incubators, and community-based processing
21 facilities, and the expansion of farm markets and urban
22 agriculture, and increase food processing activities within the
23 state by accelerating projects and infrastructure development that
24 support growth in the food and agriculture processing industry.

25 (3) In addition to the funds appropriated in part 1, the
26 department may receive and expend funds received from outside
27 sources for the food and agriculture investment program.



1 (4) Before the allocation of funding, all projects shall
2 receive approval from the Michigan commission of agriculture and
3 rural development, except for projects selected through a
4 competitive process by a joint evaluation committee selected by the
5 director and consisting of representatives that have agriculture,
6 business, and economic development expertise. Projects funded
7 through the food and agriculture investment program will be
8 required to have a grant agreement that outlines milestones and
9 activities that must be met in order to receive a disbursement of
10 funds. Projects must also identify measurable project outcomes.

11 (5) The department shall include in the agriculture
12 development annual report a report on the food and agriculture
13 investment program for the previous fiscal year that includes a
14 listing of the grantees, award amounts, match funding, project
15 locations, and project outcomes.

16 (6) The food and agriculture investment program shall be
17 administered by the department and provide support for food and
18 agriculture projects that will enable growth in the industry and
19 this state's economy.

20 (7) The unexpended portion of the food and agriculture
21 investment program is a work project appropriation in accordance
22 with section 451a(1) of the management and budget act, 1984 PA 431,
23 MCL 18.1451a. All of the following apply to the project:

24 (a) The purpose of the project is to promote and expand the
25 Michigan food and agriculture sector, grow Michigan exports, and
26 increase food processing activities within the state.

27 (b) The project will be funded in accordance with this section



1 and the project guidelines approved by the Michigan agriculture
2 commission prior to an award.

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

5 (d) The tentative completion date for the work project is
6 September 30, 2020.

7 (8) The department may expend money from the funds
8 appropriated in part 1 for the food and agriculture investment
9 program, including all of the following activities:

10 (a) Grants.

11 (b) Loans or loan guarantees.

12 (c) Infrastructure development.

13 (d) Other economic assistance.

14 (e) Program administration.

15 (f) Export assistance, including staffing and the promotion of
16 agriculture exports and agriculture products at trade shows, buyers
17 missions, food shows, trade missions, and other trade and export
18 activities within the United States and internationally.

19 **FAIRS AND EXPOSITIONS**

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

25 Sec. 802. All appropriations from the agriculture equine
26 industry development fund, except for the Michigan gaming control



1 board's regulatory expenses and the department's expenses to
2 administer horse racing programs and laboratory analysis, shall be
3 reduced proportionately if revenues to the agriculture equine
4 industry development fund decline during the preceding fiscal year
5 to a level lower than the amounts appropriated in part 1.

6 Sec. 804. It is the intent of the legislature that the
7 Michigan gaming control board shall use actual expenditure data in
8 determining the actual regulatory costs of conducting racing dates
9 and shall provide that data to the senate and house of
10 representatives appropriations subcommittees on agriculture and
11 rural development and general government and the fiscal agencies by
12 November 1 of the current fiscal year. The Michigan gaming control
13 board shall not be reimbursed for more than the actual regulatory
14 cost of conducting race dates. If a certified horsemen's
15 organization funds more than the actual regulatory cost, the
16 balance shall remain in the agriculture equine industry development
17 fund to be used to fund subsequent race dates conducted by race
18 meeting licensees with which the certified horsemen's organization
19 has contracts. If a certified horsemen's organization funds less
20 than the actual regulatory costs of the additional horse racing
21 dates, the Michigan gaming control board shall reduce the number of
22 future race dates conducted by race meeting licensees with which
23 the certified horsemen's organization has contracts. Prior to the
24 reduction in the number of authorized race dates due to budget
25 deficits, the executive director of the Michigan gaming control
26 board shall provide notice to the certified horsemen's
27 organizations with an opportunity to respond with alternatives. In



1 determining actual costs, the Michigan gaming control board shall
2 take into account that each specific breed may require different
3 regulatory mechanisms.

4 Sec. 805. (1) The department shall establish and administer a
5 county fairs, shows, and expositions grant program. The program
6 shall have the following objectives:

7 (a) Assist in the promotion of building improvements or other
8 capital improvements at county fairgrounds of the state.

9 (b) Provide financial support, promotion, prizes, and premiums
10 of equine, livestock, and other agricultural commodity expositions
11 in the state.

12 (2) The department shall award grants on a competitive basis
13 to county fairs or other organizations from the funds appropriated
14 in part 1 for county fairs, shows, and expositions grants. Grantees
15 will be required to provide a dollar-for-dollar cash match with
16 grant awards and identify measurable project outcomes. A county
17 fair organization that received a county fair capital improvement
18 grant in the prior fiscal year shall not receive a grant from the
19 appropriation in part 1.

20 (3) From the amount appropriated in part 1 for county fairs,
21 shows, and expositions, up to \$20,000.00 shall be expended for the
22 purpose of financial support, promotion, prizes, and premiums of
23 equine, livestock, and other agricultural commodity expositions in
24 this state.

25 (4) All fairs receiving grants under this section shall
26 provide a report to the department on the financial impact
27 resulting from the capital improvement project on both fair and



1 nonfair events. These reports are due for 3 years immediately
2 following the completion of the capital improvement project.

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

6 (6) The department may expend money from the funds
7 appropriated in part 1 for the county fairs, shows, and expositions
8 grants for administering the program.

9 (7) The unexpended portion of the county fairs, shows, and
10 expositions grants is considered a work project appropriation in
11 accordance with section 451a of the management and budget act, 1984
12 PA 431, MCL 18.1451a. The following apply to the project:

13 (a) The purpose of the project is to support building
14 improvements or other capital improvements at county fairgrounds of
15 the state.

16 (b) All grants will be distributed in accordance with this
17 section and the grant guidelines published prior to the request for
18 proposals.

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

21 (d) The tentative completion date for the work project is
22 September 30, 2020.

23 (8) The department shall provide a year-end report on the
24 county fairs, shows, and expositions grants no later than December
25 1, 2018 to the subcommittees, the fiscal agencies, and the state
26 budget director that includes a listing of the grantees, award
27 amounts, match funding, and project outcomes.



1 **ONE-TIME APPROPRIATIONS**

2 Sec. 901. (1) From the funds appropriated in part 1 for the
3 drinking water declaration of emergency, the department shall
4 allocate funds to address needs in a city in which a declaration of
5 emergency was issued because of drinking water contamination. These
6 funds may support, but are not limited to, the following
7 activities:

8 (a) Genesee County food inspectors to perform water testing at
9 local food service establishments.

10 (b) Nutritional incentives provided to local residents through
11 the double up food bucks expansion program.

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

19 (a) The purpose of the project is to address needs in a city
20 in which a declaration of emergency was issued because of drinking
21 water contamination.

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

24 (c) The total estimated cost of the project is appropriated in
25 part 1.

26 (d) The tentative completion date is September 30, 2019.



1
2
3
4
5
6
7
8
9
10
11
12
13

14
15
16
17
18
19
20
21
22
23
24
25

PART 2A
PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS
FOR FISCAL YEAR 2018-2019

GENERAL SECTIONS

Sec. 1201. It is the intent of the legislature to provide appropriations for the fiscal year ending on September 30, 2019 for the line items listed in part 1. The fiscal year 2018-2019 appropriations are anticipated to be the same as those for fiscal year 2017-2018, 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 2018 consensus revenue estimating conference.

ARTICLE V
DEPARTMENT OF CORRECTIONS
PART 1
LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of corrections for the fiscal year ending September 30, 2018, from the following funds:

DEPARTMENT OF CORRECTIONS

APPROPRIATION SUMMARY

Average population	41,000
Full-time equated unclassified positions	16.0
Full-time equated classified positions	13,803.9



1	GROSS APPROPRIATION	\$ 2,007,919,200
2	Interdepartmental grant revenues:	
3	Total interdepartmental grants and intradepartmental	
4	transfers.....	0
5	ADJUSTED GROSS APPROPRIATION	\$ 2,007,919,200
6	Federal revenues:	
7	Total federal revenues	5,293,800
8	Special revenue funds:	
9	Total local revenues	8,842,400
10	Total private revenues	0
11	Total other state restricted revenues	39,649,400
12	State general fund/general purpose	\$ 1,954,133,600
13	Sec. 102. DEPARTMENTAL ADMINISTRATION AND SUPPORT	
14	Full-time equated unclassified positions	16.0
15	Full-time equated classified positions	270.0
16	Unclassified salaries--16.0 FTE positions	\$ 1,847,600
17	Administrative hearings officers	3,231,400
18	Budget and operations administration--188.0 FTE	
19	positions.....	25,322,500
20	Compensatory buyout and union leave bank	100
21	County jail reimbursement program	15,064,600
22	Equipment and special maintenance	1,559,700
23	Executive direction--20.0 FTE positions	4,238,300
24	Judicial data warehouse user fees	50,600
25	New custody staff training	9,411,200
26	Prison industries operations--62.0 FTE positions	9,893,600
27	Property management	2,413,100



1	Prosecutorial and detainer expenses	5,001,000
2	Sheriffs' coordinating and training office	100,000
3	Worker's compensation	<u>10,482,200</u>
4	GROSS APPROPRIATION	\$ 88,615,900
5	Appropriated from:	
6	Federal revenues:	
7	DOJ, prison rape elimination act grant	674,700
8	Special revenue funds:	
9	Correctional industries revolving fund	9,893,600
10	Correctional industries revolving fund 110	614,900
11	Jail reimbursement program fund	5,900,000
12	Local corrections officer training fund	100,000
13	Program and special equipment fund	100
14	State general fund/general purpose	\$ 71,432,600
15	Sec. 103. PRISONER REENTRY AND COMMUNITY SUPPORT	
16	Full-time equated classified positions	338.4
17	Community corrections comprehensive plans and services \$	12,158,000
18	Education program--266.4 FTE positions	37,739,100
19	Felony drunk driver jail reduction and community	
20	treatment program.....	1,440,100
21	Goodwill Flip the Script	1,500,000
22	Prisoner reentry federal grants	751,000
23	Prisoner reentry local service providers	13,208,600
24	Prisoner reentry MDOC programs	10,124,100
25	Public safety initiative	1,000,000
26	Reentry services--72.0 FTE positions	15,264,300
27	Residential services	<u>15,475,500</u>



1	GROSS APPROPRIATION	\$	108,660,700
2	Appropriated from:		
3	Federal revenues:		
4	DOJ, prisoner reintegration		751,000
5	Federal education funding		1,523,600
6	Special revenue funds:		
7	Program and special equipment fund		8,713,200
8	State general fund/general purpose	\$	97,672,900
9	Sec. 104. FIELD OPERATIONS ADMINISTRATION		
10	Full-time equated classified positions		2,192.6
11	Criminal justice reinvestment	\$	4,573,300
12	Detroit Detention Center--63.1 FTE positions		8,567,400
13	Detroit Reentry Center--223.0 FTE positions		28,129,400
14	Field operations--1,873.5 FTE positions		214,438,600
15	Parole board operations--33.0 FTE positions		3,850,100
16	Parole/probation services		940,000
17	Parole sanction certainty program		1,440,000
18	Residential alternative to prison program		<u>1,500,000</u>
19	GROSS APPROPRIATION	\$	263,438,800
20	Appropriated from:		
21	Special revenue funds:		
22	Local - community tether program reimbursement		275,000
23	Local revenues		8,567,400
24	Parole and probation oversight fees		4,428,000
25	Parole and probation oversight fees set-aside		940,000
26	Reentry center offender reimbursements		10,000
27	Tether program participant contributions		2,480,500



1	State general fund/general purpose	\$	246,737,900
2	Sec. 105. CORRECTIONAL FACILITIES ADMINISTRATION		
3	Full-time equated classified positions	311.0	
4	Central records--44.0 FTE positions	\$	5,178,100
5	Correctional facilities administration--21.0 FTE		
6	positions.....		5,084,000
7	Housing inmates in federal institutions		611,000
8	Inmate housing fund		100
9	Inmate legal services		590,900
10	Leased beds and alternatives to leased beds		100
11	Prison food service		58,491,900
12	Prison store operations--34.0 FTE positions		3,323,600
13	Public works programs		1,000,000
14	Transportation--212.0 FTE positions		<u>25,570,300</u>
15	GROSS APPROPRIATION	\$	99,850,000
16	Appropriated from:		
17	Federal revenues:		
18	DOJ-BOP, federal prisoner reimbursement		411,000
19	SSA-SSI, incentive payment		272,000
20	Special revenue funds:		
21	Correctional industries revolving fund 110		570,900
22	Public works user fees		1,000,000
23	Resident stores		3,323,600
24	State general fund/general purpose	\$	94,272,500
25	Sec. 106. HEALTH CARE		
26	Full-time equated classified positions	1,466.1	
27	Clinical complexes--1,052.1 FTE positions	\$	145,809,400

1	Health care administration--22.0 FTE positions	3,818,700
2	Healthy Michigan plan administration--12.0 FTE	
3	positions.....	1,107,300
4	Hepatitis C treatment	6,735,500
5	Interdepartmental grant to health and human services,	
6	eligibility specialists.....	116,000
7	Mental health services and support--372.0 FTE	
8	positions.....	61,244,200
9	Prisoner health care services	73,942,800
10	Substance abuse testing and treatment services--8.0	
11	FTE positions.....	21,596,300
12	Vaccination program	<u>691,200</u>
13	GROSS APPROPRIATION	\$ 315,061,400
14	Appropriated from:	
15	Federal revenues:	
16	DOJ, Office of Justice Programs, RSAT	250,200
17	Federal revenues and reimbursements	376,500
18	Special revenue funds:	
19	Prisoner health care copayments	257,200
20	State general fund/general purpose	\$ 314,177,500
21	Sec. 107. CORRECTIONAL FACILITIES	
22	Average population.....	41,000
23	Full-time equated classified positions.....	9,225.8
24	Alger Correctional Facility - Munising--260.0 FTE	
25	positions.....	\$ 30,945,800
26	Baraga Correctional Facility - Baraga--294.8 FTE	
27	positions.....	35,688,200



1	Bellamy Creek Correctional Facility - Ionia--390.2 FTE	
2	positions.....	44,219,200
3	Carson City Correctional Facility - Carson City--425.4	
4	FTE positions.....	48,952,600
5	Central Michigan Correctional Facility - St. Louis--	
6	388.6 FTE positions.....	46,460,300
7	Charles E. Egeler Correctional Facility - Jackson--	
8	382.6 FTE positions.....	45,690,000
9	Chippewa Correctional Facility - Kincheloe--445.6 FTE	
10	positions.....	51,628,100
11	Cooper Street Correctional Facility - Jackson--263.1	
12	FTE positions.....	29,999,800
13	Earnest C. Brooks Correctional Facility - Muskegon--	
14	440.9 FTE positions.....	51,192,500
15	G. Robert Cotton Correctional Facility - Jackson--	
16	394.0 FTE positions.....	45,054,700
17	Gus Harrison Correctional Facility - Adrian--442.6 FTE	
18	positions.....	49,856,800
19	Ionia Correctional Facility - Ionia--286.3 FTE	
20	positions.....	34,259,900
21	Kinross Correctional Facility - Kincheloe--257.6 FTE	
22	positions.....	32,747,300
23	Lakeland Correctional Facility - Coldwater--278.4 FTE	
24	positions.....	33,505,000
25	Macomb Correctional Facility - New Haven--294.8 FTE	
26	positions.....	35,016,900
27	Marquette Branch Prison - Marquette--321.7 FTE	



1	positions.....	39,625,000
2	Michigan Reformatory - Ionia--310.7 FTE positions	35,645,200
3	Muskegon Correctional Facility - Muskegon--205.0 FTE	
4	positions.....	25,637,900
5	Newberry Correctional Facility - Newberry--200.1 FTE	
6	positions.....	24,618,700
7	Oaks Correctional Facility - Eastlake--290.4 FTE	
8	positions.....	34,425,900
9	Ojibway Correctional Facility - Marenisco--203.1 FTE	
10	positions.....	23,689,900
11	Parnall Correctional Facility - Jackson--262.1 FTE	
12	positions.....	28,947,300
13	Richard A. Handlon Correctional Facility - Ionia--	
14	252.7 FTE positions.....	30,442,600
15	Saginaw Correctional Facility - Freeland--274.9 FTE	
16	positions.....	33,291,500
17	Special Alternative Incarceration Program - Cassidy	
18	Lake--119.0 FTE positions.....	13,869,400
19	St. Louis Correctional Facility - St. Louis--303.6 FTE	
20	positions.....	37,497,500
21	Thumb Correctional Facility - Lapeer--283.6 FTE	
22	positions.....	33,353,100
23	Women's Huron Valley Correctional Complex - Ypsilanti--	
24	506.1 FTE positions.....	60,163,400
25	Woodland Correctional Facility - Whitmore Lake--278.9	
26	FTE positions.....	32,824,200
27	Northern region administration and support--48.0 FTE	



1	positions.....	4,789,600
2	Southern region administration and support--121.0 FTE	
3	positions.....	<u>23,503,100</u>
4	GROSS APPROPRIATION	\$ 1,097,541,400
5	Appropriated from:	
6	Federal revenues:	
7	DOJ, state criminal assistance program	1,034,800
8	Special revenue funds:	
9	State restricted fees, revenues, and reimbursements ..	102,100
10	State general fund/general purpose	\$ 1,096,404,500
11	Sec. 108. INFORMATION TECHNOLOGY	
12	Information technology services and projects	\$ <u>30,392,000</u>
13	GROSS APPROPRIATION	\$ 30,392,000
14	Appropriated from:	
15	Special revenue funds:	
16	Correctional industries revolving fund 110	177,500
17	Parole and probation oversight fees set-aside	696,600
18	Program and special equipment fund	441,200
19	State general fund/general purpose	\$ 29,076,700
20	Sec. 109. ONE-TIME APPROPRIATIONS	
21	New custody staff training	\$ <u>4,359,000</u>
22	GROSS APPROPRIATION	\$ 4,359,000
23	Appropriated from:	
24	State general fund/general purpose	\$ 4,359,000

25

PART 2



PROVISIONS CONCERNING APPROPRIATIONS
FOR FISCAL YEAR 2017-2018

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 2017-2018 is \$1,993,783,000.00 and state spending from state resources to be paid to local units of government for fiscal year 2017-2018 is \$110,888,800.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF CORRECTIONS

Field operations	\$	62,750,500
Community corrections comprehensive plans and services		12,158,000
Reentry services		1,500,000
Residential services		15,475,500
County jail reimbursement program		15,064,600
Felony drunk driver jail reduction and community treatment program		1,440,100
Leased beds and alternatives to leased beds		100
Residential alternative to prison program		1,500,000
Public safety initiative		<u>1,000,000</u>
TOTAL	\$	110,888,800

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

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



1 (a) "Administrative segregation" means confinement for
2 maintenance of order or discipline to a cell or room apart from
3 accommodations provided for inmates who are participating in
4 programs of the facility.

5 (b) "Cost per prisoner" means the sum total of the funds
6 appropriated under part 1 for the following, divided by the
7 projected prisoner population in fiscal year 2017-2018:

8 (i) Correctional facilities.

9 (ii) Northern and southern region administration and support.

10 (iii) Clinical and mental health services and support.

11 (iv) Prisoner health care services.

12 (v) Vaccination program.

13 (vi) Prison food service.

14 (vii) Transportation.

15 (viii) Inmate legal services.

16 (ix) Correctional facilities administration.

17 (x) Central records.

18 (xi) Worker's compensation.

19 (xii) New custody staff training.

20 (xiii) Prison store operations.

21 (xiv) Education program.

22 (c) "Department" or "MDOC" means the Michigan department of
23 corrections.

24 (d) "DOJ" means the United States Department of Justice.

25 (e) "DOJ-BOP" means the DOJ Bureau of Prisons.

26 (f) "EPIC program" means the department's effective process
27 improvement and communications program.



1 (g) "Evidence-based" means a decision-making process that
2 integrates the best available research, clinician expertise, and
3 client characteristics.

4 (h) "FTE" means full-time equated.

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

10 (j) "IDG" means interdepartmental grant.

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

14 (l) "MDHHS" means the Michigan department of health and human
15 services.

16 (m) "MDSP" means the Michigan department of state police.

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

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

26 (p) "OCC" means the office of community corrections.

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

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

18 (t) "Offender who would likely be sentenced to imprisonment"
19 means either of the following:

20 (i) A felon or misdemeanant who receives a sentencing
21 disposition that appears to be in place of incarceration in a state
22 correctional facility or jail, according to historical local
23 sentencing patterns.

24 (ii) A currently incarcerated felon or misdemeanant who is
25 granted early release from incarceration to a community corrections
26 program or who is granted early release from incarceration as a
27 result of a community corrections program.



1 (u) "Programmatic success" means that the department program
2 or initiative has ensured that the offender has accomplished all of
3 the following:

4 (i) Obtained employment, has enrolled or participated in a
5 program of education or job training, or has investigated all bona
6 fide employment opportunities.

7 (ii) Obtained housing.

8 (iii) Obtained a state identification card.

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

12 (w) "RSAT" means residential substance abuse treatment.

13 (x) "Serious emotional disturbance" means that term as defined
14 in section 100d(2) of the mental health code, 1974 PA 328, MCL
15 330.1100d.

16 (y) "Serious mental illness" means that term as defined in
17 section 100d(3) of the mental health code, 1974 PA 328, MCL
18 330.1100d.

19 (z) "SSA" means the United States Social Security
20 Administration.

21 (aa) "SSA-SSI" means SSA supplemental security income.

22 Sec. 204. The department shall use the internet to fulfill the
23 reporting requirements of this part. This requirement may include
24 transmission of reports via electronic mail to the recipients
25 identified for each reporting requirement, or it may include
26 placement of reports on an internet or intranet site.

27 Sec. 205. Funds appropriated in part 1 shall not be used for



1 the purchase of foreign goods or services, or both, if
2 competitively priced and of comparable quality American goods or
3 services, or both, are available. Preference shall be given to
4 goods or services, or both, manufactured or provided by Michigan
5 businesses, if they are competitively priced and of comparable
6 quality. In addition, preference should be given to goods or
7 services, or both, that are manufactured or provided by Michigan
8 businesses owned and operated by veterans, if they are
9 competitively priced and of comparable quality.

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

13 Sec. 207. The department shall prepare a report on out-of-
14 state travel expenses not later than January 1 of each year. The
15 travel report shall be a listing of 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 senate and house appropriations committees, the
20 senate and house fiscal agencies, and the state budget director.
21 The report shall include the following 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. 208. Funds appropriated in part 1 shall not be used by
2 the department to hire a person to provide legal services that are
3 the responsibility of the attorney general. This prohibition does
4 not apply to legal services for bonding activities and for those
5 outside services that the attorney general authorizes.

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

14 Sec. 210. (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 part 1 under section 393(2) of the management and budget act,
19 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 part 1 under section 393(2) of the management and budget act,
25 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 part 1
3 under section 393(2) of the management and budget act, 1984 PA 431,
4 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 part 1
9 under section 393(2) of the management and budget act, 1984 PA 431,
10 MCL 18.1393.

11 Sec. 211. The department shall cooperate with the department
12 of technology, management, and budget to maintain a searchable
13 website accessible by the public at no cost that includes, but is
14 not limited to, all of the following for the department:

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

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

17 (c) Fiscal-year-to-date payments to a selected vendor,
18 including the vendor name, payment date, payment amount, and
19 payment description.

20 (d) The number of active department employees by job
21 classification.

22 (e) Job specifications and wage rates.

23 Sec. 212. Within 14 days after the release of the executive
24 budget recommendation, the department shall cooperate with the
25 state budget office to provide the chairpersons of the senate and
26 house appropriations committees, the chairpersons of the senate and
27 house appropriations subcommittees on corrections, and the senate



1 and house fiscal agencies with an annual report on estimated state
2 restricted fund balances, state restricted fund projected revenues,
3 and state restricted fund expenditures for the fiscal years ending
4 September 30, 2017 and September 30, 2018.

5 Sec. 213. The department shall maintain, on a publicly
6 accessible website, a department scorecard that identifies, tracks,
7 and regularly updates key metrics that are used to monitor and
8 improve the department's performance.

9 Sec. 214. Total authorized appropriations from all sources
10 under part 1 for legacy costs for the fiscal year ending September
11 30, 2018 are estimated at \$283,300,700.00. From this amount, total
12 agency appropriations for pension-related legacy costs are
13 estimated at \$145,788,300.00. Total agency appropriations for
14 retiree health care legacy costs are estimated at \$137,512,400.00.

15 Sec. 215. It is the intent of the legislature that the
16 department establish and maintain a management-to-staff ratio of
17 not more than 1 supervisor for each 8 employees at the department's
18 central office in Lansing and at both the northern and southern
19 region administration offices.

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

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



1 revenue. Funding shall be used for prisoner programming, special
2 equipment, and security projects. Unexpended funds remaining at the
3 close of the fiscal year shall not lapse to the general fund but
4 shall be carried forward and be available for appropriation in
5 subsequent fiscal years.

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

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

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

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

24 Sec. 220. The department may charge fees and collect revenues
25 in excess of appropriations in part 1 not to exceed the cost of
26 offender services and programming, employee meals, parolee loans,
27 academic/vocational services, custody escorts, compassionate



1 visits, union steward activities, and public works programs and
2 services provided to local units of government or private nonprofit
3 organizations. The revenues and fees collected are appropriated for
4 all expenses associated with these services and activities.

5 Sec. 221. In cooperation with the state court administrative
6 office, the department shall assist with the data compilation for
7 the swift and sure sanctions program.

8 **DEPARTMENTAL ADMINISTRATION AND SUPPORT**

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

18 Sec. 304. The department shall maintain a staff savings
19 initiative program in conjunction with the EPIC program for
20 employees to submit suggestions for efficiencies for the
21 department. The department shall consider each suggestion in a
22 timely manner. By March 1, the department shall report to the
23 senate and house appropriations subcommittees on corrections, the
24 legislative corrections ombudsman, the senate and house fiscal
25 agencies, and the state budget director on process improvements
26 that were implemented based on suggestions that were recommended



1 for implementation from the staff savings initiative and EPIC
2 programs.

3 Sec. 305. From the funds appropriated in part 1 for
4 prosecutorial and detainer expenses, the department shall reimburse
5 counties for housing and custody of parole violators and offenders
6 being returned by the department from community placement who are
7 available for return to institutional status and for prisoners who
8 volunteer for placement in a county jail.

9 Sec. 306. Funds included in part 1 for the sheriffs'
10 coordinating and training office are appropriated for and may be
11 expended to defray costs of continuing education, certification,
12 recertification, decertification, and training of local corrections
13 officers, the personnel and administrative costs of the sheriffs'
14 coordinating and training office, the local corrections officers
15 advisory board, and the sheriffs' coordinating and training council
16 under the local corrections officers training act, 2003 PA 125, MCL
17 791.531 to 791.546.

18 Sec. 307. The department shall issue an annual report for all
19 vendor contracts to the senate and house appropriations
20 subcommittees on corrections, the senate and house fiscal agencies,
21 the legislative corrections ombudsman, and the state budget
22 director. The report shall cover service contracts with a value of
23 \$5,000,000.00 or more and include all of the following:

24 (a) The original start date and the current expiration date of
25 each contract.

26 (b) The number, if any, of contract compliance monitoring site
27 visits completed by the department for each vendor.



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

4 Sec. 308. The department shall provide for the training of all
5 custody staff in effective and safe ways of handling prisoners with
6 mental illness and referring prisoners to mental health treatment
7 programs. Mental health awareness training shall be incorporated
8 into the training of new custody staff.

9 Sec. 309. The department shall issue a report for all
10 correctional facilities to the senate and house appropriations
11 subcommittees on corrections, the senate and house fiscal agencies,
12 and the legislative corrections ombudsman by January 1 setting
13 forth the following information for each facility: its name, street
14 address, and date of construction; its current maintenance costs;
15 any maintenance planned; its current utility costs; its expected
16 future capital improvement costs; the current unspent balance of
17 any authorized capital outlay projects, including the original
18 authorized amount; and its expected future useful life.

19 Sec. 310. (1) By February 1, the department shall provide a
20 report to the senate and house appropriations subcommittees on
21 corrections, the senate and house fiscal agencies, the legislative
22 corrections ombudsman, and the state budget director which details
23 the strategic plan of the department. The report shall contain
24 strategies to decrease the overall recidivism rate, measurable
25 plans to increase the rehabilitative function of correctional
26 facilities, metrics to track and ensure prisoner readiness to
27 reenter society, and constructive actions for providing prisoners



1 with life skills development.

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

7 **PRISONER REENTRY AND COMMUNITY SUPPORT**

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

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

22 (a) Details on prior-year expenditures, including amounts
23 spent on each project funded, itemized by service provided and
24 service provider.

25 (b) Allocations and planned expenditures for each project
26 funded and for each project to be funded, itemized by service to be



1 provided and service provider. The department shall provide an
2 amended report quarterly, if any revisions to allocations or
3 planned expenditures occurred during that quarter.

4 Sec. 407. By June 30, the department shall place the
5 statistical report from the immediately preceding calendar year on
6 an internet site. The statistical report shall include, but not be
7 limited to, the information as provided in the 2004 statistical
8 report.

9 Sec. 408. The department shall measure the recidivism rates of
10 offenders.

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

23 (2) The department may continue to offer workforce development
24 programming through the entire duration of the prisoner's
25 incarceration to encourage employment upon release.

26 (3) By March 1, the department shall provide a report to the
27 senate and house appropriations subcommittees on corrections, the



1 legislative corrections ombudsman, and the senate and house fiscal
2 agencies detailing the results of the workforce development
3 program.

4 Sec. 410. (1) The funds included in part 1 for community
5 corrections comprehensive plans and services are to encourage the
6 development through technical assistance grants, implementation,
7 and operation of community corrections programs that enhance
8 offender success and that also may serve as an alternative to
9 incarceration in a state facility or jail. The comprehensive
10 corrections plans shall include an explanation of how the public
11 safety will be maintained, the goals for the local jurisdiction,
12 offender target populations intended to be affected, offender
13 eligibility criteria for purposes outlined in the plan, and how the
14 plans will meet the following objectives, consistent with section
15 8(4) of the community corrections act, 1988 PA 511, MCL 791.408:

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

18 (b) Improve the appropriate utilization of jail facilities,
19 the first priority of which is to open jail beds intended to house
20 otherwise prison-bound felons, and the second priority being to
21 appropriately utilize jail beds so that jail crowding does not
22 occur.

23 (c) Open jail beds through the increase of pretrial release
24 options.

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

26 (e) Reduce the admission or readmission to prison of
27 offenders, including probation violators and parole violators, for



1 substance abuse violations.

2 (f) Contribute to offender success.

3 (2) The award of community corrections comprehensive plans and
4 residential services funds shall be based on criteria that include,
5 but are not limited to, the prison commitment rate by category of
6 offenders, trends in prison commitment rates and jail utilization,
7 historical trends in community corrections program capacity and
8 program utilization, and the projected impact and outcome of annual
9 policies and procedures of programs on offender success, prison
10 commitment rates, and jail utilization.

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

16 Sec. 411. The comprehensive corrections plans shall also
17 include, where appropriate, descriptive information on the full
18 range of sanctions and services that are available and utilized
19 within the local jurisdiction and an explanation of how jail beds,
20 residential services, the special alternative incarceration
21 program, probation detention centers, the electronic monitoring
22 program for probationers, and treatment and rehabilitative services
23 will be utilized to support the objectives and priorities of the
24 comprehensive corrections plans and the purposes and priorities of
25 section 8(4) of the community corrections act, 1988 PA 511, MCL
26 791.408, that contribute to the success of offenders. The plans
27 shall also include, where appropriate, provisions that detail how



1 the local communities plan to respond to sentencing guidelines
2 found in chapter XVII of the code of criminal procedure, 1927 PA
3 175, MCL 777.1 to 777.69, and use the county jail reimbursement
4 program under section 414. The state community corrections board
5 shall encourage local community corrections advisory boards to
6 include in their comprehensive corrections plans strategies to
7 collaborate with local alcohol and drug treatment agencies of the
8 MDHHS for the provision of alcohol and drug screening, assessment,
9 case management planning, and delivery of treatment to alcohol- and
10 drug-involved offenders.

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

20 (a) Approved technical assistance grants and comprehensive
21 corrections plans including each program and level of funding, the
22 utilization level of each program, and profile information of
23 enrolled offenders.

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

27 (c) Status of the community corrections information system and



1 the jail population information system.

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

5 (e) Offender disposition data by sentencing guideline range,
6 by disposition type, by prior record variable score, by number and
7 percent statewide and by county, current year, and comparisons to
8 the previous 3 years.

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

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

14 Sec. 413. (1) The department shall identify and coordinate
15 information regarding the availability of and the demand for
16 community corrections programs, jail-based community corrections
17 programs, jail-based probation violation sanctions, and all state-
18 required jail data.

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

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

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



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

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

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

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

20 (3) State reimbursement under this subsection shall be \$65.00
21 per diem per diverted offender for offenders with a presumptive
22 prison guideline score, \$55.00 per diem per diverted offender for
23 offenders with a straddle cell guideline for a group 1 crime, and
24 \$40.00 per diem per diverted offender for offenders with a straddle
25 cell guideline for a group 2 crime. Reimbursements shall be paid
26 for sentences up to a 1-year total.

27 (4) As used in this subsection:



1 (a) "Group 1 crime" means a crime in 1 or more of the
2 following offense categories: arson, assault, assaultive other,
3 burglary, criminal sexual conduct, homicide or resulting in death,
4 other sex offenses, robbery, and weapon possession as determined by
5 the department of corrections based on specific crimes for which
6 counties received reimbursement under the county jail reimbursement
7 program in fiscal year 2007 and fiscal year 2008, and listed in the
8 county jail reimbursement program document titled "FY 2007 and FY
9 2008 Group One Crimes Reimbursed", dated March 31, 2009.

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

14 (c) "In the custody of the sheriff" means that the convicted
15 felon has been sentenced to the county jail and is either housed in
16 the county jail or has been released from jail and is being
17 monitored through the use of the sheriff's electronic monitoring
18 system.

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

27 (6) Any county that receives funding under this section for



1 the purpose of housing in jails certain felons who otherwise would
2 have been sentenced to prison shall, as a condition of receiving
3 the funding, report by September 30 an annual average jail capacity
4 and annual average jail occupancy for the immediately preceding
5 fiscal year.

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

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

18 (a) The county jail reimbursement program.

19 (b) The felony drunk driver jail reduction and community
20 treatment program.

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

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

25 (a) Program objectives and outcome measures, including, but
26 not limited to, the number of offenders who successfully completed
27 the program, and the number of offenders who successfully remained



1 in the community during the 3 years following termination from the
2 program.

3 (b) Expenditures by location.

4 (c) The impact on jail utilization.

5 (d) The impact on prison admissions.

6 (e) Other information relevant to an evaluation of the
7 program.

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

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

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

25 Sec. 419. (1) The department shall provide weekly electronic
26 mail reports to the senate and house appropriations subcommittees
27 on corrections, the legislative corrections ombudsman, the senate



1 and house fiscal agencies, and the state budget director on
2 prisoner populations by security levels by facility, prison
3 facility capacities, and parolee and probationer populations.

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

13 (a) Community residential program populations, separated by
14 centers and electronic monitoring.

15 (b) Parole populations.

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

18 (d) Prison and camp populations, with separate identification
19 of the number in special alternative incarceration and the number
20 of lifers.

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

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

24 (g) Prisoner exits, identifying transfers to community
25 placement, paroles from prisons and camps, paroles from community
26 placement, total movements to parole, prison intake, prisoner
27 deaths, prisoners discharging on the maximum sentence, and other



1 prisoner exits.

2 (h) Prison intake and returns, including probation violators,
3 new court commitments, violators with new sentences, escaper new
4 sentences, total prison intake, returns from court with additional
5 sentences, community placement returns, technical parole violator
6 returns, and total returns to prison and camp.

7 Sec. 421. (1) Funds appropriated in part 1 for the parole
8 sanction certainty program shall be distributed to an American
9 Correctional Association accredited rehabilitation organization
10 operating in any of the following counties: Berrien, Calhoun,
11 Genesee, Kalamazoo, Kent, Macomb, Muskegon, Oakland, Saginaw, and
12 Wayne for operations and administration of the program. The program
13 may be utilized as a condition of parole for technical parole
14 violators to ensure public safety and justice through a program
15 based on evidence-based tactics and programs.

16 (2) The program or programs selected shall report by March 30
17 to the department, the senate and house appropriations
18 subcommittees on corrections, the senate and house fiscal agencies,
19 the legislative corrections ombudsman, and the state budget
20 director. The report shall include program performance
21 measurements, the number of individuals who participate in the
22 program, the number of individuals who return to prison after
23 participating, and outcomes of participants who complete the
24 program.

25 Sec. 422. On a quarterly basis, the department shall issue a
26 report to the senate and house appropriations subcommittees on
27 corrections, the senate and house fiscal agencies, and the



1 legislative corrections ombudsman, for the previous 4 quarters
2 detailing the outcomes of prisoners who have been reviewed for
3 parole. The report shall include all of the following:

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

5 (b) How many prisoners were granted parole.

6 (c) How many prisoners were denied parole.

7 (d) How many parole decisions were deferred.

8 (e) The distribution of the total number of prisoners reviewed
9 during that quarter grouped by whether the prisoner had been
10 interviewed for the first, second, third, fourth, fifth, sixth, or
11 more than sixth time.

12 (f) The number of paroles granted, denied, or deferred for
13 each of the parole guideline scores of low, average, and high.

14 (g) The reason for denying or deferring parole.

15 Sec. 425. (1) From the funds appropriated in part 1, the
16 department shall establish medication-assisted treatment reentry
17 pilot programs to provide prerelease treatment and postrelease
18 referral for opioid-addicted and alcohol-addicted offenders who
19 voluntarily participate in the medication-assisted treatment
20 reentry pilot programs. The department shall collaborate with
21 residential and nonresidential substance abuse treatment providers
22 and with community-based clinics to provide postrelease treatment.
23 The programs shall employ a multifaceted approach to treatment,
24 including a long-acting nonaddictive medication approved by the
25 Food and Drug Administration for the treatment of opioid and
26 alcohol dependence, counseling, and postrelease referral to
27 community-based providers.



1 (2) The manufacturer of a long-acting nonaddictive medication
2 approved by the Food and Drug Administration for opioid and alcohol
3 dependence shall provide the department with samples of the
4 medication, at no cost to the department, during the duration of
5 the medication-assisted treatment reentry pilot programs. Offenders
6 shall receive 1 injection prior to being released from custody and
7 shall be connected with an aftercare plan and assistance with
8 obtaining insurance to cover subsequent injections.

9 (3) Participants of the programs shall be required to attend
10 substance abuse treatment programming as directed by their agent,
11 including coordination of both direct or indirect services through
12 federally qualified health centers in Wayne, Washtenaw, Genesee,
13 Berrien, Van Buren, and Allegan Counties, but not limited to only
14 those counties, shall be subject to routine drug and alcohol
15 testing, shall not be allowed to consume drugs or alcohol, and
16 shall possess a strong will to overcome addiction.

17 (4) The department shall submit a report by September 30 to
18 the senate and house appropriations subcommittees on corrections,
19 the senate and house fiscal agencies, the legislative corrections
20 ombudsman, and the state budget director on the number of offenders
21 who received injections upon release, the number of offenders who
22 received injections and tested positive for drugs or alcohol, the
23 number of offenders who received injections in the community for a
24 duration of at least 3 months, and the number of offenders who
25 received injections and were subsequently returned to prison.

26 Sec. 437. (1) Funds appropriated in part 1 for Goodwill Flip
27 the Script shall be distributed to a Michigan-chartered 501(c)(3)



1 nonprofit corporation operating in a county with greater than
2 1,500,000 people for administration and expansion of a program
3 which serves a population of persons aged 16 to 39. The program
4 shall target those who are entering the criminal justice system for
5 the first or second time and shall assist those individuals through
6 the following program types:

7 (a) Alternative sentencing programs in partnership with a
8 local district or circuit court.

9 (b) Educational recovery for special adult populations with
10 high rates of illiteracy.

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

12 (2) The program selected shall report by March 30 to the
13 department, the senate and house appropriations subcommittees on
14 corrections, the senate and house fiscal agencies, the legislative
15 corrections ombudsman, and the state budget director. The report
16 shall include program performance measurements, the number of
17 individuals diverted from incarceration, the number of individuals
18 served, and outcomes of participants who complete the program.

19 **FIELD OPERATIONS ADMINISTRATION**

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



1 the state budget office by March 1.

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

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

11 (2) Program participant contributions and local program
12 reimbursement for the curfew monitoring program appropriated in
13 part 1 are related to program expenditures and may be used to
14 offset expenditures for this purpose.

15 (3) Included in the appropriation in part 1 is adequate
16 funding to implement the curfew monitoring program to be
17 administered by the department. The curfew monitoring program is
18 intended to provide sentencing judges and county sheriffs in
19 coordination with local community corrections advisory boards
20 access to the state's curfew monitoring program to reduce prison
21 admissions and improve local jail utilization. The department shall
22 determine the appropriate distribution of the curfew monitor units
23 throughout the state based upon locally developed comprehensive
24 corrections plans under the community corrections act, 1988 PA 511,
25 MCL 791.401 to 791.414.

26 (4) For a fee determined by the department, the department
27 shall provide counties with the curfew monitor equipment,



1 replacement parts, administrative oversight of the equipment's
2 operation, notification of violators, and periodic reports
3 regarding county program participants. Counties are responsible for
4 curfew monitor equipment installation and service. For an
5 additional fee as determined by the department, the department
6 shall provide staff to install and service the equipment. Counties
7 are responsible for the coordination and apprehension of program
8 violators.

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

12 Sec. 604. The funds appropriated in part 1 for criminal
13 justice reinvestment shall be used only to fund evidence-based
14 programs designed to reduce recidivism among probationers and
15 parolees.

16 Sec. 611. The department shall prepare by March 1 individual
17 reports for the community reentry program, the electronic
18 monitoring program, and the special alternative to incarceration
19 program. The reports shall be submitted to the senate and house
20 appropriations subcommittees on corrections, the legislative
21 corrections ombudsman, the senate and house fiscal agencies, and
22 the state budget director. Each program's report shall include
23 information on all of the following:

24 (a) Monthly new participants by type of offender. Community
25 reentry program participants shall be categorized by reason for
26 placement. For technical rule violators, the report shall sort
27 offenders by length of time since release from prison, by the most



1 recent violation, and by the number of violations occurring since
2 release from prison.

3 (b) Monthly participant unsuccessful terminations, including
4 cause.

5 (c) Number of successful terminations.

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

7 (e) Average length of placement.

8 (f) Return to prison statistics.

9 (g) Description of each program location or locations,
10 capacity, and staffing.

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

13 (i) Comparison with prior year statistics.

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

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

27 (2) By April 1, the department shall provide a report to the



1 senate and house appropriations subcommittees on corrections, the
2 legislative corrections ombudsman, the senate and house fiscal
3 agencies, and the state budget director on the number of all
4 parolees returned to prison and probationers sentenced to prison
5 for either a technical violation or new sentence during the
6 preceding fiscal year. The report shall include the following
7 information for probationers, for parolees after their first
8 parole, and for parolees who have been paroled more than once:

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

13 (b) The numbers of parole and probation violators returned to
14 or sent to prison for a technical violation and the type of
15 violation, including, but not limited to, zero gun tolerance and
16 substance abuse violations. For parole technical rule violators,
17 the report shall list violations by type, by length of time since
18 release from prison, by the most recent violation, and by the
19 number of violations occurring since release from prison.

20 (c) The educational history of those offenders, including how
21 many had a high school equivalency or high school diploma prior to
22 incarceration in prison, how many received a high school
23 equivalency while in prison, and how many received a vocational
24 certificate while in prison.

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

27 (e) The unduplicated number of offenders who participated in



1 substance abuse treatment programs, mental health treatment
2 programs, or both, while in prison, itemized by diagnosis.

3 Sec. 615. (1) The department shall submit a report detailing
4 the number of prisoners who have received life imprisonment
5 sentences with the possibility of parole and who are currently
6 eligible for parole to the senate and house appropriations
7 subcommittees on corrections, the senate and house fiscal agencies,
8 the legislative corrections ombudsman, and the state budget
9 director by April 30.

10 (2) The report shall include the following information on
11 parolable lifers who have served more than 25 years: prisoner name,
12 MDOC identification number, prefix, offense for which life term is
13 being served, county of conviction, age at time offense was
14 committed, current age, race, gender, true security classification,
15 dates of parole board file reviews, dates of parole board
16 interviews, parole guideline scores, and reason for decision not to
17 release.

18 Sec. 617. From the funds appropriated in part 1 for the
19 residential alternative to prison program, the department shall
20 provide vocational, educational, and cognitive programming in a
21 secure environment to enhance existing alternative sentencing
22 options, increase employment readiness and successful placement
23 rates, and reduce new criminal behavior for the west Michigan
24 probation violator population. The department shall measure and set
25 the following metric goals:

26 (a) 85% of participants successfully complete the program.

27 (b) Of the participants that complete the program, 75% will



1 earn a nationally recognized credential for career and vocational
2 programs.

3 (c) Of the participants that complete the program, 100% will
4 earn a certificate of completion for cognitive programming.

5 (d) The prison commitment rate for probation violators will be
6 reduced by 5% within the impacted geographical area after the first
7 year of program operation.

8 **HEALTH CARE**

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

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

26 (2) The department shall assure that any such signed release



1 forms follow a prisoner upon transfer to another department
2 facility or to the supervision of a parole officer.

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

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

13 Sec. 807. The funds appropriated in part 1 for Hepatitis C
14 treatment shall be used only to purchase specialty medication for
15 Hepatitis C treatment in the prison population. In addition to the
16 above appropriation, any rebates received from the medications used
17 shall be used only to purchase specialty medication for Hepatitis C
18 treatment. On a quarterly basis, the department shall issue a
19 report to the senate and house appropriations subcommittees on
20 corrections, the senate and house fiscal agencies, the legislative
21 corrections ombudsman, and the state budget director showing for
22 the previous 4 quarters the total amount spent on specialty
23 medication for the treatment of Hepatitis C, the number of
24 prisoners that were treated, the amount of any rebates that were
25 received from the purchase of specialty medication, and what
26 outstanding rebates are expected to be received.

27 Sec. 812. (1) The department shall provide the department of



1 health and human services with a monthly list of prisoners newly
2 committed to the department of corrections. The department and the
3 department of health and human services shall enter into an
4 interagency agreement under which the department of health and
5 human services provides the department of corrections with monthly
6 lists of newly committed prisoners who are eligible for Medicaid
7 benefits in order to maintain the process by which Medicaid
8 benefits are suspended rather than terminated. The department shall
9 assist prisoners who may be eligible for Medicaid benefits after
10 release from prison with the Medicaid enrollment process prior to
11 release from prison.

12 (2) The department shall provide the senate and house
13 appropriations subcommittees on corrections, the legislative
14 corrections ombudsman, the senate and house fiscal agencies, and
15 the state budget director with quarterly updates on the utilization
16 of Medicaid benefits for prisoners.

17 Sec. 816. By April 1, the department shall provide the members
18 of the senate and house appropriations subcommittees on
19 corrections, the senate and house fiscal agencies, the state budget
20 director, and the legislative corrections ombudsman with a report
21 on pharmaceutical expenditures and prescribing practices. In
22 particular, the report shall provide the following information:

23 (a) A detailed accounting of expenditures on antipsychotic
24 medications.

25 (b) Any changes that have been made to the prescription drug
26 formularies.



1 **CORRECTIONAL FACILITIES ADMINISTRATION**

2 Sec. 901. The department, working with the department of
3 technology, management, and budget, shall determine the costs of
4 entering into an agreement to lease or purchase a private
5 correctional facility to be operated by the department, as well as
6 the costs of reopening a closed correctional facility already owned
7 by the department to determine if it would be in the best interest
8 of the citizens of this state to house prisoners in a private
9 correctional facility leased or purchased and operated by the
10 department, or a closed correctional facility owned by the
11 department that the department reopens, rather than in a
12 correctional facility currently operated by the department. By
13 October 15, the department shall issue a report to the senate and
14 house appropriations subcommittees on corrections, the senate and
15 house fiscal agencies, and the state budget director that documents
16 the acquisition, lease, reopening, and modernization costs, and
17 taxes, utilities, expected future capital repair, and upgrades of
18 the correctional facilities described in this section.

19 Sec. 904. The department shall calculate the per prisoner/per
20 day cost for each prisoner security custody level. This calculation
21 shall include all actual direct and indirect costs for the previous
22 fiscal year, including, but not limited to, the value of services
23 provided to the department by other state agencies and the
24 allocation of statewide legacy costs. To calculate the per
25 prisoner/per day costs, the department shall divide these direct
26 and indirect costs by the average daily population for each custody
27 level. For multilevel facilities, the indirect costs that cannot be



1 accurately allocated to each custody level can be included in the
2 calculation on a per-prisoner basis for each facility. A report
3 summarizing these calculations and the direct and indirect costs
4 included in them shall be submitted to the senate and house
5 appropriations subcommittees on corrections, the legislative
6 corrections ombudsman, the senate and house fiscal agencies, and
7 the state budget director not later than December 15.

8 Sec. 906. Any local unit of government or private nonprofit
9 organization that contracts with the department for public works
10 services shall be responsible for financing the entire cost of such
11 an agreement.

12 Sec. 907. The department shall report by March 1 to the senate
13 and house appropriations subcommittees on corrections, the
14 legislative corrections ombudsman, the senate and house fiscal
15 agencies, and the state budget director on academic and vocational
16 programs. The report shall provide information relevant to an
17 assessment of the department's academic and vocational programs,
18 including, but not limited to, all of the following:

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

21 (b) The number of prisoners enrolled in each program, the
22 number of prisoners completing each program, the number of
23 prisoners who do not complete each program and are not subsequently
24 reenrolled, and the reason for not completing the program, the
25 number of prisoners transferred to another facility while enrolled
26 in a program and the reason for transfer, the number of prisoners
27 enrolled who are repeating the program, and the number of prisoners



1 on waiting lists for each program, all itemized by facility.

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

5 (d) The number of prisoners paroled without a high school
6 diploma and the number of prisoners paroled without a high school
7 equivalency.

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

11 (f) An identification of program outcomes for each academic
12 and vocational program.

13 (g) The number of prisoners not paroled at their earliest
14 release date due to lack of a high school equivalency, and the
15 reason those prisoners have not obtained a high school equivalency.

16 Sec. 910. The department shall allow the Michigan Braille
17 transcribing fund program to operate at its current location. The
18 donation of the building by the Michigan Braille transcribing fund
19 at the G. Robert Cotton Correctional Facility in Jackson is
20 acknowledged and appreciated. The department shall continue to
21 encourage the Michigan Braille transcribing fund program to produce
22 high-quality materials for use by the visually impaired.

23 Sec. 911. By March 1, the department shall report to the
24 senate and house appropriations subcommittees on corrections, the
25 senate and house fiscal agencies, the legislative corrections
26 ombudsman, and the state budget director the number of critical
27 incidents occurring each month by type and the number and severity



1 of assaults, escape attempts, suicides, and attempted suicides
2 occurring each month at each facility during the immediately
3 preceding calendar year.

4 Sec. 913. (1) From the funds appropriated in part 1, the
5 department shall focus on providing required programming to
6 prisoners who are past their earliest release date because of not
7 having received the required programming. Programming includes, but
8 is not limited to, violence prevention programming, assaultive
9 offender programming, sexual offender programming, substance abuse
10 treatment programming, thinking for a change programming, and any
11 other programming that is required as a condition of parole.

12 (2) It is the intent of the legislature that any prisoner
13 required to complete a violence prevention program, sexual offender
14 program, or other program as a condition of parole shall be placed
15 on a waiting list for the appropriate programming upon entrance to
16 prison and transferred to a facility where that program is
17 available in order to accomplish timely completion of that program
18 prior to the expiration of his or her minimum sentence and
19 eligibility for parole. Nothing in this section should be deemed to
20 make parole denial appealable in court.

21 (3) The department shall submit a quarterly report to the
22 members of the senate and house appropriations subcommittees on
23 corrections, the senate and house fiscal agencies, the state budget
24 director, and the legislative corrections ombudsman detailing
25 enrollment in sex offender programming, assaultive offender
26 programming, violent offender programming, and thinking for a
27 change programming. At a minimum, the report shall include the



1 following:

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

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

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

9 Sec. 924. The department shall evaluate all prisoners at
10 intake for substance abuse disorders, serious developmental
11 disorders, serious mental illness, and other mental health
12 disorders. Prisoners with serious mental illness or serious
13 developmental disorders shall not be removed from the general
14 population as a punitive response to behavior caused by their
15 serious mental illness or serious developmental disorder. Due to
16 persistent high violence risk or severe disruptive behavior that is
17 unresponsive to treatment, prisoners with serious mental illness or
18 serious developmental disorders may be placed in secure residential
19 housing programs that will facilitate access to institutional
20 programming and ongoing mental health services. A prisoner with
21 serious mental illness or serious developmental disorder who is
22 confined in these specialized housing programs shall be evaluated
23 or monitored by a medical professional at a frequency of not less
24 than every 12 hours.

25 Sec. 925. By March 1, the department shall report to the
26 senate and house appropriations subcommittees on corrections, the
27 senate and house fiscal agencies, the legislative corrections



1 ombudsman, and the state budget director on the annual number of
2 prisoners in administrative segregation between October 1, 2016 and
3 September 30, 2017, and the annual number of prisoners in
4 administrative segregation between October 1, 2016 and September
5 30, 2017 who at any time during the current or prior prison term
6 were diagnosed with serious mental illness or have a developmental
7 disorder and the number of days each of the prisoners with serious
8 mental illness or a developmental disorder have been confined to
9 administrative segregation.

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

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

20 (b) Provide appropriate placement for prisoners less than 18
21 years of age who have serious mental illness, serious emotional
22 disturbance, or a serious developmental disorder and need to be
23 housed separately from the general population. Prisoners less than
24 18 years of age who have serious mental illness, serious emotional
25 disturbance, or a serious developmental disorder shall not be
26 removed from an existing placement as a punitive response to
27 behavior caused by their serious mental illness, serious emotional



1 disturbance, or a serious developmental disorder. Due to persistent
2 high violence risk or severe disruptive behavior that is
3 unresponsive to treatment, prisoners less than 18 years of age with
4 serious emotional disturbance, serious mental illness, or serious
5 developmental disorders may be placed in secure residential housing
6 programs that will facilitate access to institutional programming
7 and ongoing mental health services. A prisoner less than 18 years
8 of age with serious mental illness, serious emotional disturbance,
9 or a serious developmental disorder who is confined in these
10 specialized housing programs shall be evaluated or monitored by a
11 medical professional at a frequency of not less than every 12
12 hours.

13 (c) Implement a specialized reentry program that recognizes
14 the needs of prisoners less than 18 years old for supervised
15 reentry.

16 Sec. 930. The department shall submit a quarterly report to
17 the senate and house subcommittees on corrections, the senate and
18 house fiscal agencies, the legislative corrections ombudsman, and
19 the state budget director on the number of youth in prison. The
20 report shall include, but not be limited to, the following
21 information:

22 (a) The total number of inmates under age 18 who are not on
23 Holmes youthful trainee act status.

24 (b) The total number of inmates under age 18 who are on Holmes
25 youthful trainee act status.

26 (c) The total number of inmates aged 18 to 23 who are on
27 Holmes youthful trainee act status.



1 Sec. 942. The department shall ensure that any contract with a
2 public or private party to operate a facility to house state
3 prisoners includes a provision to allow access by both the office
4 of the legislative auditor general and the office of the
5 legislative corrections ombudsman to the facility and to
6 appropriate records and documents related to the operation of the
7 facility. These access rights for both offices shall be the same
8 for the contracted facility as for a general state-operated
9 correctional facility.

10 Sec. 943. The department shall submit a report by May 1 to the
11 senate and house subcommittees on corrections, the senate and house
12 fiscal agencies, the legislative corrections ombudsman, and the
13 state budget director on the actual and projected savings achieved
14 by closing correctional facilities. Savings amounts shall be
15 itemized by facility. Information required by this section shall
16 start with the closure of the Pugsley Correctional Facility, which
17 closed in September of 2016.

18 Sec. 944. When the department is planning to close a
19 correctional facility, the department shall fully consider the
20 potential economic impact of the prison closure on the community
21 where the facility is located. The department, when weighing all
22 factors related to the closure of a facility, shall also consider
23 the impact on the local community where the facility to be closed
24 is located.

25 Sec. 945. The department shall provide notice to the
26 legislature and the senate and house fiscal agencies, by July 1, of
27 its intent to renew or rebid the prisoner food service contract.



1 **MISCELLANEOUS**

2 Sec. 1009. The department shall make an information packet for
3 the families of incoming prisoners available on the department's
4 website. The information packet shall be updated by February 1 of
5 each year. The packet shall provide information on topics
6 including, but not limited to: how to put money into prisoner
7 accounts, how to make phone calls or create Jpay email accounts,
8 how to visit in person, proper procedures for filing complaints or
9 grievances, the rights of prisoners to physical and mental health
10 care, how to utilize the offender tracking information system
11 (OTIS), truth-in-sentencing and how it applies to minimum
12 sentences, the parole process, and guidance on the importance of
13 the role of families in the reentry process. The department is
14 encouraged to partner with external advocacy groups and actual
15 families of prisoners in the packet-writing process to ensure that
16 the information is useful and complete.

17 **ONE-TIME APPROPRIATIONS**

18 Sec. 1100. From the funds appropriated in part 1 for new
19 custody staff training, the department shall increase the training
20 capacity for new custody staff by 177 officers. The purpose of this
21 academy is to address higher than normal attrition of correction
22 officers and to decrease overtime costs.

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, 2018, from the following funds:

DEPARTMENT OF EDUCATION

APPROPRIATION SUMMARY

Full-time equated unclassified positions	6.0		
Full-time equated classified positions	599.5		
GROSS APPROPRIATION		\$	347,392,700
Interdepartmental grant revenues:			
Total interdepartmental grants and intradepartmental transfers			0
ADJUSTED GROSS APPROPRIATION		\$	347,392,700
Federal revenues:			
Total federal revenues			251,854,700
Special revenue funds:			
Total local revenues			5,817,200
Total private revenues			2,034,300
Total other state restricted revenues			8,567,600
State general fund/general purpose		\$	79,118,900

Sec. 102. STATE BOARD OF EDUCATION/OFFICE OF THE SUPERINTENDENT

Full-time equated unclassified positions	6.0		
Full-time equated classified positions	11.0		
Unclassified positions--6.0 FTE positions		\$	851,900
Education Commission of the States			120,800



1	State board of education, per diem payments	24,400
2	State board/superintendent operations--11.0 FTE	
3	positions.....	<u>2,104,200</u>
4	GROSS APPROPRIATION	\$ 3,101,300
5	Appropriated from:	
6	Federal revenues:	
7	Federal revenues	234,800
8	Special revenue funds:	
9	Private foundations	28,100
10	Certification fees	773,300
11	State general fund/general purpose	\$ 2,065,100
12	Sec. 103. DEPARTMENTAL ADMINISTRATION AND SUPPORT	
13	Full-time equated classified positions..... 23.6	
14	Central support operations--23.6 FTE positions	\$ 3,712,000
15	Federal and private grants	3,000,000
16	Property management	3,181,700
17	Terminal leave payments	353,300
18	Training and orientation workshops	150,000
19	Worker's compensation	<u>25,100</u>
20	GROSS APPROPRIATION	\$ 10,422,100
21	Appropriated from:	
22	Federal revenues:	
23	Federal revenues	3,628,500
24	Federal indirect funds	2,445,800
25	Special revenue funds:	
26	Certification fees	400,000
27	Teacher testing fees	4,000



1	Training and orientation workshop fees	150,000
2	Private foundations	1,000,000
3	State general fund/general purpose	\$ 2,793,800
4	Sec. 104. INFORMATION TECHNOLOGY	
5	Information technology services and projects	\$ <u>4,225,200</u>
6	GROSS APPROPRIATION	\$ 4,225,200
7	Appropriated from:	
8	Federal revenues:	
9	Federal revenues	621,700
10	Federal indirect funds	1,838,500
11	Special revenue funds:	
12	Certification fees	400,600
13	State general fund/general purpose	\$ 1,364,400
14	Sec. 105. SPECIAL EDUCATION SERVICES	
15	Full-time equated classified positions	47.0
16	Special education operations--47.0 FTE positions	\$ <u>9,164,800</u>
17	GROSS APPROPRIATION	\$ 9,164,800
18	Appropriated from:	
19	Federal revenues:	
20	Federal revenues	8,584,200
21	Special revenue funds:	
22	Private foundations	110,100
23	Certification fees	44,700
24	State general fund/general purpose	\$ 425,800
25	Sec. 106. MICHIGAN SCHOOLS FOR THE DEAF AND BLIND	
26	Full-time equated classified positions	82.0
27	Camp Tuhsmebeta--1.0 FTE position	\$ 296,100



1	Low incidence outreach program	450,000
2	Michigan Schools for the Deaf and Blind operations--	
3	81.0 FTE positions.....	13,456,000
4	Private gifts - blind.....	200,000
5	Private gifts - deaf.....	<u>150,000</u>
6	GROSS APPROPRIATION	\$ 14,552,100
7	Appropriated from:	
8	Federal revenues:	
9	Federal revenues	7,431,900
10	Special revenue funds:	
11	Local cost sharing (schools for deaf/blind)	5,805,500
12	Gifts, bequests, and donations	646,100
13	Low incidence outreach fund.....	450,000
14	Student insurance revenue	218,600
15	State general fund/general purpose	\$ 0
16	Sec. 107. PROFESSIONAL PREPARATION SERVICES	
17	Full-time equated classified positions..... 33.0	
18	Professional preparation operations--33.0 FTE	
19	positions.....	\$ <u>5,679,600</u>
20	GROSS APPROPRIATION	\$ 5,679,600
21	Appropriated from:	
22	Federal revenues:	
23	Federal revenues	1,465,900
24	Special revenue funds:	
25	Certification fees	3,623,900
26	Teacher testing fees	364,900
27	State general fund/general purpose	\$ 224,900



1	Sec. 108. MICHIGAN OFFICE OF GREAT START	
2	Full-time equated classified positions	66.0
3	Child development and care external support	\$ 28,368,900
4	Child development and care public assistance	161,166,100
5	Head start collaboration office--1.0 FTE position	310,600
6	Office of great start operations--65.0 FTE positions .	<u>24,598,400</u>
7	GROSS APPROPRIATION	\$ 214,444,000
8	Appropriated from:	
9	Federal revenues:	
10	Federal revenues	172,826,100
11	Special revenue funds:	
12	Private foundations	250,000
13	Certification fees	64,600
14	State general fund/general purpose	\$ 41,303,300
15	Sec. 109. STATE AID AND SCHOOL FINANCE SERVICES	
16	Full-time equated classified positions	11.5
17	State aid and school finance operations--11.5 FTE	
18	positions.....	\$ <u>1,648,600</u>
19	GROSS APPROPRIATION	\$ 1,648,600
20	Appropriated from:	
21	State general fund/general purpose	\$ 1,648,600
22	Sec. 110. AUDIT SERVICES	
23	Full-time equated classified positions	4.5
24	Audit operations--4.5 FTE positions	\$ <u>615,300</u>
25	GROSS APPROPRIATION	\$ 615,300
26	Appropriated from:	
27	Federal revenues:	



1	Federal indirect funds	488,800
2	Special revenue funds:	
3	Certification fees	62,500
4	State general fund/general purpose	\$ 64,000
5	Sec. 111. ADMINISTRATIVE LAW SERVICES	
6	Full-time equated classified positions	2.0
7	Administrative law operations--2.0 FTE positions	\$ <u>1,375,400</u>
8	GROSS APPROPRIATION	\$ 1,375,400
9	Appropriated from:	
10	Federal revenues:	
11	Federal revenues	568,000
12	Special revenue funds:	
13	Certification fees	707,700
14	State general fund/general purpose	\$ 99,700
15	Sec. 112. ACCOUNTABILITY SERVICES	
16	Full-time equated classified positions	64.6
17	Accountability services operations--64.6 FTE positions	\$ <u>14,941,300</u>
18	GROSS APPROPRIATION	\$ 14,941,300
19	Appropriated from:	
20	Federal revenues:	
21	Federal revenues	12,517,200
22	State general fund/general purpose	\$ 2,424,100
23	Sec. 113. SCHOOL SUPPORT SERVICES	
24	Full-time equated classified positions	83.6
25	School support services operations--83.6 FTE positions	\$ <u>15,571,200</u>
26	GROSS APPROPRIATION	\$ 15,571,200
27	Appropriated from:	



1	Federal revenues:	
2	Federal revenues	14,522,300
3	Special revenue funds:	
4	Local school district service fees	11,700
5	Certification fees	87,600
6	Commodity distribution fees	71,700
7	State general fund/general purpose	\$ 877,900
8	Sec. 114. FIELD SERVICES	
9	Full-time equated classified positions	47.0
10	Field services operations--47.0 FTE positions	\$ <u>9,400,800</u>
11	GROSS APPROPRIATION	\$ 9,400,800
12	Appropriated from:	
13	Federal revenues:	
14	Federal revenues	8,636,300
15	Special revenue funds:	
16	Certification fees	37,300
17	State general fund/general purpose	\$ 727,200
18	Sec. 115. EDUCATIONAL IMPROVEMENT AND INNOVATION	
19	SERVICES	
20	Full-time equated classified positions	44.7
21	Educational improvement and innovation operations--	
22	44.7 FTE positions	\$ <u>9,010,100</u>
23	GROSS APPROPRIATION	\$ 9,010,100
24	Appropriated from:	
25	Federal revenues:	
26	Federal revenues	5,898,200
27	Special revenue funds:	



1	Certification fees	565,100
2	State general fund/general purpose	\$ 2,546,800
3	Sec. 116. CAREER AND TECHNICAL EDUCATION	
4	Full-time equated classified positions	29.0
5	Career and technical education operations--29.0 FTE	
6	positions.....	\$ <u>5,252,700</u>
7	GROSS APPROPRIATION	\$ 5,252,700
8	Appropriated from:	
9	Federal revenues:	
10	Federal revenues	3,904,900
11	State general fund/general purpose	\$ 1,347,800
12	Sec. 117. LIBRARY OF MICHIGAN	
13	Full-time equated classified positions	33.0
14	Library of Michigan operations--31.0 FTE positions ...	\$ 4,826,400
15	Library services and technology program--1.0 FTE	
16	position.....	5,611,400
17	Michigan eLibrary--1.0 FTE position	1,753,100
18	Renaissance zone reimbursements	3,300,000
19	State aid to libraries	<u>9,876,000</u>
20	GROSS APPROPRIATION	\$ 25,366,900
21	Appropriated from:	
22	Federal revenues:	
23	Federal revenues	5,611,400
24	Special revenue funds:	
25	Library fees	300,000
26	State general fund/general purpose	\$ 19,455,500
27	Sec. 118. EDUCATOR TALENT AND POLICY COORDINATION	



1	Full-time equated classified positions	17.0	
2	Educator talent and policy coordination operations--		
3	17.0 FTE positions		\$ <u>2,621,200</u>
4	GROSS APPROPRIATION		\$ 2,621,200
5	Appropriated from:		
6	Federal revenues:		
7	Federal revenues		630,200
8	Special revenue funds:		
9	Certification fees		241,000
10	State general fund/general purpose		\$ 1,750,000
11	Sec. 119. ONE-TIME APPROPRIATIONS		
12	Drinking water declaration of emergency		\$ <u>100</u>
13	GROSS APPROPRIATION		\$ 100
14	Appropriated from:		
15	Special revenue funds:		
16	Drinking water emergency reserve fund		100
17	State general fund/general purpose		\$ 0

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FOR FISCAL YEAR 2017-2018

GENERAL SECTIONS

22 Sec. 201. Pursuant to section 30 of article IX of the state
 23 constitution of 1963, total state spending from state resources
 24 under part 1 for fiscal year 2017-2018 is \$87,686,500.00 and state
 25 spending from state resources to be paid to local units of



1 government for fiscal year 2017-2018 is \$13,176,000.00. The
 2 itemized statement below identifies appropriations from which
 3 spending to local units of government will occur:

4 DEPARTMENT OF EDUCATION

5	State aid to libraries.....	\$	9,876,000
6	Renaissance zone reimbursements.....		<u>3,300,000</u>
7	Total department of education	\$	13,176,000

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

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

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

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

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

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

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

25 Sec. 205. Funds appropriated in part 1 shall not be used for
 26 the purchase of foreign goods or services, or both, if
 27 competitively priced and of comparable quality American goods or



1 services, or both, are available. Preference shall be given to
2 goods or services, or both, manufactured or provided by Michigan
3 businesses, if they are competitively priced and of comparable
4 quality. In addition, preference should be given to goods or
5 services, or both, that are manufactured or provided by Michigan
6 businesses owned and operated by veterans, if they are
7 competitively priced and of comparable quality.

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

15 Sec. 207. 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 senate and house appropriations committees, the
23 house and senate fiscal agencies, and the state budget director.
24 The report must include the following information:

25 (a) The dates of each travel occurrence.

26 (b) The transportation and related costs of each travel
27 occurrence, including the proportion funded with state general



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

4 Sec. 208. 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. 209. Not later than November 30, the state budget office
11 shall prepare and transmit a report that provides for estimates of
12 the total general fund/general purpose appropriation lapses at the
13 close of the prior fiscal year. This report shall summarize the
14 projected year-end general fund/general purpose appropriation
15 lapses by major departmental program or program areas. The report
16 shall be transmitted to the chairpersons of the senate and house
17 appropriations committees and the senate and house fiscal agencies.

18 Sec. 210. (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 part 1 under section 393(2) of the management and budget act,
23 1984 PA 431, MCL 18.1393.

24 (2) In addition to the funds appropriated in part 1, there is
25 appropriated an amount not to exceed \$700,000.00 for state
26 restricted contingency funds. These funds are not available for
27 expenditure until they have been transferred to another line item



1 in part 1 under section 393(2) of the management and budget act,
2 1984 PA 431, MCL 18.1393.

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

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

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

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

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

21 (c) Fiscal year-to-date payments to a selected vendor,
22 including the vendor name, payment date, payment amount, and
23 payment description.

24 (d) The number of active department employees by job
25 classification.

26 (e) Job specifications and wage rates.

27 Sec. 212. Within 14 days after the release of the executive



1 budget recommendation, the department shall cooperate with the
2 state budget office to provide the senate and house appropriations
3 chairpersons, the chairpersons of the senate and house
4 appropriations subcommittees responsible for the department budget,
5 and the senate and house fiscal agencies with an annual report on
6 estimated state restricted fund balances, state restricted fund
7 projected revenues, and state restricted fund expenditures for the
8 fiscal years ending September 30, 2017 and September 30, 2018.

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

13 Sec. 214. Total authorized appropriations from all sources
14 under part 1 for legacy costs for the fiscal year ending September
15 30, 2018 are estimated at \$15,429,100.00. From this amount, total
16 agency appropriations for pension-related legacy costs are
17 estimated at \$7,939,900.00. Total agency appropriations for retiree
18 health care legacy costs are estimated at \$7,489,200.00.

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

25 Sec. 217. The department may assist the department of health
26 and human services, other departments, and local school districts
27 to secure reimbursement for eligible services provided in Michigan



1 schools from the federal Medicaid program. The department may
2 submit reports of direct expenses related to this effort to the
3 department of health and human services for reimbursement.

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

8 Sec. 220. The department shall post on its website a link to
9 the federal Institute of Education Sciences' What Works
10 Clearinghouse. The department also shall work to disseminate
11 knowledge about the What Works Clearinghouse to districts and
12 intermediate districts so that it may be used to improve reading
13 proficiency for pupils in grades K to 3.

14 Sec. 221. The department shall require all districts and
15 intermediate school districts to maintain complete records within
16 the personnel file of a teacher or school employee of any
17 disciplinary actions taken by the governing board against the
18 teacher or employee for sexual misconduct. The records shall not be
19 destroyed or removed from the teacher's or employee's personnel
20 file except as required by a court order.

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

24 Sec. 223. The department and agencies receiving appropriations
25 in part 1 shall receive and retain copies of all reports funded
26 from appropriations in part 1. Federal and state guidelines for
27 short-term and long-term retention of records shall be followed.



1 The department may electronically retain copies of reports unless
2 otherwise required by federal and state guidelines.

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

14 Sec. 227. (1) The department shall provide data requested by a
15 member of the legislature, his or her staff, or the house and
16 senate fiscal agencies in a timely manner. If the department fails
17 to provide reasonably requested data within 30 days after the
18 request, the state money appropriated in part 1 for state
19 board/superintendent operations shall be reduced by 1%.

20 (2) If the department fails to provide to the legislature
21 reports and other data required by boilerplate or statute within 30
22 days after the date the information is due, the state money
23 appropriated in part 1 for state board/superintendent operations
24 shall be reduced by 1%.

25 Sec. 228. A state department or agency that receives an
26 appropriation in part 1 shall not issue a request for proposal for
27 a contract in excess of \$1,000,000.00, unless the department or



1 agency has first considered issuing a request for information or a
2 request for qualification relative to that contract to better
3 enable the department or agency to learn more about the market for
4 the products or services that are the subject of the future request
5 for proposal. The department or agency shall notify the department
6 of technology, management, and budget of the evaluation process
7 used to determine if a request for information or request for
8 qualification was not necessary before issuing the request for
9 proposal.

10 Sec. 229. The department shall not enter into a contract
11 funded under part 1 that exceeds \$1,000,000.00 or seek a federal
12 waiver or an amendment to the federal waiver, until after
13 notification of the content to both the house and senate
14 appropriations committees and the state budget director.

15 Sec. 230. From the funds appropriated in part 1, the
16 department shall compile a report that identifies any new, or lack
17 thereof, mandates required of nonpublic schools. In compiling the
18 report, the department may consult with relevant statewide
19 education associations in Michigan. The report compiled by the
20 department shall indicate the type of mandate, including, but not
21 limited to, student health, student or building safety,
22 accountability, and educational requirements, and shall indicate
23 whether a school has to report on the specified mandates. The
24 report required under this section shall be completed by April 1,
25 2018 and transmitted to the state budget director, the house and
26 senate appropriations subcommittees responsible for the department
27 of education, and the senate and house fiscal agencies not later



1 than April 15, 2018.

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

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

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

8 (b) State board of education - member other than president -
9 \$100.00 per day.

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

12 Sec. 302. From the amount appropriated in part 1 to the state
13 board of education, not more than \$35,000.00 for the fiscal year
14 ending September 30, 2018 shall be expended for in-state travel and
15 out-of-state travel directly related to the duties of the state
16 board of education.

17 **CENTRAL SUPPORT**

18 Sec. 325. 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.



1 **SPECIAL EDUCATION SERVICES**

2 Sec. 350. From the funds in part 1 for special education
3 operations, the department shall perform the following activities:

4 (a) Design and distribute to all parents of a student with a
5 disability information about federal and state mandates regarding
6 the rights and protections of students with disabilities,
7 including, but not limited to, individualized education programs to
8 ensure that parents and legal guardians are fully informed about
9 laws, rules, procedural safeguards, problem-solving options, and
10 any other information the department determines is necessary so
11 that parents and legal guardians may be able to provide meaningful
12 input in collaboration with districts to develop and implement an
13 individualized education program.

14 (b) Train mediators who are knowledgeable about the dispute
15 resolution system and state and federal mandates pertaining to the
16 rights and protections of students with disabilities outlined in
17 the federal individuals with disabilities education act, 20 USC
18 1400 to 1482, and the Michigan administrative rules for special
19 education programs and services, R 340.1701 to R 340.1862 of the
20 Michigan Administrative Code. This annual training will include
21 coursework, resources, and materials.

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

23 Sec. 401. The employees at the Michigan Schools for the Deaf
24 and Blind who work on a school-year basis are considered annual
25 employees for purposes of service credits, retirement, and
26 insurance benefits.



1 Sec. 402. For each student enrolled at the Michigan Schools
2 for the Deaf and Blind, the department shall assess the
3 intermediate school district of residence 100% of the cost of
4 operating the student's instructional program. The amount shall
5 exclude room and board related costs and the cost of weekend
6 transportation between the school and the student's home.

7 Sec. 406. (1) The Michigan Schools for the Deaf and Blind may
8 promote its residential program as a possible appropriate option
9 for children who are deaf or hard of hearing or who are blind or
10 visually impaired. The Michigan Schools for the Deaf and Blind
11 shall distribute information detailing its services to all
12 intermediate school districts in the state.

13 (2) Upon knowledge of or recognition by an intermediate school
14 district that a child in the district is deaf or hard of hearing or
15 blind or visually impaired, the intermediate school district shall
16 provide to the parents of the child the literature distributed by
17 the Michigan Schools for the Deaf and Blind to intermediate school
18 districts under subsection (1).

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

21 Sec. 407. Revenue received by the Michigan Schools for the
22 Deaf and Blind from gifts, bequests, donations, and local district
23 service fees that is unexpended at the end of the state fiscal year
24 may be carried over to the succeeding fiscal year and shall not
25 revert to the general fund.

26 Sec. 408. (1) The funds appropriated in part 1 for the low
27 incidence outreach fund are appropriated from money collected by



1 the Michigan Schools for the Deaf and Blind and the low incidence
2 outreach program for providing qualified services and may be used
3 for any expenses necessary to provide the qualified services. Any
4 money that is unexpended at the end of the state fiscal year may be
5 carried forward into the succeeding fiscal year.

6 (2) As used in this section, "qualified services" means
7 document reproduction and services; conducting conferences,
8 workshops, and training classes; and providing specialized
9 equipment, facilities, and software.

10 **PROFESSIONAL PREPARATION SERVICES**

11 Sec. 501. From the funds appropriated in part 1 for
12 professional preparation services, the department shall maintain
13 certificate revocation/felony conviction files of educational
14 personnel.

15 Sec. 502. The department shall authorize teacher preparation
16 institutions to provide an alternative program by which up to 1/2
17 of the required student internship or student teaching credits may
18 be earned through substitute teaching. The department shall require
19 that teacher preparation institutions collaborate with school
20 districts to ensure that the quality of instruction provided to
21 student teachers is comparable to that required in a traditional
22 student teaching program.

23 Sec. 503. From the funds appropriated in part 1, the
24 department shall cooperate with the Michigan Virtual Research
25 Institute and external stakeholders in connection with the
26 department's implementation and administration of professional



1 development training described in section 35a of the state school
2 aid act of 1979, 1979 PA 94, MCL 388.1635a, including, but not
3 limited to, the online training of educators of pupils in grades K
4 to 3 described in that section.

5 Sec. 506. Revenue received from teacher testing fees that is
6 unexpended at the end of the state fiscal year may be carried over
7 to the succeeding fiscal year and shall not revert to the general
8 fund.

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

16 **FIELD SERVICES**

17 Sec. 701. (1) From the funds appropriated in part 1 for field
18 services operations, the department shall produce a report
19 detailing the progress made by each district or public school
20 academy that operates grades K to 8, or if the district or public
21 school academy does not operate all of grades K to 8, for all of
22 the grades it operates, that receives at-risk funding under section
23 31a of the state school aid act of 1979, 1979 PA 94, MCL 388.1631a,
24 in implementing multitiered systems of supports in the prior school
25 fiscal year.

26 (2) The report described in subsection (1) shall include, at a



1 minimum:

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

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

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

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

13 (3) The report described in subsection (1) shall be provided
14 to the state budget director, the house and senate subcommittees
15 that oversee the department of education and school aid budgets,
16 and the house and senate fiscal agencies by September 30, 2018.

17 **LIBRARY OF MICHIGAN**

18 Sec. 801. (1) The funds appropriated in part 1 for library
19 fees are appropriated from money collected by the department
20 for providing qualified services and may be used for any expenses
21 necessary to provide the qualified services. Any money that is
22 unexpended at the end of the state fiscal year may be carried
23 forward into the succeeding fiscal year.

24 (2) As used in this section, "qualified services" means
25 document reproduction and services; conducting conferences,
26 workshops, and training classes; and providing specialized



1 equipment, facilities, and software.

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

6 Sec. 804. (1) The funds appropriated in part 1 for renaissance
7 zone reimbursements shall be used to reimburse public libraries
8 under section 12 of the Michigan renaissance zone act, 1996 PA 376,
9 MCL 125.2692, for taxes levied in 2017. The allocations shall be
10 made not later than 60 days after the department of treasury
11 certifies to the department and to the state budget director that
12 the department of treasury has received all necessary information
13 to properly determine the amounts due to each eligible recipient.

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

18 **MICHIGAN OFFICE OF GREAT START**

19 Sec. 1001. By November 1, 2017, the department shall submit a
20 report to the house and senate appropriations subcommittees on the
21 department of education budget and the house and senate fiscal
22 agencies on the average number of eligible child care providers by
23 type receiving payment for child care services from the department
24 for the fiscal year ending September 30, 2017.

25 Sec. 1003. (1) The department shall provide the house and
26 senate appropriations subcommittees on the department budget with



1 an annual report on all funding appropriated to each person awarded
2 a contract by the state to provide early childhood comprehensive
3 systems planning during the previous fiscal year. The report is due
4 by February 15 and must contain at least the following information:

5 (a) Total funding appropriated for contracts by the state to
6 provide early childhood comprehensive systems planning during the
7 previous fiscal year.

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

9 (c) The grant recipients.

10 (d) The activities funded by each grant.

11 (e) An analysis of each grant recipient's success in
12 addressing the development of a comprehensive system of early
13 childhood services and supports.

14 (2) All department contracts for early childhood comprehensive
15 systems planning must be bid out annually through a statewide
16 request-for-proposal process that includes a minimum of 3 bids. If
17 there are not 3 bids submitted in the statewide request-for-
18 proposal process, then the process must start over until there are
19 a minimum of 3 bids submitted.

20 Sec. 1004. From the funds appropriated in part 1 for child
21 development and care public assistance, the department shall
22 increase the reimbursement rates for the child development and care
23 program providers. The purpose of the rate increase is to increase
24 the number of low-income children in high-quality early learning
25 programs, to increase the number of children ready for school at
26 kindergarten entry, and to increase the number of children who are
27 reading at grade level by the end of third grade.



1 Sec. 1005. From the additional funds appropriated in part 1
2 for the 2017-2018 fiscal year for child development and care
3 external support, the department shall work with the department of
4 licensing and regulatory affairs to provide fingerprinting services
5 and background checks of employees of child care providers as
6 required under the terms of the federal child care and development
7 block grant.

8 Sec. 1007. (1) From the funds appropriated in part 1 for child
9 development and care - external support, the department shall
10 prepare a report that includes, but is not limited to, the
11 following:

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

15 (b) The total number of on-site visits conducted since the
16 start of the 2017-2018 fiscal year. This number must include the
17 required visits and follow-up visits for initial licensure, annual
18 monitoring inspections, complaint investigations, and any other
19 necessary on-site visits.

20 (c) The average number of on-site visits per consultant made
21 since the start of the 2017-2018 fiscal year categorized by
22 licensing type. This number must be calculated using the number of
23 visits and follow-up visits for the required initial licensure,
24 annual monitoring inspections, complaint investigations, and any
25 other necessary on-site visits.

26 (d) The number of providers that have improved their quality
27 rating since the start of fiscal year 2017-2018 compared to the



1 same time period in fiscal year 2016-2017.

2 (e) A list of training and other structured activities offered
3 by the department or the department of licensing and regulatory
4 affairs to licensing consultants and managers to improve
5 performance and to child care providers to improve quality.

6 (2) The department shall deliver the report described in
7 subsection (1) to the state budget director, the house and senate
8 subcommittees that oversee the department of education, and the
9 house and senate fiscal agencies by November 30, 2018.

10 Sec. 1008. From the amount appropriated in part 1 for office
11 of great start operations, the department shall work with the
12 department of health and human services to coordinate services
13 provided to families for home visits, reduce duplication of state
14 services and spending, and increase efficiencies including the home
15 visits funded under section 32p of the state school aid act of
16 1979, 1979 PA 94, MCL 388.1632p.

17 Sec. 1009. From the funds appropriated in part 1 for child
18 development and care - child development and care public
19 assistance, the maximum entrance threshold for the child
20 development and care program is set at 125% of the federal poverty
21 guidelines.

22 **ACCOUNTABILITY SERVICES**

23 Sec. 1021. Using the funds appropriated in part 1, the
24 department shall work in collaboration with the department of
25 technology, management, and budget to renegotiate the contract with
26 the ACT to ensure that it registers, issues, and ships to schools a



1 printed national career readiness certificate (NCRC) to each
2 Michigan student who takes the ACT WorkKeys test, successfully
3 completes the exam, qualifies for the certificate, and ensures that
4 the renegotiated contract results in minimal or no additional costs
5 to the state. If a renegotiation cannot be completed that results
6 in minimal or no additional costs to the state, the department
7 shall rebid the contract for the workskills portion of the Michigan
8 merit exam (MME).

9 Sec. 1101. (1) From the funds appropriated in part 1 for
10 drinking water declaration of emergency, the department shall
11 allocate funding to address the child care needs in a city in which
12 a declaration of emergency was issued because of drinking water
13 contamination. Funds shall be used to support the following
14 activities in the city:

15 (a) Pilot the expansion of the child development and care
16 eligibility to children ages 0 to 3 for 1/2-day child care services
17 by increasing the household income entrance threshold to 300% of
18 the federal poverty guidelines.

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

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

25 (3) The department shall create a report that includes, but is
26 not limited to, all of the following:

27 (a) The number of children ages 0 to 3 in a city where there



1 is a drinking water declaration of emergency.

2 (b) The number of children ages 0 to 3 in a city where there
3 is a drinking water declaration of emergency served by the child
4 development and care program before the implementation of the
5 increase to the entrance threshold to 300% of the federal poverty
6 guidelines.

7 (c) The number of children ages 0 to 3 in a city where there
8 is a drinking water declaration of emergency served by the child
9 development and care program after the implementation of the
10 increase to the entrance threshold to 300% of the federal poverty
11 guidelines.

12 (d) The number of cases including a child aged 0 to 3 in a
13 city where there is a drinking water declaration of emergency and
14 being served by the child development and care program.

15 (e) The number of children receiving referrals for additional
16 screenings, assessments, or services that are ages 0 to 3 in a city
17 where there is a drinking water declaration of emergency and served
18 by the child development and care program.

19 (f) The number of children ages 0 to 3 identified with
20 developmental delays in a city where there is a drinking water
21 declaration of emergency and served by the child development and
22 care program.

23 (g) The number of children ages 0 to 3 who are in 1-parent
24 households in a city where there is a drinking water declaration of
25 emergency and served by the child development and care program.

26 (h) The number of children ages 0 to 3 who are in 2-parent
27 households in a city where there is a drinking water declaration of



1 emergency and served by the child development and care program.

2 (i) The number of child care providers that were provided
3 training on identifying the impacts of lead exposure, as well as
4 related developmental delays that are serving children ages 0 to 3
5 in a city where there is a drinking water declaration of emergency
6 and participating in the child development and care program.

7 (j) The types and number of communications with parents or
8 caretakers on the impact of developmental delays and available
9 services for children ages 0 to 3 in a city where there is a
10 drinking water declaration of emergency and are being served by the
11 child development and care program. The department shall create a
12 list of communication types that includes, but is not limited to,
13 all of the following: in person, telephone, letter, and electronic
14 mail.

15 (4) The report created under subsection (3) shall be sent to
16 the state budget director, the house and senate subcommittees that
17 oversee the department, and the house and senate fiscal agencies by
18 the first of every month until the drinking water declaration of
19 emergency has been lifted.

20

ARTICLE VII

21

DEPARTMENT OF ENVIRONMENTAL QUALITY

22

PART 1

23

LINE-ITEM APPROPRIATIONS

24

Sec. 101. There is appropriated for the department of

25

environmental quality for the fiscal year ending September 30,



1 2018, from the following funds:

2 **DEPARTMENT OF ENVIRONMENTAL QUALITY**

3 APPROPRIATION SUMMARY

4	Full-time equated unclassified positions	6.0		
5	Full-time equated classified positions	1,227.0		
6	GROSS APPROPRIATION		\$	503,500,300
7	Interdepartmental grant revenues:			
8	Total interdepartmental grants and intradepartmental			
9	transfers.....			3,100,500
10	ADJUSTED GROSS APPROPRIATION		\$	500,399,800
11	Federal revenues:			
12	Total federal revenues			170,042,600
13	Special revenue funds:			
14	Total local revenues			0
15	Total private revenues			555,300
16	Total other state restricted revenues			285,825,300
17	State general fund/general purpose		\$	43,976,600
18	FUND SOURCE SUMMARY			
19	Full-time equated unclassified positions	6.0		
20	Full-time equated classified positions	1,227.0		
21	GROSS APPROPRIATION		\$	503,500,300
22	Interdepartmental grant revenues:			
23	IDG from department of state police			1,754,600
24	IDG from state transportation department			1,345,900
25	Total interdepartmental grants and intradepartmental			
26	transfers.....			3,100,500
27	ADJUSTED GROSS APPROPRIATION		\$	500,399,800



1	Federal revenues:	
2	Federal funds	170,042,600
3	Total federal revenues	170,042,600
4	Special revenue funds:	
5	Private funds	555,300
6	Total private revenues	555,300
7	Air emissions fees	12,224,200
8	Aquatic nuisance control fund	918,800
9	Campground fund	319,300
10	Clean Michigan initiative - clean water fund	3,417,100
11	Clean Michigan initiative - contaminated sediment	1,565,000
12	Clean Michigan initiative - nonpoint source	2,000,000
13	Cleanup and redevelopment fund	19,583,600
14	Community pollution prevention fund	250,000
15	Drinking water declaration of emergency reserve fund .	100
16	Electronic waste recycling fund	329,200
17	Environmental education fund	168,500
18	Environmental pollution prevention fund	6,676,100
19	Environmental protection fund	2,447,600
20	Environmental response fund	3,776,600
21	Fees and collections	391,900
22	Financial instruments	9,455,900
23	Great Lakes protection fund	392,800
24	Groundwater discharge permit fees	1,762,000
25	Infrastructure construction fund	50,900
26	Laboratory services fees	4,237,900
27	Land and water permit fees	3,247,600



1	Landfill maintenance trust fund	31,000
2	Medical waste emergency response fund	332,600
3	Metallic mining surveillance fee revenue	100,600
4	Mineral well regulatory fee revenue	220,400
5	Nonferrous metallic mineral surveillance	358,900
6	NPDES fees	4,567,100
7	Oil and gas regulatory fund	5,164,500
8	Orphan well fund	2,415,200
9	Public swimming pool fund	655,000
10	Public utility assessments	413,500
11	Public water supply fees	4,938,700
12	Refined petroleum fund	57,612,900
13	Revitalization revolving loan fund	103,100
14	Revolving loan revenue bonds	15,000,000
15	Sand extraction fee revenue	92,600
16	Scrap tire regulatory fund	5,095,100
17	Septage waste contingency fund	3,400
18	Septage waste program fund	525,900
19	Settlement funds	426,100
20	Sewage sludge land application fee	994,500
21	Small business pollution prevention revolving loan	
22	fund.....	165,700
23	Soil erosion and sedimentation control training fund .	169,900
24	Solid waste management fund - staff account	5,114,600
25	Stormwater permit fees	3,024,800
26	Strategic water quality initiatives fund	81,196,000
27	Underground storage tank cleanup fund	20,016,800



1	Wastewater operator training fees	588,600
2	Water analysis fees	2,249,300
3	Water pollution control revolving fund	647,300
4	Water quality protection fund	100,000
5	Water use reporting fees	286,100
6	Total other state restricted revenues	285,825,300
7	State general fund/general purpose	\$ 43,976,600
8	Sec. 102. EXECUTIVE OPERATIONS	
9	Full-time equated unclassified positions 6.0	
10	Full-time equated classified positions 13.0	
11	Unclassified salaries--6.0 FTE positions	\$ 776,600
12	Executive direction--13.0 FTE positions	<u>2,117,800</u>
13	GROSS APPROPRIATION	\$ 2,894,400
14	Appropriated from:	
15	Federal revenues:	
16	Federal funds	27,600
17	Special revenue funds:	
18	Environmental protection fund	309,400
19	Environmental response fund	173,800
20	Oil and gas regulatory fund	230,900
21	Refined petroleum fund	613,400
22	Settlement funds	11,500
23	State general fund/general purpose	\$ 1,527,800
24	Sec. 103. OFFICE OF THE GREAT LAKES	
25	Full-time equated classified positions 11.0	
26	Coastal management grants	\$ 1,250,000
27	Office of the Great Lakes--11.0 FTE positions	<u>2,033,700</u>



1	GROSS APPROPRIATION	\$	3,283,700
2	Appropriated from:		
3	Federal revenues:		
4	Federal funds		2,043,600
5	Special revenue funds:		
6	Great Lakes protection fund		371,100
7	Settlement funds		113,700
8	State general fund/general purpose	\$	755,300
9	Sec. 104. GREAT LAKES RESTORATION INITIATIVE		
10	Full-time equated classified positions		6.0
11	Great Lakes restoration initiative--6.0 FTE positions	\$	<u>15,095,600</u>
12	GROSS APPROPRIATION	\$	15,095,600
13	Appropriated from:		
14	Federal revenues:		
15	Federal funds		15,095,600
16	Special revenue funds:		
17	State general fund/general purpose	\$	0
18	Sec. 105. DEPARTMENT SUPPORT SERVICES		
19	Full-time equated classified positions		34.0
20	Accounting service center	\$	1,401,300
21	Administrative hearings		383,900
22	Building occupancy charges		4,746,600
23	Central support services--34.0 FTE positions		4,184,100
24	Environmental support projects		5,000,000
25	Facilities management		1,000,000
26	Rent - privately owned property		<u>2,323,900</u>
27	GROSS APPROPRIATION	\$	19,039,800



1	Appropriated from:	
2	Interdepartmental grant revenues:	
3	IDG from department of state police	61,000
4	Special revenue funds:	
5	Air emissions fees	1,309,700
6	Campground fund	14,700
7	Cleanup and redevelopment fund	1,516,900
8	Electronic waste recycling fund	15,300
9	Environmental pollution prevention fund	802,700
10	Environmental protection fund	10,400
11	Environmental response fund	351,700
12	Fees and collections	27,900
13	Financial instruments	7,298,800
14	Great Lakes protection fund	14,100
15	Groundwater discharge permit fees	209,200
16	Laboratory services fees	155,300
17	Land and water permit fees	590,400
18	Medical waste emergency response fund	16,700
19	Metallic mining surveillance fee revenue	4,700
20	Mineral well regulatory fee revenue	8,400
21	Nonferrous metallic mineral surveillance	800
22	NPDES fees	260,700
23	Oil and gas regulatory fund	773,900
24	Orphan well fund	49,100
25	Public swimming pool fund	25,500
26	Public utility assessments	20,200
27	Public water supply fees	274,800



1	Refined petroleum fund	1,884,100
2	Sand extraction fee revenue	3,900
3	Scrap tire regulatory fund	157,700
4	Septage waste program fund	18,700
5	Settlement funds	38,000
6	Sewage sludge land application fee	120,700
7	Small business pollution prevention revolving loan	
8	fund.....	18,000
9	Soil erosion and sedimentation control training fund .	17,600
10	Solid waste management fund - staff account	314,800
11	Stormwater permit fees	255,400
12	Wastewater operator training fees	32,100
13	Water analysis fees	141,300
14	Water use reporting fees	23,000
15	State general fund/general purpose	\$ 2,201,600
16	Sec. 106. OFFICE OF ENVIRONMENTAL ASSISTANCE	
17	Full-time equated classified positions	37.0
18	Office of environmental assistance--37.0 FTE positions	\$ 6,140,700
19	Pollution prevention local grants	<u>250,000</u>
20	GROSS APPROPRIATION	\$ 6,390,700
21	Appropriated from:	
22	Federal revenues:	
23	Federal funds	704,700
24	Special revenue funds:	
25	Private funds	364,200
26	Air emissions fees	138,500
27	Community pollution prevention fund	250,000



1	Environmental education fund	168,500
2	Environmental pollution prevention fund	1,507,300
3	Fees and collections	120,100
4	Settlement funds	262,900
5	Small business pollution prevention revolving loan	
6	fund.....	134,400
7	State general fund/general purpose	\$ 2,740,100
8	Sec. 107. WATER RESOURCES DIVISION	
9	Full-time equated classified positions	316.0
10	Aquatic nuisance control program--6.0 FTE positions ..	\$ 918,800
11	Contaminated lake and river sediment cleanup program .	1,565,000
12	Expedited water/wastewater permits--1.0 FTE position .	50,900
13	Federal - Great Lakes remedial action plan grants	583,800
14	Federal - nonpoint source water pollution grants	4,083,300
15	Fish contaminant monitoring	316,100
16	Groundwater discharge permit program--22.0 FTE	
17	positions.....	3,214,800
18	Land and water interface permit programs--82.0 FTE	
19	positions.....	11,671,500
20	Nonpoint source pollution prevention and control	
21	project program.....	2,000,000
22	NPDES nonstormwater program--83.0 FTE positions	13,060,600
23	Program direction and project assistance--27.0 FTE	
24	positions.....	3,055,100
25	Real-time beach monitoring program	500,000
26	Surface water--86.0 FTE positions	15,557,000
27	Water quality and use initiative/general--5.0 FTE	



1	positions.....	1,645,700
2	Water quality protection grants	100,000
3	Water withdrawal assessment program--4.0 FTE positions	1,428,600
4	Wetland mitigation banking grants and loans	3,000,000
5	Wetlands program.....	<u>1,000,000</u>
6	GROSS APPROPRIATION	\$ 63,751,200
7	Appropriated from:	
8	Interdepartmental grant revenues:	
9	IDG from state transportation department - Michigan	
10	transportation fund.....	1,259,800
11	Federal revenues:	
12	Federal funds	20,268,800
13	Special revenue funds:	
14	Aquatic nuisance control fund	918,800
15	Clean Michigan initiative fund - clean water fund	3,417,100
16	Clean Michigan initiative fund - contaminated sediment	1,565,000
17	Clean Michigan initiative fund - nonpoint source	2,000,000
18	Environmental response fund	204,800
19	Groundwater discharge permit fees	1,457,300
20	Infrastructure construction fund	50,900
21	Land and water permit fees	2,313,200
22	NPDES fees	4,133,100
23	Refined petroleum fund	442,000
24	Sewage sludge land application fee	838,700
25	Soil erosion and sedimentation control training fund .	139,300
26	Stormwater permit fees	2,681,000
27	Strategic water quality initiatives fund	3,000,000



1	Wastewater operator training fees	283,700
2	Water pollution control revolving fund	140,100
3	Water quality protection fund	100,000
4	Water use reporting fees	246,700
5	State general fund/general purpose	\$ 18,290,900
6	Sec. 108. LAW ENFORCEMENT DIVISION	
7	Full-time equated classified positions	14.0
8	Environmental investigations--14.0 FTE positions	\$ <u>2,830,100</u>
9	GROSS APPROPRIATION	\$ 2,830,100
10	Appropriated from:	
11	Federal revenues:	
12	Federal funds	575,600
13	Special revenue funds:	
14	Air emissions fees	57,200
15	Campground fund	2,100
16	Cleanup and redevelopment fund	188,200
17	Electronic waste recycling fund	1,600
18	Environmental pollution prevention fund	108,000
19	Environmental response fund	41,200
20	Fees and collections	4,100
21	Financial instruments	521,600
22	Great Lakes protection fund	1,500
23	Groundwater discharge permit fees	18,800
24	Laboratory services fees	15,800
25	Land and water permit fees	78,300
26	Medical waste emergency response fund	2,400
27	Metallic mining surveillance fee revenue	700



1	Mineral well regulatory fee revenue	1,200
2	NPDES fees	32,300
3	Oil and gas regulatory fund	87,300
4	Orphan well fund	7,100
5	Public swimming pool fund	3,700
6	Public utility assessments	2,000
7	Public water supply fees	26,500
8	Refined petroleum fund	364,700
9	Sand extraction fee revenue	600
10	Scrap tire regulatory fund	29,400
11	Septage waste program fund	2,700
12	Sewage sludge land application fee	12,200
13	Small business pollution prevention revolving loan	
14	fund.....	2,600
15	Soil erosion and sedimentation control training fund .	2,600
16	Solid waste management fund - staff account	41,700
17	Stormwater permit fees	17,500
18	Wastewater operator training fees	4,600
19	Water analysis fees	18,200
20	Water use reporting fees	3,100
21	State general fund/general purpose	\$ 553,000
22	Sec. 109. AIR QUALITY DIVISION	
23	Full-time equated classified positions	189.0
24	Air quality programs--189.0 FTE positions	\$ <u>25,770,400</u>
25	GROSS APPROPRIATION	\$ 25,770,400
26	Appropriated from:	
27	Federal revenues:	



1	Federal funds		7,196,800
2	Special revenue funds:		
3	Air emissions fees		10,052,400
4	Fees and collections		205,300
5	Oil and gas regulatory fund		136,400
6	Public utility assessments		150,000
7	Refined petroleum fund		3,577,500
8	State general fund/general purpose	\$	4,452,000
9	Sec. 110. RESOURCE MANAGEMENT DIVISION		
10	Full-time equated classified positions	307.0	
11	Drinking water and environmental health--109.0 FTE		
12	positions.....		\$ 15,482,500
13	Drinking water program grants		830,000
14	Hazardous waste management program--45.0 FTE positions		6,506,900
15	Low-level radioactive waste authority--2.0 FTE		
16	positions.....		233,400
17	Medical waste program--2.0 FTE positions		303,500
18	Municipal assistance--29.0 FTE positions		4,818,800
19	Noncommunity water grants		1,905,700
20	Oil, gas, and mineral services--59.0 FTE positions ...		6,680,900
21	Radiological protection program--12.0 FTE positions ..		1,977,200
22	Recycling initiative--2.0 FTE positions		861,800
23	Scrap tire grants		3,500,000
24	Scrap tire regulatory program--10.0 FTE positions		1,343,700
25	Septage waste compliance grants		275,000
26	Solid waste management program--37.0 FTE positions ...		5,077,800
27	Strategic water quality initiative grants and loans ..		62,000,000



1	Water state revolving funds	<u>120,000,000</u>
2	GROSS APPROPRIATION	\$ 231,797,200
3	Appropriated from:	
4	Interdepartmental grant revenues:	
5	IDG from department of state police	1,667,800
6	Federal revenues:	
7	Federal funds	116,450,300
8	Special revenue funds:	
9	Campground fund	294,100
10	Electronic waste recycling fund	305,800
11	Environmental pollution prevention fund	3,798,700
12	Fees and collections	34,500
13	Medical waste emergency response fund	303,500
14	Metallic mining surveillance fee revenue	92,500
15	Mineral well regulatory fee revenue	205,900
16	Nonferrous metallic mineral surveillance	357,800
17	Oil and gas regulatory fund	3,609,400
18	Orphan well fund	2,329,500
19	Public swimming pool fund	610,700
20	Public utility assessments	233,400
21	Public water supply fees	4,178,900
22	Refined petroleum fund	688,700
23	Revolving loan revenue bonds	15,000,000
24	Sand extraction fee revenue	85,800
25	Scrap tire regulatory fund	4,843,700
26	Septage waste contingency fund	3,400
27	Septage waste program fund	493,200



1	Solid waste management fund - staff account	4,586,900
2	Strategic water quality initiatives fund	63,196,000
3	Wastewater operator training fees	249,000
4	Water pollution control revolving fund	499,800
5	State general fund/general purpose	\$ 7,677,900
6	Sec. 111. REMEDIATION AND REDEVELOPMENT DIVISION	
7	Full-time equated classified positions	295.0
8	Contaminated site investigations, cleanup and	
9	revitalization--131.0 FTE positions	\$ 15,097,800
10	Emergency cleanup actions	4,000,000
11	Environmental cleanup and redevelopment program	15,000,000
12	Environmental cleanup support	1,840,000
13	Federal cleanup project management--40.0 FTE positions	6,986,500
14	Laboratory services--39.0 FTE positions	6,328,000
15	Refined petroleum product cleanup program--85.0 FTE	
16	positions.....	34,491,100
17	Superfund cleanup	<u>1,000,000</u>
18	GROSS APPROPRIATION	\$ 84,743,400
19	Appropriated from:	
20	Federal revenues:	
21	Federal funds	6,354,900
22	Special revenue funds:	
23	Private funds	191,100
24	Cleanup and redevelopment fund	17,086,300
25	Environmental protection fund	2,040,400
26	Environmental response fund	2,839,500
27	Laboratory services fees	4,002,000



1	Landfill maintenance trust fund	31,000
2	Public water supply fees	310,500
3	Refined petroleum fund	33,457,100
4	Revitalization revolving loan fund	103,100
5	Strategic water quality initiatives fund	15,000,000
6	Water analysis fees	2,015,500
7	State general fund/general purpose	\$ 1,312,000
8	Sec. 112. UNDERGROUND STORAGE TANK AUTHORITY	
9	Full-time equated classified positions	5.0
10	Underground storage tank cleanup program--5.0 FTE	
11	positions.....	\$ <u>20,016,800</u>
12	GROSS APPROPRIATION	\$ 20,016,800
13	Appropriated from:	
14	Special revenue funds:	
15	Underground storage tank cleanup fund	20,016,800
16	State general fund/general purpose	\$ 0
17	Sec. 113. INFORMATION TECHNOLOGY	
18	Information technology services and projects	\$ <u>8,986,900</u>
19	GROSS APPROPRIATION	\$ 8,986,900
20	Appropriated from:	
21	Interdepartmental grant revenues:	
22	IDG from department of state police	25,800
23	IDG from state transportation department	86,100
24	Federal revenues:	
25	Federal funds	1,324,700
26	Special revenue funds:	
27	Air emission fees	666,400



1	Campground fund	8,400
2	Cleanup and redevelopment fund	792,200
3	Electronic waste recycling fund	6,500
4	Environmental pollution prevention fund	459,400
5	Environmental protection fund	87,400
6	Environmental response fund	165,600
7	Financial instruments	1,635,500
8	Great Lakes protection fund	6,100
9	Groundwater discharge permit fees	76,700
10	Laboratory services fees	64,800
11	Land and water permit fees	265,700
12	Medical waste emergency response fund	10,000
13	Metallic mining surveillance fee revenue	2,700
14	Mineral well regulatory fee revenue	4,900
15	Nonferrous metallic mineral surveillance	300
16	NPDES fees	141,000
17	Oil and gas regulatory fund	326,600
18	Orphan well fund	29,500
19	Public swimming pool fund	15,100
20	Public utility assessments	7,900
21	Public water supply fees	148,000
22	Refined petroleum fund	1,685,400
23	Sand extraction fee revenue	2,300
24	Scrap tire regulatory fund	64,300
25	Septage waste program fund	11,300
26	Sewage sludge land application fee	22,900
27	Small business pollution prevention revolving loan	



1	fund.....		10,700
2	Soil erosion and sedimentation control training fund .		10,400
3	Solid waste management fund - staff account		171,200
4	Stormwater permit fees		70,900
5	Wastewater operator training fees		19,200
6	Water analysis fees		74,300
7	Water pollution control revolving fund		7,400
8	Water use reporting fees		13,300
9	State general fund/general purpose	\$	466,000
10	Sec. 114. ONE-TIME BASIS APPROPRIATIONS		
11	Drinking water declaration of emergency	\$	1,000,100
12	Oil, gas, and mineral services (one-time).....		3,000,000
13	Refined petroleum product cleanup program		<u>14,900,000</u>
14	GROSS APPROPRIATION	\$	18,900,100
15	Appropriated from:		
16	Special revenue funds:		
17	Drinking water declaration of emergency reserve fund .		100
18	Refined petroleum fund		14,900,000
19	State general fund/general purpose	\$	4,000,000

20 PART 2
 21 PROVISIONS CONCERNING APPROPRIATIONS
 22 FOR FISCAL YEAR 2017-2018

23 **GENERAL SECTIONS**

24 Sec. 201. In accordance with the provisions of section 30 of
 25 article IX of the state constitution of 1963, total state spending



1 from state resources under part 1 for the fiscal year ending
 2 September 30, 2018 is \$329,801,900.00 and state appropriations paid
 3 to local units of government are \$4,531,000.00. The following
 4 itemized list identifies appropriations from which appropriations
 5 to local units of government will occur:

6 DEPARTMENT OF ENVIRONMENTAL QUALITY

7	Drinking water program grants	\$	600,000
8	Emergency cleanup actions.		106,000
9	Noncommunity water grants.		1,800,000
10	Scrap tire grants.		500,000
11	Pollution prevention local grants.		250,000
12	Real-time beach monitoring program.		500,000
13	Septage waste compliance grants.		100,000
14	Recycling initiative.		450,000
15	Medical waste program.		65,000
16	Surface water.		<u>160,000</u>
17	TOTAL	\$	4,531,000

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

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

- 22 (a) "Department" means the department of environmental
 23 quality.
- 24 (b) "Director" means the director of the department.
- 25 (c) "FTE" means full-time equated.
- 26 (d) "IDG" means interdepartmental grant.
- 27 (e) "NPDES" means national pollution discharge elimination



1 system.

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

8 Sec. 205. 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. 206. The director shall take all reasonable steps to
19 ensure businesses in deprived and depressed communities compete for
20 and perform contracts to provide services or supplies, or both. The
21 director shall strongly encourage firms with which the department
22 contracts to subcontract with certified businesses in depressed and
23 deprived communities for services, supplies, or both.

24 Sec. 207. The departments and agencies receiving
25 appropriations in part 1 shall prepare a report on out-of-state
26 travel expenses not later than January 1 of each year. The travel
27 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 appropriations committees, the
5 house and senate fiscal agencies, and the state budget director.
6 The report shall include the following information:

7 (a) The dates of each travel occurrence.

8 (b) The total transportation and related costs of each travel
9 occurrence, including the proportion funded with state general
10 fund/general purpose revenues, the proportion funded with state
11 restricted revenues, the proportion funded with federal revenues,
12 and the proportion funded with other revenues.

13 Sec. 208. Funds appropriated in part 1 shall not be used by a
14 principal executive department, state agency, or authority to hire
15 a person to provide legal services that are the responsibility of
16 the attorney general. This prohibition does not apply to legal
17 services for bonding activities and for those activities that the
18 attorney general authorizes.

19 Sec. 209. Not later than November 30, the state budget office
20 shall prepare and transmit a report that provides for estimates of
21 the total general fund/general purpose appropriation lapses at the
22 close of the prior 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 chairpersons of the senate and house
26 appropriations committees and the senate and house fiscal agencies.

27 Sec. 210. (1) In addition to the funds appropriated in part 1,



1 there is appropriated an amount not to exceed \$30,000,000.00 for
2 federal contingency funds. These funds are not available for
3 expenditure until they have been transferred to another line item
4 in part 1 under section 393(2) of the management and budget act,
5 1984 PA 431, MCL 18.1393.

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

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

18 (4) In addition to the funds appropriated in part 1, there is
19 appropriated an amount not to exceed \$500,000.00 for private
20 contingency funds. These funds are not available for expenditure
21 until they have been transferred to another line item in part 1
22 under section 393(2) of the management and budget act, 1984 PA 431,
23 MCL 18.1393.

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



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

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

3 (c) Fiscal year-to-date payments to a selected vendor,
4 including the vendor name, payment date, payment amount, and
5 payment description.

6 (d) The number of active department employees by job
7 classification.

8 (e) Job specifications and wage rates.

9 Sec. 212. Within 14 days after the release of the executive
10 budget recommendation, the department shall cooperate with the
11 state budget office to provide the senate and house appropriations
12 chairs, the senate and house appropriations subcommittee chairs,
13 and the senate and house fiscal agencies with an annual report on
14 estimated state restricted fund balances, state restricted fund
15 projected revenues, and state restricted fund expenditures for the
16 fiscal years ending September 30, 2017 and September 30, 2018.

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

21 Sec. 214. Total authorized appropriations from all sources
22 under part 1 for legacy costs for the fiscal year ending September
23 30, 2018 are \$32,219,000.00. From this amount, total agency
24 appropriations for pension-related legacy costs are estimated at
25 \$16,580,100.00. Total agency appropriations for retiree health care
26 legacy costs are estimated at \$15,638,900.00.

27 Sec. 216. (1) The department shall report all of the following



1 information relative to allocations made from appropriations for
2 the environmental cleanup and redevelopment program, state cleanup,
3 emergency actions, superfund cleanup, the revitalization revolving
4 loan program, the brownfield grants and loans program, the leaking
5 underground storage tank cleanup program, the contaminated lake and
6 river sediments cleanup program, the refined petroleum product
7 cleanup program, and the environmental protection bond projects
8 under section 19508(7) of the natural resources and environmental
9 protection act, 1994 PA 451, MCL 324.19508, to the state budget
10 director, the senate and house appropriations subcommittees on
11 environmental quality, and the senate and house fiscal agencies:

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

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

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

17 (d) The estimated date that site closure activities will be
18 completed.

19 (e) The amount of the allocation, or the anticipated financing
20 for the site.

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

23 (g) The number of brownfield projects that were successfully
24 redeveloped.

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

27 (a) The status of all state-owned facilities that are on the



1 list compiled under part 201 of the natural resources and
2 environmental protection act, 1994 PA 451, MCL 324.20101 to
3 324.20142.

4 (b) The report shall include the total amount of funds
5 expended during the fiscal year and the total amount of funds
6 awaiting expenditure.

7 (c) The total amount of bonds issued for the environmental
8 protection bond program pursuant to part 193 of the natural
9 resources and environmental protection act, 1994 PA 451, MCL
10 324.19301 to 324.19306, and bonds issued pursuant to the clean
11 Michigan initiative act, 1998 PA 284, MCL 324.95101 to 324.95108.

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

14 Sec. 217. (1) The department may expend amounts remaining from
15 the current and prior fiscal year appropriations to meet funding
16 needs of legislatively approved sites for the environmental cleanup
17 and redevelopment program, the refined petroleum product cleanup
18 program, brownfield grants and loans, waterfront grants, and the
19 environmental bond site reclamation program.

20 (2) Unexpended and unencumbered amounts remaining from
21 appropriations from the environmental protection bond fund
22 contained in 2003 PA 173, 2005 PA 109, 2006 PA 343, 2011 PA 63, and
23 2012 PA 236 are appropriated for expenditure for any site listed in
24 this part and part 1 and any site listed in the public acts
25 referenced in this section.

26 (3) Unexpended and unencumbered amounts remaining from
27 appropriations from the clean Michigan initiative fund - response



1 activities contained in 2000 PA 52, 2004 PA 309, 2005 PA 11, 2006
2 PA 343, 2007 PA 121, 2011 PA 63, 2013 PA 59, 2014 PA 252, 2015 PA
3 84, and 2016 PA 268 are appropriated for expenditure for any site
4 listed in this part and part 1 and any site listed in the public
5 acts referenced in this section.

6 (4) Unexpended and unencumbered amounts remaining from
7 appropriations from the refined petroleum fund activities contained
8 in 2007 PA 121, 2008 PA 247, 2009 PA 118, 2010 PA 189, 2011 PA 63,
9 2012 PA 200, 2013 PA 59, 2014 PA 252, 2015 PA 84, and 2016 PA 268
10 are appropriated for expenditure for any site listed in this part
11 and part 1 and any site listed in the public acts referenced in
12 this section.

13 (5) Unexpended and unencumbered amounts remaining from the
14 appropriations from the strategic water quality initiatives fund
15 contained in 2011 PA 50, 2011 PA 63, 2012 PA 200, 2013 PA 59, 2014
16 PA 252, 2015 PA 84, and 2016 PA 268 are appropriated for
17 expenditure for any site listed in this part and part 1 and any
18 site listed in the public acts referenced in this section.

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

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

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



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

6 (2) As used in this section:

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

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

12 Sec. 235. The department shall prepare an annual report to the
13 legislature by January 1, 2018 that details all of the following
14 for each of the allocations from the clean Michigan initiative bond
15 fund as described in section 19607(1)(a) to (i) of the natural
16 resources and environmental protection act, 1994 PA 451, MCL
17 324.19607:

18 (a) The progress of projects funded in each category.

19 (b) The current cost to date of all projects funded in each
20 category.

21 (c) The estimated remaining cost of all projects funded in
22 each category.

23 (d) The remaining balance of money in the fund allocated for
24 each category.

25 (e) The total debt obligation on all clean Michigan initiative
26 bonds and the length of time remaining until full bond repayment is
27 achieved.



1 **REMEDICATION DIVISION**

2 Sec. 301. Revenues remaining in the interdepartmental
3 transfers, laboratory services at the end of the fiscal year carry
4 forward into the succeeding fiscal year.

5 Sec. 302. The unexpended funds appropriated in part 1 for
6 emergency cleanup actions, the environmental cleanup and
7 redevelopment program, and the refined petroleum product cleanup
8 program are considered work project appropriations and any
9 unencumbered or unallotted funds are carried forward into the
10 succeeding fiscal year. The following is in compliance with section
11 451a(1) of the management and budget act, 1984 PA 431, MCL
12 18.1451a:

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

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

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

18 (d) The tentative completion date is September 30, 2022.

19 Sec. 303. Effective October 1, 2017, surplus funds not to
20 exceed \$1,000,000.00 in the cleanup and redevelopment trust fund
21 are appropriated to the environmental protection fund created in
22 section 503a of the natural resources and environmental protection
23 act, 1994 PA 451, MCL 324.503a.

24 Sec. 304. Effective October 1, 2017, surplus funds not to
25 exceed \$1,000,000.00 in the community pollution prevention fund
26 created in section 3f of 1976 IL 1, MCL 445.573f, are appropriated
27 to the environmental protection fund created in section 503a of the



1 natural resources and environmental protection act, 1994 PA 451,
2 MCL 324.503a.

3 Sec. 305. It is the intent of the legislature to repay the
4 refined petroleum fund for the \$70,000,000.00 that was transferred
5 to the environmental protection fund created in section 503a of the
6 natural resources and environmental protection act, 1994 PA 451,
7 MCL 324.503a, as part of the resolution for the fiscal year 2006-
8 2007 budget.

9 Sec. 310. (1) Upon approval by the state budget director, the
10 department may expend from the general fund of the state an amount
11 to meet the cash-flow requirements of projects funded under any of
12 the following that are financed from bond proceeds and for which
13 bonds have been authorized but not yet issued:

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

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

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

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

23 Sec. 314. (1) From the funds appropriated in part 1 from the
24 refined petroleum fund for the refined petroleum product cleanup
25 program, the department shall expend an amount not to exceed
26 \$36,000,000.00 for reimbursements to owners and operators of
27 underground storage tank systems that have performed corrective



1 actions but do not qualify for reimbursement under section 21510 of
2 the natural resources and environmental protection act, 1994 PA
3 451, MCL 324.21510, due to the date the release was discovered and
4 reported.

5 (2) As used in this section:

6 (a) "Corrective action" means that term as defined in section
7 21302 of the natural resources and environmental protection act,
8 1994 PA 451, MCL 324.21302.

9 (b) "Operator", "owner", and "underground storage tank system"
10 mean those terms as defined in section 21303 of the natural
11 resources and environmental protection act, 1994 PA 451, MCL
12 324.21303.

13 **WATER RESOURCES DIVISION**

14 Sec. 402. From the funds appropriated in part 1 for the water
15 quality and use initiative/general line item, the department shall
16 update a report detailing a comprehensive plan for the use of the
17 water quality and use initiative funding appropriated in part 1 and
18 identifying the amount of expenditures for specific programs made
19 from the water quality and use initiative/general line item, the
20 real-time beach monitoring program line item, and the wetlands
21 program line item. The report shall be submitted to the
22 chairpersons of the senate and house of representatives
23 appropriations subcommittees on environmental quality and the
24 senate and house fiscal agencies by September 30, 2018.

25 Sec. 405. If a certified health department does not exist in a
26 city, county, or district or does not fulfill its responsibilities



1 under part 117 of the natural resources and environmental
2 protection act, 1994 PA 451, MCL 324.11701 to 324.11720, then the
3 department may spend funds appropriated in part 1 under the septage
4 waste compliance program in accordance with section 11716 of the
5 natural resources and environmental protection act, 1994 PA 451,
6 MCL 324.11716.

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

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

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

16 (c) The total estimated cost of all projects is \$1,565,000.00.

17 (d) The tentative completion date is September 30, 2022.

18 Sec. 411. For the state fiscal year ending September 30, 2018,
19 there is appropriated from the clean Michigan initiative bond fund
20 \$150,000.00 of revenues allocated for remediation of contaminated
21 lake and river sediments under sections 19607 and 19608 of the
22 natural resources and environmental protection act, 1994 PA 451,
23 MCL 324.19607 and 324.19608, for an engineering study pertaining to
24 the Allied Paper, Inc./Portage Creek/Kalamazoo River Superfund
25 site. This study may be conducted under contract by a private
26 engineering firm.



1 RESOURCE MANAGEMENT DIVISION

2 Sec. 603. From the funds appropriated in part 1, by December
3 31, 2017, the department shall compile and make available to the
4 public on a publicly accessible website a report containing a
5 summary document of each completed asset management plan for any
6 stormwater, asset management, or wastewater grant awarded to a
7 local unit of government to fund the development of a plan. As a
8 condition of receiving a stormwater, asset management, or
9 wastewater grant, a local unit of government shall make its asset
10 management plan available to the department upon request when
11 completed and shall retain copies of the plan that can be made
12 available to the public for a minimum of 15 years. The department
13 shall make available a summary document of each plan on a publicly
14 accessible website by September 30 of the year it was completed.
15 The summary document shall include a summary of the plan and
16 contact information for the local unit of government.

17 Sec. 606. The department shall complete a report of
18 expenditures by the stormwater, asset management, and wastewater
19 program related to grants awarded for the planning, design, and
20 construction of sewage collection and treatment systems for
21 projects that address a substantial public health risk from
22 treatment system failure.

23 UNDERGROUND STORAGE TANK AUTHORITY

24 Sec. 701. The unexpended funds appropriated in part 1 for the
25 underground storage tank cleanup program are considered work
26 project appropriations, and any unencumbered or unallotted funds



1 are carried forward into the succeeding fiscal year. The following
2 is in compliance with section 451a(1) of the management and budget
3 act, 1984 PA 431, MCL 18.1451a:

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

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

7 (c) The total estimated cost of all projects is
8 \$20,000,000.00.

9 (d) The tentative completion date is September 30, 2022.

10 **ONE-TIME APPROPRIATIONS**

11 Sec. 801. (1) From the funds appropriated in part 1 for the
12 drinking water declaration of emergency, the department shall
13 allocate funds to address needs in a city in which a declaration of
14 emergency was issued because of drinking water contamination. These
15 funds may support, but are not limited to, the following
16 activities:

17 (a) Operational, managerial, and training expertise to water
18 treatment plant operators and managers.

19 (b) Water system needs.

20 (2) The unexpended funds appropriated for drinking water
21 declaration of emergency are designated as a work project
22 appropriation, and any unencumbered or unexpended funds shall not
23 lapse at the end of the fiscal year and shall be available for
24 expenditure for projects under this section until the projects have
25 been completed. The following is in compliance with section 451a of
26 the management and budget act, 1984 PA 431, MCL 18.1451a:



1 (a) The purpose of the project is to address needs in a city
2 in which a declaration of emergency was issued because of drinking
3 water contamination.

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

6 (c) The total estimated cost of the project is appropriated in
7 part 1.

8 (d) The tentative completion date is September 30, 2019.

9 Sec. 803. The department shall provide a report detailing the
10 expenditure of departmental funds appropriated in 2015 PA 143, 2016
11 PA 3, and 2016 PA 268 for the drinking water declaration of
12 emergency, as well as departmental funding included in House Bill
13 No. 4329 if enacted during the 2017-2018 legislative session. The
14 report shall include the following:

15 (a) The names and locations of entities receiving funds.

16 (b) The purpose for each expenditure.

17 (c) The status of programs supported by this funding.

18 (d) A brief description of how related problems have been or
19 will be resolved if expenditures are made for immediate response.

20 (e) Amended project plan.

21 (f) Alternative analysis.

22 (g) Public participation events.

23 (h) Drinking water revolving fund set-aside.

24 ARTICLE VIII

25 GENERAL GOVERNMENT



PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the legislature, the executive, the department of attorney general, the department of state, the department of treasury, the department of technology, management, and budget, the department of civil rights, the department of talent and economic development, and certain state purposes related thereto for the fiscal year ending September 30, 2018, from the following funds:

TOTAL GENERAL GOVERNMENT

APPROPRIATION SUMMARY

Full-time equated unclassified positions.....	50.0	
Full-time equated classified positions.....	8,848.7	
GROSS APPROPRIATION		\$ 4,901,877,000
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers.....		782,493,800
ADJUSTED GROSS APPROPRIATION		\$ 4,119,383,200
Federal revenues:		
Total federal revenues		807,906,500
Special revenue funds:		
Total local revenues		17,332,700
Total private revenues		6,244,900
Total other state restricted revenues		2,156,587,300
State general fund/general purpose		\$ 1,131,311,800

Sec. 102. DEPARTMENT OF ATTORNEY GENERAL



1	(1) APPROPRIATION SUMMARY		
2	Full-time equated unclassified positions	6.0	
3	Full-time equated classified positions	536.0	
4	GROSS APPROPRIATION		\$ 101,068,800
5	Interdepartmental grant revenues:		
6	Total interdepartmental grants and intradepartmental		
7	transfers.....		29,915,300
8	ADJUSTED GROSS APPROPRIATION		\$ 71,153,500
9	Federal revenues:		
10	Total federal revenues		9,518,000
11	Special revenue funds:		
12	Total local revenues		0
13	Total private revenues		0
14	Total other state restricted revenues		21,336,900
15	State general fund/general purpose		\$ 40,298,600
16	(2) ATTORNEY GENERAL OPERATIONS		
17	Full-time equated unclassified positions	6.0	
18	Full-time equated classified positions	536.0	
19	Attorney general		\$ 112,500
20	Unclassified positions--5.0 FTE positions		776,600
21	Attorney general operations--490.0 FTE positions		89,115,900
22	Child support enforcement--25.0 FTE positions		3,525,000
23	Prosecuting attorneys coordinating council--12.0 FTE		
24	positions.....		2,155,500
25	Public safety initiative--1.0 FTE position		906,200
26	Sexual assault law enforcement--5.0 FTE positions		1,716,400
27	Wrongful convictions administration--3.0 FTE positions		<u>450,000</u>



1	GROSS APPROPRIATION	\$	98,758,100
2	Appropriated from:		
3	Interdepartmental grant revenues:		
4	IDG from MDOC		664,500
5	IDG from MDE		599,200
6	IDG from MDEQ		2,020,000
7	IDG from MDHHS, health policy		208,400
8	IDG from MDHHS, human services		5,975,300
9	IDG from MDHHS, medical services administration		694,200
10	IDG from MDHHS, WIC		154,500
11	IDG from MDIFS, financial and insurance services		1,218,700
12	IDG from MDLARA, fireworks safety fund		83,600
13	IDG from MDLARA, health professions		3,055,400
14	IDG from MDLARA, licensing and regulation fees		337,300
15	IDG from MDLARA, Michigan occupational safety and		
16	health administration		107,700
17	IDG from MDLARA, remonumentation fees		106,700
18	IDG from MDLARA, securities fees		189,600
19	IDG from MDLARA, unlicensed builders		1,071,500
20	IDG from MDMVA		166,100
21	IDG from MDOS, children's protection registry		45,000
22	IDG from MDOT, comprehensive transportation fund		205,000
23	IDG from MDOT, state aeronautics fund		179,400
24	IDG from MDOT, state trunkline fund		2,447,600
25	IDG from MDSP		260,100
26	IDG from MDTED, workforce development agency		89,800
27	IDG from MDTMB		466,500



1	IDG from MDTMB, civil service commission	307,400
2	IDG from MDTMB, risk management revolving fund	1,478,100
3	IDG from Michigan state housing development authority	682,100
4	IDG from treasury	6,920,600
5	IDG from TED, Michigan strategic fund	181,000
6	Federal revenues:	
7	DAG, state administrative match grant/food stamps	137,000
8	Federal funds	3,163,600
9	HHS, medical assistance, medigant	386,500
10	HHS-OS, state Medicaid fraud control units	5,709,700
11	National criminal history improvement program	121,200
12	Special revenue funds:	
13	Antitrust enforcement collections	766,100
14	Attorney general's operations fund	767,000
15	Auto repair facilities fees	328,900
16	Franchise fees	384,900
17	Game and fish protection fund	756,300
18	Human trafficking commission fund	390,000
19	Lawsuit settlement proceeds fund	2,600,000
20	Liquor purchase revolving fund	1,470,500
21	Marihuana regulatory fund	375,000
22	Merit award trust fund	499,500
23	Michigan employment security act - administrative fund	2,255,100
24	Michigan state waterways fund	141,000
25	Mobile home code fund	251,300
26	Prisoner reimbursement	627,400
27	Prosecuting attorneys training fees	411,900



1	Public utility assessments	2,090,100
2	Real estate enforcement fund	100,700
3	Reinstatement fees	259,700
4	Retirement funds	1,051,200
5	Second injury fund	824,400
6	Self-insurers security fund	572,900
7	Silicosis and dust disease fund	226,100
8	State building authority revenue	121,600
9	State casino gaming fund	1,875,300
10	State lottery fund	348,700
11	Student safety fund	470,000
12	Utility consumers fund	1,000,000
13	Worker's compensation administrative revolving fund ..	371,300
14	State general fund/general purpose	\$ 37,987,900
15	(3) INFORMATION TECHNOLOGY	
16	Information technology services and projects	\$ <u>1,560,700</u>
17	GROSS APPROPRIATION	\$ 1,560,700
18	Appropriated from:	
19	State general fund/general purpose	\$ 1,560,700
20	(4) ONE-TIME BASIS ONLY APPROPRIATIONS	
21	Prosecuting attorneys coordinating council juvenile	
22	life without parole cases	\$ <u>750,000</u>
23	GROSS APPROPRIATION	\$ 750,000
24	Appropriated from:	
25	State general fund/general purpose	\$ 750,000
26	Sec. 103. DEPARTMENT OF CIVIL RIGHTS	



1	(1) APPROPRIATION SUMMARY		
2	Full-time equated unclassified positions	6.0	
3	Full-time equated classified positions	127.0	
4	GROSS APPROPRIATION		\$ 16,099,600
5	Interdepartmental grant revenues:		
6	Total interdepartmental grants and intradepartmental		
7	transfers.....		296,600
8	ADJUSTED GROSS APPROPRIATION		\$ 15,803,000
9	Federal revenues:		
10	Total federal revenues		2,775,800
11	Special revenue funds:		
12	Total local revenues		0
13	Total private revenues		18,700
14	Total other state restricted revenues		151,900
15	State general fund/general purpose		\$ 12,856,600
16	(2) CIVIL RIGHTS OPERATIONS		
17	Full-time equated unclassified positions	6.0	
18	Full-time equated classified positions	127.0	
19	Unclassified positions--6.0 FTE positions		\$ 680,100
20	Civil rights operations--121.0 FTE positions		13,906,500
21	Division on deaf and hard of hearing--6.0 FTE		
22	positions.....		<u>800,400</u>
23	GROSS APPROPRIATION		\$ 15,387,000
24	Appropriated from:		
25	Interdepartmental grant revenues:		
26	IDG from DTMB		296,600
27	Federal revenues:		



1	EEOC, state and local antidiscrimination agency	
2	contracts.....	1,217,300
3	HUD, grant.....	1,543,500
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.....	\$ 12,159,000
9	(3) INFORMATION TECHNOLOGY	
10	Information technology services and projects.....	\$ <u>712,600</u>
11	GROSS APPROPRIATION.....	\$ 712,600
12	Appropriated from:	
13	Federal revenues:	
14	EEOC, state and local antidiscrimination agency	
15	contracts.....	15,000
16	State general fund/general purpose.....	\$ 697,600
17	Sec. 104. EXECUTIVE OFFICE	
18	(1) APPROPRIATION SUMMARY	
19	Full-time equated unclassified positions.....	10.0
20	Full-time equated classified positions.....	79.2
21	GROSS APPROPRIATION.....	\$ 6,848,500
22	Interdepartmental grant revenues:	
23	Total interdepartmental grants and intradepartmental	
24	transfers.....	0
25	ADJUSTED GROSS APPROPRIATION.....	\$ 6,848,500
26	Federal revenues:	



1	Total federal revenues	0
2	Special revenue funds:	
3	Total local revenues	0
4	Total private revenues	0
5	Total other state restricted revenues	0
6	State general fund/general purpose	\$ 6,848,500
7	(2) EXECUTIVE OFFICE OPERATIONS	
8	Full-time equated unclassified positions	10.0
9	Full-time equated classified positions	79.2
10	Governor	\$ 159,300
11	Lieutenant governor	111,600
12	Unclassified positions--8.0 FTE positions.....	1,307,300
13	Executive office--79.2 FTE positions	<u>5,270,300</u>
14	GROSS APPROPRIATION	\$ 6,848,500
15	Appropriated from:	
16	State general fund/general purpose	\$ 6,848,500
17	Sec. 105. LEGISLATURE	
18	(1) APPROPRIATION SUMMARY	
19	GROSS APPROPRIATION	\$ 177,861,000
20	Interdepartmental grant revenues:	
21	Total interdepartmental grants and intradepartmental	
22	transfers.....	5,709,200
23	ADJUSTED GROSS APPROPRIATION	\$ 172,151,800
24	Federal revenues:	
25	Total federal revenues	0
26	Special revenue funds:	



1	Total local revenues		0
2	Total private revenues		400,000
3	Total other state restricted revenues		6,247,100
4	State general fund/general purpose	\$	165,504,700
5	(2) LEGISLATURE		
6	Senate	\$	35,835,600
7	Senate automated data processing		2,600,000
8	Senate fiscal agency		3,874,100
9	House of representatives		55,113,500
10	House automated data processing		2,600,000
11	House fiscal agency		<u>3,874,100</u>
12	GROSS APPROPRIATION	\$	103,897,300
13	Appropriated from:		
14	State general fund/general purpose	\$	103,897,300
15	(3) LEGISLATIVE COUNCIL		
16	Legislative corrections ombudsman	\$	758,400
17	Legislative council		12,421,300
18	Legislative service bureau automated data processing .		1,690,000
19	National association dues		454,700
20	Michigan veterans facility ombudsman		200,000
21	Worker's compensation		<u>151,400</u>
22	GROSS APPROPRIATION	\$	15,675,800
23	Appropriated from:		
24	Special revenue funds:		
25	Private - gifts and bequests revenues		400,000
26	State general fund/general purpose	\$	15,275,800
27	(4) LEGISLATIVE RETIREMENT SYSTEM		



1	General nonretirement expenses	\$	<u>5,062,100</u>
2	GROSS APPROPRIATION	\$	5,062,100
3	Appropriated from:		
4	Special revenue funds:		
5	Court fees		1,177,700
6	State general fund/general purpose	\$	3,884,400
7	(5) PROPERTY MANAGEMENT		
8	Cora Anderson Building	\$	11,769,500
9	Senate Office Building and other properties		<u>8,030,000</u>
10	GROSS APPROPRIATION	\$	19,799,500
11	Appropriated from:		
12	State general fund/general purpose	\$	19,799,500
13	(6) STATE CAPITOL HISTORIC SITE		
14	Bond/lease obligations	\$	100
15	General operations		4,440,000
16	Restoration, renewal, and maintenance		<u>3,100,000</u>
17	GROSS APPROPRIATION	\$	7,540,100
18	Appropriated from:		
19	Special revenue funds:		
20	Capitol Historic Site fund		3,100,000
21	State general fund/general purpose	\$	4,440,100
22	(7) OFFICE OF THE AUDITOR GENERAL		
23	Unclassified positions	\$	339,200
24	Field operations		<u>23,947,000</u>
25	GROSS APPROPRIATION	\$	24,286,200
26	Appropriated from:		
27	Interdepartmental grant revenues:		



1	IDG from MDHHS, human services	30,600
2	IDG from MDLARA, liquor purchase revolving fund	28,700
3	IDG from MDOT, comprehensive transportation fund	39,000
4	IDG from MDOT, Michigan transportation fund	315,800
5	IDG from MDOT, state aeronautics fund	30,300
6	IDG from MDOT, state trunkline fund	733,500
7	IDG, legislative retirement system	29,200
8	IDG, single audit act	2,913,100
9	IDG, commercial mobile radio system emergency	
10	telephone fund.....	36,800
11	IDG, contract audit administration fees	50,000
12	IDG, deferred compensation funds	60,000
13	IDG, Michigan finance authority	330,800
14	IDG, Michigan economic development corporation	96,300
15	IDG, Michigan education trust fund	70,800
16	IDG, Michigan justice training commission fund	40,900
17	IDG, Michigan strategic fund	169,100
18	IDG, office of retirement services	550,000
19	IDG, other restricted funding sources	184,300
20	Special revenue funds:	
21	21st century jobs trust fund	96,300
22	Brownfield development fund	28,100
23	Clean Michigan initiative implementation bond fund ...	54,500
24	Game and fish protection fund	31,300
25	MDTMB, civil service commission	166,200
26	Michigan state housing development authority fees	113,500
27	Michigan veterans' trust fund	35,500



1	Motor transport revolving fund	7,400
2	Office services revolving fund	10,000
3	State disbursement unit, office of child support	57,400
4	State services fee fund	1,357,900
5	Waterways fund	11,300
6	State general fund/general purpose	\$ 16,607,600
7	(8) ONE-TIME BASIS ONLY APPROPRIATIONS	
8	Legislative corrections ombudsman	\$ 100,000
9	Legislative information technology systems design	
10	project.....	<u>1,500,000</u>
11	GROSS APPROPRIATION	\$ 1,600,000
12	Appropriated from:	
13	State general fund/general purpose	\$ 1,600,000
14	Sec. 106. DEPARTMENT OF STATE	
15	(1) APPROPRIATION SUMMARY	
16	Full-time equated unclassified positions	6.0
17	Full-time equated classified positions	1,608.0
18	GROSS APPROPRIATION	\$ 248,654,100
19	Interdepartmental grant revenues:	
20	Total interdepartmental grants and intradepartmental	
21	transfers.....	20,000,000
22	ADJUSTED GROSS APPROPRIATION	\$ 228,654,100
23	Federal revenues:	
24	Total federal revenues	1,460,000
25	Special revenue funds:	
26	Total local revenues	0



1	Total private revenues	50,100
2	Total other state restricted revenues	205,915,000
3	State general fund/general purpose	\$ 21,229,000
4	(2) EXECUTIVE DIRECTION	
5	Full-time equated unclassified positions	6.0
6	Full-time equated classified positions	30.0
7	Secretary of state	\$ 112,500
8	Unclassified positions--5.0 FTE positions	647,700
9	Operations--30.0 FTE positions	<u>4,590,000</u>
10	GROSS APPROPRIATION	\$ 5,350,200
11	Appropriated from:	
12	Special revenue funds:	
13	Children's protection registry fund	270,700
14	Driver fees	494,500
15	Enhanced driver license and enhanced official state	
16	personal identification card fund	217,600
17	Reinstatement fees - operator licenses	249,900
18	Transportation administration collection fund	2,515,700
19	State general fund/general purpose	\$ 1,601,800
20	(3) DEPARTMENT SERVICES	
21	Full-time equated classified positions	116.0
22	Operations--116.0 FTE positions	\$ 25,420,300
23	Uniform law commission registration fees	<u>5,600</u>
24	GROSS APPROPRIATION	\$ 25,425,900
25	Appropriated from:	
26	Special revenue funds:	
27	Abandoned vehicle fees	239,800



1	Driver fees	1,300,100
2	Driver improvement course fund	308,200
3	Enhanced driver license and enhanced official state	
4	personal identification card fund	331,200
5	Personal identification card fees	289,800
6	Reinstatement fees - operator licenses	541,800
7	Scrap tire fund	78,600
8	Transportation administration collection fund	21,742,300
9	State general fund/general purpose	\$ 594,100
10	(4) LEGAL SERVICES	
11	Full-time equated classified positions	94.0
12	Operations--94.0 FTE positions	\$ <u>14,230,200</u>
13	GROSS APPROPRIATION	\$ 14,230,200
14	Appropriated from:	
15	Special revenue funds:	
16	Auto repair facilities fees	2,941,100
17	Driver fees	2,145,000
18	Driver responsibility fees	1,000,000
19	Enhanced driver license and enhanced official state	
20	personal identification card fund	505,600
21	Reinstatement fees - operator licenses	959,400
22	Transportation administration collection fund	4,393,800
23	Vehicle theft prevention fees	1,089,200
24	State general fund/general purpose	\$ 1,196,100
25	(5) CUSTOMER DELIVERY SERVICES	
26	Full-time equated classified positions	1,323.0
27	Branch operations--932.0 FTE positions	\$ 87,887,700



1	Central operations--389.0 FTE positions	50,617,300
2	Motorcycle safety education administration--2.0 FTE	
3	positions.....	337,500
4	Motorcycle safety education grants	1,800,000
5	Credit and debit assessment services	8,000,000
6	Organ donor program	<u>129,100</u>
7	GROSS APPROPRIATION	\$ 148,771,600
8	Appropriated from:	
9	Interdepartmental grant revenues:	
10	IDG from MDOT, Michigan transportation fund	20,000,000
11	Federal revenues:	
12	Federal funds	1,460,000
13	Special revenue funds:	
14	Private funds	100
15	Thomas Daley gift of life fund	50,000
16	Abandoned vehicle fees	450,900
17	Auto repair facilities fees	901,900
18	Child support clearance fees	363,600
19	Credit and debit assessment service fee revenue	8,000,000
20	Driver education provider and instructor fund	75,000
21	Driver fees	21,821,900
22	Driver improvement course fund	1,227,600
23	Enhanced driver license and enhanced official state	
24	personal identification card fund.....	9,017,200
25	Expedient service fees	2,943,500
26	Marine safety fund.....	1,540,200
27	Michigan state police auto theft fund	123,700



1	Mobile home commission fees	507,500
2	Motorcycle safety fund	1,837,500
3	Off-road vehicle title fees	170,700
4	Parking ticket court fines	1,639,600
5	Personal identification card fees	2,362,500
6	Recreation passport fee revenue	1,000,000
7	Reinstatement fees - operator licenses	2,357,300
8	Snowmobile registration fee revenue	390,000
9	State lottery fund	1,015,800
10	Transportation administration collection fund	61,960,100
11	Vehicle theft prevention fees	786,000
12	State general fund/general purpose	\$ 6,769,000
13	(6) ELECTION REGULATION	
14	Full-time equated classified positions	45.0
15	Election administration and services--45.0 FTE	
16	positions	\$ 7,209,800
17	County clerk education and training fund	100,000
18	Fees to local units	<u>109,800</u>
19	GROSS APPROPRIATION	\$ 7,419,600
20	Appropriated from:	
21	Special revenue funds:	
22	Notary education and training fund	100,000
23	Notary fee fund	343,500
24	State general fund/general purpose	\$ 6,976,100
25	(7) DEPARTMENTWIDE APPROPRIATIONS	
26	Building occupancy charges/rent	\$ 9,758,300
27	Worker's compensation	<u>246,200</u>



1	GROSS APPROPRIATION	\$	10,004,500
2	Appropriated from:		
3	Special revenue funds:		
4	Auto repair facilities fees		133,000
5	Driver fees		704,600
6	Enhanced driver license and enhanced official state		
7	personal identification card fund		325,800
8	Parking ticket court fines		440,800
9	Transportation administration collection fund		5,899,800
10	State general fund/general purpose	\$	2,500,500
11	(8) INFORMATION TECHNOLOGY		
12	Information technology services and projects	\$	<u>37,452,100</u>
13	GROSS APPROPRIATION	\$	37,452,100
14	Appropriated from:		
15	Special revenue funds:		
16	Administrative order processing fee		11,700
17	Auto repair facilities fees		129,000
18	Driver fees		785,700
19	Enhanced driver license and enhanced official state		
20	personal identification card fund		326,800
21	Expedient service fees		1,082,800
22	Parking ticket court fines		88,800
23	Personal identification card fees		172,900
24	Reinstatement fees - operator licenses		591,000
25	Transportation administration collection fund		32,491,400
26	Vehicle theft prevention fees		180,600
27	State general fund/general purpose	\$	1,591,400



1 **Sec. 107. DEPARTMENT OF TECHNOLOGY, MANAGEMENT, AND**
 2 **BUDGET**

3 **(1) APPROPRIATION SUMMARY**

4	Full-time equated unclassified positions	6.0	
5	Full-time equated classified positions	2,937.0	
6	GROSS APPROPRIATION		\$ 1,371,611,500
7	Interdepartmental grant revenues:		
8	Total interdepartmental grants and intradepartmental		
9	transfers.....		713,959,000
10	ADJUSTED GROSS APPROPRIATION		\$ 657,652,500
11	Federal revenues:		
12	Total federal revenues		4,985,300
13	Special revenue funds:		
14	Total local revenues		2,316,700
15	Total private revenues		127,700
16	Total other state restricted revenues		111,399,300
17	State general fund/general purpose		\$ 538,823,500

18 **(2) EXECUTIVE DIRECTION**

19	Full-time equated unclassified positions	6.0	
20	Full-time equated classified positions	12.0	
21	Unclassified positions--6.0 FTE positions		\$ 1,031,500
22	Executive operations--12.0 FTE positions		<u>2,387,400</u>
23	GROSS APPROPRIATION		\$ 3,418,900
24	Appropriated from:		
25	Interdepartmental grant revenues:		
26	IDG from building occupancy and parking charges		240,200
27	IDG from technology user fees		2,041,100



1	Special revenue funds:		
2	Special revenue, internal service, and pension trust		
3	funds.....		280,300
4	State general fund/general purpose	\$	857,300
5	(3) DEPARTMENT SERVICES		
6	Full-time equated classified positions.....		788.5
7	Administrative services--133.5 FTE positions	\$	17,551,800
8	Budget and financial management--203.0 FTE positions .		36,082,200
9	Office of the state employer--23.0 FTE positions		3,484,600
10	Design and construction services--40.0 FTE positions .		6,520,000
11	Business support services--98.0 FTE positions		11,679,700
12	Building operation services--212.0 FTE positions		92,591,700
13	Property management		7,817,400
14	Motor vehicle fleet--35.0 FTE positions		74,299,300
15	Bureau of labor market information and strategies--		
16	44.0 FTE positions.....		<u>5,772,400</u>
17	GROSS APPROPRIATION	\$	255,799,100
18	Appropriated from:		
19	Interdepartmental grant revenues:		
20	IDG from accounting service centers user charges		3,920,500
21	IDG from building occupancy and parking charges		94,118,300
22	IDG from MDHHS, community health		489,700
23	IDG from MDHHS, human services		220,600
24	IDG from MDLARA		100,000
25	IDG from motor transport fund		74,299,300
26	IDG from technology user fees		7,575,100
27	IDG from user fees		6,584,200



1	Federal revenues:	
2	Federal funds	4,985,300
3	Special revenue funds:	
4	Local - MPSCS subscriber and maintenance fees	51,900
5	Local revenues	35,000
6	Health management funds	2,254,700
7	MAIN user charges	2,060,600
8	Other agency charges	1,209,300
9	Private funds	127,700
10	Special revenue, internal service, and pension trust	
11	funds.....	15,042,400
12	State restricted indirect funds	2,826,200
13	State general fund/general purpose	\$ 39,898,300
14	(4) TECHNOLOGY SERVICES	
15	Full-time equated classified positions	1,484.5
16	Education services--29.0 FTE positions	\$ 4,148,000
17	Health and human services--617.5 FTE positions	297,460,500
18	Public protection--155.5 FTE positions	57,780,400
19	Resources services--146.5 FTE positions	20,716,900
20	Transportation services--89.5 FTE positions	32,873,300
21	General services--315.5 FTE positions	107,508,000
22	Homeland security initiative/cyber security--25.0 FTE	
23	positions.....	16,169,300
24	Information technology investment fund	65,000,000
25	Michigan public safety communication system--100.0 FTE	
26	positions.....	40,174,500
27	Enterprise identity management--6.0 FTE positions	<u>7,748,600</u>



1	GROSS APPROPRIATION	\$	649,579,500
2	Appropriated from:		
3	Interdepartmental grant revenues:		
4	IDG from technology user fees		520,487,100
5	Special revenue funds:		
6	Local - MPSCS subscriber and maintenance fees		2,229,800
7	State general fund/general purpose	\$	126,862,600
8	(5) STATEWIDE APPROPRIATIONS		
9	Professional development fund - NERE	\$	250,000
10	Professional development fund - UAW		<u>700,000</u>
11	GROSS APPROPRIATION	\$	950,000
12	Appropriated from:		
13	Interdepartmental grant revenues:		
14	IDG from employer contributions		950,000
15	State general fund/general purpose	\$	0
16	(6) SPECIAL PROGRAMS		
17	Full-time equated classified positions		192.0
18	Building occupancy charges - property management		
19	services for executive/legislative building		
20	occupancy.....	\$	1,223,400
21	Retirement services--167.0 FTE positions		29,277,600
22	Office of children's ombudsman--14.0 FTE positions ...		1,814,900
23	School reform office operations--11.0 FTE positions ..		3,115,100
24	Public private partnership		1,500,000
25	Regional prosperity grants		<u>2,500,000</u>
26	GROSS APPROPRIATION	\$	39,431,000
27	Appropriated from:		



1	Special revenue funds:	
2	Deferred compensation	2,800,000
3	Pension trust funds	21,073,800
4	Public private partnership investment fund	1,500,000
5	State general fund/general purpose	\$ 14,057,200
6	(7) STATE BUILDING AUTHORITY RENT	
7	State building authority rent - state agencies	\$ 49,665,800
8	State building authority rent - department of	
9	corrections.....	21,029,900
10	State building authority rent - universities	144,995,300
11	State building authority rent - community colleges ...	<u>30,879,600</u>
12	GROSS APPROPRIATION	\$ 246,570,600
13	Appropriated from:	
14	State general fund/general purpose	\$ 246,570,600
15	(8) CIVIL SERVICE COMMISSION	
16	Full-time equated classified positions	450.0
17	Agency services--74.0 FTE positions	\$ 13,186,400
18	Executive direction--40.0 FTE positions	9,428,500
19	Employee benefits--16.0 FTE positions	5,713,900
20	Human resources operations--320.0 FTE positions	38,323,700
21	Information technology services and projects	<u>3,381,900</u>
22	GROSS APPROPRIATION	\$ 70,034,400
23	Appropriated from:	
24	Special revenue funds:	
25	State restricted funds 1%	29,129,300
26	State restricted indirect funds	8,679,800
27	State sponsored group insurance	8,670,800



1	State general fund/general purpose	\$	23,554,500
2	(9) CAPITAL OUTLAY		
3	Major special maintenance, remodeling, and addition		
4	for state agencies.....	\$	2,000,000
5	Enterprisewide special maintenance for state		
6	facilities.....		<u>26,000,000</u>
7	GROSS APPROPRIATION	\$	28,000,000
8	Appropriated from:		
9	Interdepartmental grant revenues:		
10	IDG from building occupancy charges		2,000,000
11	State general fund/general purpose	\$	26,000,000
12	(10) INFORMATION TECHNOLOGY		
13	Information technology services and projects	\$	<u>26,474,200</u>
14	GROSS APPROPRIATION	\$	26,474,200
15	Appropriated from:		
16	Interdepartmental grant revenues:		
17	IDG from building occupancy and parking charges		723,200
18	IDG from user fees		209,700
19	Deferred compensation		2,600
20	Health management funds		45,100
21	MAIN user charges		2,407,200
22	Pension trust funds		10,126,800
23	Special revenue, internal service, and pension trust		
24	funds.....		2,706,500
25	State restricted indirect funds		583,900
26	State general fund/general purpose	\$	9,669,200
27	(11) ONE-TIME BASIS ONLY APPROPRIATIONS		



1	Full-time equated classified positions	10.0	
2	ITIF one-time augmentation		\$ 4,500,000
3	MAIN operations for fiscal year 2017 closeout		2,087,600
4	Homeland security initiative/cyber security		4,000,000
5	Drinking water declaration of emergency reserve fund .		25,000,000
6	Michigan infrastructure fund deposit		5,000,000
7	Michigan public safety communication system life-cycle		
8	replacement.....		4,000,000
9	Michigan.gov content management system		4,000,000
10	School reform office - performance information system		353,000
11	SIGMA transition support--10.0 FTE positions		<u>2,413,200</u>
12	GROSS APPROPRIATION		\$ 51,353,800
13	Appropriated from:		
14	State general fund/general purpose		\$ 51,353,800

15 **Sec. 108. DEPARTMENT OF TREASURY**

16 **(1) APPROPRIATION SUMMARY**

17	Full-time equated unclassified positions	10.0	
18	Full-time equated classified positions	1,952.5	
19	GROSS APPROPRIATION		\$ 1,874,102,000
20	Interdepartmental grant revenues:		
21	Total interdepartmental grants and intradepartmental		
22	transfers.....		12,613,700
23	ADJUSTED GROSS APPROPRIATION		\$ 1,861,488,300
24	Federal revenues:		
25	Total federal revenues		27,022,600
26	Special revenue funds:		



1	Total local revenues	14,516,000
2	Total private revenues	27,500
3	Total other state restricted revenues	1,605,173,700
4	State general fund/general purpose	\$ 214,748,500
5	(2) DEPARTMENTAL ADMINISTRATION AND SUPPORT	
6	Full-time equated unclassified positions	10.0
7	Full-time equated classified positions	433.0
8	Unclassified positions--10.0 FTE positions	\$ 1,025,300
9	Department services--88.0 FTE positions	9,251,600
10	Executive direction and operations--46.0 FTE positions	7,867,200
11	Office of accounting services--28.0 FTE positions	2,786,400
12	Office of collections--204.0 FTE positions.....	27,881,600
13	Office of financial services--38.0 FTE positions	4,513,600
14	Property management	6,253,700
15	Unclaimed property--29.0 FTE positions	4,852,900
16	Worker's compensation	<u>26,500</u>
17	GROSS APPROPRIATION	\$ 64,458,800
18	Appropriated from:	
19	Interdepartmental grant revenues:	
20	IDG, data/collection services fees	336,600
21	IDG from accounting service center user charges	497,700
22	IDG from MDHHS, title IV-D	778,500
23	IDG, levy/warrant cost assessment fees	3,643,300
24	IDG, state agency collection fees	4,372,400
25	Federal revenues:	
26	DED-OPSE, federal lenders allowance	20,600
27	DED-OPSE, higher education act of 1965 insured loans .	46,300



1	Special revenue funds:		
2	Local - city income tax fund		102,500
3	Delinquent tax collection revenue		32,728,400
4	Escheats revenue		4,852,900
5	Garnishment fees		2,650,400
6	Justice system fund		429,200
7	Marihuana regulatory fund		187,500
8	State lottery fund		293,900
9	State restricted indirect funds		278,600
10	State services fee fund		334,300
11	Treasury fees		47,200
12	State general fund/general purpose	\$	12,858,500
13	(3) LOCAL GOVERNMENT PROGRAMS		
14	Full-time equated classified positions	126.0	
15	Financial independence teams--15.0 FTE positions		\$ 5,245,800
16	Local finance--21.0 FTE positions		2,622,800
17	Property tax assessor training--4.0 FTE positions		1,041,700
18	Supervision of the general property tax law--86.0 FTE		
19	positions.....		<u>9,878,700</u>
20	GROSS APPROPRIATION		\$ 18,789,000
21	Appropriated from:		
22	Special revenue funds:		
23	Local - assessor training fees		1,041,700
24	Local - audit charges		829,000
25	Local - equalization study chargebacks		40,000
26	Local - revenue from local government		100,000
27	Delinquent tax collection revenue		1,521,900



1	Land reutilization fund	2,046,400
2	Municipal finance fees	546,800
3	State general fund/general purpose	\$ 12,663,200
4	(4) TAX PROGRAMS	
5	Full-time equated classified positions	782.0
6	Bottle act implementation	\$ 250,000
7	Health insurance claims fund program--15.0 FTE	
8	positions.....	2,080,800
9	Home heating assistance	3,089,300
10	Office of revenue and tax analysis--21.0 FTE positions	3,643,600
11	Tax and economic policy--51.0 FTE positions	8,002,300
12	Tax compliance--340.0 FTE positions	45,680,400
13	Tax processing--342.0 FTE positions	38,826,300
14	Tobacco tax enforcement--13.0 FTE positions	<u>1,518,600</u>
15	GROSS APPROPRIATION	\$ 103,091,300
16	Appropriated from:	
17	Interdepartmental grant revenues:	
18	IDG from MDOT, Michigan transportation fund	2,301,700
19	IDG from MDOT, state aeronautics fund	72,200
20	Federal revenues:	
21	HHS-SSA, low-income energy assistance	3,089,300
22	Special revenue funds:	
23	Bottle deposit fund	250,000
24	Delinquent tax collection revenue	71,065,600
25	Emergency 911 fund	158,700
26	Health insurance claims fund	2,080,800
27	Marihuana regulatory fund	487,500



1	Michigan state waterways fund	107,100
2	Tobacco tax revenue	4,116,900
3	State general fund/general purpose	\$ 19,361,500
4	(5) FINANCIAL PROGRAMS	
5	Full-time equated classified positions..... 201.5	
6	Common cash and debt management--21.5 FTE positions ..	\$ 1,676,500
7	Dual enrollment payments	2,007,600
8	Investments--82.0 FTE positions	20,713,700
9	John R. Justice grant program	288,100
10	Michigan finance authority - bond finance--72.5 FTE	
11	positions.....	25,962,900
12	Student financial assistance programs--25.5 FTE	
13	positions.....	<u>2,704,300</u>
14	GROSS APPROPRIATION	\$ 53,353,100
15	Appropriated from:	
16	Interdepartmental grant revenues:	
17	IDG, fiscal agent service fees	211,300
18	Federal revenues:	
19	DED-OPSE, federal lenders allowance	3,718,400
20	DED-OPSE, higher education act of 1965, insured loans	19,232,100
21	Federal - John R. Justice grant	288,100
22	Special revenue funds:	
23	Defined contribution administrative fee revenue	100,000
24	Michigan finance authority bond and loan program	
25	revenue.....	3,012,400
26	Michigan merit award trust fund	1,172,200
27	Retirement funds	18,981,000



1	School bond fees	858,300
2	Treasury fees	1,850,900
3	State general fund/general purpose	\$ 3,928,400
4	(6) DEBT SERVICE	
5	Clean Michigan initiative	\$ 62,751,000
6	Great Lakes water quality bond	22,865,000
7	Quality of life bond	<u>21,964,000</u>
8	GROSS APPROPRIATION	\$ 107,580,000
9	Appropriated from:	
10	State general fund/general purpose	\$ 107,580,000
11	(7) GRANTS	
12	Beat the streets	\$ 100,000
13	Convention facility development distribution	90,950,000
14	Emergency 911 payments	27,000,000
15	Health and safety fund grants	1,500,000
16	Medical marihuana excise fund grants	3,960,000
17	Senior citizen cooperative housing tax exemption	
18	program.....	<u>10,720,000</u>
19	GROSS APPROPRIATION	\$ 134,230,000
20	Appropriated from:	
21	Special revenue funds:	
22	Convention facility development fund	90,950,000
23	Emergency 911 fund	27,000,000
24	Health and safety fund	1,500,000
25	Medical marihuana excise fund	3,960,000
26	State general fund/general purpose	\$ 10,820,000
27	(8) BUREAU OF STATE LOTTERY	



1	Full-time equated classified positions	191.0	
2	Lottery information technology services and projects .	\$	5,254,500
3	Lottery operations--191.0 FTE positions		<u>25,619,700</u>
4	GROSS APPROPRIATION	\$	30,874,200
5	Appropriated from:		
6	Special revenue funds:		
7	State lottery fund		30,874,200
8	State general fund/general purpose	\$	0
9	(9) CASINO GAMING		
10	Full-time equated classified positions	143.0	
11	Casino gaming control operations--133.0 FTE positions	\$	26,457,300
12	Gaming information technology services and projects ..		2,526,000
13	Horse racing--10.0 FTE positions		2,021,400
14	Michigan gaming control board		<u>50,000</u>
15	GROSS APPROPRIATION	\$	31,054,700
16	Appropriated from:		
17	Special revenue funds:		
18	Casino gambling agreements		950,500
19	Equine development fund		2,144,100
20	Laboratory fees		701,800
21	State services fee fund		27,258,300
22	State general fund/general purpose	\$	0
23	(10) PAYMENTS IN LIEU OF TAXES		
24	Commercial forest reserve	\$	3,368,100
25	Purchased lands		8,677,900
26	Swamp and tax reverted lands		<u>15,605,600</u>
27	GROSS APPROPRIATION	\$	27,651,600



1	Appropriated from:	
2	Special revenue funds:	
3	Private funds	27,500
4	Game and fish protection fund	3,007,400
5	Michigan natural resources trust fund	2,064,700
6	Michigan state waterways fund	260,800
7	State general fund/general purpose	\$ 22,291,200
8	(11) REVENUE SHARING	
9	City, village, and township revenue sharing	\$ 243,040,000
10	Constitutional state general revenue sharing grants ..	773,544,100
11	County incentive program	43,160,400
12	County revenue sharing payments	174,747,700
13	Financially distressed cities, villages, or townships	4,999,900
14	Sheriff patrol assistance for financially distressed	
15	communities.....	<u>100</u>
16	GROSS APPROPRIATION	\$ 1,239,492,200
17	Appropriated from:	
18	Special revenue funds:	
19	Sales tax	1,239,492,200
20	State general fund/general purpose	\$ 0
21	(12) STATE BUILDING AUTHORITY	
22	Full-time equated classified positions	4.0
23	State building authority--4.0 FTE positions	\$ <u>732,000</u>
24	GROSS APPROPRIATION	\$ 732,000
25	Appropriated from:	
26	Special revenue funds:	
27	State building authority revenue	732,000



1	State general fund/general purpose	\$	0
2	(13) CITY INCOME TAX ADMINISTRATION PROGRAM		
3	Full-time equated classified positions	72.0	
4	City income tax administration program--72.0 FTE		
5	positions.....	\$	<u>9,685,300</u>
6	GROSS APPROPRIATION	\$	9,685,300
7	Appropriated from:		
8	Special revenue funds:		
9	Local - city income tax fund		9,685,300
10	State general fund/general purpose	\$	0
11	(14) INFORMATION TECHNOLOGY		
12	Treasury operations information technology services		
13	and projects.....	\$	<u>30,909,800</u>
14	GROSS APPROPRIATION	\$	30,909,800
15	Appropriated from:		
16	Interdepartmental grant revenues:		
17	IDG from MDOT, Michigan transportation fund		400,000
18	Federal revenues:		
19	DED-OPSE, federal lender allowance		627,800
20	Special revenue funds:		
21	Local - city income tax fund		1,217,500
22	Delinquent tax collection revenue		17,420,700
23	Retirement funds		768,700
24	Tobacco tax revenue		129,400
25	State general fund/general purpose	\$	10,345,700
26	(15) ONE-TIME BASIS ONLY APPROPRIATIONS		
27	City income tax administration	\$	1,500,000



1	City, village, and township revenue sharing	5,800,000
2	Treasury operations information technology services	
3	and projects.....	2,000,000
4	Urban search and rescue	500,000
5	Supplemental city, village, and township revenue	
6	sharing.....	<u>12,400,000</u>
7	GROSS APPROPRIATION	\$ 22,200,000
8	Appropriated from:	
9	Special revenue funds:	
10	Local - city income tax fund	1,500,000
11	Sales tax.....	5,800,000
12	State general fund/general purpose	\$ 14,900,000
13	Sec. 109. DEPARTMENT OF TALENT AND ECONOMIC	
14	DEVELOPMENT	
15	(1) APPROPRIATION SUMMARY	
16	Full-time equated unclassified positions	6.0
17	Full-time equated classified positions	1,609.0
18	GROSS APPROPRIATION	\$ 1,105,631,500
19	Interdepartmental grant revenues:	
20	Total interdepartmental grants and intradepartmental	
21	transfers.....	0
22	ADJUSTED GROSS APPROPRIATION	\$ 1,105,631,500
23	Federal revenues:	
24	Total federal revenues	762,144,800
25	Special revenue funds:	
26	Total local revenues	500,000



1	Total private revenues	5,620,900
2	Total other state restricted revenues	206,363,400
3	State general fund/general purpose	\$ 131,002,400
4	(2) DEPARTMENTAL ADMINISTRATION	
5	Full-time equated unclassified positions	6.0
6	Full-time equated classified positions	3.0
7	Unclassified positions--6.0 FTE positions	\$ 1,086,900
8	Executive direction and operations--3.0 FTE positions	<u>1,397,100</u>
9	GROSS APPROPRIATION	\$ 2,484,000
10	Appropriated from:	
11	Federal revenues:	
12	DOL-ETA, unemployment insurance	1,436,900
13	DOL, federal funds	366,100
14	Special revenue funds:	
15	Michigan state housing development authority fees and	
16	charges.....	487,100
17	State general fund/general purpose	\$ 193,900
18	(3) MICHIGAN STRATEGIC FUND	
19	Full-time equated classified positions	197.0
20	Administrative services--37.0 FTE positions	\$ 6,212,900
21	Arts and cultural program	10,150,000
22	Business attraction and community revitalization	89,200,000
23	Community college skilled trades equipment program	
24	debt service.....	4,600,000
25	Community development block grants	47,000,000
26	Entrepreneurship ecosystem	16,706,700
27	Facility for rare isotope beams	7,300,000



1	Job creation services--160.0 FTE positions	20,798,000
2	Pure Michigan	<u>34,000,000</u>
3	GROSS APPROPRIATION	\$ 235,967,600
4	Appropriated from:	
5	Federal revenues:	
6	DOL, federal funds	2,825,800
7	DOL-ETA, unemployment insurance	287,000
8	HUD-CPD community development block grant	49,773,300
9	NFAH-NEA, promotion of the arts, partnership	
10	agreements.....	1,050,000
11	Special revenue funds:	
12	Private - special project advances	250,000
13	Private - Michigan council for the arts fund	100,000
14	21st century jobs trust fund	75,000,000
15	Michigan film promotion fund	402,200
16	Michigan state housing development authority fees and	
17	charges.....	4,649,300
18	State general fund/general purpose	\$ 101,630,000
19	(4) TALENT INVESTMENT AGENCY	
20	Full-time equated classified positions	1,087.0
21	Executive direction--14.0 FTE positions	\$ 1,991,400
22	Information technology services and projects - TIA ...	22,501,000
23	Workforce program administration--220.0 FTE positions	32,339,500
24	Workforce development programs	385,822,900
25	Community ventures--7.0 FTE positions	9,806,700
26	Going pro	30,908,300
27	Unemployment insurance agency--846.0 FTE positions ...	<u>137,953,400</u>



1	GROSS APPROPRIATION	\$	621,323,200
2	Appropriated from:		
3	Federal revenues:		
4	DAG, employment and training		3,499,400
5	DED-OESE, GEAR-UP		4,730,700
6	DED-OVAE, adult education		20,000,000
7	DED-OVAE, basic grants to states		19,000,000
8	DOL, federal funds		108,735,800
9	DOL-ETA, workforce investment act		173,988,600
10	DOL-ETA, unemployment insurance		138,952,200
11	Federal funds		5,940,200
12	Social security act, temporary assistance to needy		
13	families.....		63,698,800
14	Special revenue funds:		
15	Local revenues		500,000
16	Private funds		5,270,900
17	Contingent fund, penalty and interest account		63,436,100
18	Defaulted loan collection fees		152,700
19	State general fund/general purpose	\$	13,417,800
20	(5) LAND BANK FAST TRACK AUTHORITY		
21	Full-time equated classified positions..... 6.0		
22	Land bank fast track authority--6.0 FTE positions	\$	<u>5,259,100</u>
23	GROSS APPROPRIATION	\$	5,259,100
24	Appropriated from:		
25	Federal revenues:		
26	Federal revenues		1,000,000
27	Special revenue funds:		



1	Land bank fast track fund		298,400
2	State general fund/general purpose	\$	3,960,700
3	(6) MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY		
4	Full-time equated classified positions	316.0	
5	Property management	\$	3,659,600
6	Michigan state housing development authority		
7	technology services and projects		3,598,500
8	Housing and rental assistance--316.0 FTE positions ...		44,372,000
9	Lighthouse preservation program		307,500
10	Payments on behalf of tenants		<u>166,860,000</u>
11	GROSS APPROPRIATION	\$	218,797,600
12	Appropriated from:		
13	Federal funds:		
14	HUD, lower income housing assistance		166,860,000
15	Special revenue funds:		
16	Michigan state housing development authority fees and		
17	charges.....		51,630,100
18	Michigan lighthouse preservation program		307,500
19	State general fund/general purpose	\$	0
20	(7) ONE-TIME BASIS ONLY APPROPRIATIONS		
21	Business attraction and community revitalization	\$	10,800,000
22	Protect and grow		1,000,000
23	Going Pro		<u>10,000,000</u>
24	GROSS APPROPRIATION	\$	21,800,000
25	Appropriated from:		
26	Special revenue funds:		
27	Contingent fund, penalty and interest account		10,000,000



1 State general fund/general purpose \$ 11,800,000

2 PART 2
3 PROVISIONS CONCERNING APPROPRIATIONS
4 FOR FISCAL YEAR 2017-2018

5 **GENERAL SECTIONS**

6 Sec. 201. (1) Pursuant to section 30 of article IX of the
7 state constitution of 1963, total state spending from state
8 resources under part 1 for fiscal year 2017-2018 is
9 \$3,287,899,800.00 and state spending from state resources to be
10 paid to local units of government for fiscal year 2017-2018 is
11 \$1,429,883,600.00. The itemized statement below identifies
12 appropriations from which spending to local units of government
13 will occur:

14 DEPARTMENT OF STATE

15 Fees to local units \$ 109,800
16 Motorcycle safety grants 1,106,100
17 Subtotal \$ 1,215,900

18 DEPARTMENT OF TREASURY

19 Senior citizen cooperative housing tax exemption \$ 10,720,000
20 Health and safety fund grants 1,500,000
21 Constitutional state general revenue sharing grants .. 773,544,100
22 City, village, and township revenue sharing 248,840,000
23 Medical marihuana excise fund grands 3,960,000
24 Supplemental city, village, and township revenue
25 sharing 12,400,000



1	Convention facility development fund distribution	90,950,000
2	Emergency 9-1-1 payments	24,894,000
3	Financially distressed cities, villages, or townships	4,999,900
4	County incentive program	43,160,400
5	County revenue sharing payments	174,747,700
6	Payments in lieu of taxes	<u>27,651,600</u>
7	Subtotal	\$ 1,417,367,700
8	DEPARTMENT OF TALENT AND ECONOMIC DEVELOPMENT	
9	Welfare-to-work programs	\$ <u>11,300,000</u>
10	Subtotal	\$ <u>11,300,000</u>
11	TOTAL GENERAL GOVERNMENT	\$ 1,429,883,600

12 (2) Pursuant to section 30 of article IX of the state
13 constitution of 1963, total state spending from state sources for
14 fiscal year 2017-2018 is estimated at \$31,643,929,400.00 in the
15 2017-2018 appropriations acts and total state spending from state
16 sources paid to local units of government for fiscal year 2017-2018
17 is estimated at \$17,680,017,300.00. The state-local proportion is
18 estimated at 55.9% of total state spending from state resources.

19 (3) If payments to local units of government and state
20 spending from state sources for fiscal year 2017-2018 are different
21 than the amounts estimated in subsection (2), the state budget
22 director shall report the payments to local units of government and
23 state spending from state sources that were made for fiscal year
24 2017-2018 to the senate and house of representatives standing
25 committees on appropriations within 30 days after the final book-
26 closing for fiscal year 2017-2018.

27 Sec. 202. The appropriations authorized under this part and



1 part 1 are subject to the management and budget act, 1984 PA 431,
2 MCL 18.1101 to 18.1594.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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



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

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

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

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

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

9 (v) "IDG" means interdepartmental grant.

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

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

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

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

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

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

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

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

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

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

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

27 (hh) "MEDC" means the Michigan economic development



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

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

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

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

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

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

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

16 (oo) "PA" means public act.

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

18 (qq) "RFP" means a request for a proposal.

19 (rr) "SEIU" means Service Employees International Union.

20 (ss) "WDA" means the workforce development agency.

21 (tt) "WIC" means women, infants, and children.

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



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

11 Sec. 206. The director of each department and agency receiving
12 appropriations in part 1 shall take all reasonable steps to ensure
13 businesses in deprived and depressed communities compete for and
14 perform contracts to provide services or supplies, or both. Each
15 director shall strongly encourage firms with which the department
16 contracts to subcontract with certified businesses in depressed and
17 deprived communities for services, supplies, or both.

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



1 budget director. The report shall include the following
2 information:

3 (a) The dates of each travel occurrence.

4 (b) The total transportation and related costs of each travel
5 occurrence, including the proportion funded with state GF/GP
6 revenues, the proportion funded with state restricted revenues, the
7 proportion funded with federal revenues, and the proportion funded
8 with other revenues.

9 Sec. 208. 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 outside legal
14 services that the attorney general authorizes.

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

23 Sec. 210. (1) Pursuant to section 352 of the management and
24 budget act, 1984 PA 431, MCL 18.1352, which provides for a transfer
25 of state general fund revenue into or out of the countercyclical
26 budget and economic stabilization fund, the calculations required
27 by section 352 of the management and budget act, 1984 PA 431, MCL



1 18.1352, are determined as follows:

	<u>2016</u>	<u>2017</u>	<u>2018</u>
3 Michigan personal income (millions).	\$440,101	\$457,265	\$474,183
4 less: transfer payments.....	<u>94,290</u>	<u>98,721</u>	<u>103,657</u>
5 Subtotal	\$345,811	\$358,544	\$370,526
6 Divided by: Detroit consumer price			
7 index for 12 months ending June 30	2.202	2.250	2.293
8 Equals: real adjusted Michigan			
9 personal income.....	\$157,044	\$159,321	\$161,576
10 Percentage change.....	N/A	1.4%	1.4%
11 Growth rate in excess of 2%?.....	N/A	NO	NO
12 Equals: countercyclical budget and			
13 economic stabilization fund pay-in			
14 calculation for the fiscal year ending			
15 September 30, 2018 (millions).....	N/A	\$0.0	N/A
16 Growth rate less than 0%?.....	N/A	NO	NO
17 Equals: countercyclical budget and			
18 economic stabilization fund pay-out			
19 calculation for the fiscal year ending			
20 September 30, 2018 (millions).....	N/A	N/A	\$0.0

21 (2) Notwithstanding subsection (1), there is appropriated for
 22 the fiscal year ending September 30, 2017, from GF/GP revenue for
 23 deposit into the countercyclical budget and economic stabilization
 24 fund the sum of \$266,500,000.00.

25 Sec. 211. The departments and agencies receiving
 26 appropriations in part 1 shall cooperate with the department of
 27 technology, management, and budget to maintain a searchable website



1 that is updated at least quarterly and that is accessible by the
2 public at no cost that includes, but is not limited to, all of the
3 following for each department or agency:

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. 212. Within 14 days after the release of the executive
13 budget recommendation, the departments and agencies receiving
14 appropriations in part 1 shall cooperate with the state budget
15 director to provide the chairs of the senate and house of
16 representatives standing committees on appropriations, the chairs
17 of the senate and house of representatives standing committees on
18 appropriations subcommittees on general government, and the senate
19 and house fiscal agencies with an annual report on estimated state
20 restricted fund balances, state restricted fund projected revenues,
21 and state restricted fund expenditures for the fiscal years ending
22 September 30, 2017 and September 30, 2018.

23 Sec. 213. The departments and agencies receiving
24 appropriations in part 1 shall maintain, on a publicly accessible
25 website, a department or agency scorecard that identifies, tracks,
26 and regularly updates key metrics that are used to monitor and
27 improve the department's or agency's performance.



1 Sec. 215. Funds appropriated in part 1 shall not be used by
2 this state, a department, an agency, or an authority of this state
3 to purchase an ownership interest in a casino enterprise or a
4 gambling operation as those terms are defined in the Michigan
5 gaming control and revenue act, 1996 IL 1, MCL 432.201 to 432.226.

6 Sec. 216. The departments and agencies receiving
7 appropriations in part 1 shall receive and retain copies of all
8 reports funded from appropriations in part 1. Federal and state
9 guidelines for short-term and long-term retention of records shall
10 be followed. The department may electronically retain copies of
11 reports unless otherwise required by federal and state guidelines.

12 Sec. 217. General fund appropriations in part 1 shall not be
13 expended for items in cases where federal funding or private grant
14 funding is available for the same expenditures.

15 Sec. 218. A department or state agency shall not take
16 disciplinary action against an employee for communicating with a
17 member of the legislature or his or her staff.

18 Sec. 221. Each department and agency shall report no later
19 than April 1 on each specific policy change made to implement a
20 public act affecting the department that took effect during the
21 prior calendar year to the senate and house of representatives
22 standing committees on appropriations subcommittees on general
23 government, the joint committee on administrative rules, and the
24 senate and house fiscal agencies.

25 Sec. 229. If the office of the auditor general has identified
26 an initiative or made a recommendation that is related to savings
27 and efficiencies in an audit report for an executive branch



1 department or agency, the department or agency shall report within
2 6 months of the release of the audit on their efforts and progress
3 made toward achieving the savings and efficiencies identified in
4 the audit report. The report shall be submitted to the chairs of
5 the senate and house of representatives standing committees on
6 appropriations, the chairs of the senate and house of
7 representatives standing committees with jurisdiction over matters
8 relating to the department that is audited, and the senate and
9 house fiscal agencies.

10 Sec. 233. In addition to the GF/GP appropriations for special
11 maintenance, remodeling, and addition - state facilities in part 1,
12 there is also appropriated related federal and state restricted
13 funds up to the amounts that will be earned based upon the
14 initiatives undertaken with the funds in part 1. The state budget
15 director shall determine and authorize the appropriate manner for
16 implementing this section.

17 Sec. 234. In addition to the GF/GP appropriations for
18 enterprisewide information technology investments in part 1, there
19 is also appropriated related federal and state restricted funds up
20 to the amounts that will be earned based upon the initiatives
21 undertaken with the funds in part 1. The state budget director
22 shall determine and authorize the appropriate manner for
23 implementing this section.

24 Sec. 235. By April 1, the state budget director shall submit a
25 report to the senate and house appropriations committees, the
26 chairpersons of the relevant appropriations subcommittees, and the
27 senate and house fiscal agencies. The report shall recommend a



1 contingency plan for each federal funding source included in the
2 state budget of \$10,000,000.00 or more in the event that the
3 federal government reduces funding to the state through that source
4 by 10% or greater.

5 Sec. 240. (1) Concurrently with the submission of the fiscal
6 year 2018-2019 executive budget recommendations, the state budget
7 office shall provide the senate and house appropriations
8 committees, the chairpersons of the relevant appropriations
9 subcommittees, the senate and house fiscal agencies, and the policy
10 offices a report that lists each new program or program enhancement
11 for which funds in excess of \$500,000.00 are appropriated in part 1
12 of each departmental appropriation act.

13 (2) By July 1, 2018, the state budget director and the chairs
14 of the senate and house appropriations committees shall identify
15 new programs or program enhancements identified under subsection
16 (1) for measurement using program-specific metrics, in addition to
17 the metrics required under section 447 of the management and budget
18 act, 1984 PA 431, MCL 18.1447.

19 (3) By September 30, 2019, the state budget office shall
20 provide a report on the specific metrics and the progress in
21 meeting the estimated performance for each program identified under
22 subsection (2) to the senate and house appropriations committees,
23 the senate and house appropriations subcommittees on each state
24 department, and the senate and house fiscal agencies and policy
25 offices. It is the intent of the legislature that the governor
26 consider the estimated performance of the new program or program
27 enhancement as the basis for any increase in funds appropriated



1 from the prior year.

2 **DEPARTMENT OF ATTORNEY GENERAL**

3 Sec. 301. (1) In addition to the funds appropriated in part 1,
4 there is appropriated an amount not to exceed \$1,500,000.00 for
5 federal contingency funds. These funds are not available for
6 expenditure until they have been transferred to another line item
7 in part 1 under section 393(2) of the management and budget act,
8 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 \$1,500,000.00 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 part 1 under section 393(2) of the management and budget act,
14 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 \$100,000.00 for local
17 contingency funds. These funds are not available for expenditure
18 until they have been transferred to another line item in part 1
19 under section 393(2) of the management and budget act, 1984 PA 431,
20 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 private
23 contingency funds. These funds are not available for expenditure
24 until they have been transferred to another line item in part 1
25 under section 393(2) of the management and budget act, 1984 PA 431,
26 MCL 18.1393.



1 Sec. 301a. (1) From the funds appropriated in part 1 for
2 attorney general operations, the attorney general must maintain a
3 minimum of 24 drug investigations and may prosecute when sufficient
4 evidence is obtained. The purpose of this investment is to
5 establish a specialized drug investigation and prosecution unit.

6 (2) The attorney general's office must submit a report to the
7 house and senate appropriations subcommittees on general
8 government, the senate and house fiscal agencies, and the state
9 budget director by March 1 detailing the activities and the results
10 of the investigations and prosecutions of the unit established in
11 subsection (1).

12 Sec. 302. (1) The attorney general shall perform all legal
13 services, including representation before courts and administrative
14 agencies rendering legal opinions and providing legal advice to a
15 principal executive department or state agency. A principal
16 executive department or state agency shall not employ or enter into
17 a contract with any other person for services described in this
18 section.

19 (2) The attorney general shall defend judges of all state
20 courts if a claim is made or a civil action is commenced for
21 injuries to persons or property caused by the judge through the
22 performance of the judge's duties while acting within the scope of
23 his or her authority as a judge.

24 (3) The attorney general shall perform the duties specified in
25 1846 RS 12, MCL 14.28 to 14.35, and 1919 PA 232, MCL 14.101 to
26 14.102, and as otherwise provided by law.

27 Sec. 303. (1) The attorney general may sell copies of the



1 biennial report in excess of the 350 copies that the attorney
2 general may distribute on a gratis basis. Gratis copies shall not
3 be provided to members of the legislature. Electronic copies of
4 biennial reports shall be made available on the department of
5 attorney general's website. The attorney general shall sell copies
6 of the report at not less than the actual cost of the report and
7 shall deposit the money received into the general fund.

8 (2) The attorney general's office shall submit a report to the
9 house and senate appropriations subcommittees on general
10 government, the senate and house fiscal agencies, and the state
11 budget director by March 1. The report must include the amount of
12 revenue collected from sales of the biennial report in subsection
13 (1).

14 Sec. 304. The department of attorney general is responsible
15 for the legal representation for state of Michigan state employee
16 worker's disability compensation cases. The risk management
17 revolving fund revenue appropriation in part 1 is to be satisfied
18 by billings from the department of attorney general for the actual
19 costs of legal representation, including salaries and support
20 costs.

21 Sec. 305. In addition to the funds appropriated in part 1, not
22 more than \$400,000.00 shall be reimbursed per fiscal year for food
23 stamp fraud cases heard by the third circuit court of Wayne County
24 that were initiated by the department of attorney general pursuant
25 to the existing contract between the department of health and human
26 services, the Prosecuting Attorneys Association of Michigan, and
27 the department of attorney general. The source of this funding is



1 money earned by the department of attorney general under the
2 agreement after the allowance for reimbursement to the department
3 of attorney general for costs associated with the prosecution of
4 food stamp fraud cases. It is recognized that the federal funds are
5 earned by the department of attorney general for its documented
6 progress on the prosecution of food stamp fraud cases according to
7 the United States Department of Agriculture regulations and that,
8 once earned by this state, the funds become state funds.

9 Sec. 306. Any proceeds from a lawsuit initiated by or
10 settlement agreement entered into on behalf of this state against a
11 manufacturer of tobacco products by the attorney general are state
12 funds and are subject to appropriation as provided by law.

13 Sec. 307. (1) In addition to the antitrust revenues in part 1,
14 antitrust, securities fraud, consumer protection or class action
15 enforcement revenues, or attorney fees recovered by the department,
16 not to exceed \$250,000.00, are appropriated to the department for
17 antitrust, securities fraud, and consumer protection or class
18 action enforcement cases.

19 (2) Any unexpended funds from antitrust, securities fraud, or
20 consumer protection or class action enforcement revenues at the end
21 of the fiscal year, including antitrust funds in part 1, may be
22 carried forward for expenditure in the following fiscal year up to
23 the maximum authorization of \$250,000.00.

24 (3) The attorney general's office shall submit a report to the
25 house and senate appropriations subcommittees on general
26 government, the senate and house fiscal agencies, and the state
27 budget director by March 1. The report must detail the amount of



1 revenue from subsection (1) recovered by the attorney general,
2 including a description of the source of the revenue and the
3 carryforward amount.

4 Sec. 308. (1) In addition to the funds appropriated in part 1,
5 there is appropriated up to \$1,000,000.00 from litigation expense
6 reimbursements awarded to the state.

7 (2) The funds may be expended for the payment of court
8 judgments, settlements, arbitration awards or other administrative
9 and litigation decisions, attorney fees, and litigation costs,
10 assessed against the office of the governor, the department of the
11 attorney general, the governor, or the attorney general when acting
12 in an official capacity as the named party in litigation against
13 the state. The funds may also be expended for the payment of state
14 costs incurred under section 16 of chapter X of the code of
15 criminal procedure, 1927 PA 175, MCL 770.16.

16 (3) Unexpended funds at the end of the fiscal year may be
17 carried forward for expenditure in the following year, up to a
18 maximum authorization of \$250,000.00.

19 Sec. 309. (1) From the prisoner reimbursement funds
20 appropriated in part 1, the department may spend up to \$625,200.00
21 on activities related to the state correctional facility
22 reimbursement act, 1935 PA 253, MCL 800.401 to 800.406. In addition
23 to the funds appropriated in part 1, if the department collects in
24 excess of \$1,131,000.00 in gross annual prisoner reimbursement
25 receipts provided to the general fund, the excess, up to a maximum
26 of \$1,000,000.00, is appropriated to the department of attorney
27 general and may be spent on the representation of the department of



1 corrections and its officers, employees, and agents, including, but
2 not limited to, the defense of litigation against the state, its
3 departments, officers, employees, or agents in civil actions filed
4 by prisoners.

5 (2) The attorney general's office shall submit a report to the
6 house and senate appropriations subcommittees on general
7 government, the senate and house fiscal agencies, and the state
8 budget director by March 1. The report must include the dollar
9 amount of prisoner reimbursements collected from subsection (1) as
10 well as descriptions of all expenditures made from the
11 reimbursements, including what activities related to the state
12 correctional facility reimbursement act, 1935 PA 253, MCL 800.401
13 to 800.406, funds were spent on.

14 Sec. 310. (1) For the purposes of providing title IV-D child
15 support enforcement funding, the attorney general shall maintain a
16 cooperative agreement with the department of health and human
17 services, as the state IV-D agency, for federal IV-D funding to
18 support the child support enforcement activities within the office
19 of the attorney general.

20 (2) The attorney general or his or her designee shall, to the
21 extent allowable under federal law, have access to any information
22 used by the state to locate parents who fail to pay court-ordered
23 child support.

24 Sec. 312. The department of attorney general shall not receive
25 and expend funds in addition to those authorized in part 1 for
26 legal services provided specifically to other state departments or
27 agencies except for costs for expert witnesses, court costs, or



1 other nonsalary litigation expenses associated with a pending legal
2 action.

3 Sec. 314. (1) From the lawsuit settlement proceeds fund
4 appropriated in part 1, the department may spend the funds for the
5 costs of all associated expenses related to the declaration of
6 emergency due to drinking water contamination up to \$2,150,000.00.

7 (2) The attorney general's office must submit a quarterly
8 report to the house and senate standing committees on
9 appropriations, the house and senate appropriations subcommittees
10 on general government, the senate and house fiscal agencies, and
11 the state budget director, detailing how funds in subsection (1)
12 and all other currently and previously budgeted funds associated
13 with legal costs pertaining to the Flint water declaration of
14 emergency were expended. The report must itemize expenditures by
15 case, purpose, and department involved.

16 Sec. 314a. (1) From the funds appropriated in part 1 for one-
17 time appropriations for the attorney general, the department of
18 attorney general shall allocate \$750,000.00 for investigations,
19 crime victim rights, prosecutions, and appeals for retroactive
20 juvenile life without parole cases.

21 (2) The attorney general's office shall submit a detailed
22 expenditure report to the house and senate appropriations
23 subcommittees on general government and the judiciary, the senate
24 and house fiscal agencies, and the state budget director by
25 September 30 detailing how the funds provided in subsection (1)
26 were expended.

27 Sec. 315. Total authorized appropriations from all sources



1 under part 1 for legacy costs for the fiscal year ending September
2 30, 2018 are \$17,281,300.00. From this amount, total agency
3 appropriations for pension-related legacy costs are estimated at
4 \$8,893,100.00. Total agency appropriations for retiree health care
5 legacy costs are estimated at \$8,388,200.00.

6 Sec. 316. (1) From the funds appropriated in part 1 for sexual
7 assault law enforcement efforts, the department shall use the funds
8 for testing of backlogged sexual assault kits across the state. The
9 funding provided in part 1 shall be distributed in the following
10 order of priority:

11 (a) To eliminate all county sexual assault kit backlogs
12 outside of Wayne County.

13 (b) To assist local prosecutors with investigations and
14 prosecutions of viable cases.

15 (c) To provide victim services.

16 (2) The department of attorney general shall provide a
17 detailed work and spending plan outlining anticipated litigation
18 action and expenditures resulting from findings of the sexual
19 assault kit testing. The spending plan shall be transmitted to the
20 state budget office, the senate and house fiscal agencies, and the
21 senate and house of representatives standing committees on
22 appropriations subcommittees on general government. The
23 appropriation shall not be available for expenditure until the work
24 plan is approved by the state budget director. The state budget
25 office shall notify the senate and house of representatives
26 standing committees on appropriations subcommittees on general
27 government at least 15 days prior to release of the funds.



1 (3) The department of attorney general shall provide a report
2 by January 30 providing updated information related to the work and
3 spending plan listed in subsection (2) and provide an update on
4 expenditures made in relation to assisting local prosecutions and
5 investigations and providing victim services. The report shall be
6 distributed to the state budget office and the chairs of the senate
7 and house of representatives standing committees on appropriations
8 subcommittees on general government, as well as the senate and
9 house fiscal agencies.

10 Sec. 317. (1) The department of attorney general shall report
11 all legal costs and associated expenses related to the declaration
12 of emergency due to drinking water contamination, and the
13 investigations and any resulting prosecutions, for publication in
14 the Flint water emergency-financial and activities tracking and
15 reporting document that is posted by the state budget director on
16 the public website, michigan.gov/flintwater. The tracking and
17 reporting documents shall include the budget line item source for
18 each expenditure.

19 (2) At the conclusion of all attorney general investigations
20 related to the declaration of emergency due to drinking water
21 contamination, all materials related to any investigations shall be
22 preserved pursuant to applicable document retention policies.

23 **DEPARTMENT OF CIVIL RIGHTS**

24 Sec. 401. (1) In addition to the funds appropriated in part 1,
25 there is appropriated an amount not to exceed \$2,000,000.00 for
26 federal contingency funds. These funds are not available for



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

4 (2) In addition to the funds appropriated in part 1, there is
5 appropriated an amount not to exceed \$750,000.00 for private
6 contingency funds. These funds are not available for expenditure
7 until they have been transferred to another line item in part 1
8 under section 393(2) of the management and budget act, 1984 PA 431,
9 MCL 18.1393.

10 Sec. 402. (1) In addition to the appropriations contained in
11 part 1, the department of civil rights may receive and expend funds
12 from local or private sources for all of the following purposes:

13 (a) Developing and presenting training for employers on equal
14 employment opportunity law and procedures.

15 (b) The publication and sale of civil rights related
16 informational material.

17 (c) The provision of copy material made available under
18 freedom of information requests.

19 (d) Other copy fees, subpoena fees, and witness fees.

20 (e) Developing, presenting, and participating in mediation
21 processes for certain civil rights cases.

22 (f) Workshops, seminars, and recognition or award programs
23 consistent with the programmatic mission of the individual unit
24 sponsoring or coordinating the programs.

25 (g) Staffing costs for all activities included in this
26 subsection.

27 (2) The department of civil rights shall annually report to



1 the state budget director, the senate and house of representatives
2 standing committees on appropriations, the chairpersons of the
3 relevant appropriations subcommittees, and the senate and house
4 fiscal agencies the amount of funds received and expended for
5 purposes authorized under this section.

6 Sec. 403. The department of civil rights may contract with
7 local units of government to review equal employment opportunity
8 compliance of potential contractors and may charge for and expend
9 amounts received from local units of government for the purpose of
10 developing and providing these contractual services.

11 Sec. 404. (1) The department of civil rights shall prepare and
12 transmit a detailed report that includes, but is not limited to,
13 the following information for the most recent fiscal year:

14 (a) A detailed description of the department operations.

15 (b) A detailed description of all subunits within the
16 department, including FTE positions associated with each subunit,
17 responsibilities of each subunit, and all revenues and expenditures
18 for each subunit.

19 (c) The number of complaints by type of complaint.

20 (d) The average cost of, and time expended, investigating
21 complaints.

22 (e) The percentage of complaints that are meritorious and
23 worthy of investigation or settlement and the percentage of
24 complaints that have no merit.

25 (f) A listing of amounts awarded to claimants.

26 (g) Expenditures associated with complaint investigation and
27 enforcement.



1 (h) A listing of complaint investigations closed per FTE
2 position for each of the past 5 years.

3 (i) A listing of complaint evaluations completed per FTE
4 position for each of the past 5 years.

5 (j) Productivity projections for the current fiscal year,
6 including investigations closed per FTE, complaint evaluations
7 completed per FTE, and average time expended investigating
8 complaints.

9 (k) Revenues and expenditures associated with section 403 by
10 local unit.

11 (2) The report required under subsection (1) shall be posted
12 online and transmitted electronically not later than November 30 to
13 the state budget director, the chairpersons of the senate and house
14 of representatives standing committees on appropriations, the
15 senate and house appropriations subcommittees on general
16 government, and the senate and house fiscal agencies.

17 Sec. 405. The department of civil rights shall notify the
18 office of the state budget, senate and house of representatives
19 standing committees on appropriations, the chairpersons of the
20 appropriations subcommittees on general government, and senate and
21 house fiscal agencies prior to submitting a report or complaint to
22 the United States Commission on Civil Rights or other federal
23 departments.

24 Sec. 410. Total authorized appropriations from all sources
25 under part 1 for legacy costs for the fiscal year ending September
26 30, 2018 are \$2,695,600.00. From this amount, total agency
27 appropriations for pension-related legacy costs are estimated at



1 \$1,387,200.00. Total agency appropriations for retiree health care
2 legacy costs are estimated at \$1,308,400.00.

3 **EXECUTIVE OFFICE**

4 Sec. 501. (1) The executive office shall report by April 15 to
5 the senate and house appropriations subcommittees on general
6 government and the senate and house fiscal agencies on the
7 expenditures for the office of urban initiatives. The report shall
8 provide information detailing the economic impact and job growth
9 initiatives for each urban and metropolitan area receiving funds
10 under part 1. The report shall also provide information detailing
11 the initiatives undertaken in each urban or metropolitan area
12 receiving funds under part 1, including, but not limited to, all of
13 the following:

14 (a) Transportation and infrastructure.

15 (b) Public services.

16 (c) Land use and sustainability.

17 (d) Housing.

18 (e) Workforce and economic development.

19 (2) Any unencumbered and unexpended funds appropriated to the
20 office of urban initiatives in the previous fiscal year shall lapse
21 to the general fund on October 1.

22 **LEGISLATURE**

23 Sec. 600. The senate, the house of representatives, or an
24 agency within the legislative branch may receive, expend, and
25 transfer funds in addition to those authorized in part 1.



1 Sec. 601. (1) Funds appropriated in part 1 to an entity within
2 the legislative branch shall not be expended or transferred to
3 another account without written approval of the authorized agent of
4 the legislative entity. If the authorized agent of the legislative
5 entity notifies the state budget director of its approval of an
6 expenditure or transfer before the year-end book-closing date for
7 that legislative entity, the state budget director shall
8 immediately make the expenditure or transfer. The authorized
9 legislative entity agency shall be designated by the speaker of the
10 house of representatives for house entities, the senate majority
11 leader for senate entities, and the legislative council for
12 legislative council entities.

13 (2) Funds appropriated within the legislative branch, to a
14 legislative council component, shall not be expended by any agency
15 or other subgroup included in that component without the approval
16 of the legislative council.

17 Sec. 602. The senate may charge rent and assess charges for
18 utility costs. The amounts received for rent charges and utility
19 assessments are appropriated to the senate for the renovation,
20 operation, and maintenance of the Senate Office Building and other
21 properties.

22 Sec. 603. From the appropriation contained in part 1 for
23 national association dues, the first \$34,800.00 shall be paid to
24 the National Conference of Commissioners of Uniform State Laws. The
25 remaining funds shall be distributed accordingly by the legislative
26 council.

27 Sec. 604. (1) The appropriation in part 1 to the Michigan



1 state capitol historic site includes funds to operate the
2 legislative parking facilities in the capitol area. The Michigan
3 state capitol commission shall establish rules regarding the
4 operation of the legislative parking facilities.

5 (2) The Michigan state capitol commission shall collect a fee
6 from state employees and the general public using certain
7 legislative parking facilities. The revenues received from the
8 parking fees are appropriated upon receipt and shall be allocated
9 by the Michigan state capitol commission.

10 Sec. 605. The appropriation in part 1 to the legislative
11 council for publication of the Michigan manual is a work project
12 account. The unexpended portion remaining on September 30 shall not
13 lapse and shall be carried forward into the subsequent fiscal year
14 for use in paying the associated biennial costs of publication of
15 the Michigan manual.

16 Sec. 606. The appropriations in part 1 to the legislative
17 branch, for property management, shall be used to purchase
18 equipment and services for building maintenance in order to ensure
19 a safe and productive work environment. These funds are designated
20 as work project appropriations and shall not lapse at the end of
21 the fiscal year, and shall continue to be available for expenditure
22 until the project has been completed. The total cost is estimated
23 at \$2,000,000.00, and the tentative completion date is September
24 30, 2021.

25 Sec. 607. The appropriations in part 1 to the legislative
26 branch, for automated data processing, shall be used to purchase
27 equipment, software, and services in order to support and implement



1 data processing requirements and technology improvements. These
2 funds are designated as work project appropriations in accordance
3 with section 451a of the management and budget act, 1984 PA 431,
4 MCL 18.1451a, and shall not lapse at the end of the fiscal year,
5 and shall continue to be available for expenditure until the
6 project has been completed. The total cost is estimated at
7 \$2,000,000.00, and the tentative completion date is September 30,
8 2021.

9 Sec. 608. In addition to funds appropriated in part 1, the
10 Michigan capitol committee publications save the flags fund account
11 may accept contributions, gifts, bequests, devises, grants, and
12 donations. Those funds that are not expended in the fiscal year
13 ending September 30 shall not lapse at the close of the fiscal
14 year, and shall be carried forward for expenditure in the following
15 fiscal years.

16 Sec. 615. Total authorized appropriations from all sources
17 under part 1 for legacy costs for the fiscal year ending September
18 30, 2018 are \$21,252,700.00. From this amount, total agency
19 appropriations for pension-related legacy costs are estimated at
20 \$10,936,800.00. Total agency appropriations for retiree health care
21 legacy costs are estimated at \$10,315,900.00.

22 Sec. 616. The appropriation in part 1 for the legislative IT
23 systems design project shall be used for the design, development,
24 and implementation of a legislative computer system. Funds
25 described in this section shall not be expended without written
26 approval of the senate majority leader or his or her designee, the
27 speaker of the house of representatives or his or her designee, and



1 the legislative council administrator or his or her designee. The
2 appropriations described in this section are designated as work
3 project appropriations in accordance with section 451a of the
4 management and budget act, 1984 PA 431, MCL 18.1451a, and shall not
5 lapse at the end of the fiscal year. The unexpended portion of
6 these funds shall continue to be available for expenditure until
7 the project has been completed. The total cost is estimated at
8 \$12,000,000.00 and the tentative completion date is September 30,
9 2020.

10 Sec. 618. It is the intent of the legislature that all
11 administrative functions and associated funding for the Michigan
12 legislative retirement system shall be transferred from the
13 legislative council to the department of technology, management,
14 and budget before the end of the 2017-2018 fiscal year.

15 Sec. 619. The funds appropriated in part 1 for the Michigan
16 veterans facility ombudsman shall be used to maintain a veterans
17 facility ombudsman to address complaints made at the veterans'
18 homes of this state.

19 **LEGISLATIVE AUDITOR GENERAL**

20 Sec. 620. Pursuant to section 53 of article IV of the state
21 constitution of 1963, the auditor general shall conduct audits of
22 the judicial branch. The audits may include the supreme court and
23 its administrative units, the court of appeals, and trial courts.

24 Sec. 621. (1) The auditor general shall take all reasonable
25 steps to ensure that certified minority- and women-owned and
26 operated accounting firms, and accounting firms owned and operated



1 by persons with disabilities participate in the audits of the
2 books, accounts, and financial affairs of each principal executive
3 department, branch, institution, agency, and office of this state.

4 (2) The auditor general shall strongly encourage firms with
5 which the auditor general contracts to perform audits of the
6 principal executive departments and state agencies to subcontract
7 with certified minority- and women-owned and operated accounting
8 firms, and accounting firms owned and operated by persons with
9 disabilities.

10 (3) The auditor general shall compile an annual report
11 regarding the number of contracts entered into with certified
12 minority- and women-owned and operated accounting firms, and
13 accounting firms owned and operated by persons with disabilities.
14 The auditor general shall deliver the report to the state budget
15 director and the senate and house of representatives standing
16 committees on appropriations subcommittees on general government by
17 November 1 of each year.

18 Sec. 622. From the funds appropriated in part 1 to the
19 legislative auditor general, the auditor general's salary and the
20 salaries of the remaining 2.0 FTE unclassified positions shall be
21 set by the speaker of the house of representatives, the senate
22 majority leader, the house of representatives minority leader, and
23 the senate minority leader.

24 Sec. 623. Any audits, reviews, or investigations requested of
25 the auditor general by the legislature or by legislative
26 leadership, legislative committees, or individual legislators shall
27 include an estimate of the additional costs involved and, when



1 those costs exceed \$50,000.00, should provide supplemental funding.
2 The auditor general shall determine whether to perform those
3 activities in keeping with Audit Directive No. 29, which describes
4 the office of the auditor general's policy on responding to
5 legislative requests.

6 **DEPARTMENT OF STATE**

7 Sec. 701. (1) In addition to the funds appropriated in part 1,
8 there is appropriated an amount not to exceed \$2,000,000.00 for
9 federal contingency funds. These funds are not available for
10 expenditure until they have been transferred to another line item
11 in part 1 under section 393(2) of the management and budget act,
12 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 \$7,500,000.00 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 part 1 under section 393(2) of the management and budget act,
18 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 \$50,000.00 for local
21 contingency funds. These funds are not available for expenditure
22 until they have been transferred to another line item in part 1
23 under section 393(2) of the management and budget act, 1984 PA 431,
24 MCL 18.1393.

25 (4) In addition to the funds appropriated in part 1, there is
26 appropriated an amount not to exceed \$100,000.00 for private



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

5 Sec. 703. From the funds appropriated in part 1, the
6 department of state shall sell copies of records including, but not
7 limited to, records of motor vehicles, off-road vehicles,
8 snowmobiles, watercraft, mobile homes, personal identification
9 cardholders, drivers, and boat operators and shall charge \$11.00
10 per record sold only as authorized in section 208b of the Michigan
11 vehicle code, 1949 PA 300, MCL 257.208b, section 7 of 1972 PA 222,
12 MCL 28.297, and sections 80130, 80315, 81114, and 82156 of the
13 natural resources and environmental protection act, 1994 PA 451,
14 MCL 324.80130, 324.80315, 324.81114, and 324.82156. The revenue
15 received from the sale of records shall be credited to the
16 transportation administration collection fund created under section
17 810b of the Michigan vehicle code, 1949 PA 300, MCL 257.810b. The
18 department of state shall provide quarterly reports to the
19 legislature, the chairpersons of the relevant appropriations
20 subcommittees, and the senate and house fiscal agencies. The report
21 shall be provided within 15 days of the close of the quarter and
22 shall include the number of records sold and the revenues
23 collected.

24 Sec. 704. From the funds appropriated in part 1, the secretary
25 of state may enter into agreements with the department of
26 corrections for the manufacture of vehicle registration plates 15
27 months before the registration year in which the registration



1 plates will be used.

2 Sec. 705. (1) The department of state may accept gifts,
3 donations, contributions, and grants of money and other property
4 from any private or public source to underwrite, in whole or in
5 part, the cost of a departmental publication that is prepared and
6 disseminated under the Michigan vehicle code, 1949 PA 300, MCL
7 257.1 to 257.923. A private or public funding source may receive
8 written recognition in the publication and may furnish a traffic
9 safety message, subject to departmental approval, for inclusion in
10 the publication. The department may reject a gift, donation,
11 contribution, or grant. The department may furnish copies of a
12 publication underwritten, in whole or in part, by a private source
13 to the underwriter at no charge.

14 (2) The department of state may sell and accept paid
15 advertising for placement in a departmental publication that is
16 prepared and disseminated under the Michigan vehicle code, 1949 PA
17 300, MCL 257.1 to 257.923. The department may charge and receive a
18 fee for any advertisement appearing in a departmental publication
19 and shall review and approve the content of each advertisement. The
20 department may refuse to accept advertising from any person or
21 organization. The department may furnish a reasonable number of
22 copies of a publication to an advertiser at no charge.

23 (3) Pending expenditure, the funds received under this section
24 shall be deposited in the Michigan department of state publications
25 fund created by section 211 of the Michigan vehicle code, 1949 PA
26 300, MCL 257.211. Funds given, donated, or contributed to the
27 department from a private source are appropriated and allocated for



1 the purpose for which the revenue is furnished. Funds granted to
2 the department from a public source are allocated and may be
3 expended upon receipt. The department shall not accept a gift,
4 donation, contribution, or grant if receipt is conditioned upon a
5 commitment of state funding at a future date. Revenue received from
6 the sale of advertising is appropriated and may be expended upon
7 receipt.

8 (4) Any unexpended revenues received under this section shall
9 be carried over into subsequent fiscal years and shall be available
10 for appropriation for the purposes described in this section.

11 (5) On March 1 of each year, the department of state shall
12 file a report with the senate and house of representatives standing
13 committees on appropriations, the chairpersons of the relevant
14 appropriations subcommittees, the senate and house fiscal agencies,
15 and the state budget director. The report shall include all of the
16 following information:

17 (a) The amount of gifts, contributions, donations, and grants
18 of money received by the department under this section for the
19 prior fiscal year.

20 (b) A listing of the expenditures made from the amounts
21 received by the department as reported in subdivision (a).

22 (c) A listing of any gift, donation, contribution, or grant of
23 property other than funding received by the department under this
24 section for the prior year.

25 (d) The total revenue received from the sale of paid
26 advertising accepted under this section and a statement of the
27 total number of advertising transactions.



1 (6) In addition to copies delivered without charge as the
2 secretary of state considers necessary, the department of state may
3 sell copies of manuals and other publications regarding the sale,
4 ownership, or operation or regulation of motor vehicles, with
5 amendments, at prices to be established by the secretary of state.
6 As used in this subsection, the term "manuals and other
7 publications" includes videos and proprietary electronic
8 publications. All funds received from sales of these manuals and
9 other publications shall be credited to the Michigan department of
10 state publications fund.

11 Sec. 707. Funds collected by the department of state under
12 section 211 of the Michigan vehicle code, 1949 PA 300, MCL 257.211,
13 are appropriated for all expenses necessary to provide for the
14 costs of the publication. Funds are allotted for expenditure when
15 they are received by the department of treasury and shall not lapse
16 to the general fund at the end of the fiscal year.

17 Sec. 708. From the funds appropriated in part 1, the
18 department of state shall use available balances at the end of the
19 state fiscal year to provide payment to the department of state
20 police in the amount of \$332,000.00 for the services provided by
21 the traffic accident records program as first appropriated in 1990
22 PA 196 and 1990 PA 208.

23 Sec. 709. From the funds appropriated in part 1, the
24 department of state may restrict funds from miscellaneous revenue
25 to cover cash shortages created from normal branch office
26 operations. This amount shall not exceed \$50,000.00 of the total
27 funds available in miscellaneous revenue.



1 Sec. 710. (1) Commemorative and specialty license plate fee
2 revenue collected by the department of state and deposited into the
3 transportation administration collection fund created in section
4 810b of the Michigan vehicle code, 1949 PA 300, MCL 257.810b, is
5 authorized for expenditure up to the amount of revenue collected
6 but not to exceed the amount appropriated to the department of
7 state in part 1 to administer commemorative and specialty license
8 plate programs.

9 (2) Commemorative and specialty license plate fee revenue
10 collected by the department of state and deposited in the
11 transportation administration collection fund created in section
12 810b of the Michigan vehicle code, 1949 PA 300, MCL 257.810b, in
13 addition to the amount appropriated in part 1 to the department of
14 state, shall remain in the transportation administration collection
15 fund created in section 810b of the Michigan vehicle code, 1949 PA
16 300, MCL 257.810b, and be 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 of state may solicit funds from any private
12 or 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 (7) The department must submit a report to the house and
11 senate appropriations subcommittees on general government, the
12 senate and house fiscal agencies, and the state budget director by
13 March 1 that provides the amount of revenue collected by the
14 department of state authorized under this section, the purpose of
15 each expenditure, and the amount of revenue carried forward.

16 Sec. 714. (1) Except as otherwise provided under subsection
17 (2), at least 180 days before closing a branch office or
18 consolidating a branch office and at least 60 days before
19 relocating a branch office, the department of state shall inform
20 members of the senate and house of representatives standing
21 committees on appropriations and legislators who represent affected
22 areas regarding the details of the proposal. The information
23 provided shall be in written form and include all analyses done
24 regarding criteria for changes in the location of branch offices,
25 including, but not limited to, branch transactions, revenue, and
26 the impact on citizens of the affected area. The impact on citizens
27 shall include information regarding additional distance to branch



1 office locations resulting from the plan. The written notice
2 provided by the department of state shall also include detailed
3 estimates of costs and savings that will result from the overall
4 changes made to the branch office structure and the same level of
5 detail regarding costs for new leased facilities and expansions of
6 current leased space.

7 (2) If the consolidation of a branch office is with another
8 branch office that is located within the same local unit of
9 government or the relocation of a branch office is to another
10 location that is located within the same local unit of government,
11 the department of state is not required to provide the notification
12 or written information described in subsection (1).

13 (3) As used in this section, "local unit of government" means
14 a city, village, township, or county.

15 Sec. 715. (1) Any service assessment collected by the
16 department of state from the user of a credit or debit card under
17 section 3 of 1995 PA 144, MCL 11.23, may be used by the department
18 for necessary expenses related to that service and may be remitted
19 to a credit or debit card company, bank, or other financial
20 institution.

21 (2) The service assessment imposed by the department of state
22 for credit and debit card services may be based either on a
23 percentage of each individual credit or debit card transaction, or
24 on a flat rate per transaction, or both, scaled to the amount of
25 the transaction. However, the department shall not charge any
26 amount for a service assessment which exceeds the costs billable to
27 the department for service assessments.



1 (3) If there is a balance of service assessments received from
2 credit and debit card services remaining on September 30, the
3 balance may be carried forward to the following fiscal year and
4 appropriated for the same purpose.

5 (4) As used in this section, "service assessment" means and
6 includes costs associated with service fees imposed by credit and
7 debit card companies and processing fees imposed by banks and other
8 financial institutions.

9 (5) The department must submit a report to the house and
10 senate appropriations subcommittees on general government, the
11 senate and house fiscal agencies, and the state budget director by
12 March 1 that includes the amount of fees assessed by the department
13 of state authorized under this section, the number of assessed
14 credit and debit card transactions, the type of assessment used as
15 described in subsection (2), the amount of service fees imposed by
16 credit and debit card companies, and the amount of funds carried
17 forward.

18 Sec. 716b. The department of state shall provide a report that
19 calculates the total amount of funds expended for the business
20 application modernization project to date from the inception of the
21 program. The report shall contain information on the original start
22 and completion dates for the project, the original cost to complete
23 the project, and a listing of all revisions to project completion
24 dates and costs. The report shall include the total amount of funds
25 paid to the state by the contract provider for penalties. The
26 report shall be submitted to the senate and house of
27 representatives standing committees on appropriations, the



1 chairpersons of the relevant appropriations subcommittees, the
2 senate and house fiscal agencies, and the state budget director by
3 January 1.

4 Sec. 717. (1) The department of state may accept nonmonetary
5 gifts, donations, or contributions of property from any private or
6 public source to support, in whole or in part, the operation of a
7 departmental function relating to licensing, regulation, or safety.
8 The department may recognize a private or public contributor for
9 making the contribution. The department may reject a gift,
10 donation, or contribution.

11 (2) The department of state shall not accept a gift, donation,
12 or contribution under subsection (1) if receipt of the gift,
13 donation, or contribution is conditioned upon a commitment of
14 future state funding.

15 (3) On March 1 of each year, the department of state shall
16 file a report with the senate and house of representatives standing
17 committees on appropriations, the chairpersons of the relevant
18 appropriations subcommittees, 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. 722. (1) From the funds appropriated in part 1 for
27 information technology services and projects, the department of



1 state shall continue implementation of a legacy modernization
2 project. The purpose of this project is modernization of the entire
3 system and removal of existing programs from the legacy mainframes.

4 (2) The department of state shall provide a report on the
5 status of the legacy modernization project that includes, but is
6 not limited to, itemization of all expenditures made on behalf of
7 the project, anticipated completion date of the project, time frame
8 of each phase of the project, the cost of the project, the number
9 of employees assigned to implement each phase of the project, the
10 contracts entered into for the project, anticipated overall cost of
11 the project, and any other information the department considers
12 necessary. The plan shall be distributed to the senate and house of
13 representatives standing committees on appropriations subcommittees
14 on general government, as well as the senate and house fiscal
15 agencies, and the state budget director by January 1.

16 Sec. 724. The funds appropriated in part 1 for uniform law
17 commission registration fees shall be used to pay the registration
18 fees for the statutory commissioners at the uniform law commission
19 annual meeting. The funds shall not be used for any other
20 associated costs. Unexpended funds shall lapse to the general fund
21 at the close of the fiscal year.

22 Sec. 725. Total authorized appropriations from all sources
23 under part 1 for legacy costs for the fiscal year ending September
24 30, 2018 are estimated at \$31,170,200.00. From this amount, total
25 agency appropriations for pension-related legacy costs are
26 estimated at \$16,040,400.00. Total agency appropriations for
27 retiree health care legacy costs are estimated at \$15,129,800.00.



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

2 Sec. 801. (1) In addition to the funds appropriated in part 1,
3 there is appropriated an amount not to exceed \$4,000,000.00 for
4 federal contingency funds. These funds are not available for
5 expenditure until they have been transferred to another line item
6 in part 1 under section 393(2) of the management and budget act,
7 1984 PA 431, MCL 18.1393.

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

14 (3) In addition to the funds appropriated in part 1, there is
15 appropriated an amount not to exceed \$150,000.00 for local
16 contingency funds. These funds are not available for expenditure
17 until they have been transferred to another line item in part 1
18 under section 393(2) of the management and budget act, 1984 PA 431,
19 MCL 18.1393.

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

26 Sec. 802. Proceeds in excess of necessary costs incurred in
27 the conduct of transfers or auctions of state surplus, salvage, or



1 scrap property made pursuant to section 267 of the management and
2 budget act, 1984 PA 431, MCL 18.1267, are appropriated to the
3 department to offset costs incurred in the acquisition and
4 distribution of federal surplus property. The department shall
5 provide consolidated internet auction services through the state's
6 contractors for all local units of government.

7 Sec. 803. (1) The department may receive and expend funds in
8 addition to those authorized by part 1 for maintenance and
9 operation services provided specifically to other principal
10 executive departments or state agencies, the legislative branch,
11 the judicial branch, or private tenants, or provided in connection
12 with facilities transferred to the operational jurisdiction of the
13 department.

14 (2) The department may receive and expend funds in addition to
15 those authorized by part 1 for real estate, architectural, design,
16 and engineering services provided specifically to other principal
17 executive departments or state agencies, the legislative branch,
18 the judicial branch, or private tenants.

19 (3) The department may receive and expend funds in addition to
20 those authorized in part 1 for mail pickup and delivery services
21 provided specifically to other principal executive departments and
22 state agencies, the legislative branch, or the judicial branch.

23 (4) The department may receive and expend funds in addition to
24 those authorized in part 1 for purchasing services provided
25 specifically to other principal executive departments and state
26 agencies, the legislative branch, or the judicial branch.

27 Sec. 804. (1) The source of financing in part 1 for statewide



1 appropriations shall be funded by assessments against longevity and
2 insurance appropriations throughout state government in a manner
3 prescribed by the department. Funds shall be used as specified in
4 joint labor/management agreements or through the coordinated
5 compensation hearings process. Any deposits made under this
6 subsection and any unencumbered funds are restricted revenues, may
7 be carried over into the succeeding fiscal years, and are
8 appropriated.

9 (2) In addition to the funds appropriated in part 1 for
10 statewide appropriations, the department may receive and expend
11 funds in such additional amounts as may be specified in joint
12 labor/management agreements or through the coordinated compensation
13 hearings process in the same manner and subject to the same
14 conditions as prescribed in subsection (1).

15 Sec. 805. To the extent a specific appropriation is required
16 for a detailed source of financing included in part 1 for the
17 department appropriations financed from special revenue and
18 internal service and pension trust funds, or MAIN user charges, the
19 specific amounts are appropriated within the special revenue
20 internal service and pension trust funds in portions not to exceed
21 the aggregate amount appropriated in part 1.

22 Sec. 806. In addition to the funds appropriated in part 1 to
23 the department, the department may receive and expend funds from
24 other principal executive departments and state agencies to
25 implement administrative leave bank transfer provisions as may be
26 specified in joint labor/management agreements. The amounts may
27 also be transferred to other principal executive departments and



1 state agencies under the joint agreement and any amounts
2 transferred under the joint agreement are authorized for receipt
3 and expenditure by the receiving principal executive department or
4 state agency. Any amounts received by the department under this
5 section and intended, under the joint labor/management agreements,
6 to be available for use beyond the close of the fiscal year and any
7 unencumbered funds may be carried over into the succeeding fiscal
8 year.

9 Sec. 807. The source of financing in part 1 for the Michigan
10 administrative information network and statewide integrated
11 governmental management applications shall be funded by
12 proportionate charges assessed against the respective state funds
13 benefiting from this project in the amounts determined by the
14 department.

15 Sec. 808. (1) Deposits against the interdepartmental grant
16 from building occupancy and parking charges appropriated in part 1
17 shall be collected, in part, from state agencies, the legislative
18 branch, and the judicial branch based on estimated costs associated
19 with maintenance and operation of buildings managed by the
20 department. To the extent excess revenues are collected due to
21 estimates of building occupancy charges exceeding actual costs, the
22 excess revenues may be carried forward into succeeding fiscal years
23 for the purpose of returning funds to state agencies.

24 (2) Appropriations in part 1 to the department, for management
25 and budget services from building occupancy charges and parking
26 charges, may be increased to return excess revenue collected to
27 state agencies.



1 Sec. 809. On a quarterly basis, the department shall notify
2 the chairpersons of the senate and house of representatives
3 standing committees on appropriations, the chairpersons of the
4 senate and house of representatives standing committees on
5 appropriations subcommittees on general government, the house and
6 senate fiscal agencies, and the state budget director on any
7 revisions either individually or in the aggregate that increase or
8 decrease current contracts by more than \$500,000.00 for computer
9 software development, hardware acquisition, or quality assurance.

10 Sec. 810. The department shall maintain an internet website
11 that contains notice of all invitations for bids and requests for
12 proposals over \$50,000.00 issued by the department or by any state
13 agency operating under delegated authority. The department shall
14 not accept an invitation for bid or request for proposal in less
15 than 14 days after the notice is made available on the internet
16 website, except in situations where it would be in the best
17 interest of the state and documented by the department. In addition
18 to the requirements of this section, the department may advertise
19 the invitations for bids and requests for proposals in any manner
20 the department determines appropriate, in order to give the
21 greatest number of individuals and businesses the opportunity to
22 make bids or requests for proposals.

23 Sec. 811. The department may receive and expend funds from the
24 Vietnam veterans memorial monument fund as provided in the Michigan
25 Vietnam veterans memorial act, 1988 PA 234, MCL 35.1051 to 35.1057.
26 Funds are appropriated and allocated when received and may be
27 expended upon receipt.



1 Sec. 812. The Michigan veterans' memorial park commission may
2 receive and expend money from any source, public or private,
3 including, but not limited to, gifts, grants, donations of money,
4 and government appropriations, for the purposes described in
5 Executive Order No. 2001-10. Funds are appropriated and allocated
6 when received and may be expended upon receipt. Any deposits made
7 under this section and unencumbered funds are restricted revenues
8 and may be carried over into succeeding fiscal years.

9 Sec. 813. (1) Funds in part 1 for motor vehicle fleet are
10 appropriated to the department for administration and for the
11 acquisition, lease, operation, maintenance, repair, replacement,
12 and disposal of state motor vehicles.

13 (2) The appropriation in part 1 for motor vehicle fleet shall
14 be funded by revenue from rates charged to principal executive
15 departments and agencies for utilizing vehicle travel services
16 provided by the department. Revenue in excess of the amount
17 appropriated in part 1 from the motor transport fund and any
18 unencumbered funds are restricted revenues and may be carried over
19 into the succeeding fiscal year.

20 (3) Pursuant to the department's authority under sections 213
21 and 215 of the management and budget act, 1984 PA 431, MCL 18.1213
22 and 18.1215, the department shall maintain a plan regarding the
23 operation of the motor vehicle fleet. The plan shall include the
24 number of vehicles assigned to, or authorized for use by, state
25 departments and agencies, efforts to reduce travel expenditures,
26 the number of cars in the motor vehicle fleet, the number of miles
27 driven by fleet vehicles, and the number of gallons of fuel



1 consumed by fleet vehicles. The plan shall include a calculation of
2 the amount of state motor vehicle fuel taxes that would have been
3 incurred by fleet vehicles if fleet vehicles were required by law
4 to pay motor fuel taxes. The plan shall include a description of
5 fleet garage operations, the goods sold and services provided by
6 the fleet garage, the cost to operate the fleet garage, the number
7 of fleet garage locations, and the number of employees assigned to
8 each fleet garage. The plan may be adjusted during the fiscal year
9 based on needs and cost savings to achieve the maximum value and
10 efficiency from the state motor fleet. Within 60 days after the
11 close of the fiscal year, the department shall provide a report to
12 the senate and house of representatives standing committees on
13 appropriations, the chairpersons of the relevant appropriations
14 subcommittees, the senate and house fiscal agencies, and the state
15 budget director detailing the current plan and changes made to the
16 plan during the fiscal year. The plan shall also be posted on the
17 department website.

18 (4) The department may charge state agencies for fuel cost
19 increases that exceed \$3.04 per gallon of unleaded gasoline. The
20 department shall notify state agencies, in writing or by electronic
21 mail, at least 30 days before implementing additional charges for
22 fuel cost increases. Revenues received from these charges are
23 appropriated upon receipt.

24 (5) The state budget director, upon notification to the senate
25 and house of representatives standing committees on appropriations,
26 may adjust spending authorization and the IDG from motor transport
27 fund in the department in order to ensure that the appropriations



1 for motor vehicle fleet in the department budget equal the
2 expenditures for motor vehicle fleet in the budgets for all
3 executive branch agencies.

4 Sec. 814. The department shall develop a plan regarding the
5 use of the funds appropriated in part 1 for the enterprisewide
6 information technology investment projects. The plan shall include,
7 but not be limited to, a description of proposed information
8 technology investment projects, the time frame for completion of
9 the information technology investment projects, the proposed cost
10 of the information technology investment projects, the number of
11 employees assigned to implement each information technology
12 investment project, the contracts entered into for each information
13 technology investment project, and any other information the
14 department deems necessary. The plan shall be distributed to the
15 senate and house of representatives standing committees on
16 appropriations subcommittees on general government, as well as the
17 senate and house fiscal agencies, and the state budget director on
18 a quarterly basis. The submitted plan shall also include
19 anticipated spending reductions or overages for each of the
20 proposed information technology investment projects. The department
21 shall notify the senate and house of representatives standing
22 committees on appropriations subcommittees on general government,
23 the senate and house fiscal agencies, and the state budget director
24 when a project funded under an information technology investment
25 project line item in part 1 is expected to require a transfer of
26 dollars from another project in excess of \$500,000.00.

27 Sec. 814a. The funds appropriated in part 1 for information



1 technology investment projects shall be used for the modernization
2 of state information technology systems, improvement of the state's
3 cyber security framework, and to achieve efficiencies.

4 Sec. 816. An RFP issued for the purpose of privatization shall
5 include all factors used in evaluating and determining price.

6 Sec. 818. In addition to the funds appropriated in part 1, the
7 department may receive and expend money from the Michigan law
8 enforcement officers memorial monument fund as provided in the
9 Michigan law enforcement officers memorial act, 2004 PA 177, MCL
10 28.781 to 28.787.

11 Sec. 820. The department shall make available to the public a
12 list of all parcels of real property owned by the state that are
13 available for purchase. The list shall be posted on the internet
14 through the department's website.

15 Sec. 821. The department shall annually update the office
16 space consolidation project plan, including the use of the funds
17 appropriated pursuant to 2012 PA 200 for the space consolidation
18 fund. By February 15, the department shall report to the senate and
19 house of representatives committees on appropriations subcommittees
20 on general government and the senate and house fiscal agencies on
21 the revised plan and plan implementation. The report shall include,
22 but is not limited to, the description of the proposed office space
23 to be consolidated, the time frame for completion of the office
24 space consolidation, the proposed itemized cost of the office space
25 consolidation, the number of employees assigned to implement the
26 office space consolidation, the contracts entered into for the
27 office space consolidation, information on completed projects,



1 anticipated savings, savings achieved, and any other information
2 the department deems necessary.

3 Sec. 822. The department shall compile a report by January 1
4 pertaining to the salaries of unclassified employees, as well as
5 gubernatorial appointees, within all state departments and
6 agencies. The report shall enumerate each unclassified employee and
7 gubernatorial appointee and his or her annual salary individually.
8 The report shall be distributed to the chairs of the senate and
9 house of representatives standing committees on appropriations
10 subcommittees on general government, as well as the senate and
11 house fiscal agencies and be made available electronically.

12 Sec. 822b. (1) A public-private partnership investment fund is
13 created in the department. Subject to subsections (2) and (3),
14 public-private partnership investments shall include, but are not
15 limited to, all of the following:

16 (a) Capital asset improvements including buildings, land, or
17 structures.

18 (b) Energy resource exploration, extraction, generation, and
19 sales.

20 (c) Financial and investment incentive opportunities.

21 (d) Infrastructure construction, maintenance, and operation.

22 (e) Public-private sector joint ventures that provide economic
23 benefit to an area or to the state.

24 (2) Public-private investments shall not include projects,
25 consultant expenses, staff effort, or any other activity related to
26 the development, financing, construction, operation, or
27 implementation of the Detroit River International Crossing or any



1 successor project unless the project is approved by the legislature
2 and signed into law.

3 (3) The state budget director shall determine whether or not a
4 specific public-private partnership investment opportunity
5 qualifies for funding under subsection (1).

6 (4) Investment development revenue, including a portion of the
7 proceeds from the sale of any public-private partnership investment
8 designated in subsection (1), shall be deposited into the fund
9 created in subsection (1) and shall be available for
10 administration, development, financing, marketing, and operating
11 expenditures associated with public-private partnerships, unless
12 otherwise provided by law. Public-private partnership investments
13 authorized in subsection (1) are authorized for public or private
14 operation or sale consistent with state law. Expenditures from the
15 fund are authorized for investment purposes as designated in
16 subsection (1) to enhance the marketable value of each investment.
17 The unencumbered balance remaining in the fund at the end of the
18 fiscal year may be carried forward for appropriation in future
19 years.

20 (5) An annual report shall be transmitted to the senate and
21 house of representatives standing committees on appropriations, the
22 chairpersons of the relevant appropriations subcommittees, the
23 senate and house fiscal agencies, and the state budget office not
24 later than December 31 of each year. This report shall detail both
25 of the following:

26 (a) The revenue and expenditure activity in the fund for the
27 preceding fiscal year.



1 (b) Public-private partnership investments as identified under
2 subsection (1).

3 (6) The department shall monitor the revenue deposited in the
4 public-private partnership investment fund created in subsection
5 (1). If the revenue in the fund is insufficient to pay the amount
6 appropriated in part 1 for public-private partnership investment,
7 then the department shall propose a legislative transfer to fund
8 the line from the appropriations in part 1.

9 Sec. 822c. The funds appropriated in part 1 shall not be used
10 to support any staff effort, projects, consultant expenses, or any
11 other activity related to the development, financing, construction,
12 operation, or implementation of the Detroit River International
13 Crossing or any successor project unless the project is approved by
14 the legislature and signed into law.

15 Sec. 822d. By December 31, the department shall provide a
16 report to the senate and house appropriations subcommittees on
17 general government and the senate and house fiscal agencies that
18 identifies fee and rate schedules to be used by state departments
19 and agencies for services, including information technology,
20 provided by the department during fiscal year 2017-2018. The report
21 shall also identify changes from fees and rates charged in fiscal
22 year 2016-2017 and include an explanation of the factors that
23 justify each fee and rate increase.

24 Sec. 822e. Total authorized appropriations from all sources
25 under part 1 for legacy costs for the fiscal year ending September
26 30, 2018 are estimated at \$84,145,300.00. From this amount, total
27 agency appropriations for pension-related legacy costs are



1 estimated at \$43,301,700.00. Total agency appropriations for
2 retiree health care legacy costs are estimated at \$40,843,600.00.

3 Sec. 822f. (1) The funds appropriated in part 1 for the
4 regional prosperity initiative are to be used as competitive grants
5 to eligible regional planning organizations qualifying for funding
6 as a regional prosperity collaborative, a regional prosperity
7 council, or a regional prosperity board. A regional planning
8 organization may not qualify for funding under more than 1 category
9 in the same state fiscal year. As used in this section:

10 (a) "Eligible regional planning organization" means any of the
11 following:

12 (i) An existing regional planning commission created pursuant
13 to 1945 PA 281, MCL 125.11 to 125.25.

14 (ii) An existing regional economic development commission
15 created pursuant to 1966 PA 46, MCL 125.1231 to 125.1237.

16 (iii) An existing metropolitan area council formed pursuant to
17 the metropolitan councils act, 1989 PA 292, MCL 124.651 to 124.729.

18 (iv) A Michigan metropolitan planning organization established
19 pursuant to the moving ahead for progress in the 21st century act,
20 Public Law 112-141.

21 (b) "Freedom of information act" means the freedom of
22 information act, 5 USC 552.

23 (c) "Open meetings act" means the open meetings act, 1976 PA
24 267, MCL 15.261 to 15.275.

25 (d) "Regional prosperity board" means a regional body that has
26 a singular governing board with representation from private,
27 public, and nonprofit entities engaged in joint decision-making



1 practices for the purpose of creating or maintaining a phase three:
2 regional prosperity plan.

3 (e) "Regional prosperity collaborative" means any committee
4 developed by a regional planning organization or a metropolitan
5 planning organization that serves to bring organizational
6 representation together from private, public, and nonprofit
7 entities within a region for the purpose of creating or maintaining
8 a phase one: regional prosperity plan.

9 (f) "Regional prosperity council" means a regional body with
10 representation from private, public, and nonprofit entities with
11 shared administrative services and an executive governing entity,
12 as demonstrated by a formal local agreement or agreements for the
13 purpose of creating or maintaining a phase two: regional prosperity
14 plan.

15 (2) Regional planning organizations may qualify to receive not
16 more than \$250,000.00 of incentive-based funding as a regional
17 prosperity collaborative subject to meeting all of the following
18 requirements:

19 (a) The regional prosperity collaborative has created a phase
20 one: regional prosperity plan, as follows:

21 (i) The regional prosperity collaborative must include
22 regional representatives from adult education, workforce
23 development, community development, economic development,
24 transportation, and higher education organizations.

25 (ii) The plan is required, at a minimum, to include a 5-year
26 plan focused on economic growth and vitality for the region, as
27 well as a performance dashboard and measurable annual goals to



1 support the 5-year plan.

2 (iii) The 5-year plan shall address regional strategies
3 related to adult education, workforce development, economic
4 development, transportation, higher education, and business
5 development.

6 (iv) The regional prosperity collaborative shall adopt the
7 plan by a minimum 2/3 majority vote of its members.

8 (b) The regional prosperity collaborative adheres to
9 accountability and transparency measures required in the open
10 meetings act and the freedom of information act.

11 (c) The regional prosperity collaborative convenes monthly
12 meetings, open to the public, to consider and discuss issues
13 leading to a common vision of economic prosperity for the region,
14 including, but not limited to, community development, economic
15 development, talent, and infrastructure opportunities.

16 (d) The regional prosperity collaborative makes available on
17 the grant recipient's publicly accessible internet site pertinent
18 documents, including, but not limited to, monthly meeting agendas,
19 minutes of monthly meetings, voting records, and the regional
20 prosperity plan and performance dashboard.

21 (e) The regional prosperity collaborative keeps a status
22 report detailing the spending associated with previous regional
23 prosperity initiative grants. Organizations that have successfully
24 received grant awards in previous fiscal years shall be required to
25 make available to the department and on a publicly accessible
26 internet site information regarding the use of those grant dollars.

27 (3) Regional planning organizations eligible to receive a



1 payment as a regional prosperity collaborative under subsection (2)
2 may qualify to receive a 1-time grant of not more than \$75,000.00
3 to produce a plan to transform the regional prosperity
4 collaborative into a regional prosperity council or regional
5 prosperity board, including necessary local formal agreements, to
6 make recommendations that eliminate duplicative efforts and
7 administrative functions, and to leverage resources through
8 cooperation, collaboration, and consolidations of organizations or
9 programs throughout the region. Plans produced to transform the
10 regional prosperity collaborative into a regional prosperity
11 council or regional prosperity board shall be made available on the
12 grant recipient's publicly accessible internet site.

13 (4) Regional planning organizations may qualify to receive not
14 more than \$375,000.00 of incentive-based funding as a regional
15 prosperity council subject to meeting all of the following
16 requirements:

17 (a) A regional prosperity council has been formed and includes
18 regional representatives from adult education, workforce
19 development, community development, economic development,
20 transportation, and higher education organizations.

21 (b) An eligible regional prosperity council will demonstrate
22 shared administrative services between 2 public regional entities
23 included in subdivision (a). In addition, the council must have and
24 maintain an executive governing entity, as demonstrated by a formal
25 local agreement or agreements.

26 (c) The regional prosperity council has created a phase two:
27 regional prosperity plan, as follows:



1 (i) The regional prosperity council shall identify
2 opportunities for shared administrative services and decision-
3 making among the private, public, and nonprofit entities within the
4 region and shall continue collaboration with regional prosperity
5 council members, including, but not limited to, representatives
6 from adult education providers, workforce development agencies,
7 community development agencies, economic development agencies,
8 transportation service providers, and higher education
9 institutions.

10 (ii) The plan is required to include, but is not limited to,
11 all of the following:

12 (A) A status report of the approved 5-year plan.

13 (B) The addition of a 10-year plan for the region which builds
14 upon prior work and is focused on economic growth and vitality in
15 the region.

16 (C) A prioritized list of regional projects.

17 (D) A performance dashboard with measurable annual goals.

18 (iii) The regional prosperity council shall adopt the plan by
19 a minimum 2/3 vote of its members.

20 (d) The regional prosperity council adheres to accountability
21 and transparency measures required in the open meetings act and the
22 freedom of information act.

23 (e) The regional prosperity council convenes monthly meetings,
24 open to the public, to consider and discuss issues leading to a
25 common vision of economic prosperity for the region, including, but
26 not limited to, community development, economic development,
27 talent, and infrastructure opportunities.



1 (f) The regional prosperity council makes available on the
2 grant recipient's publicly accessible internet site pertinent
3 documents, including, but not limited to, monthly meeting agendas,
4 minutes of monthly meetings, voting records, and the regional
5 prosperity plan and performance dashboard.

6 (g) The regional prosperity council keeps a status report
7 detailing the spending associated with previous regional prosperity
8 initiative grants. Organizations that have successfully received
9 grant awards in previous fiscal years shall be required to make
10 available to the department and on a publicly accessible internet
11 site information regarding the use of those grant dollars.

12 (5) Regional planning organizations eligible to receive a
13 payment as a regional prosperity council under subsection (4) may
14 qualify to receive a 1-time grant of not more than \$75,000.00 to
15 produce a plan to transform the regional prosperity council into a
16 regional prosperity board, including a singular private/public
17 governance structure that comports with federal guidelines for
18 governance under the workforce investment act, Public Law 105-220,
19 the moving ahead for progress in the 21st century act, Public Law
20 112-141, the economic development administration and Appalachian
21 regional development reform act of 1998, Public Law 105-393, and
22 recommendations to eliminate duplicative efforts, administrative
23 functions, and leverage resources through cooperation,
24 collaboration, and consolidations of organizations or programs
25 throughout the region.

26 (6) Regional planning organizations may qualify to receive not
27 more than \$500,000.00 of incentive-based funding as a regional



1 prosperity board subject to meeting all of the following
2 requirements:

3 (a) The regional prosperity board has been formed and, at a
4 minimum, must demonstrate the consolidation of a regional
5 metropolitan planning organization, where one exists, state
6 designated regional planning agency boards, workforce development
7 boards, and federally designated regional economic development
8 districts within a region.

9 (b) The regional prosperity board has created a phase three:
10 regional prosperity plan, as follows:

11 (i) The regional prosperity board shall create a regional
12 services recommendations report prioritizing the list of state-
13 funded services and programs provided to the region, and
14 recommendations for state-regional partnerships to support the
15 adopted regional prosperity plan.

16 (ii) The plan is required to include a status report of the
17 approved 10-year plan for the creation of an updated regional
18 prosperity plan.

19 (iii) The regional prosperity board shall adopt the plan by a
20 minimum 2/3 vote of its members.

21 (c) The regional prosperity board adheres to accountability
22 and transparency measures required in the open meetings act and the
23 freedom of information act.

24 (d) The regional prosperity board convenes monthly meetings,
25 open to the public, to consider and discuss issues leading to a
26 common vision of economic prosperity for the region, including, but
27 not limited to, community development, economic development,



1 talent, and infrastructure opportunities.

2 (e) The regional prosperity board makes available on the grant
3 recipient's publicly accessible internet site pertinent documents,
4 including, but not limited to, monthly meeting agendas, minutes of
5 monthly meetings, voting records, and the regional prosperity plan
6 and performance dashboard.

7 (7) Regional planning organizations eligible to receive a
8 payment as a regional prosperity board under subsection (6) may
9 qualify to receive not more than \$125,000.00, to implement the
10 prioritized regional prosperity plan projects.

11 (8) Regional planning organizations eligible to receive a
12 payment as a regional prosperity collaborative, board, or council
13 may partner with other eligible regional planning organizations to
14 submit joint applications. In the instance of a joint application,
15 1 regional planning organization shall be utilized as the overall
16 applicant. The department may award a joint application award of no
17 greater than the sum of potential application dollars which would
18 have otherwise been available through individual applications.

19 (9) The department shall develop an application process and
20 method of grant distribution for the regional prosperity
21 initiative. Funding applications from regional planning
22 organizations shall be due to the department by December 1, 2016.
23 The department shall notify regional planning organizations of
24 grant application status by January 1, 2017. The department shall
25 ensure that processes are established to verify that qualifying
26 regional planning organizations meet the requirements under
27 subsections (2), (3), (4), (5), (6), and (7), as applicable.



1 (10) Unexpended funds appropriated in part 1 for the regional
2 prosperity initiative are designated as work project
3 appropriations, and any unencumbered or unallotted funds shall not
4 lapse at the end of the fiscal year and shall be available for
5 expenditure for regional prosperity initiative projects under this
6 section until the projects have been completed. The following is in
7 compliance with section 451a of the management and budget act, 1984
8 PA 431, MCL 18.1451a:

9 (a) The purpose of the projects is to provide incentive-based
10 grants to recipients under this section.

11 (b) The projects will be accomplished by grants to qualified
12 regional planning organizations.

13 (c) The total estimated cost of all projects is \$2,500,000.00.

14 (d) The estimated completion date is September 30, 2022.

15 Sec. 822g. The department shall report quarterly to the senate
16 and house of representatives standing committees on appropriations,
17 the senate and house appropriations subcommittees on general
18 government, and the senate and house fiscal agencies on legal
19 service fund expenditures. The report shall itemize expenditures by
20 case, purpose, and department involved and shall include
21 expenditures related to all previously appropriated funds.

22 Sec. 822i. (1) From the funds appropriated in part 1, the
23 department shall assure all of the following:

24 (a) That public schools that are placed in the state school
25 reform/redesign school district or under a chief executive officer
26 under section 1280c of the revised school code, 1976 PA 451, MCL
27 380.1280c, remain in compliance with all applicable state and



1 federal law concerning special education.

2 (b) That students at public schools described in subdivision
3 (a) with individualized education programs are afforded special
4 education services in accordance with applicable state and federal
5 law concerning special education.

6 (2) The department shall report to the legislature on the
7 number of students in public schools described in subsection (1)(a)
8 who have an individualized education program and the performance
9 results of those students after the change in governance of the
10 public school.

11 Sec. 822l. From the funds appropriated in part 1 for the
12 school reform office, the school reform office shall conduct 1
13 public hearing in the school district of priority schools that the
14 school reform office has determined require an intervention
15 authorized by section 1280c(6) or (7) of the revised school code,
16 1976 PA 451, MCL 380.1280c. The school reform office shall give
17 notice to the district prior to the public hearing. The public
18 hearing shall include an outline of the plan for academic
19 improvement of the schools and a projected time frame of the school
20 reform office's involvement with the schools.

21 Sec. 822m. From the funds appropriated in part 1, the
22 department shall establish a system that collaborates with other
23 departments to keep track of the performance of vendors in
24 fulfilling contract obligations. The performance of these vendors
25 shall be recorded and used as a factor to determine future
26 contracts awarded in the procurement process.

27 Sec. 822n. From the funds appropriated in part 1, beginning on



1 October 1, the department shall ensure that all new requests for
2 proposals that are publicly displayed on the webpage include the
3 proposal's corresponding department and agency for the purpose of
4 searching for requests for proposals by department and agency.

5 Sec. 822o. From the funds appropriated in part 1 for the
6 school reform office, the school reform office shall make an effort
7 to coordinate with the department of education to streamline state
8 services and resources, reduce duplication, and increase
9 efficiency.

10 **INFORMATION TECHNOLOGY**

11 Sec. 823. (1) The department may sell and accept paid
12 advertising for placement on any state website under its
13 jurisdiction. The department shall review and approve the content
14 of each advertisement. The department may refuse to accept
15 advertising from any person or organization or require modification
16 to advertisements based upon criteria determined by the department.
17 Revenue received under this subsection shall be used for operating
18 costs of the department and for future technology enhancements to
19 state of Michigan e-government initiatives. Funds received under
20 this subsection shall be limited to \$250,000.00. Any funds in
21 excess of \$250,000.00 shall be deposited in the state general fund.

22 (2) The department may accept gifts, donations, contributions,
23 bequests, and grants of money from any public or private source to
24 assist with the underwriting or sponsorship of state webpages or
25 services offered on those webpages. A private or public funding
26 source may receive recognition in the webpage. The department may



1 reject any gift, donation, contribution, bequest, or grant.

2 (3) Funds accepted by the department under subsection (1) or
3 (2) are appropriated and allotted when received and may be expended
4 upon approval of the state budget director. The state budget office
5 shall notify the senate and house of representatives standing
6 committees on appropriations subcommittees on general government
7 and the senate and house fiscal agencies within 10 days after the
8 approval is given. The department shall provide a report to the
9 senate and house of representatives appropriations subcommittees on
10 general government and senate and house fiscal agencies that
11 details the funds accepted for the prior fiscal year by November 1.

12 Sec. 824. The department may enter into agreements to supply
13 spatial information and technical services to other principal
14 executive departments, state agencies, local units of government,
15 and other organizations. The department may receive and expend
16 funds in addition to those authorized in part 1 for providing
17 information and technical services, publications, maps, and other
18 products. The department may expend amounts received for salaries,
19 supplies, and equipment necessary to provide informational products
20 and technical services. Prior to December 1 of each year, the
21 department shall provide a report to the senate and house of
22 representatives standing committees on appropriations subcommittees
23 on general government and the state budget director detailing the
24 sources of funding and expenditures made under this section.

25 Sec. 825. The legislature shall have access to all historical
26 and current data contained within MAIN, or its successor,
27 pertaining to state departments. State departments shall have



1 access to all historical and current data contained within MAIN, or
2 its successor.

3 Sec. 826. When used in this part and part 1, "information
4 technology services" means services involving all aspects of
5 managing and processing information, including, but not limited to,
6 all of the following:

7 (a) Application and mobile development and maintenance.

8 (b) Desktop computer support and management.

9 (c) Cyber security.

10 (d) Social media.

11 (e) Mainframe computer support and management.

12 (f) Server support and management.

13 (g) Local area network support and management, including, but
14 not limited to, wired and wireless network build-out, support, and
15 management.

16 (h) Information technology project management.

17 (i) Information technology planning and budget management.

18 (j) Telecommunication services, infrastructure, and support.

19 Sec. 827. (1) Funds appropriated in part 1 for the Michigan
20 public safety communications system shall be expended upon approval
21 of an expenditure plan by the state budget director.

22 (2) The department shall assess all subscribers of the
23 Michigan public safety communications system reasonable access and
24 maintenance fees and deposit the fees in the Michigan public safety
25 communications systems fees fund.

26 (3) All money received by the department under this section
27 shall be expended for the support and maintenance of the Michigan



1 public safety communications system.

2 (4) The department shall provide a report to the senate and
3 house of representatives standing committees on appropriations, the
4 chairpersons of the relevant appropriations subcommittees, the
5 senate and house fiscal agencies, and the state budget director on
6 April 15, indicating the amount of revenue collected under this
7 section and expended for support and maintenance of the Michigan
8 public safety communications system for the immediately preceding
9 6-month period. Any deposits made under this section and
10 unencumbered funds are restricted revenues and shall be carried
11 forward into succeeding fiscal years.

12 Sec. 828. The department shall submit a report for the
13 immediately preceding fiscal year ending September 30 to the senate
14 and house of representatives standing committees on appropriations
15 subcommittees on general government and the senate and house fiscal
16 agencies by March 1. The report shall include the following:

17 (a) The total amount of funding appropriated for information
18 technology services and projects, by funding source, for all
19 principal executive departments and agencies.

20 (b) A listing of the expenditures made from the amounts
21 received by the department as reported in subdivision (a).

22 Sec. 829. The department shall provide a report that analyzes
23 and makes recommendations on the life-cycle of information
24 technology hardware and software. The report shall be submitted to
25 the senate and house of representatives standing committees on
26 appropriations subcommittees on general government and the senate
27 and house fiscal agencies by March 1.



1 Sec. 830. By December 31, the department shall provide a
2 report that lists all information technology-related change orders
3 and follow-on contracts, greater than \$50,000.00, whether they are
4 bid, exercise options, or no-bid, and the amount of each change
5 order or contract extension contract entered into by the department
6 to the senate and house of representatives standing committees on
7 appropriations subcommittees on general government, the senate and
8 house fiscal agencies, and the state budget director.

9 Sec. 832. (1) The department shall inform the senate and house
10 appropriations subcommittees on general government and the senate
11 and house fiscal agencies within 30 days of any potential or actual
12 penalties assessed by the federal government for failure of the
13 Michigan child support enforcement system to achieve certification
14 by the federal government.

15 (2) If potential penalties are assessed by the federal
16 government, the department shall submit a report to the senate and
17 house appropriations subcommittees on general government and the
18 senate and house fiscal agencies within 90 days specifying the
19 department's plans to avoid actual penalties and ensure federal
20 certification of the Michigan child support enforcement system.

21 Sec. 833. (1) The state budget director, upon notification to
22 the senate and house of representatives standing committees on
23 appropriations, may adjust spending authorization and user fees in
24 the department in order to ensure that the appropriations for
25 information technology in the department budget equal the
26 appropriations for information technology in the budgets for all
27 executive branch agencies.



1 (2) If during the course of the fiscal year a transfer or
2 supplemental to or from the information technology line item within
3 an agency budget is made under section 393 of the management and
4 budget act, 1984 PA 431, MCL 18.1393, there is appropriated an
5 equal amount of user fees in the department budget to accommodate
6 an increase or decrease in spending authorization.

7 Sec. 834. (1) Revenue collected from licenses issued under the
8 antenna site management project shall be deposited into the antenna
9 site management revolving fund created for this purpose in the
10 department. The department may receive and expend money from the
11 fund for costs associated with the antenna site management project,
12 including the cost of a third-party site manager. Any excess
13 revenue remaining in the fund at the close of the fiscal year shall
14 be proportionately transferred to the appropriate state restricted
15 funds as designated in statute or by constitution.

16 (2) An antenna shall not be placed on any site pursuant to
17 this section without complying with the respective local zoning
18 codes and local unit of government processes.

19 Sec. 835. (1) In addition to the funds appropriated in part 1,
20 the funds collected by the department for supplying census-related
21 information and technical services, publications, statistical
22 studies, population projections and estimates, and other
23 demographic products are appropriated for all expenses necessary to
24 provide the required services. These funds are available for
25 expenditure when they are received and may be carried forward into
26 the next succeeding fiscal year.

27 (2) The department must submit a report to the house and



1 senate appropriations subcommittees on general government, the
2 senate and house fiscal agencies, and the state budget director by
3 March 1 that provides the amount of revenue collected by the
4 department from the authorization in subsection (1) and the amount
5 of revenue carried forward.

6 Sec. 836. (1) From the funds appropriated in part 1 for cyber
7 security staffing, hardware, and support costs, the department
8 shall identify specific outcomes and performance measures,
9 including, but not limited to, the following:

10 (a) Reduce the number of cyber threats based on the daily
11 attacks to prevent data breaches during the fiscal year ending
12 September 30, 2018.

13 (b) Reduce the risk of cyber vulnerabilities for application,
14 data, and network during the fiscal year ending September 30, 2018.

15 (c) Increase awareness of cyber threats and the preventative
16 steps for citizens, businesses, and employees during the fiscal
17 year ending September 30, 2018.

18 (2) The department must submit a report to the house and
19 senate appropriations subcommittees on general government, the
20 senate and house fiscal agencies, and the state budget director by
21 March 15. The report must describe the specific outcomes and
22 measures required in subsection (1) and provide the results and
23 data related to these outcomes and measures for the prior fiscal
24 year if related information is available for the prior fiscal year.

25 Sec. 837. (1) From the funds appropriated in part 1 for
26 citizen-centric government, the department shall identify specific
27 outcomes and performance measures, including, but not limited to,



1 the following:

2 (a) Begin integration of MiLogin with at least 10 high-value
3 systems to provide seamless access to those systems with 1 set of
4 credentials during the fiscal year ending September 30, 2018.

5 (b) Increase the number of high-value systems that citizens
6 and businesses can log into with 1 login during the fiscal year
7 ending September 30, 2018.

8 (2) The department must submit a report to the house and
9 senate appropriations subcommittees on general government, the
10 senate and house fiscal agencies, and the state budget director by
11 March 15. The report must describe the specific outcomes and
12 measures required in subsection (1) and provide the results and
13 data related to these outcomes and measures.

14 Sec. 838. (1) From the funds appropriated in part 1 for budget
15 and financial management, \$300,000.00 shall be used for a pilot
16 program with a vendor to provide comprehensive information on the
17 vendors with which this state does business. This pilot program
18 must commence by November 1, 2017. The selected vendor must
19 maintain a business data repository to provide information on all
20 vendor financials, industry, products, operations, and competition.
21 The department must review this information prior to, during, and
22 after entering into any contract or other agreement and for
23 compliance oversight. The pilot program must be available for use
24 by all state departments, agencies, and local units of government.

25 (2) The selected vendor must gather and provide metrics on all
26 of the following:

27 (a) A comprehensive database of commercial business



1 information.

2 (b) Whether a vendor has been identified as fiscally at-risk.

3 (c) Whether a vendor has been identified as having ethics,
4 labor, or corruption issues that may affect its ability to do
5 business with this state.

6 (d) Economic trends in this state, including identifying
7 business growth areas.

8 (e) The performance of healthcare providers indicted for or
9 convicted of fraud along with a performance risk score and
10 cumulative percentage of at-risk providers.

11 (f) Vendor buying activity as an indicator of vendor
12 viability.

13 (3) The department shall notify the chairpersons of the
14 appropriations subcommittees on general government, senate and
15 house fiscal agencies, and state budget director once a vendor has
16 been selected.

17 **STATE BUILDING AUTHORITY RENT**

18 Sec. 842. (1) The state building authority rent appropriations
19 in part 1 may also be expended for the payment of required premiums
20 for insurance on facilities owned by the state building authority
21 or payment of costs that may be incurred as the result of any
22 deductible provisions in such insurance policies.

23 (2) If the amount appropriated in part 1 for state building
24 authority rent is not sufficient to pay the rent obligations and
25 insurance premiums and deductibles identified in subsection (1) for
26 state building authority projects, there is appropriated from the



1 general fund of the state the amount necessary to pay such
2 obligations.

3 **CIVIL SERVICE COMMISSION**

4 Sec. 850. (1) In accordance with section 5 of article XI of
5 the state constitution of 1963, all restricted funds shall be
6 assessed a sum not less than 1% of the total aggregate payroll paid
7 from those funds for financing the civil service commission on the
8 basis of actual 1% restricted sources total aggregate payroll of
9 the classified service for the preceding fiscal year. This
10 includes, but is not limited to, restricted funds appropriated in
11 part 1 of any appropriations act. Unexpended 1% appropriated funds
12 shall be returned to each 1% fund source at the end of the fiscal
13 year.

14 (2) The appropriations in part 1 are estimates of actual
15 charges based on payroll appropriations. With the approval of the
16 state budget director, the commission is authorized to adjust
17 financing sources for civil service charges based on actual payroll
18 expenditures, provided that such adjustments do not increase the
19 total appropriation for the civil service commission.

20 (3) The financing from restricted sources shall be credited to
21 the civil service commission by the end of the second fiscal
22 quarter.

23 Sec. 851. Except where specifically appropriated for this
24 purpose, financing from restricted sources shall be credited to the
25 civil service commission. For restricted sources of funding within
26 the general fund that have the legislative authority for carryover,



1 if current spending authorization or revenues are insufficient to
2 accept the charge, the shortage shall be taken from carryforward
3 balances of that funding source. Restricted revenue sources that do
4 not have carryforward authority shall be utilized to satisfy
5 commission operating deducts first and civil service obligations
6 second. General fund dollars are appropriated for any shortfall,
7 pursuant to approval by the state budget director.

8 Sec. 852. The appropriation in part 1 to the civil service
9 commission, for state-sponsored group insurance, flexible spending
10 accounts, and COBRA, represents amounts, in part, included within
11 the various appropriations throughout state government for the
12 current fiscal year to fund the flexible spending account program
13 included within the civil service commission. Deposits against
14 state-sponsored group insurance, flexible spending accounts, and
15 COBRA for the flexible spending account program shall be made from
16 assessments levied during the current fiscal year in a manner
17 prescribed by the civil service commission. Unspent employee
18 contributions to the flexible spending accounts may be used to
19 offset administrative costs for the flexible spending account
20 program, with any remaining balance of unspent employee
21 contributions to be lapsed to the general fund.

22 **CAPITAL OUTLAY**

23 Sec. 860. As used in sections 861 through 867:

24 (a) "Board" means the state administrative board.

25 (b) "Community college" means a community college organized
26 under the community college act of 1966, 1966 PA 331, MCL 389.1 to



1 389.195, or under part 25 of the revised school code, 1976 PA 451,
2 MCL 380.1601 to 380.1607, and does not include a state agency or
3 university.

4 (c) "Department" means the department of technology,
5 management, and budget.

6 (d) "Director" means the director of the department of
7 technology, management, and budget.

8 (e) "Fiscal agencies" means the senate fiscal agency and the
9 house fiscal agency.

10 (f) "State agency" means an agency of state government. State
11 agency does not include a community college or university.

12 (g) "State building authority" means the authority created
13 under 1964 PA 183, MCL 830.411 to 830.425.

14 (h) "University" means a 4-year university supported by the
15 state. University does not include a community college or a state
16 agency.

17 Sec. 861. Each capital outlay project authorized in this part
18 and part 1 or any previous capital outlay act shall comply with the
19 procedures required by the management and budget act, 1984 PA 431,
20 MCL 18.1101 to 18.1594.

21 Sec. 862. (1) The department shall provide the JCOS, state
22 budget director, and the senate and house fiscal agencies with
23 reports as considered necessary relative to the status of each
24 planning or construction project financed by the state building
25 authority, by this part and part 1, or by previous acts.

26 (2) Before the end of each fiscal year, the department shall
27 report to the JCOS, state budget director, and the senate and house



1 fiscal agencies for each capital outlay project other than lump
2 sums all of the following:

3 (a) The account number and name of each construction project.

4 (b) The balance remaining in each account.

5 (c) The date of the last expenditure from the account.

6 (d) The anticipated date of occupancy if the project is under
7 construction.

8 (e) The appropriations history for the project.

9 (f) The professional service contractor.

10 (g) The amount of the project financed with federal funds.

11 (h) The amount of the project financed through the state
12 building authority.

13 (i) The total authorized cost for the project and the state
14 authorized share if different than the total.

15 (3) Before the end of each fiscal year, the department shall
16 report the following for each project by a state agency,
17 university, or community college that is authorized for planning
18 but is not yet authorized for construction:

19 (a) The name of the project and account number.

20 (b) Whether a program statement is approved.

21 (c) Whether schematics are approved by the department.

22 (d) Whether preliminary plans are approved by the department.

23 (e) The name of the professional service contractor.

24 (4) As used in this section, "project" includes appropriation
25 line items made for purchase of real estate.

26 Sec. 864. The appropriations in part 1 for capital outlay
27 shall be carried forward at the end of the fiscal year consistent



1 with the provisions of section 248 of the management and budget
2 act, 1984 PA 431, MCL 18.1248.

3 Sec. 865. (1) A site preparation economic development fund is
4 created in the department. As used in this section, "economic
5 development sites" means those state-owned sites declared as
6 surplus property pursuant to section 251 of the management and
7 budget act, 1984 PA 431, MCL 18.1251, that would provide economic
8 benefit to the area or to the state. The MEDC board and the state
9 budget director shall determine whether or not a specific state-
10 owned site qualifies for inclusion in the fund created under this
11 subsection.

12 (2) Proceeds from the sale of any sites designated in
13 subsection (1) shall be deposited into the fund created in
14 subsection (1) and shall be available for site preparation
15 expenditures, unless otherwise provided by law. The economic
16 development sites authorized in subsection (1) are authorized for
17 sale consistent with state law. Expenditures from the fund are
18 authorized for site preparation activities that enhance the
19 marketable sale value of the sites. Site preparation activities
20 include, but are not limited to, demolition, environmental studies
21 and abatement, utility enhancement, and site excavation.

22 (3) A cash advance in an amount of not more than
23 \$25,000,000.00 is authorized from the general fund to the site
24 preparation economic development fund.

25 (4) An annual report shall be transmitted to the senate and
26 house of representatives standing committees on appropriations not
27 later than December 31 of each year. This report shall detail both



1 of the following:

2 (a) The revenue and expenditure activity in the fund for the
3 preceding fiscal year.

4 (b) The sites identified as economic development sites under
5 subsection (1).

6 Sec. 867. Proceeds from the sale of the Farnum Building shall
7 be subsequently appropriated to the department in accordance with
8 any legislation enacted that authorizes the sale of that property.
9 If the net proceeds from the sale of the Farnum Building are less
10 than the \$7,000,000.00 authorized for senate relocation costs in
11 section 896 of article VIII of 2014 PA 252, an amount equal to the
12 difference between the net sale proceeds and \$7,000,000.00 shall be
13 appropriated by the legislature to the department.

14 **CAPITAL OUTLAY - UNIVERSITIES AND COMMUNITY COLLEGES**

15 Sec. 873. (1) This section applies only to projects for
16 community colleges.

17 (2) State support is directed towards the remodeling and
18 additions, special maintenance, or construction of certain
19 community college buildings. The community college shall obtain or
20 provide for site acquisition and initial main utility installation
21 to operate the facility. Funding shall be composed of local and
22 state shares and not more than 50% of a capital outlay project, not
23 including a lump-sum special maintenance project or remodeling and
24 addition project, for a community college shall be appropriated
25 from state and federal funds, unless otherwise appropriated by the
26 legislature.



1 (3) An expenditure under this part and part 1 is authorized
2 when the release of the appropriation is approved by the board upon
3 the recommendation of the director. The director may recommend to
4 the board the release of any appropriation in part 1 only after the
5 director is assured that the legal entity operating the community
6 college to which the appropriation is made has complied with this
7 part and part 1 and has matched the amounts appropriated as
8 required by this part and part 1. A release of funds in part 1
9 shall not exceed 50% of the total cost of planning and construction
10 of any project, not including lump-sum remodeling and additions and
11 special maintenance, unless otherwise appropriated by the
12 legislature. Further planning and construction of a project
13 authorized by this part and part 1 or applicable sections of the
14 management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594,
15 shall be in accordance with the purpose and scope as defined and
16 delineated in the approved program statements and planning
17 documents. This part and part 1 are applicable to all projects for
18 which planning appropriations were made in previous acts.

19 (4) The community college shall take the steps necessary to
20 secure available federal construction and equipment money for
21 projects funded for construction in this part and part 1 if an
22 application was not previously made. If there is a reasonable
23 expectation that a prior year unfunded application may receive
24 federal money in a subsequent year, the college shall take whatever
25 action necessary to keep the application active.

26 Sec. 874. If university and community college matching
27 revenues are received in an amount less than the appropriations for



1 capital projects contained in this part and part 1, the state funds
2 shall be reduced in proportion to the amount of matching revenue
3 received.

4 Sec. 875. (1) The director may require that community colleges
5 and universities that have an authorized project listed in part 1
6 submit documentation regarding the project match and governing
7 board approval of the authorized project not more than 60 days
8 after the beginning of the fiscal year.

9 (2) If the documentation required by the director under
10 subsection (1) is not submitted, or does not adequately
11 authenticate the availability of the project match or board
12 approval of the authorized project, the authorization may
13 terminate. The authorization terminates 30 days after the director
14 notifies the JCOS of the intent to terminate the project unless the
15 JCOS convenes to extend the authorization.

16 **ONE-TIME APPROPRIATIONS**

17 Sec. 880. (1) The drinking water declaration of emergency
18 reserve fund is created within the department of treasury.

19 (2) From the funds appropriated in part 1 for the drinking
20 water declaration of emergency reserve fund, \$25,000,000.00 shall
21 be deposited into the drinking water declaration of emergency
22 reserve fund.

23 (3) Funds may only be spent from the drinking water
24 declaration of emergency reserve fund upon appropriation, or
25 legislative transfer pursuant to section 393 of the management and
26 budget act, 1984 PA 431, MCL 18.1393.



1 (4) Interest and earnings from the investment of funds
2 deposited in the drinking water declaration of emergency reserve
3 fund shall be deposited in the general fund.

4 (5) Funds in the drinking water declaration of emergency
5 reserve fund at the close of a fiscal year shall remain in the
6 drinking water declaration of emergency reserve fund and shall not
7 lapse to the general fund.

8 **DEPARTMENT OF TREASURY**

9 **OPERATIONS**

10 Sec. 901. (1) In addition to the funds appropriated in part 1,
11 there is appropriated an amount not to exceed \$1,000,000.00 for
12 federal contingency funds. These funds are not available for
13 expenditure until they have been transferred to another line item
14 in part 1 under section 393(2) of the management and budget act,
15 1984 PA 431, MCL 18.1393.

16 (2) In addition to the funds appropriated in part 1, there is
17 appropriated an amount not to exceed \$10,000,000.00 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 part 1 under section 393(2) of the management and budget act,
21 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 \$200,000.00 for local
24 contingency funds. These funds are not available for expenditure
25 until they have been transferred to another line item in part 1
26 under section 393(2) of the management and budget act, 1984 PA 431,



1 MCL 18.1393.

2 (4) In addition to the funds appropriated in part 1, there is
3 appropriated an amount not to exceed \$40,000.00 for private
4 contingency funds. These funds are not available for expenditure
5 until they have been transferred to another line item in part 1
6 under section 393(2) of the management and budget act, 1984 PA 431,
7 MCL 18.1393.

8 Sec. 902. (1) Amounts needed to pay for interest, fees,
9 principal, mandatory and optional redemptions, arbitrage rebates as
10 required by federal law, and costs associated with the payment,
11 registration, trustee services, credit enhancements, and issuing
12 costs in excess of the amount appropriated to the department of
13 treasury in part 1 for debt service on notes and bonds that are
14 issued by the state under sections 14, 15, and 16 of article IX of
15 the state constitution of 1963 as implemented by 1967 PA 266, MCL
16 17.451 to 17.455, are appropriated.

17 (2) In addition to the amount appropriated to the department
18 of treasury for debt service in part 1, there is appropriated an
19 amount for fiscal year cash-flow borrowing costs to pay for
20 interest on interfund borrowing made under 1967 PA 55, MCL 12.51 to
21 12.53.

22 (3) In addition to the amount appropriated to the department
23 of treasury for debt service in part 1, there is appropriated all
24 repayments received by the state on loans made from the school bond
25 loan fund not required to be deposited in the school loan revolving
26 fund by or pursuant to section 4 of 1961 PA 112, MCL 388.984, to
27 the extent determined by the state treasurer, for the payment of



1 debt service, including, without limitation, optional and mandatory
2 redemptions, on bonds, notes or commercial paper issued by the
3 state pursuant to 1961 PA 112, MCL 388.981 to 388.985.

4 Sec. 902a. The department of treasury shall notify the senate
5 and house of representatives standing committees on appropriations,
6 the chairpersons of the relevant appropriations subcommittees, the
7 senate and house fiscal agencies, and the state budget office not
8 more than 30 days after a refunding or restructuring bond issue is
9 sold. The notification shall compare the annual debt service prior
10 to the refinancing or restructuring, the annual debt service after
11 the refinancing or restructuring, the change in the principal and
12 interest over the duration of the debt, and the projected change in
13 the present value of the debt service due to the refinancing and
14 restructuring.

15 Sec. 903. (1) From the funds appropriated in part 1, the
16 department of treasury may contract with private collection
17 agencies and law firms to collect taxes and other accounts due this
18 state. In addition to the amounts appropriated in part 1 to the
19 department of treasury, there are appropriated amounts necessary to
20 fund collection costs and fees not to exceed 25% of the collections
21 or 2.5% plus operating costs, whichever amount is prescribed by
22 each contract. The appropriation to fund collection costs and fees
23 for the collection of taxes or other accounts due this state are
24 from the fund or account to which the revenues being collected are
25 recorded or dedicated. However, if the taxes collected are
26 constitutionally dedicated for a specific purpose, the
27 appropriation of collection costs and fees are from the general



1 purpose account of the general fund.

2 (2) From the funds appropriated in part 1, the department of
3 treasury may contract with private collections agencies and law
4 firms to collect defaulted student loans and other accounts due the
5 Michigan guaranty agency. In addition to the amounts appropriated
6 in part 1 to the department of treasury, there are appropriated
7 amounts necessary to fund collection costs and fees not to exceed
8 24.34% of the collection or a lesser amount as prescribed by the
9 contract. The appropriation to fund collection costs and fees for
10 the auditing and collection of defaulted student loans due the
11 Michigan guaranty agency is from the fund or account to which the
12 revenues being collected are recorded or dedicated.

13 (3) The department of treasury shall submit a report for the
14 immediately preceding fiscal year ending September 30 to the state
15 budget director, the senate and house of representatives standing
16 committees on appropriations, and the chairpersons of the relevant
17 appropriations subcommittees, not later than November 30 stating
18 the agencies or law 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 (4) From the funds appropriated in part 1 for collection
22 services, the department of treasury shall issue an RFP for a
23 secondary placement collections program. The secondary placement
24 collections program shall begin by January 2, 2018. The department
25 shall issue a request for competitive proposals from service
26 providers interested in providing secondary placement collection
27 services. The competitive proposal for secondary placement services



1 shall meet all of the following requirements:

2 (a) Be issued no later than October 2, 2017 with responses due
3 by November 6, 2017.

4 (b) Require delinquent accounts at least 180 days old to be
5 referred to the secondary placement service.

6 (c) Provide information to the department of treasury
7 necessary to evaluate the performance of the program.

8 (d) Demonstrate that the vendor has the ability to interface
9 its technology systems with the existing technology framework of
10 the department of treasury.

11 (e) Not require a physical presence of the vendor in the
12 state.

13 Sec. 904. (1) The department of treasury, through its bureau
14 of investments, may charge an investment service fee against the
15 applicable retirement funds. The fees may be expended for necessary
16 salaries, wages, contractual services, supplies, materials,
17 equipment, travel, worker's compensation insurance premiums, and
18 grants to the civil service commission and state employees'
19 retirement funds. Service fees shall not exceed the aggregate
20 amount appropriated in part 1. The department of treasury shall
21 maintain accounting records in sufficient detail to enable the
22 retirement funds to be reimbursed periodically for fee revenue that
23 is determined by the department of treasury to be surplus.

24 (2) In addition to the funds appropriated in part 1 from the
25 retirement funds to the department of treasury, there is
26 appropriated from retirement funds an amount sufficient to pay for
27 the services of money managers, investment advisors, investment



1 consultants, custodians, and other outside professionals, the state
2 treasurer considers necessary to prudently manage the retirement
3 funds' investment portfolios. The state treasurer shall report
4 annually to the senate and house of representatives standing
5 committees on appropriations, the chairpersons of the relevant
6 appropriations subcommittees, and the state budget office
7 concerning the performance of each portfolio by investment advisor.

8 Sec. 904a. (1) There is appropriated an amount sufficient to
9 recognize and pay expenditures for financial services provided by
10 financial institutions as provided under section 1 of 1861 PA 111,
11 MCL 21.181.

12 (2) The appropriations under subsection (1) shall be funded by
13 restricting revenues from common cash interest earnings and
14 investment earnings in an amount sufficient to record these
15 expenditures. If the amounts of common cash interest earnings are
16 insufficient to cover these costs, then miscellaneous revenues
17 shall be used to fund the remaining balance of these expenditures.

18 Sec. 905. A revolving fund known as the municipal finance fee
19 fund is created in the department of treasury. Fees are established
20 under the revised municipal finance act, 2001 PA 34, MCL 141.2101
21 to 141.2821, and the fees collected shall be credited to the
22 municipal finance fee fund and may be carried forward for future
23 appropriation.

24 Sec. 906. (1) The department of treasury shall charge for
25 audits as permitted by state or federal law or under contractual
26 arrangements with local units of government, other principal
27 executive departments, or state agencies. However, the charge shall



1 not be more than the actual cost for performing the audit. A report
2 detailing audits performed and audit charges for the immediately
3 preceding fiscal year shall be submitted to the state budget
4 director, the chairpersons of the relevant appropriations
5 subcommittees, and the senate and house fiscal agencies not later
6 than November 30.

7 (2) A revolving fund known as the audit charges fund is
8 created in the department of treasury. The contractual charges
9 collected shall be credited to the audit charges fund and may be
10 carried forward for future appropriation.

11 Sec. 907. A revolving fund known as the assessor certification
12 and training fund is created in the department of treasury. The
13 assessor certification and training fund shall be used to organize
14 and operate a property assessor certification and training program.
15 Each participant certified and trained shall pay to the department
16 of treasury examination fees not to exceed \$50.00 per examination
17 and certification fees not to exceed \$175.00. Training courses
18 shall be offered in assessment administration. Each participant
19 shall pay a fee to cover the expenses incurred in offering the
20 optional programs to certified assessing personnel and other
21 individuals interested in an assessment career opportunity. The
22 fees collected shall be credited to the assessor certification and
23 training fund.

24 Sec. 908. The amount appropriated in part 1 to the department
25 of treasury, home heating assistance program, is to cover the
26 costs, including data processing, of administering federal home
27 heating credits to eligible claimants and to administer the



1 supplemental fuel cost payment program for eligible tax credit and
2 welfare recipients.

3 Sec. 909. Revenue from the airport parking tax act, 1987 PA
4 248, MCL 207.371 to 207.383, is appropriated and shall be
5 distributed under section 7a of the airport parking tax act, 1987
6 PA 248, MCL 207.377a.

7 Sec. 910. The disbursement by the department of treasury from
8 the bottle deposit fund to dealers as required by section 3c(2) of
9 1976 IL 1, MCL 445.573c, is appropriated.

10 Sec. 911. There is appropriated an amount sufficient to
11 recognize and pay refundable income tax credits as provided by law.

12 Sec. 912. A plaintiff in a garnishment action involving this
13 state shall pay to the state treasurer 1 of the following:

14 (a) A fee of \$6.00 at the time a writ of garnishment of
15 periodic payments is served upon the state treasurer, as provided
16 in section 4012 of the revised judicature act of 1961, 1961 PA 236,
17 MCL 600.4012.

18 (b) A fee of \$6.00 at the time any other writ of garnishment
19 is served upon the state treasurer, except that the fee shall be
20 reduced to \$5.00 for each writ of garnishment for individual income
21 tax refunds or credits filed by magnetic media.

22 Sec. 913. (1) The department of treasury may contract with
23 private firms to appraise and, if necessary, appeal the assessments
24 of senior citizen cooperative housing units. Payment for this
25 service shall be from savings resulting from the appraisal or
26 appeal process.

27 (2) Of the funds appropriated in part 1 to the department of



1 treasury for the senior citizens' cooperative housing tax exemption
2 program, a portion may be utilized for a program audit of the
3 program. The department of treasury shall forward copies of any
4 audit report completed to the senate and house of representatives
5 standing committees on appropriations subcommittees on general
6 government and to the state budget office. The department of
7 treasury may utilize up to 1% of the funds for program
8 administration and auditing.

9 Sec. 914. The department of treasury may provide a \$200.00
10 annual prize from the Ehlers internship award account in the gifts,
11 bequests, and deposit fund to the runner-up of the Rosenthal prize
12 for interns. The Ehlers internship award account is interest
13 bearing.

14 Sec. 915. Pursuant to section 61 of the Michigan campaign
15 finance act, 1976 PA 388, MCL 169.261, there is appropriated from
16 the general fund to the state campaign fund an amount equal to the
17 amounts designated for tax year 2016. Except as otherwise provided
18 in this section, the amount appropriated shall not revert to the
19 general fund and shall remain in the state campaign fund. Any
20 amounts remaining in the state campaign fund in excess of
21 \$10,000,000.00 on December 31 shall revert to the general fund.

22 Sec. 916. The department of treasury may make available to
23 interested entities otherwise unavailable customized unclaimed
24 property listings of nonconfidential information in its possession.
25 The charge for this information is as follows: 1 to 100,000 records
26 at 2.5 cents per record and 100,001 or more records at .5 cents per
27 record. The revenue received from this service shall be deposited



1 to the appropriate revenue account or fund. The department shall
2 submit an annual report on or before June 1 to the state budget
3 director and the senate and house of representatives standing
4 committees on appropriations that states the amount of revenue
5 received from the sale of information.

6 Sec. 917. (1) There is appropriated for write-offs and
7 advances an amount equal to total write-offs and advances for
8 departmental programs, but not to exceed current year
9 authorizations that would otherwise lapse to the general fund.

10 (2) The department of treasury shall submit a report for the
11 immediately preceding fiscal year to the state budget director, the
12 chairpersons of the relevant appropriations subcommittees, and the
13 senate and house fiscal agencies not later than November 30 stating
14 the amounts appropriated for write-offs and advances under
15 subsection (1).

16 Sec. 919. (1) From funds appropriated in part 1, the
17 department of treasury may contract with private auditing firms to
18 audit for and collect unclaimed property due this state in
19 accordance with the uniform unclaimed property act, 1995 PA 29, MCL
20 567.221 to 567.265. In addition to the amounts appropriated in part
21 1 to the department of treasury, there are appropriated amounts
22 necessary to fund auditing and collection costs and fees not to
23 exceed 12% of the collections, or a lesser amount as prescribed by
24 the contract. The appropriation to fund collection costs and fees
25 for the auditing and collection of unclaimed property due this
26 state is from the fund or account to which the revenues being
27 collected are recorded or dedicated.



1 (2) The department of treasury shall submit a report for the
2 immediately preceding fiscal year ending September 30 to the state
3 budget director, the senate and house of representatives standing
4 committees on appropriations, and the chairpersons of the relevant
5 appropriations subcommittees not later than November 30 stating the
6 auditing firms employed, the amount of collections for each, the
7 costs of collection, and other pertinent information relating to
8 determining whether this authority should be continued.

9 Sec. 924. (1) In addition to the funds appropriated in part 1,
10 the department of treasury may receive and expend principal
11 residence audit fund revenue for administration of principal
12 residence audits under the general property tax act, 1893 PA 206,
13 MCL 211.1 to 211.155.

14 (2) The department of treasury shall submit a report for the
15 immediately preceding fiscal year to the state budget director, the
16 chairpersons of the relevant appropriations subcommittees, and the
17 senate and house fiscal agencies not later than December 31 stating
18 the amount of exemptions denied and the revenue received under the
19 program.

20 Sec. 926. Unexpended appropriations of the John R. Justice
21 grant program are designated as work project appropriations and
22 shall not lapse at the end of the fiscal year and shall continue to
23 be available for expenditure until the project has been completed.
24 The following is in compliance with section 451a of the management
25 and budget act, 1984 PA 431, MCL 18.1451a:

26 (a) The purpose of the project is to provide student loan
27 forgiveness to qualified public defenders and prosecutors.



1 (b) The project will be accomplished by utilizing state
2 employees or contracts with private vendors, or both.

3 (c) The total estimated cost of the project is \$288,100.00.

4 (d) The tentative completion date is September 30, 2018.

5 Sec. 927. The department of treasury shall submit annual
6 progress reports to the senate and house of representatives
7 standing committees on appropriations subcommittees on general
8 government and the senate and house fiscal agencies, regarding
9 personal property tax audits. The report shall include the number
10 of audits, revenue generated, and number of complaints received by
11 the department related to the audits.

12 Sec. 928. The department of treasury may provide receipt,
13 warrant and cash processing, data, collection, investment, fiscal
14 agent, levy and warrant cost assessment, writ of garnishment, and
15 other user services on a contractual basis for other principal
16 executive departments and state agencies. Funds for the services
17 provided are appropriated and shall be expended for salaries and
18 wages, fees, supplies, and equipment necessary to provide the
19 services. Any unobligated balance of the funds received shall
20 revert to the general fund of this state as of September 30.

21 Sec. 930. (1) The department of treasury shall provide
22 accounts receivable collections services to other principal
23 executive departments and state agencies under 1927 PA 375, MCL
24 14.131 to 14.134. The department of treasury shall deduct a fee
25 equal to the cost of collections from all receipts except
26 unrestricted general fund collections. Fees shall be credited to a
27 restricted revenue account and appropriated to the department of



1 treasury to pay for the cost of collections. The department of
2 treasury shall maintain accounting records in sufficient detail to
3 enable the respective accounts to be reimbursed periodically for
4 fees deducted that are determined by the department of treasury to
5 be surplus to the actual cost of collections.

6 (2) The department of treasury shall submit a report for the
7 immediately preceding fiscal year to the state budget director, the
8 chairpersons of the relevant appropriations subcommittees, and the
9 senate and house fiscal agencies not later than November 30 stating
10 the principal executive departments and state agencies served,
11 funds collected, and costs of collection under subsection (1).

12 Sec. 931. (1) The appropriation in part 1 to the department of
13 treasury for treasury fees shall be assessed against all restricted
14 funds that receive common cash earnings or other investment income.
15 Treasury fees include all costs, including administrative overhead,
16 relating to the investment of each restricted fund. The fee
17 assessed against each restricted fund will be based on the size of
18 the restricted fund (the absolute value of the average daily cash
19 balance plus the market value of investments in the prior fiscal
20 year) and the level of effort necessary to maintain the restricted
21 fund as required by each department. The department of treasury
22 shall provide a report to the state budget director, the senate and
23 house of representatives standing committees on appropriations
24 subcommittees on general government, and the senate and house
25 fiscal agencies by November 30 of each year identifying the fees
26 assessed against each restricted fund and the methodology used for
27 assessment.



1 (2) In addition to the funds appropriated in part 1, the
2 department of treasury may receive and expend investment fees
3 relating to new restricted funding sources that participate in
4 common cash earnings or other investment income during the current
5 fiscal year. When a new restricted fund is created starting on or
6 after October 1, that restricted fund shall be assessed a fee using
7 the same criteria identified in subsection (1).

8 Sec. 932. Revenue received under the Michigan education trust
9 act, 1986 PA 316, MCL 390.1421 to 390.1442, may be expended by the
10 board of directors of the Michigan education trust for necessary
11 salaries, wages, supplies, contractual services, equipment,
12 worker's compensation insurance premiums, and grants to the civil
13 service commission and state employees' retirement fund.

14 Sec. 934. (1) The department of treasury may expend revenues
15 received under the hospital finance authority act, 1969 PA 38, MCL
16 331.31 to 331.84, the shared credit rating act, 1985 PA 227, MCL
17 141.1051 to 141.1076, the higher education facilities authority
18 act, 1969 PA 295, MCL 390.921 to 390.934, the Michigan public
19 educational facilities authority, Executive Reorganization Order
20 No. 2002-3, MCL 12.192, the Michigan tobacco settlement finance
21 authority act, 2005 PA 226, MCL 129.261 to 129.279, the land bank
22 fast track act, 2003 PA 258, MCL 124.751 to 124.774, part 505 of
23 the natural resources and environmental protection act, 1994 PA
24 451, MCL 324.50501 to 324.50522, the state housing development
25 authority act of 1966, 1966 PA 346, MCL 125.1401 to 125.1499c, and
26 the Michigan finance authority, Executive Reorganization Order No.
27 2010-2, MCL 12.194, for necessary salaries, wages, supplies,



1 contractual services, equipment, worker's compensation insurance
2 premiums, grants to the civil service commission and state
3 employees' retirement fund, and other expenses as allowed under
4 those acts.

5 (2) The department of treasury shall report by January 31 to
6 the senate and house appropriations subcommittees on general
7 government, the senate and house fiscal agencies, and the state
8 budget director on the amount and purpose of expenditures made
9 under subsection (1) from funds received in addition to those
10 appropriated in part 1. The report shall also include a listing of
11 reimbursement of revenue, if any. The report shall cover the
12 previous fiscal year.

13 Sec. 935. The funds appropriated in part 1 for dual enrollment
14 payments for an eligible student enrolled in a state-approved
15 nonpublic school shall be distributed as provided under the
16 postsecondary enrollment options act, 1996 PA 160, MCL 388.511 to
17 388.524, and the career and technical preparation act, 2000 PA 258,
18 MCL 388.1901 to 388.1913, in a form and manner as determined by the
19 department of treasury.

20 Sec. 937. From the funds appropriated in part 1, the
21 department of treasury shall submit a report to the state budget
22 director, the senate and house standing committees on
23 appropriations, the chairpersons of the relevant appropriations
24 subcommittees, and the senate and house fiscal agencies not later
25 than March 31 regarding the performance of the Michigan accounts
26 receivable collections system. The report shall include, but is not
27 limited to:



1 (a) Information regarding the effectiveness of the
2 department's current collection strategies, including use of
3 vendors or contractors.

4 (b) The amount of delinquent accounts and collection referrals
5 to vendors and contractors.

6 (c) The liquidation rates for declining delinquent accounts.

7 (d) The profile of uncollected delinquent accounts, including
8 specific uncollected amounts by category.

9 (e) The department's strategy to manage delinquent accounts
10 once those accounts exceed the vendor's or contractor's contracted
11 collectible period.

12 (f) A summary of the strategies used in other states,
13 including, but not limited to, secondary placement services, and
14 assessing the benefits of those strategies.

15 Sec. 941. (1) The department of treasury, in conjunction with
16 the Michigan strategic fund, shall report to the senate and house
17 of representatives standing committees on appropriations, the
18 senate and house of representatives appropriations subcommittees on
19 general government, the senate and house fiscal agencies, and the
20 state budget office by November 1 on the annual cost of the
21 Michigan economic growth authority tax credits. The report shall
22 include for each year the board-approved credit amount, adjusted
23 for credit amendments where applicable, and the actual and
24 projected value of tax credits for each year from 1995 to the
25 expiration of the credit program. For years for which credit claims
26 are complete, the report shall include the total of actual
27 certificated credit amounts. For years for which claims are still



1 pending or not yet submitted, the report shall include a
2 combination of actual credits where available and projected
3 credits. Credit projections shall be based on updated estimates of
4 employees, wages, and benefits for eligible companies.

5 (2) In addition to the report under subsection (1), the
6 department of treasury, in conjunction with the Michigan strategic
7 fund, shall report to the senate and house of representatives
8 standing committees on appropriations, the senate and house of
9 representatives appropriations subcommittees on general government,
10 the senate and house fiscal agencies, and the state budget office
11 by November 1 on the annual cost of all other certificated credits
12 by program, for each year until the credits expire or can no longer
13 be collected. The report shall include estimates on the brownfield
14 redevelopment credit, film credits, MEGA photovoltaic technology
15 credit, MEGA polycrystalline silicon manufacturing credit, MEGA
16 vehicle battery credit, and other certificated credits.

17 Sec. 944. If the department of treasury hires a pension plan
18 consultant using any of the funds appropriated in part 1, the
19 department shall retain any report provided to the department by
20 that consultant, notify the senate and house of representatives
21 appropriations subcommittees on general government, the senate and
22 house fiscal agencies, and the state budget director, and shall
23 make that report available upon request to the senate and house of
24 representatives standing committees on appropriations subcommittees
25 on general government, the senate and house fiscal agencies, and
26 the state budget director. A rationale for retention of a pension
27 plan consultant shall be included in the notification of retention.



1 Sec. 945. Reviews of local unit assessment administration
2 practices, procedures, and records, also known as the audit of
3 minimal assessing requirements, shall be conducted in each
4 assessment jurisdiction a minimum of once every 5 years.

5 Sec. 946. Revenue collected in the convention facility
6 development fund is appropriated and shall be distributed under
7 sections 8 and 9 of the state convention facility development act,
8 1985 PA 106, MCL 207.628 and 207.629.

9 Sec. 947. Financial independence teams shall cooperate with
10 the financial responsibility section to coordinate and streamline
11 efforts in identifying and addressing fiscal emergencies in school
12 districts and intermediate school districts.

13 Sec. 948. Total authorized appropriations from all department
14 of treasury sources under part 1 for legacy costs for the fiscal
15 year ending September 30, 2018 are \$43,024,600.00. From this
16 amount, total agency appropriations for pension-related legacy
17 costs are estimated at \$22,140,700.00. Total agency appropriations
18 for retiree health care legacy costs are estimated at
19 \$20,883,900.00.

20 Sec. 949. (1) From the funds appropriated in part 1, the
21 department of treasury may contract with private agencies to
22 prevent the disbursement of fraudulent tax refunds. In addition to
23 the amounts appropriated in part 1 to the department of treasury,
24 there are appropriated amounts necessary to pay contract costs or
25 fund operations designed to reduce fraudulent income tax refund
26 payments not to exceed \$1,200,000.00 of the refunds identified as
27 potentially fraudulent and for which payment of the refund is



1 denied. The appropriation to fund fraud prevention efforts is from
2 the fund or account to which the revenues being collected are
3 recorded or dedicated.

4 (2) The department of treasury shall submit a report for the
5 immediately preceding fiscal year ending September 30 to the state
6 budget director, the senate and house of representatives standing
7 committees on appropriations, and the chairpersons of the relevant
8 appropriations subcommittees not later than November 30 stating the
9 number of refund claims denied due to the fraud prevention
10 operations, the amount of refunds denied, the costs of the fraud
11 prevention operations, and other pertinent information relating to
12 determining whether this authority should be continued.

13 Sec. 949a. From the funds appropriated in part 1 for
14 additional staff in city income tax administration, the department
15 shall expand individual income tax return administration to 1
16 additional city to leverage the department's capabilities to assist
17 cities with their taxation efforts.

18 Sec. 949d. (1) From the funds appropriated in part 1 for
19 financial review commission, the department shall continue
20 financial review commission efforts in the current fiscal year. The
21 purpose of the funding is to cover ongoing costs associated with
22 the operation of the commission.

23 (2) The department shall identify specific outcomes and
24 performance measures for this initiative, including, but not
25 limited to, the department's ability to perform a critical fiscal
26 review to ensure the city of Detroit does not reenter distress
27 following its exit from bankruptcy and to ensure that the community



1 district does not enter distress and maintains a balanced budget.

2 (3) The department must submit a report to the house and
3 senate appropriations subcommittees on general government, the
4 senate and house fiscal agencies, and the state budget director by
5 March 15. The report must describe the specific outcomes and
6 measures required in subsection (1) and provide the results and
7 data related to these outcomes and measures.

8 Sec. 949e. From the funds appropriated in part 1 for the state
9 essential services assessment program, the department of treasury
10 shall administer the state essential services assessment program.
11 The program will provide the department the ability to collect the
12 state essential services assessment which is a phased-in
13 replacement of locally collected personal property taxes on
14 eligible manufacturing personal property.

15 Sec. 949f. Revenue from the tobacco products tax act, 1993 PA
16 327, MCL 205.421 to 205.436, related to counties with a 2000
17 population of more than 2,000,000 is appropriated and shall be
18 distributed under section 12(4)(d) of the tobacco products tax act,
19 1993 PA 327, MCL 205.432.

20 Sec. 949g. From the one-time funds appropriated in part 1 for
21 urban search and rescue task force, \$500,000.00 shall be expended
22 to support the urban search and rescue task force. In distributing
23 funds under this section, the department of treasury shall require
24 the task force to provide to the department the following
25 information:

26 (a) A final year-end report providing information on all
27 revenue received by source and expenditures by categories, with the



1 funds distributed to the task force under section 949g of article
2 VIII of 2016 PA 268 discretely presented.

3 (b) Detail on the proposed expenditure of the funds
4 distributed under this section.

5 (c) A final year-end report providing information on all
6 revenue received by source and expenditures by categories, with the
7 funds distributed under this section discretely presented.

8 Sec. 949h. Revenue from part 6 of the medical marihuana
9 facilities licensing act, 2016 PA 281, MCL 333.27601 to 333.27605,
10 is appropriated and distributed pursuant to part 6 of the medical
11 marihuana facilities licensing act, 2016 PA 281, MCL 333.27601 to
12 333.27605.

13 Sec. 949j. All funds in the wrongful imprisonment compensation
14 fund created in the wrongful imprisonment compensation act, 2016 PA
15 343, MCL 691.1751 to 691.1757, are appropriated and available for
16 expenditure. Expenditures are limited to support wrongful
17 imprisonment compensation payments pursuant to section 6 of the
18 wrongful imprisonment compensation act, 2016 PA 343, MCL 691.1756.

19 **REVENUE SHARING**

20 Sec. 950. The funds appropriated in part 1 for constitutional
21 revenue sharing shall be distributed by the department of treasury
22 to cities, villages, and townships, as required under section 10 of
23 article IX of the state constitution of 1963. Revenue collected in
24 accordance with section 10 of article IX of the state constitution
25 of 1963 in excess of the amount appropriated in part 1 for
26 constitutional revenue sharing is appropriated for distribution to
27 cities, villages, and townships, on a population basis as required



1 under section 10 of article IX of the state constitution of 1963.

2 Sec. 952. (1) The funds appropriated in part 1 for city,
3 village, and township revenue sharing are for grants to cities,
4 villages, and townships such that, subject to fulfilling the
5 requirements under subsection (3), each city, village, or township
6 is eligible to receive 100% of its eligible payment under section
7 952 of article VIII of 2016 PA 268. For purposes of this
8 subsection, any city, village, or township that completely merges
9 with another city, village, or township will be treated as a single
10 entity, such that when determining the eligible payment under
11 section 952 of article VIII of 2016 PA 268 for the combined single
12 entity, the amount each of the merging local units was eligible to
13 receive under section 952 of article VIII of 2016 PA 268 is summed.
14 For purposes of this subsection, population is determined in the
15 same manner as under section 3 of the Glenn Steil state revenue
16 sharing act of 1971, 1971 PA 140, MCL 141.903. In addition, any
17 city or village that according to the 2010 federal decennial census
18 is determined to have population in more than 1 county shall be
19 treated as a single entity when determining the eligible payment
20 under section 952 of article VIII of 2016 PA 268.

21 (2) The funds appropriated in part 1 for the county incentive
22 program are to be used for grants to counties such that each county
23 is eligible to receive an amount equal to 20% of the amount by
24 which the balance in its revenue sharing reserve fund under section
25 44a of the general property tax act, 1893 PA 206, MCL 211.44a, for
26 the county's most recent fiscal year that ends prior to the January
27 1 of the state's fiscal year is less than the amount calculated



1 under section 44a(14) of the general property tax act, 1893 PA 206,
2 MCL 211.44a, for the county fiscal year that begins in the state's
3 fiscal year. The amount calculated under this subsection shall be
4 adjusted as necessary to reflect partial county fiscal years and
5 prorated based on the total amount appropriated for distribution to
6 all eligible counties. Except as otherwise provided under this
7 subsection, payments under this subsection will be distributed to
8 an eligible county subject to the county's fulfilling the
9 requirements under subsection (3).

10 (3) For purposes of accountability and transparency, each
11 eligible city, village, township, or county shall certify by
12 December 1, or the first day of a payment month, that it has
13 produced a citizen's guide of its most recent local finances,
14 including a recognition of its unfunded liabilities; a performance
15 dashboard; a debt service report containing a detailed listing of
16 its debt service requirements, including, at a minimum, the
17 issuance date, issuance amount, type of debt instrument, a listing
18 of all revenues pledged to finance debt service by debt instrument,
19 and a listing of the annual payment amounts until maturity; and a
20 projected budget report, including, at a minimum, the current
21 fiscal year and a projection for the immediately following fiscal
22 year. The projected budget report shall include revenues and
23 expenditures and an explanation of the assumptions used for the
24 projections. Each eligible city, village, township, or county shall
25 include in any mailing of general information to its citizens the
26 internet website address location for its citizen's guide,
27 performance dashboard, debt service report, and projected budget



1 report or the physical location where these documents are available
2 for public viewing in the city, village, township, or county
3 clerk's office. Each city, village, township, and county applying
4 for a payment under this subsection shall submit a copy of the
5 performance dashboard, a copy of the debt service report, and a
6 copy of the projected budget report to the department of treasury.
7 In addition, each eligible city, village, township, or county
8 applying for a payment under this subsection shall either submit a
9 copy of the citizen's guide or certify that the city, village,
10 township, or county will be utilizing treasury's online citizen's
11 guide. The department of treasury shall develop detailed guidance
12 for a city, village, township, or county to follow to meet the
13 requirements of this subsection. The detailed guidance shall be
14 posted on the department of treasury website and distributed to
15 cities, villages, townships, and counties by October 1.

16 (4) City, village, and township revenue sharing payments and
17 county incentive program payments are subject to the following
18 conditions:

19 (a) The city, village, township, or county shall certify to
20 the department that it has met the required criteria for subsection
21 (3) and submitted the required citizen's guide, performance
22 dashboard, debt service report, and projected budget report as
23 required by subsection (3). A department of treasury review of the
24 citizen's guide, dashboard, or reports is not required in order for
25 a city, village, township, or county to receive a payment under
26 subsection (1) or (2). The department shall develop a certification
27 process and method for cities, villages, townships, and counties to



1 follow.

2 (b) Subject to subdivisions (c), (d), and (e), if a city,
3 village, township, or county meets the requirements of subsection
4 (3), the city, village, township, or county shall receive its full
5 potential payment under this section.

6 (c) Cities, villages, and townships eligible to receive a
7 payment under subsection (1) shall receive 1/6 of their eligible
8 payment on the last business day of October, December, February,
9 April, June, and August. Payments under subsection (1) shall be
10 issued to cities, villages, and townships until the specified due
11 date for subsection (3). After the specified due date for
12 subsection (3), payments shall be made to a city, village, or
13 township only if that city, village, or township has complied with
14 subdivision (a).

15 (d) Payments under subsection (2) shall be issued to counties
16 until the specified due date for subsection (3). After the
17 specified due date for subsection (3), payments shall be made to a
18 county only if that county has complied with subdivision (a).

19 (e) If a city, village, township, or county does not submit
20 the required certification, citizen's guide, performance dashboard,
21 debt service report, and projected budget report by the first day
22 of a payment month, the city, village, township, or county shall
23 forfeit the payment in that payment month.

24 (f) Any city, village, township, or county that falsifies
25 certification documents shall forfeit any future city, village, and
26 township revenue sharing payments or county incentive program
27 payments and shall repay to this state all payments it has received



1 under this section.

2 (g) City, village, and township revenue sharing payments and
3 county incentive program payments under this section shall be
4 distributed on the last business day of October, December,
5 February, April, June, and August.

6 (h) Payments distributed under this section may be withheld
7 pursuant to sections 17a and 21 of the Glenn Steil state revenue
8 sharing act of 1971, 1971 PA 140, MCL 141.917a and 141.921.

9 (5) The unexpended funds appropriated in part 1 for city,
10 village, and township revenue sharing and the county incentive
11 program shall be available for expenditure under the program for
12 financially distressed cities, villages, and townships after the
13 approval of transfers by the legislature pursuant to section 393(2)
14 of the management and budget act, 1984 PA 431, MCL 18.1393.

15 Sec. 955. (1) The funds appropriated in part 1 for county
16 revenue sharing shall be distributed by the department of treasury
17 so that each eligible county receives a payment equal to 100.976%
18 of the amount determined pursuant to the Glenn Steil state revenue
19 sharing act of 1971, 1971 PA 140, MCL 141.901 to 141.921, less the
20 amount for which the county is eligible under section 952(2). The
21 amount calculated under this subsection shall be adjusted as
22 necessary to reflect partial county fiscal years and prorated based
23 on the total amount appropriated for distribution to all eligible
24 counties.

25 (2) The department of treasury shall annually certify to the
26 state budget director the amount each county is authorized to
27 expend from its revenue sharing reserve fund.



1 Sec. 956. (1) The funds appropriated in part 1 for financially
2 distressed cities, villages, and townships shall be granted by the
3 department of treasury to cities, villages, and townships that have
4 1 or more conditions that indicate probable financial distress, as
5 determined by the department of treasury. A city, village, or
6 township with 1 or more conditions that indicate probable financial
7 distress may apply in a manner determined by the department of
8 treasury for a grant to pay for specific projects or services that
9 move the city, village, or township toward financial stability.
10 Grants are to be used for specific projects or services that move
11 the city, village, or township toward financial stability. The
12 city, village, or township must use the grants under this section
13 to make payments to reduce unfunded accrued liability; to repair or
14 replace critical infrastructure and equipment owned or maintained
15 by the city, village, or township; to reduce debt obligations; or
16 for costs associated with a transition to shared services with
17 another jurisdiction. The department of treasury shall award no
18 more than \$2,000,000.00 to any city, village, or township under
19 this section.

20 (2) The department of treasury shall provide a report to the
21 senate and house of representatives appropriations subcommittees on
22 general government, the senate and house fiscal agencies, and the
23 state budget office by March 31. The report shall include a list by
24 grant recipient of the date each grant was approved, the amount of
25 the grant, and a description of the project or projects that will
26 be paid by the grant.

27 (3) The unexpended funds appropriated in part 1 for



1 financially distressed cities, villages, and townships are
2 designated as a work project appropriation, and any unencumbered or
3 unallotted funds shall not lapse at the end of the fiscal year and
4 shall be available for expenditure for projects under this section
5 until the projects have been completed. The following is in
6 compliance with section 451a of the management and budget act, 1984
7 PA 431, MCL 18.1451a:

8 (a) The purpose of the project is to provide assistance to
9 financially distressed cities, villages, and townships under this
10 section.

11 (b) The projects will be accomplished by grants to cities,
12 villages, and townships approved by the department of treasury.

13 (c) The total estimated cost of all projects is \$4,999,900.00.

14 (d) The tentative completion date is September 30, 2022.

15 Sec. 957. (1) From the 1-time funds appropriated in part 1 for
16 supplemental revenue sharing, a city, village, or township eligible
17 for a payment under section 952 shall receive a payment equal to
18 the population of the city, village, or township multiplied by
19 1.62396, rounded to the nearest dollar. For purposes of this
20 section, population is determined in the same manner as under
21 section 3 of the Glenn Steil state revenue sharing act of 1971,
22 1971 PA 140, MCL 141.903. In addition, any city or village that
23 according to the 2010 federal decennial census is determined to
24 have population in more than 1 county shall be treated as a single
25 entity when determining the payment received under this section.

26 (2) Cities, villages, and townships eligible to receive a
27 payment under subsection (1) shall receive 1/6 of their eligible



1 payment on the last business day of October, December, February,
2 April, June, and August.

3 **BUREAU OF STATE LOTTERY**

4 Sec. 960. In addition to the funds appropriated in part 1 to
5 the bureau of state lottery, there is appropriated from state
6 lottery fund revenues the amount necessary for, and directly
7 related to, implementing and operating lottery games under the
8 McCauley-Traxler-Law-Bowman-McNeely lottery act, 1972 PA 239, MCL
9 432.1 to 432.47, and activities under the Traxler-McCauley-Law-
10 Bowman bingo act, 1972 PA 382, MCL 432.101 to 432.120, including
11 expenditures for contractually mandated payments for vendor
12 commissions, contractually mandated payments for instant tickets
13 intended for resale, the contractual costs of providing and
14 maintaining the online system communications network, and incentive
15 and bonus payments to lottery retailers.

16 Sec. 963. The bureau of state lottery shall inform all lottery
17 retailers that the cash side of MDHHS bridge cards cannot be used
18 to purchase lottery tickets.

19 Sec. 964. For the bureau of state lottery, there is
20 appropriated 1% of the lottery's prior fiscal year's gross sales or
21 \$25,000,000.00, whichever is less, for promotion and advertising.

22 **CASINO GAMING**

23 Sec. 971. From the revenue collected by the Michigan gaming
24 control board regarding the total annual assessment of each casino
25 licensee, \$2,000,000.00 is appropriated and shall be deposited in
26 the compulsive gaming prevention fund as described in section
27 12a(5) of the Michigan gaming control and revenue act, 1996 IL 1,



1 MCL 432.212a.

2 Sec. 973. (1) Funds appropriated in part 1 for local
3 government programs may be used to provide assistance to a local
4 revenue sharing board referenced in an agreement authorized by the
5 Indian gaming regulatory act, Public Law 100-497.

6 (2) A local revenue sharing board described in subsection (1)
7 shall comply with the open meetings act, 1976 PA 267, MCL 15.261 to
8 15.275, and the freedom of information act, 1976 PA 442, MCL 15.231
9 to 15.246.

10 (3) A county treasurer is authorized to receive and administer
11 funds received for and on behalf of a local revenue sharing board.
12 Funds appropriated in part 1 for local government programs may be
13 used to audit local revenue sharing board funds held by a county
14 treasurer. This section does not limit the ability of local units
15 of government to enter into agreements with federally recognized
16 Indian tribes to provide financial assistance to local units of
17 government or to jointly provide public services.

18 (4) A local revenue sharing board described in subsection (1)
19 shall comply with all applicable provisions of any agreement
20 authorized by the Indian gaming regulatory act, Public Law 100-497,
21 in which the local revenue sharing board is referenced, including,
22 but not limited to, the disbursement of tribal casino payments
23 received under applicable provisions of the tribal-state class III
24 gaming compact in which those funds are received.

25 (5) The director of the department of state police and the
26 executive director of the Michigan gaming control board are
27 authorized to assist the local revenue sharing boards in



1 determining allocations to be made to local public safety
2 organizations.

3 (6) The Michigan gaming control board shall submit a report by
4 September 30 to the senate and house of representatives standing
5 committees on appropriations and the state budget director on the
6 receipts and distribution of revenues by local revenue sharing
7 boards.

8 Sec. 974. If revenues collected in the state services fee fund
9 are less than the amounts appropriated from the fund, available
10 revenues shall be used to fully fund the appropriation in part 1
11 for casino gaming regulation activities before distributions are
12 made to other state departments and agencies. If the remaining
13 revenue in the fund is insufficient to fully fund appropriations to
14 other state departments or agencies, the shortfall shall be
15 distributed proportionally among those departments and agencies.

16 Sec. 976. The executive director of the Michigan gaming
17 control board may pay rewards of not more than \$5,000.00 to a
18 person who provides information that results in the arrest and
19 conviction on a felony or misdemeanor charge for a crime that
20 involves the horse racing industry. A reward paid pursuant to this
21 section shall be paid out of the appropriation in part 1 for the
22 racing commission.

23 Sec. 977. All appropriations from the Michigan agriculture
24 equine industry development fund, except for the racing commission
25 and laboratory analysis program appropriations, shall be reduced
26 proportionately if revenues to the Michigan agriculture equine
27 industry development fund decline during the fiscal year ending



1 September 30, 2018 to a level lower than the amount appropriated in
2 part 1.

3 Sec. 978. The Michigan gaming control board shall use actual
4 expenditure data in determining the actual regulatory costs of
5 conducting racing dates and shall provide that data to the senate
6 and house appropriations subcommittees on agriculture and general
7 government, the state budget office, and the senate and house
8 fiscal agencies. The Michigan gaming control board shall not be
9 reimbursed for more than the actual regulatory cost of conducting
10 race dates. If a certified horsemen's organization funds more than
11 the actual regulatory cost, the balance shall remain in the
12 agriculture equine industry development fund to be used to fund
13 subsequent race dates conducted by race meeting licensees with
14 which the certified horsemen's organization has contracts. If a
15 certified horsemen's organization funds less than the actual
16 regulatory costs of the additional horse racing dates, the Michigan
17 gaming control board shall reduce the number of future race dates
18 conducted by race meeting licensees with which the certified
19 horsemen's organization has contracts. Prior to the reduction in
20 the number of authorized race dates due to budget deficits, the
21 executive director of the Michigan gaming control board shall
22 provide notice to the certified horsemen's organizations with an
23 opportunity to respond with alternatives. In determining actual
24 costs, the Michigan gaming control board shall take into account
25 that each specific breed may require different regulatory
26 mechanisms.

27 Sec. 979. In addition to the funds appropriated in part 1, the



1 Michigan gaming control board may receive and expend state lottery
2 fund revenue in an amount not to exceed \$3,000,000.00 for necessary
3 expenses incurred in the licensing and regulation of millionaire
4 parties pursuant to Executive Order No. 2012-4. In accordance with
5 section 8 of the Traxler-McCauley-Law-Bowman bingo act, 1972 PA
6 382, MCL 432.108, the amount of necessary expenses shall not exceed
7 the amount of revenue received under that act. The Michigan gaming
8 control board shall provide a report to the senate and house of
9 representatives appropriations subcommittees on general government,
10 the senate and house fiscal agencies, and the state budget office
11 by April 15. The report shall include, but not be limited to, total
12 expenditures related to the licensing and regulating of millionaire
13 parties, steps taken to ensure charities are receiving revenue due
14 to them, progress on promulgating rules to ensure compliance with
15 the Traxler-McCauley-Law-Bowman bingo act, 1972 PA 382, MCL 432.101
16 to 432.120, and any enforcement actions taken.

17 **DEPARTMENT OF TALENT AND ECONOMIC DEVELOPMENT**

18 Sec. 980. (1) In addition to the funds appropriated in part 1,
19 there is appropriated an amount not to exceed \$30,000,000.00 for
20 federal contingency funds. These funds are not available for
21 expenditure until they have been transferred to another line item
22 in part 1 under section 393(2) of the management and budget act,
23 1984 PA 431, MCL 18.1393.

24 (2) In addition to the funds appropriated in part 1, there is
25 appropriated an amount not to exceed \$10,000,000.00 for state
26 restricted contingency funds. These funds are not available for



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

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

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

16 Sec. 981. Total authorized appropriations from all sources
17 under part 1 for legacy costs for the fiscal year ending September
18 30, 2018 are \$32,357,000.00. From this amount, total agency
19 appropriations for pension-related legacy costs are estimated at
20 \$16,651,100.00. Total agency appropriations for retiree health care
21 legacy costs are estimated at \$15,705,900.00.

22 Sec. 982. Federal pass-through funds to local institutions and
23 governments that are received in amounts in addition to those
24 included in part 1 and that do not require additional state
25 matching funds are appropriated for the purposes intended. The
26 department may carry forward into the succeeding fiscal year
27 unexpended federal pass-through funds to local institutions and



1 governments that do not require additional state matching funds.
2 The department shall report the amount and source of the funds to
3 the senate and house appropriation subcommittees on general
4 government, the senate and house fiscal agencies, and the state
5 budget office within 10 business days after receiving any
6 additional pass-through funds.

7 **MICHIGAN STRATEGIC FUND - HOUSING AND COMMUNITY DEVELOPMENT**

8 Sec. 990. MSHDA shall annually present a report to the state
9 budget office and the subcommittees on the status of the
10 authority's housing production goals under all financing programs
11 established or administered by the authority. The report shall give
12 special attention to efforts to raise affordable multifamily
13 housing production goals.

14 Sec. 994. In addition to the funds appropriated in part 1, the
15 funds collected by state historic preservation programs for
16 document reproduction and services and application fees are
17 appropriated for all expenses necessary to provide the required
18 services. These funds are available for expenditure when they are
19 received and may be carried forward into the succeeding fiscal
20 year.

21 Sec. 995. In addition to the amounts appropriated in part 1,
22 the land bank fast track authority may expend revenues received
23 under the land bank fast track act, 2003 PA 258, MCL 124.751 to
24 124.774, for the purposes authorized by the act, including, but not
25 limited to, the acquisition, lease, management, demolition,
26 maintenance, or rehabilitation of real or personal property,
27 payment of debt service for notes or bonds issued by the authority,



1 and other expenses to clear or quiet title property held by the
2 authority.

3 **MICHIGAN STRATEGIC FUND**

4 Sec. 1005. In addition to the appropriations in part 1, Travel
5 Michigan may receive and expend private revenue related to the use
6 of "Pure Michigan" and all other copyrighted slogans and images.
7 This revenue may come from the direct licensing of the name and
8 image or from the royalty payments from various merchandise sales.
9 Revenue collected is appropriated for the marketing of the state as
10 a travel destination. The funds are available for expenditure when
11 they are received by the department of treasury. The fund shall
12 provide a report that lists the revenues by source received from
13 the use of "Pure Michigan" and all other copyrighted slogans and
14 images. The report shall provide a detailed list of expenditures of
15 revenues received under this section. The report shall be provided
16 to the appropriations subcommittees on general government, the
17 fiscal agencies, and the state budget office by April 10.

18 Sec. 1007. (1) The fund shall provide reports to the relevant
19 subcommittees, the state budget director, and the fiscal agencies
20 concerning the activities of the MEDC grants and investment
21 programs financed from the fund using investment, Indian gaming
22 revenues, or other revenues. The report shall provide a list of
23 individual grants, loans, and investments made from the fund or by
24 the MEDC from the funds appropriated in part 1 and shall include
25 the name of the recipient, the amount awarded to the recipient, and
26 the purpose of the grant. The activities report shall also include,
27 but not be limited to, the following programs funded in part 1:



1 (a) Travel Michigan, including any expenditures authorized
2 under section 89b of the Michigan strategic fund act, 1984 PA 270,
3 MCL 125.2089b, to supplement the Michigan promotion program or Pure
4 Michigan programs. The report shall include the number of
5 commercials produced, the types of media purchased, and the target
6 of tourism promotion used in Michigan tourism promotion material.

7 (b) Business attraction, retention, and growth, including any
8 expenditures authorized under section 89b of the Michigan strategic
9 fund act, 1984 PA 270, MCL 125.2089b, to supplement the Michigan
10 business marketing program. The report shall include the number of
11 commercials produced, the markets in which media buys have been
12 made, and any web-based products that were created as a result of
13 this appropriation.

14 (c) Community development block grants.

15 (d) Strategic fund administration.

16 (e) Renaissance zones.

17 (f) 21st century investment program.

18 (g) Michigan business development program.

19 (h) Community revitalization program.

20 (i) Core community fund.

21 (j) Any other programs of the fund.

22 (2) As a condition of the expenditure of funds appropriated in
23 part 1 for business attraction and community revitalization, the
24 fund shall submit a report to the chairpersons of the senate and
25 house of representatives standing committees on appropriations, the
26 chairpersons of the senate and house of representatives standing
27 committees on appropriations subcommittees on general government,



1 the senate and house fiscal agencies, and the state budget office
2 that provides performance metrics for the Michigan business
3 development program and community revitalization program. The
4 report shall include, but is not limited to, all of the following
5 for all appropriated funds that are available during the fiscal
6 year:

7 (a) Total verified jobs created, as required by statute,
8 compared to total committed jobs.

9 (b) Total actual private investment compared to total
10 projected private investment.

11 (c) An estimate of the return on investment to the state as a
12 result of the incentives.

13 (d) A listing of projects previously awarded incentives that
14 were revoked and the reason for revocation.

15 (e) A listing of projects that had incentive contracts amended
16 by the fund or MEDC. The listing shall include a detailed listing
17 of the amendments made to the contract.

18 (3) The reports in subsections (1) and (2) shall be submitted
19 by March 15. The report for each program in subsection (1) (a)
20 through (j) shall include details on all revenue sources, actual
21 expenditures, and number of FTEs for that program for the previous
22 fiscal year.

23 Sec. 1008. As a condition of receiving funds under part 1, any
24 interlocal agreement entered into by the fund shall include
25 language which states that if a local unit of government has a
26 contract or memorandum of understanding with a private economic
27 development agency, the MEDC will work cooperatively with that



1 private organization in that local area.

2 Sec. 1009. (1) Of the funds appropriated to the fund or
3 through grants to the MEDC, no funds shall be expended for the
4 purchase of options on land or the purchase of land unless at least
5 1 of the following conditions applies:

6 (a) The land is located in an economically distressed area.

7 (b) The land is obtained through a purchase or exercise of an
8 option at the invitation of the local unit of government and local
9 economic development agency.

10 (2) Consideration may be given to purchases where the proposed
11 use of the land is consistent with a regional land use plan, will
12 result in the redevelopment of an economically distressed area, can
13 be supported by existing infrastructure, and will not cause shifts
14 in population away from the area's population centers.

15 (3) As used in this section, "economically distressed area"
16 means an area in a city, village, or township that has been
17 designated as blighted; a city, village, or township that shows
18 negative population change from 1970 and a poverty rate and
19 unemployment rate greater than the statewide average; or an area
20 certified as a neighborhood enterprise zone under the neighborhood
21 enterprise zone act, 1992 PA 147, MCL 207.771 to 207.786.

22 (4) The fund shall provide a report to the senate and house of
23 representatives appropriations subcommittees on general government,
24 the senate and house fiscal agencies, and the state budget office
25 that provides a list of all properties purchased, all options on
26 land purchased, the location of the land purchased, and the
27 purchase price. The report must be submitted before April 10.



1 Sec. 1010. As a condition for receiving funds in part 1, not
2 later than April 10, the fund shall provide a report for the
3 immediately preceding fiscal year on the jobs for Michigan
4 investment fund, created in section 88h of the Michigan strategic
5 fund act, 1984 PA 270, MCL 125.2088h. The report shall be submitted
6 to the chairpersons of the senate and house of representatives
7 standing committees on appropriations, the chairpersons of the
8 senate and house of representatives standing committees on
9 appropriations subcommittees on general government, the senate and
10 house fiscal agencies, and the state budget office. The report
11 shall include, but is not limited to, all of the following:

12 (a) A detailed listing of revenues, by fund source, to the
13 jobs for Michigan investment fund. The listing shall include the
14 manner and reason for which the funds were appropriated to the jobs
15 for Michigan investment fund.

16 (b) A detailed listing of expenditures, by project, from the
17 jobs for Michigan investment fund.

18 (c) A fiscal year-end balance of the jobs for Michigan
19 investment fund.

20 Sec. 1011. (1) From the appropriations in part 1 to the fund
21 and granted or transferred to the MEDC, any unexpended or
22 unencumbered balance shall be disposed of in accordance with the
23 requirements in the management and budget act, 1984 PA 431, MCL
24 18.1101 to 18.1594, unless carryforward authorization has been
25 otherwise provided for.

26 (2) Any encumbered funds shall be used for the same purposes
27 for which funding was originally appropriated in this part and part



1 1.

2 Sec. 1012. (1) As a condition of receiving funds under part 1,
3 the fund shall ensure that the MEDC and the fund comply with all of
4 the following:

5 (a) The freedom of information act, 1976 PA 442, MCL 15.231 to
6 15.246.

7 (b) The open meetings act, 1976 PA 267, MCL 15.261 to 15.275.

8 (c) Annual audits of all financial records by the auditor
9 general or his or her designee.

10 (d) All reports required by law to be submitted to the
11 legislature.

12 (2) If the MEDC is unable for any reason to perform duties
13 under this part, the fund may exercise those duties.

14 Sec. 1013. As a condition for receiving the appropriations in
15 part 1, any staff of the MEDC involved in private fund-raising
16 activities shall not be party to any decisions regarding the
17 awarding of grants, incentives, or tax abatements from the fund,
18 the MEDC, or the Michigan economic growth authority.

19 Sec. 1024. From the funds appropriated in part 1 for business
20 attraction and community revitalization, not less than
21 \$20,000,000.00 shall be granted by the fund board for brownfield
22 redevelopment and historic preservation projects under the
23 community revitalization program authorized by chapter 8C of the
24 Michigan strategic fund act, 1984 PA 270, MCL 125.2090 to
25 125.2090d.

26 Sec. 1032. (1) The department shall report to the relevant
27 subcommittees, the state budget director, and the fiscal agencies



1 on the status of the film incentives at the same time as it submits
2 the annual report required under section 455 of the Michigan
3 business tax act, 2007 PA 36, MCL 208.1455. The department of
4 treasury shall provide the department of talent and economic
5 development with the data necessary to prepare the report.
6 Incentives included in the report shall include all of the
7 following:

8 (a) The tax credit provided under section 455 of the Michigan
9 business tax act, 2007 PA 36, MCL 208.1455.

10 (b) The tax credit provided under section 457 of the Michigan
11 business tax act, 2007 PA 36, MCL 208.1457.

12 (c) The tax credit provided under section 459 of the Michigan
13 business tax act, 2007 PA 36, MCL 208.1459.

14 (d) The amount of any tax credit claimed under former section
15 367 of the income tax act of 1967, 1967 PA 281.

16 (e) Any tax credits provided for film and digital media
17 production under the Michigan economic growth authority act, 1995
18 PA 24, MCL 207.801 to 207.810.

19 (f) Loans to an eligible production company or film and
20 digital media private equity fund authorized under section 88d(3),
21 (4), and (5) of the Michigan strategic fund act, 2005 PA 225, MCL
22 125.2088d.

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

24 (a) For each tax credit, the number of contracts signed, the
25 projected expenditures qualifying for the credit, and the estimated
26 value of the credits. For loans, the number of loans made under
27 each section, the interest rate of those loans, the loan amount,



1 the percent of the projected budget of each production financed by
2 those loans, and the estimated interest earnings from the loan.

3 (b) For credits authorized under section 455 of the Michigan
4 business tax act, 2007 PA 36, MCL 208.1455, for productions
5 completed by December 31, the expenditures of each production
6 eligible for the credit that has filed a request for certificate of
7 completion with the film office, broken down into expenditures for
8 goods, services, or salaries and wages and showing separately
9 expenditures in each local unit of government, including
10 expenditures for personnel, whether or not they were made to a
11 Michigan entity, and whether or not they were taxable under the
12 laws of this state. For loans, the report shall include the number
13 of loans that have been fully repaid, with principal and interest
14 shown separately, and the number of loans that are delinquent or in
15 default, and the amount of principal that is delinquent or is in
16 default.

17 (c) For each of the tax credit incentives and loan incentives
18 listed in subsection (1), a breakdown for each project or
19 production showing each of the following:

20 (i) The number of temporary jobs created.

21 (ii) The number of permanent jobs created.

22 (iii) The number of persons employed in Michigan as a result
23 of the incentive, on a full-time equated basis.

24 (3) For any information not included in the report due to the
25 provisions of section 455(6), 457(6), or 459(6) of the Michigan
26 business tax act, 2007 PA 36, MCL 208.1455, 208.1457, and 208.1459,
27 the report shall do all of the following:



1 (a) Indicate how the information would describe the commercial
2 and financial operations or intellectual property of the company.

3 (b) Attest that the information has not been publicly
4 disseminated at any time.

5 (c) Describe how disclosure of the information may put the
6 company at a competitive disadvantage.

7 (4) Any information not disclosed due to the provisions of
8 section 455(6), 457(6), or 459(6) of the Michigan business tax act,
9 2007 PA 36, MCL 208.1455, 208.1457, and 208.1459, shall be
10 presented at the lowest level of aggregation that would no longer
11 describe the commercial and financial operations or intellectual
12 property of the company.

13 Sec. 1033. As a condition of receiving funds in part 1, not
14 later than March 15, the department of talent and economic
15 development shall provide a report on the activities of the
16 Michigan film and digital media office for the immediately
17 preceding fiscal year. The report shall be submitted to the
18 chairpersons of the senate and house of representatives
19 subcommittees on general government, the senate and house fiscal
20 agencies, and the state budget office. The report shall include,
21 but not be limited to, a listing of all projects the Michigan film
22 and digital media office provided assistance on, a listing of the
23 services provided for each project, and an estimate of investment
24 leveraged.

25 Sec. 1034. Each business incubator or accelerator that
26 received an award from the fund shall maintain and update a
27 dashboard of indicators to measure the effectiveness of the



1 business incubator and accelerator programs. Indicators shall
2 include the direct jobs created, new companies launched as a direct
3 result of business incubator or accelerator involvement, businesses
4 expanded as a direct result of business incubator or accelerator
5 involvement, direct investment in client companies, private equity
6 financing obtained by client companies, grant funding obtained by
7 client companies, and other measures developed by the recipient
8 business incubators and accelerators in conjunction with the MEDC.
9 Dashboard indicators shall be reported for the prior fiscal year
10 and cumulatively, if available. Each recipient shall submit a copy
11 of their dashboard indicators to the fund by March 1. The fund
12 shall transmit the local reports to the senate and house of
13 representatives appropriations subcommittees on general government,
14 the senate and house fiscal agencies, and the state budget office
15 by March 15.

16 Sec. 1035. (1) From the appropriation in part 1, the Michigan
17 council for arts and cultural affairs shall administer an arts and
18 cultural grant program that maintains an equitable geographic
19 distribution of funding and utilizes past arts and cultural grant
20 programs as a guideline for administering this program. The council
21 shall do all of the following:

22 (a) On or before October 1, the fund shall publish proposed
23 application criteria, instructions, and forms for use by eligible
24 applicants. The fund shall provide at least a 2-week period for
25 public comment before finalizing the application criteria,
26 instructions, and forms.

27 (b) A nonrefundable application fee may be assessed for each



1 application. Application fees shall be deposited in the council for
2 the arts fund and are appropriated for expenses necessary to
3 administer the programs. These funds are available for expenditure
4 when they are received and may be carried forward to the following
5 fiscal year.

6 (c) Grants are to be made to public and private arts and
7 cultural entities.

8 (d) Within 1 business day after the award announcements, the
9 council shall provide to each member of the legislature and the
10 fiscal agencies a list of all grant recipients and the total award
11 given to each recipient, sorted by county.

12 (e) In addition to the information in subdivision (d), the
13 council shall report on the number of applications received, number
14 of grants awarded, total amount requested from applications
15 received, and total amount of grants awarded.

16 (2) The appropriation in part 1 for arts and cultural program
17 shall not be used for the administration of the grant program.

18 Sec. 1036. (1) The general fund/general purpose funds
19 appropriated in part 1 to the fund for business attraction and
20 community revitalization shall be transferred to the 21st century
21 jobs trust fund per section 90b(3) of the Michigan strategic fund
22 act, 1984 PA 270, MCL 125.2090b.

23 (2) Funds transferred to the 21st century jobs trust fund
24 under subsection (1) are appropriated and available for allocation
25 as authorized in the Michigan strategic fund act, 1984 PA 270, MCL
26 125.2001 to 125.2094.

27 Sec. 1038. (1) From the funds appropriated in part 1, the



1 department shall work with Michigan State University to gather
2 information and create an annual progress report on the
3 construction of the Facility for Rare Isotope Beams. The report
4 shall include, but is not limited to, the following information:

5 (a) If construction is ahead of the scheduled timeline made
6 with the United States Department of Energy at the end of the
7 previous fiscal year and the number of weeks.

8 (b) If the cost of construction is under or over the amount
9 projected for the previous fiscal year and the amount.

10 (c) The number of Michigan companies that have been contracted
11 for the project, the total amount of those contracts, and number of
12 permanent and temporary employees employed in the previous fiscal
13 year.

14 (2) The department shall report to the state budget director,
15 appropriations subcommittees, senate and house appropriation
16 subcommittees on general government, and senate and house fiscal
17 agencies by March 15. If information is not provided by Michigan
18 State University by March 15, the department shall provide notice
19 of steps taken to get the required information and when it will be
20 available.

21 Sec. 1040. As a condition of receiving funds in part 1, the
22 department of talent and economic development shall utilize MAIN,
23 or a successor MDTMB-administered administrative information system
24 used across state government, as an appropriation and expenditure
25 reporting system to track all financial transactions with
26 individual vendors, contractual partners, grantees, recipients of
27 business incentives, and recipients of other economic assistance.



1 Encumbrances and expenditures shall be reported in a timely manner.

2 Sec. 1041. From the funds appropriated in part 1 for business
3 attraction and community revitalization, the fund shall request the
4 transfer by the state treasurer of not more than 50% of the funds
5 prior to April 1.

6 Sec. 1042. For the funds appropriated in part 1 for business
7 attraction and community revitalization, the fund shall report
8 quarterly on the amount of funds considered appropriated, pre-
9 encumbered, encumbered, and expended. The report shall also include
10 a listing of all previous appropriations for business attraction
11 and community revitalization, or a predecessor, that were
12 considered appropriated, pre-encumbered, encumbered, or expended
13 that have lapsed back to the fund for any purpose. The report shall
14 be submitted to the chairpersons of the senate and house of
15 representatives standing committees on appropriations, the
16 chairpersons of the senate and house of representatives standing
17 committees on appropriations subcommittees on general government,
18 the senate and house fiscal agencies, and the state budget office.

19 Sec. 1043. (1) The fund, in conjunction with the department of
20 treasury, shall report to the senate and house of representatives
21 appropriations subcommittees on general government, the senate and
22 house fiscal agencies, and the state budget office by November 1 on
23 the annual cost of the Michigan economic growth authority tax
24 credits. The report shall include for each year the board-approved
25 credit amount, adjusted for credit amendments where applicable, and
26 the actual and projected value of tax credits for each year from
27 1995 to the expiration of the credit program. For years for which



1 credit claims are complete, the report shall include the total of
2 actual certificated credit amounts. For years for which claims are
3 still pending or not yet submitted, the report shall include a
4 combination of actual credits where available and projected
5 credits. Credit projections shall be based on updated estimates of
6 employees, wages, and benefits for eligible companies.

7 (2) In addition to the report under subsection (1), the fund,
8 in conjunction with the department of treasury, shall report to the
9 senate and house of representatives appropriations subcommittees on
10 general government, the senate and house fiscal agencies, and the
11 state budget office by November 1 on the annual cost of all other
12 certificated credits by program, for each year until the credits
13 expire or can no longer be collected. The report shall include
14 estimates on the brownfield redevelopment credit, film credits,
15 MEGA photovoltaic technology credit, MEGA polycrystalline silicon
16 manufacturing credit, MEGA vehicle battery credit, and other
17 certificated credits.

18 Sec. 1044. As a condition of receiving funds in part 1, the
19 fund and the MEDC are prohibited from awarding or transferring tax
20 credits to an owner of a facility with operations that include
21 carbon steel melting, casting, hot and cold rolling, and finishing
22 located in the city of Dearborn prior to the passage of legislation
23 authorizing the award or transfer of tax credits.

24 Sec. 1050. (1) From the funds appropriated in part 1 for
25 business attraction and community revitalization, the department
26 shall identify specific outcomes and performance measures,
27 including, but not limited to, the following:



1 (a) Total verified jobs created during the fiscal year ending
2 September 30, 2018.

3 (b) Total private investment obtained during the fiscal year
4 ending September 30, 2018.

5 (c) Amount of private and public square footage created and
6 reactivated during the fiscal year ending September 30, 2018.

7 (2) The department must submit a report to the house and
8 senate appropriations subcommittees on general government, the
9 senate and house fiscal agencies, and the state budget director by
10 March 15. The report must describe the specific outcomes and
11 measures required in subsection (1) and provide the results and
12 data related to these outcomes and measures for the prior fiscal
13 year if related information is available for the prior fiscal year.

14 Sec. 1054. (1) For the funds appropriated in part 1 for
15 protect and grow, the department shall identify specific outcomes
16 and performance measures, including, but not limited to, the
17 following:

18 (a) Funding commitments made by federal and private sources
19 during the fiscal year ending September 30, 2018.

20 (b) Dollar amount invested, by location, in Michigan defense
21 infrastructure during the fiscal year ending September 30, 2018.

22 (2) The department must submit a report to the house and
23 senate appropriations subcommittees on general government, the
24 senate and house fiscal agencies, and the state budget director by
25 March 15. The report must describe the specific outcomes and
26 measures required in subsection (1) and provide the results and
27 data related to these outcomes and measures for the prior fiscal



1 year if related information is available for the prior fiscal year.

2 **TALENT INVESTMENT AGENCY**

3 Sec. 1060. The talent investment agency shall administer the
4 PATH training program in accordance with the requirements of
5 section 407(d) of title IV of the social security act, 42 USC 607,
6 the state social welfare act, 1939 PA 280, MCL 400.1 to 400.119b,
7 and all other applicable laws and regulations.

8 Sec. 1061. From the funds appropriated in part 1 for workforce
9 programs subgrantees, the talent investment agency may allocate
10 funding for grants to nonprofit organizations that offer programs
11 pursuant to the workforce investment act of 1998, Public Law 105-
12 220, or the workforce innovation and opportunity act, 29 USC 3101
13 to 3361, eligible youth focusing on apprenticeship readiness, pre-
14 apprenticeship and apprenticeship activities, entrepreneurship,
15 work-readiness skills, job shadowing, and financial literacy.
16 Organizations eligible for funding under this section must have the
17 capacity to provide similar programs in urban areas, as determined
18 by the United States Bureau of the Census according to the most
19 recent federal decennial census. Additionally, programs eligible
20 for funding under this section must include the participation of
21 local business partners. The talent investment agency shall develop
22 other appropriate eligibility requirements to ensure compliance
23 with applicable federal rules and regulations.

24 Sec. 1062. The talent investment agency shall make available,
25 in person or by telephone, 1 disabled veterans outreach program
26 specialist or local veterans employment representative to Michigan
27 Works! service centers, as resources permit, during hours of



1 operation, and shall continue to make the appropriate placement of
2 veterans and disabled 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 of 1998, Public Law 105-220, workforce innovation and
6 opportunity act, 29 USC 3101 to 3361, or trade adjustment
7 assistance funds available from prior fiscal years are appropriated
8 for the purposes originally intended.

9 (2) The talent investment agency shall report by February 15
10 to the subcommittees, the fiscal agencies, and the state budget
11 office on the amount by fiscal year of federal workforce investment
12 act of 1998, Public Law 105-220, and workforce innovation and
13 opportunity act, 29 USC 3101 to 3361, funds appropriated under this
14 section.

15 Sec. 1065. The talent investment agency shall publish data and
16 reports quarterly on the agency website concerning the status of
17 career technology and Going Pro funded in part 1. The report shall
18 include the following:

19 (a) The number of awardees participating in the program and
20 the names of those awardees organized by major industry group.

21 (b) The amount of funding received by each awardee under the
22 program.

23 (c) Amount of funding leveraged from each awardee or other
24 funding source for each awardee project.

25 (d) Training models established by each awardee.

26 (e) The number of individuals enrolled in a skilled trades
27 training program by awardee.



1 (f) The number of individuals who completed the program and
2 were hired by awardee.

3 (g) The number of applications received and the number of
4 applications approved for each region.

5 (h) The talent investment agency shall expand workforce
6 training and reemployment services to better connect workers to in-
7 demand jobs and identify specific outcomes with performance metrics
8 for this initiative, including, but not limited to, new
9 apprenticeships, jobs created, jobs retained, training completed,
10 and employment retention rate at 6 months, and hourly wage at 6
11 months.

12 Sec. 1066. As a condition of receiving funds in part 1 for
13 Going Pro, the talent investment agency shall administer the
14 program as follows:

15 (a) The talent investment agency shall work cooperatively with
16 grantees to maximize the amount of funds from part 1 that are
17 available for direct training.

18 (b) The talent investment agency, workforce development
19 partners, including regional Michigan Works! agencies, and
20 employers shall collaborate and work cooperatively to prioritize
21 and streamline the expenditure of the funds appropriated in part 1.
22 The talent investment agency shall ensure that Going Pro provides a
23 collaborative statewide network of workforce and employee skill
24 development partners that addresses the employee talent needs
25 throughout the state.

26 (c) The talent investment agency shall ensure that grants are
27 utilized for individual skill enhancement and to address in-demand



1 talent needs in Michigan.

2 (d) The talent investment agency shall develop program goals
3 and detailed guidance for prospective participants to follow to
4 qualify under the program. The program goals and detailed guidance
5 shall be posted on the talent investment agency website and
6 distributed to workforce development partners, including local
7 Michigan Works! agencies, by October 1. Periodic assessments of
8 employer and employee needs shall be evaluated on a regional basis,
9 and the talent investment agency shall identify solutions and goals
10 to be implemented to satisfy those needs. The talent investment
11 agency shall notify the senate and house of representatives
12 standing committees on appropriations, the senate and house of
13 representatives standing committees on appropriations subcommittees
14 on general government, the senate and house fiscal agencies, and
15 the state budget office on any program goal, solution, or guidance
16 changes not fewer than 14 days prior to the finalization and
17 publication of the changes. Revenue received by the talent
18 investment agency for Going Pro may be expended for the purpose of
19 those programs.

20 (e) Up to \$5,000,000.00 of the funds may be expended to match
21 federal funds. The intent of these funds will involve improving and
22 increasing the skill level of employees in skilled trades in the
23 automotive industry and the manufacturing processes within the
24 changing manufacturing environment.

25 Sec. 1068. (1) Of the funds appropriated in part 1 for the
26 workforce training programs, the talent investment agency shall
27 provide a report by March 15 to the senate and house of



1 representatives standing committees on appropriations subcommittees
2 on general government, the state budget director, and the fiscal
3 agencies on the status of the workforce training programs. The
4 report shall include the following:

5 (a) The amount of funding allocated to each Michigan Works!
6 agency and the total funding allocated to the workforce training
7 programs statewide by fund source.

8 (b) The number of participants enrolled in education or
9 training programs by each Michigan Works! agency.

10 (c) The average duration of training for training program
11 participants by each Michigan Works! agency.

12 (d) The number of participants enrolled in remedial education
13 programs and the number of participants enrolled in literacy
14 programs.

15 (e) The number of participants enrolled in programs at 2-year
16 institutions.

17 (f) The number of participants enrolled in 4-year
18 institutions.

19 (g) The number of participants enrolled in proprietary schools
20 or other technical training programs.

21 (h) The number of participants that have completed education
22 or training programs.

23 (i) The number of participants who secured employment in
24 Michigan within 1 year of completing a training program.

25 (j) The number of participants who completed a training
26 program and secured employment in a field related to their
27 training.



1 (k) The average wage earned by participants who completed a
2 training program and secured employment within 1 year.

3 (l) The actual revenues received by the fund source and fund
4 appropriated for each discrete workforce development program area.

5 (2) Data collection for the report shall be for the prior
6 state fiscal year.

7 Sec. 1069. From the funds appropriated in part 1 for Going
8 Pro, an amount not to exceed \$79,000.00 must be awarded to an
9 eligible Michigan-approved 501(c)(3) organization for the purposes
10 of teaching or training restaurant management and culinary arts for
11 career and professional development. The talent investment agency
12 shall oversee funds distributed to an eligible grantee under this
13 section. As used in this section, "eligible Michigan-approved
14 501(c)(3) organization" means an organization that is exempt from
15 taxation under section 501(c)(3) of the internal revenue code of
16 1986, 26 USC 501, that provides the prostart curriculum and
17 training to state-approved career and technical education programs
18 with classification of instructional programs (CIP) codes in the
19 12.05xx category, and that administers national certification for
20 the purpose of restaurant management and culinary arts, for career
21 and professional development.

22 Sec. 1070. (1) From the funds appropriated in part 1 for Going
23 Pro, \$1,000,000.00 must be awarded for a pilot program to assist
24 adults over the age of 23 in obtaining high school diplomas and
25 placement in career training programs.

26 (2) For purposes of this section, an eligible program provider
27 may be a public, nonprofit, or private accredited diploma-granting



1 institution, but must have at least 2 years of experience providing
2 dropout recovery services in the state of Michigan.

3 (3) The department of talent and economic development shall
4 issue a request for qualifications for eligible program providers
5 to participate in the pilot program. To be considered a qualified
6 program provider, the institution must possess all of the
7 following:

8 (a) Experience providing dropout reengagement services.

9 (b) Ability to provide academic intake assessments.

10 (c) Capacity to provide an integrated learning plan.

11 (d) Course catalog that includes access to all graduation
12 requirements.

13 (e) Capability to provide remediation coursework.

14 (f) Means to provide academic resilience assessment and
15 intervention.

16 (g) Capacity to provide employability skills development.

17 (h) Ability to provide WorkKeys preparation.

18 (i) Ability to provide industry credentials.

19 (j) Capability to provide credit for on-the-job training.

20 (k) Access to a robust support framework, including
21 technology, social support, and academic support accredited by a
22 recognized accrediting body.

23 (3) The department shall announce qualified program providers
24 no later than January 1, 2018. Qualified program providers must
25 start providing programming by February 1, 2018.

26 (4) The department of talent and economic development shall
27 reimburse qualified program providers for each month of



1 satisfactory monthly progress as described in section 23a of the
2 state school aid act, 1979 PA 94, MCL 388.1623a, at a rate of
3 \$500.00 per month. A payment shall be made to a qualified program
4 provider for the completion of the following by a pupil:

5 (a) \$500.00 for the completion of an employability skills
6 certification program equal to at least 1 Carnegie unit.

7 (b) \$250.00 for the attainment of an industry-recognized
8 credential requiring up to 50 hours of training.

9 (c) \$500.00 for the attainment of an industry-recognized
10 credential requiring 50 to 100 hours of training.

11 (d) \$750.00 for the attainment of an industry-recognized
12 credential requiring more than 100 hours of training.

13 (e) \$1,000.00 for attainment of a high school diploma.

14 (f) \$2,500.00 for placement in a job in an in-demand career
15 pathway.

16 (5) The department of talent and economic development shall
17 develop policies and guidelines to implement this section.

18 Sec. 1071. From the funds appropriated in part 1 for Going
19 Pro, \$2,500,000.00 must be awarded to an existing dropout
20 prevention and recovery program for youth. The funds must support a
21 program that helps Michigan youth who are at risk of dropping out
22 of high school, or who have already dropped out, to graduate and
23 make successful transitions to postsecondary education or
24 employment.

25 Sec. 1076. The unemployment insurance agency shall provide the
26 senate and house appropriations subcommittees on general
27 government, senate and house fiscal agencies, and the state budget



1 office with quarterly status reports on the implementation of and
2 improvements to the agency's integrated system project. The
3 quarterly status reports shall include, but not be limited to, a
4 summary of the expenditures for the project, a summary of the tasks
5 completed, and a summary of the tasks anticipated to be completed
6 in the subsequent quarter.

7 Sec. 1077. The talent investment agency shall report quarterly
8 to the members of the house and senate committees on
9 appropriations, the chairpersons of the relevant appropriations
10 subcommittees, the senate and house fiscal agencies, and the state
11 budget director on the percentage of unemployment claimants that
12 meet the certification requirements for receiving benefits by using
13 the internet Michigan web account manager system or any application
14 developed for that purpose. The talent investment agency shall
15 implement improvements to the internet Michigan web account manager
16 system that promote greater ease of access and security with a goal
17 of reaching 75% of users certifying by using the internet Michigan
18 web account manager system or another system that reduces staff
19 face time and Michigan automated response voice interactive network
20 telephone system usage.

21 Sec. 1078. (1) From the funds appropriated in part 1 for the
22 unemployment insurance agency, the talent investment agency shall
23 maintain customer service standards for employers and claimants
24 making use of the various means by which they can access the
25 system.

26 (2) The talent investment agency shall identify specific
27 outcomes and performance metrics for this initiative, including,



1 but not limited to, the following:

- 2 (a) Unemployment benefit fund balance.
- 3 (b) Process improvement - fiscal integrity.
- 4 (c) Process improvement - determination timeliness.
- 5 (d) Process improvement - determination quality.

6 Sec. 1079. (1) The talent investment agency shall extend the
7 interagency agreement with the department of health and human
8 services for the duration of the current fiscal year, which
9 concerns TANF funding to provide job readiness and welfare-to-work
10 programming. The interagency agreement shall include specific
11 outcome and performance reporting requirements as described in this
12 section. TANF funding provided to the talent investment agency in
13 the current fiscal year is contingent on compliance with the data
14 and reporting requirements described in this section. The
15 interagency agreement shall require the talent investment agency to
16 provide all of the following items for the previous year to the
17 senate and house appropriations committees by January 1 of the
18 current fiscal year:

19 (a) An itemized spending report on TANF funding, including all
20 of the following:

- 21 (i) Direct services to clients.
- 22 (ii) Administrative expenditures.

23 (b) The number of family independence program clients served
24 through the TANF funding, including all of the following:

25 (i) The number and percentage who obtained employment through
26 Michigan Works!.

27 (ii) The number and percentage who fulfilled their TANF work



1 requirement through other job readiness programming.

2 (iii) Average TANF spending per client.

3 (iv) The number and percentage of clients who were referred to
4 Michigan Works! but did not receive a job or job readiness
5 placement and the reasons why.

6 (2) Not later than March 15 of the current fiscal year, the
7 department shall provide to the senate and house appropriations
8 subcommittees on the department budget, the senate and house fiscal
9 agencies, and the senate and house policy offices an annual report
10 on the following matters itemized by Michigan Works! agency: the
11 number of referrals to Michigan Works! job readiness programs, the
12 number of referrals to Michigan Works! job readiness programs who
13 became a participant in the Michigan Works! job readiness programs,
14 the number of participants who obtained employment, and the cost
15 per participant case.

16 Sec. 1080. (1) From the funds appropriated in part 1 for
17 community ventures, the department of talent and economic
18 development may expend not more than \$2,000,000.00 of the funds as
19 matching funds upon the commitment of matching dollars from private
20 sources. For every \$1.00 the department of talent and economic
21 development elects to receive from a private source for the
22 purposes of a community ventures program match, the department of
23 talent and economic development shall expend \$1.00 from the
24 appropriation in part 1 up to \$2,000,000.00. Funds received from
25 private sources for a community ventures program match are
26 appropriated upon receipt and shall be expended for the purposes of
27 the community ventures program.



1 (2) The department shall identify specific outcomes and
2 performance measures for this initiative, including, but not
3 limited to, the following:

4 (a) The number of commitments from private sources, including
5 the dollar amount committed and source.

6 (b) Additional participants served with challenge funds.

7 (c) Jobs created and the average wage.

8 Sec. 1081. (1) The department shall provide a status update on
9 the statewide system for data integration that established new
10 information technology systems to integrate data for talent and
11 pipeline development to track and report workforce development
12 activities and provide for sustained and expanded longitudinal data
13 analysis between state departments.

14 (2) The department shall provide a report for the current and
15 prior fiscal years on specific outcomes and performance metrics for
16 this initiative, including, but not limited to, the following:

17 (a) Job placements and retention at 6 months.

18 (b) Apprenticeships completed.

19 (c) Average wage.

20 Sec. 1082. As a condition of receiving funds in part 1, the
21 department shall provide a status update on the usage of the funds
22 appropriated for the sustainable employment pilot program in 2016
23 PA 268 and 2016 PA 340. The status update shall include, but not be
24 limited to, all of the following:

25 (a) A description of the sustainable employment initiatives
26 supported with the funds appropriated, including the location of
27 the initiatives.



1 (b) Number of individuals participating in the program
2 supported with the funds appropriated.

3 (c) A listing of performance measures the department uses to
4 measure program effectiveness.

5 (d) Specific outcomes related to the performance measures
6 developed by the department.

7 Sec. 1084. (1) From the funds appropriated in part 1 for Going
8 Pro, the department shall identify specific outcomes and
9 performance measures, including, but not limited to, all of the
10 following:

11 (a) Number of job training grants awarded to employers during
12 the fiscal year ending September 30, 2018.

13 (b) Number of individuals enrolled in and completing training
14 during the fiscal year ending September 30, 2018.

15 (c) Number of new jobs and apprenticeships created during the
16 fiscal year ending September 30, 2018.

17 (2) The department must submit a report to the house and
18 senate appropriations subcommittees on general government, the
19 senate and house fiscal agencies, and the state budget director by
20 March 15. The report must describe the specific outcomes and
21 measures required in subsection (1) and provide the results and
22 data related to these outcomes and measures for the prior fiscal
23 year if related information is available for the prior fiscal year.

24 **STATE BUILDING AUTHORITY**

25 Sec. 1100. (1) Subject to section 242 of the management and
26 budget act, 1984 PA 431, MCL 18.1242, and upon the approval of the



1 state building authority, the department of treasury may expend
2 from the general fund of the state during the fiscal year an amount
3 to meet the cash flow requirements of those state building
4 authority projects solely for lease to a state agency identified in
5 both part 1 and this section, and for which state building
6 authority bonds or notes have not been issued, and for the sole
7 acquisition by the state building authority of equipment and
8 furnishings for lease to a state agency as permitted by 1964 PA
9 183, MCL 830.411 to 830.425, for which the issuance of bonds or
10 notes is authorized by a legislative appropriation act that is
11 effective for the immediately preceding fiscal year. Any general
12 fund advances for which state building authority bonds have not
13 been issued shall bear an interest cost to the state building
14 authority at a rate not to exceed that earned by the state
15 treasurer's common cash fund during the period in which the
16 advances are outstanding and are repaid to the general fund of the
17 state.

18 (2) Upon sale of bonds or notes for the projects identified in
19 part 1 or for equipment as authorized by a legislative
20 appropriation act and in this section, the state building authority
21 shall credit the general fund of the state an amount equal to that
22 expended from the general fund plus interest, if any, as defined in
23 this section.

24 (3) For state building authority projects for which bonds or
25 notes have been issued and upon the request of the state building
26 authority, the state treasurer shall make advances without interest
27 from the general fund as necessary to meet cash flow requirements



1 for the projects, which advances shall be reimbursed by the state
2 building authority when the investments earmarked for the financing
3 of the projects mature.

4 (4) In the event that a project identified in part 1 is
5 terminated after final design is complete, advances made on behalf
6 of the state building authority for the costs of final design shall
7 be repaid to the general fund in a manner recommended by the
8 director.

9 Sec. 1102. (1) State building authority funding to finance
10 construction or renovation of a facility that collects revenue in
11 excess of money required for the operation of that facility shall
12 not be released to a university or community college unless the
13 institution agrees to reimburse that excess revenue to the state
14 building authority. The excess revenue shall be credited to the
15 general fund to offset rent obligations associated with the
16 retirement of bonds issued for that facility. The auditor general
17 shall annually identify and present an audit of those facilities
18 that are subject to this section. Costs associated with the
19 administration of the audit shall be charged against money
20 recovered pursuant to this section.

21 (2) As used in this section, "revenue" includes state
22 appropriations, facility opening money, other state aid, indirect
23 cost reimbursement, and other revenue generated by the activities
24 of the facility.

25 Sec. 1103. The state building authority shall provide to the
26 JCOS and senate and house fiscal agencies a report relative to the
27 status of construction projects associated with state building



1 authority bonds as of September 30 of each year, on or before
 2 October 15, or not more than 30 days after a refinancing or
 3 restructuring bond issue is sold. The report shall include, but is
 4 not limited to, the following:

5 (a) A list of all completed construction projects for which
 6 state building authority bonds have been sold, and which bonds are
 7 currently active.

8 (b) A list of all projects under construction for which sale
 9 of state building authority bonds is pending.

10 (c) A list of all projects authorized for construction or
 11 identified in an appropriations act for which approval of
 12 schematic/preliminary plans or total authorized cost is pending
 13 that have state building authority bonds identified as a source of
 14 financing.

15 **REVENUE STATEMENT**

16 Sec. 1201. Pursuant to section 18 of article V of the state
 17 constitution of 1963, fund balances and estimates are presented in
 18 the following statement:

19 BUDGET RECOMMENDATIONS BY OPERATING FUNDS

20 (Amounts in millions)

21 Fiscal Year 2017-2018

22	Beginning	Estimated	Ending
23	<u>Balance</u>	<u>Revenue</u>	<u>Balance</u>
24 OPERATING FUNDS			
25 General fund/general purpose	366.0	10,057.5	7.6



1	School aid fund	143.4	14,797.0	7.6
2	Federal aid	0.0	20,128.1	0.0
3	Transportation funds	0.0	5,604.6	0.0
4	Special revenue funds	0.0	6,906.9	0.0
5	Other funds	709.1	28.4	1,004.0
6	TOTALS	\$1,218.5	\$57,522.5	\$1,019.2

7 ARTICLE X
 8 DEPARTMENT OF HEALTH AND HUMAN SERVICES
 9 PART 1
 10 LINE-ITEM APPROPRIATIONS

11 Sec. 101. There is appropriated for the department of health
 12 and human services for the fiscal year ending September 30, 2018,
 13 from the following funds:

14 **DEPARTMENT OF HEALTH AND HUMAN SERVICES**

15 APPROPRIATION SUMMARY

16	Full-time equated unclassified positions	6.0
17	Full-time equated classified positions	15,466.0
18	Average population	770.0
19	GROSS APPROPRIATION	\$ 25,169,447,000
20	Interdepartmental grant revenues:	
21	Total interdepartmental grants and intradepartmental	
22	transfers	13,640,900
23	ADJUSTED GROSS APPROPRIATION	\$ 25,155,806,100
24	Federal revenues:	
25	Social security act, temporary assistance for needy	



1	families.....	532,006,900
2	Capped federal revenues	588,839,600
3	Total other federal revenues	16,984,168,600
4	Special revenue funds:	
5	Total local revenues	117,033,600
6	Total private revenues	149,873,300
7	Michigan merit award trust fund	49,068,700
8	Total other state restricted revenues	2,393,101,100
9	State general fund/general purpose	\$ 4,341,714,300
10	Sec. 102. DEPARTMENTAL ADMINISTRATION AND SUPPORT	
11	Full-time equated unclassified positions	6.0
12	Full-time equated classified positions	749.1
13	Unclassified salaries--6.0 FTE positions	\$ 1,153,000
14	Administrative hearings officers	11,219,700
15	Demonstration projects--7.0 FTE positions	7,355,100
16	Departmental administration and management--555.1 FTE	
17	positions.....	94,751,100
18	Developmental disabilities council and projects--10.0	
19	FTE positions.....	3,073,700
20	Office of inspector general--177.0 FTE positions	21,892,200
21	Property management	64,339,500
22	Terminal leave payments.....	5,686,100
23	Worker's compensation	<u>7,502,800</u>
24	GROSS APPROPRIATION	\$ 216,973,200
25	Appropriated from:	
26	Interdepartmental grant revenues:	
27	IDG from department of education	1,919,500



1	Federal revenues:	
2	Social security act, temporary assistance for needy	
3	families.....	22,973,500
4	Capped federal revenues	20,349,200
5	Total other federal revenues	74,254,900
6	Special revenue funds:	
7	Total local revenues	16,400
8	Total private revenues	3,843,200
9	Total other state restricted revenues	841,400
10	State general fund/general purpose	\$ 92,775,100
11	Sec. 103. CHILD SUPPORT ENFORCEMENT	
12	Full-time equated classified positions	185.7
13	Child support enforcement operations--179.7 FTE	
14	positions.....	\$ 22,312,200
15	Child support incentive payments	24,409,600
16	Legal support contracts	113,607,100
17	State disbursement unit--6.0 FTE positions	<u>8,112,800</u>
18	GROSS APPROPRIATION	\$ 168,441,700
19	Appropriated from:	
20	Federal revenues:	
21	Capped federal revenues	1,735,000
22	Total other federal revenues	142,644,500
23	State general fund/general purpose	\$ 24,062,200
24	Sec. 104. COMMUNITY SERVICES AND OUTREACH	
25	Full-time equated classified positions	74.6
26	Bureau of community services and outreach--20.0 FTE	
27	positions.....	\$ 2,529,300



1	Child advocacy centers--0.5 FTE position	1,500,000
2	Community services and outreach administration--11.0	
3	FTE positions.....	1,465,000
4	Community services block grant	25,840,000
5	Crime victim grants administration services--13.0 FTE	
6	positions.....	2,177,100
7	Crime victim justice assistance grants	59,279,300
8	Crime victim rights services grants	16,870,000
9	Domestic violence prevention and treatment--14.6 FTE	
10	positions.....	15,817,200
11	Homeless programs	19,466,700
12	Housing and support services	13,031,000
13	Michigan community service commission--15.0 FTE	
14	positions.....	11,628,700
15	Rape prevention and services--0.5 FTE position	5,097,300
16	School success partnership program	525,000
17	Weatherization assistance	<u>16,340,000</u>
18	GROSS APPROPRIATION	\$ 191,566,600
19	Appropriated from:	
20	Federal revenues:	
21	Social security act, temporary assistance for needy	
22	families.....	13,188,400
23	Capped federal revenues	66,676,300
24	Total other federal revenues	75,829,400
25	Special revenue funds:	
26	Private - collections	44,100
27	Compulsive gambling prevention fund	1,040,500



1	Sexual assault victims' prevention and treatment fund		3,000,000
2	Child advocacy centers fund		1,500,000
3	Crime victim's rights fund		15,337,000
4	State general fund/general purpose	\$	14,950,900
5	Sec. 105. CHILDREN'S SERVICES AGENCY - CHILD		
6	WELFARE		
7	Full-time equated classified positions	3,844.2	
8	Adoption subsidies		\$ 212,142,600
9	Adoption support services--10.0 FTE positions		27,283,500
10	Attorney general contract		4,366,500
11	Child abuse and neglect - children's justice act--1.0		
12	FTE position.....		622,600
13	Child care fund		177,440,100
14	Child protection		800,300
15	Child welfare administration travel		375,000
16	Child welfare field staff - caseload compliance--		
17	2,461.0 FTE positions		229,613,400
18	Child welfare field staff - noncaseload compliance--		
19	330.0 FTE positions		34,559,000
20	Child welfare first line supervisors--578.0 FTE		
21	positions.....		72,890,500
22	Child welfare institute--45.0 FTE positions		8,203,600
23	Child welfare licensing--59.0 FTE positions		6,914,000
24	Child welfare medical/psychiatric evaluations		10,435,500
25	Children's services administration--172.2 FTE		
26	positions.....		20,075,100
27	Children's trust fund--12.0 FTE positions		3,327,700



1	Contractual services, supplies, and materials	9,300,000
2	Education planners--15.0 FTE positions	1,530,100
3	Family preservation and prevention services	
4	administration--9.0 FTE positions	1,299,300
5	Family preservation programs--13.0 FTE positions	38,877,000
6	Family support subsidy	16,951,400
7	Foster care payments	192,269,300
8	Guardianship assistance program	12,004,800
9	Interstate compact	179,600
10	Peer coaches--45.5 FTE positions	5,737,300
11	Performance-based funding implementation--3.0 FTE	
12	positions.....	1,444,800
13	Permanency resource managers--28.0 FTE positions	3,197,900
14	Prosecuting attorney contracts	3,879,500
15	Psychotropic oversight	618,200
16	Second line supervisors and technical staff--54.0 FTE	
17	positions.....	8,912,000
18	Settlement monitor	1,885,800
19	Strong families/safe children	12,350,100
20	Title IV-E compliance and accountability office--4.0	
21	FTE positions.....	424,700
22	Youth in transition--4.5 FTE positions	<u>14,276,300</u>
23	GROSS APPROPRIATION	\$ 1,134,187,500
24	Appropriated from:	
25	Interdepartmental grant revenues:	
26	IDG from department of education	90,200
27	Federal revenues:	



1	Social security act, temporary assistance for needy		
2	families.....		348,647,400
3	Capped federal revenues		112,538,600
4	Total other federal revenues		244,113,100
5	Special revenue funds:		
6	Private - collections		2,927,400
7	Local funds - county chargeback		14,658,300
8	Children's trust fund.....		2,091,900
9	State general fund/general purpose	\$	409,120,600
10	Sec. 106. CHILDREN'S SERVICES AGENCY - JUVENILE		
11	JUSTICE		
12	Full-time equated classified positions.....	120.5	
13	Bay Pines Center--47.0 FTE positions		\$ 5,468,900
14	Committee on juvenile justice administration--2.5 FTE		
15	positions.....		351,400
16	Committee on juvenile justice grants		3,000,000
17	Community support services--3.0 FTE positions		2,116,600
18	County juvenile officers		3,904,300
19	Juvenile justice, administration and maintenance--21.0		
20	FTE positions.....		3,739,300
21	Shawono Center--47.0 FTE positions		5,565,400
22	W.J. Maxey Training School		<u>250,000</u>
23	GROSS APPROPRIATION		\$ 24,395,900
24	Appropriated from:		
25	Federal revenues:		
26	Capped federal revenues		8,330,600
27	Special revenue funds:		



1	Local funds - state share education funds	1,339,000
2	Local funds - county chargeback	5,037,000
3	State general fund/general purpose	\$ 9,689,300
4	Sec. 107. PUBLIC ASSISTANCE	
5	Full-time equated classified positions	8.0
6	Emergency services local office allocations	\$ 9,357,500
7	Family independence program	76,658,100
8	Food assistance program benefits	2,348,117,400
9	Food Bank Council of Michigan	2,045,000
10	Indigent burial	4,375,000
11	Low-income home energy assistance program	181,718,400
12	Michigan corner store initiative	100
13	Michigan energy assistance program--1.0 FTE position .	50,000,000
14	Multicultural integration funding	13,303,800
15	Refugee assistance program--7.0 FTE positions	27,993,400
16	State disability assistance payments	11,422,400
17	State supplementation	61,696,700
18	State supplementation administration	<u>2,381,100</u>
19	GROSS APPROPRIATION	\$ 2,789,068,900
20	Appropriated from:	
21	Federal revenues:	
22	Social security act, temporary assistance for needy	
23	families.....	51,086,200
24	Capped federal revenues	203,129,500
25	Total other federal revenues	2,342,627,400
26	Special revenue funds:	
27	Child support collections	10,979,000



1	Supplemental security income recoveries		5,057,600
2	Public assistance recoupment revenue		6,290,000
3	Low-income energy assistance fund		50,000,000
4	State general fund/general purpose	\$	119,899,200
5	Sec. 108. FIELD OPERATIONS AND SUPPORT SERVICES		
6	Full-time equated classified positions	6,299.5	
7	Administrative support workers--221.0 FTE positions ..	\$	12,872,400
8	Adult services field staff--472.0 FTE positions		50,765,400
9	Contractual services, supplies, and materials		16,377,100
10	Donated funds positions--288.0 FTE positions		32,702,700
11	Elder Law of Michigan MiCAFE contract		350,000
12	Electronic benefit transfer (EBT)		8,509,000
13	Employment and training support services		4,219,100
14	Field policy and administration--66.0 FTE positions ..		11,103,600
15	Field staff travel		8,103,900
16	Independent living		4,531,600
17	Medical/psychiatric evaluations		1,420,100
18	Michigan rehabilitation services--526.0 FTE positions		128,750,800
19	Nutrition education--2.0 FTE positions		33,045,300
20	Public assistance field staff--4,704.5 FTE positions .		478,474,200
21	Training and program support--20.0 FTE positions		2,448,000
22	Volunteer services and reimbursement		942,400
23	GROSS APPROPRIATION	\$	794,615,600
24	Appropriated from:		
25	Interdepartmental grant revenues:		
26	IDG from department of corrections		116,000
27	IDG from department of education		7,769,500



1	Federal revenues:	
2	Social security act, temporary assistance for needy	
3	families.....	67,495,500
4	Capped federal revenues	152,849,600
5	Federal supplemental security income	8,588,600
6	Total other federal revenues	257,233,000
7	Special revenue funds:	
8	Local funds - donated funds	5,783,500
9	Local vocational rehabilitation match	5,300,000
10	Private funds - donated funds	9,600,500
11	Private funds - gifts, bequests, and donations	531,500
12	Rehabilitation service fees	40,000
13	Second injury fund.....	38,300
14	State general fund/general purpose	\$ 279,269,600
15	Sec. 109. DISABILITY DETERMINATION SERVICES	
16	Full-time equated classified positions.....	587.4
17	Disability determination operations--583.3 FTE	
18	positions.....	\$ 112,005,400
19	Retirement disability determination--4.1 FTE positions	<u>608,500</u>
20	GROSS APPROPRIATION	\$ 112,613,900
21	Appropriated from:	
22	Interdepartmental grant revenues:	
23	IDG from DTMB - office of retirement services	785,600
24	Federal revenues:	
25	Total other federal revenues	108,362,800
26	State general fund/general purpose	\$ 3,465,500
27	Sec. 110. BEHAVIORAL HEALTH PROGRAM ADMINISTRATION	



1 **AND SPECIAL PROJECTS**

2	Full-time equated classified positions	97.0	
3	Behavioral health program administration--77.0 FTE		
4	positions.....		\$ 58,033,200
5	Federal and other special projects		2,535,600
6	Gambling addiction--1.0 FTE position		3,006,500
7	Office of recipient rights--19.0 FTE positions		2,721,900
8	Protection and advocacy services support		<u>194,400</u>
9	GROSS APPROPRIATION		\$ 66,491,600
10	Appropriated from:		
11	Federal revenues:		
12	Total other federal revenues		34,685,000
13	Special revenue funds:		
14	Total private revenues		1,004,700
15	Total other state restricted revenues		3,006,500
16	State general fund/general purpose		\$ 27,795,400
17	Sec. 111. BEHAVIORAL HEALTH SERVICES		
18	Full-time equated classified positions	9.5	
19	Autism services		\$ 100,097,300
20	Children with serious emotional disturbance waiver ...		10,000,000
21	Children's waiver home care program		20,241,100
22	Civil service charges		399,300
23	Community mental health non-Medicaid services		120,050,400
24	Community substance use disorder prevention,		
25	education, and treatment.....		77,075,000
26	Federal mental health block grant--2.5 FTE positions .		15,457,300
27	Health homes		3,369,000



1	Healthy Michigan plan - behavioral health	265,335,600
2	Medicaid mental health services	2,316,344,700
3	Medicaid substance use disorder services	50,369,600
4	Nursing home PAS/ARR-OBRA--7.0 FTE positions	12,274,100
5	State disability assistance program substance use	
6	disorder services.....	<u>2,018,800</u>
7	GROSS APPROPRIATION	\$ 2,993,032,200
8	Appropriated from:	
9	Federal revenues:	
10	Total other federal revenues	1,966,137,500
11	Special revenue funds:	
12	Total local revenues	25,475,800
13	Total other state restricted revenues	23,881,400
14	State general fund/general purpose	\$ 977,537,500
15	Sec. 112. STATE PSYCHIATRIC HOSPITALS AND FORENSIC	
16	MENTAL HEALTH SERVICES	
17	Total average population.....	770.0
18	Full-time equated classified positions.....	2,256.9
19	Caro Regional Mental Health Center - psychiatric	
20	hospital - adult--467.8 FTE positions	\$ 58,565,600
21	Average population.....	145.0
22	Center for forensic psychiatry--607.3 FTE positions ..	82,823,400
23	Average population.....	240.0
24	Gifts and bequests for patient living and treatment	
25	environment.....	1,000,000
26	Hawthorn Center - psychiatric hospital - children and	
27	adolescents--277.4 FTE positions	30,638,600



1	Average population.....	55.0	
2	IDEA, federal special education		120,000
3	Kalamazoo Psychiatric Hospital - adult--474.1 FTE		
4	positions.....		67,273,500
5	Average population.....	170.0	
6	Purchase of medical services for residents of		
7	hospitals and centers.....		445,600
8	Revenue recapture		750,000
9	Special maintenance		924,600
10	Walter P. Reuther Psychiatric Hospital - adult--430.3		
11	FTE positions.....		58,601,500
12	Average population.....	160.0	
13	GROSS APPROPRIATION		\$ 301,142,800
14	Appropriated from:		
15	Federal revenues:		
16	Total other federal revenues		36,784,000
17	Special revenue funds:		
18	Total local revenues		20,000,500
19	Total private revenues		1,000,000
20	Total other state restricted revenues		19,376,600
21	State general fund/general purpose		\$ 223,981,700
22	Sec. 113. HEALTH POLICY		
23	Full-time equated classified positions.....	42.9	
24	Certificate of need program administration--12.3 FTE		
25	positions.....		\$ 2,825,300
26	Health policy administration--25.2 FTE positions		13,065,200
27	Human trafficking intervention services		200,000



1	Michigan essential health provider	3,591,300
2	Minority health grants and contracts	612,700
3	Nurse education and research program--3.0 FTE	
4	positions.....	784,400
5	Primary care services--1.4 FTE positions	5,068,700
6	Rural health services--1.0 FTE position	<u>1,555,500</u>
7	GROSS APPROPRIATION	\$ 27,703,100
8	Appropriated from:	
9	Interdepartmental grant revenues:	
10	IDG from the department of licensing and regulatory	
11	affairs.....	784,400
12	IDG from the department of treasury, Michigan state	
13	hospital finance authority.....	117,700
14	Federal revenues:	
15	Social security act, temporary assistance for needy	
16	families.....	30,400
17	Capped federal revenues	18,700
18	Total other federal revenues	16,851,200
19	Special revenue funds:	
20	Total private revenues	865,000
21	Total other state restricted revenues	2,709,400
22	State general fund/general purpose	\$ 6,326,300
23	Sec. 114. LABORATORY SERVICES	
24	Full-time equated classified positions..... 100.0	
25	Laboratory services--100.0 FTE positions	<u>\$ 20,812,100</u>
26	GROSS APPROPRIATION	\$ 20,812,100
27	Appropriated from:	



1	Interdepartmental grant revenues:	
2	IDG from the department of environmental quality	991,000
3	Federal revenues:	
4	Total other federal revenues	2,340,100
5	Special revenue funds:	
6	Total other state restricted revenues	10,633,400
7	State general fund/general purpose	\$ 6,847,600
8	Sec. 115. DISEASE CONTROL, PREVENTION, AND	
9	EPIDEMIOLOGY	
10	Full-time equated classified positions	114.9
11	Childhood lead program--4.5 FTE positions	\$ 2,048,300
12	Epidemiology administration--75.1 FTE positions	20,594,400
13	Healthy homes program--12.0 FTE positions	27,740,400
14	Immunization program--12.8 FTE positions	16,886,600
15	Newborn screening follow-up and treatment services--	
16	10.5 FTE positions	<u>7,427,500</u>
17	GROSS APPROPRIATION	\$ 74,697,200
18	Appropriated from:	
19	Federal revenues:	
20	Total other federal revenues	53,683,100
21	Special revenue funds:	
22	Total private revenues	339,900
23	Total other state restricted revenues	12,896,400
24	State general fund/general purpose	\$ 7,777,800
25	Sec. 116. LOCAL HEALTH AND ADMINISTRATIVE SERVICES	
26	Full-time equated classified positions	228.2
27	AIDS prevention, testing, and care programs--37.7 FTE	



1	positions.....	\$	70,623,800
2	Cancer prevention and control program--13.0 FTE		
3	positions.....		15,064,100
4	Chronic disease control and health promotion		
5	administration--27.4 FTE positions.....		8,461,300
6	Dental programs--3.8 FTE positions.....		2,203,500
7	Diabetes and kidney program--8.0 FTE positions.....		3,051,600
8	Essential local public health services.....		40,886,100
9	Health and wellness initiatives--11.7 FTE positions..		7,139,100
10	Implementation of 1993 PA 133, MCL 333.17015.....		20,000
11	Injury control intervention project.....		1,000,000
12	Local health services--1.3 FTE positions.....		1,955,100
13	Medicaid outreach cost reimbursement to local health		
14	departments.....		12,500,000
15	Public health administration--9.0 FTE positions.....		1,945,400
16	Sexually transmitted disease control program--20.0 FTE		
17	positions.....		6,295,000
18	Smoking prevention program--12.0 FTE positions.....		2,148,300
19	Violence prevention--2.9 FTE positions.....		3,124,100
20	Vital records and health statistics--81.4 FTE		
21	positions.....		<u>10,049,700</u>
22	GROSS APPROPRIATION.....	\$	186,467,100
23	Appropriated from:		
24	Federal revenues:		
25	Capped federal revenues.....		81,100
26	Total other federal revenues.....		79,856,800
27	Special revenue funds:		



1	Total local revenues	5,150,000
2	Total private revenues	39,279,600
3	Total other state restricted revenues	18,672,700
4	State general fund/general purpose	\$ 43,426,900
5	Sec. 117. FAMILY, MATERNAL, AND CHILD HEALTH	
6	Full-time equated classified positions	112.3
7	Family, maternal, and child health administration--	
8	53.3 FTE positions	\$ 9,103,600
9	Family planning local agreements	8,310,700
10	Local MCH services	7,018,100
11	Pregnancy prevention program	602,100
12	Prenatal care outreach and service delivery support--	
13	14.0 FTE positions	19,328,800
14	Special projects	6,289,100
15	Sudden and unexpected infant death and suffocation	
16	prevention program	321,300
17	Women, infants, and children program administration	
18	and special projects--45.0 FTE positions	18,045,000
19	Women, infants, and children program local agreements	
20	and food costs	<u>256,285,000</u>
21	GROSS APPROPRIATION	\$ 325,303,700
22	Appropriated from:	
23	Federal revenues:	
24	Social security act, temporary assistance for needy	
25	families	400,000
26	Total other federal revenues	252,926,000
27	Special revenue funds:	



1	Total local revenues	75,000
2	Total private revenues	61,702,400
3	Total other state restricted revenues	595,900
4	State general fund/general purpose	\$ 9,604,400
5	Sec. 118. EMERGENCY MEDICAL SERVICES, TRAUMA, AND	
6	PREPAREDNESS	
7	Full-time equated classified positions	76.0
8	Bioterrorism preparedness--53.0 FTE positions	\$ 30,398,600
9	Emergency medical services program--23.0 FTE positions	<u>6,591,600</u>
10	GROSS APPROPRIATION	\$ 36,990,200
11	Appropriated from:	
12	Federal revenues:	
13	Total other federal revenues	31,366,100
14	Special revenue funds:	
15	Total other state restricted revenues	4,020,500
16	State general fund/general purpose	\$ 1,603,600
17	Sec. 119. CHILDREN'S SPECIAL HEALTH CARE SERVICES	
18	Full-time equated classified positions	46.8
19	Bequests for care and services--2.8 FTE positions	\$ 1,535,300
20	Children's special health care services	
21	administration--44.0 FTE positions	6,028,300
22	Medical care and treatment	247,241,600
23	Nonemergency medical transportation	905,900
24	Outreach and advocacy	<u>5,510,000</u>
25	GROSS APPROPRIATION	\$ 261,221,100
26	Appropriated from:	
27	Federal revenues:	



1	Total other federal revenues	138,362,100
2	Special revenue funds:	
3	Total private revenues	1,013,700
4	Total other state restricted revenues	3,382,900
5	State general fund/general purpose	\$ 118,462,400
6	Sec. 120. AGING AND ADULT SERVICES AGENCY	
7	Full-time equated classified positions.....	48.0
8	Aging and adult services administration--48.0 FTE	
9	positions.....	\$ 9,394,700
10	Community services	42,514,000
11	Employment assistance	3,500,000
12	Nutrition services	41,494,000
13	Respite care program	6,468,700
14	Senior volunteer service programs	<u>4,465,300</u>
15	GROSS APPROPRIATION	\$ 107,836,700
16	Appropriated from:	
17	Federal revenues:	
18	Capped federal revenues	371,500
19	Total other federal revenues	59,627,100
20	Special revenue funds:	
21	Total private revenues	520,000
22	Michigan merit award trust fund	4,068,700
23	Total other state restricted revenues	2,000,000
24	State general fund/general purpose	\$ 41,249,400
25	Sec. 121. MEDICAL SERVICES ADMINISTRATION	
26	Full-time equated classified positions.....	460.0
27	Electronic health record incentive program--24.0 FTE	



1	positions.....	\$	144,328,000
2	Healthy Michigan plan administration--30.0 FTE		
3	positions.....		47,720,000
4	Medical services administration--384.5 FTE positions .		82,310,400
5	Technology supporting integrated service--21.5 FTE		
6	positions.....		<u>29,014,400</u>
7	GROSS APPROPRIATION	\$	303,372,800
8	Appropriated from:		
9	Federal revenues:		
10	Social security act, temporary assistance for needy		
11	families.....		749,600
12	Capped federal revenues		910,700
13	Total other federal revenues		254,031,900
14	Special revenue funds:		
15	Total local revenues		107,300
16	Total private revenues		101,300
17	Total other state restricted revenues		336,300
18	State general fund/general purpose	\$	47,135,700
19	Sec. 122. MEDICAL SERVICES		
20	Adult home help services	\$	323,217,200
21	Ambulance services		18,376,100
22	Auxiliary medical services		5,500,000
23	Dental clinic program		1,000,000
24	Dental services		305,881,800
25	Federal Medicare pharmaceutical program		290,548,800
26	Health plan services		4,992,803,500
27	Healthy Michigan plan		3,745,414,000



1	Home health services	4,700,000
2	Hospice services	113,466,100
3	Hospital disproportionate share payments	40,500,000
4	Hospital services and therapy	789,175,400
5	Integrated care organizations	187,469,700
6	Long-term care services	1,779,991,400
7	Maternal and child health	20,279,500
8	Medicaid home- and community-based services waiver ...	328,662,200
9	Medicare premium payments	537,393,200
10	Personal care services	9,491,200
11	Pharmaceutical services	450,496,300
12	Physician services	262,552,900
13	Program of all-inclusive care for the elderly	106,289,100
14	School-based services	109,937,200
15	Special Medicaid reimbursement	308,796,100
16	Transportation	<u>22,073,500</u>
17	GROSS APPROPRIATION	\$ 14,754,015,200
18	Appropriated from:	
19	Federal revenues:	
20	Total other federal revenues	10,690,472,300
21	Special revenue funds:	
22	Total local revenues	34,090,800
23	Total private revenues	2,100,000
24	Michigan merit award trust fund	45,000,000
25	Total other state restricted revenues	2,184,525,900
26	State general fund/general purpose	\$ 1,797,826,200
27	Sec. 123. INFORMATION TECHNOLOGY	



1	Child support automation	\$	41,877,600
2	Information technology services and projects		158,851,200
3	Michigan Medicaid information system		<u>55,634,400</u>
4	GROSS APPROPRIATION	\$	256,363,200
5	Appropriated from:		
6	Interdepartmental grant revenues:		
7	IDG from department of education		1,067,000
8	Federal revenues:		
9	Social security act, temporary assistance for needy		
10	families.....		23,935,900
11	Capped federal revenues		21,848,800
12	Total other federal revenues		109,683,700
13	Special revenue funds:		
14	Total private revenues		25,000,000
15	Total other state restricted revenues		1,985,800
16	State general fund/general purpose	\$	72,842,000
17	Sec. 124. ONE-TIME BASIS ONLY APPROPRIATIONS		
18	Full-time equated classified positions 4.5		
19	Autism navigator	\$	565,000
20	Child lead poisoning elimination board		500,000
21	Dental clinic program		1,000,000
22	Direct primary care pilot program		5,724,000
23	Drinking water declaration of emergency--4.5 FTE		
24	positions.....		13,361,700
25	Food Bank Council of Michigan		184,000
26	University autism programs		500,000
27	Primary care and dental health services		<u>300,000</u>



1	GROSS APPROPRIATION	\$	22,134,700
2	Appropriated from:		
3	Federal revenues:		
4	Social security act, temporary assistance for needy		
5	families.....		3,500,000
6	Total other federal revenues		3,708,000
7	Special revenue funds:		
8	Total other state restricted revenues		8,861,700
9	State general fund/general purpose	\$	6,065,000

10 PART 2
 11 PROVISIONS CONCERNING APPROPRIATIONS
 12 FOR FISCAL YEAR 2017-2018

13 **GENERAL SECTIONS**

14 Sec. 201. Pursuant to section 30 of article IX of the state
 15 constitution of 1963, total state spending from state resources
 16 under part 1 for fiscal year 2017-2018 is \$6,783,884,100.00 and
 17 state spending from state resources to be paid to local units of
 18 government for fiscal year 2017-2018 is \$1,361,256,600.00. The
 19 itemized statement below identifies appropriations from which
 20 spending to local units of government will occur:

21 DEPARTMENT OF HEALTH AND HUMAN SERVICES

22 COMMUNITY SERVICES AND OUTREACH

23	Crime victim rights services grants	\$	7,216,000
24	Housing and support services		637,300

25 CHILDREN'S SERVICES AGENCY - CHILD WELFARE



1	Child care fund	\$	141,665,000
2	PUBLIC ASSISTANCE		
3	Family independence program	\$	5,100
4	Multicultural integration funding		5,478,200
5	State disability assistance payments		742,600
6	BEHAVIORAL HEALTH PROGRAM ADMINISTRATION AND SPECIAL PROJECTS		
7	Behavioral health program administration	\$	3,132,000
8	BEHAVIORAL HEALTH SERVICES		
9	Autism services	\$	34,880,700
10	Children with serious emotional disturbance waiver ...		3,522,000
11	Children's waiver home care program		6,500,000
12	Community mental health non-Medicaid services		120,050,400
13	Community substance use disorder prevention,		
14	education, and treatment.....		14,553,400
15	Health homes		70,700
16	Healthy Michigan plan - behavioral health		15,257,000
17	Medicaid mental health services		781,860,700
18	Medicaid substance use disorder services		17,505,600
19	Nursing home PAS/ARR-OBRA		2,728,200
20	State disability assistance program substance use		
21	disorder services.....		2,018,800
22	HEALTH POLICY		
23	Primary care services	\$	87,300
24	LABORATORY SERVICES		
25	Laboratory services	\$	5,300
26	DISEASE CONTROL, PREVENTION, AND EPIDEMIOLOGY		
27	Childhood lead program	\$	314,800



1	Epidemiology administration		154,800
2	Immunization program		1,039,300
3	LOCAL HEALTH AND ADMINISTRATIVE SERVICES		
4	AIDS prevention, testing, and care programs	\$	1,809,300
5	Essential local public health services		35,736,100
6	Health and wellness initiatives		2,189,900
7	Public health administration		1,000
8	Sexually transmitted disease control program		701,300
9	FAMILY, MATERNAL, AND CHILD HEALTH		
10	Family, maternal, and child health administration	\$	8,800
11	Prenatal care outreach and service delivery support ..		2,997,600
12	CHILDREN'S SPECIAL HEALTH CARE SERVICES		
13	Medical care and treatment	\$	1,236,200
14	Outreach and advocacy		2,755,000
15	AGING AND ADULT SERVICES AGENCY		
16	Community services	\$	20,033,500
17	Nutrition services		11,837,000
18	Respite care program		6,468,700
19	Senior volunteer service programs		940,800
20	MEDICAL SERVICES		
21	Dental services	\$	2,141,200
22	Hospital services and therapy		1,575,500
23	Long-term care services		102,419,500
24	Physician services		8,926,800
25	Transportation		<u>53,200</u>
26	TOTAL OF PAYMENTS TO LOCAL UNITS OF GOVERNMENT	\$	1,361,256,600
27	Sec. 202. The appropriations authorized under this part and		

1 part 1 are subject to the management and budget act, 1984 PA 431,
2 MCL 18.1101 to 18.1594.

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

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

5 (b) "CMHSP" means a community mental health services program
6 as that term is defined in section 100a of the mental health code,
7 1974 PA 258, MCL 330.1100a.

8 (c) "Current fiscal year" means the fiscal year ending
9 September 30, 2018.

10 (d) "Department" means the department of health and human
11 services.

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

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

14 (g) "EPSDT" means early and periodic screening, diagnosis, and
15 treatment.

16 (h) "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 (i) "FTE" means full-time equated.

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

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

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

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



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

3 (o) "IDG" means interdepartmental grant.

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

5 (q) "Medicaid" mean subchapter XIX of the social security act,
6 42 USC 1396 to 1396w-5.

7 (r) "Medicare" means subchapter XVIII of the social security
8 act, 42 USC 1395 to 1395III.

9 (s) "MiCAFE" means Michigan's coordinated access to food for
10 the elderly.

11 (t) "MiChild" means the program described in section 1670.

12 (u) "MiSACWIS" means Michigan statewide automated child
13 welfare information system.

14 (v) "PAS/ARR-OBRA" means the preadmission screening and annual
15 resident review required under the omnibus budget reconciliation
16 act of 1987, section 1919(e)(7) of the social security act, 42 USC
17 1396r.

18 (w) "PIHP" means an entity designated by the department as a
19 regional entity or a specialty prepaid inpatient health plan for
20 Medicaid mental health services, services to individuals with
21 developmental disabilities, and substance use disorder services.
22 Regional entities are described in section 204b of the mental
23 health code, 1974 PA 258, MCL 330.1204b. Specialty prepaid
24 inpatient health plans are described in section 232b of the mental
25 health code, 1974 PA 258, MCL 330.1232b.

26 (x) "Previous fiscal year" means the fiscal year ending
27 September 30, 2017.



1 (y) "Settlement" means the settlement agreement entered in the
2 case of Dwayne B. v Snyder, docket no. 2:06-cv-13548 in the United
3 States District Court for the Eastern District of Michigan.

4 (z) "SNAP" means supplemental nutrition assistance program.

5 (aa) "Temporary assistance for needy families" or "TANF" or
6 "title IV-A" means part A of subchapter IV of the social security
7 act, 42 USC 601 to 619.

8 (bb) "Title IV-B" means part B of title IV of the social
9 security act, 42 USC 620 to 629m.

10 (cc) "Title IV-D" means part D of title IV of the social
11 security act, 42 USC 651 to 669b.

12 (dd) "Title IV-E" means part E of title IV of the social
13 security act, 42 USC 670 to 679c.

14 (ee) "Title X" means subchapter VIII of the public health
15 service act, 42 USC 300 to 300a-8, which establishes grants to
16 states for family planning services.

17 (ff) "USDA" means United States Department of Agriculture.

18 Sec. 204. Unless otherwise specified, the departments and
19 agencies receiving appropriations in part 1 shall use the internet
20 to fulfill the reporting requirements of this part and part 1. This
21 requirement shall include transmission of reports via electronic
22 mail to the recipients identified for each reporting requirement,
23 and it shall include placement of reports on the internet.

24 Sec. 205. Funds appropriated in part 1 shall not be used for
25 the purchase of foreign goods or services, or both, if
26 competitively priced and of comparable quality American goods or
27 services, or both, are available. Preference shall be given to



1 goods or services, or both, manufactured or provided by Michigan
2 businesses if they are competitively priced and of comparable
3 quality. In addition, preference shall be given to goods or
4 services, or both, that are manufactured or provided by Michigan
5 businesses owned and operated by veterans if they are competitively
6 priced and of comparable quality.

7 Sec. 206. The director shall take all reasonable steps to
8 ensure businesses in deprived and depressed communities compete for
9 and perform contracts to provide services or supplies, or both.
10 Each director shall strongly encourage firms with which the
11 department contracts to subcontract with certified businesses in
12 depressed and deprived communities for services, supplies, or both.

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

23 (a) The dates of each travel occurrence.

24 (b) The transportation and related costs of each travel
25 occurrence, including the proportion funded with state general
26 fund/general purpose revenues, the proportion funded with state
27 restricted revenues, the proportion funded with federal revenues,



1 and the proportion funded with other revenues.

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

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

17 Sec. 210. (1) In addition to the funds appropriated in part 1,
18 there is appropriated an amount not to exceed \$400,000,000.00 for
19 federal contingency funds. These funds are not available for
20 expenditure until they have been transferred to another line item
21 in part 1 under section 393(2) of the management and budget act,
22 1984 PA 431, MCL 18.1393. These funds shall not be made available
23 to increase TANF authorization.

24 (2) In addition to the funds appropriated in part 1, there is
25 appropriated an amount not to exceed \$45,000,000.00 for state
26 restricted contingency funds. These funds are not available for
27 expenditure until they have been transferred to another line item



1 in part 1 under section 393(2) of the management and budget act,
2 1984 PA 431, MCL 18.1393.

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

9 (4) In addition to the funds appropriated in part 1, there is
10 appropriated an amount not to exceed \$60,000,000.00 for private
11 contingency funds. These funds are not available for expenditure
12 until they have been transferred to another line item in part 1
13 under section 393(2) of the management and budget act, 1984 PA 431,
14 MCL 18.1393.

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

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

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

21 (c) Fiscal year-to-date payments to a selected vendor,
22 including the vendor name, payment date, payment amount, and
23 payment description.

24 (d) The number of active department employees by job
25 classification.

26 (e) Job specifications and wage rates.

27 Sec. 212. Within 14 days after the release of the executive



1 budget recommendation, the department shall cooperate with the
2 state budget office to provide the senate and house appropriations
3 chairs, the senate and house appropriations subcommittees chairs on
4 the department budget, and the senate and house fiscal agencies
5 with an annual report on estimated state restricted fund balances,
6 state restricted fund projected revenues, and state restricted fund
7 expenditures for the previous fiscal year and the current fiscal
8 year.

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

13 Sec. 214. Total authorized appropriations from all sources
14 under part 1 for legacy costs for the current fiscal year are
15 estimated at \$335,657,300.00. From this amount, total agency
16 appropriations for pension-related legacy costs are estimated at
17 \$172,731,300.00. Total agency appropriations for retiree health
18 care legacy costs are estimated at \$162,926,000.00.

19 Sec. 215. If either of the following events occur, within 30
20 days the department shall notify the state budget director, the
21 chairs of the house and senate subcommittees on the department
22 budget, and the house and senate fiscal agencies and policy offices
23 of that fact:

24 (a) A legislative objective of this part or of a bill or
25 amendment to a bill to amend the social welfare act, 1939 PA 280,
26 MCL 400.1 to 400.119b, cannot be implemented because implementation
27 would conflict with or violate federal regulations.



1 (b) A federal grant, for which a notice of an award has been
2 received, cannot be used, or will not be used.

3 Sec. 216. (1) In addition to funds appropriated in part 1 for
4 all programs and services, there is appropriated for write-offs of
5 accounts receivable, deferrals, and for prior year obligations in
6 excess of applicable prior year appropriations, an amount equal to
7 total write-offs and prior year obligations, but not to exceed
8 amounts available in prior year revenues.

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

14 Sec. 217. (1) On or before February 1 of the current fiscal
15 year, the department shall report to the house and senate
16 appropriations subcommittees on the department budget, the house
17 and senate fiscal agencies, and the state budget director on the
18 detailed name and amounts of estimated federal, restricted,
19 private, and local sources of revenue that support the
20 appropriations in each of the line items in part 1.

21 (2) Upon the release of the next fiscal year executive budget
22 recommendation, the department shall report to the same parties in
23 subsection (1) on the amounts and detailed sources of federal,
24 restricted, private, and local revenue proposed to support the
25 total funds appropriated in each of the line items in part 1 of the
26 next fiscal year executive budget proposal.

27 Sec. 218. The department shall include, but not be limited to,



1 the following in its annual list of proposed basic health services
2 as required in part 23 of the public health code, 1978 PA 368, MCL
3 333.2301 to 333.2321:

4 (a) Immunizations.

5 (b) Communicable disease control.

6 (c) Sexually transmitted disease control.

7 (d) Tuberculosis control.

8 (e) Prevention of gonorrhoea eye infection in newborns.

9 (f) Screening newborns for the conditions listed in section
10 5431 of the public health code, 1978 PA 368, MCL 333.5431, or
11 recommended by the newborn screening quality assurance advisory
12 committee created under section 5430 of the public health code,
13 1978 PA 368, MCL 333.5430.

14 (g) Health and human services annex of the Michigan emergency
15 management plan.

16 (h) Prenatal care.

17 Sec. 219. (1) The department may contract with the Michigan
18 Public Health Institute for the design and implementation of
19 projects and for other public health-related activities prescribed
20 in section 2611 of the public health code, 1978 PA 368, MCL
21 333.2611. The department may develop a master agreement with the
22 Institute to carry out these purposes for up to a 3-year period.
23 The department shall report to the house and senate appropriations
24 subcommittees on the department budget, the house and senate fiscal
25 agencies, and the state budget director on or before January 1 of
26 the current fiscal year all of the following:

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



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

4 (c) The expected project duration.

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

8 (2) On or before December 30 of the current fiscal year, the
9 department shall provide to the same parties listed in subsection
10 (1) a copy of all reports, studies, and publications produced by
11 the Michigan Public Health Institute, its subcontractors, or the
12 department with the funds appropriated in the department's budget
13 in the previous fiscal year and allocated to the Michigan Public
14 Health Institute.

15 Sec. 220. The department shall ensure that faith-based
16 organizations are able to apply and compete for services, programs,
17 or contracts that they are qualified and suitable to fulfill. The
18 department shall not disqualify faith-based organizations solely on
19 the basis of the religious nature of their organization or their
20 guiding principles or statements of faith.

21 Sec. 221. According to section 1b of the social welfare act,
22 1939 PA 280, MCL 400.1b, the department shall treat part 1 and this
23 part as a time-limited addendum to the social welfare act, 1939 PA
24 280, MCL 400.1 to 400.119b.

25 Sec. 222. (1) The department shall make the entire policy and
26 procedures manual available and accessible to the public via the
27 department website.



1 (2) The department shall report no later than April 1 of the
2 current fiscal year on each specific policy change made to
3 implement a public act affecting the department that took effect
4 during the prior calendar year to the house and senate
5 appropriations subcommittees on the budget for the department, the
6 joint committee on administrative rules, the senate and house
7 fiscal agencies, and policy offices. The department shall attach
8 each policy bulletin issued during the prior calendar year to this
9 report.

10 Sec. 223. The department may establish and collect fees for
11 publications, videos and related materials, conferences, and
12 workshops. Collected fees are appropriated when received and shall
13 be used to offset expenditures to pay for printing and mailing
14 costs of the publications, videos and related materials, and costs
15 of the workshops and conferences. The department shall not collect
16 fees under this section that exceed the cost of the expenditures.
17 When collected fees are appropriated under this section in an
18 amount that exceeds the current fiscal year appropriation, within
19 30 days the department shall notify the chairs of the house and
20 senate subcommittees on the department budget, the house and senate
21 fiscal agencies and policy offices, and the state budget director
22 of that fact.

23 Sec. 224. The department may retain all of the state's share
24 of food assistance overissuance collections as an offset to general
25 fund/general purpose costs. Retained collections shall be applied
26 against federal funds deductions in all appropriation units where
27 department costs related to the investigation and recoupment of



1 food assistance overissuances are incurred. Retained collections in
2 excess of such costs shall be applied against the federal funds
3 deducted in the departmental administration and support
4 appropriation unit.

5 Sec. 225. (1) Sanctions, suspensions, conditions for
6 provisional license status, and other penalties shall not be more
7 stringent for private service providers than for public entities
8 performing equivalent or similar services.

9 (2) Neither the department nor private service providers or
10 licensees shall be granted preferential treatment or considered
11 automatically to be in compliance with administrative rules based
12 on whether they have collective bargaining agreements with direct
13 care workers. Private service providers or licensees without
14 collective bargaining agreements shall not be subjected to
15 additional requirements or conditions of licensure based on their
16 lack of collective bargaining agreements.

17 Sec. 226. If the revenue collected by the department from fees
18 and collections exceeds the amount appropriated in part 1, the
19 revenue may be carried forward with the approval of the state
20 budget director into the subsequent fiscal year. The revenue
21 carried forward under this section shall be used as the first
22 source of funds in the subsequent fiscal year.

23 Sec. 227. The state departments, agencies, and commissions
24 receiving tobacco tax funds and Healthy Michigan fund revenue from
25 part 1 shall report by April 1 of the current fiscal year to the
26 senate and house appropriations committees, the senate and house
27 fiscal agencies, and the state budget director on the following:



1 (a) Detailed spending plan by appropriation line item
2 including description of programs and a summary of organizations
3 receiving these funds.

4 (b) Description of allocations or bid processes including need
5 or demand indicators used to determine allocations.

6 (c) Eligibility criteria for program participation and maximum
7 benefit levels where applicable.

8 (d) Outcome measures used to evaluate programs, including
9 measures of the effectiveness of these programs in improving the
10 health of Michigan residents.

11 Sec. 229. (1) The department shall extend the interagency
12 agreement with the talent investment agency for the duration of the
13 current fiscal year, which concerns TANF funding to provide job
14 readiness and welfare-to-work programming. The interagency
15 agreement shall include specific outcome and performance reporting
16 requirements as described in this section. TANF funding provided to
17 the talent investment agency in the current fiscal year is
18 contingent on compliance with the data and reporting requirements
19 described in this section. The interagency agreement must require
20 the talent investment agency to provide all of the following items
21 by January 1 of the current fiscal year for the previous fiscal
22 year to the senate and house appropriations subcommittees on the
23 department budget and the state budget office:

24 (a) An itemized spending report on TANF funding, including all
25 of the following:

26 (i) Direct services to recipients.

27 (ii) Administrative expenditures.



1 (b) The number of family independence program (FIP) recipients
2 served through the TANF funding, including all of the following:

3 (i) The number and percentage who obtained employment through
4 Michigan Works!

5 (ii) The number and percentage who fulfilled their TANF work
6 requirement through other job readiness programming.

7 (iii) Average TANF spending per recipient.

8 (iv) The number and percentage of recipients who were referred
9 to Michigan Works! but did not receive a job or job readiness
10 placement and the reasons why.

11 (2) Not later than March 1 of the current fiscal year, the
12 department shall provide to the senate and house appropriations
13 subcommittees on the department budget, the senate and house fiscal
14 agencies, the senate and house policy offices, and the state budget
15 office an annual report on the following matters itemized by
16 Michigan Works! agency: the number of referrals to Michigan Works!
17 job readiness programs, the number of referrals to Michigan Works!
18 job readiness programs who became a participant in the Michigan
19 Works! job readiness programs, the number of participants who
20 obtained employment, and the cost per participant case.

21 Sec. 231. From the funds appropriated in part 1 for travel
22 reimbursements to employees, the department shall allocate up to
23 \$100,000.00 toward reimbursing counties for the out-of-pocket
24 travel costs of the local county department board members and
25 county department directors to attend 1 meeting per year of the
26 Michigan County Social Services Association.

27 Sec. 252. The appropriations in part 1 for Healthy Michigan



1 plan - behavioral health, Healthy Michigan plan administration, and
2 Healthy Michigan plan are contingent on the provisions of the
3 social welfare act, 1939 PA 280, MCL 400.1 to 400.119b, that were
4 contained in 2013 PA 107 not being amended, repealed, or otherwise
5 altered to eliminate the Healthy Michigan plan. If that occurs,
6 then, upon the effective date of the amendatory act that amends,
7 repeals, or otherwise alters those provisions, the remaining funds
8 in the Healthy Michigan plan - behavioral health, Healthy Michigan
9 plan administration, and Healthy Michigan plan line items shall
10 only be used to pay previously incurred costs and any remaining
11 appropriations shall not be allotted to support those line items.

12 Sec. 263. (1) Except as otherwise provided in this subsection,
13 before submission of a waiver, a state plan amendment, or a similar
14 proposal to the Centers for Medicare and Medicaid Services or other
15 federal agency, the department shall provide written notification
16 of the planned submission to the house and senate appropriations
17 subcommittees on the department budget, the house and senate fiscal
18 agencies and policy offices, and the state budget office. This
19 subsection does not apply to the submission of a waiver, a state
20 plan amendment, or similar proposal that does not propose a
21 material change or is outside of the ordinary course of waiver,
22 state plan amendment, or similar proposed submissions.

23 (2) The department shall provide written biannual reports to
24 the senate and house appropriations subcommittees on the department
25 budget, the senate and house fiscal agencies, and the state budget
26 office summarizing the status of any new or ongoing discussions
27 with the Centers for Medicare and Medicaid Services or the United



1 States Department of Health and Human Services or other federal
2 agency regarding potential or future waiver applications as well as
3 the status of submitted waivers that have not yet received federal
4 approval. If, at the time a biannual report is due, there are no
5 reportable items, then no report is required to be provided.

6 Sec. 264. The department shall not take disciplinary action
7 against an employee for communicating with a member of the
8 legislature or his or her staff.

9 Sec. 270. The department shall advise the legislature of the
10 receipt of a notification from the attorney general's office of a
11 legal action in which expenses had been recovered pursuant to
12 section 106(4) of the social welfare act, 1939 PA 280, MCL 400.106,
13 or any other statute under which the department has the right to
14 recover expenses. By November 1 and May 1 of the current fiscal
15 year, the department shall submit a written report to the house and
16 senate appropriations subcommittees on the department budget, the
17 house and senate fiscal agencies, and the state budget office that
18 includes, at a minimum, all of the following:

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

20 (b) The program or service for which the money was originally
21 expended.

22 (c) Details on the disposition of the funds recovered such as
23 the appropriation or revenue account in which the money was
24 deposited.

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

26 Sec. 274. (1) The department, in collaboration with the state
27 budget office, shall submit to the house and senate appropriations



1 subcommittees on the department budget, the house and senate fiscal
2 agencies, and the house and senate policy offices 1 week after the
3 day the governor submits to the legislature the budget for the
4 ensuing fiscal year a report on spending and revenue projections
5 for each of the capped federal funds listed below. The report shall
6 contain actual spending and revenue in the previous fiscal year,
7 spending and revenue projections for the current fiscal year as
8 enacted, and spending and revenue projections within the executive
9 budget proposal for the fiscal year beginning October 1, 2018 for
10 each individual line item for the department budget. The report
11 shall also include federal funds transferred to other departments.
12 The capped federal funds shall include, but not be limited to, all
13 of the following:

14 (a) TANF.

15 (b) Title XX social services block grant.

16 (c) Title IV-B part I child welfare services block grant.

17 (d) Title IV-B part II promoting safe and stable families
18 funds.

19 (e) Low-income home energy assistance program.

20 (2) It is the intent of the legislature that the department,
21 in collaboration with the state budget office, not utilize capped
22 federal funding for economics adjustments for FTEs or other
23 economics costs that are included as part of the budget submitted
24 to the legislature by the governor for the ensuing fiscal year,
25 unless there is a reasonable expectation for increased federal
26 funding to be available to the department from that capped revenue
27 source in the ensuing fiscal year.



1 Sec. 275. (1) As part of the year-end closing process, the
2 department, with the approval of the state budget director, is
3 authorized to realign sources between other federal, TANF, and
4 capped federal financing authorizations in order to maximize
5 federal revenues. This realignment of financing shall not produce a
6 gross increase or decrease in the department's total individual
7 line item authorizations, nor will it produce a net increase or
8 decrease in total federal revenues, or a net increase in TANF
9 authorization.

10 (2) Not later than November 30, the department shall submit to
11 the house and senate appropriations subcommittees on the department
12 budget, the house and senate fiscal agencies, and the house and
13 senate policy offices a report on the realignment of federal fund
14 sources that took place as part of the year-end closing process for
15 the previous fiscal year.

16 Sec. 279. (1) All master contracts relating to human services
17 as funded by the appropriations in sections 103, 104, 105, 106,
18 107, 108, and 109 of part 1 shall be performance-based contracts
19 that employ a client-centered results-oriented process that is
20 based on measurable performance indicators and desired outcomes and
21 includes the annual assessment of the quality of services provided.

22 (2) By February 1 of the current fiscal year, the department
23 shall provide the senate and house appropriations subcommittees on
24 the department budget, the senate and house fiscal agencies and
25 policy offices, and the state budget office a report detailing
26 measurable performance indicators, desired outcomes, and an
27 assessment of the quality of services provided by the department



1 during the previous fiscal year.

2 Sec. 281. By March 1 and August 1 of the current fiscal year,
3 the department shall report on the number of FTEs in pay status by
4 type of staff.

5 Sec. 288. (1) Beginning October 1 of the current fiscal year,
6 no less than 90% of a new department contract supported solely from
7 state restricted funds or general fund/general purpose funds and
8 designated in this part or part 1 for a specific entity for the
9 purpose of providing services to individuals shall be expended for
10 such services after the first year of the contract.

11 (2) The department may allow a contract to exceed the
12 limitation on administrative and services costs if it can be
13 demonstrated that an exception should be made to the provision in
14 subsection (1).

15 (3) By September 30 of the current fiscal year, the department
16 shall report to the house and senate appropriations subcommittees
17 on the department budget, house and senate fiscal agencies, and
18 state budget office on the rationale for all exceptions made to the
19 provision in subsection (1) and the number of contracts terminated
20 due to violations of subsection (1).

21 Sec. 289. By March 1 of the current fiscal year, the
22 department shall provide to the senate and house appropriations
23 subcommittees on the department budget, the senate and house fiscal
24 agencies, and the senate and house policy offices an annual report
25 on the supervisor-to-staff ratio by department divisions and
26 subdivisions.

27 Sec. 291. The department shall verify, using the e-verify



1 system, that all new department employees, and new hire employees
2 of contractors and subcontractors paid from funds appropriated in
3 part 1, are legally present in the United States. The department
4 may verify this information directly or may require contractors and
5 subcontractors to verify the information and submit a certification
6 to the department.

7 Sec. 295. (1) From the funds appropriated in part 1 to
8 agencies providing physical and behavioral health services to
9 multicultural populations, the department shall award grants in
10 accordance with the requirements of subsection (2). The state is
11 not liable for any spending above the contract amount.

12 (2) The department shall require each contractor described in
13 subsection (1) that receives greater than \$1,000,000.00 in state
14 grant funding to comply with performance-related metrics to
15 maintain their eligibility for funding. The organizational metrics
16 shall include, but not be limited to, all of the following:

17 (a) Each contractor or subcontractor shall have accreditations
18 that attest to their competency and effectiveness as behavioral
19 health and social service agencies.

20 (b) Each contractor or subcontractor shall have a mission that
21 is consistent with the purpose of the multicultural agency.

22 (c) Each contractor shall validate that any subcontractors
23 utilized within these appropriations share the same mission as the
24 lead agency receiving funding.

25 (d) Each contractor or subcontractor shall demonstrate cost-
26 effectiveness.

27 (e) Each contractor or subcontractor shall ensure their



1 ability to leverage private dollars to strengthen and maximize
2 service provision.

3 (f) Each contractor or subcontractor shall provide timely and
4 accurate reports regarding the number of clients served, units of
5 service provision, and ability to meet their stated goals.

6 (3) The department shall require an annual report from the
7 contractors described in subsection (2). The annual report, due 60
8 days following the end of the contract period, shall include
9 specific information on services and programs provided, the client
10 base to which the services and programs were provided, information
11 on any wraparound services provided, and the expenditures for those
12 services. The department shall provide the annual reports to the
13 senate and house appropriations subcommittees on health and human
14 services, the senate and house fiscal agencies, and the state
15 budget office.

16 Sec. 298. (1) For the items described in subsections (2) and
17 (3), the department shall demonstrate both the successes and
18 weaknesses of altering the behavioral health services delivery
19 system. In evaluating the successes and weaknesses, the department
20 shall consider all of the following, including, but not limited to,
21 improvement of the coordination between behavioral health and
22 physical health, improvement of services available to individuals
23 with mental illnesses, intellectual or developmental disabilities,
24 or substance use disorders, benefits associated with whole person
25 centered planning, benefits associated with full access to
26 community-based services and supports, and financial efficiencies.
27 Any and all realized benefits and cost savings of altering the



1 behavioral health system shall be reinvested in services and
2 supports for individuals having or at risk of having mental
3 illness, intellectual or developmental disability, or substance use
4 disorder.

5 (2) The department shall work with a willing CMHSP in Kent
6 County and all Medicaid health plans in the county to pilot a full
7 physical and behavioral health integrated service model consistent
8 with the stated core values of the workgroup established in section
9 298 of article X of 2016 PA 268.

10 (3) The department shall implement a public statewide
11 behavioral health managed care organization consistent with the
12 core values stated by the workgroup described in subsection (2).
13 The organization shall operate in conjunction with an appointed
14 state commission that shall consist of appropriately identified and
15 diverse members.

16 (4) By March 15 of the current fiscal year, the department
17 shall report to the house and senate appropriations subcommittees
18 on the department budget, the house and senate fiscal agencies, the
19 house and senate policy offices, and the state budget office on
20 progress, a time frame for implementation, and any identified
21 barriers to implementation of the items described in subsections
22 (2) and (3). In addition, the report shall also include information
23 on policy changes and any other efforts made to improve the
24 coordination of supports and services for individuals having or at
25 risk of having mental illness, an intellectual or developmental
26 disability, substance use disorder, or physical health needs.

27 Sec. 299. (1) No state department or agency shall issue a



1 request for proposal (RFP) for a contract in excess of
2 \$5,000,000.00, unless the department or agency has first considered
3 issuing a request for information (RFI) or a request for
4 qualification (RFQ) relative to that contract to better enable the
5 department or agency to learn more about the market for the
6 products or services that are the subject of the RFP. The
7 department or agency shall notify the department of technology,
8 management, and budget of the evaluation process used to determine
9 if an RFI or RFQ was not necessary prior to issuing the RFP.

10 (2) From funds appropriated in part 1, for all RFPs issued
11 during the current fiscal year where an existing service received
12 proposals by multiple vendors, the department shall notify all
13 vendors within 30 days of the RFP decision. The notification to
14 vendors shall include details on the RFP process, including the
15 respective RFP scores and the respective cost for each vendor. If
16 the highest scored RFP or lowest cost RFP does not receive the
17 contract for an existing service offered by the department, the
18 notification shall issue an explanation for the reasons that the
19 highest scored RFP or lowest cost RFP did not receive the contract
20 and detail the incremental cost target amount or service level
21 required that was required to migrate the service to a new vendor.
22 Additionally, the department shall include in the notification
23 details as to why a cost or service difference is justifiable if
24 the highest scored or lowest cost vendor does not receive the
25 contract.

26 (3) The department shall submit to the senate and house
27 appropriations subcommittees on the department budget, the senate



1 and house fiscal agencies, the senate and house policy offices, and
2 the state budget office by September 30 of the current fiscal year
3 a report that summarizes all RFPs during the current fiscal year
4 where an existing service received proposals by multiple vendors.
5 The report shall list all finalized RFPs where there was a
6 divergence from awarding the contract to the lowest cost or highest
7 scoring vendor. The report shall also include the cost or service
8 threshold required by department policy that must be satisfied in
9 order for an existing contract to be received by new vendor.

10 **DEPARTMENTAL ADMINISTRATION AND SUPPORT**

11 Sec. 307. (1) From the funds appropriated in part 1 for
12 demonstration projects, \$950,000.00 shall be distributed as
13 provided in subsection (2). The amount distributed under this
14 subsection shall not exceed 50% of the total operating expenses of
15 the program described in subsection (2), with the remaining 50%
16 paid by local United Way organizations and other nonprofit
17 organizations and foundations.

18 (2) Funds distributed under subsection (1) shall be
19 distributed to Michigan 2-1-1, a nonprofit corporation organized
20 under the laws of this state that is exempt from federal income tax
21 under section 501(c)(3) of the internal revenue code of 1986, 26
22 USC 501(c)(3), and whose mission is to coordinate and support a
23 statewide 2-1-1 system. Michigan 2-1-1 shall use the funds only to
24 fulfill the Michigan 2-1-1 business plan adopted by Michigan 2-1-1
25 in January 2005.

26 (3) Michigan 2-1-1 shall refer to the department any calls



1 received reporting fraud, waste, or abuse of state-administered
2 public assistance.

3 (4) Michigan 2-1-1 shall report annually to the department and
4 the house and senate standing committees with primary jurisdiction
5 over matters relating to human services and telecommunications on
6 2-1-1 system performance, the senate and house appropriations
7 subcommittees on the department budget, and the senate and house
8 fiscal agencies, including, but not limited to, call volume by
9 health and human service needs and unmet needs identified through
10 caller data and customer satisfaction metrics.

11 Sec. 316. From the funds appropriated in part 1 for terminal
12 leave payments, the department shall not spend in excess of its
13 annual gross appropriation unless it identifies and requests a
14 legislative transfer from another budgetary line item supporting
15 administrative costs, as provided by section 393(2) of the
16 management and budget act, 1984 PA 431, MCL 18.1393.

17 **CHILD SUPPORT ENFORCEMENT**

18 Sec. 401. (1) The appropriations in part 1 assume a total
19 federal child support incentive payment of \$26,500,000.00.

20 (2) From the federal money received for child support
21 incentive payments, \$12,000,000.00 shall be retained by the state
22 and expended for child support program expenses.

23 (3) From the federal money received for child support
24 incentive payments, \$14,500,000.00 shall be paid to the counties
25 based on each county's performance level for each of the federal
26 performance measures as established in 45 CFR 305.2.



1 (4) If the child support incentive payment to the state from
2 the federal government is greater than \$26,500,000.00, then 100% of
3 the excess shall be retained by the state and is appropriated until
4 the total retained by the state reaches \$15,397,400.00.

5 (5) If the child support incentive payment to the state from
6 the federal government is greater than the amount needed to satisfy
7 the provisions identified in subsections (1), (2), (3), and (4),
8 the additional funds shall be subject to appropriation by the
9 legislature.

10 (6) If the child support incentive payment to the state from
11 the federal government is less than \$26,500,000.00, then the state
12 and county share shall each be reduced by 50% of the shortfall.

13 Sec. 409. (1) If statewide retained child support collections
14 exceed \$38,300,000.00, 75% of the amount in excess of
15 \$38,300,000.00 is appropriated to legal support contracts. This
16 excess appropriation may be distributed to eligible counties to
17 supplement and not supplant county title IV-D funding.

18 (2) Each county whose retained child support collections in
19 the current fiscal year exceed its fiscal year 2004-2005 retained
20 child support collections, excluding tax offset and financial
21 institution data match collections in both the current year and
22 fiscal year 2004-2005, shall receive its proportional share of the
23 75% excess.

24 Sec. 410. (1) If title IV-D-related child support collections
25 are escheated, the state budget director is authorized to adjust
26 the sources of financing for the funds appropriated in part 1 for
27 legal support contracts to reduce federal authorization by 66% of



1 the escheated amount and increase general fund/general purpose
2 authorization by the same amount. This budget adjustment is
3 required to offset the loss of federal revenue due to the escheated
4 amount being counted as title IV-D program income in accordance
5 with federal regulations at 45 CFR 304.50.

6 (2) The department shall notify the chairs of the house and
7 senate appropriations subcommittees on the department budget and
8 the house and senate fiscal agencies within 15 days of the
9 authorization adjustment in subsection (1).

10 **COMMUNITY SERVICES AND OUTREACH**

11 Sec. 450. (1) From the funds appropriated in part 1 for school
12 success partnership program, the department shall allocate
13 \$525,000.00 by December 1 of the current fiscal year to support the
14 Northeast Michigan Community Service Agency programming, which will
15 take place in each county in the Governor's Prosperity Region 3.
16 The department shall require the following performance objectives
17 be measured and reported for the duration of the state funding for
18 the school success partnership program:

19 (a) Increasing school attendance and decreasing chronic
20 absenteeism.

21 (b) Increasing academic performance based on grades with
22 emphasis on math and reading.

23 (c) Identifying barriers to attendance and success and
24 connecting families with resources to reduce these barriers.

25 (d) Increasing parent involvement with the parent's child's
26 school and community.



1 (2) The Northeast Michigan Community Service Agency shall
2 provide reports to the department on January 31 and June 30 of the
3 current fiscal year on the number of children and families served
4 and the services that were provided to families to meet the
5 performance objectives identified in this section. The department
6 shall distribute the reports within 1 week after receipt to the
7 senate and house appropriations subcommittees on the department
8 budget, the senate and house fiscal agencies, the senate and house
9 policy offices, and the state budget office.

10 Sec. 452. From the funds appropriated in part 1 for crime
11 victim justice assistance grants, the department shall continue to
12 support forensic nurse examiner programs to facilitate training for
13 improved evidence collection for the prosecution of sexual assault.
14 The funds shall be used for program coordination and training.

15 Sec. 453. From the funds appropriated in part 1 for homeless
16 programs, the department shall increase emergency shelter program
17 per diem rates to \$16.00 per bed night to support efforts of
18 shelter providers to move homeless individuals and households into
19 permanent housing as quickly as possible. The purpose of this
20 enhancement is to increase the number of shelter discharges to
21 stable housing destinations, decrease recidivism rates for shelter
22 clients, and reduce the average length of stay in emergency
23 shelters.

24 Sec. 454. The department shall allocate the full amount of
25 funds appropriated in part 1 for homeless programs to provide
26 services for homeless individuals and families, including, but not
27 limited to, third-party contracts for emergency shelter services.



1 Sec. 455. As a condition of receipt of federal TANF funds,
2 homeless shelters and human services agencies shall collaborate
3 with the department to obtain necessary TANF eligibility
4 information on families as soon as possible after admitting a
5 family to the homeless shelter. From the funds appropriated in part
6 1 for homeless programs, the department is authorized to make
7 allocations of TANF funds only to the homeless shelters and human
8 services agencies that report necessary data to the department for
9 the purpose of meeting TANF eligibility reporting requirements.
10 Homeless shelters or human services agencies that do not report
11 necessary data to the department for the purpose of meeting TANF
12 eligibility reporting requirements will not receive reimbursements
13 that exceed the per diem amount they received in fiscal year 2000.
14 The use of TANF funds under this section is not an ongoing
15 commitment of funding.

16 **CHILDREN'S SERVICES AGENCY - CHILD WELFARE**

17 Sec. 501. (1) A goal is established that not more than 25% of
18 all children in foster care at any given time during the current
19 fiscal year will have been in foster care for 24 months or more.

20 (2) By March 1 of the current fiscal year, the department
21 shall provide to the senate and house appropriations subcommittees
22 on the department budget, the senate and house fiscal agencies, the
23 senate and house policy offices, and the state budget office a
24 report describing the steps that will be taken to achieve the
25 specific goal established in this section and on the percentage of
26 children who currently are in foster care and who have been in



1 foster care a total of 24 or more months.

2 Sec. 502. From the funds appropriated in part 1 for foster
3 care, the department shall provide 50% reimbursement to Indian
4 tribal governments for foster care expenditures for children who
5 are under the jurisdiction of Indian tribal courts and who are not
6 otherwise eligible for federal foster care cost sharing.

7 Sec. 503. (1) In accordance with the final report of the
8 Michigan child welfare performance-based funding task force issued
9 in response to section 503 of article X of 2013 PA 59, the
10 department shall continue to develop actuarially sound case rates
11 for necessary out-of-home child welfare services that achieve
12 permanency by the department and private child placing agencies in
13 a prospective payment system under a performance-based funding
14 model.

15 (2) The department shall continue to develop a prospective
16 rate payment system for private agencies that includes funding for
17 adoption incentive payments. The full cost prospective rate payment
18 system will identify and cover contractual costs paid through the
19 case rate developed by an independent actuary.

20 (3) By March 1 of the current fiscal year, the department
21 shall provide to the senate and house appropriations committees on
22 the department budget, the senate and house fiscal agencies and
23 policy offices, and the state budget office a report on the full
24 cost analysis of the performance-based funding model. The report
25 shall include background information on the project and give
26 details about the contractual costs covered through the case rate.

27 (4) The department shall only implement the performance-based



1 funding model into additional counties where the department,
2 private child welfare agencies, the county, and the court operating
3 within that county have signed a memorandum of understanding that
4 incorporates the intentions of the concerned parties in order to
5 implement the performance-based funding model.

6 (5) The department, in conjunction with members from both the
7 house of representatives and senate, private child placing
8 agencies, the courts, and counties shall implement the
9 recommendations that are described in the workgroup report that was
10 provided in section 503 of article X of 2013 PA 59 to establish a
11 performance-based funding for public and private child welfare
12 services providers. The department shall provide a quarterly report
13 on the status of the performance-based contracting model to the
14 senate and house appropriations subcommittees on the department
15 budget, the senate and house standing committees on families and
16 human services, and the senate and house fiscal agencies and policy
17 offices.

18 (6) From the funds appropriated in part 1 for the performance-
19 based funding model pilot, the department shall continue to work
20 with the West Michigan Partnership for Children Consortium on the
21 implementation of the performance-based funding model pilot. The
22 consortium shall accept and comprehensively assess referred youth,
23 assign cases to members of its continuum or leverage services from
24 other entities, and make appropriate case management decisions
25 during the duration of a case. The consortium shall operate an
26 integrated continuum of care structure, with services provided by
27 both private and public agencies, based on individual case needs.



1 The consortium shall demonstrate significant organizational
2 capacity and competencies, including experience with managing risk-
3 based contracts, financial strength, experienced staff and
4 leadership, and appropriate governance structure.

5 Sec. 504. (1) The department may establish a master agreement
6 with the West Michigan Partnership for Children Consortium for a
7 performance-based child welfare contracting pilot program. The
8 consortium shall consist of a network of affiliated child welfare
9 service providers that will accept and comprehensively assess
10 referred youth, assign cases to members of its continuum or
11 leverage services from other entities, and make appropriate case
12 management decisions during the duration of a case.

13 (2) The consortium shall operate an integrated continuum of
14 care structure, with services provided by private or public
15 agencies, based on individual case needs.

16 (3) By March 1 of the current fiscal year, the consortium
17 shall provide to the department and the house and senate
18 appropriations subcommittees on the department budget a report on
19 the consortium, including, but not limited to, actual expenditures,
20 administrative expenses, number of children placed by agencies in
21 the consortium, fund balance of the consortium, and the status of
22 the consortium evaluation.

23 Sec. 505. By March 1 of the current fiscal year, the
24 department shall provide to the senate and house appropriations
25 subcommittees on the department budget, the senate and house fiscal
26 agencies and policy offices, and the state budget office a report
27 for youth referred or committed to the department for care or



1 supervision in the previous fiscal year outlining the number of
2 youth served within the juvenile justice system, the type of
3 setting for each youth, performance outcomes, and financial costs
4 or savings.

5 Sec. 507. The department's ability to satisfy appropriation
6 deducts in part 1 for foster care private collections shall not be
7 limited to collections and accruals pertaining to services provided
8 only in the current fiscal year but may include revenues collected
9 during the current fiscal year for services provided in prior
10 fiscal years.

11 Sec. 508. (1) In addition to the amount appropriated in part 1
12 for children's trust fund grants, money granted or money received
13 as gifts or donations to the children's trust fund created by 1982
14 PA 249, MCL 21.171 to 21.172, is appropriated for expenditure.

15 (2) The department and the child abuse and neglect prevention
16 board shall collaborate to ensure that administrative delays are
17 avoided and the local grant recipients and direct service providers
18 receive money in an expeditious manner. The department and board
19 shall make available the children's trust fund contract funds to
20 grantees within 31 days of the start date of the funded project.

21 Sec. 511. The department shall provide semiannual reports to
22 the senate and house appropriations subcommittees on the department
23 budget, the senate and house standing committees on families and
24 human services, and the senate and house fiscal agencies and policy
25 offices on the number and percentage of children who received
26 timely health examinations after entry into foster care and the
27 number and percentage of children entering foster care who received



1 a required mental health examination after entry into foster care.

2 Sec. 512. (1) From the funds appropriated in part 1, the
3 department shall conduct a study on the cost and feasibility of
4 extending basic foster care services and financial resources to
5 children and to the caregivers of children who have been removed
6 from their birth parent, birth parents, or guardian and placed with
7 a relative outside of the foster care system.

8 (2) The department shall report the findings of the study
9 described in subsection (1) to the house and senate appropriations
10 subcommittees on the department budget, the house and senate fiscal
11 agencies, and the house and senate policy offices by July 1 of the
12 current fiscal year.

13 Sec. 513. (1) The department shall not expend funds
14 appropriated in part 1 to pay for the direct placement by the
15 department of a child in an out-of-state facility unless all of the
16 following conditions are met:

17 (a) There is no appropriate placement available in this state
18 as determined by the department interstate compact office.

19 (b) An out-of-state placement exists that is nearer to the
20 child's home than the closest appropriate in-state placement as
21 determined by the department interstate compact office.

22 (c) The out-of-state facility meets all of the licensing
23 standards of this state for a comparable facility.

24 (d) The out-of-state facility meets all of the applicable
25 licensing standards of the state in which it is located.

26 (e) The department has done an on-site visit to the out-of-
27 state facility, reviewed the facility records, reviewed licensing



1 records and reports on the facility, and believes that the facility
2 is an appropriate placement for the child.

3 (2) The department shall not expend money for a child placed
4 in an out-of-state facility without approval of the executive
5 director of the children's services agency.

6 (3) The department shall submit an annual report to the state
7 court administrative office, the house and senate appropriations
8 subcommittees on the department budget, the house and senate fiscal
9 agencies, the house and senate policy offices, and the state budget
10 office on the number of Michigan children residing in out-of-state
11 facilities at the time of the report, the total cost and average
12 per diem cost of these out-of-state placements to this state, and a
13 list of each such placement arranged by the Michigan county of
14 residence for each child.

15 (4) It is the intent of the legislature that the department
16 shall work in conjunction with the courts and the state court
17 administrative office to identify data needed to calculate
18 statewide recidivism rates for adjudicated youth placed in either
19 residential secure or nonsecure facilities, defined at 6 months
20 after a youth is released from placement.

21 (5) By March 1 of the current fiscal year, the department
22 shall notify the legislature on the status of efforts to accomplish
23 the intent of subsection (4).

24 Sec. 514. The department shall make a comprehensive report
25 concerning children's protective services (CPS) to the legislature,
26 including the senate and house policy offices and the state budget
27 director, by March 1 of the current fiscal year, that shall include



1 all of the following:

2 (a) Statistical information including, but not limited to, all
3 of the following:

4 (i) The total number of reports of child abuse or child
5 neglect investigated under the child protection law, 1975 PA 238,
6 MCL 722.621 to 722.638, and the number of cases classified under
7 category I or category II and the number of cases classified under
8 category III, category IV, or category V.

9 (ii) Characteristics of perpetrators of child abuse or child
10 neglect and the child victims, such as age, relationship, race, and
11 ethnicity and whether the perpetrator exposed the child victim to
12 drug activity, including the manufacture of illicit drugs, that
13 exposed the child victim to substance abuse, a drug house, or
14 methamphetamine.

15 (iii) The mandatory reporter category in which the individual
16 who made the report fits, or other categorization if the individual
17 is not within a group required to report under the child protection
18 law, 1975 PA 238, MCL 722.621 to 722.638.

19 (iv) The number of cases that resulted in the separation of
20 the child from the parent or guardian and the period of time of
21 that separation, up to and including termination of parental
22 rights.

23 (v) For the reported complaints of child abuse or child
24 neglect by teachers, school administrators, and school counselors,
25 the number of cases classified under category I or category II and
26 the number of cases classified under category III, category IV, or
27 category V.



1 (vi) For the reported complaints of child abuse or child
2 neglect by teachers, school administrators, and school counselors,
3 the number of cases that resulted in separation of the child from
4 the parent or guardian and the period of time of that separation,
5 up to and including termination of parental rights.

6 (b) New policies related to children's protective services
7 including, but not limited to, major policy changes and court
8 decisions affecting the children's protective services system
9 during the immediately preceding 12-month period.

10 (c) Statistical information regarding families that were
11 classified in category III, including, but not limited to, all of
12 the following:

13 (i) The total number of cases classified in category III.

14 (ii) The number of cases in category III referred to voluntary
15 community services and closed with no additional monitoring.

16 (iii) The number of cases in category III referred to
17 voluntary community services and monitored for up to 90 days.

18 (iv) The number of cases in category III for which the
19 department entered more than 1 determination that there was
20 evidence of child abuse or child neglect.

21 (v) The number of cases in category III that the department
22 reclassified from category III to category II.

23 (vi) The number of cases in category III that the department
24 reclassified from category III to category I.

25 (vii) The number of cases in category III that the department
26 reclassified from category III to category I that resulted in a
27 removal.



1 (d) The department policy, or changes to the department
2 policy, regarding children who have been exposed to the production
3 or manufacture of methamphetamines.

4 Sec. 515. By March 1 of the current fiscal year, the
5 department shall submit a report to the senate and house
6 appropriations subcommittees on the department budget, the senate
7 and house fiscal agencies, the senate and house policy offices, and
8 the state budget office that provides an update on the
9 privatization of child welfare services in Kent County as described
10 in section 515 of article X of 2013 PA 59 and includes all of the
11 following:

- 12 (a) Costs or savings that resulted from the program.
- 13 (b) Gaps in funding.
- 14 (c) Program successes.
- 15 (d) Challenges and barriers to a successful implementation.

16 Sec. 519. The department shall permit any private agency that
17 has an existing contract with this state to provide foster care
18 services to be also eligible to provide treatment foster care
19 services.

20 Sec. 523. (1) By February 15 of the current fiscal year, the
21 department shall report on the families first, family
22 reunification, and families together building solutions family
23 preservation programs to the senate and house appropriations
24 subcommittees on the department budget, the senate and house fiscal
25 agencies, the senate and house policy offices, and the state budget
26 office. The report shall provide an estimate of total costs savings
27 as a result of avoiding placement of children in foster care for



1 families who received family preservation services and shall
2 include information for each program on any innovations that may
3 increase savings or reductions in administrative costs.

4 (2) From the funds appropriated in part 1 for youth in
5 transition and domestic violence prevention and treatment, the
6 department is authorized to make allocations of TANF funds only to
7 agencies that report necessary data to the department for the
8 purpose of meeting TANF eligibility reporting requirements.

9 Sec. 524. As a condition of receiving funds appropriated in
10 part 1 for strong families/safe children, counties must submit the
11 service spending plan to the department by October 1 of the current
12 fiscal year for approval. The department shall approve the service
13 spending plan within 30 calendar days after receipt of a properly
14 completed service spending plan.

15 Sec. 525. The department shall implement the same on-site
16 evaluation processes for privately operated child welfare and
17 juvenile justice residential facilities as is used to evaluate
18 state-operated facilities. Penalties for noncompliance shall be the
19 same for privately operated child welfare and juvenile justice
20 residential facilities and state-operated facilities.

21 Sec. 526. From the funds appropriated in part 1 for foster
22 care payments and related administrative costs, the department may
23 implement the federally approved title IV-E child welfare waiver
24 demonstration project. As required under the waiver, any savings
25 resulting from the demonstration project must be quantified and
26 reinvested into child welfare programming.

27 Sec. 531. The department shall notify the house and senate



1 appropriations subcommittees on the department budget, the house
2 and senate fiscal agencies, and the house and senate policy offices
3 of any changes to a child welfare master contract template,
4 including the adoption master contract template, the independent
5 living plus master contract template, the child placing agency
6 foster care master contract template, and the residential foster
7 care juvenile justice master contract template, not less than 30
8 days before the change takes effect.

9 Sec. 532. The department, in collaboration with
10 representatives of private child and family agencies, shall revise
11 and improve the annual licensing review process and the annual
12 contract compliance review process for child placing agencies and
13 child caring institutions. The improvement goals shall be safety
14 and care for children. Improvements to the review process shall be
15 directed toward alleviating administrative burdens so that agency
16 resources may be focused on children. The revision shall include
17 identification of duplicative staff activities and information
18 sought from child placing agencies and child caring institutions in
19 the annual review process. The department shall report to the
20 senate and house appropriations subcommittees on the department
21 budget, the senate and house fiscal agencies and policy offices,
22 and the state budget director on or before January 15 of the
23 current fiscal year on the findings of the annual licensing review.

24 Sec. 533. (1) The department shall make payments to child
25 placing facilities for in-home and out-of-home care services and
26 adoption services within 30 days of receiving all necessary
27 documentation from those agencies. It is the intent of the



1 legislature that the burden of ensuring that these payments are
2 made in a timely manner and no payments are in arrears is upon the
3 department.

4 (2) No later than March 1 of the current fiscal year, the
5 department shall submit a report to the senate and house
6 appropriations subcommittees on the department budget, the senate
7 and house fiscal agencies, the senate and house policy offices, and
8 the state budget office that details each private child placing
9 agency and the percentage of payments that were in excess of 30
10 days during the entire prior fiscal year and the first quarter of
11 the current fiscal year.

12 Sec. 537. (1) The department, in collaboration with child
13 placing agencies, shall develop a strategy to implement section
14 1150 of the social welfare act, 1939 PA 280, MCL 400.1150. The
15 strategy shall include a requirement that a department caseworker
16 responsible for preparing a recommendation to a court concerning a
17 juvenile placement shall provide, as part of the recommendation,
18 information regarding the requirements of section 1150 of the
19 social welfare act, 1939 PA 280, MCL 400.1150.

20 (2) By March 1 of the current fiscal year, the department
21 shall provide to the senate and house appropriations subcommittees
22 on the department budget, the senate and house fiscal agencies, the
23 senate and house policy offices, and the state budget office a
24 report on the strategy described in subsection (1).

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 7 business days after the request or, if the ward is a
4 temporary court ward, seek parental consent within 7 business days
5 after the request. If parental consent is not provided within 7
6 business days, the department shall petition the court on the
7 eighth business day.

8 Sec. 546. (1) From the funds appropriated in part 1 for foster
9 care payments and from child care fund, the department shall pay
10 providers of general foster care and trial reunification services
11 not less than a \$45.60 administrative rate.

12 (2) From the funds appropriated in part 1 for foster care
13 payments and from child care fund, the department shall pay
14 providers of general independent living services not less than a
15 \$37.10 administrative rate.

16 (3) From the funds appropriated in part 1, the department
17 shall pay providers of independent living plus services statewide
18 per diem rates for staff-supported housing and host-home housing
19 based on proposals submitted in response to a solicitation for
20 pricing. The independent living plus program provides staff-
21 supported housing and services for foster youth ages 16 through 19
22 who, because of their individual needs and assessments, are not
23 initially appropriate for general independent living foster care.

24 (4) If required by the federal government to meet title IV-E
25 requirements, providers of foster care services shall submit
26 quarterly expenditure reports to the department to identify actual
27 costs of providing foster care services.



1 Sec. 547. From the funds appropriated in part 1 for the
2 guardianship assistance program, the department shall pay a minimum
3 rate that is not less than the approved age-appropriate payment
4 rates for youth placed in family foster care.

5 Sec. 559. (1) From the funds appropriated in part 1 for
6 adoption support services, the department shall allocate
7 \$250,000.00 to the Adoptive Family Support Network by December 1 of
8 the current fiscal year to operate and expand its adoptive parent
9 mentor program to provide a listening ear, knowledgeable guidance,
10 and community connections to adoptive parents and children who were
11 adopted in this state or another state.

12 (2) The Adoptive Family Support Network shall submit to the
13 senate and house appropriations subcommittees on the department
14 budget, the senate and house fiscal agencies, the senate and house
15 policy offices, and the state budget office by March 1 of the
16 current fiscal year a report on the program described in subsection
17 (1), including, but not limited to, the number of cases served and
18 the number of cases in which the program prevented an out-of-home
19 placement.

20 Sec. 562. The department shall provide time and travel
21 reimbursements for foster parents who transport a foster child to
22 parent-child visitations. As part of the foster care parent
23 contract, the department shall provide written confirmation to
24 foster parents that states that the foster parents have the right
25 to request these reimbursements for all parent-child visitations.
26 The department shall provide these reimbursements within 60 days of
27 receiving a request for eligible reimbursements from a foster



1 parent.

2 Sec. 567. The department shall submit to the senate and house
3 appropriations subcommittees on the department budget, the senate
4 and house fiscal agencies, the senate and house policy offices, and
5 the state budget office by March 1 of the current fiscal year a
6 report on completion of medical passports for children in foster
7 care, including the following:

8 (a) The percentage of medical passports that were properly
9 filled out.

10 (b) From the total medical passports transferred, the
11 percentage that transferred within 2 weeks from the date of
12 placement or return to the home.

13 (c) From the total school records, the percentage that
14 transferred within 2 weeks from the date of placement or return to
15 the home.

16 (d) The implementation steps that have been taken to improve
17 the outcomes for the measures in subdivisions (a) and (b).

18 Sec. 574. (1) From the funds appropriated in part 1 for foster
19 care payments, \$2,500,000.00 is allocated to support performance-
20 based contracts with child placing agencies to facilitate the
21 licensure of relative caregivers as foster parents. Agencies shall
22 receive \$2,300.00 for each facilitated licensure if completed
23 within 180 days after a child's placement or, if a waiver was
24 previously approved, 180 days from the application date. If the
25 facilitated licensure, or approved waiver, is completed after 180
26 days, the agency shall receive up to \$2,300.00. The agency
27 facilitating the licensure would retain the placement and continue



1 to provide case management services for at least 50% of the newly
2 licensed cases for which the placement was appropriate to the
3 agency. Up to 50% of the newly licensed cases would have direct
4 foster care services provided by the department.

5 (2) From the funds appropriated for foster care payments,
6 \$375,000.00 is allocated to support family incentive grants to
7 private and community-based foster care service providers to assist
8 with home improvements or payment for physical exams for applicants
9 needed by foster families to accommodate foster children.

10 Sec. 583. By March 1 of the current fiscal year, the
11 department shall provide to the senate and house appropriations
12 subcommittees on the department budget, the senate and house
13 standing committees on families and human services, the senate and
14 house fiscal agencies and policy offices, and the state budget
15 office a report that includes:

16 (a) The number and percentage of foster parents that dropped
17 out of the program in the previous fiscal year and the reasons the
18 foster parents left the program and how those figures compare to
19 prior fiscal years.

20 (b) The number and percentage of foster parents successfully
21 retained in the previous fiscal year and how those figures compare
22 to prior fiscal years.

23 Sec. 585. The department shall make available at least 1 pre-
24 service training class each month in which new caseworkers for
25 private foster care and adoption agencies can enroll.

26 Sec. 588. (1) Concurrently with public release, the department
27 shall transmit all reports from the court-appointed settlement



1 monitor, including, but not limited to, the needs assessment and
2 period outcome reporting, to the state budget office, the senate
3 and house appropriations subcommittees on the department budget,
4 and the senate and house fiscal agencies and policy offices,
5 without revision.

6 (2) The department shall report quarterly to the state budget
7 office, the senate and house appropriations subcommittees on the
8 department budget, the senate and house fiscal agencies, and the
9 senate and house policy offices on the number of children enrolled
10 in the guardianship assistance and foster care - children with
11 serious emotional disturbance waiver programs.

12 Sec. 589. On a monthly basis, the department shall report on
13 the number of all foster care cases administered by the department
14 and all foster care cases administered by private providers.

15 Sec. 593. The department may allow residential service
16 providers for child abuse and child neglect cases to implement a
17 staff ratio during working hours of 1 staff to 5 children.

18 Sec. 594. From the funds appropriated in part 1 for foster
19 care payments, the department shall support regional resource teams
20 to provide for the recruitment, retention, and training of foster
21 and adoptive parents and shall expand the Michigan youth
22 opportunities initiative to all Michigan counties. The purpose of
23 this investment is to increase the number of annual inquiries from
24 prospective foster parents, increase the number of nonrelative
25 foster homes that achieve licensure each year, increase the annual
26 retention rate of nonrelative foster homes, reduce the number of
27 older foster youth placed outside of family settings, and provide



1 older youth with enhanced support in transitioning to adulthood.

2 **PUBLIC ASSISTANCE**

3 Sec. 601. Whenever a client agrees to the release of his or
4 her name and address to the local housing authority, the department
5 shall request from the local housing authority information
6 regarding whether the housing unit for which vendoring has been
7 requested meets applicable local housing codes. Vendoring shall be
8 terminated for those units that the local authority indicates in
9 writing do not meet local housing codes until such time as the
10 local authority indicates in writing that local housing codes have
11 been met.

12 Sec. 604. (1) The department shall operate a state disability
13 assistance program. Except as provided in subsection (3), persons
14 eligible for this program shall include needy citizens of the
15 United States or aliens exempted from the supplemental security
16 income citizenship requirement who are at least 18 years of age or
17 emancipated minors meeting 1 or more of the following requirements:

18 (a) A recipient of supplemental security income, social
19 security, or medical assistance due to disability or 65 years of
20 age or older.

21 (b) A person with a physical or mental impairment that meets
22 federal supplemental security income disability standards, except
23 that the minimum duration of the disability shall be 90 days.
24 Substance use disorder alone is not defined as a basis for
25 eligibility.

26 (c) A resident of an adult foster care facility, a home for



1 the aged, a county infirmary, or a substance use disorder treatment
2 center.

3 (d) A person receiving 30-day postresidential substance use
4 disorder treatment.

5 (e) A person diagnosed as having acquired immunodeficiency
6 syndrome.

7 (f) A person receiving special education services through the
8 local intermediate school district.

9 (g) A caretaker of a disabled person who meets the
10 requirements specified in subdivision (a), (b), (e), or (f).

11 (2) Applicants for and recipients of the state disability
12 assistance program shall be considered needy if they:

13 (a) Meet the same asset test as is applied for the family
14 independence program.

15 (b) Have a monthly budgetable income that is less than the
16 payment standards.

17 (3) Except for a person described in subsection (1)(c) or (d),
18 a person is not disabled for purposes of this section if his or her
19 drug addiction or alcoholism is a contributing factor material to
20 the determination of disability. "Material to the determination of
21 disability" means that, if the person stopped using drugs or
22 alcohol, his or her remaining physical or mental limitations would
23 not be disabling. If his or her remaining physical or mental
24 limitations would be disabling, then the drug addiction or
25 alcoholism is not material to the determination of disability and
26 the person may receive state disability assistance. Such a person
27 must actively participate in a substance abuse treatment program,



1 and the assistance must be paid to a third party or through vendor
2 payments. For purposes of this section, substance abuse treatment
3 includes receipt of inpatient or outpatient services or
4 participation in alcoholics anonymous or a similar program.

5 Sec. 605. The level of reimbursement provided to state
6 disability assistance recipients in licensed adult foster care
7 facilities shall be the same as the prevailing supplemental
8 security income rate under the personal care category.

9 Sec. 606. County department offices shall require each
10 recipient of family independence program and state disability
11 assistance who has applied with the social security administration
12 for supplemental security income to sign a contract to repay any
13 assistance rendered through the family independence program or
14 state disability assistance program upon receipt of retroactive
15 supplemental security income benefits.

16 Sec. 607. (1) The department's ability to satisfy
17 appropriation deductions in part 1 for state disability
18 assistance/supplemental security income recoveries and public
19 assistance recoupment revenues shall not be limited to recoveries
20 and accruals pertaining to state disability assistance, or family
21 independence assistance grant payments provided only in the current
22 fiscal year, but may include revenues collected during the current
23 year that are prior year related and not a part of the department's
24 accrued entries.

25 (2) The department may use supplemental security income
26 recoveries to satisfy the deduct in any line in which the revenues
27 are appropriated, regardless of the source from which the revenue



1 is recovered.

2 Sec. 608. Adult foster care facilities providing domiciliary
3 care or personal care to residents receiving supplemental security
4 income or homes for the aged serving residents receiving
5 supplemental security income shall not require those residents to
6 reimburse the home or facility for care at rates in excess of those
7 legislatively authorized. To the extent permitted by federal law,
8 adult foster care facilities and homes for the aged serving
9 residents receiving supplemental security income shall not be
10 prohibited from accepting third-party payments in addition to
11 supplemental security income if the payments are not for food,
12 clothing, shelter, or result in a reduction in the recipient's
13 supplemental security income payment.

14 Sec. 609. The state supplementation level under the
15 supplemental security income program for the personal care/adult
16 foster care and home for the aged categories shall not be reduced
17 during the current fiscal year. The legislature shall be notified
18 not less than 30 days before any proposed reduction in the state
19 supplementation level.

20 Sec. 610. (1) In developing good cause criteria for the state
21 emergency relief program, the department shall grant exemptions if
22 the emergency resulted from unexpected expenses related to
23 maintaining or securing employment.

24 (2) For purposes of determining housing affordability
25 eligibility for state emergency relief, a group is considered to
26 have sufficient income to meet ongoing housing expenses if their
27 total housing obligation does not exceed 75% of their total net



1 income.

2 (3) State emergency relief payments shall not be made to
3 individuals who have been found guilty of fraud in regard to
4 obtaining public assistance.

5 (4) State emergency relief payments shall not be made
6 available to persons who are out-of-state residents or illegal
7 immigrants.

8 (5) State emergency relief payments for rent assistance shall
9 be distributed directly to landlords and shall not be added to
10 Michigan bridge cards.

11 Sec. 611. The state supplementation level under the
12 supplemental security income program for the living independently
13 or living in the household of another categories shall not exceed
14 the minimum state supplementation level as required under federal
15 law or regulations.

16 Sec. 613. (1) The department shall provide reimbursements for
17 the final disposition of indigent persons. The reimbursements shall
18 include the following:

19 (a) The maximum allowable reimbursement for the final
20 disposition is \$800.00.

21 (b) The adult burial with services allowance is \$725.00.

22 (c) The adult burial without services allowance is \$490.00.

23 (d) The infant burial allowance is \$170.00.

24 (2) Reimbursement for a cremation permit fee of up to \$75.00
25 and for mileage at the standard rate will be made available for an
26 eligible cremation. The reimbursements under this section shall
27 take into consideration religious preferences that prohibit



1 cremation.

2 Sec. 614. The department shall report to the senate and house
3 of representatives appropriations subcommittees on the department
4 budget, the senate and house fiscal agencies, and the senate and
5 house policy offices by January 15 of the current fiscal year on
6 the number and percentage of state disability assistance recipients
7 who were determined to be eligible for federal supplemental
8 security income benefits in the previous fiscal year.

9 Sec. 615. Except as required by federal law or regulations,
10 funds appropriated in part 1 shall not be used to provide public
11 assistance to a person who is an illegal alien. This section shall
12 not prohibit the department from entering into contracts with food
13 banks, emergency shelter providers, or other human services
14 agencies who may, as a normal part of doing business, provide food
15 or emergency shelter.

16 Sec. 616. The department shall require retailers that
17 participate in the electronic benefits transfer program to charge
18 no more than \$2.50 in fees for cash back as a condition of
19 participation.

20 Sec. 619. (1) Subject to subsection (2), the department shall
21 exempt from the denial of title IV-A assistance and food assistance
22 benefits under 21 USC 862a any individual who has been convicted of
23 a felony that included the possession, use, or distribution of a
24 controlled substance, after August 22, 1996, if the individual is
25 not in violation of his or her probation or parole requirements.
26 Benefits shall be provided to such individuals as follows:

27 (a) A third-party payee or vendor shall be required for any



1 cash benefits provided.

2 (b) An authorized representative shall be required for food
3 assistance receipt.

4 (2) Subject to federal approval, an individual is not entitled
5 to the exemption in this section if the individual was convicted in
6 2 or more separate cases of a felony that included the possession,
7 use, or distribution of a controlled substance after August 22,
8 1996.

9 Sec. 620. (1) The department shall make a determination of
10 Medicaid eligibility not later than 90 days if disability is an
11 eligibility factor. For all other Medicaid applicants, including
12 patients of a nursing home, the department shall make a
13 determination of Medicaid eligibility within 45 days of
14 application.

15 (2) The department shall report on a quarterly basis to the
16 senate and house appropriations subcommittees on the department
17 budget, the senate and house standing committees on families and
18 human services, the senate and house fiscal agencies, the senate
19 and house policy offices, and the state budget office on the
20 average Medicaid eligibility standard of promptness for each of the
21 required standards of promptness under subsection (1) and for
22 medical review team reviews achieved statewide and at each local
23 office.

24 Sec. 645. An individual or family is considered homeless, for
25 purposes of eligibility for state emergency relief, if living
26 temporarily with others in order to escape domestic violence. For
27 purposes of this section, domestic violence is defined and verified



1 in the same manner as in the department's policies on good cause
2 for not cooperating with child support and paternity requirements.

3 Sec. 650. The department shall apply the food assistance
4 eligibility requirements as prescribed in 7 CFR 273.24(a) to (d) on
5 a statewide basis for the fiscal year beginning October 1, 2017.

6 Sec. 651. (1) From the funds appropriated in part 1, the
7 department shall allocate up to \$1,500,000.00 to Michigan State
8 University (MSU) Extension for the Michigan corner store
9 initiative. Funds provided for the Michigan corner store initiative
10 shall be used to provide grants to small food retailers to increase
11 the availability and sales of fresh and nutritious food in low- and
12 moderate-income areas of the state. In determining qualified
13 projects to fund, the MSU Extension shall consider the level of
14 need in the area to be served. The MSU Extension shall report
15 annually to the department on the projects funded, the geographic
16 distribution of the projects, the costs of the program, and the
17 outcomes, including the number and type of jobs created and health
18 impacts associated with the program. The department shall provide
19 the annual report described in this section to the house and senate
20 appropriations subcommittees on the department budget, the house
21 and senate fiscal agencies, and the house and senate policy
22 offices. To qualify, grant applicants must do all of the following:

- 23 (a) Be a small food retailer.
24 (b) Be located in a low- or moderate-income area.
25 (c) Accept or agree to accept, as a condition of receiving
26 assistance, food assistance program benefits.
27 (d) Agree to apply to accept special supplemental nutrition



1 program for women, infants, and children (WIC) benefits and accept
2 WIC benefits, if eligible.

3 (e) Agree to abide by the conditions for receiving assistance.

4 (f) Collect and provide data and other information required by
5 the department and MSU Extension for monitoring, accountability,
6 and evaluation purposes.

7 (2) Grant money disbursed under the Michigan corner store
8 initiative may be used for the following purposes:

9 (a) Salary and associated costs of employees or contractors
10 providing education, advice, or other assistance on food safety and
11 handling, nutrition education, business operations, and promotion
12 to small food retailers.

13 (b) Refrigeration, display shelving, or other equipment for
14 small food retailers necessary for stocking healthy foods and fresh
15 produce, at a cost of less than \$5,000.00 per retailer.

16 (c) Materials and supplies for nutrition education and healthy
17 food promotion.

18 (d) Mini-grants to retailers of no more than \$100.00 per
19 retailer to meet initial expenses incurred with participation in
20 the program.

21 Sec. 652. (1) The department shall monitor the status of the
22 waiver request dated February 17, 2017 from the state of Maine to
23 the USDA to waive specific SNAP regulations so that Maine can
24 exempt sugar-sweetened beverages and candy from purchase with SNAP
25 benefits.

26 (2) The department shall immediately report to the house and
27 senate appropriations subcommittees on the department budget, the



1 house and senate fiscal agencies, and the house and senate policy
2 offices if the waiver described in subsection (1) receives federal
3 approval.

4 (3) If the waiver described in subsection (1) receives federal
5 approval, the department shall prepare and submit a similar waiver
6 for the state of Michigan to the USDA to waive the federal
7 statutory requirements in section 2012(k), 7 USC 2012 and in 7 CFR
8 271.2 regarding the SNAP program so that this state can exempt
9 sugar-sweetened beverages and candy from purchase with SNAP
10 benefits that are distributed through the state food assistance
11 program.

12 (4) The department shall report to the house and senate
13 appropriations subcommittees on the department budget, the house
14 and senate fiscal agencies, and the house and senate policy offices
15 if a waiver described in subsection (3) is submitted to the USDA.

16 Sec. 653. From the funds appropriated in part 1 for food
17 assistance, an individual who is the victim of domestic violence
18 and does not qualify for any other exemption may be exempt from the
19 3-month in 36-month limit on receiving food assistance under 7 USC
20 2015. This exemption can be extended an additional 3 months upon
21 demonstration of continuing need.

22 Sec. 654. The department shall notify recipients of food
23 assistance program benefits that their benefits can be spent with
24 their bridge cards at many farmers' markets in the state. The
25 department shall also notify recipients about the Double Up Food
26 Bucks program that is administered by the Fair Food Network.
27 Recipients shall receive information about the Double Up Food Bucks



1 program, including information that when the recipient spends
2 \$20.00 at participating farmers' markets through the program, the
3 recipient can receive an additional \$20.00 to buy Michigan produce.

4 Sec. 655. Within 14 days after the spending plan for low-
5 income home energy assistance program is approved by the state
6 budget office, the department shall provide the spending plan,
7 including itemized projected expenditures, to the chairpersons of
8 the senate and house appropriations subcommittees on the department
9 budget, the senate and house fiscal agencies, the senate and house
10 policy offices, and the state budget office.

11 Sec. 660. From the funds appropriated in part 1 for Food Bank
12 Council of Michigan, the department is authorized to make
13 allocations of TANF funds only to the agencies that report
14 necessary data to the department for the purpose of meeting TANF
15 eligibility reporting requirements. The agencies that do not report
16 necessary data to the department for the purpose of meeting TANF
17 eligibility reporting requirements will not receive allocations in
18 excess of those received in fiscal year 2000. The use of TANF funds
19 under this section is not an ongoing commitment of funding.

20 Sec. 669. The department shall allocate \$7,170,000.00 for the
21 annual clothing allowance. The allowance shall be granted to all
22 eligible children in a family independence program group.

23 Sec. 672. (1) The department's office of inspector general
24 shall report to the senate and house of representatives
25 appropriations subcommittees on the department budget, the senate
26 and house fiscal agencies, and the senate and house policy offices
27 by February 15 of the current fiscal year on department efforts to



1 reduce inappropriate use of Michigan bridge cards. The department
2 shall provide information on the number of recipients of services
3 who used their electronic benefit transfer card inappropriately and
4 the current status of each case, the number of recipients whose
5 benefits were revoked, whether permanently or temporarily, as a
6 result of inappropriate use, and the number of retailers that were
7 fined or removed from the electronic benefit transfer program for
8 permitting inappropriate use of the cards.

9 (2) As used in this section, "inappropriate use" means not
10 used to meet a family's ongoing basic needs, including food,
11 clothing, shelter, utilities, household goods, personal care items,
12 and general incidentals.

13 Sec. 677. (1) The department shall establish a state goal for
14 the percentage of family independence program cases involved in
15 employment activities. The percentage established shall not be less
16 than 50%. The goal for long-term employment shall be 15% of cases
17 for 6 months or more.

18 (2) On a quarterly basis, the department shall report to the
19 senate and house appropriations subcommittees on the department
20 budget, the senate and house fiscal agencies and policy offices,
21 and the state budget director on the number of cases referred to
22 Partnership. Accountability. Training. Hope. (PATH), the current
23 percentage of family independence program cases involved in PATH
24 employment activities, an estimate of the current percentage of
25 family independence program cases that meet federal work
26 participation requirements on the whole, and an estimate of the
27 current percentage of the family independence program cases that



1 meet federal work participation requirements for those cases
2 referred to PATH.

3 (3) The department shall submit to the senate and house
4 appropriations subcommittees on the department budget, the senate
5 and house fiscal agencies, the senate and house policy offices, and
6 the state budget office a quarterly report that includes all of the
7 following:

8 (a) The number and percentage of nonexempt family independence
9 program recipients who are employed.

10 (b) The average and range of wages of employed family
11 independence program recipients.

12 (c) The number and percentage of employed family independence
13 program recipients who remain employed for 6 months or more.

14 Sec. 686. (1) The department shall ensure that program policy
15 requires caseworkers to confirm that individuals presenting
16 personal identification issued by another state seeking assistance
17 through the family independence program, food assistance program,
18 state disability assistance program, or medical assistance program
19 are not receiving benefits from any other state.

20 (2) The department shall require caseworkers to confirm the
21 address provided by any individual seeking family independence
22 program benefits or state disability assistance benefits.

23 (3) The department shall prohibit individuals with property
24 assets assessed at a value higher than \$200,000.00 from accessing
25 assistance through department-administered programs, unless such a
26 prohibition would violate federal rules and guidelines.

27 (4) The department shall require caseworkers to obtain an up-



1 to-date telephone number during the eligibility determination or
2 redetermination process for individuals seeking medical assistance
3 benefits.

4 Sec. 687. (1) The department shall, on a quarterly basis by
5 February 1, May 1, August 1, and November 1, compile and make
6 available on its website all of the following information about the
7 family independence program, state disability assistance, the food
8 assistance program, Medicaid, and state emergency relief:

9 (a) The number of applications received.

10 (b) The number of applications approved.

11 (c) The number of applications denied.

12 (d) The number of applications pending and neither approved
13 nor denied.

14 (e) The number of cases opened.

15 (f) The number of cases closed.

16 (g) The number of cases at the beginning of the quarter and
17 the number of cases at the end of the quarter.

18 (2) The information provided under subsection (1) shall be
19 compiled and made available for the state as a whole and for each
20 county and reported separately for each program listed in
21 subsection (1).

22 (3) The department shall, on a quarterly basis by February 1,
23 May 1, August 1, and November 1, compile and make available on its
24 website the family independence program information listed as
25 follows:

26 (a) The number of new applicants who successfully met the
27 requirements of the 21-day assessment period for PATH.



1 (b) The number of new applicants who did not meet the
2 requirements of the 21-day assessment period for PATH.

3 (c) The number of cases sanctioned because of the school
4 truancy policy.

5 (d) The number of cases closed because of the 48-month and 60-
6 month lifetime limits.

7 (e) The number of first-, second-, and third-time sanctions.

8 (f) The number of children ages 0-5 living in FIP-sanctioned
9 households.

10 Sec. 688. From the funds appropriated in part 1 for the low-
11 income home energy assistance program, up to \$6,766,800.00 of
12 federal funding shall be allocated to provide an additional \$20.01
13 payment to food assistance program cases that are not currently
14 eligible for the standard utility allowance to enable these cases
15 to receive expanded food assistance benefits through the program
16 commonly known as the heat and eat program.

17 **CHILDREN'S SERVICES AGENCY - JUVENILE JUSTICE**

18 Sec. 706. Counties shall be subject to 50% chargeback for the
19 use of alternative regional detention services, if those detention
20 services do not fall under the basic provision of section 117e of
21 the social welfare act, 1939 PA 280, MCL 400.117e, or if a county
22 operates those detention services programs primarily with
23 professional rather than volunteer staff.

24 Sec. 707. In order to be reimbursed for child care fund
25 expenditures, counties are required to submit department-developed
26 reports to enable the department to document potential federally



1 claimable expenditures. This requirement is in accordance with the
2 reporting requirements specified in section 117a(7) of the social
3 welfare act, 1939 PA 280, MCL 400.117a.

4 Sec. 708. (1) As a condition of receiving funds appropriated
5 in part 1 for the child care fund line item, by December 15 of the
6 current fiscal year, counties shall have an approved service
7 spending plan for the current fiscal year. Counties must submit the
8 service spending plan to the department by October 1 of the current
9 fiscal year for approval. Upon submission of the county service
10 spending plan, the department shall approve within 30 calendar days
11 after receipt of a properly completed service plan that complies
12 with the requirements of the social welfare act, 1939 PA 280, MCL
13 400.1 to 400.119b. The department shall notify and submit county
14 service spending plan revisions to any county whose county service
15 spending plan is not accepted upon initial submission. The
16 department shall not request any additional revisions to a county
17 service spending plan outside of the requested revision
18 notification submitted to the county by the department. The
19 department shall notify a county within 30 days after approval that
20 its service plan was approved.

21 (2) The department shall submit a report to the house and
22 senate appropriations subcommittees on the department budget, the
23 house and senate fiscal agencies, the house and senate policy
24 offices, and the state budget office by February 15 of the current
25 fiscal year on the number of counties that fail to submit a service
26 spending plan by October 1 and the number of service spending plans
27 not approved by December 15. The report shall include the number of



1 county service spending plans that were not approved as first
2 submitted by the counties, as well as the number of plans that were
3 not approved by the department after being resubmitted by the
4 county with the first revisions that were requested by the
5 department.

6 Sec. 709. The department's master contract for juvenile
7 justice residential foster care services shall be amended to
8 prohibit contractors from denying a referral for placement of a
9 youth, or terminating a youth's placement, if the youth's assessed
10 treatment needs are in alignment with the facility's residential
11 program type, as identified by the court or the department. In
12 addition, the master contract shall require that youth placed in
13 juvenile justice residential foster care facilities must have
14 regularly scheduled treatment sessions with a licensed psychologist
15 or psychiatrist, or both, and access to the licensed psychologist
16 or psychiatrist as needed.

17 Sec. 721. If the demand for placements at state-operated
18 juvenile justice residential facilities exceeds capacity, the
19 department shall not increase the available occupancy or services
20 at the facilities, and shall post a request for proposals for a
21 contract with not less than 1 private provider of residential
22 services for juvenile justice youth to be a residential facility of
23 last resort.

24 **FIELD OPERATIONS AND SUPPORT SERVICES**

25 Sec. 801. (1) Funds appropriated in part 1 for independent
26 living shall be used to support the general operations of centers



1 for independent living in delivering mandated independent living
2 services in compliance with federal rules and regulations for the
3 centers, by existing centers for independent living to serve
4 underserved areas, and for projects to build the capacity of
5 centers for independent living to deliver independent living
6 services. Applications for the funds shall be reviewed in
7 accordance with criteria and procedures established by the
8 department. The funds appropriated in part 1 may be used to
9 leverage federal vocational rehabilitation innovation and expansion
10 funds consistent with 34 CFR 361.35 up to \$5,543,000.00, if
11 available. If the possibility of matching federal funds exists, the
12 centers for independent living network will negotiate a mutually
13 beneficial contractual arrangement with Michigan rehabilitation
14 services. Funds shall be used in a manner consistent with the state
15 plan for independent living. Services provided should assist people
16 with disabilities to move toward self-sufficiency, including
17 support for accessing transportation and health care, obtaining
18 employment, community living, nursing home transition, information
19 and referral services, education, youth transition services,
20 veterans, and stigma reduction activities and community education.
21 This includes the independent living guide project that
22 specifically focuses on economic self-sufficiency.

23 (2) The Michigan centers for independent living shall provide
24 a report by March 1 of the current fiscal year to the house and
25 senate appropriations subcommittees on the department budget, the
26 house and senate fiscal agencies, the house and senate policy
27 offices, and the state budget office on direct customer and system



1 outcomes and performance measures.

2 Sec. 802. The Michigan rehabilitation services shall work
3 collaboratively with the bureau of services for blind persons,
4 service organizations, and government entities to identify
5 qualified match dollars to maximize use of available federal
6 vocational rehabilitation funds.

7 Sec. 803. The department shall provide an annual report by
8 February 1 to the house and senate appropriations subcommittees on
9 the department budget, the house and senate fiscal agencies, the
10 house and senate policy offices, and the state budget office on
11 efforts taken to improve the Michigan rehabilitation services. The
12 report shall include all of the following items:

13 (a) Reductions and changes in administration costs and
14 staffing.

15 (b) Service delivery plans and implementation steps achieved.

16 (c) Reorganization plans and implementation steps achieved.

17 (d) Plans to integrate Michigan rehabilitative services
18 programs into other services provided by the department.

19 (e) Quarterly expenditures by major spending category.

20 (f) Employment and job retention rates from both Michigan
21 rehabilitation services and its nonprofit partners.

22 (g) Success rate of each district in achieving the program
23 goals.

24 Sec. 804. From the funds appropriated in part 1 for Michigan
25 rehabilitation services, the department shall allocate \$50,000.00
26 along with available federal match to support the provision of
27 vocational rehabilitation services to eligible agricultural workers



1 with disabilities. Authorized services shall assist agricultural
2 workers with disabilities in acquiring or maintaining quality
3 employment and independence.

4 Sec. 805. It is the intent of the legislature that Michigan
5 rehabilitation services shall not implement an order of selection
6 for vocational and rehabilitative services. If the department is at
7 risk of entering into an order of selection for services, the
8 department shall notify the chairs of the senate and house
9 subcommittees on the department budget and the senate and house
10 fiscal agencies and policy offices within 2 weeks of receiving
11 notification.

12 Sec. 806. From the funds appropriated in part 1 for Michigan
13 rehabilitation services, the department shall allocate
14 \$6,100,300.00, including federal matching funds, to service
15 authorizations with community-based rehabilitation organizations
16 for an array of needed services throughout the rehabilitation
17 process.

18 Sec. 807. From the funds appropriated in part 1 for Elder Law
19 of Michigan MiCAFE contract, the department shall allocate not less
20 than \$350,000.00 to the Elder Law of Michigan MiCAFE to assist this
21 state's elderly population in participating in the food assistance
22 program. Of the \$350,000.00 allocated under this section, the
23 department shall use \$175,000.00, which are general fund/general
24 purpose funds, as state matching funds for not less than
25 \$175,000.00 in United States Department of Agriculture funding to
26 provide outreach program activities, such as eligibility screening
27 and information services, as part of a statewide food assistance



1 hotline.

2 Sec. 825. From the funds appropriated in part 1, the
3 department shall provide individuals not more than \$500.00 for
4 vehicle repairs, including any repairs done in the previous 12
5 months. However, the department may in its discretion pay for
6 repairs up to \$900.00. Payments under this section shall include
7 the combined total of payments made by the department and work
8 participation program.

9 Sec. 850. (1) The department shall maintain out-stationed
10 eligibility specialists in community-based organizations, community
11 mental health agencies, nursing homes, adult placement and
12 independent living settings, federally qualified health centers,
13 and hospitals unless a community-based organization, community
14 mental health agency, nursing home, adult placement and independent
15 living setting, federally qualified health centers, or hospital
16 requests that the program be discontinued at its facility.

17 (2) From the funds appropriated in part 1 for donated funds
18 positions, the department shall enter into contracts with agencies
19 that are able and eligible under federal law to provide the
20 required matching funds for federal funding, as determined by
21 federal statute and regulations.

22 (3) A contract for an assistance payments donated funds
23 position must include, but not be limited to, the following
24 performance metrics:

25 (a) Meeting a standard of promptness for processing
26 applications for Medicaid and other public assistance programs
27 under state law.



1 (b) Meeting required standards for error rates in determining
2 programmatic eligibility as determined by the department.

3 (4) The department shall only fill additional donated funds
4 positions after a new contract has been signed. That position shall
5 also be abolished when the contract expires or is terminated.

6 (5) The department shall classify as limited-term FTEs any new
7 employees who are hired to fulfill the donated funds position
8 contracts or are hired to fill any vacancies from employees who
9 transferred to a donated funds position.

10 (6) By March 1 of the current fiscal year, the department
11 shall submit a report to the senate and house appropriations
12 subcommittees on the department budget, the senate and house fiscal
13 agencies and policy offices, and the state budget office detailing
14 information on the donated funds positions, including the total
15 number of occupied positions, the total private contribution of the
16 positions, and the total cost to the state for any nonsalary
17 expenditure for the donated funds position employees.

18 Sec. 851. From the funds appropriated in part 1 for adult
19 services field staff, the department shall improve staffing ratios
20 in adult protective services programs with the goal of reducing the
21 number of older adults who are victims of crime and fraud. The
22 purpose of the staffing enhancement is to increase standard of
23 promptness by 90% or above in every county, as measured by
24 commencing an investigation within 24 hours, establishing face-to-
25 face contact with the client within 72 hours, and completing the
26 investigation within 30 days.

27 Sec. 852. The 29 additional FTE authorizations in part 1 added



1 to the public assistance field staff line item in the current
2 fiscal year shall be allocated to support the pathways to potential
3 program to provide additional staff in schools.

4 **BEHAVIORAL HEALTH SERVICES**

5 Sec. 901. Funds appropriated in part 1 are intended to support
6 a system of comprehensive community mental health services under
7 the full authority and responsibility of local CMHSPs or PIHPs in
8 accordance with the mental health code, 1974 PA 258, MCL 330.1001
9 to 330.2106, the Medicaid provider manual, federal Medicaid
10 waivers, and all other applicable federal and state laws.

11 Sec. 902. (1) From funds appropriated in part 1, final
12 authorizations to CMHSPs or PIHPs shall be made upon the execution
13 of contracts between the department and CMHSPs or PIHPs. The
14 contracts shall contain an approved plan and budget as well as
15 policies and procedures governing the obligations and
16 responsibilities of both parties to the contracts. Each contract
17 with a CMHSP or PIHP that the department is authorized to enter
18 into under this subsection shall include a provision that the
19 contract is not valid unless the total dollar obligation for all of
20 the contracts between the department and the CMHSPs or PIHPs
21 entered into under this subsection for the current fiscal year does
22 not exceed the amount of money appropriated in part 1 for the
23 contracts authorized under this subsection.

24 (2) The department shall immediately report to the senate and
25 house appropriations subcommittees on the department budget, the
26 senate and house fiscal agencies, and the state budget director if



1 either of the following occurs:

2 (a) Any new contracts the department has entered into with
3 CMHSPs or PIHPs that would affect rates or expenditures.

4 (b) Any amendments to contracts the department has entered
5 into with CMHSPs or PIHPs that would affect rates or expenditures.

6 (3) The report required by subsection (2) shall include
7 information about the changes and their effects on rates and
8 expenditures.

9 Sec. 904. (1) Not later than May 31 of the current fiscal
10 year, the department shall provide a report on the CMHSPs, PIHPs,
11 regional entities designated by the department as PIHPs, and
12 managing entities for substance use disorders to the members of the
13 house and senate appropriations subcommittees on the department
14 budget, the house and senate fiscal agencies, and the state budget
15 director that includes the information required by this section.

16 (2) The report shall contain information for each CMHSP, PIHP,
17 regional entity designated by the department as a PIHP, and
18 managing entity for substance use disorders and a statewide
19 summary, each of which shall include at least the following
20 information:

21 (a) A demographic description of service recipients that,
22 minimally, shall include reimbursement eligibility, client
23 population, age, ethnicity, housing arrangements, and diagnosis.

24 (b) Per capita expenditures in total and by client population
25 group and ethnic groups of the services area, including the deaf
26 and hard of hearing population.

27 (c) Expenditures stratified by department-designated community



1 mental health entity, by central diagnosis and referral agency, by
2 fund source, by subcontractor, by population served, and by service
3 type. Additionally, data on administrative expenditures by
4 department-designated community mental health entity shall be
5 reported.

6 (d) Expenditures per state client, with data on the
7 distribution of expenditures reported using a histogram approach.

8 (e) Number of services provided by central diagnosis and
9 referral agency, by subcontractor, and by service type.
10 Additionally, data on length of stay, referral source, and
11 participation in other state programs.

12 (f) Collections from other first- or third-party payers,
13 private donations, or other state or local programs, by department-
14 designated community mental health entity, by subcontractor, by
15 population served, and by service type.

16 (g) Data describing service outcomes that include, but are not
17 limited to, an evaluation of consumer satisfaction, consumer
18 choice, and quality of life concerns including, but not limited to,
19 housing and employment.

20 (h) Information about access to CMHSPs that includes, but is
21 not limited to, the following:

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

23 (ii) The number of people who requested services but did not
24 receive services.

25 (iii) The number of second opinions requested under the code
26 and the determination of any appeals.

27 (i) Lapses and carryforwards during the immediately preceding



1 fiscal year for CMHSPs, PIHPs, regional entities designated by the
2 department as PIHPs, and managing entities for substance use
3 disorders.

4 (j) Performance indicator information required to be submitted
5 to the department in the contracts with CMHSPs, PIHPs, regional
6 entities designated by the department as PIHPs, and managing
7 entities for substance use disorders.

8 (k) Administrative expenditures of each CMHSP, PIHP, regional
9 entity designated by the department as a PIHP, and managing entity
10 for substance use disorders that includes a breakout of the salary,
11 benefits, and pension of each executive level staff and shall
12 include the director, chief executive, and chief operating officers
13 and other members identified as executive staff.

14 (3) The department shall include data reporting requirements
15 listed in subsection (2) in the annual contract with each
16 individual CMHSP, PIHP, regional entity designated by the
17 department as a PIHP, and managing entity for substance use
18 disorders.

19 (4) The department shall take all reasonable actions to ensure
20 that the data required are complete and consistent among all
21 CMHSPs, PIHPs, regional entities designated by the department as
22 PIHPs, and managing entities for substance use disorders.

23 Sec. 905. (1) From the funds appropriated in part 1 for
24 behavioral health program administration, the department shall
25 maintain a psychiatric transitional unit and children's behavioral
26 action team. These services will augment the continuum of
27 behavioral health services for high-need youth and provide



1 additional continuity of care and transition into supportive
2 community-based services.

3 (2) Outcomes and performance measures for this initiative
4 include, but are not limited to, the following:

5 (a) The rate of rehospitalization for youth served through the
6 program at 30 and 180 days.

7 (b) Measured change in the Child and Adolescent Functional
8 Assessment Scale for children served through the program.

9 Sec. 906. (1) The funds appropriated in part 1 for the state
10 disability assistance substance use disorder services program shall
11 be used to support per diem room and board payments in substance
12 use disorder residential facilities. Eligibility of clients for the
13 state disability assistance substance use disorder services program
14 shall include needy persons 18 years of age or older, or
15 emancipated minors, who reside in a substance use disorder
16 treatment center.

17 (2) The department shall reimburse all licensed substance use
18 disorder programs eligible to participate in the program at a rate
19 equivalent to that paid by the department to adult foster care
20 providers. Programs accredited by department-approved accrediting
21 organizations shall be reimbursed at the personal care rate, while
22 all other eligible programs shall be reimbursed at the domiciliary
23 care rate.

24 Sec. 907. (1) The amount appropriated in part 1 for substance
25 use disorder prevention, education, and treatment grants shall be
26 expended to coordinate care and services provided to individuals
27 with severe and persistent mental illness and substance use



1 disorder diagnoses.

2 (2) The department shall approve managing entity fee schedules
3 for providing substance use disorder services and charge
4 participants in accordance with their ability to pay.

5 (3) The managing entity shall continue current efforts to
6 collaborate on the delivery of services to those clients with
7 mental illness and substance use disorder diagnoses with the goal
8 of providing services in an administratively efficient manner.

9 Sec. 909. From the funds appropriated in part 1 for community
10 substance use disorder prevention, education, and treatment, the
11 department shall use available revenue from the marihuana
12 regulatory fund established in section 604 of the medical marihuana
13 facilities licensing act, 2016 PA 281, MCL 333.27604, to improve
14 physical health; expand access to substance use disorder prevention
15 and treatment services; and strengthen the existing prevention,
16 treatment, and recovery systems.

17 Sec. 910. The department shall ensure that substance use
18 disorder treatment is provided to applicants and recipients of
19 public assistance through the department who are required to obtain
20 substance use disorder treatment as a condition of eligibility for
21 public assistance.

22 Sec. 911. (1) The department shall ensure that each contract
23 with a CMHSP or PIHP requires the CMHSP or PIHP to implement
24 programs to encourage diversion of individuals with serious mental
25 illness, serious emotional disturbance, or developmental disability
26 from possible jail incarceration when appropriate.

27 (2) Each CMHSP or PIHP shall have jail diversion services and



1 shall work toward establishing working relationships with
2 representative staff of local law enforcement agencies, including
3 county prosecutors' offices, county sheriffs' offices, county
4 jails, municipal police agencies, municipal detention facilities,
5 and the courts. Written interagency agreements describing what
6 services each participating agency is prepared to commit to the
7 local jail diversion effort and the procedures to be used by local
8 law enforcement agencies to access mental health jail diversion
9 services are strongly encouraged.

10 Sec. 912. The department shall contract directly with the
11 Salvation Army harbor light program to provide non-Medicaid
12 substance use disorder services if the local coordinating agency or
13 the department confirms the Salvation Army harbor light program
14 meets the standard of care. The standard of care shall include, but
15 is not limited to, utilization of the medication assisted treatment
16 option.

17 Sec. 918. On or before the twenty-fifth of each month, the
18 department shall report to the senate and house appropriations
19 subcommittees on the department budget, the senate and house fiscal
20 agencies, and the state budget director on the amount of funding
21 paid to PIHPs to support the Medicaid managed mental health care
22 program in the preceding month. The information shall include the
23 total paid to each PIHP, per capita rate paid for each eligibility
24 group for each PIHP, and number of cases in each eligibility group
25 for each PIHP, and year-to-date summary of eligibles and
26 expenditures for the Medicaid managed mental health care program.

27 Sec. 920. As part of the Medicaid rate-setting process for



1 behavioral health services, the department shall work with PIHP
2 network providers and actuaries to include any state and federal
3 wage and compensation increases that directly impact staff who
4 provide Medicaid-funded community living supports, personal care
5 services, respite services, skill-building services, and other
6 similar supports and services as part of the Medicaid rate.

7 Sec. 928. (1) Each PIHP shall provide, from internal
8 resources, local funds to be used as a part of the state match
9 required under the Medicaid program in order to increase capitation
10 rates for PIHPs. These funds shall not include either state funds
11 received by a CMHSP for services provided to non-Medicaid
12 recipients or the state matching portion of the Medicaid capitation
13 payments made to a PIHP.

14 (2) It is the intent of the legislature that any funds that
15 lapse from the funds appropriated in part 1 for Medicaid mental
16 health services shall be redistributed to individual CMHSPs as a
17 reimbursement of local funds on a proportional basis to those
18 CMHSPs whose local funds were used as state Medicaid match. By
19 April 1 of the current fiscal year, the department shall report to
20 the senate and house appropriations subcommittees on the department
21 budget, the senate and house fiscal agencies, the senate and house
22 policy offices, and the state budget office on the lapse by PIHP
23 from the previous fiscal year and the projected lapse by PIHP in
24 the current fiscal year.

25 Sec. 935. A county required under the provisions of the mental
26 health code, 1974 PA 258, MCL 330.1001 to 330.2106, to provide
27 matching funds to a CMHSP for mental health services rendered to



1 residents in its jurisdiction shall pay the matching funds in equal
2 installments on not less than a quarterly basis throughout the
3 fiscal year, with the first payment being made by October 1 of the
4 current fiscal year.

5 Sec. 940. (1) According to section 236 of the mental health
6 code, 1974 PA 258, MCL 330.1236, the department shall do both of
7 the following:

8 (a) Review expenditures for each CMHSP to identify CMHSPs with
9 projected allocation surpluses and to identify CMHSPs with
10 projected allocation shortfalls. The department shall encourage the
11 board of a CMHSP with a projected allocation surplus to concur with
12 the department's recommendation to reallocate those funds to CMHSPs
13 with projected allocation shortfalls.

14 (b) Withdraw unspent funds that have been allocated to a CMHSP
15 if other reallocated funds were expended in a manner not provided
16 for in the approved contract, including expending funds on services
17 and programs provided to individuals residing outside of the
18 CMHSP's geographic region.

19 (2) A CMHSP that has its funding allocation transferred out or
20 withdrawn during the current fiscal year as described in subsection
21 (1) is not eligible for any additional funding reallocations during
22 the remainder of the current fiscal year, unless that CMHSP is
23 responding to a public health emergency as determined by the
24 department.

25 (3) The department shall notify the chairs of the
26 appropriation subcommittees on the department budget when a request
27 is made and when the department grants approval for reallocation or



1 withdraw as described in subsection (1). By September 30 of the
2 current fiscal year, the department shall provide a report on the
3 amount of funding reallocated or withdrawn to the senate and house
4 appropriation subcommittees on the department budget, the senate
5 and house fiscal agencies, the senate and house policy offices, and
6 the state budget office.

7 Sec. 942. A CMHSP shall provide at least 30 days' notice
8 before reducing, terminating, or suspending services provided by a
9 CMHSP to CMHSP clients, with the exception of services authorized
10 by a physician that no longer meet established criteria for medical
11 necessity.

12 Sec. 958. Medicaid services shall include treatment for autism
13 spectrum disorders as defined in the federally approved Medicaid
14 state plan. These services may be coordinated with the Medicaid
15 health plans and the Michigan Association of Health Plans.

16 Sec. 994. (1) By January 1 of the current fiscal year, the
17 department shall seek federal approval through either a waiver
18 request or state plan amendment to allow a CMHSP, PIHP, or
19 subcontracting provider agency that is reviewed and accredited by a
20 national accrediting entity for behavioral health care services to
21 be considered in compliance with state program review and audit
22 requirements that are addressed and reviewed by that national
23 accrediting entity.

24 (2) By April 1 of the current fiscal year, the department
25 shall report to the house and senate appropriations subcommittees
26 on the department budget, the house and senate fiscal agencies, and
27 the state budget office all of the following:



1 (a) The status of the federal approval process required in
2 subsection (1).

3 (b) A list of each CMHSP, PIHP, and subcontracting provider
4 agency that is considered to be in compliance with state program
5 review and audit requirements under subsection (1).

6 (c) For each CMHSP, PIHP, or subcontracting provider agency
7 described in subdivision (b), both of the following:

8 (i) The state program review and audit requirements that the
9 CMHSP, PIHP, or subcontracting provider agency is considered to be
10 in compliance with.

11 (ii) The national accrediting entity that reviewed and
12 accredited the CMHSP, PIHP, or subcontracting provider agency.

13 (3) The department shall continue to comply with state and
14 federal law and shall not initiate an action that negatively
15 impacts beneficiary safety. Any cost savings attributed to this
16 action shall be reinvested back into services.

17 (4) As used in this section, "national accrediting entity"
18 means the Joint Commission, formerly known as the Joint Commission
19 on Accreditation of Healthcare Organizations, the Commission on
20 Accreditation of Rehabilitation Facilities, the Council on
21 Accreditation, the URAC, formerly known as the Utilization Review
22 Accreditation Commission, the National Committee for Quality
23 Assurance, or another appropriate entity, as approved by the
24 department.

25 Sec. 995. From the funds appropriated in part 1 for behavioral
26 health program administration, \$4,350,000.00 is intended to address
27 the recommendations of the mental health diversion council.



1 Sec. 998. For distribution of state general funds to CMHSPs,
2 if the department decides to use census data, the department shall
3 use the most recent federal census data available.

4 Sec. 1003. The department shall notify the Michigan
5 Association of Community Mental Health Boards when developing
6 policies and procedures that will impact PIHPs or CMHSPs.

7 Sec. 1004. The department shall provide the senate and house
8 appropriations subcommittee on the department budget, the senate
9 and house fiscal agencies, and the state budget office any rebased
10 formula changes to either Medicaid behavioral health services or
11 non-Medicaid mental health services 90 days before implementation.
12 The notification shall include a table showing the changes in
13 funding allocation by PIHP for Medicaid behavioral health services
14 or by CMHSP for non-Medicaid mental health services.

15 Sec. 1005. For the purposes of special projects involving
16 high-need children or adults, including the not guilty by reason of
17 insanity population, the department may contract directly with
18 providers of services to these identified populations.

19 Sec. 1008. The PIHP and CMHSPs shall do all of the following:

20 (a) Work to reduce administration costs by ensuring that PIHP
21 responsible functions are efficient to allow optimal transition of
22 dollars to direct services. This process must include limiting
23 duplicate layers of administration and minimizing PIHP-delegated
24 services that may result in higher costs or inconsistent service
25 delivery, or both.

26 (b) Take an active role in managing mental health care by
27 ensuring consistent and high-quality service delivery throughout



1 its network and promote a conflict-free care management
2 environment.

3 (c) Ensure that direct service rate variances are related to
4 the level of need or other quantifiable measures to ensure that the
5 most money possible reaches direct services.

6 (d) Whenever possible, promote fair and adequate direct care
7 reimbursement, including fair wages for direct service workers.

8 Sec. 1009. From the funds appropriated in part 1 for Medicaid
9 mental health services and Healthy Michigan plan - behavioral
10 health, the department shall allocate up to \$22,500,000.00 to
11 increase hourly wages by \$0.25 for direct care workers providing
12 Medicaid behavioral health supports and services. The department
13 shall contractually mandate these funds be fully passed through to
14 agencies directly responsible for paying the direct care workers'
15 wages and shall contractually mandate that the agencies provide the
16 department with ending wages at the end of the previous fiscal year
17 and the new increased wages provided in the current fiscal year.
18 The purpose of this allocation is to increase access to direct care
19 services as reported in CMHSP sub-element cost reports, to reduce
20 the turnover rate among direct care workers, and to improve the
21 quality of direct care workers providing Medicaid behavioral health
22 supports and services.

23 Sec. 1010. From the funds appropriated in part 1 for
24 behavioral health program administration, up to \$2,000,000.00 shall
25 be allocated to address the implementation of court-ordered
26 assisted outpatient treatment as provided under chapter 4 of the
27 mental health code, 1974 PA 258, MCL 330.1400 to 330.1491.



1 Sec. 1012. By September 30 of the current fiscal year, the
2 department shall submit a report to the senate and house
3 appropriations subcommittees on the department budget, the senate
4 and house fiscal agencies, the senate and house policy offices, and
5 the state budget office addressing the challenge of meeting monthly
6 deductible requirements in the Medicaid program and establish
7 policy recommendations. The report shall include, but not be
8 limited to, all of the following items:

9 (a) The average number of individuals who do not meet their
10 monthly Medicaid deductibles in this state each year.

11 (b) How the reduction in general fund investment to CMHSPs for
12 non-Medicaid services has played a role in the inability of many
13 individuals to meet their spenddown.

14 (c) What currently counts as the protected income level and
15 how that compares to other states.

16 (d) An action plan for implementation of any proposed changes.

17 (e) An estimate of the costs that may be incurred from
18 adoption of recommendations included in the report.

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

20 Sec. 1051. The department shall continue a revenue recapture
21 project to generate additional revenues from third parties related
22 to cases that have been closed or are inactive. A portion of
23 revenues collected through project efforts may be used for
24 departmental costs and contractual fees associated with these
25 retroactive collections and to improve ongoing departmental
26 reimbursement management functions.



1 Sec. 1052. The purpose of gifts and bequests for patient
2 living and treatment environments is to use additional private
3 funds to provide specific enhancements for individuals residing at
4 state-operated facilities. Use of the gifts and bequests shall be
5 consistent with the stipulation of the donor. The expected
6 completion date for the use of gifts and bequests donations is
7 within 3 years unless otherwise stipulated by the donor.

8 Sec. 1055. (1) The department shall not implement any closures
9 or consolidations of state hospitals, centers, or agencies until
10 CMHSPs or PIHPs have programs and services in place for those
11 individuals currently in those facilities and a plan for service
12 provision for those individuals who would have been admitted to
13 those facilities.

14 (2) All closures or consolidations are dependent upon adequate
15 department-approved CMHSP and PIHP plans that include a discharge
16 and aftercare plan for each individual currently in the facility. A
17 discharge and aftercare plan shall address the individual's housing
18 needs. A homeless shelter or similar temporary shelter arrangements
19 are inadequate to meet the individual's housing needs.

20 (3) Four months after the certification of closure required in
21 section 19(6) of the state employees' retirement act, 1943 PA 240,
22 MCL 38.19, the department shall provide a closure plan to the house
23 and senate appropriations subcommittees on the department budget
24 and the state budget director.

25 (4) Upon the closure of state-run operations and after
26 transitional costs have been paid, the remaining balances of funds
27 appropriated for that operation shall be transferred to CMHSPs or



1 PIHPs responsible for providing services for individuals previously
2 served by the operations.

3 Sec. 1056. The department may collect revenue for patient
4 reimbursement from first- and third-party payers, including
5 Medicaid and local county CMHSP payers, to cover the cost of
6 placement in state hospitals and centers. The department is
7 authorized to adjust financing sources for patient reimbursement
8 based on actual revenues earned. If the revenue collected exceeds
9 current year expenditures, the revenue may be carried forward with
10 approval of the state budget director. The revenue carried forward
11 shall be used as a first source of funds in the subsequent year.

12 Sec. 1057. The department shall work with the department of
13 technology, management, and budget to evaluate the condition of the
14 Hawthorn Center, the cost-effectiveness of improvements and
15 investments and make recommendations to improve the quality of the
16 facility needed by the patients.

17 Sec. 1058. Effective October 1 of the current fiscal year, the
18 department, in consultation with the department of technology,
19 management, and budget, may maintain a bid process to identify 1 or
20 more private contractors to provide food service and custodial
21 services for the administrative areas at any state hospital
22 identified by the department as capable of generating savings
23 through the outsourcing of such services.

24 Sec. 1059. The department shall identify specific outcomes and
25 performance measures for the center for forensic psychiatry,
26 including, but not limited to, the following:

27 (a) The average wait time for persons ruled incompetent to



1 stand trial before admission to the center for forensic psychiatry.

2 (b) The average wait time for persons ruled incompetent to
3 stand trial before admission to other state-operated psychiatric
4 facilities.

5 (c) The number of persons waiting to receive services at the
6 center for forensic psychiatry.

7 (d) The number of persons waiting to receive services at other
8 state-operated hospitals and centers.

9 Sec. 1060. (1) The department shall convene a workgroup in
10 collaboration with labor union representation, civil service, and
11 any other appropriate parties to recommend solutions to address
12 mandatory overtime, staff turnover, and staff retention at the
13 state psychiatric hospitals and centers, including, but not limited
14 to, permitting retired workers to return and permitting hiring of
15 part-time workers.

16 (2) By March 1 of the current fiscal year, the department
17 shall provide the workgroup's recommendations to the senate and
18 house appropriations subcommittees on the department budget, the
19 senate and house fiscal agencies, and the state budget office.

20 **HEALTH POLICY**

21 Sec. 1140. From the funds appropriated in part 1 for primary
22 care services, \$250,000.00 shall be allocated to free health
23 clinics operating in the state. The department shall distribute the
24 funds equally to each free health clinic. For the purpose of this
25 appropriation, "free health clinics" means nonprofit organizations
26 that use volunteer health professionals to provide care to



1 uninsured individuals.

2 Sec. 1142. The department shall continue to seek means to
3 increase retention of Michigan medical school students for
4 completion of their primary care residency requirements within this
5 state and ultimately, for some period of time, to remain in this
6 state and serve as primary care physicians. The department is
7 encouraged to work with Michigan institutions of higher education.

8 Sec. 1144. (1) From the funds appropriated in part 1 for
9 health policy administration, the department shall allocate the
10 federal state innovation model grant funding that supports
11 implementation of the health delivery system innovations detailed
12 in this state's "Reinventing Michigan's Health Care System:
13 Blueprint for Health Innovation" document. This initiative will
14 test new payment methodologies, support improved population health
15 outcomes, and support improved infrastructure for technology and
16 data sharing and reporting. The funds will be used to provide
17 financial support directly to regions participating in the model
18 test and to support statewide stakeholder guidance and technical
19 support.

20 (2) Outcomes and performance measures for the initiative under
21 subsection (1) include, but are not limited to, the following:

22 (a) Increasing the number of physician practices fulfilling
23 patient-centered medical home functions.

24 (b) Reducing inappropriate health utilization, specifically
25 reducing preventable emergency department visits, reducing the
26 proportion of hospitalizations for ambulatory sensitive conditions,
27 and reducing this state's 30-day hospital readmission rate.



1 (3) By March 1 and September 1 of the current fiscal year, the
2 department shall submit a written report to the house and senate
3 appropriations subcommittees on the department budget, the house
4 and senate fiscal agencies, and the state budget office on the
5 status of the program and progress made since the prior report.

6 (4) From the funds appropriated in part 1 for health policy
7 administration, any data aggregator created as part of the
8 allocation of the federal state innovation model grant funds must
9 meet the following standards:

10 (a) The primary purpose of the data aggregator must be to
11 increase the quality of health care delivered in this state, while
12 reducing costs.

13 (b) The data aggregator must be governed by a nonprofit
14 entity.

15 (c) All decisions regarding the establishment, administration,
16 and modification of the database must be made by an advisory board.
17 The membership of the advisory board must include the director of
18 the department or a designee of the director and representatives of
19 health carriers, consumers, and purchasers.

20 (d) The data aggregator must receive health care claims
21 information from, without limitation, commercial health carriers,
22 nonprofit health care corporations, health maintenance
23 organizations, and third party administrators that process claims
24 under a service contract.

25 (e) The data aggregator must use existing data sources and
26 technological infrastructure, to the extent possible.

27 Sec. 1145. The department will take steps necessary to work



1 with Indian Health Service, Tribal or Urban Indian Health Program
2 facilities that provide services under a contract with a Medicaid
3 managed care entity to ensure that those facilities receive the
4 maximum amount allowable under federal law for Medicaid services.

5 Sec. 1147. (1) From the funds appropriated in part 1 for
6 primary care services, \$1,000,000.00 shall be appropriated for the
7 first year of a 6-year early primary care pilot program to
8 facilitate the placement of physicians in medically underserved
9 areas of this state. The early primary care pilot program format
10 includes all of the following:

11 (a) Recruitment of interested physicians before completion of
12 first year of residency.

13 (b) To participate in the pilot program, a physician must do
14 all of the following:

15 (i) Complete 1 year of post-graduate education.

16 (ii) Complete and pass all 3 parts of a national licensing
17 board examination.

18 (iii) Obtain an unrestricted license to engage in the practice
19 of osteopathic medicine and surgery or an unrestricted license to
20 engage in the practice of medicine in this state.

21 (c) A participating physician shall enter into a contract to
22 work with an employer for no less than 2 years in a federally
23 underserved rural or urban area in this state, beginning the year
24 following completion of 1 year of post-graduate education.

25 (d) The employer shall employ the physician at a competitive
26 salary. A contractual employer may include, but is not limited to,
27 a private practice physician or physician group, a hospital or



1 hospital system, a community clinic, or a federally qualified
2 health center.

3 (e) Assistance with repayment of medical education loans of
4 the participating physician shall be provided through local, state,
5 federal, or other sources during the employment period, with a
6 target assistance amount of \$50,000.00 over 2 years.

7 (f) Upon completion of the 2-year employment period,
8 participating physicians may reenter and complete a post-graduate
9 residency program.

10 (2) The department shall seek philanthropic support for the
11 early primary care pilot program to achieve increased participation
12 and may use state funds to match philanthropic contributions.

13 (3) A portion of the funds appropriated for the early primary
14 care pilot program shall be allocated to the Michigan Health
15 Council to partner with the department in the administration of the
16 early primary care pilot program.

17 (4) Use of funds for administration of the early primary care
18 pilot program is limited to no more than 10% of the total of all
19 sources of funding.

20 (5) The department shall prepare a report on the status of the
21 early primary care pilot program that shall include, but is not
22 limited to, the number of physicians placed, location of placement,
23 type of employer, average student loan burden of the participating
24 physicians, and average loan relief provided under the program. By
25 April 1 of the current fiscal year, the department shall provide
26 the report described in this subsection to the house and senate
27 appropriations subcommittees on the department budget, the house



1 and senate fiscal agencies and policy offices, and the state budget
2 office.

3 (6) Unexpended and unencumbered funds up to a maximum of
4 \$1,000,000.00 general fund/general purpose revenue in part 1 for
5 primary care services are designated as work project
6 appropriations, and any unencumbered or unallotted funds shall not
7 lapse at the end of the fiscal year and shall be available for
8 expenditures for the early primary care pilot program under this
9 section until the project has been completed. All of the following
10 are in compliance with section 451a of the management and budget
11 act, 1984 PA 431, MCL 18.1451a:

12 (a) The purpose of the work project is to fund the cost of an
13 early primary care program as provided by this section.

14 (b) The work project will be accomplished by administering the
15 partnering of participating physicians with qualifying employers
16 and coordinating the negotiation of medical school loan repayment
17 assistance for the participating physician.

18 (c) The total estimated cost of the work project is
19 \$1,000,000.00 of general fund/general purpose revenue.

20 (d) The tentative completion date of the work project is
21 September 30, 2022.

22 **DISEASE CONTROL, PREVENTION, AND EPIDEMIOLOGY**

23 Sec. 1180. From the funds appropriated in part 1 for
24 epidemiology administration and for childhood lead program, the
25 department shall reestablish a public health drinking water unit
26 and enhance current efforts to monitor child blood lead levels. The



1 public health drinking water unit shall ensure that appropriate
2 investigations of potential health hazards occur for all community
3 and noncommunity drinking water supplies where chemical exceedances
4 of action levels, health advisory levels, or maximum contaminant
5 limits are identified. With the fiscal year 2017-2018 increase in
6 funding, the childhood lead program shall improve the timeliness
7 and quality of care provided to children with lead exposure, to
8 achieve a long-term reduction in the percentage of children in this
9 state with elevated blood lead levels.

10 Sec. 1181. From the funds appropriated in part 1 for
11 epidemiology administration, the department shall establish and
12 maintain a vapor intrusion response unit. The vapor intrusion
13 response unit shall assess risks to public health at vapor
14 intrusion sites and respond to vapor intrusion risks where
15 appropriate. The goals of the vapor intrusion response unit shall
16 include reducing the number of residents of this state exposed to
17 toxic substances through vapor intrusion and improving health
18 outcomes for individuals that are identified as having been exposed
19 to vapor intrusion.

20 Sec. 1182. (1) From the funds appropriated in part 1 for the
21 healthy homes program, no less than \$1,750,000.00 of general
22 fund/general purpose funds and \$25,230,000.00 of federal funds
23 shall be allocated for lead abatement of homes.

24 (2) By January 1 of the current fiscal year, the department
25 shall provide a report to the house and senate appropriations
26 subcommittees on the department budget, the house and senate fiscal
27 agencies, and the state budget office on the expenditures and



1 activities undertaken by the lead abatement program in the previous
2 fiscal year from the funds appropriated in part 1 for the healthy
3 homes program. The report shall include, but is not limited to, a
4 funding allocation schedule, expenditures by category of
5 expenditure and by subcontractor, revenues received, description of
6 program elements, and description of program accomplishments and
7 progress.

8 **LOCAL HEALTH AND ADMINISTRATIVE SERVICES**

9 Sec. 1220. The amount appropriated in part 1 for
10 implementation of the 1993 additions of or amendments to sections
11 9161, 16221, 16226, 17014, 17015, and 17515 of the public health
12 code, 1978 PA 368, MCL 333.9161, 333.16221, 333.16226, 333.17014,
13 333.17015, and 333.17515, shall be used to reimburse local health
14 departments for costs incurred related to implementation of section
15 17015(18) of the public health code, 1978 PA 368, MCL 333.17015.

16 Sec. 1221. If a county that has participated in a district
17 health department or an associated arrangement with other local
18 health departments takes action to cease to participate in such an
19 arrangement after October 1 of the current fiscal year, the
20 department shall have the authority to assess a penalty from the
21 local health department's operational accounts in an amount equal
22 to no more than 6.25% of the local health department's essential
23 local public health services funding. This penalty shall only be
24 assessed to the local county that requests the dissolution of the
25 health department.

26 Sec. 1222. (1) Funds appropriated in part 1 for essential



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

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

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

17 (4) By December 1 of the current fiscal year, the department
18 shall provide a report to the house and senate appropriations
19 subcommittees on the department budget, the house and senate fiscal
20 agencies, and the state budget director on the planned allocation
21 of the funds appropriated for essential local public health
22 services.

23 Sec. 1223. (1) From the funds appropriated in part 1 for
24 dental programs, \$150,000.00 shall be allocated to the Michigan
25 Dental Association for the administration of a volunteer dental
26 program that provides dental services to the uninsured.

27 (2) Not later than December 1 of the current fiscal year, the



1 department shall report to the senate and house appropriations
2 subcommittees on the department budget, the senate and house
3 standing committees on health policy, the senate and house fiscal
4 agencies, and the state budget office the number of individual
5 patients treated, number of procedures performed, and approximate
6 total market value of those procedures from the immediately
7 preceding fiscal year.

8 Sec. 1224. The department shall use revenue from mobile
9 dentistry facility permit fees received under section 21605 of the
10 public health code, 1978 PA 368, MCL 333.21605, to offset the cost
11 of the permit program.

12 Sec. 1226. From the funds appropriated in part 1 for health
13 and wellness initiatives, \$1,000,000.00 shall be allocated for a
14 school children's healthy exercise program to promote and advance
15 physical health for school children in kindergarten through grade
16 8. The department shall recommend model programs for sites to
17 implement that incorporate evidence-based best practices. The
18 department shall grant no less than 1/2 of the funds appropriated
19 in part 1 for before- and after-school programs. The department
20 shall establish guidelines for program sites, which may include
21 schools, community-based organizations, private facilities,
22 recreation centers, or other similar sites. The program format
23 shall encourage local determination of site activities and shall
24 encourage local inclusion of youth in the decision-making regarding
25 site activities. Program goals shall include children experiencing
26 improved physical health and access to physical activity
27 opportunities, the reduction of obesity, providing a safe place to



1 play and exercise, and nutrition education. To be eligible to
2 participate, program sites shall provide a 20% match to the state
3 funding, which may be provided in full, or in part, by a
4 corporation, foundation, or private partner. The department shall
5 seek financial support from corporate, foundation, or other private
6 partners for the program or for individual program sites.

7 Sec. 1227. The department shall establish criteria for all
8 funds allocated under part 1 for health and wellness initiatives.
9 The criteria must include a requirement that all programs funded be
10 evidence-based and supported by research, include interventions
11 that have been shown to demonstrate outcomes that lower cost and
12 improve quality, and be designed for statewide impact. Preference
13 must be given to programs that utilize the funding as match for
14 additional resources including, but not limited to, federal
15 sources.

16 Sec. 1228. From the funds appropriated in part 1 for injury
17 control intervention project, \$1,000,000.00 shall be allocated for
18 implementation of evidence-based, real-time, quality assurance
19 decision support software in the treatment of pediatric traumatic
20 brain injury and for protocols that are to be available to all
21 hospitals providing those trauma services. The funds shall be used
22 to purchase statewide licenses for pediatric traumatic brain injury
23 treatment software and related software services and to offset
24 hospital software integration costs. The department shall seek
25 federal matching funds that may be available for implementation of
26 this section.

27 Sec. 1230. The department shall develop and implement a



1 school-based pilot program for children up to grade 7 that may
2 include, but is not limited to, oral health assessments, primary
3 dental services, and referrals. The department shall consult with
4 the department of education in the development of the school-based
5 pilot program, and seek partnerships with local entities, and
6 dental and philanthropic organizations to carry out the program.
7 The school-based pilot program shall track the number of children
8 offered and receiving services at the school sites. Program goals
9 shall include improving oral and physical health outcomes for
10 children, improving rates of children receiving dental sealants,
11 and reduction of rates of childhood tooth decay.

12 **FAMILY, MATERNAL, AND CHILD HEALTH**

13 Sec. 1301. (1) Before April 1 of the current fiscal year, the
14 department shall submit a report to the house and senate fiscal
15 agencies and the state budget director on planned allocations from
16 the amounts appropriated in part 1 for local MCH services, prenatal
17 care outreach and service delivery support, family planning local
18 agreements, and pregnancy prevention programs. Using applicable
19 federal definitions, the report shall include information on all of
20 the following:

21 (a) Funding allocations.

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

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



1 (2) The department shall ensure that the distribution of funds
2 through the programs described in subsection (1) takes into account
3 the needs of rural communities.

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

8 Sec. 1302. Each family planning program receiving federal
9 title X family planning funds under 42 USC 300 to 300a-8 shall be
10 in compliance with all performance and quality assurance indicators
11 that the office of population affairs within the United States
12 Department of Health and Human Services specifies in the program
13 guidelines for project grants for family planning services. An
14 agency not in compliance with the indicators shall not receive
15 supplemental or reallocated funds.

16 Sec. 1303. The department shall not contract with an
17 organization that provides elective abortions, abortion counseling,
18 or abortion referrals, for services that are to be funded with
19 state restricted or state general fund/general purpose funds
20 appropriated in part 1 for family planning local agreements. An
21 organization under contract with the department shall not
22 subcontract with an organization that provides elective abortions,
23 abortion counseling, or abortion referrals, for services that are
24 to be funded with state restricted or state general fund/general
25 purpose funds appropriated in part 1 for family planning local
26 agreements.

27 Sec. 1304. The department shall not use state restricted funds



1 or state general funds appropriated in part 1 in the pregnancy
2 prevention program or family planning local agreements
3 appropriation line items for abortion counseling, referrals, or
4 services.

5 Sec. 1307. From the funds appropriated in part 1 for prenatal
6 care outreach and service delivery support, \$400,000.00 of TANF
7 revenue shall be allocated for a pregnancy and parenting support
8 services program, which program must promote childbirth,
9 alternatives to abortion, and grief counseling. The department
10 shall establish a program with a qualified contractor that will
11 contract with qualified service providers to provide free
12 counseling, support, and referral services to eligible women during
13 pregnancy through 12 months after birth. As appropriate, the goals
14 for client outcomes shall include an increase in client support, an
15 increase in childbirth choice, an increase in adoption knowledge,
16 an improvement in parenting skills, and improved reproductive
17 health through abstinence education. The contractor of the program
18 shall provide for program training, client educational material,
19 program marketing, and annual service provider site monitoring. The
20 department shall submit a report to the house and senate
21 appropriations subcommittees on the department budget and the house
22 and senate fiscal agencies by April 1 of the current fiscal year on
23 the number of clients served.

24 Sec. 1308. From the funds appropriated in part 1 for prenatal
25 care outreach and service delivery support, not less than
26 \$500,000.00 of funding shall be allocated for evidence-based
27 programs to reduce infant mortality including nurse family



1 partnership programs. The funds shall be used for enhanced support
2 and education to nursing teams or other teams of qualified health
3 professionals, client recruitment in areas designated as
4 underserved for obstetrical and gynecological services and other
5 high-need communities, strategic planning to expand and sustain
6 programs, and marketing and communications of programs to raise
7 awareness, engage stakeholders, and recruit nurses.

8 Sec. 1309. The department shall allocate funds appropriated in
9 section 117 of part 1 for family, maternal, and child health
10 according to section 1 of 2002 PA 360, MCL 333.1091.

11 Sec. 1310. The department shall continue to work jointly with
12 the Michigan state housing development authority and the joint task
13 force established under article IV of 2014 PA 252 to review housing
14 rehabilitation, energy and weatherization, and hazard abatement
15 program policies and to make recommendations for integrating and
16 coordinating project delivery with the goals of serving more
17 families and achieving better outcomes by maximizing state and
18 federal resources. The joint task force may provide recommendations
19 to the department. Recommendations of the joint task force must
20 give consideration to best practices and cost effectiveness.

21 Sec. 1311. From the funds appropriated in part 1 for prenatal
22 care outreach and service delivery support, equal consideration
23 shall be given to all eligible evidence-based providers in all
24 regions in contracting for rural home visitation services.

25 Sec. 1313. (1) The department shall continue developing an
26 outreach program on fetal alcohol syndrome services, targeting
27 health promotion, prevention, and intervention as described in the



1 Michigan fetal alcohol spectrum disorders 5-year plan 2015-2020.

2 (2) The department shall explore federal grant funding to
3 address prevention services for fetal alcohol syndrome and reduce
4 alcohol consumption among pregnant women.

5 Sec. 1314. The department shall enhance education and outreach
6 efforts that encourage women of childbearing age to seek
7 confirmation at the earliest indication of possible pregnancy and
8 initiate continuous and routine prenatal care upon confirmation of
9 pregnancy. The department shall ensure that department programs,
10 policies, and practices promote prenatal and obstetrical care by
11 doing the following:

12 (a) Supporting access to care.

13 (b) Reducing and eliminating barriers to care.

14 (c) Supporting recommendations for best practices.

15 (d) Encouraging optimal prenatal habits such as prenatal
16 medical visits, use of prenatal vitamins, and cessation of use of
17 tobacco, alcohol, or drugs.

18 (e) Tracking of birth outcomes to study improvements in
19 prevalence of fetal drug addiction, fetal alcohol syndrome, and
20 other preventable neonatal disease.

21 (f) Tracking of maternal increase in healthy behaviors
22 following childbirth.

23 **CHILDREN'S SPECIAL HEALTH CARE SERVICES**

24 Sec. 1360. The department may do 1 or more of the following:

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



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

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

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

7 Sec. 1361. From the funds appropriated in part 1 for medical
8 care and treatment, the department is authorized to spend those
9 funds for the continued development and expansion of telemedicine
10 capacity to allow families with children in the children's special
11 health care services program to access specialty providers more
12 readily and in a more timely manner.

13 **AGING AND ADULT SERVICES AGENCY**

14 Sec. 1402. The department may encourage the Food Bank Council
15 of Michigan to collaborate directly with each area agency on aging
16 and any other organizations that provide senior nutrition services
17 to secure the food access of vulnerable seniors.

18 Sec. 1403. (1) By February 1 of the current fiscal year, the
19 aging and adult services agency shall require each region to report
20 to the aging and adult services agency and to the legislature home-
21 delivered meals waiting lists based upon standard criteria.

22 Determining criteria shall include all of the following:

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

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

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



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

3 (2) Data required in subsection (1) shall be recorded only for
4 individuals who have applied for participation in the home-
5 delivered meals program and who are initially determined as likely
6 to be eligible for home-delivered meals.

7 Sec. 1417. The department shall provide to the senate and
8 house appropriations subcommittees on the department budget, senate
9 and house fiscal agencies, and state budget director a report by
10 March 30 of the current fiscal year that contains all of the
11 following:

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

14 (b) Detail expenditure by each area agency on aging by
15 individual program and administration including both state-funded
16 resources and locally-funded resources.

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

20 Sec. 1422. (1) From the funds appropriated in part 1 for aging
21 and adult services administration, not less than \$300,000.00 shall
22 be allocated for the department to contract with the Prosecuting
23 Attorneys Association of Michigan to provide the support and
24 services necessary to increase the capability of the state's
25 prosecutors, adult protective service system, and criminal justice
26 system to effectively identify, investigate, and prosecute elder
27 abuse and financial exploitation.



1 (2) By March 1 of the current fiscal year, the Prosecuting
2 Attorneys Association of Michigan shall provide a report on the
3 efficacy of the contract to the state budget office, the house and
4 senate appropriations subcommittees on the department budget, the
5 house and senate fiscal agencies, and the house and senate policy
6 offices.

7 Sec. 1424. From the funds appropriated in part 1 for community
8 services, \$100.00 is appropriated for Alzheimer's disease services
9 and shall be remitted to the Alzheimer's Association-Michigan
10 chapters for the purpose of continuation of a pilot project in
11 Macomb, Monroe, and St. Joseph Counties. The fiduciary for the
12 funds is the Alzheimer's Association-greater Michigan chapter. The
13 Alzheimer's Association shall provide enhanced services, including
14 24/7 helpline, continued care consultation, and support groups, to
15 individuals with Alzheimer's disease or dementia and their families
16 in the 3 counties, and partner with a Michigan public university to
17 study whether provision of such in-home support services
18 significantly delays the need for residential long-term care
19 services for individuals with Alzheimer's disease or dementia. The
20 study must also consider potential cost savings related to the
21 delay of long-term care services, if a delay is shown.

22 Sec. 1425. The department shall coordinate with the department
23 of licensing and regulatory affairs to ensure that, upon receipt of
24 the order of suspension of a licensed adult foster care home, home
25 for the aged, or nursing home, the department of licensing and
26 regulatory affairs shall provide notice to the department, to the
27 house and senate appropriations subcommittees on the department



1 budget, and to the members of the house and senate that represent
2 the legislative districts of the county in which the facility lies.

3 **MEDICAL SERVICES ADMINISTRATION**

4 Sec. 1501. The unexpended funds appropriated in part 1 for the
5 electronic health records incentive program are considered work
6 project appropriations, and any unencumbered or unallotted funds
7 are carried forward into the following fiscal year. The following
8 is in compliance with section 451a(1) of the management and budget
9 act, 1984 PA 431, MCL 18.1451a:

10 (a) The purpose of the project to be carried forward is to
11 implement the Medicaid electronic health record program that
12 provides financial incentive payments to Medicaid health care
13 providers to encourage the adoption and meaningful use of
14 electronic health records to improve quality, increase efficiency,
15 and promote safety.

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

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

20 (d) The tentative completion date for the work project is
21 September 30, 2021.

22 Sec. 1502. The department shall spend available work project
23 revenue and any associated federal match to create and develop a
24 transparency database website. This funding is contingent upon
25 enactment of enabling legislation.

26 Sec. 1503. From the funds appropriated in part 1 for Healthy



1 Michigan plan administration, the department shall maintain an
2 accounting structure within the statewide integrated governmental
3 management applications that will allow expenditures associated
4 with the administration of the Healthy Michigan plan to be
5 identified.

6 Sec. 1505. By March 1 and September 1 of the current fiscal
7 year, the department shall submit a report to the senate and house
8 appropriations subcommittees on the department budget, the senate
9 and house fiscal agencies, and the state budget office including
10 both of the following:

11 (a) The department's projected annual increase in
12 reimbursement savings and cost offsets that will result from the
13 funds appropriated in part 1 for the office of inspector general
14 and third party liability efforts.

15 (b) The actual increase in reimbursement savings and cost
16 offsets that have resulted from the funds appropriated in part 1
17 for the office of inspector general and third party liability
18 efforts.

19 Sec. 1506. The department shall submit to the senate and house
20 appropriations subcommittees on the department budget, the senate
21 and house fiscal agencies, the senate and house policy offices, and
22 the state budget office a quarterly report on the implementation
23 status of the public assistance call center that includes all of
24 the following information:

25 (a) Call volume during the prior quarter.

26 (b) Percentage of calls resolved through the public assistance
27 call center.



1 (c) Percentage of calls transferred to a local department
2 office or other office for resolution.

3 (d) Number of Medicaid applications completed by the public
4 assistance call center staff and submitted on behalf of clients.

5 Sec. 1507. (1) From the funds appropriated in part 1 for
6 technology supporting integrated service delivery, the department
7 shall establish new information technology tools and enhance
8 existing systems to improve the eligibility and enrollment process
9 for citizens accessing department administered programs. This
10 information technology system will consolidate beneficiary
11 information, support department caseworker efforts in building a
12 success plan for beneficiaries, and better support department staff
13 in supporting enrollees in assistance programs.

14 (2) Outcomes and performance measures for the initiative under
15 subsection (1) include, but are not limited to, the following:

16 (a) Successful consolidation of data warehouses maintained by
17 the department.

18 (b) The amount of time a department caseworker devotes to data
19 entry when initiating an enrollee application.

20 (c) A reduction in wait times for persons enrolled in
21 assistance programs to speak with department staff and get
22 necessary changes made.

23 (d) A reduction in department caseworker workload.

24 **MEDICAL SERVICES**

25 Sec. 1601. The cost of remedial services incurred by residents
26 of licensed adult foster care homes and licensed homes for the aged



1 shall be used in determining financial eligibility for the
2 medically needy. Remedial services include basic self-care and
3 rehabilitation training for a resident.

4 Sec. 1603. (1) The department may establish a program for
5 individuals to purchase medical coverage at a rate determined by
6 the department.

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

10 (3) The premiums described in this section shall be classified
11 as private funds.

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

16 Sec. 1606. For the purpose of guardian and conservator
17 charges, the department may deduct up to \$83.01 per month as an
18 allowable expense against a recipient's income when determining
19 medical services eligibility and patient pay amounts.

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

27 (2) An applicant qualified as described in subsection (1)



1 shall be given a letter of authorization to receive Medicaid
2 covered services related to her pregnancy. All qualifying
3 applicants shall be entitled to receive all medically necessary
4 obstetrical and prenatal care without preauthorization from a
5 health plan. All claims submitted for payment for obstetrical and
6 prenatal care shall be paid at the Medicaid fee-for-service rate in
7 the event a contract does not exist between the Medicaid
8 participating obstetrical or prenatal care provider and the managed
9 care plan. The applicant shall receive a listing of Medicaid
10 physicians and managed care plans in the immediate vicinity of the
11 applicant's residence.

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

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

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

27 (6) The department shall mandate enrollment of women, whose



1 qualifying condition is pregnancy, into Medicaid managed care
2 plans.

3 (7) The department shall encourage physicians to provide
4 women, whose qualifying condition for Medicaid is pregnancy, with a
5 referral to a Medicaid participating dentist at the first
6 pregnancy-related appointment.

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

20 (2) Notwithstanding subsection (1), medical services
21 reimbursement for hospital services provided to dual
22 Medicare/medical services recipients with Medicare part B coverage
23 only shall equal, when combined with payments for Medicare and
24 other third-party resources, if any, those amounts established for
25 medical services-only patients, including capital payments.

26 Sec. 1620. (1) According to the federal covered outpatient
27 drug final rule with comment (CMS-2345-FC), the department shall



1 establish a professional pharmaceutical dispensing fee for pharmacy
2 benefits that are reimbursed on a fee-for-service basis. In
3 establishing this fee, the department shall comply with federal law
4 while taking into consideration the state's long-term financial
5 exposure and Medicaid beneficiaries' access to care. The
6 established fee shall not be lower than the amount in effect on
7 October 1, 2015.

8 (2) The department shall require a prescription co-payment for
9 Medicaid recipients not enrolled in the Healthy Michigan plan or
10 with an income less than 100% of the federal poverty level of \$1.00
11 for a generic drug and \$3.00 for a brand-name drug, except as
12 prohibited by federal or state law or regulation.

13 (3) The department shall require a prescription co-payment for
14 Medicaid recipients enrolled in the Healthy Michigan plan with an
15 income of at least 100% of the federal poverty level of \$4.00 for a
16 generic drug and \$8.00 for a brand-name drug, except as prohibited
17 by federal or state law or regulation.

18 Sec. 1621. The department shall report to the house and senate
19 appropriations subcommittees on the department budget, the house
20 and senate fiscal agencies, and the state budget office on
21 strategies the department is using to minimize the state cost of
22 specialty drugs. Also, the department may take additional measures
23 in order to further reduce state costs, while also ensuring that
24 appropriate clinical care is being utilized. The report shall also
25 include information on savings generated as a result of these
26 additional measures that may include additional cost sharing, step
27 therapy, and prior authorization.



1 Sec. 1629. The department shall utilize maximum allowable cost
2 pricing for generic drugs that is based on wholesaler pricing to
3 providers that is available from at least 2 wholesalers who deliver
4 in this state.

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

9 (2) Except as otherwise prohibited by federal or state law or
10 regulation, the department shall require Medicaid recipients not
11 enrolled in the Healthy Michigan plan or with an income less than
12 100% of the federal poverty level to pay not less than the
13 following co-payments:

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

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

16 (c) Fifty dollars for the first day of an inpatient hospital
17 stay.

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

19 (3) Except as otherwise prohibited by federal or state law or
20 regulation, the department shall require Medicaid recipients
21 enrolled in the Healthy Michigan plan with an income of at least
22 100% of the federal poverty level to pay the following co-payments:

23 (a) Four dollars for a physician office visit.

24 (b) Eight dollars for a hospital emergency room visit.

25 (c) One hundred dollars for the first day of an inpatient
26 hospital stay.

27 (d) Four dollars for an outpatient hospital visit or any other



1 medical provider visit to the extent allowed by federal or state
2 law or regulation.

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

7 Sec. 1645. The department shall consider using the most recent
8 3 years of actual days of care provided, as reported in the annual
9 cost reports, for the purpose of establishing the nursing facility
10 quality assurance assessment fee. For any year in which the
11 estimated days of care compared to the actual days of care provided
12 by each nursing home and hospital long-term care unit creates an
13 aggregate overpayment of \$1,000,000.00 or more as a result of the
14 nursing facility quality assurance assessment fee, the department
15 shall report the excess assessed amount to the senate and house
16 appropriation subcommittees on the department budget, the senate
17 and house fiscal agencies, and the state budget office. By April 1
18 of the current fiscal year, the department shall report on
19 feasibility of creating a more accurate formula for next year's
20 assessment and a recommendation if a refund can or cannot be made
21 to the senate and house appropriation subcommittees on the
22 department budget, the senate and house fiscal agencies, and the
23 state budget office.

24 Sec. 1646. From the funds appropriated in part 1 for long-term
25 care services, the department shall implement a nursing facility
26 quality initiative. The initiative shall be financed through an
27 increase of the nursing facility quality assurance assessment, and



1 shall provide quality incentive payments intended to reward and
2 support improvement in outcomes for nursing facility patients and
3 residents.

4 Sec. 1657. (1) Reimbursement for medical services to screen
5 and stabilize a Medicaid recipient, including stabilization of a
6 psychiatric crisis, in a hospital emergency room shall not be made
7 contingent on obtaining prior authorization from the recipient's
8 HMO. If the recipient is discharged from the emergency room, the
9 hospital shall notify the recipient's HMO within 24 hours of the
10 diagnosis and treatment received.

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

15 (3) Subsections (1) and (2) do not require an alteration to an
16 existing agreement between an HMO and its contracting hospitals and
17 do not require an HMO to reimburse for services that are not
18 considered to be medically necessary.

19 Sec. 1659. The following sections of this part are the only
20 ones that shall apply to the following Medicaid managed care
21 programs, including the comprehensive plan, MIChoice long-term care
22 plan, and the mental health, substance use disorder, and
23 developmentally disabled services program: 904, 911, 918, 920, 928,
24 942, 994, 1008, 1009, 1607, 1657, 1662, 1699, 1700, 1702, 1764,
25 1809, 1810, 1850, 1875, 1882, and 1888.

26 Sec. 1662. (1) The department shall ensure that an external
27 quality review of each contracting HMO is performed that results in



1 an analysis and evaluation of aggregated information on quality,
2 timeliness, and access to health care services that the HMO or its
3 contractors furnish to Medicaid beneficiaries.

4 (2) The department shall require Medicaid HMOs to provide
5 EPSDT utilization data through the encounter data system, and HEDIS
6 well child health measures in accordance with the National
7 Committee for Quality Assurance prescribed methodology.

8 (3) The department shall provide a copy of the analysis of the
9 Medicaid HMO annual audited HEDIS reports and the annual external
10 quality review report to the senate and house of representatives
11 appropriations subcommittees on the department budget, the senate
12 and house fiscal agencies, and the state budget director, within 30
13 days of the department's receipt of the final reports from the
14 contractors.

15 Sec. 1670. (1) The appropriation in part 1 for the MIChild
16 program is to be used to provide comprehensive health care to all
17 children under age 19 who reside in families with income at or
18 below 212% of the federal poverty level, who are uninsured and have
19 not had coverage by other comprehensive health insurance within 6
20 months of making application for MIChild benefits, and who are
21 residents of this state. The department shall develop detailed
22 eligibility criteria through the medical services administration
23 public concurrence process, consistent with the provisions of this
24 part and part 1.

25 (2) The department may provide up to 1 year of continuous
26 eligibility to children eligible for the MIChild program unless the
27 family fails to pay the monthly premium, a child reaches age 19, or



1 the status of the children's family changes and its members no
2 longer meet the eligibility criteria as specified in the state
3 plan.

4 (3) The department may make payments on behalf of children
5 enrolled in the MICHild program as described in the MICHild state
6 plan approved by the United States Department of Health and Human
7 Services, or from other medical services.

8 Sec. 1673. The department may establish premiums for MICHild
9 eligible individuals in families with income at or below 212% of
10 the federal poverty level. The monthly premiums shall be \$10.00 per
11 month.

12 Sec. 1677. The MICHild program shall provide, at a minimum,
13 all benefits available under the Michigan benchmark plan that are
14 delivered through contracted providers and consistent with federal
15 law, including, but not limited to, the following medically
16 necessary services:

17 (a) Inpatient mental health services, other than substance use
18 disorder treatment services, including services furnished in a
19 state-operated mental hospital and residential or other 24-hour
20 therapeutically planned structured services.

21 (b) Outpatient mental health services, other than substance
22 use disorder services, including services furnished in a state-
23 operated mental hospital and community-based services.

24 (c) Durable medical equipment and prosthetic and orthotic
25 devices.

26 (d) Dental services as outlined in the approved MICHild state
27 plan.



1 (e) Substance use disorder treatment services that may include
2 inpatient, outpatient, and residential substance use disorder
3 treatment services.

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

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

7 (h) Emergency ambulance services.

8 Sec. 1682. (1) In addition to the appropriations in part 1,
9 the department is authorized to receive and spend penalty money
10 received as the result of noncompliance with medical services
11 certification regulations. Penalty money, characterized as private
12 funds, received by the department shall increase authorizations and
13 allotments in the long-term care accounts.

14 (2) Any unexpended penalty money, at the end of the year,
15 shall carry forward to the following year.

16 Sec. 1692. (1) The department is authorized to pursue
17 reimbursement for eligible services provided in Michigan schools
18 from the federal Medicaid program. The department and the state
19 budget director are authorized to negotiate and enter into
20 agreements, together with the department of education, with local
21 and intermediate school districts regarding the sharing of federal
22 Medicaid services funds received for these services. The department
23 is authorized to receive and disburse funds to participating school
24 districts pursuant to such agreements and state and federal law.

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



1 (a) Finance activities within the medical services
2 administration related to this project.

3 (b) Reimburse participating school districts pursuant to the
4 fund-sharing ratios negotiated in the state-local agreements
5 authorized in subsection (1).

6 (c) Offset general fund costs associated with the medical
7 services program.

8 Sec. 1693. The special Medicaid reimbursement appropriation in
9 part 1 may be increased if the department submits a medical
10 services state plan amendment pertaining to this line item at a
11 level higher than the appropriation. The department is authorized
12 to appropriately adjust financing sources in accordance with the
13 increased appropriation.

14 Sec. 1694. From the funds appropriated in part 1 for special
15 Medicaid reimbursement, \$386,700.00 of general fund/general purpose
16 revenue and any associated federal match shall be distributed for
17 poison control services to an academic health care system that
18 includes a children's hospital that has a high indigent care
19 volume.

20 Sec. 1699. (1) The department may make separate payments in
21 the amount of \$45,000,000.00 directly to qualifying hospitals
22 serving a disproportionate share of indigent patients and to
23 hospitals providing GME training programs. If direct payment for
24 GME and DSH is made to qualifying hospitals for services to
25 Medicaid recipients, hospitals shall not include GME costs or DSH
26 payments in their contracts with HMOs.

27 (2) The department shall allocate \$40,500,000.00 in DSH



1 funding using the distribution methodology used in fiscal year
2 2003-2004. This allocation is reduced from the previous fiscal year
3 allocation in compliance with section 105d(8) of the social welfare
4 act, 1939 PA 280, MCL 400.105d.

5 Sec. 1700. (1) By December 1 of the current fiscal year, the
6 department shall report to the senate and house appropriations
7 subcommittees on the department budget, the senate and house fiscal
8 agencies, and the state budget office on the distribution of
9 funding provided, and the net benefit if the special hospital
10 payment is not financed with general fund/general purpose revenue,
11 to each eligible hospital during the previous fiscal year from the
12 following special hospital payments:

13 (a) DSH, separated out by unique DSH pool.

14 (b) GME.

15 (c) Special rural hospital payments provided under section
16 1866.

17 (d) Lump-sum payments to rural hospitals for obstetrical care
18 provided under section 1802.

19 (2) By May 1 of the current fiscal year, the department shall
20 report to the senate and house appropriations subcommittees on the
21 department budget, the senate and house fiscal agencies, and the
22 state budget office on the projected distribution of funding, and
23 the projected net benefit if the special hospital payment is not
24 financed with general fund/general purpose revenue, to each
25 eligible hospital from the following special hospital payments:

26 (a) DSH, separated out by unique DSH pool.

27 (b) GME.



1 (c) Special rural hospital payments provided under section
2 1866.

3 (d) Lump-sum payments to rural hospitals for obstetrical care
4 provided under section 1802.

5 Sec. 1702. From the funds appropriated in part 1, the
6 department shall maintain the 15% rate increase provided during the
7 fiscal year ending September 30, 2017 for private duty nursing
8 services for Medicaid beneficiaries under the age of 21. These
9 additional funds must be used to attract and retain highly
10 qualified registered nurses and licensed practical nurses to
11 provide private duty nursing services so that medically frail
12 children can be cared for in the most homelike setting possible.

13 Sec. 1724. The department shall allow licensed pharmacies to
14 purchase injectable drugs for the treatment of respiratory
15 syncytial virus for shipment to physicians' offices to be
16 administered to specific patients. If the affected patients are
17 Medicaid eligible, the department shall reimburse pharmacies for
18 the dispensing of the injectable drugs and reimburse physicians for
19 the administration of the injectable drugs.

20 Sec. 1730. The department shall continue to maintain enhanced
21 assessment tools established in collaboration with the department
22 of education that promote literacy development of pregnant women
23 and new mothers in the maternal infant health program. When
24 possible, the department shall include new fathers of the infants
25 in the literacy promotion efforts that are included in the
26 assessment tools and in the subsequent services provided. The
27 assessment tools shall expand the assessment of maternal and



1 parental literacy and provide support and referrals to resources to
2 enable program participants to achieve an increase in literacy that
3 may contribute to improvements in family health, economic, and life
4 outcomes.

5 Sec. 1757. The department shall obtain proof from all Medicaid
6 recipients that they are legal United States citizens or otherwise
7 legally residing in this country and that they are residents of
8 this state before approving Medicaid eligibility.

9 Sec. 1764. The department shall annually certify whether rates
10 paid to Medicaid health plans and specialty PIHPs are actuarially
11 sound in accordance with federal requirements and shall provide a
12 copy of the rate certification and approval of rates paid to
13 Medicaid health plans and specialty PIHPs within 5 business days
14 after certification or approval to the senate and house
15 appropriations subcommittees on the department budget, the senate
16 and house fiscal agencies, and the state budget office. When
17 calculating the annual actuarial soundness adjustment, the
18 department shall take into account all Medicaid policy bulletins
19 affecting Medicaid health plans or specialty PIHPs issued after the
20 most recent actuarial soundness process concluded.

21 Sec. 1775. (1) By March 1 of the current fiscal year, the
22 department shall report to the senate and house appropriations
23 subcommittees on the department budget, the senate and house fiscal
24 agencies, and the state budget office on progress in implementing
25 the waiver to implement managed care for individuals who are
26 eligible for both Medicare and Medicaid, known as MI Health Link,
27 including, but not limited to, a description of how the department



1 intends to ensure that service delivery is integrated, how key
2 components of the proposal are implemented effectively, and any
3 problems and potential solutions as identified by the ombudsman
4 described in subsection (2).

5 (2) The department shall ensure the existence of an ombudsman
6 program that is not associated with any project service manager or
7 provider to assist MI Health Link beneficiaries with navigating
8 complaint and dispute resolution mechanisms and to identify
9 problems in the demonstrations and in the complaint and dispute
10 resolution mechanisms.

11 Sec. 1790. Any restricted funds provided for ambulance
12 provider reimbursements must come from an ambulance provider
13 quality assurance assessment with a base narrowly tailored to
14 ambulance services that does not include other municipal services.

15 Sec. 1791. From the funds appropriated in part 1 for physician
16 services, the department shall increase Medicaid reimbursement
17 rates for neonatal services.

18 Sec. 1800. For the distribution of each of the pools within
19 the \$85,000,000.00 outpatient disproportionate share hospital
20 payment, the department shall maintain a formula for the
21 distribution of each pool based on the quality of care, cost,
22 traditional disproportionate share hospital factors such as
23 Medicaid utilization and uncompensated care, and any other factor
24 that the department determines should be considered.

25 Sec. 1801. (1) From the funds appropriated in part 1 for
26 physician services and health plan services, the department shall
27 continue the increase to Medicaid rates for primary care services



1 provided only by primary care providers. For the purpose of this
2 section, a primary care provider is a physician, or a practitioner
3 working under the personal supervision of a physician, who is
4 either licensed under part 170 or part 175 of the public health
5 code, 1978 PA 368, MCL 333.17001 to 333.17084 and 333.17501 to
6 333.17556, and working as a primary care provider in general
7 practice or board-eligible or certified with a specialty
8 designation of family medicine, general internal medicine, or
9 pediatric medicine, or a provider who provides the department with
10 documentation of equivalency. Providers performing a service and
11 whose primary practice is as a non-primary-care subspecialty is not
12 eligible for the increase. The department shall establish policies
13 that most effectively limit the increase to primary care providers
14 for primary care services only.

15 (2) The department shall report by March 1 of the current
16 fiscal year to the senate and house subcommittees on the department
17 budget, the senate and house fiscal agencies, the senate and house
18 policy offices, and the state budget office the following:

19 (a) A list of medical specialties and licensed providers that
20 were paid enhanced primary care rates in the fiscal year ending
21 September 30, 2016.

22 (b) Information on the geographic distribution of specialists
23 who received enhanced rates in the fiscal year ending September 30,
24 2016.

25 Sec. 1802. From the funds appropriated in part 1, a lump-sum
26 payment shall be made to hospitals that qualified for rural
27 hospital access payments in fiscal year 2013-2014 and that provide



1 obstetrical care in the current fiscal year. The payment shall be
2 calculated as \$830.00 for each obstetrical care case payment and
3 each newborn care case payment for all such cases billed by the
4 qualified hospitals for fiscal year 2012-2013 and shall be paid
5 through the Medicaid health plan hospital rate adjustment process
6 by January 1 of the current fiscal year.

7 Sec. 1804. The department, in cooperation with the department
8 of military and veterans affairs, shall work with the federal
9 public assistance reporting information system to identify Medicaid
10 recipients who are veterans and who may be eligible for federal
11 veterans health care benefits or other benefits.

12 Sec. 1805. Hospitals receiving medical services payments for
13 graduate medical education shall submit fully completed quality
14 data to a nonprofit organization with extensive experience in
15 collecting and reporting hospital quality data on a public website.
16 The reporting must utilize consensus-based nationally endorsed
17 standards that meet National Quality Forum-endorsed safe practices.
18 The organization collecting the data must be an organization that
19 uses severity-adjusted risk models and measures that will help
20 patients and payers identify hospital campuses likely to have
21 superior outcomes. The public website shall provide information to
22 allow consumers to compare safe practices by hospital campus,
23 including, but not limited to, perinatal care, hospital-acquired
24 infection, and serious reportable events. Hospitals receiving
25 medical services payments for graduate medical education shall also
26 make their fully completed quality data available on the hospital's
27 website. The department shall withhold 25% of a hospital's graduate



1 medical education payment if the hospital does not submit the data
2 to a qualifying nonprofit organization described in this section by
3 July 1 of the current fiscal year.

4 Sec. 1806. The department shall monitor the progress of
5 implementing the Medicaid health plan common formulary. As part of
6 the monitoring process, by March 1 of the current fiscal year, the
7 department shall provide a report to the house and senate
8 appropriations subcommittees on the department budget, the house
9 and senate fiscal agencies, and the state budget office on the
10 following:

11 (a) The progress of implementing the Medicaid health plan
12 common formulary.

13 (b) The participation by the Medicaid health plans in the
14 Medicaid health plan common formulary.

15 (c) The timeliness of prior authorization approvals or
16 disapprovals.

17 (d) Any areas of inconsistency across the Medicaid health
18 plans' implementation of the Medicaid health plan common formulary.

19 Sec. 1809. The department shall establish separate contract
20 performance standards for Medicaid health plans that adhere to the
21 requirements of section 105d of the social welfare act, 1939 PA
22 280, MCL 400.105d, associated with the 0.75% and 0.25% capitation
23 withhold. The determination of the performance of the 0.75%
24 capitation withhold is at the discretion of the department but must
25 include recognized concepts such as 1-year continuous enrollment
26 and the HEDIS audited data. The determination of the performance of
27 the 0.25% capitation withhold is at the discretion of the



1 department but must include the utilization of high-value services
2 and discouraging the utilization of low-value services.

3 Sec. 1810. The department shall enhance encounter data
4 reporting processes and develop rules that would make each health
5 plan's encounter data as complete as possible, provide a fair
6 measure of acuity for each health plan's enrolled population for
7 risk adjustment purposes, capitation rate setting, diagnosis-
8 related group rate setting, and research and analysis of program
9 efficiencies while minimizing health plan administrative expense.

10 Sec. 1812. By June 1 of the current fiscal year, and using the
11 most recent available cost reports, the department shall complete a
12 report of all direct and indirect costs associated with residency
13 training programs for each hospital that receives funds
14 appropriated in part 1 for graduate medical education. The report
15 shall be submitted to the house and senate appropriations
16 subcommittees on the department budget, the house and senate fiscal
17 agencies, and the state budget office.

18 Sec. 1837. The department shall continue, and expand where
19 appropriate, utilization of telemedicine and telepsychiatry as
20 strategies to increase access to services for Medicaid recipients
21 in medically underserved areas.

22 Sec. 1846. From the funds appropriated in part 1 for graduate
23 medical education, the department shall distribute the funds with
24 an emphasis on the following health care workforce goals:

25 (a) The encouragement of the training of physicians in
26 specialties, including primary care, that are necessary to meet the
27 future needs of residents of this state.



1 (b) The training of physicians in settings that include
2 ambulatory sites and rural locations.

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

10 Sec. 1861. From the funds appropriated in part 1 for
11 transportation, the department shall increase the number of
12 counties in which a local public transportation entity is the
13 primary administrator of the Medicaid nonemergency transportation
14 benefit. The purpose of this expansion is to improve Medicaid
15 beneficiary access to care, reduce the number of missed physician
16 appointments by Medicaid beneficiaries, and reduce time spent by
17 caseworkers facilitating nonemergency transportation for Medicaid
18 beneficiaries. Performance goals include an increase in utilization
19 of local public transportation, a reduction in the rate of trips
20 reported as missed to no more than 0.5%, and the successful
21 collection of data on program utilization, access, and beneficiary
22 satisfaction.

23 Sec. 1862. From the funds appropriated in part 1, the
24 department shall maintain payment rates for Medicaid obstetrical
25 services at 95% of Medicare levels effective October 1, 2014.

26 Sec. 1866. (1) From the funds appropriated in part 1 for
27 hospital services and therapy and health plan services,



1 \$12,000,000.00 in general fund/general purpose revenue and any
2 associated federal match shall be awarded to hospitals that meet
3 criteria established by the department for services to low-income
4 rural residents. One of the reimbursement components of the
5 distribution formula shall be assistance with labor and delivery
6 services.

7 (2) No hospital or hospital system shall receive more than
8 10.0% of the total funding referenced in subsection (1).

9 (3) To allow hospitals to understand their rural payment
10 amounts under this section, the department shall provide hospitals
11 with the methodology for distribution under this section and
12 provide each hospital with its applicable data that are used to
13 determine the payment amounts by August 1 of the current fiscal
14 year. The department shall publish the distribution of payments for
15 the current fiscal year and the immediately preceding fiscal year.

16 Sec. 1867. (1) The department shall convene a workgroup that
17 includes psychiatrists, other relevant prescribers, and pharmacists
18 to identify best practices and to develop a protocol for
19 psychotropic medications. Any changes proposed by the workgroup
20 shall protect a Medicaid beneficiary's current psychotropic
21 pharmaceutical treatment regimen by not requiring a physician
22 currently prescribing any treatment to alter or adjust that
23 treatment.

24 (2) By March 1 of the current fiscal year, the department
25 shall provide the workgroup's recommendations to the senate and
26 house appropriations subcommittees on the department budget, the
27 senate and house fiscal agencies, and the state budget office.



1 Sec. 1873. From the funds appropriated in part 1 for long-term
2 care services, the department may allocate up to \$3,700,000.00 for
3 the purpose of outreach and education to nursing home residents and
4 the coordination of housing in order to move out of the facility.
5 In addition, any funds appropriated shall be used for other quality
6 improvement activities of the program. The department shall
7 consider working with the Area Agencies on Aging Association of
8 Michigan, the non-Area Agencies on Aging waivers, and the
9 Disability Network/Michigan to develop a plan for the ongoing
10 sustainability of the nursing facility transition initiative.

11 Sec. 1874. (1) The department shall ensure, in counties where
12 program of all-inclusive care for the elderly or PACE services are
13 available, that the program of all-inclusive care for the elderly
14 (PACE) is included as an option in all options counseling and
15 enrollment brokering for aging services and managed care programs,
16 including, but not limited to, Area Agencies on Aging, centers for
17 independent living, and the MiChoice home and community-based
18 waiver. Such options counseling must include approved marketing and
19 discussion materials.

20 (2) The department shall establish a workgroup that consists
21 of the independent waiver agents, the medical services
22 administration, and PACE providers, to address PACE program issues
23 as identified within the state contract with PACE providers. The
24 workgroup shall, at a minimum, address the following concerns:

- 25 (a) Timely eligibility processing.
26 (b) Barriers to new enrollment.
27 (c) Future expansion criteria.



1 (3) The department shall report by February 1 of the current
2 fiscal year to the senate and house appropriations subcommittees on
3 the department budget, the senate and house fiscal agencies, and
4 the state budget office on the findings of the workgroup.

5 Sec. 1875. (1) The department and its contractual agents may
6 not subject Medicaid prescriptions to prior authorization
7 procedures during the current fiscal year if that drug is carved
8 out or is not subject to prior authorization procedures as of May
9 9, 2016, and is generally recognized in a standard medical
10 reference or the American Psychiatric Association's Diagnostic and
11 Statistical Manual for the Treatment of a Psychiatric Disorder.

12 (2) The department and its contractual agents may not subject
13 Medicaid prescriptions to prior authorization procedures during the
14 current fiscal year if that drug is carved out or is not subject to
15 prior authorization procedures as of May 9, 2016 and is a
16 prescription drug that is generally recognized in a standard
17 medical reference for the treatment of epilepsy or seizure disorder
18 or organ replacement therapy.

19 (3) As used in this section, "prior authorization" means a
20 process implemented by the department or its contractual agents
21 that conditions, delays, or denies delivery or particular pharmacy
22 services to Medicaid beneficiaries upon application of
23 predetermined criteria by the department or its contractual agents
24 to those pharmacy services. The process of prior authorization
25 often requires that a prescriber do 1 or both of the following:

26 (a) Obtain preapproval from the department or its contractual
27 agents before prescribing a given drug.



1 (b) Verify to the department or its contractual agents that
2 the use of a drug prescribed for an individual meets predetermined
3 criteria from the department or its contractual agents for a
4 prescription drug that is otherwise available under the Medicaid
5 program in this state.

6 Sec. 1877. By March 1 of the current fiscal year, the
7 department shall evaluate and report to the house and senate
8 appropriations subcommittees on the department budget on how the
9 Healthy Michigan plan has contributed to assisting individuals in
10 utilizing high-value services, minimized the use of low-value
11 services, and how individuals' lives may be improving as a result
12 of their access to services provided through the Healthy Michigan
13 plan.

14 Sec. 1878. Not later than March 1 of the current fiscal year,
15 the department shall provide a report to the senate and house
16 appropriations subcommittees on the department budget, the senate
17 and house fiscal agencies, the senate and house policy offices, and
18 the state budget office on hepatitis C tracking data. At a minimum,
19 the report shall include information on the following for
20 individuals treated with Harvoni or any other treatment used to
21 cure hepatitis C during the current fiscal year or a previous
22 fiscal year:

23 (a) The total number of people treated broken down by those
24 treated through traditional Medicaid and those treated through the
25 Healthy Michigan plan.

26 (b) The total cost of treatment.

27 (c) The total cost of treatment broken down by those treated



1 through traditional Medicaid and those treated through the Healthy
2 Michigan plan.

3 (d) The cure rate broken down by Metavir Score, genotype,
4 Medicaid match rate, and drug used during treatment.

5 (e) The reinfection rate broken down by Metavir Score,
6 genotype, Medicaid match rate, and drug used during treatment.

7 Sec. 1882. By December 31 of the current fiscal year, the
8 department shall report to the senate and house appropriations
9 subcommittees on the department budget, the senate and house fiscal
10 agencies, and the state budget office, documentation of the
11 expenses incurred during the immediate preceding fiscal year by
12 Medicaid health plans and PIHPs for the purpose of meeting the
13 contractual requirements to join the Michigan Health Information
14 Network Shared Services and incentivizing providers to become
15 members of the Health Information Exchange Qualified Organization.
16 The report should also include an estimation of the expenses to be
17 incurred in the current fiscal year by Medicaid health plans and
18 PIHPs for the same purpose of meeting their contractual
19 obligations.

20 Sec. 1888. The department shall establish contract performance
21 standards associated with the capitation withhold provisions for
22 Medicaid health plans in advance of the implementation of those
23 standards. The determination of whether performance standards have
24 been met shall be based primarily on recognized concepts such as 1-
25 year continuous enrollment and the healthcare effectiveness data
26 and information set, HEDIS, audited data.

27 Sec. 1890. From the funds appropriated in part 1 for



1 pharmaceutical services, the department shall ensure Medicaid
2 recipients' access to breast pumps to support and encourage
3 breastfeeding. The department shall adjust Medicaid policy to, at a
4 minimum, provide an individual double electric style pump to a
5 breastfeeding mother when a physician prescribes such a device
6 based on diagnosis of mother or infant. If the distribution method
7 for pumps or other equipment is a department contract with durable
8 medical equipment providers, the department shall guarantee
9 providers stock and rent to Medicaid recipients without delay or
10 undue restriction.

11 Sec. 1894. (1) By July 1 of the current fiscal year, the
12 department shall provide a report to the senate and house
13 appropriations subcommittees on the department budget, the senate
14 and house fiscal agencies, and the state budget office on outcomes
15 and performance measures of the Healthy Kids Dental program.

16 (2) Outcomes and performance measures for the Healthy Kids
17 Dental program include, but are not limited to, the following:

18 (a) The number of children enrolled in the Healthy Kids Dental
19 program who visited the dentist during the previous fiscal year.

20 (b) The number of dentists who will accept payment from the
21 Healthy Kids Dental program.

22 (c) The annual change in dental utilization of children
23 enrolled in the Healthy Kids Dental program.

24 Sec. 1899. (1) The funds appropriated in part 1 for hospice
25 services shall be expended to provide room and board for Medicaid
26 beneficiaries who meet hospice eligibility requirements and receive
27 services at Medicaid-enrolled hospice residences in this state. The



1 qualifying hospice residences must have been licensed as a hospice
2 residence as of October 1, 2014. These funds shall be distributed
3 on a per-bed basis divided equally among the hospice residence beds
4 that apply for the funds. These funds shall be paid on a lump-sum
5 quarterly basis.

6 (2) The qualifying hospice residences that receive funds under
7 this section shall provide a report to the department by September
8 15 of the current fiscal year that includes the number of
9 individuals served, number of days served, and cost of serving
10 those individuals.

11 (3) If the funds appropriated in this section do not cover the
12 need, the qualifying hospice residences shall report to the
13 department the number of individuals who did not receive care. If
14 the funds appropriated in this section are more than the cost to
15 cover the need, the qualifying hospice residences shall return the
16 funds to the state.

17 **INFORMATION TECHNOLOGY**

18 Sec. 1901. (1) By December 1 of the current fiscal year, the
19 department shall report to the senate and house appropriations
20 subcommittees on the department budget, the senate and house fiscal
21 agencies, the senate and house policy offices, and the state budget
22 office all of the following information:

23 (a) The process used to define requests for proposals for each
24 expansion of information technology projects, including timelines,
25 project milestones, and intended outcomes.

26 (b) If the department decides not to contract the services out



1 to design and implement each element of the information technology
2 expansion, the department shall submit its own project plan, which
3 includes, at a minimum, the requirements in subdivision (a).

4 (c) A recommended project management plan with milestones and
5 time frames.

6 (d) The proposed benefits from implementing the information
7 technology expansion, including customer service improvement, form
8 reductions, potential time savings, caseload reduction, and return
9 on investment.

10 (2) Once an award for an expansion of information technology
11 is made, the department shall report to the senate and house
12 appropriations subcommittees on the department budget, the senate
13 and house fiscal agencies, the senate and house policy offices, and
14 the state budget office a projected cost of the expansion broken
15 down by use and type of expense.

16 Sec. 1902. From the funds appropriated in part 1 for the
17 Michigan Medicaid information system (MMIS) line item, private
18 revenue may be received from and allocated for other states
19 interested in participating as part of the broader MMIS initiative.
20 By March 1 of the current fiscal year, the department shall provide
21 a report on the use of MMIS by other states for the previous fiscal
22 year, including a list of states, type of use, and revenue and
23 expenditures related to the agreements with the other states to use
24 the MMIS. The report shall be provided to the house and senate
25 appropriations subcommittees on the department budget, the house
26 and senate fiscal agencies, and the state budget office.

27 Sec. 1903. (1) The department shall report to the senate and



1 house appropriations subcommittees on the department budget, the
2 senate and house fiscal agencies, the senate and house policy
3 offices, and the state budget office by November 1 of the current
4 fiscal year an implementation plan regarding the appropriation in
5 part 1 to implement the MiSACWIS. The plan shall include, but not
6 be limited to, efforts to bring the system in compliance with the
7 settlement and other federal guidelines set forth by the United
8 States Department of Health and Human Services Administration for
9 Children and Families.

10 (2) The department shall report to the senate and house
11 appropriations subcommittees on the department budget, the senate
12 and house fiscal agencies, the senate and house policy offices, and
13 the state budget office by November 1 of the current fiscal year a
14 status report on the planning, implementation, and operation,
15 regardless of the current operational status, regarding the
16 appropriation in part 1 to implement the MiSACWIS. The report shall
17 provide details on the planning, implementation, and operation of
18 the system, including, but not limited to, all of the following:

- 19 (a) Areas where implementation went as planned.
20 (b) The number of known issues.
21 (c) The average number of help tickets submitted per day.
22 (d) Any additional overtime or other staffing costs to address
23 known issues and volume of help tickets.
24 (e) Any contract revisions to address known issues and volume
25 of help tickets.
26 (f) Other strategies undertaken to improve implementation.
27 (g) Progress developing cross-system trusted data exchange



1 with MiSACWIS.

2 (h) Progress in moving away from a statewide/tribal automated
3 child welfare information system (SACWIS/TACWIS) to a comprehensive
4 child welfare information system (CCWIS).

5 (i) Progress developing and implementing a program to monitor
6 data quality.

7 (j) Progress developing and implementing custom integrated
8 systems for private agencies and tribal governments.

9 **ONE-TIME BASIS ONLY APPROPRIATIONS**

10 Sec. 1905. From the funds appropriated in part 1 for the
11 drinking water declaration of emergency, the department shall
12 allocate funds to address needs in a city in which a declaration of
13 emergency was issued because of drinking water contamination. These
14 funds may support, but are not limited to, the following
15 activities:

16 (a) Nutrition assistance, nutritional and community education,
17 food bank resources, and food inspections.

18 (b) Epidemiological analysis and case management of
19 individuals at risk of elevated blood lead levels.

20 (c) Support for child and adolescent health centers,
21 children's healthcare access program, and pathways to potential
22 programming.

23 (d) Nursing services, breastfeeding education, evidence-based
24 home visiting programs, intensive services, and outreach for
25 children exposed to lead coordinated through local community mental
26 health organizations.



1 (e) Department field operations costs.

2 (f) Lead poisoning surveillance, treatment, and lead
3 abatement.

4 Sec. 1906. (1) From the funds appropriated in part 1 for
5 university autism programs, the department shall continue a grant
6 process for autism programs. These grants are intended to increase
7 the number of applied behavioral analysts, increase the number of
8 autism diagnostic services provided, or increase employment of
9 individuals who are diagnosed with autism spectrum disorder.

10 (2) As a condition of accepting the grants described in
11 subsection (1), each university shall track and report back to the
12 department where the individuals who have completed the applied
13 behavioral analysis training are initially employed and the
14 location of the initial employment.

15 (3) Outcomes and performance measures related to this
16 initiative include, but are not limited to, the following:

17 (a) An increase in applied behavioral analysts certified from
18 university autism programs.

19 (b) The number of autism diagnostic services provided.

20 (c) The employment rate of employment program participants.

21 (d) The employment rate of applied behavioral analysts trained
22 through the university autism programs.

23 Sec. 1907. From the funds appropriated in part 1 for child
24 lead poisoning elimination board, the department shall implement
25 recommendations of the board offered in the board's report of
26 November 2016. The recommendations implemented by the department
27 under this section shall be based in science and best practices,



1 and the department shall give priority to the implementation of the
2 recommendations that are most in agreement with recommendations of
3 nationally recognized organizations and authorities.

4 Sec. 1913. (1) The department shall apply to the Centers for
5 Medicare and Medicaid Services for a waiver to allow the department
6 to contract directly with direct primary care providers for
7 Medicaid services. After the department receives a response from
8 the Centers for Medicare and Medicaid Services regarding the
9 waiver, the department shall do 1 of the following:

10 (a) If the Centers for Medicare and Medicaid Services approves
11 the waiver, from the funds appropriated in part 1 for direct
12 primary care pilot program, the department shall expend \$710,000.00
13 general fund/general purpose plus associated federal match for this
14 program as part of a work project to fund the program for a 3-year
15 period.

16 (b) If the Centers for Medicare and Medicaid Services does not
17 approve the waiver, from the funds appropriated in part 1 for
18 direct primary care pilot program, the department shall expend
19 \$2,016,000.00 general fund/general purpose to fund a direct primary
20 care pilot program for a 1-year period.

21 (2) The department shall implement a direct primary care pilot
22 program for Medicaid recipients in Wayne, Oakland, Kent, Genesee,
23 and Livingston Counties that shall run from October 1, 2017 to
24 September 30, 2018. The pilot program shall include 400 recipients
25 from each of the following Medicaid eligibility categories:

26 (a) Childless adults.

27 (b) Children ages 0-6 years.



1 (c) Children ages 7-18 years.

2 (d) Parents.

3 (e) Elderly individuals.

4 (f) Disabled individuals.

5 (3) For the purposes of the pilot program, each recipient
6 shall be enrolled in a single, eligible direct primary care service
7 provider plan. The department shall maintain and publicly share a
8 list of eligible direct primary care service providers with
9 potential pilot program enrollees.

10 (4) An eligible direct primary care service provider must meet
11 the following requirements:

12 (a) The direct primary care service provider must be a
13 licensed physician in a primary care specialty.

14 (b) The monthly direct primary care enrollment fee shall not
15 exceed a weighted average of \$70.00 per month across all
16 eligibility categories. The average shall be weighted by the
17 population makeup of the pilot program.

18 (c) The direct primary care service provider must not accept
19 any third-party payments for health care services, other than
20 retainer fees from the managed care provider with which they have
21 contracted.

22 (d) The direct primary care service provider must only provide
23 primary care services.

24 (e) The direct primary care service provider plan must
25 include, but is not limited to, access to telemedicine, and same or
26 next business day appointments.

27 (5) Managed care organizations contracted by the state to



1 provide Medicaid services within the county where the pilot program
2 enrollee lives shall authorize direct primary care service
3 providers participating in the pilot program to serve as "gateway"
4 service providers able to refer pilot program enrollees to
5 nonprimary care services within the managed care organization's
6 provider network. The managed care provider is not liable for
7 increased costs resulting from implementation of the pilot program.

8 (6) The department shall have access to the patient records of
9 each enrollee in the pilot program for the sole purpose of
10 aggregate data collection.

11 (7) On a quarterly basis, the department shall report to the
12 house and senate appropriations subcommittees on the department
13 budget, the house and senate fiscal agencies, the house and senate
14 policy offices, and the state budget office on the implementation
15 of the direct primary care pilot program. The report shall include,
16 but is not limited to, the following performance metrics:

17 (a) The number of enrollees in the pilot program by
18 eligibility category.

19 (b) The per member per month rate paid in the current fiscal
20 year per eligibility category.

21 (c) The number of claims paid in the current fiscal year per
22 eligibility category.

23 (d) The number of claims per category weighted to reflect 400
24 enrollees.

25 (e) The dollar value of all claims per eligibility category.

26 (f) The per member per month actual cost, which is the direct
27 primary care service provider plan costs and any managed care costs



1 not covered through the direct primary care service provider plan,
2 including managed care provider overhead costs.

3 (g) The average direct primary care cost per enrollee per
4 eligibility category.

5 (h) The average number of actual claims per eligibility
6 category.

7 (i) The average actual dollar value of claims per eligibility
8 category.

9 (j) The number of enrollees in the pilot program during the
10 previous quarter who are no longer eligible for Medicaid in the
11 current quarter, broken down by eligibility category.

12 (k) The category savings subtotal, which is the per member per
13 month rate paid in the current fiscal year minus the per member per
14 month actual cost, multiplied by the number of enrollees in the
15 eligibility category.

16 (l) The total savings, which is the per member per month rate
17 paid in the current fiscal year minus the per member per month
18 actual cost, multiplied by the total number of enrollees in the
19 pilot program.

20 (8) Unexpended and unencumbered funds up to a maximum of
21 \$2,016,000.00 general fund/general purpose revenue plus any
22 associated federal match remaining in accounts appropriated in part
23 1 for direct primary care pilot program are designated as work
24 project appropriations, and any unencumbered or unallotted funds
25 shall not lapse at the end of the fiscal year and shall be
26 available for expenditures for the direct primary care pilot
27 program for Medicaid recipients in Wayne, Oakland, Kent, Genesee,



1 and Livingston Counties under this section until the work projects
2 have been completed. All of the following are in compliance with
3 section 451a of the management and budget act, 1984 PA 431, MCL
4 18.1451a:

5 (a) The purpose of the pilot program is to fund the cost of a
6 direct primary care pilot program as provided by this section.

7 (b) The project will be accomplished by contracting with a
8 managed care organization under contract with the department to
9 provide Medicaid services.

10 (c) The total estimated cost of the project is \$2,016,000.00
11 of general fund/general purpose revenue plus any associated federal
12 match.

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

14 (9) The department may take out a stop-loss policy to mitigate
15 the potential cost impact if pilot program per member per month
16 costs exceed per member per month costs for the program the
17 enrollee would have been in had he or she not participated in the
18 pilot program. The cost of the stop-loss policy shall not be used
19 in the assessment of the success of the pilot program.

20 Sec. 1914. From the funds appropriated in part 1 for primary
21 care and dental health services, \$300,000.00 shall be allocated for
22 primary care clinic and dental health clinic services for indigent
23 individuals to be provided in clinic locations in the city of
24 Detroit and Wayne County by a public nonprofit organization that is
25 pursuing certification as a federally qualified health center and
26 is expected to be certified within 2 years.



ARTICLE XI

DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of insurance and financial services for the fiscal year ending September 30, 2018, from the following funds:

DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES

APPROPRIATION SUMMARY

10	Full-time equated unclassified positions	6.0	
11	Full-time equated classified positions	336.5	
12	GROSS APPROPRIATION		\$ 66,741,400
13	Interdepartmental grant revenues:		
14	Total interdepartmental grants and intradepartmental		
15	transfers.....		707,600
16	ADJUSTED GROSS APPROPRIATION		\$ 66,033,800
17	Federal revenues:		
18	Total federal revenues		2,014,700
19	Special revenue funds:		
20	Total local revenues		0
21	Total private revenues		0
22	Total state restricted revenues		63,869,100
23	State general fund/general purpose		\$ 150,000
24	Sec. 102. DEPARTMENTAL ADMINISTRATION AND SUPPORT		
25	Full-time equated unclassified positions	6.0	
26	Full-time equated classified positions	22.5	
27	Unclassified salaries--6.0 FTE positions		\$ 769,100



1	Administrative hearings	182,500
2	Department services--19.0 FTE positions	3,752,200
3	Executive director programs--3.5 FTE positions	1,066,400
4	Property management	1,244,200
5	Worker's compensation	<u>4,700</u>
6	GROSS APPROPRIATION	\$ 7,019,100
7	Appropriated from:	
8	Special revenue funds:	
9	Bank fees	615,100
10	Captive insurance regulatory and supervision fund	4,100
11	Consumer finance fees	271,400
12	Credit union fees	810,500
13	Deferred presentment service transaction fees	368,200
14	Insurance bureau fund	2,232,200
15	Insurance continuing education fees	69,600
16	Insurance licensing and regulation fees	1,860,300
17	MBLSLA fund	636,400
18	Multiple employer welfare arrangement	1,300
19	State general fund/general purpose	\$ 150,000
20	Sec. 103. INSURANCE AND FINANCIAL SERVICES	
21	REGULATION	
22	Full-time equated classified positions	314.0
23	Consumer services and protection--64.0 FTE positions .	\$ 8,660,800
24	Financial institutions evaluation--132.0 FTE positions	24,354,400
25	Insurance evaluation--118.0 FTE positions	<u>24,480,500</u>
26	GROSS APPROPRIATION	\$ 57,495,700
27	Appropriated from:	



1	Interdepartmental grant revenues:	
2	IDG-LARA, for debt management	707,600
3	Federal revenues:	
4	Federal funds	2,014,700
5	Special revenue funds:	
6	Bank fees	6,059,600
7	Captive insurance regulatory and supervision fund	285,100
8	Consumer finance fees	3,073,200
9	Credit union fees	8,023,300
10	Deferred presentment service transaction fees	3,306,500
11	Insurance bureau fund	21,242,800
12	Insurance continuing education fees	998,900
13	Insurance licensing and regulation fees	5,928,700
14	MBLSLA fund	5,572,900
15	Multiple employer welfare arrangement	282,400
16	State general fund/general purpose	\$ 0
17	Sec. 104. INFORMATION TECHNOLOGY	
18	Information technology services and projects	\$ <u>2,226,600</u>
19	GROSS APPROPRIATION	\$ 2,226,600
20	Appropriated from:	
21	Special revenue funds:	
22	Bank fees	197,900
23	Consumer finance fees	90,100
24	Credit union fees	261,800
25	Deferred presentment service transaction fees	108,000
26	Insurance bureau fund	634,200
27	Insurance continuing education fees	22,500



1	Insurance licensing and regulation fees	716,900
2	MBLSLA fund	195,200
3	State general fund/general purpose	\$ 0

4 PART 2
5 PROVISIONS CONCERNING APPROPRIATIONS
6 FOR FISCAL YEAR 2017-2018

7 **GENERAL SECTIONS**

8 Sec. 201. Pursuant to section 30 of article IX of the state
9 constitution of 1963, total state spending from state resources
10 under part 1 for fiscal year 2017-2018 is \$64,019,100.00 and state
11 spending from state resources to be paid to local units of
12 government for fiscal year 2017-2018 is \$0.

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

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

17 (a) "Department" means the department of insurance and
18 financial services.

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

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

21 (d) "IDG" means interdepartmental grant.

22 (e) "LARA" means the department of licensing and regulatory
23 affairs.

24 (f) "MBLSLA fund" means the restricted account established
25 under section 8 of the mortgage brokers, lenders, and servicers



1 licensing act, 1987 PA 173, MCL 445.1658.

2 (g) "Subcommittees" means the subcommittees of the house of
3 representatives and senate appropriations committees with
4 jurisdiction over the budget for the department.

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

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

21 Sec. 206. The director shall take all reasonable steps to
22 ensure businesses in deprived and depressed communities compete for
23 and perform contracts to provide services or supplies, or both. The
24 director shall strongly encourage firms with which the department
25 contracts to subcontract with certified businesses in depressed and
26 deprived communities for services, supplies, or both.

27 Sec. 207. (1) Out-of-state travel shall be limited to



1 situations where the travel is approved by a departmental
2 employee's immediate supervisor and in which 1 or more of the
3 following conditions apply:

4 (a) The travel is required by legal mandate or court order or
5 for law enforcement purposes.

6 (b) The travel is necessary to protect the health or safety of
7 Michigan citizens or visitors or to assist other states in similar
8 circumstances.

9 (c) The travel is necessary to produce budgetary savings or to
10 increase state revenues, including protecting existing federal
11 funds or securing additional federal funds.

12 (d) The travel is necessary to comply with federal
13 requirements.

14 (e) The travel is necessary to secure specialized training for
15 staff that is not available within this state.

16 (f) The travel is financed entirely by federal or nonstate
17 funds.

18 (2) The department shall not approve the travel of more than 1
19 departmental employee to a specific professional development
20 conference or training seminar that is located outside of this
21 state unless a professional development conference or training
22 seminar is funded by a federal or private funding source and
23 requires more than 1 person from a department to attend, or the
24 conference or training seminar includes multiple issues in which 1
25 employee from the department does not have expertise.

26 (3) Not later than January 1, the department shall prepare a
27 travel report listing all travel by classified and unclassified



1 employees outside this state in the immediately preceding fiscal
2 year that was funded in whole or in part with funds appropriated in
3 the department's budget. The department shall submit the report to
4 the senate and house of representatives standing committees on
5 appropriations, the senate and house fiscal agencies, and the state
6 budget director. The report shall include the following
7 information:

8 (a) The name of each person receiving reimbursement for travel
9 outside this state or whose travel costs were paid by this state.

10 (b) The destination of each travel occurrence.

11 (c) The dates of each travel occurrence.

12 (d) A brief statement of the reason for each travel
13 occurrence.

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

19 (f) A total of all out-of-state travel funded for the
20 immediately preceding fiscal year.

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

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



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

9 Sec. 210. (1) In addition to the funds appropriated in part 1,
10 there is appropriated an amount not to exceed \$1,000,000.00 for
11 federal contingency funds. These funds are not available for
12 expenditure until they have been transferred to another line item
13 in part 1 under section 393(2) of the management and budget act,
14 1984 PA 431, MCL 18.1393.

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

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

- 25 (a) Fiscal-year-to-date expenditures by category.
26 (b) Fiscal-year-to-date expenditures by appropriation unit.
27 (c) Fiscal-year-to-date payments to a selected vendor,



1 including the vendor name, payment date, payment amount, and
2 payment description.

3 (d) The number of active department employees by job
4 classification.

5 (e) Job specifications and wage rates.

6 Sec. 212. Within 14 days after the release of the executive
7 budget recommendation, the department shall cooperate with the
8 state budget office to provide the senate and house of
9 representatives appropriations committee chairs, the subcommittee
10 chairs, and the senate and house fiscal agencies with an annual
11 report on estimated state restricted fund balances, state
12 restricted fund projected revenues, and state restricted fund
13 expenditures for the immediately preceding and current fiscal
14 years.

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

19 Sec. 214. Total authorized appropriations from all sources in
20 part 1 for legacy costs for the fiscal year ending September 30,
21 2018 are estimated at \$9,551,300.00. From this amount, total agency
22 appropriations for pension-related legacy costs are estimated at
23 \$4,915,200.00. Total agency appropriations for retiree health care
24 legacy costs are estimated at \$4,636,100.00.

25 Sec. 215. Unless prohibited by law, the department may accept
26 credit card or other electronic means of payment for licenses,
27 fees, or permits.



1 Sec. 217. The department shall receive and retain copies of
2 all reports funded from appropriations in part 1. The department
3 shall follow federal and state guidelines for short-term and long-
4 term retention of records. The department may electronically retain
5 copies or reports unless otherwise required by federal and state
6 guidelines.

7 Sec. 218. The department shall not take disciplinary action
8 against an employee for communicating with a member of the
9 legislature or his or her staff.

10 Sec. 219. The department shall not develop or produce any
11 television or radio productions.

12 Sec. 220. The department, in conjunction with the department
13 of health and human services, shall maintain an accounting
14 structure within this state's accounting system that will allow
15 expenditures associated with the administration of the Healthy
16 Michigan plan to be identified.

17 Sec. 221. The amount appropriated from the general fund in
18 part 1 for executive director programs may only be expended to
19 comply with reporting requirements regarding the Healthy Michigan
20 plan under section 105d(9) of the social welfare act, 1939 PA 280,
21 MCL 400.105d.

22 **INSURANCE AND FINANCIAL SERVICES REGULATION**

23 Sec. 301. The department shall provide a report to the
24 subcommittees, the senate and house fiscal agencies, and the state
25 budget director by September 30 based on the annual rate filings
26 from health insurance issuers that includes all of the following:



- 1 (a) The number that are approved by the department.
- 2 (b) The number that are denied by the department.
- 3 (c) The percentage of rate filings processed within the
4 applicable statutory time frames.
- 5 (d) The average number of calendar days to process rate
6 filings.

7 Sec. 302. In addition to the funds appropriated in part 1, the
8 funds collected by the department in connection with a
9 conservatorship under section 32 of the mortgage brokers, lenders,
10 and servicers licensing act, 1987 PA 173, MCL 445.1682, and funds
11 collected by the department from corporations being liquidated
12 under the insurance code of 1956, 1956 PA 218, MCL 500.100 to
13 500.8302, shall be appropriated for all expenses necessary to
14 provide for the required services. Funds are available for
15 expenditure when they are received by the department of treasury
16 and shall not lapse to the general fund at the end of the fiscal
17 year.

18 Sec. 303. The department may make available to interested
19 entities customized listings of nonconfidential information in its
20 possession. The department may establish and collect a reasonable
21 charge to provide this service. The revenue from this service is
22 appropriated when received and shall be used to offset expenses to
23 provide the service. Any balance of this revenue collected and
24 unexpended at the end of the fiscal year shall lapse to the
25 appropriate restricted fund.



ARTICLE XII

JUDICIARY

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the judiciary for the fiscal year ending September 30, 2018, from the following funds:

JUDICIARY

APPROPRIATION SUMMARY

9	Full-time equated exempted positions	501.0		
10	GROSS APPROPRIATION		\$	299,373,700
11	Interdepartmental grant revenues:			
12	Total interdepartmental grants and intradepartmental			
13	transfers.....			1,550,600
14	ADJUSTED GROSS APPROPRIATION		\$	297,823,100
15	Federal revenues:			
16	Total federal revenues			6,464,100
17	Special revenue funds:			
18	Total local revenues			5,955,300
19	Total private revenues			969,600
20	Total other state restricted revenues			92,529,000
21	State general fund/general purpose		\$	191,905,100
22	Sec. 102. SUPREME COURT			
23	Full-time equated exempted positions	248.0		
24	Community dispute resolution--3.0 FTE positions		\$	2,384,000
25	Direct trial court automation support--44.0 FTE			
26	positions.....			5,955,300
27	Drug treatment courts			11,833,000



1	Foster care review board--10.0 FTE positions	1,317,100
2	Judicial information systems--22.0 FTE positions	4,379,100
3	Judicial institute--13.0 FTE positions	1,819,400
4	Mental health courts and diversion services--1.0 FTE	
5	position.....	5,464,000
6	Next generation Michigan court system	4,116,000
7	Other federal grants	275,100
8	State court administrative office--63.0 FTE positions	12,612,100
9	Supreme court administration--92.0 FTE positions	13,765,800
10	Swift and sure sanctions program	3,500,000
11	Veterans courts	<u>936,400</u>
12	GROSS APPROPRIATION	\$ 68,357,300
13	Appropriated from:	
14	Interdepartmental grant revenues:	
15	IDG from department of corrections	50,600
16	IDG from department of state police	1,500,000
17	Federal revenues:	
18	DOJ, drug court training and evaluation	300,000
19	DOT, National Highway Traffic Safety Administration ..	2,214,400
20	HHS, access and visitation grant	622,900
21	HHS, children's justice grant	236,100
22	HHS, court improvement project	1,320,600
23	HHS, title IV-D child support program	1,031,800
24	HHS, title IV-E foster care program	395,900
25	Other federal grant revenues	275,100
26	Special revenue funds:	
27	Local - user fees	5,955,300



1	Private	193,400
2	Private - interest on lawyers trust accounts	266,100
3	Private - state justice institute	425,300
4	Community dispute resolution fund	2,384,000
5	Court of appeals filing/motion fees	1,641,800
6	Drug court fund	1,920,500
7	Justice system fund	581,000
8	Law exam fees	657,000
9	Miscellaneous revenue	275,700
10	State court fund	388,000
11	State general fund/general purpose	\$ 45,721,800
12	Sec. 103. COURT OF APPEALS	
13	Full-time equated exempted positions	175.0
14	Court of appeals operations--175.0 FTE positions	\$ <u>23,446,900</u>
15	GROSS APPROPRIATION	\$ 23,446,900
16	Appropriated from:	
17	State general fund/general purpose	\$ 23,446,900
18	Sec. 104. BRANCHWIDE APPROPRIATIONS	
19	Full-time equated exempted positions	4.0
20	Branchwide appropriations--4.0 FTE positions	\$ <u>9,123,100</u>
21	GROSS APPROPRIATION	\$ 9,123,100
22	Appropriated from:	
23	State general fund/general purpose	\$ 9,123,100
24	Sec. 105. JUSTICES' AND JUDGES' COMPENSATION	
25	Full-time judges positions	588.0
26	Supreme court justices' salaries--7.0 justices	\$ 1,152,300
27	Circuit court judges' state base salaries--214.0	



1	judges.....	21,364,800
2	Circuit court judicial salary standardization	9,785,000
3	Court of appeals judges' salaries--27.0 judges	4,252,700
4	District court judges' state base salaries--237.0	
5	judges.....	23,254,600
6	District court judicial salary standardization	10,836,700
7	Probate court judges' state base salaries--103.0	
8	judges.....	10,203,000
9	Probate court judicial salary standardization	4,669,600
10	Judges' retirement system defined contributions	4,761,200
11	OASI, social security	<u>5,954,100</u>
12	GROSS APPROPRIATION	\$ 96,234,000
13	Appropriated from:	
14	Special revenue funds:	
15	Court fee fund.....	2,702,100
16	State general fund/general purpose	\$ 93,531,900
17	Sec. 106. JUDICIAL AGENCIES	
18	Full-time equated exempted positions..... 7.0	
19	Judicial tenure commission--7.0 FTE positions	\$ <u>1,149,700</u>
20	GROSS APPROPRIATION	\$ 1,149,700
21	Appropriated from:	
22	State general fund/general purpose	\$ 1,149,700
23	Sec. 107. INDIGENT DEFENSE - CRIMINAL	
24	Full-time equated exempted positions..... 51.0	
25	Appellate public defender program--51.0 FTE positions	\$ <u>7,795,000</u>
26	GROSS APPROPRIATION	\$ 7,795,000
27	Appropriated from:	



1	Federal revenues:		
2	Other federal grant revenues		67,300
3	Special revenue funds:		
4	Private - interest on lawyers trust accounts		84,800
5	Miscellaneous revenue		136,900
6	State general fund/general purpose	\$	7,506,000
7	Sec. 108. INDIGENT CIVIL LEGAL ASSISTANCE		
8	Indigent civil legal assistance	\$	<u>7,937,000</u>
9	GROSS APPROPRIATION	\$	7,937,000
10	Appropriated from:		
11	Special revenue funds:		
12	State court fund		7,937,000
13	State general fund/general purpose	\$	0
14	Sec. 109. TRIAL COURT OPERATIONS		
15	Full-time equated exempted positions	5.0	
16	Court equity fund reimbursements	\$	60,815,700
17	Drug case-flow program		250,000
18	Drunk driving case-flow program		3,300,000
19	Judicial technology improvement fund		4,815,000
20	Juror compensation reimbursement		6,600,000
21	Statewide e-file system--5.0 FTE positions		<u>8,500,000</u>
22	GROSS APPROPRIATION	\$	84,280,700
23	Appropriated from:		
24	Special revenue funds:		
25	Court equity fund		50,440,000
26	Drug fund		250,000
27	Drunk driving fund		3,300,000



1	Electronic filing fee fund	8,500,000
2	Judicial technology improvement fund	4,815,000
3	Juror compensation fund	6,600,000
4	State general fund/general purpose	\$ 10,375,700
5	Sec. 110. ONE-TIME APPROPRIATIONS	
6	Full-time equated exempted positions	11.0
7	Compliance with <u>Montgomery v Louisiana</u> --11.0 FTE	
8	positions.....	\$ 750,000
9	Pretrial risk assessment	<u>300,000</u>
10	GROSS APPROPRIATION	\$ 1,050,000
11	Appropriated from:	
12	State general fund/general purpose	\$ 1,050,000

PART 2

PROVISIONS CONCERNING APPROPRIATIONS
FOR FISCAL YEAR 2017-2018

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 2017-2018 is \$284,434,100.00 and state spending from state resources to be paid to local units of government for fiscal year 2017-2018 is \$146,730,400.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

JUDICIARY

SUPREME COURT



1	State court administrative office	\$	300,000
2	Drug treatment courts		11,833,000
3	Mental health courts and diversion services		5,331,400
4	Veterans courts		936,400
5	Swift and sure sanctions program		3,400,000
6	Next generation Michigan court system		4,116,000
7	TRIAL COURT OPERATIONS		
8	Court equity fund reimbursements	\$	60,815,700
9	Judicial technology improvement fund		4,815,000
10	Drunk driving case-flow program		3,300,000
11	Drug case-flow program		250,000
12	Juror compensation reimbursement		6,600,000
13	Statewide e-file system		8,500,000
14	JUSTICES' AND JUDGES' COMPENSATION		
15	District court judicial salary standardization	\$	10,836,700
16	Probate court judges' state base salaries		10,203,000
17	Probate court judicial salary standardization		4,669,600
18	Circuit court judicial salary standardization		9,785,000
19	Grant to OASI contribution fund, employer's share,		
20	social security.....		<u>1,038,600</u>
21	TOTAL	\$	146,730,400

22 Sec. 202. (1) The appropriations authorized under this part
 23 and part 1 are subject to the management and budget act, 1984 PA
 24 431, MCL 18.1101 to 18.1594.

25 (2) Funds appropriated in part 1 to an entity within the
 26 judicial branch shall not be expended or transferred to another
 27 account without written approval of the authorized agent of the



1 judicial entity. If the authorized agent of the judicial entity
2 notifies the state budget director of its approval of an
3 expenditure or transfer, the state budget director shall
4 immediately make the expenditure or transfer. The authorized
5 judicial entity agent shall be designated by the chief justice of
6 the supreme court.

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

8 (a) "DOJ" means the United States Department of Justice.

9 (b) "DOT" means the United States Department of
10 Transportation.

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

12 (d) "HHS" means the United States Department of Health and
13 Human Services.

14 (e) "IDG" means interdepartmental grant.

15 (f) "OASI" means old age survivor's insurance.

16 (g) "SADO" means the state appellate defender office created
17 under the appellate defender act, 1978 PA 620, MCL 780.711 to
18 780.719.

19 (h) "Title IV-D" means the part of the federal social security
20 act, 42 USC 301 to 1397mm, pertaining to the child support
21 enforcement program.

22 (i) "Title IV-E" means the part of the federal social security
23 act, 42 USC 301 to 1397mm, pertaining to the foster care program.

24 Sec. 204. The reporting requirements of this part shall be
25 completed with the approval of, and at the direction of, the
26 supreme court, except as otherwise provided in this part. The
27 judicial branch shall use the internet to fulfill the reporting



1 requirements of this part. This may include transmission of reports
2 via electronic mail to the recipients identified for each reporting
3 requirement, or it may include placement of reports on an internet
4 or intranet site.

5 Sec. 205. 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 should 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. 207. Not later than January 1 of each year, the state
16 court administrative office shall prepare a report on out-of-state
17 travel listing all travel by judicial branch employees outside this
18 state in the immediately preceding fiscal year that was funded in
19 whole or in part with funds appropriated in the budget for the
20 judicial branch. The report shall be submitted to the senate and
21 house appropriations committees, the senate and house fiscal
22 agencies, and the state budget director. The report shall include
23 the following information:

24 (a) The dates of each travel occurrence.

25 (b) The transportation and related costs of each travel
26 occurrence, including the proportion funded with state general
27 fund/general purpose revenues, the proportion funded with state



1 restricted revenues, the proportion funded with federal revenues,
2 and the proportion funded with other revenues.

3 Sec. 209. Not later than November 30, the state budget office
4 shall prepare and transmit a report that provides for estimates of
5 the total general fund/general purpose appropriation lapses at the
6 close of the prior fiscal year. This report shall summarize the
7 projected year-end general fund/general purpose appropriation
8 lapses by major program or program areas. The report shall be
9 transmitted to the chairpersons of the senate and house
10 appropriations committees and the senate and house fiscal agencies.

11 Sec. 211. From the funds appropriated in part 1, the judicial
12 branch shall maintain a searchable website accessible by the public
13 at no cost that includes all expenditures made by the judicial
14 branch within a fiscal year. The posting shall include the purpose
15 for which each expenditure is made. The judicial branch shall not
16 provide financial information on its website under this section if
17 doing so would violate a federal or state law, rule, regulation, or
18 guideline that establishes privacy or security standards applicable
19 to that financial information.

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



1 September 30, 2018.

2 Sec. 213. The judiciary shall maintain, on a publicly
3 accessible website, a scorecard that identifies, tracks, and
4 regularly updates key metrics that are used to monitor and improve
5 the judiciary's performance.

6 Sec. 214. Total authorized appropriations from all sources
7 under part 1 for legacy costs for the fiscal year ending September
8 30, 2018 are estimated at \$13,963,100.00. From this amount, total
9 judiciary appropriations for pension-related legacy costs are
10 estimated at \$7,185,500.00. Total judiciary appropriations for
11 retiree health care legacy costs are estimated at \$6,777,600.00.

12 Sec. 215. The judicial branch shall not take disciplinary
13 action against an employee for communicating with a member of the
14 legislature or his or her staff.

15 Sec. 216. It is the intent of the legislature that judges who
16 are presiding over a hearing on a foster care case shall publicly
17 acknowledge and request the input of the foster parent or foster
18 parents during the hearing.

19 Sec. 217. If the judicial branch makes any changes to a foster
20 care family service plan before its finalization, it is the intent
21 of the legislature that the presiding judge provide an explanation
22 for any changes to that plan in the court record.

23 Sec. 218. The judicial branch shall receive and retain copies
24 of all reports funded from appropriations in part 1. Federal and
25 state guidelines for short-term and long-term retention of records
26 shall be followed. The judicial branch may electronically retain
27 copies of reports unless otherwise required by federal and state



1 guidelines.

2 **JUDICIAL BRANCH**

3 Sec. 301. From the funds appropriated in part 1, the direct
4 trial court automation support program of the state court
5 administrative office shall recover direct and overhead costs from
6 trial courts by charging for services rendered. The fee shall cover
7 the actual costs incurred to the direct trial court automation
8 support program in providing the service, including development of
9 future versions of case management systems.

10 Sec. 302. Funds appropriated within the judicial branch shall
11 not be expended by any component within the judicial branch without
12 the approval of the supreme court.

13 Sec. 303. Of the amount appropriated in part 1 for the
14 judicial branch, \$711,900.00 is allocated for circuit court
15 reimbursement under section 3 of 1978 PA 16, MCL 800.453, and for
16 costs associated with the court of claims.

17 Sec. 306. By February 1, the state court administrative office
18 shall produce a statistical report, categorized by county,
19 regarding both the collected and uncollected amounts of restitution
20 payments, court fees, and any other applicable judgments placed
21 upon persons within the county, reported for the year 2016.

22 Sec. 307. From the funds appropriated in part 1 for mental
23 health courts and diversion services, \$1,730,000.00 is intended to
24 address the recommendations of the mental health diversion council.

25 Sec. 308. If sufficient funds are not available from the court
26 fee fund to pay judges' compensation, the difference between the



1 appropriated amount from that fund for judges' compensation and the
2 actual amount available after the amount appropriated for trial
3 court reimbursement is made shall be appropriated from the state
4 general fund for judges' compensation. If an appropriation is made
5 under this section, the state court administrative office shall
6 notify, within 14 days of the appropriation, the senate and house
7 standing committees on appropriations, the senate and house
8 appropriations subcommittees on judiciary, the senate and house
9 fiscal agencies, and the state budget office.

10 Sec. 309. By April 1, the state court administrative office
11 shall provide a report on drug treatment, mental health, and
12 veterans court programs in this state. The report shall include
13 information on the number of each type of program that has been
14 established, the number of program participants in each
15 jurisdiction, and the impact of the programs on offender criminal
16 involvement and recidivism. The report shall be submitted to the
17 senate and house appropriations subcommittees on judiciary, the
18 senate and house fiscal agencies, and the state budget director.

19 Sec. 311. (1) The funds appropriated in part 1 for drug
20 treatment courts as that term is defined in section 1060 of the
21 revised judicature act of 1961, 1961 PA 236, MCL 600.1060, shall be
22 administered by the state court administrative office to operate
23 drug treatment court programs. A drug treatment court shall be
24 responsible for handling cases involving substance abusing
25 nonviolent offenders through comprehensive supervision, testing,
26 treatment services, and immediate sanctions and incentives. A drug
27 treatment court shall use all available county and state personnel



1 involved in the disposition of cases including, but not limited to,
2 parole and probation agents, prosecuting attorneys, defense
3 attorneys, and community corrections providers. The funds may be
4 used in connection with other federal, state, and local funding
5 sources.

6 (2) From the funds appropriated in part 1, the chief justice
7 shall allocate sufficient funds for the Michigan judicial institute
8 to provide in-state training for those identified in subsection
9 (1), including training for new drug treatment court judges.

10 (3) For drug treatment court grants, consideration for
11 priority may be given to those courts where higher instances of
12 substance abuse cases are filed.

13 (4) The judiciary shall receive \$1,500,000.00 in Byrne formula
14 grant funding as an interdepartmental grant from the department of
15 state police to be used for expansion of drug treatment courts, to
16 assist in avoiding prison bed space growth for nonviolent offenders
17 in collaboration with the department of corrections.

18 Sec. 312. From the funds appropriated in part 1, the state
19 court administrator shall produce a statistical report regarding
20 the implementation of the parental rights restoration act, 1990 PA
21 211, MCL 722.901 to 722.908, as it pertains to minors seeking
22 court-issued waivers of parental consent. The state court
23 administrative office shall report the total number of petitions
24 filed and the total number of petitions granted under that act.

25 Sec. 313. From the funds appropriated in part 1 for the
26 medication-assisted treatment program, the judiciary shall
27 establish a medication-assisted treatment program to provide



1 treatment for opioid-addicted and alcohol-addicted individuals who
2 are referred to and voluntarily participate in the medication-
3 assisted treatment program.

4 Sec. 316. (1) From the funds appropriated in part 1 for
5 pretrial risk assessment, the state court administrative office
6 shall pilot a pretrial risk assessment tool in an effort to provide
7 relevant information to judges so they can make evidence-based bond
8 decisions that will increase public safety and reduce costs
9 associated with unnecessary pretrial detention.

10 (2) The state court administrative office shall submit a
11 status report by February 1 to the senate and house appropriations
12 subcommittees on judiciary, the senate and house fiscal agencies,
13 and the state budget director that outlines plans for piloting the
14 tool and an implementation timeline.

15 (3) The state court administrative office shall submit a
16 report by October 30 to the senate and house appropriations
17 subcommittees on judiciary, the senate and house fiscal agencies,
18 and the state budget director on costs associated with piloting the
19 pretrial risk assessment tool.

20 Sec. 317. Funds appropriated in part 1 shall not be used for
21 the permanent assignment of state-owned vehicles to justices or
22 judges or any other judicial branch employee. This section does not
23 preclude the use of state-owned motor pool vehicles for state
24 business in accordance with approved guidelines.

25 Sec. 320. (1) From the funds appropriated in part 1 for the
26 swift and sure sanctions program, created under section 3 of
27 chapter XIA of the code of criminal procedure, 1927 PA 175, MCL



1 771A.3, the state court administrative office shall administer a
2 program to distribute grants to qualifying courts in accordance
3 with the objectives and requirements of the probation swift and
4 sure sanctions act, chapter XIA of the code of criminal procedure,
5 1927 PA 175, MCL 771A.1 to 771A.8. Of the \$3,500,000.00 designated
6 for the program, not more than \$100,000.00 shall be available to
7 the state court administrative office to pay for employee costs
8 associated with the administration of the program funds. Of the
9 funds designated for the program, \$500,000.00 is reserved for
10 programs in counties that had more than 325 individuals sentenced
11 to prison in the previous calendar year. Courts interested in
12 participating in the swift and sure sanctions program may apply to
13 the state court administrative office for a portion of the funds
14 appropriated in part 1 under this section.

15 (2) By April 1, the state court administrative office, in
16 cooperation with the Michigan department of corrections, shall
17 provide a report on the courts that receive funding under the swift
18 and sure sanctions program described in subsection (1) to the
19 senate and house appropriations subcommittees on judiciary, the
20 senate and house fiscal agencies, and the state budget director.
21 The report shall include all of the following:

22 (a) The number of offenders who participate in the program.

23 (b) The criminal history of offenders who participate in the
24 program.

25 (c) The recidivism rate of offenders who participate in the
26 program, including the rate of return to jail, prison, or both.

27 (d) A detailed description of the establishment and parameters



1 of the program.

2 (3) As used in this section, "program" means a swift and sure
3 sanctions program described in subsection (1).

4 Sec. 321. From the funds appropriated in part 1, the judicial
5 branch shall support a statewide legal self-help internet website
6 and local nonprofit self-help centers that use the statewide
7 website to provide assistance to individuals representing
8 themselves in civil legal proceedings. The state court
9 administrative office shall summarize the costs of maintaining the
10 website, provide statistics on the number of people visiting the
11 website, and provide information on content usage, form completion,
12 and user feedback. By March 1, the state court administrative
13 office shall report this information for the preceding fiscal year
14 to the senate and house appropriations subcommittees on judiciary,
15 the senate and house fiscal agencies, and the state budget
16 director.

17 Sec. 322. If Byrne formula grant funding is awarded to the
18 state appellate defender, the state appellate defender office may
19 receive and expend Byrne formula grant funds in an amount not to
20 exceed \$250,000.00 as an interdepartmental grant from the
21 department of state police. If the appellate defender appointed
22 under section 3 of the appellate defender act, 1978 PA 620, MCL
23 780.713, receives federal grant funding from the United States
24 Department of Justice in excess of the amount appropriated in part
25 1, the office of appellate defender may receive and expend grant
26 funds in an amount not to exceed \$300,000.00 as other federal
27 grants.



1 **ONE-TIME APPROPRIATIONS**

2 Sec. 401. (1) The state appellate defender office attorneys
3 and support staff shall increase to ensure Michigan compliance with
4 Montgomery v Louisiana, 577 US _____ (2016). The purpose of the
5 program expansion is to ensure competent, resourced, and supervised
6 counsel in cases involving the resentencing of juvenile lifers. The
7 representation by SADO counsel will create opportunities for
8 release, saving prison costs for the state.

9 (2) From the funds appropriated in part 1, the state appellate
10 defender office shall submit a report by September 30 to the senate
11 and house appropriations subcommittees on judiciary, the senate and
12 house fiscal agencies, and the state budget director on the number
13 of juvenile lifer cases investigated and prepared by the state
14 appellate defender office. The report shall include a calculation
15 of hours spent and focus on incremental costs associated with
16 investigating and conducting a robust examination of each case,
17 with particular emphasis on those costs that may be avoided after
18 the cases have been disposed.

19

PART 2A

20

PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS

21

FOR FISCAL YEAR 2018-2019

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, 2019 for
25 the line items listed in part 1. The fiscal year 2018-2019



1 appropriations are anticipated to be the same as those for fiscal
2 year 2017-2018, except that the line items will be adjusted for
3 changes in caseload and related costs, federal fund match rates,
4 economic factors, and available revenue. These adjustments will be
5 determined after the January 2018 consensus revenue estimating
6 conference.

7 ARTICLE XIII

8 DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS

9 PART 1

10 LINE-ITEM APPROPRIATIONS

11 Sec. 101. There is appropriated for the department of
12 licensing and regulatory affairs for the fiscal year ending
13 September 30, 2018, from the following funds:

14 **DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS**

15 APPROPRIATION SUMMARY

16 Full-time equated unclassified positions 57.5

17 Full-time equated classified positions 2,302.3

18 GROSS APPROPRIATION \$ 440,465,000

19 Interdepartmental grant revenues:

20 Total interdepartmental grants and intradepartmental

21 transfers 47,835,100

22 ADJUSTED GROSS APPROPRIATION \$ 392,629,900

23 Federal revenues:

24 Total federal revenues 65,020,900

25 Special revenue funds:



1	Total local revenues	250,000
2	Total private revenues	111,800
3	Total state restricted revenues	283,230,600
4	State general fund/general purpose	\$ 44,016,600
5	Sec. 102. DEPARTMENTAL ADMINISTRATION AND SUPPORT	
6	Full-time equated unclassified positions	57.5
7	Full-time equated classified positions	108.0
8	Unclassified salaries--57.5 FTE positions	\$ 5,007,500
9	Administrative services--77.0 FTE positions	8,692,300
10	Executive director programs--24.0 FTE positions	3,216,500
11	FOIA coordination--2.0 FTE positions	309,700
12	Local community stabilization authority--1.0 FTE	
13	position.....	150,000
14	Office for new Americans--4.0 FTE positions	467,300
15	Property management	11,778,400
16	Worker's compensation	<u>381,800</u>
17	GROSS APPROPRIATION	\$ 30,003,500
18	Appropriated from:	
19	Interdepartmental grant revenues:	
20	IDG-DIFS, accounting services	150,000
21	IDG-TED, unemployment hearings	588,000
22	Federal revenues:	
23	DED-vocational rehabilitation and independent living .	905,600
24	DOE-heating oil and propane	25,000
25	DOL-occupational safety and health	725,000
26	EPA-underground storage tanks	29,100
27	HHS-Medicaid, certification of health care providers	



1	and suppliers.....	403,400
2	HHS-Medicare, certification of health care providers	
3	and suppliers.....	587,800
4	Special revenue funds:	
5	Local stabilization authority contract	150,000
6	Aboveground storage tank fees	92,300
7	Accountancy enforcement fund	54,300
8	Asbestos abatement fund	140,700
9	Boiler inspection fund	264,600
10	Builder enforcement fund	99,600
11	Construction code fund	922,700
12	Corporation fees	5,004,400
13	Elevator fees	272,200
14	Fire alarm fees	7,000
15	Fire safety standard and enforcement fund	2,100
16	Fire service fees	483,000
17	Fireworks safety fund	59,300
18	Health professions regulatory fund	1,572,200
19	Health systems fees	225,500
20	Licensing and regulation fund	908,100
21	Liquor license revenue	300,000
22	Liquor purchase revolving fund	4,328,600
23	Marihuana registry fund	636,400
24	Michigan unarmed combat fund	5,900
25	Mobile home code fund	314,900
26	Nurse professional fund	36,300
27	PMECSEMA fund	44,100



1	Private occupational school license fees	55,200
2	Property development fees	7,300
3	Public utility assessments	2,536,400
4	Radiological health fees	217,700
5	Real estate appraiser education fund	2,600
6	Real estate education fund	7,000
7	Real estate enforcement fund	10,800
8	Refined petroleum fund	185,800
9	Restructuring mechanism assessments	12,100
10	Retired engineers technical assistance program fund ..	7,000
11	Safety education and training fund	780,400
12	Second injury fund	244,700
13	Securities fees	3,724,300
14	Securities investor education and training fund	9,200
15	Security business fund	4,000
16	Self-insurers security fund	128,800
17	Silicosis and dust disease fund	110,800
18	Survey and remonumentation fund	94,300
19	Tax tribunal fund	1,160,000
20	Utility consumer representation fund	54,000
21	Worker's compensation administrative revolving fund ..	102,700
22	State general fund/general purpose	\$ 1,210,300
23	Sec. 103. ENERGY AND UTILITY PROGRAMS	
24	Full-time equated classified positions	208.0
25	Michigan agency for energy--58.0 FTE positions	\$ 12,624,800
26	Public service commission--150.0 FTE positions	<u>25,895,300</u>
27	GROSS APPROPRIATION	\$ 38,520,100



1	Appropriated from:		
2	Federal revenues:		
3	DOE-heating oil and propane		3,781,700
4	DOT-gas pipeline safety		2,190,300
5	Special revenue funds:		
6	Public utility assessments		30,892,700
7	Restructuring mechanism assessments		609,600
8	Retired engineers technical assistance program fund ..		488,000
9	State general fund/general purpose	\$	557,800
10	Sec. 104. LIQUOR CONTROL COMMISSION		
11	Full-time equated classified positions	143.0	
12	Liquor licensing and enforcement--115.0 FTE positions		\$ 15,435,800
13	Management support services--28.0 FTE positions		<u>4,455,900</u>
14	GROSS APPROPRIATION		\$ 19,891,700
15	Appropriated from:		
16	Special revenue funds:		
17	Direct shipper enforcement revolving fund		127,800
18	Liquor license fee enhancement fund		76,400
19	Liquor license revenue		7,471,800
20	Liquor purchase revolving fund		12,215,700
21	State general fund/general purpose		\$ 0
22	Sec. 105. OCCUPATIONAL REGULATION		
23	Full-time equated classified positions	1,123.9	
24	Bureau of community and health systems--433.9 FTE		
25	positions.....		\$ 62,226,900
26	Bureau of construction codes--171.0 FTE positions		21,122,900
27	Bureau of fire services--78.0 FTE positions		11,013,600



1	Bureau of professional licensing--210.0 FTE positions	40,580,600
2	Corporations, securities, and commercial licensing	
3	bureau--118.0 FTE positions	15,411,400
4	Medical marihuana facilities licensing and tracking--	
5	88.0 FTE positions	16,540,300
6	Medical marihuana program--25.0 FTE positions	<u>4,949,100</u>
7	GROSS APPROPRIATION	\$ 171,844,800
8	Appropriated from:	
9	Interdepartmental grant revenues:	
10	IDG-MDE, child care licensing	17,522,700
11	Federal revenues:	
12	DHS-fire training systems	28,000
13	DOT-hazardous materials training and planning	60,000
14	EPA-underground storage tanks	804,400
15	HHS-Medicaid, certification of health care providers	
16	and suppliers	9,258,700
17	HHS-Medicare, certification of health care providers	
18	and suppliers	12,438,200
19	Special revenue funds:	
20	Aboveground storage tank fees	203,100
21	Accountancy enforcement fund	688,300
22	Boiler inspection fund	3,352,300
23	Builder enforcement fund	643,600
24	Construction code fund	7,789,500
25	Corporation fees	7,061,000
26	Distance education fund	301,100
27	Elevator fees	4,296,700



1	Fire alarm fees	127,600
2	Fire safety standard and enforcement fund	40,100
3	Fire service fees	2,511,700
4	Fireworks safety fund	698,600
5	Health professions regulatory fund	23,913,500
6	Health systems fees	3,730,900
7	Licensing and regulation fund	11,376,800
8	Liquor purchase revolving fund	143,200
9	Marihuana registry fund	4,949,100
10	Marihuana regulatory fund	16,540,300
11	Michigan unarmed combat fund	146,000
12	Mobile home code fund	3,031,600
13	Nurse professional fund	1,963,800
14	Nursing home administrative penalties	100,000
15	PMECSEMA fund	1,851,500
16	Private occupational school license fees	522,900
17	Property development fees	318,100
18	Real estate appraiser education fund	64,000
19	Real estate education fund	344,400
20	Real estate enforcement fund	704,400
21	Refined petroleum fund	2,643,400
22	Securities fees	5,014,600
23	Securities investor education and training fund	501,200
24	Security business fund	340,100
25	Survey and remonumentation fund	856,200
26	State general fund/general purpose	\$ 24,963,200
27	Sec. 106. EMPLOYMENT SERVICES	



1	Full-time equated classified positions	464.4	
2	Bureau of employment relations--22.0 FTE positions ...		\$ 4,236,100
3	Bureau of services for blind persons--113.0 FTE		
4	positions.....		24,766,800
5	Compensation supplement fund		1,820,000
6	First responder presumed coverage claims		1,780,000
7	Insurance funds administration--23.0 FTE positions ...		5,265,600
8	Michigan occupational safety and health		
9	administration--197.0 FTE positions		29,022,400
10	Radiation safety section--21.4 FTE positions		3,259,700
11	Wage and hour program--32.0 FTE positions		3,763,800
12	Workers' compensation agency--56.0 FTE positions		<u>8,077,300</u>
13	GROSS APPROPRIATION		\$ 81,991,700
14	Appropriated from:		
15	Federal revenues:		
16	DED-vocational rehabilitation and independent living .		18,538,800
17	DOL-occupational safety and health		11,866,500
18	HHS-mammography quality standards		513,300
19	Special revenue funds:		
20	Local revenues - blind services		100,000
21	Private revenues - blind services		111,800
22	Asbestos abatement fund.....		806,800
23	Corporation fees		9,491,100
24	First responder presumed coverage fund		1,980,000
25	Michigan business enterprise program fund		400,000
26	Radiological health fees		2,746,400
27	Safety education and training fund		9,800,000



1	Second injury fund	2,602,200
2	Securities fees	8,701,100
3	Self-insurers security fund	1,571,500
4	Silicosis and dust disease fund	1,091,900
5	Worker's compensation administrative revolving fund ..	1,662,600
6	State general fund/general purpose	\$ 10,007,700
7	Sec. 107. MICHIGAN ADMINISTRATIVE HEARING SYSTEM	
8	Full-time equated classified positions	236.0
9	Michigan administrative hearing system--218.0 FTE	
10	positions	\$ 38,147,000
11	Michigan compensation appellate commission--18.0 FTE	
12	positions	<u>4,622,200</u>
13	GROSS APPROPRIATION	\$ 42,769,200
14	Appropriated from:	
15	Interdepartmental grant revenues:	
16	IDG revenues - administrative hearings and rules	25,290,300
17	IDG-TED, unemployment hearings	4,284,100
18	Federal revenues:	
19	DOL-occupational safety and health	153,900
20	Special revenue funds:	
21	Construction code fund	25,600
22	Corporation fees	3,066,300
23	Health professions regulatory fund	386,000
24	Health systems fees	153,900
25	Licensing and regulation fund	834,600
26	Liquor purchase revolving fund	950,300
27	Public utility assessments	2,503,700



1	Safety education and training fund	61,500
2	Securities fees	2,370,400
3	Tax tribunal fund	1,859,200
4	Worker's compensation administrative revolving fund ..	135,200
5	State general fund/general purpose	\$ 694,200
6	Sec. 108. COMMISSIONS	
7	Full-time equated classified positions	19.0
8	Asian Pacific American affairs commission--1.0 FTE	
9	position.....	\$ 132,400
10	Commission on Middle Eastern American affairs--1.0 FTE	
11	position.....	135,000
12	Hispanic/Latino commission of Michigan--1.0 FTE	
13	position.....	281,000
14	Michigan indigent defense commission--16.0 FTE	
15	positions.....	<u>2,386,800</u>
16	GROSS APPROPRIATION	\$ 2,935,200
17	Appropriated from:	
18	Special revenue funds:	
19	State general fund/general purpose	\$ 2,935,200
20	Sec. 109. DEPARTMENT GRANTS	
21	Fire protection grants	\$ 9,273,900
22	Firefighter training grants	2,000,000
23	Liquor law enforcement grants	7,200,000
24	Medical marihuana operation and oversight grants	3,000,000
25	Remonumentation grants	7,300,000
26	Subregional libraries state aid	451,800
27	Utility consumer representation	<u>750,000</u>



1	GROSS APPROPRIATION	\$	29,975,700
2	Appropriated from:		
3	Special revenue funds:		
4	Fire protection fund		8,500,000
5	Fireworks safety fund		2,000,000
6	Liquor license revenue		7,200,000
7	Marihuana registry fund		3,000,000
8	Survey and remonumentation fund		7,300,000
9	Utility consumer representation fund		750,000
10	State general fund/general purpose	\$	1,225,700
11	Sec. 110. INFORMATION TECHNOLOGY		
12	Information technology services and projects	\$	<u>21,533,100</u>
13	GROSS APPROPRIATION	\$	21,533,100
14	Appropriated from:		
15	DED-vocational rehabilitation and independent living .		1,229,800
16	DOE-heating oil and propane		24,000
17	DOL-occupational safety and health		364,500
18	DOT-gas pipeline safety		45,000
19	EPA-underground storage tanks		100,200
20	HHS-Medicaid, certification of health care providers		
21	and suppliers.....		325,900
22	HHS-Medicare, certification of health care providers		
23	and suppliers.....		621,800
24	Special revenue funds:		
25	Aboveground storage tank fees		54,600
26	Accountancy enforcement fund		1,100
27	Asbestos abatement fund		52,500



1	Boiler inspection fund	383,100
2	Construction code fund	1,047,500
3	Corporation fees	3,495,700
4	Distance education fund	6,000
5	Elevator fees	431,100
6	Fire safety standard and enforcement fund	3,000
7	Fire service fees	199,200
8	Fireworks safety fund	35,200
9	Health professions regulatory fund	1,230,700
10	Health systems fees	228,200
11	Licensing and regulation fund	1,830,500
12	Liquor purchase revolving fund	2,895,900
13	Marihuana registry fund	298,900
14	Michigan unarmed combat fund	6,800
15	Mobile home code fund	305,800
16	PMECSEMA fund	178,600
17	Private occupational school license fees	21,900
18	Public utility assessments	1,494,900
19	Radiological health fees	143,300
20	Real estate appraiser education fund	1,000
21	Real estate education fund	4,900
22	Refined petroleum fund	170,800
23	Restructuring mechanism assessments	40,100
24	Retired engineers technical assistance program fund ..	5,000
25	Safety education and training fund	392,800
26	Second injury fund	465,600
27	Securities fees	1,094,600



1	Securities investor education and training fund	1,000
2	Self-insurers security fund	343,100
3	Silicosis and dust disease fund	138,400
4	Survey and remonumentation fund	74,100
5	Tax tribunal fund	323,500
6	State general fund/general purpose	\$ 1,422,500
7	Sec. 111. ONE-TIME BASIS ONLY	
8	Fire protection grants enhancement - one-time	\$ <u>1,000,000</u>
9	GROSS APPROPRIATION	\$ 1,000,000
10	Appropriated from:	
11	Special revenue funds:	
12	State general fund/general purpose	\$ 1,000,000

13 PART 2
 14 PROVISIONS CONCERNING APPROPRIATIONS
 15 FOR FISCAL YEAR 2017-2018

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 2017-2018 is \$327,247,200.00 and state
 20 spending from state resources to be paid to local units of
 21 government for fiscal year 2017-2018 is \$30,225,700.00. 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
----	-----------------------------	--------------



1	Firefighter training grants.....	2,000,000
2	Liquor law enforcement grants	7,200,000
3	Medical marihuana operation and oversight grants	3,000,000
4	Remonumentation grants	7,300,000
5	Subregional libraries state aid	451,800
6	Fire protection grants enhancement one-time	<u>1,000,000</u>
7	Total department of licensing and regulatory	
8	affairs.....	\$ 30,225,700

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

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

13 (a) "DED" means the United States Department of Education.

14 (b) "Department" means the department of licensing and
15 regulatory affairs.

16 (c) "DHHS" means the Michigan department of health and human
17 services.

18 (d) "DHS" means the United States Department of Homeland
19 Security.

20 (e) "DIFS" means the department of insurance and financial
21 services.

22 (f) "Director" means the director of the department.

23 (g) "DOE" means the United States Department of Energy.

24 (h) "DOL" means the United States Department of Labor.

25 (i) "DOT" means the United States Department of
26 Transportation.

27 (j) "EPA" means the United States Environmental Protection



1 Agency.

2 (k) "FOIA" means the freedom of information act, 1976 PA 442,
3 MCL 15.231 to 15.246.

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

5 (m) "HHS" means the United States Department of Health and
6 Human Services.

7 (n) "IDG" means interdepartmental grant.

8 (o) "IT" means information technology.

9 (p) "MDE" means the Michigan department of education.

10 (q) "PMECSEMA" means pain management education and controlled
11 substances electronic monitoring and antidiversion.

12 (r) "Subcommittees" means the subcommittees of the house and
13 senate appropriations committees with jurisdiction over the budget
14 for the department.

15 (s) "TED" means the Michigan department of talent and economic
16 development.

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

23 Sec. 205. Funds appropriated in part 1 shall not be used for
24 the purchase of foreign goods or services, or both, if
25 competitively priced and of comparable quality American goods or
26 services, or both, are available. Preference shall be given to
27 goods or services, or both, manufactured or provided by Michigan



1 businesses, if they are competitively priced and of comparable
2 quality. In addition, preference shall be given to goods or
3 services, or both, that are manufactured or provided by Michigan
4 businesses owned and operated by veterans, if they are
5 competitively priced and of comparable quality.

6 Sec. 206. The director shall take all reasonable steps to
7 ensure businesses in deprived and depressed communities compete for
8 and perform contracts to provide services or supplies, or both. The
9 director shall strongly encourage firms with which the department
10 contracts to subcontract with certified businesses in depressed and
11 deprived communities for services, supplies, or both.

12 Sec. 207. (1) Out-of-state travel shall be limited to
13 situations where travel is approved by a departmental employee's
14 immediate supervisor and in which 1 or more of the following
15 conditions apply:

16 (a) The travel is required by legal mandate or court order or
17 for law enforcement purposes.

18 (b) The travel is necessary to protect the health or safety of
19 Michigan citizens or visitors or to assist other states in similar
20 circumstances.

21 (c) The travel is necessary to produce budgetary savings or to
22 increase state revenues, including protecting existing federal
23 funds or securing additional federal funds.

24 (d) The travel is necessary to comply with federal
25 requirements.

26 (e) The travel is necessary to secure specialized training for
27 staff that is not available within this state.



1 (f) The travel is financed entirely by federal or nonstate
2 funds.

3 (2) The department shall not approve the travel of more than 1
4 departmental employee to a specific professional development
5 conference or training seminar that is located outside of this
6 state unless a professional development conference or training
7 seminar is funded by a federal or private funding source and
8 requires more than 1 person from a department to attend, or the
9 conference or training seminar includes multiple issues in which 1
10 employee from the department does not have expertise.

11 (3) Not later than January 1, each department shall prepare a
12 travel report listing all travel by classified and unclassified
13 employees outside this state in the immediately preceding fiscal
14 year that was funded in whole or in part with funds appropriated in
15 the department's budget. The report shall be submitted to the house
16 and senate appropriations committees, the senate and house fiscal
17 agencies, and the state budget director. The report shall include
18 all of the following information:

19 (a) The name of each person receiving reimbursement for travel
20 outside this state or whose travel costs were paid by this state.

21 (b) The destination of each travel occurrence.

22 (c) The dates of each travel occurrence.

23 (d) A brief statement of the reason for each travel
24 occurrence.

25 (e) The transportation and related costs of each travel
26 occurrence, including the proportion funded with state general
27 fund/general purpose revenues, the proportion funded with state



1 restricted revenues, the proportion funded with federal revenues,
2 and the proportion funded with other revenues.

3 (f) A total of all out-of-state travel funded for the
4 immediately preceding fiscal year.

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

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

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

25 (2) In addition to the funds appropriated in part 1, there is
26 appropriated an amount not to exceed \$25,000,000.00 for state
27 restricted contingency funds. These funds are not available for



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

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

10 (4) In addition to the funds appropriated in part 1, there is
11 appropriated an amount not to exceed \$500,000.00 for private
12 contingency funds. These funds are not available for expenditure
13 until they have been transferred to another line item in part 1
14 under section 393(2) of the management and budget act, 1984 PA 431,
15 MCL 18.1393.

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

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

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

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

25 (d) The number of active department employees by job
26 classification.

27 (e) Job specifications and wage rates.



1 Sec. 212. Within 14 days after the release of the executive
2 budget recommendation, the department shall cooperate with the
3 state budget office to provide the senate and house appropriations
4 committee chairs, the senate and house appropriations subcommittee
5 chairs, and the senate and house fiscal agencies with an annual
6 report on estimated state restricted fund balances, state
7 restricted fund projected revenues, and state restricted fund
8 expenditures for the preceding and current fiscal years.

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

13 Sec. 214. Total authorized appropriations from all sources
14 under part 1 for legacy costs for the fiscal year ending September
15 30, 2018 are estimated at \$56,364,700.00. From this amount, total
16 agency appropriations for pension-related legacy costs are
17 estimated at \$29,005,600.00. Total agency appropriations for
18 retiree health care legacy costs are estimated at \$27,359,100.00.

19 Sec. 215. 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. 217. 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 or
26 reports unless otherwise required by federal and state guidelines.

27 Sec. 218. 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. 219. The department shall not develop or produce any
4 television or radio productions.

5 Sec. 220. The department, in conjunction with the department
6 of health and human services, shall maintain an accounting
7 structure within the state's accounting system that will allow
8 expenditures associated with the administration of the Healthy
9 Michigan plan to be identified.

10 Sec. 221. The department may carry into the succeeding fiscal
11 year unexpended federal pass-through funds to local institutions
12 and governments that do not require additional state matching
13 funds. Federal pass-through funds to local institutions and
14 governments that are received in amounts in addition to those
15 included in part 1 and that do not require additional state
16 matching funds are appropriated for the purposes intended. Within
17 14 days after the receipt of federal pass-through funds, the
18 department shall notify the house and senate chairpersons of the
19 subcommittees, the senate and house fiscal agencies, and the state
20 budget director of pass-through funds appropriated under this
21 section.

22 Sec. 222. (1) Grants supported with private revenues received
23 by the department are appropriated upon receipt and are available
24 for expenditure by the department, subject to subsection (3), for
25 purposes specified within the grant agreement and as permitted
26 under state and federal law.

27 (2) Within 10 days after the receipt of a private grant



1 appropriated in subsection (1), the department shall notify the
2 house and senate chairpersons of the subcommittees, the senate and
3 house fiscal agencies, and the state budget director of the receipt
4 of the grant, including the fund source, purpose, and amount of the
5 grant.

6 (3) The amount appropriated under subsection (1) shall not
7 exceed \$1,500,000.00.

8 Sec. 223. (1) The department may charge registration fees to
9 attendees of informational, training, or special events sponsored
10 by the department.

11 (2) These fees shall reflect the costs for the department to
12 sponsor the informational, training, or special events.

13 (3) Revenue generated by the registration fees is appropriated
14 upon receipt and available for expenditure to cover the
15 department's costs of sponsoring informational, training, or
16 special events.

17 (4) Revenue generated by registration fees in excess of the
18 department's costs of sponsoring informational, training, or
19 special events shall carry forward to the subsequent fiscal year
20 and not lapse to the general fund.

21 (5) The amount appropriated under subsection (3) shall not
22 exceed \$500,000.00.

23 Sec. 224. The department may make available to interested
24 entities otherwise unavailable customized listings of
25 nonconfidential information in its possession, such as names and
26 addresses of licensees. The department may establish and collect a
27 reasonable charge to provide this service. The revenue received



1 from this service is appropriated when received and shall be used
2 to offset expenses to provide the service. Any balance of this
3 revenue collected and unexpended at the end of the fiscal year
4 shall lapse to the appropriate restricted fund.

5 Sec. 225. (1) The department shall sell documents at a price
6 not to exceed the cost of production and distribution. Money
7 received from the sale of these documents shall revert to the
8 department. In addition to the funds appropriated in part 1, these
9 funds are available for expenditure when they are received by the
10 department of treasury. This subsection applies only for the
11 following documents:

12 (a) Corporation and securities division documents, reports,
13 and papers required or permitted by law pursuant to section 1060(5)
14 of the business corporation act, 1972 PA 284, MCL 450.2060.

15 (b) The Michigan liquor control code of 1998, 1998 PA 58, MCL
16 436.1101 to 436.2303.

17 (c) The mobile home commission act, 1987 PA 96, MCL 125.2301
18 to 125.2350; the business corporation act, 1972 PA 284, MCL
19 450.1101 to 450.2098; the nonprofit corporation act, 1982 PA 162,
20 MCL 450.2101 to 450.3192; and the uniform securities act (2002),
21 2008 PA 551, MCL 451.2101 to 451.2703.

22 (d) Worker's compensation health care services rules.

23 (e) Construction code manuals.

24 (f) Copies of transcripts from administrative law hearings.

25 (2) In addition to the funds appropriated in part 1, funds
26 appropriated for the department under sections 55, 57, 58, and 59
27 of the administrative procedures act of 1969, 1969 PA 306, MCL



1 24.255, 24.257, 24.258, and 24.259, and section 203 of the
2 legislative council act, 1986 PA 268, MCL 4.1203, are appropriated
3 for all expenses necessary to provide for the cost of publication
4 and distribution.

5 (3) Unexpended funds at the end of the fiscal year shall carry
6 forward to the subsequent fiscal year and not lapse to the general
7 fund.

8 Sec. 226. (1) No later than March 1, the department shall
9 submit a report to the subcommittees and the senate and house
10 fiscal agencies pertaining to licensing and regulatory programs
11 during the previous fiscal year for the following agencies:

- 12 (a) Public service commission.
- 13 (b) Liquor control commission.
- 14 (c) Bureau of fire services.
- 15 (d) Bureau of construction codes.
- 16 (e) Corporations, securities, and commercial licensing bureau.
- 17 (f) Bureau of professional licensing.
- 18 (g) Bureau of community and health systems.
- 19 (h) Michigan occupational safety and health administration.

20 (2) The report shall be in a format that is consistent between
21 the agencies listed in subsection (1) and shall provide, but is not
22 limited to, the following information, as applicable, for each
23 agency in subsection (1):

24 (a) Revenue generated by and expenditures disbursed for each
25 regulatory product.

26 (b) Number of applications, both initial and renewal, for each
27 regulatory product.



1 (c) Number of applications, both initial and renewal, approved
2 for each regulatory product.

3 (d) Number of applications, both initial and renewal, denied
4 for each regulatory product.

5 (e) Average amount of time, both tolled and untolled, to
6 approve or deny applications, both initial and renewal, for each
7 regulatory product.

8 (f) Number of examinations proctored for initial applications
9 for each regulatory product.

10 (g) Number of complaints received pertaining to each regulated
11 activity.

12 (h) Number of investigations opened pertaining to each
13 regulated activity.

14 (i) Number of investigations closed pertaining to each
15 regulated activity.

16 (j) Average amount of time to close investigations pertaining
17 to each regulated activity.

18 (k) Number of enforcement actions pertaining to each regulated
19 activity.

20 (l) Number of administrative hearings pertaining to each
21 regulated activity.

22 (m) Number of administrative hearing adjudications pertaining
23 to each regulated activity.

24 (n) The type and amount of each fee charged to support each
25 regulated activity.

26 (3) As used in subsection (2), "regulatory product" means
27 licensure, certification, registration, inspection, review,



1 permitting, approval, or any other regulatory service provided by
2 the agencies specified in subsection (1) for each regulated
3 activity. As used in this subsection and subsection (2), "regulated
4 activity" means the particular activities, entities, facilities,
5 and industries regulated by the agencies specified in subsection
6 (1).

7 **ENERGY AND UTILITY PROGRAMS**

8 Sec. 301. The Michigan Agency for Energy administers the low-
9 income energy assistance grant program on behalf of DHHS via an
10 interagency agreement. Funds supporting the grant program are
11 appropriated in the department upon awarding of grants and may be
12 expended for grant payments and administrative related expenses
13 incurred in the operation of the program.

14 **LIQUOR CONTROL COMMISSION**

15 Sec. 402. The liquor control commission shall expend the funds
16 as required under section 203(11) of the Michigan liquor control
17 code of 1998, 1998 PA 58, MCL 436.1203, to investigate and audit
18 unlawful direct shipments of wine by unlicensed wineries and
19 retailers. The liquor control commission shall provide a report to
20 the senate and house subcommittee chairs and the senate and house
21 fiscal agencies detailing the commission's activities to
22 investigate and audit the illegal shipping of wine and the results
23 of these activities. The report shall also include the estimated
24 loss of sales, excise, and use tax revenue for the state of
25 Michigan as a result of illegal shipments of wine. The report shall



1 be submitted by February 1.

2 **OCCUPATIONAL REGULATION**

3 Sec. 501. Money appropriated under this part and part 1 for
4 the bureau of fire services shall not be expended unless, in
5 accordance with section 2c of the fire prevention code, 1941 PA
6 207, MCL 29.2c, inspection and plan review fees will be charged
7 according to the following schedule:

8 Operation and maintenance inspection fee

9 <u>Facility type</u>	<u>Facility size</u>	<u>Fee</u>
10 Hospitals	Any	\$8.00 per bed

11 Plan review and construction inspection fees for
12 hospitals and schools

13 <u>Project cost range</u>	<u>Fee</u>
14 \$101,000.00 or less	minimum fee of \$155.00
15 \$101,001.00 to \$1,500,000.00	\$1.60 per \$1,000.00
16 \$1,500,001.00 to \$10,000,000.00	\$1.30 per \$1,000.00
17 \$10,000,001.00 or more	\$1.10 per \$1,000.00
18	or a maximum fee of \$60,000.00.

19 Sec. 502. The funds collected by the department for licenses,
20 permits, and other elevator regulation fees set forth in the
21 Michigan Administrative Code and as determined under section 8 of
22 1976 PA 333, MCL 338.2158, and section 16 of 1967 PA 227, MCL
23 408.816, that are unexpended at the end of the fiscal year shall
24 carry forward to the subsequent fiscal year.

25 Sec. 503. No later than February 15, the department shall
26 submit a report to the subcommittees, the senate and house fiscal



1 agencies, and the state budget director providing the following
2 information:

3 (a) The number of honorably discharged veterans, individually
4 or if a majority interest of a corporation or limited liability
5 company, that were exempted from paying licensure, registration,
6 filing, or any other fees collected under each licensure or
7 regulatory program administered by the bureau of construction codes
8 and the corporations, securities, and commercial licensing bureau
9 during the preceding fiscal year.

10 (b) The specific fees and total amount of revenue exempted
11 under each licensure or regulatory program administered by the
12 bureau of construction codes and the corporations, securities, and
13 commercial licensing bureau during the preceding fiscal year.

14 (c) The actual costs of providing licensing and other
15 regulatory services to veterans exempted from paying licensure,
16 registration, filing, or any other fees during the preceding fiscal
17 year and a description of how these costs were calculated.

18 (d) The estimated amount of revenue that will be exempted
19 under each licensure or regulatory program administered by the
20 bureau of construction codes and the corporations, securities, and
21 commercial licensing bureau in both the current and subsequent
22 fiscal years and a description of how the exempted revenue was
23 estimated.

24 Sec. 505. Funds remaining in the homeowner construction lien
25 recovery fund are appropriated to the department for payment of
26 court-ordered homeowner construction lien recovery fund judgments
27 entered before August 23, 2010. Pursuant to available funds, the



1 payment of final judgments shall be made in the order in which the
2 final judgments were entered and began accruing interest.

3 Sec. 507. The department shall submit by January 31 to the
4 standing committees on appropriations of the senate and house, the
5 senate and house fiscal agencies, and the state budget director a
6 report that includes all of the following information for the prior
7 fiscal year regarding the medical marihuana program under the
8 Michigan medical marihuana act, 2008 IL 1, MCL 333.26421 to
9 333.26430:

10 (a) The number of initial applications received.

11 (b) The number of initial applications approved and the number
12 of initial applications denied.

13 (c) The average amount of time, from receipt to approval or
14 denial, to process an initial application.

15 (d) The number of renewal applications received.

16 (e) The number of renewal applications approved and the number
17 of renewal applications denied.

18 (f) The average amount of time, from receipt to approval or
19 denial, to process a renewal application.

20 (g) The percentage of initial applications not approved or
21 denied within the time requirements established in section 6 of the
22 Michigan medical marihuana act, 2008 IL 1, MCL 333.26426.

23 (h) The percentage of renewal applications not approved or
24 denied within the time requirements established in section 6 of the
25 Michigan medical marihuana act, 2008 IL 1, MCL 333.26426.

26 (i) The percentage of registry identification cards for
27 approved initial applications not issued within the time



1 requirements established in section 6 of the Michigan medical
2 marihuana act, 2008 IL 1, MCL 333.26426.

3 (j) The percentage of registry identification cards for
4 approved renewal applications not issued within the time
5 requirements established in section 6 of the Michigan medical
6 marihuana act, 2008 IL 1, MCL 333.26426.

7 (k) The number of registry identification cards issued to or
8 renewed for patients residing in each county as of September 30 of
9 the preceding fiscal year under the Michigan medical marihuana act,
10 2008 IL 1, MCL 333.26421 to 333.26430.

11 (l) 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 (m) 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 Sec. 508. If the revenue collected by the department for
18 health systems administration or radiological health administration
19 and projects from fees and collections exceeds the amount
20 appropriated in part 1, the revenue may be carried forward into the
21 subsequent fiscal year. The revenue carried forward under this
22 section shall be used as the first source of funds in the
23 subsequent fiscal year.

24 Sec. 511. No later than February 1, the department shall
25 submit a report to the subcommittees, the senate and house fiscal
26 agencies, and the state budget director providing the following
27 information:



1 (a) The total amount of reimbursements made to local units of
2 government for delegated inspections of fireworks retail locations
3 pursuant to section 11 of the Michigan fireworks safety act, 2011
4 PA 256, MCL 28.461, from the funds appropriated in part 1 for the
5 bureau of fire services during the preceding fiscal year.

6 (b) The amount of reimbursement for delegated inspections of
7 fireworks retail locations for each local unit of government that
8 received reimbursement from the funds appropriated in part 1 for
9 the bureau of fire services during the preceding fiscal year.

10 Sec. 513. (1) Beginning October 1, for the purpose of
11 defraying the costs associated with responding to false final
12 inspection appointments and to discourage the practice of calling
13 for final inspections when the project is incomplete or
14 noncompliant with a plan of correction previously provided by the
15 bureau of fire services, the bureau of fire services may assess a
16 fee not to exceed \$200.00 for responding to a second or subsequent
17 confirmed false inspection appointment. Fees collected under this
18 section shall be deposited into the restricted account referenced
19 by section 2c(2) of the fire prevention code, 1941 PA 207, MCL
20 29.2c, and explicitly identified within the Michigan administrative
21 information network.

22 (2) Not later than September 30, the department shall prepare
23 a report that provides the amount of the fee assessed under
24 subsection (1), the number of fees assessed and issued per region,
25 the cost allocation for the work performed and reduced as a result
26 of this section, and any recommendations for consideration by the
27 legislature. The department shall submit this information to the



1 state budget director, the subcommittees, and the senate and house
2 fiscal agencies.

3 Sec. 515. (1) The department shall assess and collect fees in
4 the licensing and regulation of child care organizations, as
5 described in 1973 PA 116, MCL 722.111 to 722.128, and adult foster
6 care facilities, as described in the adult foster care facility
7 licensing act, 1979 PA 218, MCL 400.701 to 400.737.

8 (2) The department shall report the total amount of fees
9 assessed and collected under subsection (1) during the preceding
10 fiscal year to the senate and house fiscal agencies no later than
11 December 1 and shall provide information requested by the senate
12 and house fiscal agencies as they consider necessary to shift
13 authorization equivalent to that amount from the general
14 fund/general purpose to a state restricted fund within the
15 department's budget for fiscal year 2018-2019.

16 Sec. 517. The department shall submit a report on the Michigan
17 automated prescription system to the senate and house
18 appropriations committees and the senate and house fiscal agencies
19 by November 30. The report shall include, but is not limited to,
20 the following:

21 (a) Total number of licensed health professionals registered
22 to the Michigan automated prescription system.

23 (b) Total number of dispensers registered to the Michigan
24 automated prescription system.

25 (c) Total number of prescribers using the Michigan automated
26 prescription system.

27 (d) Total number of dispensers using the Michigan automated



1 prescription system.

2 (e) Number of cases related to overprescribing,
3 overdispensing, and drug diversion where the department took
4 administrative action as a result of information and data generated
5 from the Michigan automated prescription system.

6 (f) The number of integrations from the electronic health
7 record systems used by prescribers and dispensers with the Michigan
8 automated prescription system.

9 Sec. 518. From the amount appropriated in part 1 for the
10 bureau of community and health systems, upon receipt of the order
11 of suspension of a licensed adult foster care home, home for the
12 aged, or nursing home, the department shall serve the facility and
13 provide contemporaneous notice to the offices of legislators
14 representing a district where the licensed facility is situated.

15 Sec. 519. The department shall submit a report regarding the
16 medical marihuana facilities licensing and tracking program to the
17 standing committees on appropriations of the senate and house, the
18 senate and house fiscal agencies, and the state budget director by
19 March 1. The report shall include, but is not limited to, the
20 following:

21 (a) The number of initial license applications received for
22 each license category.

23 (b) The number of initial applications approved and the number
24 of initial license applications denied.

25 (c) The average amount of time, from receipt to approval or
26 denial, to process an initial application.

27 (d) The total number of license applications approved by



1 license category and by county.

2 (e) The total amount collected from application fees.

3 (f) The total amount collected from any established regulatory
4 assessment.

5 (g) The costs of administering the medical marihuana
6 facilities licensing and tracking program.

7 **EMPLOYMENT SERVICES**

8 Sec. 704. (1) The appropriation in part 1 for the bureau of
9 services for blind persons includes funds for case services. These
10 funds may be used for tuition payments for blind clients.

11 (2) Revenue collected by the bureau of services for blind
12 persons and from private and local sources that is unexpended at
13 the end of the fiscal year may carry forward to the subsequent
14 fiscal year.

15 Sec. 705. The bureau of services for blind persons shall work
16 collaboratively with service organizations and government entities
17 to identify qualified match dollars to maximize use of available
18 federal vocational rehabilitation funds.

19 Sec. 707. The bureau of services for blind persons may provide
20 and enter into agreements to provide general services, training,
21 meetings, information, special equipment, software, facility use,
22 and technical consulting services to other principal executive
23 departments, state agencies, local units of government, the
24 judicial branch of government, other organizations, and patrons of
25 department facilities. The department shall charge fees for these
26 services that are reasonably related to the cost of providing the



1 services. In addition to the funds appropriated in part 1, funds
2 collected by the department for these services are appropriated for
3 all expenses necessary. The funds appropriated under this section
4 are allotted for expenditure when they are received by the
5 department of treasury.

6 Sec. 708. Funds received in excess of the appropriation in
7 part 1 for first responder presumed coverage claims from the first
8 responder presumed coverage fund are appropriated in an amount
9 sufficient to pay approved claims due in the current fiscal year
10 pursuant to section 405 of the worker's disability compensation act
11 of 1969, 1969 PA 317, MCL 418.405.

12 **COMMISSIONS**

13 Sec. 800. If Byrne formula grant funding is awarded to the
14 Michigan indigent defense commission, the Michigan indigent defense
15 commission may receive and expend Byrne formula grant funds in an
16 amount not to exceed \$250,000.00 as an interdepartmental grant from
17 the department of state police. The Michigan indigent defense
18 commission, created under section 5 of the Michigan indigent
19 defense commission act, 2013 PA 93, MCL 780.985, may receive and
20 expend federal grant funding from the United States Department of
21 Justice in an amount not to exceed \$300,000.00 as other federal
22 grants.

23 Sec. 801. From the funds appropriated in part 1, the Michigan
24 indigent defense commission shall submit a report by September 30
25 to the senate and house appropriations subcommittees on judiciary,
26 the subcommittees, the senate and house fiscal agencies, and the



1 state budget director on the incremental costs associated with the
2 standard development process, the compliance plan process, and the
3 collection of data from all indigent defense systems and attorneys
4 providing indigent defense. Particular emphasis shall be placed on
5 those costs that may be avoided after standards are developed and
6 compliance plans are in place.

7 Sec. 802. The Michigan office for new Americans is to
8 coordinate with the Asian Pacific American affairs commission, the
9 Commission on Middle Eastern American affairs, and the
10 Hispanic/Latino commission of Michigan to produce a report by March
11 1 that is to be transmitted to the senate and house subcommittee
12 chairpersons and the senate and house fiscal agencies. The report
13 shall include, but is not limited to, the following:

14 (a) Total number of people with whom each commission directly
15 interacts through programming.

16 (b) Total number of public events that each commission
17 conducted.

18 (c) Description of the activities that the commissions
19 initiated to promote cooperation between the commissions.

20 (d) Total number of meetings that each commission held with
21 foreign diplomats.

22 (e) Programmatic costs of each commission.

23 **DEPARTMENT GRANTS**

24 Sec. 901. The appropriation in part 1 for fire protection
25 grants shall be appropriated to cities, villages, and townships
26 with state-owned facilities for fire services, instead of taxes, in



1 accordance with 1977 PA 289, MCL 141.951 to 141.956.

2 Sec. 902. (1) The department shall expend the funds
3 appropriated in part 1 for medical marihuana operation and
4 oversight grants for grants to county law enforcement offices for
5 the operation and oversight of the Michigan medical marihuana
6 program pursuant to section 6(1) of the Michigan medical marihuana
7 act, 2008 IL 1, MCL 333.26426. These grants shall be distributed
8 proportionately based on the number of registry identification
9 cards issued to or renewed for the residents of each county whose
10 county law enforcement office applied for a grant under subsection
11 (2). For the purposes of this subsection, operation and oversight
12 grants are for education, communication, and enforcement of the
13 Michigan medical marihuana act, 2008 IL 1, MCL 333.26421 to
14 333.26430.

15 (2) No later than December 1, the department shall post a
16 listing of potential grant money available to each county law
17 enforcement agency on its website. In addition, the department
18 shall work collaboratively with county law enforcement agencies,
19 the Michigan Sheriff's Association, and other representative law
20 enforcement organizations regarding the availability of these grant
21 funds. A county law enforcement agency requesting a grant shall
22 apply on a form developed by the department and available on the
23 website. The form shall contain the county law enforcement agency's
24 specific projected plan for use of the money and its agreement to
25 maintain all records and to submit documentation to the department
26 to support the use of the grant money.

27 (3) In order to be eligible to receive a grant under



1 subsection (1), a county law enforcement agency shall apply no
2 later than January 1 and agree to report how the grant was expended
3 and provide that report to the department no later than September
4 15. The department shall submit a report no later than October 15
5 of the subsequent fiscal year to the state budget director, the
6 subcommittees, and the senate and house fiscal agencies detailing
7 the grant amounts by recipient and the reported uses of the grants
8 in the preceding fiscal year.

9 (4) County law enforcement agencies may distribute
10 discretionary grants made under subsection (1) to municipal law
11 enforcement agencies for the operation and oversight of the
12 Michigan medical marihuana program pursuant to section 6(1) of the
13 Michigan medical marihuana act, 2008 IL 1, MCL 333.26426. If a
14 county law enforcement agency distributes a discretionary grant in
15 this manner, that county law enforcement agency shall require the
16 receiving municipal law enforcement agency to provide a report on
17 how that grant was spent. Reports from municipal law enforcement
18 agencies shall be included as part of the report submitted to the
19 department as required in subsection (3).

20 (5) The fiscal year ending September 30, 2018 is anticipated
21 to be the final year that medical marihuana enforcement grants will
22 be disbursed to local units of government due to the implementation
23 of the medical marihuana facilities licensing act, 2016 PA 281, MCL
24 333.27101 to 333.27801, that provides local units of government
25 with disbursements from the medical marihuana excise tax
26 collections.

27 Sec. 903. (1) The amount appropriated in part 1 for



1 firefighter training grants shall only be expended for payments to
2 counties to reimburse organized fire departments for firefighter
3 training and other activities required under the firefighters
4 training council act, 1966 PA 291, MCL 29.361 to 29.377.

5 (2) If the amount appropriated in part 1 for firefighter
6 training grants is expended by the firefighter training council,
7 established in section 3 of the firefighters training council act,
8 1966 PA 291, MCL 29.363, for payments to counties under section 14
9 of the firefighters training council act, 1966 PA 291, MCL 29.374,
10 it is the intent of the legislature that:

11 (a) The amount appropriated in part 1 for firefighter training
12 grants shall be allocated pursuant to section 14(2) of the
13 firefighters training council act, 1966 PA 291, MCL 29.374.

14 (b) If the amount allocated to any county under subdivision
15 (a) is less than \$5,000.00, the amounts disbursed to each county
16 under subdivision (a) shall be adjusted to provide for a minimum
17 payment of \$5,000.00 to each county.

18 (3) No later than February 1, the department shall submit a
19 financial report to the subcommittees, the senate and house fiscal
20 agencies, and the state budget director identifying the following
21 information for the preceding fiscal year:

22 (a) The amount of the payments that would be made to each
23 county if the distribution formula described by the first sentence
24 of section 14(2) of the firefighters training council act, 1966 PA
25 291, MCL 29.374, would have been utilized to allocate the total
26 amount appropriated in part 1 for firefighter training grants.

27 (b) The amount of the payments approved by the firefighter



1 training council for allocation to each county.

2 (c) The amount of the payments actually expended or encumbered
3 within each county.

4 (d) A description of any other payments or expenditures made
5 under the authority of the firefighter training council.

6 (e) The amount of payments approved for allocations to
7 counties that was not expended or encumbered and lapsed back to the
8 fireworks safety fund.

9 Sec. 904. (1) The funds appropriated in part 1 for a regional
10 or subregional library shall not be released until a budget for
11 that regional or subregional library has been approved by the
12 department for expenditures for library services directly serving
13 the blind and persons with disabilities.

14 (2) In order to receive subregional state aid as appropriated
15 in part 1, a regional or subregional library's fiscal agency shall
16 agree to maintain local funding support at the same level in the
17 current fiscal year as in the fiscal agency's preceding fiscal
18 year. If a reduction in expenditures equally affects all agencies
19 in a local unit of government that is the regional or subregional
20 library's fiscal agency, that reduction shall not be interpreted as
21 a reduction in local support and shall not disqualify a regional or
22 subregional library from receiving state aid under part 1. If a
23 reduction in income affects a library cooperative or district
24 library that is a regional or subregional library's fiscal agency
25 or a reduction in expenditures for the regional or subregional
26 library's fiscal agency, a reduction in expenditures for the
27 regional or subregional library shall not be interpreted as a



1 reduction in local support and shall not disqualify a regional or
2 subregional library from receiving state aid under part 1.

3 ARTICLE XIV

4 DEPARTMENT OF MILITARY AND VETERANS AFFAIRS

5 PART 1

6 LINE-ITEM APPROPRIATIONS

7 Sec. 101. There is appropriated for the department of military
8 and veterans affairs for the fiscal year ending September 30, 2018,
9 from the following funds:

10 **DEPARTMENT OF MILITARY AND VETERANS AFFAIRS**

11 APPROPRIATION SUMMARY

12	Full-time equated unclassified positions	9.0	
13	Full-time equated classified positions	904.5	
14	GROSS APPROPRIATION		\$ 179,004,400
15	Interdepartmental grant and intradepartmental		
16	transfer revenues:		
17	Total interdepartmental grants and intradepartmental		
18	transfers.....		101,800
19	ADJUSTED GROSS APPROPRIATION		\$ 178,902,600
20	Federal revenues:		
21	Total federal revenues		92,334,100
22	Special revenue funds:		
23	Total local revenues		1,528,400
24	Total private revenues		640,000
25	Total other state restricted revenues		22,332,600



1	State general fund/general purpose	\$	62,067,500
2	State general fund/general purpose schedule:		
3	Ongoing state general fund/general		
4	purpose		59,567,500
5	One-time state general fund/general		
6	purpose		2,500,000
7	Sec. 102. MILITARY		
8	Full-time equated unclassified positions		9.0
9	Full-time equated classified positions		333.0
10	Unclassified salaries--9.0 FTE positions	\$	1,468,300
11	Departmentwide		1,853,100
12	Headquarters and armories--88.0 FTE positions		17,317,800
13	Michigan youth challenge academy--50.0 FTE positions .		5,259,100
14	Military family relief fund		600,000
15	Military training sites and support facilities--195.0		
16	FTE positions		33,956,100
17	National Guard operations		398,200
18	National Guard tuition assistance fund		3,507,000
19	Starbase grant		<u>2,322,000</u>
20	GROSS APPROPRIATION	\$	66,681,600
21	Appropriated from:		
22	Interdepartmental grant and intradepartmental		
23	transfer revenues:		
24	Total interdepartmental grants and intradepartmental		
25	transfers		101,800
26	Federal revenues:		
27	Total federal revenues		47,200,100



1	Special revenue funds:	
2	Total local revenues	1,528,400
3	Total private revenues	100,000
4	Total other state restricted revenues	2,567,800
5	State general fund/general purpose	\$ 15,183,500
6	Sec. 103. MICHIGAN VETERANS AFFAIRS AGENCY	
7	Full-time equated classified positions	224.5
8	Board of managers (veterans' homes)	\$ 940,000
9	D.J. Jacobetti home for veterans--179.5 FTE positions	22,275,500
10	Michigan veterans affairs agency administration--39.0	
11	FTE positions	7,133,200
12	Michigan veterans facility authority	1,000,000
13	Targeted grants	200,000
14	Veterans service grants	3,763,500
15	Veterans' trust fund administration--6.0 FTE positions	1,468,900
16	Veterans' trust fund grants	<u>3,746,500</u>
17	GROSS APPROPRIATION	\$ 40,527,600
18	Appropriated from:	
19	Federal revenues:	
20	Total federal revenues	8,396,100
21	Special revenue funds:	
22	Total private revenues	540,000
23	Total other state restricted revenues	10,730,100
24	State general fund/general purpose	\$ 20,861,400
25	Sec. 104. GRAND RAPIDS HOME FOR VETERANS	
26	Full-time equated classified positions	347.0
27	Veterans' home operations	\$ 9,007,800



1	Purchased services	10,342,700
2	Salaries, wages, and fringe benefits--347.0 FTE	
3	positions.....	<u>31,054,000</u>
4	GROSS APPROPRIATION	\$ 50,404,500
5	Appropriated from:	
6	Federal revenues:	
7	Total federal revenues	21,165,600
8	Special revenue funds:	
9	Total other state restricted revenues	6,620,200
10	State general fund/general purpose	\$ 22,618,700
11	Sec. 105. CAPITAL OUTLAY	
12	Land and acquisitions	\$ 2,000,000
13	Special maintenance - National Guard	15,000,000
14	Special maintenance - veterans' homes	<u>500,000</u>
15	GROSS APPROPRIATION	\$ 17,500,000
16	Appropriated from:	
17	Federal revenues:	
18	Total federal revenues	15,000,000
19	Special revenue funds:	
20	Total other state restricted revenues	2,000,000
21	State general fund/general purpose	\$ 500,000
22	Sec. 106. INFORMATION TECHNOLOGY	
23	Information technology services and projects	\$ <u>1,390,700</u>
24	GROSS APPROPRIATION	\$ 1,390,700
25	Appropriated from:	
26	Federal revenues:	
27	Total federal revenues	572,300

1	Special revenue funds:	
2	Total other state restricted revenues	414,500
3	State general fund/general purpose	\$ 403,900
4	Sec. 107. ONE-TIME APPROPRIATIONS	
5	Armory maintenance	\$ <u>2,500,000</u>
6	GROSS APPROPRIATION	\$ 2,500,000
7	Appropriated from:	
8	State general fund/general purpose	\$ 2,500,000

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FOR FISCAL YEAR 2017-2018

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 2017-2018 is \$84,400,100.00 and state spending from state resources to be paid to local units of government for fiscal year 2017-2018 is \$142,400.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF MILITARY AND VETERANS AFFAIRS

21	Michigan veterans affairs agency administration	\$ 90,000
22	Military training sites and support facilities	\$ <u>52,400</u>
23	TOTAL	\$ 142,400

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



1 MCL 18.1101 to 18.1594.

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

3 (a) "Core services" means that phrase as defined in section
4 373 of the management and budget act, 1984 PA 431, MCL 18.1373.

5 (b) "Department" means the department of military and veterans
6 affairs.

7 (c) "Director" means the director of the department.

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

9 (e) "HVAC" means heating, ventilation, and air conditioning.

10 (f) "IDG" means interdepartmental grant.

11 (g) "Michigan veterans' facility authority" means the
12 authority created under section 3 of the Michigan veterans'
13 facility authority act, 2016 PA 560, MCL 36.103.

14 (h) "MVAA" means the Michigan veterans affairs agency.

15 (i) "Subcommittees" means the subcommittees of the senate and
16 house appropriations committees with jurisdiction over the budget
17 of the department.

18 (j) "Support services" means an activity, such as information
19 technology, accounting, human resources, legal, and other support
20 functions that are required to support the ongoing delivery of core
21 services.

22 (k) "USDVA" means the United States Department of Veterans
23 Affairs.

24 (l) "USDVA-VHA" means the USDVA Veterans Health
25 Administration.

26 (m) "VSO" means veterans service organization.

27 (n) "Work project" means that term as defined in section 404



1 of the management and budget act, 1984 PA 431, MCL 18.1404, and
2 that meets the criteria in section 451a(1) of the management and
3 budget act, 1984 PA 431, MCL 18.1451a.

4 Sec. 204. The department and agencies receiving appropriations
5 in part 1 shall use the internet to fulfill the reporting
6 requirements of this part. This requirement may include
7 transmission of reports via electronic mail to the recipients
8 identified for each reporting requirement, or it may include
9 placement of reports on an internet or intranet site.

10 Sec. 205. Funds appropriated in part 1 must not be used for
11 the purchase of foreign goods or services, or both, if
12 competitively priced and of comparable quality American goods or
13 services, or both, are available. Preference must be given to goods
14 or services, or both, manufactured or provided by Michigan
15 businesses, if they are competitively priced and of comparable
16 quality. In addition, preference must be given to goods or
17 services, or both, that are manufactured or provided by Michigan
18 businesses owned and operated by veterans, if they are
19 competitively priced and of comparable quality.

20 Sec. 206. The director shall take all reasonable steps to
21 ensure businesses in deprived and depressed communities compete for
22 and perform contracts to provide services or supplies, or both. The
23 director shall strongly encourage firms with which the department
24 contracts to subcontract with certified businesses in depressed and
25 deprived communities for services or supplies, or both.

26 Sec. 207. The department and agencies receiving appropriations
27 in part 1 shall prepare a report on out-of-state travel expenses



1 not later than January 1 of each year. The travel report must be a
2 listing of all travel by classified and unclassified employees
3 outside this state in the fiscal year ending September 30, 2017
4 that was funded in whole or in part with funds appropriated in the
5 department's budget. The department and agencies shall submit the
6 report to the senate and house appropriations committees, the house
7 and senate fiscal agencies, and the state budget director. The
8 report must include the following information:

9 (a) The dates of each travel occurrence.

10 (b) The transportation and related costs of each travel
11 occurrence, including the proportion funded with state general
12 fund/general purpose revenues, the proportion funded with state
13 restricted revenues, the proportion funded with federal revenues,
14 and the proportion funded with other revenues.

15 Sec. 208. Funds appropriated in part 1 must not be used by a
16 principal executive department, state agency, or authority to hire
17 a person to provide legal services that are the responsibility of
18 the attorney general. This prohibition does not apply to legal
19 services for bonding activities and for those outside services that
20 the attorney general authorizes.

21 Sec. 209. Not later than November 30, the state budget office
22 shall prepare and transmit a report that provides for estimates of
23 the total general fund/general purpose appropriation lapses at the
24 close of the fiscal year ending September 30, 2017. This report
25 shall summarize the projected year-end general fund/general purpose
26 appropriation lapses by major departmental program or program
27 areas. The report shall be transmitted to the chairpersons of the



1 senate and house appropriations committees, the subcommittees, and
2 the senate and house fiscal agencies.

3 Sec. 210. (1) In addition to the funds appropriated in part 1,
4 there is appropriated an amount not to exceed \$10,000,000.00 for
5 federal contingency funds. These funds are not available for
6 expenditure until they have been transferred to another line item
7 in part 1 under section 393(2) of the management and budget act,
8 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 part 1 under section 393(2) of the management and budget act,
14 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 \$100,000.00 for local
17 contingency funds. These funds are not available for expenditure
18 until they have been transferred to another line item in part 1
19 under section 393(2) of the management and budget act, 1984 PA 431,
20 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 private
23 contingency funds. These funds are not available for expenditure
24 until they have been transferred to another line item in part 1
25 under section 393(2) of the management and budget act, 1984 PA 431,
26 MCL 18.1393.

27 Sec. 211. The department shall cooperate with the department



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

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. 212. Within 14 days after the release of the executive
13 budget recommendation for that respective fiscal year, the
14 department shall cooperate with the state budget office to provide
15 the senate and house appropriations chairs, the senate and house
16 appropriations subcommittees chairs, and the senate and house
17 fiscal agencies with an annual report on estimated state restricted
18 fund balances, state restricted fund projected revenues, and state
19 restricted fund expenditures for the fiscal years ending September
20 30, 2017 and September 30, 2018.

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

25 Sec. 214. Total authorized appropriations from all sources
26 under part 1 for legacy costs for the fiscal year ending September
27 30, 2018 are estimated at \$17,075,800.00. From this amount, total



1 agency appropriations for pension-related legacy costs are
2 estimated at \$8,787,300.00. Total agency appropriations for retiree
3 health care legacy costs are estimated at \$8,288,500.00.

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

7 Sec. 216. The department shall provide quarterly reports to
8 the subcommittees, the senate and house fiscal agencies, and the
9 state budget office, which shall provide the following data:

10 (a) A list of all major work projects, including a status
11 report of each project.

12 (b) The department's financial status, featuring a report of
13 budgeted versus actual expenditures by part 1 line item including a
14 year-end projection of budget requirements. If projected department
15 budget requirements exceed the allocated budget, the report shall
16 include a plan to reduce overall expenses while still satisfying
17 specified service level requirements.

18 (c) A report on the status of performance metrics cited in
19 this part and information required to be reported in this part.

20 (d) The number of active employees at the close of the fiscal
21 quarter by job classification and program.

22 (e) Evidence of efficiencies and management of funds within
23 established appropriations.

24 Sec. 217. The appropriations in part 1 are for the core
25 services, support services, and work projects of the department,
26 including, but not limited to, the following core services:

27 (a) Armories and joint force readiness.



1 (b) National Guard training facilities and air bases.

2 (c) Michigan youth challenge academy.

3 (d) Military family relief fund.

4 (e) Starbase grant.

5 (f) National Guard tuition assistance program.

6 (g) Michigan veterans affairs agency administration.

7 (h) Veterans service grants.

8 (i) Veterans' trust fund administration.

9 (j) Veterans' trust fund grants.

10 (k) Board of managers (veterans homes).

11 (l) Grand Rapids home for veterans.

12 (m) D.J. Jacobetti home for veterans.

13 (n) Michigan veterans' facility authority.

14 Sec. 218. The appropriations in part 1 for capital outlay
15 shall be carried forward at the end of the fiscal year consistent
16 with section 248 of the management and budget act, 1984 PA 431, MCL
17 18.1248.

18 Sec. 219. Sixty days prior to the public announcement of the
19 intention to sell any department real property, the department
20 shall submit notification of that intent to the subcommittees and
21 the senate and house fiscal agencies.

22 **MILITARY**

23 Sec. 301. (1) From the funds appropriated in part 1, there is
24 funding to support unclassified employee positions as authorized by
25 section 5 of article XI of the state constitution of 1963. These
26 positions include the following: department director - the adjutant



1 general for Michigan; assistant adjutant general - army; assistant
2 adjutant general - installations; assistant adjutant general - air;
3 senior policy executive - Michigan veterans affairs agency; senior
4 deputy director - state operations; director - strategy and policy;
5 chief executive officer for the veteran health system; and director
6 - Michigan veterans affairs agency.

7 (2) Not less than 30 days prior to the department submitting a
8 request for an additional unclassified employee position from the
9 civil service commission, or for any substantive change to the
10 duties of an existing unclassified employee position, the
11 department shall notify the subcommittees and the senate and house
12 fiscal agencies.

13 Sec. 302. (1) From the funds appropriated in part 1 for
14 military operations, effective and efficient executive direction
15 and administrative leadership shall be provided to the department.

16 (2) The department shall operate and maintain National Guard
17 armories.

18 (3) The department shall evaluate armories and submit a
19 quarterly report on the status of the armories.

20 (4) The department shall maintain a system to measure the
21 condition and adequacy of the armories.

22 (5) The Michigan Army National Guard and Air National Guard
23 shall work to provide a culture that is free of sexual assault,
24 through an environment of prevention, education and training,
25 response capability, victim support, reporting procedures, and
26 appropriate accountability that enhances the safety and well-being
27 of all guard members.



1 (6) By December 1, the department shall report the following
2 information to the subcommittees, the senate and house fiscal
3 agencies, and the state budget office:

4 (a) An assessment of the grounds and facilities of each armory
5 to objectively measure and determine the current facility condition
6 and capability to support authorized manpower, unit training, and
7 operations.

8 (b) Recommendations for the placement of new armories, the
9 relocation or consolidation of existing armories, or a change in
10 the mission of units assigned to armories to ideally position the
11 National Guard in current or projected population centers.

12 (c) Recommendations for the enhanced use of armories to
13 facilitate family support programs during deployments.

14 (d) An analysis of the feasibility, potential costs, and
15 benefits of use of armories shared with other local, state, or
16 federal agencies to improve responses to local emergencies as well
17 as the community support provided to armories.

18 (e) An investment strategy and proposed funding amounts in a
19 prioritized project list to correct the most critical facility
20 shortfalls across the inventory of armories in this state.

21 Sec. 303. (1) The department shall maintain the Michigan youth
22 challenge academy to provide values, skills, education, and self-
23 discipline instruction for at-risk youth as provided under 32 USC
24 509.

25 (2) The department shall take steps to recruit candidates to
26 the challenge program from economically disadvantaged areas,
27 including those with low-income and high-unemployment backgrounds.



1 (3) The department shall partner with the department of health
2 and human services to identify youth who may be eligible for the
3 challeNGe program from those youth served by department of health
4 and human services programs. These eligible youth shall be given
5 priority for enrollment in the program.

6 (4) The department shall maintain the staffing and resources
7 necessary to train at least 144 cadets simultaneously at the
8 Michigan youth challeNGe academy.

9 (5) The department shall ensure that the average grade level
10 increase for Michigan youth challeNGe academy graduates is 2 years
11 as measured with the tests of adult basic education (TABE) metrics.

12 (6) Any unexpended private donations to support the Michigan
13 youth challeNGe academy at the close of the fiscal year ending
14 September 30, 2018 shall not lapse to the general fund but shall be
15 carried forward to the subsequent fiscal year.

16 Sec. 304. (1) The department shall provide grants for
17 disbursement from the military family relief fund, as provided
18 under the military family relief fund act, 2004 PA 363, MCL 35.1211
19 to 35.1216, and R 200.5 to R 200.95 of the Michigan Administrative
20 Code.

21 (2) The department shall provide information on the revenues,
22 expenditures for advertising and assistance grants, and fund
23 balance of the Michigan military family relief fund, as provided
24 under section 216.

25 (3) The department shall provide sufficient staffing and other
26 resources to provide outreach to the Michigan families of members
27 of the reserve component of the Armed Forces of the United States



1 called into active duty and to support the processing and approval
2 of grant applications for the fiscal year ending September 30, 2018
3 under the Michigan military relief fund and report those
4 applications as provided in section 216.

5 Sec. 305. (1) The department shall provide Army and Air
6 National Guard forces, when directed, for state and local
7 emergencies and in support of national military requirements.

8 (2) The department shall operate and maintain Army National
9 Guard training facilities, including Fort Custer and Camp Grayling.

10 (3) The department shall maintain a system that measures the
11 condition and adequacy of air facilities using both quality and
12 functionality criteria.

13 (4) The department shall operate and maintain Air National
14 Guard air bases, including Selfridge Air National Guard base,
15 Battle Creek Air National Guard base, and Alpena combat readiness
16 training center.

17 (5) The department shall provide the following information as
18 provided under section 216:

19 (a) The apportioned and assigned strength of the Michigan Army
20 National Guard.

21 (b) The apportioned and assigned strength of the Michigan Air
22 National Guard.

23 (c) Recruiting, retention, and attrition data, including
24 measurement against stated performance goals, for the Michigan Army
25 National Guard.

26 (d) Recruiting, retention, and attrition data, including
27 measurement against stated performance goals, for the Michigan Air



1 National Guard.

2 Sec. 306. There is created and established under the
3 jurisdiction and control of the department a revolving account to
4 be known as the billeting fund account. All of the fees and other
5 revenues generated from the operation of the chargeable transient
6 quarters program must be deposited in the billeting fund account.
7 Appropriations will be made from the account for the support of
8 program operations and the maintenance and operations of the
9 chargeable transient quarters program and will not exceed the
10 estimated revenues for the fiscal year in which they are made,
11 together with unexpended balances from prior years. The department
12 shall submit an annual report of operations and expenditures
13 regarding the billeting fund account to the appropriations
14 committees of the senate and house of representatives, the house
15 and senate fiscal agencies, and the state budget office at the end
16 of the fiscal year.

17 Sec. 307. (1) The department shall maintain a National Guard
18 tuition assistance program for members of the Michigan Air and Army
19 National Guard.

20 (2) The objective of the National Guard tuition assistance
21 program is to bolster military readiness by increasing recruitment
22 and retention of Michigan Air and Army National Guard service
23 members, to fill federally authorized strength levels for the
24 state, to improve the Michigan Air and Army National Guard's
25 competitive draw from other military enlistment options in the
26 state, to enhance the ability of the Michigan Air and Army National
27 Guard to compete for members and federal dollars with surrounding



1 states, and to increase the pool of eligible candidates within the
2 Michigan Air and Army National Guard to become commissioned
3 officers.

4 (3) The department shall make efforts to increase the number
5 of Michigan Air and Army National Guard members participating in
6 the program to 1,100 during the fourth year of the program's
7 existence. To evaluate the effectiveness of the program, the
8 department shall monitor the number of new recruits and new
9 reenlistments and the percentage of those who become participants
10 in the program to determine whether the percentage of authorized
11 Michigan Air and Army National Guard strength obtained and retained
12 is competitive in comparison with the neighboring air and army
13 national guards from Illinois, Indiana, Ohio, and Wisconsin.

14 (4) The general fund/general purpose funds appropriated in
15 part 1 for the National Guard tuition assistance fund shall be
16 deposited to the restricted Michigan National Guard tuition
17 assistance fund created in section 4 of the Michigan National Guard
18 tuition assistance act, 2014 PA 259, MCL 32.434. All funds in the
19 restricted Michigan National Guard tuition assistance fund are
20 appropriated and available for expenditure to support the Michigan
21 National Guard tuition assistance program.

22 Sec. 308. The department shall maintain the starbase program
23 at Air National Guard facilities, as provided under 10 USC 2193b,
24 to improve the knowledge, skills, and interest of students,
25 primarily in the fifth grade, in math, science, and technology. The
26 starbase program is to specifically target minority and at-risk
27 students for participation.



1 **MICHIGAN VETERANS AFFAIRS AGENCY**

2 Sec. 401. The board of managers and Michigan veterans'
3 facility authority shall exercise certain regulatory and governance
4 authority regarding admission and member affairs at the Grand
5 Rapids and D.J. Jacobetti homes for veterans. The board of managers
6 shall also work to represent the interest of the veterans'
7 community in both advisory and advocacy roles.

8 Sec. 402. (1) The MVAA, the board of managers, and the
9 Michigan veterans' facility authority shall provide compassionate
10 and quality nursing and domiciliary care services at the Grand
11 Rapids and D.J. Jacobetti homes for veterans so that members can
12 achieve their highest potential of wellness, independence, self-
13 worth, and dignity.

14 (2) The department shall provide resources necessary to
15 provide nursing care services to veterans in accordance with
16 federal standards and provide the results of the annual USDVA
17 survey and certification as proof of compliance.

18 (3) Appropriations in part 1 for the Grand Rapids and the D.J.
19 Jacobetti homes for veterans shall not be used for any purpose
20 other than for veterans and veterans' families.

21 (4) Any contractor providing competency evaluated nursing
22 assistants (CENA) to the Grand Rapids home for veterans shall
23 ensure that each CENA has at least 8 hours of training on
24 information provided by the home.

25 (5) Any contractor providing competency evaluated nursing
26 assistants to the Grand Rapids home for veterans shall ensure that
27 each CENA has at least 1 eight-hour shift of shadowing at the



1 veterans' home.

2 (6) Any contractor providing competency evaluated nursing
3 assistants to the Grand Rapids home for veterans shall ensure that
4 each CENA is competent in the basic skills needed to perform his or
5 her assigned duties at the home.

6 (7) The Grand Rapids home for veterans shall provide each CENA
7 at least 12 hours of in-service training once that individual has
8 been assigned to the home.

9 (8) All complaints of abusive or neglectful care at the Grand
10 Rapids and the D.J. Jacobetti homes for veterans by a resident
11 member, a resident member's family or legal guardian, or staff of
12 the veterans' homes received by a supervisor must be referred to
13 the director of nursing or his or her designee upon receipt of the
14 complaint. The director of nursing or his or her designee shall
15 report on not less than a monthly basis, except that the board of
16 managers may specify a more frequent reporting period to the home
17 administrator, board of managers, agency, subcommittees, senate and
18 house fiscal agencies, and state budget office the following
19 information:

20 (a) A description of the process by which resident members and
21 others may file complaints of alleged abuse or neglect at the Grand
22 Rapids and the D.J. Jacobetti homes for veterans.

23 (b) Summary statistics on the number and general nature of
24 complaints of abuse or neglect.

25 (c) Summary statistics on the final disposition of complaints
26 of abuse or neglect received.

27 (9) The Grand Rapids and D.J. Jacobetti homes for veterans



1 shall provide an on-site, board-certified psychiatrist for all
2 resident members with mental health disorders in order to ensure
3 that those resident members receive needed services in a
4 professional and timely manner. The Grand Rapids and D.J. Jacobetti
5 homes for veterans shall provide all members and staff a safe and
6 secure environment.

7 (10) The Grand Rapids and D.J. Jacobetti homes for veterans
8 shall ensure that they effectively develop, execute, and monitor
9 all comprehensive care plans in accordance with federal regulations
10 and their internal policies, with a goal that a comprehensive care
11 plan is fully developed for all resident members.

12 (11) The Grand Rapids and D.J. Jacobetti homes for veterans
13 shall implement controls over their food, maintenance supplies,
14 pharmaceuticals, and medical supplies inventories.

15 (12) The Grand Rapids and D.J. Jacobetti homes for veterans
16 shall establish sufficient controls for calculating resident member
17 maintenance assessments in order to accurately calculate resident
18 member maintenance assessments for each billing cycle. The Grand
19 Rapids and D.J. Jacobetti homes for veterans shall establish
20 sufficient controls to ensure that all past due resident member
21 maintenance assessments are addressed within 30 days.

22 (13) The Grand Rapids and D.J. Jacobetti homes for veterans
23 shall establish sufficient controls over monetary donations and
24 donated goods.

25 (14) The Grand Rapids and D.J. Jacobetti homes for veterans
26 shall implement sufficient controls over the handling of resident
27 member funds to ensure the release of funds within 3 business days



1 upon the resident member leaving the home and to ensure that a
2 representative of a resident member is provided a full accounting
3 of that resident member's funds within 10 business days of the
4 death of that resident member.

5 (15) The MVAA shall post on its website all policies adopted
6 by the board of managers, the Michigan veterans' facility
7 authority, and the veterans' homes related to the administrative
8 operations of the veterans' homes.

9 (16) The process by which visitors, residents, and employees
10 of the Grand Rapids and D.J. Jacobetti homes for veterans may
11 register complaints shall be displayed in high-traffic areas
12 throughout the home.

13 (17) The MVAA shall report its findings regarding the state
14 veterans' homes' compliance with the requirements and standards
15 under this section in a quarterly report to the legislature and the
16 state budget office. The quarterly reports shall include, but are
17 not limited to, all of the following information:

18 (a) Quality of care metrics, including:

19 (i) The number of patient care hours and staffing levels
20 measured against USDVA-VHA standards.

21 (ii) Sentinel events reported to the USDVA.

22 (iii) Fall and wound reports.

23 (iv) Complaint reports, including abuse and neglect complaints
24 and outcomes of complaint investigations.

25 (v) Additional minimum data set quality of care indicators
26 used to measure quality of care in long-term care facilities.

27 (b) Quarterly budget update.



1 (c) An accounting of resident member populations at the Grand
2 Rapids and D.J. Jacobetti homes for veterans as follows:

3 (i) By demographics, including period of service, gender, and
4 age.

5 (ii) By care setting, payment source, and associated revenue
6 projections.

7 (d) Updates related to the modernization of the Grand Rapids
8 and D.J. Jacobetti homes for veterans, including information
9 related to the following:

10 (i) Infrastructure/capital outlay improvements.

11 (ii) Information technology updates.

12 (iii) Financial management.

13 (e) Updates on corrective action status related to any audit
14 and survey findings until those findings have been fully addressed.

15 (18) The Grand Rapids and D.J. Jacobetti homes for veterans
16 shall provide to the subcommittees, the senate and house fiscal
17 agencies, and the state budget office the results of any annual or
18 for-cause survey conducted by the USDVA-VHA and any corresponding
19 corrective action plan. This information shall also be made
20 available publicly through the department's or MVAA's website.

21 (19) The MVAA shall provide to the legislature and the state
22 budget office quarterly reports regarding the status of Medicaid
23 certification efforts, including, but not limited to, descriptions
24 of incremental milestones, associated expenditures, and the
25 percentage of plan completed.

26 Sec. 403. (1) From the increased funds appropriated in part 1
27 for the D.J. Jacobetti home for veterans, the department shall



1 pursue compliance with current Centers for Medicare and Medicaid
2 Services certification standards. The purpose of this expansion is
3 to obtain Medicaid certification by January 1, 2018, to increase
4 the ability to fully utilize all federal funding available to cover
5 the cost of care of eligible veterans living at the D.J. Jacobetti
6 home for veterans, and to improve overall quality of care for all
7 veterans living at the D.J. Jacobetti home for veterans.

8 (2) The department shall identify specific outcomes and
9 performance measures for this initiative, including, but not
10 limited to, the following:

11 (a) The quality of care to members of the D.J. Jacobetti home
12 for veterans shall increase as a result of increased direct care
13 staffing ratios.

14 (b) The quality of the care environment at the D.J. Jacobetti
15 home for veterans shall increase as a result of facility updates
16 made according to Medicaid specifications to increase members'
17 access to private and semi-private accommodations.

18 (c) The quality of care for members of the D.J. Jacobetti home
19 for veterans shall increase as a result of increased ability
20 efforts to implement long-term care, evidence-based best practices
21 at the D.J. Jacobetti home for veterans.

22 (d) The collection of available federal Medicaid revenue shall
23 increase as a result of Medicaid certification.

24 (e) The fiscal stability of the D.J. Jacobetti home for
25 veterans shall improve due to increased efforts to collect
26 available federal revenue.

27 Sec. 404. The department shall ensure that the quality of care



1 for members of the Grand Rapids and D.J. Jacobetti homes for
2 veterans shall exceed the current quality of care for the full
3 spectrum of health care services as a result of the upgrades made
4 to the homes to meet the Centers for Medicare and Medicaid Services
5 certification standards. The department shall provide a quarterly
6 report to the subcommittees, which contains evidence that the
7 quality of care for the full spectrum of health care services has
8 improved due to those upgrades.

9 Sec. 405. (1) The MVAA shall provide a report, as provided
10 under section 216, on the financial status of the Michigan
11 veterans' trust fund, including the number and amount of emergency
12 grants, state administrative expenses, and county administrative
13 expenses.

14 (2) The Michigan veterans' trust fund board together with the
15 agency shall maintain the staffing and resources necessary to
16 process a minimum of 2,000 applications for veterans' trust fund
17 emergency grants.

18 Sec. 406. (1) The MVAA shall provide outreach services to
19 Michigan veterans to advise them on the benefits to which they are
20 entitled, as provided under Executive Reorganization Order No.
21 2013-2, MCL 32.92. The MVAA shall also do the following:

22 (a) Maintain the staffing partnerships and other resources
23 necessary to develop and operate an outreach program that
24 communicates benefit eligibility information to at least 50% of
25 Michigan's population of veterans, as assessed by annual census
26 estimates, with a goal of reaching 100% and enabling 100% to access
27 benefit information online.



1 (b) Communicate veteran benefit information pertaining to the
2 Michigan military family relief fund, Michigan veterans' trust
3 fund, and USDVA health, financial, and memorial benefits to which
4 veterans are entitled.

5 (c) Provide sufficient staffing and other resources to approve
6 requests for military discharge certificates (DD-214) annually.

7 (d) Continue the process to digitize all medical records,
8 military discharge documents, and burial records that are currently
9 on paper and microfilm.

10 (e) Provide a report, as provided under section 216, on the
11 MVAA's performance on the performance measures, outcomes, and
12 initiatives developed by the agency in the strategic plan required
13 by section 501 of 2013 PA 9.

14 (f) Provide a report to the subcommittees, the senate and
15 house fiscal agencies, and the state budget office no later than
16 April 1 providing for the following:

17 (i) To the extent known, data on the estimated number of
18 homeless veterans, by county, in this state.

19 (ii) A summary of the activities and strategies developed to
20 date under the MVAA community assessment and regional service
21 delivery model pilot.

22 (2) From the funds appropriated in part 1, the MVAA shall
23 provide for the regional coordination of services, as follows:

24 (a) Regional coordinators shall be selected by the MVAA
25 through a grant agreement with VSOs or by other means.

26 (b) Regional coordinators shall provide the following
27 services:



1 (i) Coordinate veteran benefit counselors' efforts throughout
2 a specified region.

3 (ii) Coordinate services with the department of health and
4 human services and the department of corrections.

5 (iii) Coordinate with regional workforce and economic
6 development agencies.

7 (iv) Coordinate activities among local foundations, nonprofit
8 organizations, and community groups to improve accessibility,
9 enrollment, and utilization of the array of health care, education,
10 employment assistance, and quality of life services provided at the
11 local level.

12 (c) The MVAA may work with MVAA service officers, regional
13 coordinators, county veteran counselors, VSO service officers, and
14 other service providers to incorporate the provision of information
15 relating to mental health care resources into their daily
16 operations to aid veterans in understanding the mental health care
17 support services they may be eligible to receive.

18 (d) The MVAA shall coordinate with the department of health
19 and human services to identify Medicaid recipients who are veterans
20 and who may be eligible for federal veterans health care benefits
21 or other benefits, to the extent that the identification does not
22 violate applicable confidentiality requirements.

23 (e) The MVAA shall collaborate with the department of
24 corrections to create and maintain a process by which prisoners can
25 obtain a copy of their DD-214 form or other military discharge
26 documentation if necessary.

27 (f) The MVAA shall ensure that all MVAA service officers, VSO



1 service officers, and regional coordinators receive appropriate
2 training in processing applications for benefits payable to
3 veterans due to military sexual trauma, post-traumatic stress
4 disorder, depression, anxiety, substance abuse, or other mental
5 health issues.

6 (3) The MVAA shall provide claims processing services to
7 Michigan veterans in support of benefit claims submitted to the
8 USDVA for the health, financial, and memorial benefits for which
9 they are eligible, and shall do all of the following:

10 (a) Report the following information as provided in section
11 216:

12 (i) The number of benefit claims, by type, submitted to the
13 USDVA by MVAA and coalition partner veteran service officers.

14 (ii) The number of fully developed claims submitted to the
15 USDVA, with an overall goal of 40% of benefit claims submitted that
16 are considered fully developed by the USDVA.

17 (b) Maintain the staffing and resources necessary to process a
18 minimum of 500 claims per year.

19 (4) The MVAA shall maintain staffing and resources necessary
20 to develop and implement a process to ensure that all county
21 counselors receive the training and accreditation necessary to
22 provide quality services to veterans. The MVAA shall report
23 information as provided in section 216 on the number and percentage
24 of county veterans counselors requesting training by the MVAA, with
25 an overall goal of 100% of county veterans counselors trained.

26 (5) From the funds appropriated in part 1 for MVAA operations,
27 the MVAA shall provide grant assistance to enhance the capacity and



1 capabilities of counties in providing benefit claims assistance.
2 These funds must be used to continue the implementation of an
3 internet-based data system, to increase the number of county
4 veterans counselors, and to increase the number of counties that
5 provide service to veterans through county veterans counselors. The
6 MVAA shall provide a report, as provided in section 216, on the
7 expenditures and activities of the grant funds directed by this
8 subsection.

9 (6) From the funds appropriated in part 1 for MVAA, the MVAA
10 is authorized to expend up to \$50,000.00 to hire legal services to
11 represent veterans benefit cases before federal court to maintain
12 accreditation under 38 CFR 14.628(d) (1) (iv).

13 Sec. 407. (1) The MVAA shall disburse VSO grants to achieve
14 agency goals and performance objectives in partnership with the
15 VSOs. Grants to VSOs will be disbursed to fund programs and
16 projects which are determined by the agency to meet agency
17 performance objectives and ensure that VSOs communicate the
18 availability of emergency grants through the Michigan veterans'
19 trust fund. In disbursing veterans service organization grants, the
20 MVAA shall do the following:

21 (a) Ensure that each VSO that receives grants is issued
22 performance standards.

23 (b) Ensure that each VSO that receives grant funds uses those
24 funds for veterans advocacy and outreach.

25 (c) Monitor the performance of each VSO that receives grants.

26 (2) Veterans service organization grants awarded by the MVAA
27 shall provide for the following, as developed by the MVAA:



1 (a) The provision of service to veterans statewide, using a
2 regional service delivery model, with services provided at
3 specified locations and times, including service provided in state
4 correctional facilities.

5 (b) The payment of a fixed hourly service rate of \$34.00 per
6 hour.

7 (c) A specified number of service hours within each geographic
8 region of this state, with a statewide goal based on both
9 appropriations for the fiscal year ending September 30, 2018 for
10 the VSO grant program and the fixed hourly service rate under
11 subsection (2) (b). The statewide goal will include service hours
12 provided to eligible incarcerated veterans within 1 year of their
13 earliest release date.

14 (d) Use of an MVAA-designated internet-based claims data
15 system.

16 (3) The MVAA shall report the following information as
17 provided in section 216:

18 (a) A summary of activities supported through the
19 appropriation in part 1 for VSO grants, including, separately for
20 each service region, the amount of expenditures to date, number of
21 service hours, number of claims for benefits submitted by type of
22 claim, and other information deemed appropriate by the MVAA.

23 (b) The number of fully developed claims, by type, submitted
24 to the USDVA by VSOs, with an overall goal of 40% of benefit claims
25 submitted that are considered fully developed by the USDVA.

26 Sec. 408. (1) The Michigan veterans' trust fund board together
27 with the MVAA shall provide emergency grants for disbursement from



1 the Michigan veterans' trust fund, as provided under the following
2 program authorities:

3 (a) Sections 37, 38, and 39 of article IX of the state
4 constitution of 1963.

5 (b) 1946 (1st Ex Sess) PA 9, MCL 35.602 to 35.610.

6 (c) R 35.1 to R 35.7 of the Michigan Administrative Code.

7 (d) R 35.621 to R 35.623 of the Michigan Administrative Code.

8 (2) No later than December 1, the MVAA shall provide a
9 detailed report of the Michigan veterans' trust fund that includes,
10 for the fiscal year ending September 30, 2017, information on
11 grants provided from the emergency grant program, including details
12 concerning the methodology of allocations, the selection of
13 emergency grant program authorized agents, a description of how the
14 emergency grant program is administered in each county, and a
15 detailed breakdown of trust fund expenditures for that year,
16 including the amount distributed to each county for administrative
17 costs and emergency grants. The report must also include the number
18 of approved applications, by category of assistance, and the number
19 of denied applications, by reason of denial. The report must also
20 provide an update on the department's efforts to reduce program
21 administrative costs and maintain the Michigan veterans' trust fund
22 corpus to its original amount of at least \$50,000,000.00.

23 (3) Any funds not expended or encumbered at the end of the
24 fiscal year ending September 30, 2018 must be deposited into the
25 Michigan veterans' trust fund corpus.

26 **CAPITAL OUTLAY**



1 Sec. 501. (1) The department shall provide for the acquisition
2 and disposition of National Guard armories, facilities, and lands
3 as provided under sections 368, 382, and 382a of the Michigan
4 military act, 1967 PA 150, MCL 32.768, 32.782, and 32.782a.

5 (2) The department shall provide a listing of property sales
6 and acquisitions as provided under section 216.

7 Sec. 502. (1) The appropriations in part 1 for special
8 maintenance - National Guard shall be carried forward at the end of
9 the fiscal year consistent with section 248 of the management and
10 budget act, 1984 PA 431, MCL 18.1248.

11 (2) The appropriations for special maintenance - National
12 Guard shall be expended in accordance with the requirements of
13 sections 302 and 305 and shall be expended according to the
14 maintenance priorities of the department to repair and modernize
15 military training sites and support facilities, including armories,
16 which may include projects such as roof, HVAC, or boiler
17 replacement, interior renovations, facility expansion, improvements
18 to parking facilities, and other projects.

19 (3) The department shall provide a quarterly report as
20 provided under section 216 providing information on the status,
21 projected costs, and projected completion date of current and
22 planned special maintenance projects at the armories and other
23 National Guard facilities funded from capital outlay appropriations
24 made in part 1 and in prior appropriations years.

25 Sec. 503. (1) The appropriations in part 1 for special
26 maintenance - veterans' homes shall be carried forward at the end
27 of the fiscal year consistent with section 248 of the management



1 and budget act, 1984 PA 431, MCL 18.1248.

2 (2) The appropriations for special maintenance - veterans'
3 homes shall be expended in accordance with the requirements of
4 section 402 and shall be expended according to the maintenance
5 priorities of the department to repair and modernize the state's
6 veterans' homes, which may include projects such as roof, HVAC, or
7 boiler replacement, interior renovations, facility expansion,
8 improvements to parking facilities, and other projects designed to
9 enhance the quality of life and medical care of members.

10 (3) The MVAA shall provide a quarterly report as provided
11 under section 216 providing information on the status, projected
12 costs, and projected completion date of current and planned special
13 maintenance projects at the Grand Rapids home for veterans and D.J.
14 Jacobetti home for veterans funded from capital outlay
15 appropriations made in part 1 and in prior appropriations years.

16 **ONE-TIME APPROPRIATIONS**

17 **ARMORY MAINTENANCE**

18 Sec. 601. (1) The appropriations in part 1 for armory
19 maintenance shall be carried forward at the end of the fiscal year
20 consistent with section 248 of the management and budget act, 1984
21 PA 431, MCL 18.1248.

22 (2) The appropriations for armory maintenance shall be
23 expended in accordance with the requirements of sections 302 and
24 305 and shall be expended according to the maintenance priorities
25 of the department to repair and modernize military training sites
26 and support facilities, including armories.



PART 2A

PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS
FOR FISCAL YEAR 2018-2019

GENERAL SECTIONS

Sec. 1201. It is the intent of the legislature to provide appropriations for the fiscal year ending on September 30, 2019 for the line items listed in part 1. The fiscal year 2018-2019 appropriations are anticipated to be the same as those for fiscal year 2017-2018, excluding appropriations designated as one-time appropriations and adjusting for changes in caseload and related costs, federal fund match rates, economic factors, and available revenue. These adjustments will be determined after the January 2018 consensus revenue estimating conference.

Sec. 1202. The veterans affairs agency shall provide the percentage of Michigan veterans contacted, with a goal of 100%, and report upon those outreach findings to the subcommittees at quarterly legislative hearings.

Sec. 1203. The veterans affairs agency shall maintain a minimum 50% fully developed claims as determined by the USDVA.

ARTICLE XV

DEPARTMENT OF NATURAL RESOURCES

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of natural resources for the fiscal year ending September 30, 2018, from the



1 following funds:

2 **DEPARTMENT OF NATURAL RESOURCES**

3 APPROPRIATION SUMMARY

4	Full-time equated unclassified positions	6.0	
5	Full-time equated classified positions	2,255.8	
6	GROSS APPROPRIATION		\$ 401,311,000
7	Interdepartmental grant revenues:		
8	Total interdepartmental grants and intradepartmental		
9	transfers.....		232,200
10	ADJUSTED GROSS APPROPRIATION		\$ 401,078,800
11	Federal revenues:		
12	Total federal revenues		70,095,700
13	Special revenue funds:		
14	Total local revenues		0
15	Total private revenues		7,446,000
16	Total other state restricted revenues		274,553,100
17	State general fund/general purpose		\$ 48,984,000
18	FUND SOURCE SUMMARY		
19	Full-time equated unclassified positions	6.0	
20	Full-time equated classified positions	2,255.8	
21	GROSS APPROPRIATION		\$ 401,311,000
22	Interdepartmental grant revenues:		
23	IDG, land acquisition services-to-work orders		232,200
24	Total interdepartmental grants and intradepartmental		
25	transfers.....		232,200
26	ADJUSTED GROSS APPROPRIATION		\$ 401,078,800
27	Federal revenues:		



1	Federal funds	70,095,700
2	Total federal revenues	70,095,700
3	Special revenue funds:	
4	Private funds	7,431,000
5	Private - Mann House trust fund	15,000
6	Total private revenues	7,446,000
7	Cervidae licensing and inspection fees	138,800
8	Clean Michigan initiative fund	100
9	Commercial forest fund	26,600
10	Deer habitat reserve	2,136,700
11	Fire equipment fund	668,700
12	Fisheries settlement	629,200
13	Forest development fund	38,543,200
14	Forest land user charges	253,100
15	Forest recreation account	1,836,300
16	Game and fish protection fund	74,294,000
17	History fees fund	235,400
18	Invasive species fund	100
19	Land exchange facilitation fund	5,009,100
20	Local public recreation facilities fund	1,697,000
21	Mackinac Island State Park fund	1,583,700
22	Mackinac Island State Park operation fund	127,700
23	MacMullan Conference Center account	1,156,000
24	Marine safety fund	3,738,800
25	Michigan heritage publications fund	22,300
26	Michigan natural resources trust fund	1,306,900
27	Michigan state parks endowment fund	26,880,700



1	Michigan state waterways fund	27,850,200
2	Michigan trailways fund	200
3	Museum operations fund	506,800
4	Nongame wildlife fund	482,100
5	Off-road vehicle safety education fund	203,600
6	Off-road vehicle trail improvement fund	7,078,900
7	Park improvement fund	49,598,600
8	Park improvement fund - Belle Isle subaccount	800,200
9	Permanent snowmobile trail easement fund	700,000
10	Public use and replacement deed fees	27,600
11	Recreation improvement account	1,532,300
12	Recreation passport fees	8,296,200
13	Snowmobile registration fee revenue	1,197,600
14	Snowmobile trail improvement fund	9,934,100
15	Sportsmen against hunger fund	77,500
16	Turkey permit fees	1,017,400
17	Waterfowl fees	120,800
18	Waterfowl hunt stamp	1,500,000
19	Wildlife management public education fund	2,100,000
20	Wildlife resource protection fund	1,147,100
21	Youth hunting and fishing education and outreach fund	97,500
22	Total other state restricted revenues	274,553,100
23	State general fund/general purpose	\$ 48,984,000
24	Sec. 102. EXECUTIVE OPERATIONS	
25	Full-time equated unclassified positions	6.0
26	Full-time equated classified positions	11.6
27	Unclassified salaries--6.0 FTE positions	\$ 776,700



1	Executive direction--11.6 FTE positions	2,136,400
2	Natural resources commission	<u>77,100</u>
3	GROSS APPROPRIATION	\$ 2,990,200
4	Appropriated from:	
5	Special revenue funds:	
6	Deer habitat reserve	19,300
7	Forest development fund	370,500
8	Forest land user charges	2,400
9	Forest recreation account	7,800
10	Game and fish protection fund	1,073,500
11	Land exchange facilitation fund	10,500
12	Marine safety fund	47,500
13	Michigan natural resources trust fund	1,400
14	Michigan state parks endowment fund	367,800
15	Michigan state waterways fund	194,900
16	Nongame wildlife fund	3,900
17	Off-road vehicle safety education fund	400
18	Off-road vehicle trail improvement fund	82,400
19	Park improvement fund	463,800
20	Recreation improvement account	12,900
21	Snowmobile registration fee revenue	4,800
22	Snowmobile trail improvement fund	17,500
23	Sportsmen against hunger fund	100
24	Turkey permit fees	7,800
25	Waterfowl fees	500
26	Wildlife resource protection fund	13,200
27	State general fund/general purpose	\$ 287,300



1 **Sec. 103. DEPARTMENT INITIATIVES**

2 Full-time equated classified positions 16.0

3 Great Lakes restoration initiative \$ 2,922,000

4 Invasive species prevention and control--16.0 FTE

5 positions..... 5,031,700

6 GROSS APPROPRIATION \$ 7,953,700

7 Appropriated from:

8 Special revenue funds:

9 Federal funds 2,922,000

10 State general fund/general purpose \$ 5,031,700

11 **Sec. 104. DEPARTMENT SUPPORT SERVICES**

12 Full-time equated classified positions 109.5

13 Accounting service center \$ 1,489,000

14 Building occupancy charges 3,359,200

15 Finance and operations--105.5 FTE positions 16,581,800

16 Gifts and pass-through transactions 5,000,000

17 Legal services--4.0 FTE positions 550,500

18 Rent - privately owned property 351,800

19 GROSS APPROPRIATION \$ 27,332,300

20 Appropriated from:

21 Interdepartmental grant revenues:

22 IDG, land acquisition services-to-work orders 232,200

23 Federal revenues:

24 Federal funds 340,700

25 Special revenue funds:

26 Private funds 5,000,000

27 Clean Michigan initiative fund 100



1	Deer habitat reserve	138,700
2	Forest development fund	2,440,900
3	Forest land user charges	4,900
4	Forest recreation account	44,500
5	Game and fish protection fund	5,998,600
6	Land exchange facilitation fund	4,922,000
7	Local public recreation facilities fund	197,000
8	Marine safety fund	745,300
9	Michigan natural resources trust fund	1,283,200
10	Michigan state parks endowment fund	933,000
11	Michigan state waterways fund	582,400
12	Nongame wildlife fund	9,600
13	Off-road vehicle safety education fund	300
14	Off-road vehicle trail improvement fund	87,800
15	Park improvement fund	1,302,000
16	Public use and replacement deed fees	27,600
17	Recreation improvement account	71,400
18	Snowmobile registration fee revenue	44,500
19	Snowmobile trail improvement fund	107,600
20	Sportsmen against hunger fund	400
21	Turkey permit fees	70,400
22	Waterfowl fees	2,900
23	Wildlife resource protection fund	28,700
24	State general fund/general purpose	\$ 2,715,600
25	Sec. 105. COMMUNICATION AND CUSTOMER SERVICES	
26	Full-time equated classified positions	133.3
27	Marketing and outreach--80.8 FTE positions	\$ 13,738,800



1	Michigan historical center--52.5 FTE positions	5,636,900
2	Michigan wildlife council	<u>2,100,000</u>
3	GROSS APPROPRIATION	\$ 21,475,700
4	Appropriated from:	
5	Federal revenues:	
6	Federal funds	1,558,300
7	Special revenue funds:	
8	Private funds	396,200
9	Private - Mann House trust fund	15,000
10	Forest development fund	133,400
11	Forest recreation account	16,400
12	Game and fish protection fund	8,327,000
13	History fees fund	235,400
14	Land exchange facilitation fund	46,000
15	Marine safety fund	36,000
16	Michigan heritage publications fund	22,300
17	Michigan state parks endowment fund	89,500
18	Michigan state waterways fund	147,600
19	Museum operations fund	506,800
20	Nongame wildlife fund	10,700
21	Off-road vehicle trail improvement fund	31,200
22	Park improvement fund	2,811,200
23	Recreation passport fees	23,800
24	Snowmobile registration fee revenue	19,400
25	Snowmobile trail improvement fund	45,600
26	Sportsmen against hunger fund	76,400
27	Wildlife management public education fund	2,100,000



1	Youth hunting and fishing education and outreach fund	95,500
2	State general fund/general purpose	\$ 4,732,000
3	Sec. 106. WILDLIFE DIVISION	
4	Full-time equated classified positions	227.5
5	Natural resources heritage--9.0 FTE positions	\$ 631,300
6	Wildlife management--218.5 FTE positions	<u>41,932,700</u>
7	GROSS APPROPRIATION	\$ 42,564,000
8	Appropriated from:	
9	Federal revenues:	
10	Federal funds	25,158,800
11	Special revenue funds:	
12	Private funds	315,700
13	Cervidae licensing and inspection fees	85,400
14	Deer habitat reserve	1,717,100
15	Forest development fund	77,600
16	Game and fish protection fund	11,937,300
17	Nongame wildlife fund	427,400
18	Turkey permit fees	905,400
19	Waterfowl fees	114,100
20	State general fund/general purpose	\$ 1,825,200
21	Sec. 107. FISHERIES DIVISION	
22	Full-time equated classified positions	222.5
23	Aquatic resource mitigation--2.0 FTE positions	\$ 629,300
24	Cormorant population mitigation program	150,000
25	Fish production--63.0 FTE positions	10,242,000
26	Fisheries resource management--157.5 FTE positions ...	<u>20,639,100</u>
27	GROSS APPROPRIATION	\$ 31,660,400



1	Appropriated from:	
2	Federal revenues:	
3	Federal funds	11,292,000
4	Special revenue funds:	
5	Private funds	136,200
6	Fisheries settlement	629,200
7	Game and fish protection fund	19,083,700
8	Invasive species fund	100
9	State general fund/general purpose	\$ 519,200
10	Sec. 108. LAW ENFORCEMENT DIVISION	
11	Full-time equated classified positions	280.0
12	General law enforcement--280.0 FTE positions	\$ <u>41,826,000</u>
13	GROSS APPROPRIATION	\$ 41,826,000
14	Appropriated from:	
15	Federal revenues:	
16	Federal funds	6,510,900
17	Special revenue funds:	
18	Cervidae licensing and inspection fees	53,400
19	Forest development fund	45,400
20	Forest recreation account	72,800
21	Game and fish protection fund	19,444,800
22	Marine safety fund	1,342,300
23	Michigan state parks endowment fund	71,400
24	Michigan state waterways fund	21,700
25	Off-road vehicle safety education fund	156,100
26	Off-road vehicle trail improvement fund	1,692,800
27	Park improvement fund	72,800



1	Snowmobile registration fee revenue	721,400
2	Wildlife resource protection fund	1,063,100
3	State general fund/general purpose	\$ 10,557,100
4	Sec. 109. PARKS AND RECREATION DIVISION	
5	Full-time equated classified positions	911.9
6	Forest recreation and trails--53.0 FTE positions	\$ 6,172,400
7	MacMullan Conference Center--15.0 FTE positions	1,156,000
8	Recreational boating--170.5 FTE positions	19,011,000
9	State parks--673.4 FTE positions	67,144,900
10	State park improvement revenue bonds - debt service ..	<u>1,191,000</u>
11	GROSS APPROPRIATION	\$ 94,675,300
12	Appropriated from:	
13	Interdepartmental grant revenues:	
14	Federal revenues:	
15	Federal funds	1,761,200
16	Special revenue funds:	
17	Private funds	428,000
18	Forest recreation account	1,652,800
19	MacMullan Conference Center account	1,156,000
20	Michigan state parks endowment fund	21,103,200
21	Michigan state waterways fund	17,868,000
22	Michigan trailways fund	100
23	Off-road vehicle safety education fund	7,200
24	Off-road vehicle trail improvement fund	1,456,700
25	Park improvement fund	43,590,500
26	Park improvement fund - Belle Isle subaccount	800,200
27	Recreation improvement account	492,000



1	Recreation passport fees	272,400
2	Snowmobile registration fee revenue	15,800
3	Snowmobile trail improvement fund	1,598,600
4	State general fund/general purpose	\$ 2,472,600
5	Sec. 110. MACKINAC ISLAND STATE PARK COMMISSION	
6	Full-time equated classified positions	17.0
7	Historical facilities system--13.0 FTE positions	\$ 1,583,700
8	Mackinac Island State Park operations--4.0 FTE	
9	positions.....	<u>333,600</u>
10	GROSS APPROPRIATION	\$ 1,917,300
11	Appropriated from:	
12	Special revenue funds:	
13	Mackinac Island State Park fund	1,583,700
14	Mackinac Island State Park operation fund	127,700
15	State general fund/general purpose	\$ 205,900
16	Sec. 111. FOREST RESOURCES DIVISION	
17	Full-time equated classified positions	326.5
18	Adopt-a-forest program	\$ 25,000
19	Cooperative resource programs--11.0 FTE positions	1,551,400
20	Forest fire equipment	581,500
21	Forest management and timber market development--176.0	
22	FTE positions.....	31,344,000
23	Forest management initiatives--8.5 FTE positions	859,900
24	Minerals management--17.0 FTE positions	2,840,300
25	Wildfire protection--114.0 FTE positions	<u>14,177,400</u>
26	GROSS APPROPRIATION	\$ 51,379,500
27	Appropriated from:	



1	Federal revenues:	
2	Federal funds	4,292,500
3	Special revenue funds:	
4	Private funds	1,054,900
5	Commercial forest fund	24,500
6	Fire equipment fund	668,700
7	Forest development fund	32,865,700
8	Forest land user charges	221,900
9	Game and fish protection fund	1,937,700
10	Michigan state parks endowment fund	2,670,200
11	Michigan state waterways fund	51,400
12	State general fund/general purpose	\$ 7,592,000
13	Sec. 112. GRANTS	
14	Dam management grant program	\$ 350,000
15	Deer habitat improvement partnership initiative	200,000
16	Federal - clean vessel act grants	400,000
17	Federal - forest stewardship grants	2,000,000
18	Federal - land and water conservation fund payments ..	2,566,900
19	Federal - rural community fire protection	400,000
20	Federal - urban forestry grants	900,000
21	Fisheries habitat improvement grants	1,250,000
22	Grants to communities - federal oil, gas, and timber	
23	payments.....	3,450,000
24	Grants to counties - marine safety	3,074,700
25	National recreational trails	3,900,000
26	Nonmotorized trail development and maintenance grants	350,000
27	Off-road vehicle safety training grants	29,200



1	Off-road vehicle trail improvement grants	3,706,200
2	Recreation improvement fund grants	907,100
3	Recreation passport local grants	1,500,000
4	Snowmobile law enforcement grants	380,100
5	Snowmobile local grants program	8,090,400
6	Trail easements	700,000
7	Wildlife habitat improvement grants	<u>1,500,000</u>
8	GROSS APPROPRIATION	\$ 35,654,600
9	Appropriated from:	
10	Federal revenues:	
11	Federal funds	15,184,300
12	Special revenue funds:	
13	Private funds	100,000
14	Deer habitat reserve	200,000
15	Game and fish protection fund	2,750,000
16	Local public recreation facilities fund	1,500,000
17	Marine safety fund	1,407,300
18	Off-road vehicle safety education fund	29,200
19	Off-road vehicle trail improvement fund	3,706,200
20	Permanent snowmobile trail easement fund	700,000
21	Recreation improvement account	907,100
22	Snowmobile registration fee revenue	380,100
23	Snowmobile trail improvement fund	8,090,400
24	State general fund/general purpose	\$ 700,000
25	Sec. 113. INFORMATION TECHNOLOGY	
26	Information technology services and projects	\$ <u>10,327,400</u>
27	GROSS APPROPRIATION	\$ 10,327,400



1	Appropriated from:	
2	Special revenue funds:	
3	Commercial forest fund	2,100
4	Deer habitat reserve	61,600
5	Forest development fund	1,609,700
6	Forest land user charges	23,900
7	Forest recreation account	42,000
8	Game and fish protection fund	3,741,400
9	Land exchange facilitation fund	30,600
10	Marine safety fund	160,400
11	Michigan natural resources trust fund	22,300
12	Michigan state parks endowment fund	1,341,000
13	Michigan state waterways fund	484,200
14	Michigan trailways fund	100
15	Nongame wildlife fund	30,500
16	Off-road vehicle safety education fund	10,400
17	Off-road vehicle trail improvement fund	21,800
18	Park improvement fund	1,358,300
19	Recreation improvement account	48,900
20	Snowmobile registration fee revenue	11,600
21	Snowmobile trail improvement fund	74,400
22	Sportsmen against hunger fund	600
23	Turkey permit fees	33,800
24	Waterfowl fees	3,300
25	Wildlife resource protection fund	42,100
26	Youth hunting and fishing education and outreach	2,000
27	State general fund/general purpose	\$ 1,170,400



1 **Sec. 114. CAPITAL OUTLAY**

2 **(a) RECREATIONAL LANDS AND INFRASTRUCTURE**

3	State parks repair and maintenance	\$	9,304,600
4	Wetlands restoration, enhancement, and acquisition ...		<u>1,500,000</u>
5	GROSS APPROPRIATION	\$	10,804,600

6 Appropriated from:

7 Federal revenues:

8 Special revenue funds:

9	Michigan state parks endowment fund		304,600
10	Recreation passport fees		8,000,000
11	Waterfowl hunt stamp		1,500,000
12	State general fund/general purpose	\$	1,000,000

13 **(b) WATERWAYS BOATING PROGRAM**

14 State harbors and boating access sites:

15 East Tawas state harbor, Iosco County, harbor

16 renovation, dock replacements, dredging, fueling

17 station, new electrical/utilities, phase III (total

18 authorized cost is increased from \$4,420,000 to

19 \$5,920,000; federal share is \$1,650,000; state share

20 is increased from \$2,770,000 to \$4,270,000)
 \$ | 1,500,000 |

21 Local boating infrastructure maintenance and

22 improvements
 | 2,500,000 |

23 State boating infrastructure maintenance
 | 5,575,000 |

24 GROSS APPROPRIATION
 \$ | 9,575,000 |

25 Appropriated from:

26 Federal revenues:

27 Federal funds
 | 1,075,000 |



1	Special revenue funds:		
2	Michigan state waterways fund		8,500,000
3	State general fund/general purpose	\$	0
4	Sec. 115. ONE-TIME BASIS APPROPRIATIONS		
5	Land ownership tracking system	\$	2,000,000
6	State parks repair and maintenance		4,000,000
7	Trail development		2,000,000
8	Wetland mitigation bank grants		2,175,000
9	Wildlife management		<u>1,000,000</u>
10	GROSS APPROPRIATION	\$	11,175,000
11	Appropriated from:		
12	Special revenue funds:		
13	Forest development fund		1,000,000
14	State general fund/general purpose	\$	10,175,000

15 PART 2
16 PROVISIONS CONCERNING APPROPRIATIONS
17 FOR FISCAL YEAR 2017-2018

18 **GENERAL SECTIONS**

19 Sec. 201. Pursuant to section 30 of article IX of the state
20 constitution of 1963, total state spending from state resources
21 under part 1 for fiscal year 2017-2018 is \$323,537,100.00 and state
22 spending from state resources to be paid to local units of
23 government for fiscal year 2017-2018 is \$9,329,300.00. The itemized
24 statement below identifies appropriations from which spending to
25 local units of government will occur:



1 DEPARTMENT OF NATURAL RESOURCES

2 GRANTS

3	Dam management grant program	\$	175,000
4	Fisheries habitat improvement grants		125,000
5	Grants to counties - marine safety		1,407,300
6	Nonmotorized trail development and maintenance grants		262,500
7	Off-road vehicle safety training grants		29,200
8	Off-road vehicle trail improvement grants		534,500
9	Recreation improvement fund grants		90,700
10	Recreation passport local grants		1,500,000
11	Snowmobile law enforcement grants		380,100
12	Wildlife habitat improvement grants		150,000
13	Local boating infrastructure maintenance and improvements		2,500,000
14	Wetland mitigation bank grants		<u>2,175,000</u>
15	TOTAL	\$	9,329,300

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

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

- 20 (a) "Department" means the department of natural resources.
- 21 (b) "Director" means the director of the department.
- 22 (c) "FTE" means full-time equated.
- 23 (d) "IDG" means interdepartmental grant.

24 Sec. 204. The departments and agencies receiving
 25 appropriations in part 1 shall use the internet to fulfill the
 26 reporting requirements of this part. This requirement may include
 27 transmission of reports via electronic mail to the recipients



1 identified for each reporting requirement, or it may include
2 placement of reports on an internet or intranet site.

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

13 Sec. 206. The director shall take all reasonable steps to
14 ensure businesses in deprived and depressed communities compete for
15 and perform contracts to provide services or supplies, or both. The
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. 207. The departments and agencies receiving
20 appropriations in part 1 shall prepare a report on out-of-state
21 travel expenses not later than January 1 of each year. The travel
22 report shall be a listing of all travel by classified and
23 unclassified employees outside this state in the immediately
24 preceding fiscal year that was funded in whole or in part with
25 funds appropriated in the department's budget. The report shall be
26 submitted to the senate and house appropriations committees, the
27 house and senate fiscal agencies, and the state budget director.



1 The report shall include the following information:

2 (a) The dates of each travel occurrence.

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

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

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

23 Sec. 210. (1) In addition to the funds appropriated in part 1,
24 there is appropriated an amount not to exceed \$3,000,000.00 for
25 federal contingency funds. These funds are not available for
26 expenditure until they have been transferred to another line item
27 in part 1 under section 393(2) of the management and budget act,



1 1984 PA 431, MCL 18.1393.

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

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

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

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

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

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

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



1 payment description.

2 (d) The number of active department employees by job
3 classification.

4 (e) Job specifications and wage rates.

5 Sec. 212. Within 14 days after the release of the executive
6 budget recommendation, the department shall cooperate with the
7 state budget office to provide the senate and house appropriations
8 chairs, the senate and house appropriations subcommittees chairs,
9 and the senate and house fiscal agencies with an annual report on
10 estimated state restricted fund balances, state restricted fund
11 projected revenues, and state restricted fund expenditures for the
12 fiscal years ending September 30, 2017 and September 30, 2018.

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

17 Sec. 214. Total authorized appropriations from all sources
18 under part 1 for legacy costs for the fiscal year ending September
19 30, 2018 are \$44,255,600.00. From this amount, total agency
20 appropriations for pension-related legacy costs are estimated at
21 \$22,774,200.00. Total agency appropriations for retiree health care
22 legacy costs are estimated at \$21,481,400.00.

23 Sec. 215. Appropriations of state restricted game and fish
24 protection funds have been made in the following amounts to the
25 following departments and agencies:

26	Legislative auditor general	\$	31,300
27	Attorney general		756,300



1	Department of technology, management, and budget	492,500
2	Department of treasury	3,013,100

3 Sec. 216. Pursuant to section 43703(3) of the natural
4 resources and environmental protection act, 1994 PA 451, MCL
5 324.43703, there is appropriated from the game and fish protection
6 trust fund to the game and fish protection account of the Michigan
7 conservation and recreation legacy fund, \$6,000,000.00 for the
8 fiscal year ending September 30, 2018.

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. Before January 31, 2018, the department, in
16 cooperation with the Michigan state waterways commission, shall
17 provide to the state budget director, the senate and house
18 appropriations subcommittees on natural resources, and the senate
19 and house fiscal agencies a list of projects completed by the
20 commission in the fiscal year ending September 30, 2017, including
21 the county and municipality in which each project is located.

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

25 DEPARTMENT INITIATIVES

26 Sec. 251. From the amounts appropriated in part 1 for invasive



1 species prevention and control, the department shall allocate not
2 less than \$3,600,000.00 for grants for the prevention, detection,
3 eradication, and control of invasive species.

4 **DEPARTMENT SUPPORT SERVICES**

5 Sec. 302. The department may charge land acquisition projects
6 appropriated for the fiscal year ending September 30, 2018, and for
7 prior fiscal years, a standard percentage fee to recover actual
8 costs, and may use the revenue derived to support the land
9 acquisition service charges provided for in part 1.

10 Sec. 303. As appropriated in part 1, the department may charge
11 both application fees and transaction fees related to the exchange
12 or sale of state-owned land or rights in land authorized by part 21
13 of the natural resources and environmental protection act, 1994 PA
14 451, MCL 324.2101 to 324.2162. The fees shall be set by the
15 director at a rate that allows the department to recover its costs
16 for providing these services.

17 **COMMUNICATION AND CUSTOMER SERVICES**

18 Sec. 404. For the purposes of administering the museum store
19 as provided in section 6 of 2016 PA 470, MCL 399.806, the
20 department is exempt from section 261 of the management and budget
21 act, 1984 PA 431, MCL 18.1261.

22 Sec. 405. As appropriated in part 1, proceeds in excess of
23 costs incurred in the conduct of auctions, sales, or transfers of
24 artifacts no longer considered suitable for the collections of the
25 state historical museum may be expended upon receipt for additional



1 material for the collection. The department shall notify the
2 chairpersons, vice chairpersons, and minority vice chairpersons of
3 the senate and house appropriations subcommittees on natural
4 resources 1 week prior to any auctions or sales. Any unexpended
5 funds may be carried forward into the next succeeding fiscal year.

6 Sec. 406. As appropriated in part 1, funds collected by the
7 department for historical markers; document reproduction and
8 services; conferences, admissions, workshops, and training classes;
9 and the use of specialized equipment, facilities, exhibits,
10 collections, and software shall be used for expenses necessary to
11 provide the required services. The department may charge fees for
12 the aforementioned services, including admission fees. Any
13 unexpended funds may be carried forward into the next succeeding
14 fiscal year.

15 Sec. 408. By October 21, 2017, the department shall submit to
16 the senate and house appropriations subcommittees on natural
17 resources a report on all land transactions approved by the natural
18 resources commission in the fiscal year ending September 30, 2017.
19 For each land transaction, the report shall include the size of the
20 parcel, the county and municipality in which the parcel is located,
21 the dollar amount of the transaction, the fund source affected by
22 the transaction, and whether the transaction is by purchase, public
23 auction, transfer, exchange, or conveyance.

24 **WILDLIFE DIVISION**

25 Sec. 503. From the funds appropriated in part 1, the
26 department shall produce a report detailing any efforts undertaken



1 to enforce the invasive species order on swine raised under the
2 husbandry of residents of this state. The report shall include fund
3 sources used and the amount of expenditures and shall be submitted
4 to the legislature by December 31, 2017.

5 Sec. 504. From the funds appropriated in part 1, the
6 department shall provide a report to the legislature on the use of
7 registration fees collected from privately owned cervid operations.
8 Appropriations in part 1 from cervidae licensing and inspection
9 fees shall not be used for anything other than work directly
10 related to the regulation of privately owned cervid operations in
11 this state.

12 **FISHERIES DIVISION**

13 Sec. 601. (1) From the appropriation in part 1 for aquatic
14 resource mitigation, not more than \$758,000.00 shall be allocated
15 for grants to watershed councils, resource development councils,
16 soil conservation districts, local governmental units, and other
17 nonprofit organizations for stream habitat stabilization and soil
18 erosion control.

19 (2) The fisheries division in the department shall develop
20 priority and cost estimates for all projects recommended for grants
21 under subsection (1).

22 Sec. 602. As a condition of expenditure of fisheries
23 management appropriations under part 1, the department of natural
24 resources shall not impede the certification process for water
25 control structures on Michigan waterways. The department of natural
26 resources shall fund from funds appropriated in part 1 all non-



1 water-quality studies or requirements that the department requests
2 of either of the following:

3 (a) The department of environmental quality as a condition for
4 issuance of a certification under section 401 of the federal water
5 pollution control act, 33 USC 1341.

6 (b) The Federal Energy Regulatory Commission as a condition of
7 licensing under the federal power act, 16 USC 791a to 825r.

8 Sec. 603. The department shall provide an annual report to the
9 legislature on use of funding provided for cormorant management.

10 The department shall use general fund/general purpose revenue for
11 this purpose and submit revenue appropriated in part 1 for
12 cormorant management to the United States Department of Agriculture
13 Animal and Plant Health Inspection Service to allow for increased
14 taking of cormorants and their nests. If any funds appropriated for
15 cormorant management are retained by the department, or other funds
16 become available for this purpose, the department shall use those
17 funds to harass cormorants with the goal of reducing foraging
18 attempts on fish populations.

19 **FOREST RESOURCES DIVISION**

20 Sec. 802. From the funds appropriated in part 1, the
21 department shall provide quarterly reports on the number of acres
22 of state forestland marked or treated for timber harvest to the
23 senate and house appropriations subcommittees on natural resources
24 and the standing committees of the senate and house of
25 representatives with primary responsibility for natural resources
26 issues. The department shall complete and deliver these reports by



1 45 days after the end of the fiscal quarter.

2 Sec. 803. In addition to the money appropriated in part 1, the
3 department may receive and expend money from federal sources to
4 provide response to wildfires as required by a compact with the
5 federal government. If additional expenditure authorization is
6 required, the department shall notify the state budget office that
7 expenditure under this section is required. The department shall
8 notify the house and senate appropriations subcommittees on natural
9 resources and the house and senate fiscal agencies by November 1,
10 2017, of the expenditures under this section during the fiscal year
11 ending September 30, 2017.

12 Sec. 807. (1) In addition to the funds appropriated in part 1,
13 there is appropriated from the disaster and emergency contingency
14 fund up to \$800,000.00 to cover costs related to any disaster as
15 defined in section 2 of the emergency management act, 1976 PA 390,
16 MCL 30.402.

17 (2) Funds appropriated under subsection (1) shall not be
18 expended unless the state budget director recommends the
19 expenditure and the department notifies the house and senate
20 committees on appropriations. By December 1 each year, the
21 department shall provide a report to the senate and house fiscal
22 agencies and the state budget office on the use of the disaster and
23 emergency contingency fund during the prior fiscal year.

24 (3) If Federal Emergency Management Agency (FEMA)
25 reimbursement is approved for costs paid from the disaster and
26 emergency contingency fund, the federal revenue shall be deposited
27 into the disaster and emergency contingency fund.



1 (4) Unexpended and unencumbered funds remaining in the
2 disaster and emergency contingency fund at the close of the fiscal
3 year shall not lapse to the general fund and shall be carried
4 forward and be available for expenditures in subsequent fiscal
5 years.

6 Sec. 808. (1) From the increased funds appropriated in part 1
7 for forest management and timber market development, the department
8 shall increase the harvest of timber on state forestlands. The
9 purpose of this program expansion is to expand the forest products
10 economy.

11 (2) The department shall identify specific outcomes and
12 performance metrics for this initiative, such as increasing the
13 number of acres prepared for timber sale.

14 **LAW ENFORCEMENT**

15 Sec. 901. The appropriation in part 1 for snowmobile law
16 enforcement grants shall be used by the department to provide
17 grants to county law enforcement agencies to enforce part 821 of
18 the natural resources and environmental protection act, 1994 PA
19 451, MCL 324.82101 to 324.82161, including rules promulgated under
20 that part and ordinances enacted pursuant to that part. The
21 department shall consider the number of enforcement hours and the
22 number of miles of snowmobile trails in each county in allocating
23 these grants. Any funds not distributed to counties revert back to
24 the snowmobile registration fee subaccount created under section
25 82111 of the natural resources and environmental protection act,
26 1994 PA 451, MCL 324.82111. Counties shall provide semiannual



1 reports to the department on the use of grant money received under
2 this section.

3 Sec. 902. The department shall provide a report on the marine
4 safety grant program to the senate and house appropriations
5 subcommittees on natural resources and the senate and house fiscal
6 agencies by December 1, 2017. The report shall include the
7 following information for the preceding year: the total amount of
8 revenue received for watercraft registrations, the amount deposited
9 into the marine safety fund, and the expenditures made from the
10 marine safety fund, including the amounts expended for department
11 administration, other state agencies, the law enforcement division,
12 and grants to counties. The report shall also include the
13 distribution methodology used by the department to distribute the
14 marine safety grants and a list of the grants and the amounts
15 awarded by county.

16 Sec. 903. From the increased funds appropriated in part 1 for
17 conservation officers, the department shall hire, train, and outfit
18 6 detectives or specialists, or both, as well as 2 support staff.
19 The primary purpose of the new staff is to conduct long-term
20 surveillance and covert investigations to combat illegal activities
21 and enforce regulations.

22 **GRANTS**

23 Sec. 1001. Federal pass-through funds to local institutions
24 and governments that are received in amounts in addition to those
25 included in part 1 for grants to communities - federal oil, gas,
26 and timber payments and that do not require additional state



1 matching funds are appropriated for the purposes intended. By
2 November 30, 2017, the department shall report to the senate and
3 house appropriations subcommittees on natural resources, the senate
4 and house fiscal agencies, and the state budget director on all
5 amounts appropriated under this section during the fiscal year
6 ending September 30, 2017.

7 **CAPITAL OUTLAY**

8 Sec. 1103. The appropriations in part 1 for capital outlay
9 shall be carried forward at the end of the fiscal year consistent
10 with section 248 of the management and budget act, 1984 PA 431, MCL
11 18.1248.

12 **ONE-TIME BASIS ONLY APPROPRIATIONS**

13 Sec. 1201. From the increased funds appropriated in part 1 for
14 wetland mitigation banking, the department shall increase available
15 wetland mitigation bank credits with a goal of 1,800. The purpose
16 of this program is to provide affordable mitigation credits for
17 municipalities and agricultural producers.

18 Sec. 1204. The department shall provide a report on the
19 wetland mitigation banking program to the house and senate
20 appropriations committees by March 31, 2018. The report shall
21 include all of the following information for the current fiscal
22 year:

- 23 (a) A plan for development of land for the program.
24 (b) A goal for number of credits sold.
25 (c) A timeline of completed and expected transactions.



1	Federal revenues:	
2	Total federal revenues	83,662,500
3	Special revenue funds:	
4	Total local revenues	5,835,200
5	Total private revenues	178,100
6	Total other state restricted revenues	139,423,700
7	State general fund/general purpose	\$ 437,267,800
8	State general fund/general purpose schedule:	
9	Ongoing state general fund/general	
10	purpose	417,490,900
11	One-time state general fund/general	
12	purpose	19,776,900
13	Sec. 102. DEPARTMENTAL ADMINISTRATION AND SUPPORT	
14	Full-time equated unclassified positions	3.0
15	Unclassified salaries--3.0 FTE positions	\$ 586,100
16	Full-time equated classified positions	83.0
17	Accounting service center	1,066,500
18	Department services--58.0 FTE positions	8,823,200
19	Departmentwide	40,942,200
20	Executive direction--25.0 FTE positions	<u>4,170,100</u>
21	GROSS APPROPRIATION	\$ 55,588,100
22	Appropriated from:	
23	Interdepartmental grant and intradepartmental	
24	transfer revenues:	
25	Total interdepartmental grants and intradepartmental	
26	transfers.....	363,500
27	Federal revenues:	



1	Total federal revenues	546,000
2	Special revenue funds:	
3	Total local revenues	6,200
4	Total other state restricted revenues	5,506,200
5	State general fund/general purpose	\$ 49,166,200
6	Sec. 103. LAW ENFORCEMENT SERVICES	
7	Full-time equated classified positions	530.0
8	Biometrics and identification--54.0 FTE positions	\$ 9,294,100
9	Criminal justice information center--134.0 FTE	
10	positions.....	19,917,400
11	Forensic science--270.0 FTE positions	43,876,100
12	Grants and community services--17.0 FTE positions	19,042,500
13	Training--55.0 FTE positions	<u>10,466,100</u>
14	GROSS APPROPRIATION	\$ 102,596,200
15	Appropriated from:	
16	Interdepartmental grant and intradepartmental	
17	transfer revenues:	
18	Total interdepartmental grants and intradepartmental	
19	transfers.....	5,698,200
20	Federal revenues:	
21	Total federal revenues	16,409,400
22	Special revenue funds:	
23	Total local revenues	915,300
24	Total private revenues	100,000
25	Total other state restricted revenues	36,591,700
26	State general fund/general purpose	\$ 42,881,600
27	Sec. 104. MICHIGAN COMMISSION ON LAW ENFORCEMENT	



1 **STANDARDS**

2 Full-time equated classified positions 18.0

3 Public safety officers benefit program--1.0 FTE

4 position..... \$ 151,100

5 Standards and training/justice training grants--17.0

6 FTE positions..... 9,887,100

7 Training only to local units 654,500

8 GROSS APPROPRIATION \$ 10,692,700

9 Appropriated from:

10 Federal revenues:

11 Total federal revenues 175,700

12 Special revenue funds:

13 Total other state restricted revenues 9,215,900

14 State general fund/general purpose \$ 1,301,100

15 **Sec. 105. FIELD SERVICES**

16 Full-time equated classified positions 2,213.0

17 Investigative services--180.5 FTE positions \$ 33,824,800

18 Post operations--2,002.5 FTE positions 295,519,600

19 Secure cities partnership--30.0 FTE positions 7,831,100

20 GROSS APPROPRIATION \$ 337,175,500

21 Appropriated from:

22 Interdepartmental grant and intradepartmental

23 transfer revenues:

24 Total interdepartmental grants and intradepartmental

25 transfers..... 6,871,600

26 Federal revenues:

27 Total federal revenues 6,675,300



1	Special revenue funds:	
2	Total local revenues	2,079,400
3	Total other state restricted revenues	49,519,700
4	State general fund/general purpose	\$ 272,029,500
5	Sec. 106. SPECIALIZED SERVICES	
6	Full-time equated classified positions	587.0
7	Commercial vehicle enforcement--211.0 FTE positions ..	\$ 28,721,700
8	Commercial vehicle regulation--12.0 FTE positions	2,226,200
9	Emergency management and homeland security--64.0 FTE	
10	positions.....	15,602,300
11	Hazardous materials programs--25.0 FTE positions	30,139,700
12	Highway safety planning--26.0 FTE positions	18,001,900
13	Intelligence operations--181.0 FTE positions	24,223,500
14	Secondary road patrol program--1.0 FTE position	11,069,300
15	Special operations--67.0 FTE positions	<u>12,012,500</u>
16	GROSS APPROPRIATION	\$ 141,997,100
17	Appropriated from:	
18	Interdepartmental grant and intradepartmental	
19	transfer revenues:	
20	Total interdepartmental grants and intradepartmental	
21	transfers.....	12,823,500
22	Federal revenues:	
23	Total federal revenues	58,899,000
24	Special revenue funds:	
25	Total local revenues	1,700,100
26	Total private revenues	78,100
27	Total other state restricted revenues	29,219,100



1	State general fund/general purpose	\$	39,277,300
2	Sec. 107. INFORMATION TECHNOLOGY		
3	Information technology services and projects	\$	<u>24,762,400</u>
4	GROSS APPROPRIATION	\$	24,762,400
5	Appropriated from:		
6	Interdepartmental grant and intradepartmental		
7	transfer revenues:		
8	Total interdepartmental grants and intradepartmental		
9	transfers.....		464,800
10	Federal revenues:		
11	Total federal revenues		957,100
12	Special revenue funds:		
13	Total local revenues		1,134,200
14	Total other state restricted revenues		9,371,100
15	State general fund/general purpose	\$	12,835,200
16	Sec. 108. ONE-TIME APPROPRIATIONS		
17	Advanced 9-1-1	\$	2,200,000
18	Disaster and emergency contingency fund		7,000,000
19	Equipment lifecycle replacement - secure cities		1,000,000
20	Fair and impartial policing training grants		1,000,000
21	Forensic science		730,000
22	Law enforcement job task analysis		200,000
23	Michigan International Speedway traffic control		800,000
24	Sexual assault prevention and education initiative ...		600,000
25	Trooper school		<u>6,246,900</u>
26	GROSS APPROPRIATION	\$	19,776,900
27	Appropriated from:		



1 State general fund/general purpose \$ 19,776,900

2 PART 2
 3 PROVISIONS CONCERNING APPROPRIATIONS
 4 FOR FISCAL YEAR 2017-2018

5 **GENERAL SECTIONS**

6 Sec. 201. Pursuant to section 30 of article IX of the state
 7 constitution of 1963, total state spending from state resources
 8 under part 1 for fiscal year 2017-2018 is \$576,691,500.00 and state
 9 spending from state resources to be paid to local units of
 10 government for fiscal year 2017-2018 is \$14,113,200.00. The
 11 itemized statement below identifies appropriations from which
 12 spending to local units of government will occur:

13 DEPARTMENT OF STATE POLICE

14	Standards and training/justice training grants	\$	2,500,100
15	Training only to local units		654,500
16	Secondary road patrol program		<u>10,958,600</u>
17	TOTAL	\$	14,113,200

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

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

- 22 (a) "CJIS" means Criminal Justice Information Systems.
- 23 (b) "Core service" means that phrase as defined in section 373
 24 of the management and budget act, 1984 PA 431, MCL 18.1373.
- 25 (c) "Department" means the department of state police.



1 (d) "Director" means the director of the department.

2 (e) "DNA" means deoxyribonucleic acid.

3 (f) "DTMB" means the department of technology, management, and
4 budget.

5 (g) "FTE" means full-time equated.

6 (h) "IDG" means interdepartmental grant.

7 (i) "MCOLES" means the Michigan commission on law enforcement
8 standards.

9 (j) "Subcommittees" means the subcommittees of the senate and
10 house standing committees on appropriations with jurisdiction over
11 the budget for the department.

12 (k) "Support service" means an activity required to support
13 the ongoing delivery of core services.

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

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



1 businesses owned and operated by veterans, if they are
2 competitively priced and of comparable quality.

3 Sec. 206. The director shall take all reasonable steps to
4 ensure businesses in deprived and depressed communities compete for
5 and perform contracts to provide services or supplies, or both.
6 Each director shall strongly encourage firms with which the
7 department contracts to subcontract with certified businesses in
8 depressed and deprived communities for services or supplies, or
9 both.

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

20 (a) The dates of each travel occurrence.

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

26 Sec. 208. 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. 209. Not later than November 30, the state budget office
6 shall prepare and transmit a report that provides for estimates of
7 the total general fund/general purpose appropriation lapses at the
8 close of the prior fiscal year. This report shall summarize the
9 projected year-end general fund/general purpose appropriation
10 lapses by major departmental program or program areas. The report
11 shall be transmitted to the chairpersons of the senate and house
12 appropriations committees, the subcommittees, and the senate and
13 house fiscal agencies.

14 Sec. 210. (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 part 1 under section 393(2) of the management and budget act,
19 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 \$3,500,000.00 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 part 1 under section 393(2) of the management and budget act,
25 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 \$1,000,000.00 for local



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

5 (4) In addition to the funds appropriated in part 1, there is
6 appropriated an amount not to exceed \$200,000.00 for private
7 contingency funds. These funds are not available for expenditure
8 until they have been transferred to another line item in this part
9 under section 393(2) of the management and budget act, 1984 PA 431,
10 MCL 18.1393.

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

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

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

17 (c) Fiscal year-to-date payments to a selected vendor,
18 including the vendor name, payment date, payment amount, and
19 payment description.

20 (d) The number of active department employees by job
21 classification.

22 (e) Job specifications and wage rates.

23 Sec. 212. Within 14 days after the release of the executive
24 budget recommendation, the department shall cooperate with the
25 state budget office to provide the senate and house appropriations
26 chairs, the senate and house appropriations subcommittees chairs,
27 and the senate and house fiscal agencies with an annual report on



1 estimated state restricted fund balances, state restricted fund
2 projected revenues, and state restricted fund expenditures for the
3 fiscal years ending September 30, 2017 and September 30, 2018.

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

8 Sec. 214. Total authorized appropriations from all sources
9 under part 1 for legacy costs for the fiscal year ending September
10 30, 2018 are estimated at \$124,240,400.00. From this amount, total
11 agency appropriations for pension-related legacy costs are
12 estimated at \$70,149,700.00. Total agency appropriations for
13 retiree health care legacy costs are estimated at \$54,090,700.00.

14 Sec. 215. Based on the availability of federal funding and the
15 demonstrated need as indicated by applications submitted to the
16 state court administrative office, the department shall provide
17 \$1,500,000.00 in Byrne justice assistance grant program funding to
18 the judiciary by interdepartmental grant.

19 Sec. 216. A department or state agency shall not take
20 disciplinary action against an employee for communicating with a
21 member of the legislature or his or her staff.

22 Sec. 217. The department shall provide quarterly reports to
23 the subcommittees, the senate and house fiscal agencies, and the
24 state budget office that provide the following data:

25 (a) A list of major work projects, including the status of
26 each project.

27 (b) The department's financial status, featuring a report of



1 budgeted versus actual expenditures by part 1 line item including a
2 year-end projection of budget requirements. If projected department
3 budget requirements exceed the allocated budget, the report shall
4 include a plan to reduce overall expenses while still satisfying
5 specified service level requirements.

6 (c) A report on the performance metrics cited or information
7 required to be reported in this part, reasons for nonachievement of
8 metric targets, and proposed corrective actions.

9 Sec. 218. The appropriations in part 1 are for the core
10 services, support services, and work projects of the department,
11 including, but not limited to, the following core services:

- 12 (a) State security operations.
- 13 (b) Training.
- 14 (c) Michigan commission on law enforcement standards.
- 15 (d) Criminal justice information systems.
- 16 (e) Forensic analysis and biometric identification.
- 17 (f) Post operations and investigative services.
- 18 (g) Special operations.
- 19 (h) Intelligence operations.
- 20 (i) Commercial vehicle regulation and enforcement.
- 21 (j) Emergency management and homeland security.
- 22 (k) Highway safety planning.
- 23 (l) Secondary road patrol program.

24 Sec. 219. The department shall notify the subcommittees, the
25 chairpersons of the senate and house standing committees on
26 appropriations, and the senate and house fiscal agencies not less
27 than 90 days before recommending to close or consolidate any state

1 police posts. The notification shall include a local and state
2 impact study of the proposed post closure or consolidation.

3 Sec. 220. At least 90 days before beginning any effort to
4 privatize, the department shall submit a complete project plan to
5 the subcommittees and the senate and house fiscal agencies. The
6 plan shall include the criteria under which the privatization
7 initiative will be evaluated. The evaluation shall be completed and
8 submitted to the subcommittees and the senate and house fiscal
9 agencies within 30 months.

10 Sec. 221. (1) When the department provides contractual
11 services to a local unit of government, the department shall be
12 reimbursed for all costs incurred in providing the services,
13 including, but not limited to, retirement and overtime costs.

14 (2) The department shall define service cost models for those
15 services requiring reimbursement.

16 (3) Contractual services provided to an entity other than a
17 local unit of government may be provided by department personnel,
18 but only on an overtime basis outside the normal work schedule of
19 the personnel.

20 (4) This section does not apply to services provided to state
21 agencies.

22 (5) Revenues received for contractual or reimbursed services
23 in excess of the appropriation in part 1 are appropriated and may
24 be received and expended by the department for the purposes for
25 which funds are received.

26 (6) If additional authorization is approved in the statewide
27 integrated governmental management application (SIGMA) by the state



1 budget office under this section, the department shall notify the
2 subcommittees and the senate and house fiscal agencies within 10
3 days after the approval. The notification shall include the amount
4 and funding source of the additional authorization, the date of its
5 approval, and the projected use of funds to be expended.

6 Sec. 222. The department shall serve as an active liaison
7 between the DTMB and state, local, regional, and federal public
8 safety agencies on matters pertaining to the Michigan public safety
9 communications system and shall report user issues to the DTMB.

10 Sec. 223. Money privately donated to the department is
11 appropriated under part 1 to be used for the purposes designated by
12 the donor of the money, if specified.

13 Sec. 224. (1) Federal revenues authorized by and available
14 from the federal government in excess of the appropriation in part
15 1 are appropriated and may be received and expended by the
16 department for purposes authorized under state law and subject to
17 federal requirements.

18 (2) If additional authorization is approved in the statewide
19 integrated governmental management application (SIGMA) by the state
20 budget office under this section, the department shall notify the
21 subcommittees and the senate and house fiscal agencies within 10
22 days after the approval. The notification shall include the amount
23 and funding source of the additional authorization, the date of its
24 approval, and the projected use of funds to be expended.

25 **DEPARTMENTAL ADMINISTRATION AND SUPPORT**

26 Sec. 301. (1) The department shall provide security services



1 at the State Capitol Complex facilities and the State Secondary
2 Complex as provided under section 6c of 1935 PA 59, MCL 28.6c.

3 (2) The department shall maintain the staff and resources
4 necessary to respond to emergencies at the State Capitol Complex,
5 State Secondary Complex, House Office Building, Farnum Building,
6 Capitol parking lot, Townsend Parking Ramp, the Roosevelt Parking
7 Ramp, and other areas as directed.

8 (3) The department may develop a phased approach for improving
9 security at the Capitol Building.

10 (4) The department shall maintain a goal of annually
11 conducting 35,000 property inspections of state owned and leased
12 facilities.

13 **LAW ENFORCEMENT SERVICES**

14 Sec. 401. (1) The department shall provide performance data as
15 provided under section 217 for average classroom occupancy rate,
16 with an annual goal of at least 55%.

17 (2) The department shall submit a report to the subcommittees
18 and the senate and house fiscal agencies within 60 days of the
19 conclusion of any trooper, motor carrier, or state properties
20 security recruit school. The report shall include the following:

21 (a) The number of veterans and the number of MCOLES-certified
22 police officers who were admitted to and the number who graduated
23 from the recruit school.

24 (b) The total number of recruits who were admitted to the
25 school, the number of recruits who graduated from the school, and
26 the location at which each of these recruits is assigned.



1 (3) The department shall distribute and review course
2 evaluations to ensure that quality training is provided.

3 Sec. 402. (1) In accordance with applicable state and federal
4 laws and regulations, the department shall maintain and ensure
5 compliance with CJIS databases and applications in the support of
6 public safety and law enforcement communities.

7 (2) The department shall improve the accuracy, timeliness, and
8 completeness of criminal history information by conducting a
9 minimum of 30 outreach activities targeted to criminal justice
10 agencies.

11 (3) The department shall provide for the compilation of crime
12 statistics consistent with the uniform crime reporting (UCR)
13 program and the national incident-based report system (NIBRS).

14 (4) The department shall provide for the compilation and
15 evaluation of traffic crash reports and the maintenance of the
16 state accident data collection system.

17 (5) The department shall make traffic crash information
18 available to the public at a reasonable cost. For bulk access to
19 the accident records in which the vehicle identification number has
20 been collected and computerized, the department shall make those
21 records available to the public at cost, provided that the name and
22 address have been excluded.

23 (6) In accordance with applicable state and federal laws and
24 regulations, the department shall provide for the maintenance and
25 dissemination of criminal history records and juvenile records,
26 including to the extent necessary to exchange criminal history
27 records information with the Federal Bureau of Investigation and



1 other states through the interstate identification index, the
2 National Crime Information Center, and other federal CJIS databases
3 and indices.

4 (7) In accordance with applicable state and federal laws, the
5 department shall provide for the maintenance of records, including
6 criminal history records regarding firearms licensure.

7 (8) The following unexpended and unencumbered revenues
8 deposited into the criminal justice information center service fees
9 shall not lapse to the general fund, but shall be carried forward
10 into the subsequent fiscal year:

11 (a) Fees for fingerprinting and criminal record checks and
12 name-based criminal record checks under 1935 PA 120, MCL 28.271 to
13 28.273.

14 (b) Fees for application and licensing for initial and renewal
15 concealed pistol licenses under 1927 PA 372, MCL 28.421 to 28.435.

16 (c) Revenue from other sources, including, but not limited to,
17 investment and interest earnings.

18 (9) Unexpended and unencumbered revenue generated by state
19 records management system fees shall not lapse to the general fund,
20 but shall be carried forward into the subsequent fiscal year.

21 Sec. 403. (1) The department shall provide forensic testing
22 services to aid in criminal investigations.

23 (2) The department shall ensure its ability to maintain
24 accreditation by a federally designated accrediting agency, as
25 provided under 42 USC 14132.

26 (3) The department shall provide forensic science services
27 with an average turnaround time of 55 days, assuming an annual



1 caseload volume commensurate with that received in fiscal year
2 2012-2013, and shall achieve a goal of a 30-day average turnaround
3 time across all forensic science disciplines.

4 (4) The department shall provide the following data as
5 provided in section 217:

6 (a) The average turnaround time for processing forensic
7 evidence across all disciplines.

8 (b) Forensic laboratory staffing levels, including scientists
9 in training, and vacancies.

10 (c) The number of backlogged cases in each discipline.

11 (5) The department shall provide for the forensic testing and
12 analysis/profiling of DNA evidence to aid criminal investigations
13 by law enforcement agencies in this state.

14 Sec. 404. (1) The biometrics and identification division shall
15 house and manage the automated fingerprint identification system,
16 the statewide network of agency photographs, and combined offender
17 DNA index system biometric databases.

18 (2) The department shall provide data on the number of 10-
19 print and palm-print submissions to the database, with a goal of at
20 least 97% of submissions provided electronically as provided in
21 section 217.

22 (3) The department shall maintain the staffing and resources
23 necessary to have a 28-day average wait time for scheduling a
24 polygraph examination, assuming an annual caseload received
25 commensurate with fiscal year 2012-2013, with a goal of achieving a
26 15-day average wait time.

27 (4) If changes are made to the department's protocol for



1 retaining and purging DNA analysis samples and records, the
2 department shall post a copy of the protocol changes on the
3 department's website.

4 Sec. 405. Not later than December 1 of the subsequent fiscal
5 year, the department shall submit a report to the subcommittees and
6 senate and house fiscal agencies that includes, but is not limited
7 to, all of the following information:

8 (a) Sexual assault kit analysis backlog at the beginning of
9 the current fiscal year.

10 (b) The number of sexual assault kits collected or submitted
11 for analysis during the current fiscal year.

12 (c) The number of sexual assault kits analyzed and the number
13 of associated DNA profiles created and uploaded during the current
14 fiscal year.

15 (d) Sexual assault kit analysis backlog at the ending of the
16 current fiscal year.

17 (e) The average turnaround time to analyze sexual assault kits
18 and to create and upload associated DNA profiles for the current
19 fiscal year.

20 Sec. 406. The department shall provide administrative support
21 for the following grant and community service programs:

22 (a) The operations of the automobile theft prevention
23 authority.

24 (b) Administration of the Edward Byrne memorial justice
25 assistance program and other grant programs as well as the
26 department's community policing efforts.

27 (c) Oversight and administration of 9-1-1 operations



1 statewide.

2 **MICHIGAN COMMISSION ON LAW ENFORCEMENT STANDARDS**

3 Sec. 501. (1) MCOLES shall establish standards for the
4 selection, employment, training, education, licensing, and
5 revocation of all law enforcement officers and provide the basic
6 law enforcement training curriculum for law enforcement training
7 academy programs statewide.

8 (2) MCOLES shall maintain staffing and resources necessary to
9 update law enforcement standards within 120 days of the enactment
10 date of any new legislation.

11 **FIELD SERVICES**

12 Sec. 601. (1) Department enlisted personnel who are employed
13 to enforce traffic laws as provided in section 629e of the Michigan
14 vehicle code, 1949 PA 300, MCL 257.629e, shall not be prohibited
15 from responding to crimes in progress or other emergency situations
16 and are responsible for making every effort to protect all
17 residents of this state.

18 (2) The department shall maintain the staffing and resources
19 necessary to continually work to enhance traffic safety throughout
20 this state and shall dedicate a minimum of 455,200 hours to
21 statewide patrol, of which a minimum of 40,000 shall be committed
22 to distressed cities in this state, and 4,000 shall be committed to
23 Belle Isle. The department shall work to improve public safety
24 efforts within distressed cities by enhancing data analysis
25 capabilities and identifying crime trends and areas with high



1 occurrence of crime.

2 (3) The department shall maintain the staffing and resources
3 necessary to perform activities to maintain a 93% compliance rate
4 for reporting by registered sex offenders.

5 (4) The department shall submit a report on or before December
6 1 to the subcommittees and senate and house fiscal agencies
7 regarding the secure cities partnership during the prior fiscal
8 year.

9 Sec. 602. (1) The department shall identify and apprehend
10 criminals through criminal investigations in this state.

11 (2) The department shall maintain the staffing and resources
12 necessary to provide a comparable number of hours investigating
13 crimes as those performed in fiscal year 2012-2013.

14 (3) The department shall maintain the staffing and resources
15 necessary to annually meet or exceed a case clearance rate of 62%.

16 (4) The department shall annually provide 4 training
17 opportunities to local law enforcement partners with the goal of
18 increasing their knowledge of gambling laws, trends, legal issues,
19 and opioid-related investigations.

20 (5) The department shall maintain the staffing and resources
21 necessary to increase the number of opioid-related investigations
22 by 20% above the number of such investigations conducted in the
23 2014-2015 fiscal year conducted by multijurisdictional task forces
24 and hometown security teams. The department shall work to enhance
25 investigative and drug interdiction efforts by enhancing data
26 analysis capabilities and linking investigations among
27 multijurisdictional task forces and hometown security teams.



1 Sec. 603. (1) The department shall provide protection to this
2 state, its economy, welfare, and vital state-sponsored programs
3 through the prevention and suppression of organized smuggling of
4 untaxed tobacco products in the state, through enforcement of the
5 tobacco products tax act, 1993 PA 327, MCL 205.421 to 205.436, and
6 other laws pertaining to combating criminal activity in this state,
7 by maintaining a tobacco tax enforcement unit.

8 (2) The department shall submit an annual report on December 1
9 to the subcommittees, the senate and house appropriations
10 subcommittees on general government, the senate and house fiscal
11 agencies, and the state budget office that details expenditures and
12 activities related to tobacco tax enforcement for the prior fiscal
13 year.

14 (3) The tobacco tax enforcement unit shall dedicate a minimum
15 of 16,600 hours to tobacco tax enforcement.

16 Sec. 604. (1) The department shall provide fire investigation
17 services to citizens of this state through training and
18 investigative assistance to public safety agencies in this state.

19 (2) The department shall maintain the staffing and resources
20 necessary to maintain readiness to respond appropriately to at
21 least the number of requests for fire investigation services that
22 occurred in fiscal year 2010-2011 and shall be available for call
23 out statewide 100% of the time.

24 **SPECIALIZED SERVICES**

25 Sec. 701. (1) The department shall operate the Michigan
26 intelligence operation center for homeland security as the state's



1 primary federally designated fusion center to receive, analyze,
2 gather, and disseminate threat-related information among federal,
3 state, local, tribal, and private sector partners.

4 (2) The department shall ensure public safety by providing
5 public and private sector partners with timely and accurate
6 information regarding critical information key resource threats as
7 reported to or discovered by the Michigan intelligence operations
8 center for homeland security and shall increase public awareness on
9 how to report suspicious activity through website or telephone
10 communications.

11 (3) The department shall maintain the staffing and resources
12 necessary to support the cyber section, including the Michigan
13 cyber command center, the computer crimes unit, and the Internet
14 crimes against children task force. The department shall maintain
15 the staffing and resources necessary to increase the number of
16 cases completed by the computer crimes unit by 20% above the number
17 of cases completed in the 2014-2015 fiscal year. The unit shall
18 pursue process improvement initiatives to effectively utilize staff
19 resources in providing investigatory assistance and evidentiary
20 analysis for law enforcement and criminal justice agencies
21 statewide.

22 (4) The department shall maintain the staffing and resources
23 necessary to provide digital forensic analysis services with a goal
24 of decreasing backlogs of digital forensic analysis cases annually
25 until the department maintains a 60-day turnaround time.

26 Sec. 702. (1) The department shall provide specialized
27 services in support of, and to enhance, local, state, and federal



1 law enforcement operations within this state in accordance with all
2 applicable state and federal laws and regulations.

3 (2) The department shall maintain the staffing and resources
4 necessary to provide training to maintain readiness to respond
5 appropriately to at least the number of requests for specialty
6 services which occurred in fiscal year 2010-2011.

7 (3) The canine unit shall be available for call out statewide
8 100% of the time.

9 (4) The bomb squad unit shall be available for call out
10 statewide 100% of the time.

11 (5) The emergency support teams shall be available for call
12 out statewide 100% of the time.

13 (6) The marine services team shall be available for call out
14 statewide 100% of the time.

15 (7) Aviation services shall be available for call out
16 statewide 100% of the time, unless prohibited by weather or
17 unexpected mechanical breakdowns.

18 Sec. 703. (1) The department shall maintain commercial vehicle
19 regulation, school bus inspections, and enforcement activities,
20 including enforcement of requirements concerning size, weight, and
21 load restrictions; operating authority; registration; fuel taxes;
22 transportation of hazardous materials; operations of new entrants;
23 and commercial driver's licenses.

24 (2) The department shall maintain the staffing and resources
25 necessary to meet inspection goals consistent with the department's
26 federal motor carrier assistance program activities.

27 (3) Revenue collected under the motor carrier act, 1933 PA



1 254, MCL 475.1 to 479.42, shall be expended in accordance with that
2 act. Unexpended and unencumbered revenues shall not lapse to the
3 general fund but shall be carried forward into the subsequent
4 fiscal year.

5 Sec. 704. (1) The department shall coordinate the mitigation,
6 preparation, response, and recovery activities of municipal,
7 county, state, and federal governments, and other governmental
8 entities, for all hazards, disasters, and emergencies.

9 (2) The state director of emergency management may expend
10 money appropriated under part 1 to call upon any agency or
11 department of the state or any resource of the state to protect
12 life or property or to provide for the health or safety of the
13 population in any area of the state in which the governor proclaims
14 a state of emergency or state of disaster under 1945 PA 302, MCL
15 10.31 to 10.33, or under the emergency management act, 1976 PA 390,
16 MCL 30.401 to 30.421. The state director of emergency management
17 may expend the amounts the director considers necessary to
18 accomplish these purposes. The director shall submit to the state
19 budget director as soon as possible a complete report of all
20 actions taken under the authority of this section. The report shall
21 contain, as a separate item, a statement of all money expended that
22 is not reimbursable from federal money. The state budget director
23 shall review the expenditures and submit recommendations to the
24 legislature in regard to any possible need for a supplemental
25 appropriation.

26 (3) In addition to the money appropriated in part 1, the
27 department may receive and expend money from local, private,



1 federal, or state sources for the purpose of providing emergency
2 management training to local or private interests and for the
3 purpose of supporting emergency preparedness, response, recovery,
4 and mitigation activity. If additional expenditure authorization in
5 the statewide integrated governmental management application
6 (SIGMA) is approved by the state budget office under this section,
7 the department and the state budget office shall notify the
8 subcommittees and the senate and house fiscal agencies within 10
9 days after the approval. The notification shall include the amount
10 and source and the additional authorization, the date of its
11 approval, and the projected use of funds to be expended under the
12 authorization.

13 (4) The department shall foster, promote, and maintain
14 partnerships to protect this state and homeland from all hazards.

15 (5) The department shall maintain the staffing and resources
16 necessary to do all of the following:

17 (a) Serve approximately 105 local emergency management
18 preparedness programs and 88 local emergency planning committees in
19 this state.

20 (b) Operate and maintain the state's emergency operations
21 center and provide command and control in support of emergency
22 response services.

23 (c) Maintain readiness, including training and equipment to
24 respond to civil disorders and natural disasters commensurate with
25 the capabilities of fiscal year 2010-2011.

26 (d) Perform hazardous materials response training.

27 (6) The department shall conduct a minimum of 6 training



1 sessions to enhance safe response in the event of natural or
2 manmade incidents, emergencies, or disasters.

3 (7) In addition to the funds appropriated in part 1, there is
4 appropriated from the disaster and emergency contingency fund an
5 amount necessary to cover costs related to any disaster or
6 emergency as defined in the emergency management act, 1976 PA 390,
7 MCL 30.401 to 30.421. Funds shall be expended as provided under
8 sections 18 and 19 of the emergency management act, 1976 PA 390,
9 MCL 30.418 and 30.419, and R 30.51 to R 30.61 of the Michigan
10 Administrative Code.

11 (8) Funds in the disaster and emergency contingency fund shall
12 not be expended unless the state budget director approves the
13 expenditure and the department and the state budget office notify
14 the senate and house appropriations committees. If expenditures are
15 made from the disaster and emergency contingency fund during a
16 month, the department shall submit monthly reports to the house and
17 senate fiscal agencies detailing the purpose of the expenditures.
18 These monthly reports shall be submitted within 30 days after the
19 end of the month during which funds from the disaster and emergency
20 contingency fund were expended.

21 (9) Upon the declaration of a state of emergency or disaster
22 by the governor under section 3 of the emergency management act,
23 1976 PA 390, MCL 30.403, approval of the state budget director, and
24 notification of the subcommittees and house and senate fiscal
25 agencies, the director may expend funds appropriated from any
26 source to any line item within part 1 for the purpose of paying the
27 necessary and reasonable expenses incurred by the department in



1 responding to or mitigating the effects of any emergency or
2 disaster as those terms are defined in section 2 of the emergency
3 management act, 1976 PA 390, MCL 30.402.

4 Sec. 705. The department shall provide for the planning,
5 administration, and implementation of highway traffic safety
6 programs to save lives and reduce injuries on Michigan roads in
7 partnership with other public and private organizations.

8 Sec. 706. (1) The department shall provide funding to county
9 sheriff departments to patrol secondary roads.

10 (2) The sheriffs' duties under the secondary road patrol
11 program, as outlined in section 76(2) of 1846 RS 14, MCL 51.76, are
12 to patrol and monitor traffic violations; to enforce the criminal
13 laws of this state, violations of which are observed by or brought
14 to the attention of the sheriff's department while patrolling and
15 monitoring secondary roads; to investigate accidents involving
16 motor vehicles; and to provide emergency assistance to persons on
17 or near a highway or road the sheriff is patrolling and monitoring.

18 (3) The department shall provide the following information on
19 secondary road patrol activities supported by appropriations in
20 part 1:

21 (a) The number of funded full-time equivalent county sheriff
22 secondary road patrol deputies.

23 (b) The number of hours dedicated to patrol under the
24 secondary road patrol program, with an annual goal of at least
25 178,000 hours.

26 (4) The information required to be reported under subsection
27 (3) shall be reported on an annual basis.



1 **ONE-TIME APPROPRIATIONS**

2 Sec. 901. (1) Funding provided in part 1 for the sexual
3 assault prevention and education initiative shall be used to
4 provide and administer grants to public or nonpublic community
5 colleges, colleges, and universities with a physical presence in
6 the state to address campus sexual assault issues to improve the
7 safety and security of students, faculty, and staff in campus
8 environments in the state.

9 (2) Grant funds awarded shall support sexual assault programs,
10 including education, awareness, prevention, reporting, and
11 bystander intervention programs.

12 (3) The department shall issue awards no later than December
13 1, 2017, with a grant period of 1 year.

14 (4) The department shall report on grant activities to the
15 subcommittees and the state budget office by February 28, 2019.

16 (5) Unexpended and unencumbered appropriations in part 1 for
17 the sexual assault prevention and education initiative are
18 designated as work project appropriations. Any unencumbered or
19 unallotted funds at the end of the fiscal year shall be carried
20 forward into the succeeding fiscal year. The following is in
21 compliance with section 451a(1) of the management and budget act,
22 1984 PA 431, MCL 18.1451a:

23 (a) The purpose of the project is to provide grants for sexual
24 assault education, awareness, prevention, reporting, and bystander
25 intervention programs.

26 (b) The project will be accomplished by grants to eligible
27 community colleges, colleges, and universities.



1 (c) The total estimated cost of the project is \$600,000.00.

2 (d) The estimated completion date is September 30, 2019.

3 Sec. 902. Funding appropriated in part 1 for advanced 9-1-1
4 shall be used to support the costs for the administration and
5 initial implementation of a supplemental 9-1-1 database that allows
6 public safety answering points to view voluntarily disclosed
7 information relevant to the 9-1-1 caller, including information on
8 properties and household members, that would assist first
9 responders in providing emergency services to the caller. The
10 implementation of the database among public safety answering points
11 and the funding for this purpose shall be overseen and administered
12 by the office of the state 9-1-1 coordinator. Funds shall be
13 payable by the office to a vendor based upon the number of public
14 safety answering points implementing a supplemental database. Funds
15 appropriated for advanced 9-1-1 shall be considered a work project,
16 and unexpended and unencumbered funds shall be carried forward into
17 the subsequent fiscal year.

18 PART 2A

19 PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS

20 FOR FISCAL YEAR 2018-2019

21 **GENERAL SECTIONS**

22 Sec. 1201. It is the intent of the legislature to provide
23 appropriations for the fiscal year ending on September 30, 2019 for
24 the line items listed in part 1. The fiscal year 2018-2019
25 appropriations are anticipated to be the same as those for fiscal



1 year 2017-2018, excluding appropriations designated as one-time
 2 appropriations and adjusting for changes in caseload and related
 3 costs, federal fund match rates, economic factors, and available
 4 revenue. These adjustments will be determined after the January
 5 2018 consensus revenue estimating conference.

6 ARTICLE XVII

7 STATE TRANSPORTATION DEPARTMENT

8 PART 1

9 LINE-ITEM APPROPRIATIONS

10 Sec. 101. There is appropriated for the state transportation
 11 department for the fiscal year ending September 30, 2018, from the
 12 following funds:

13 **STATE TRANSPORTATION DEPARTMENT**

14 APPROPRIATION SUMMARY

15	Full-time equated unclassified positions	4.0	
16	Full-time equated classified positions	2,723.3	
17	GROSS APPROPRIATION		\$ 4,347,443,000
18	Total interdepartmental grants and intradepartmental		
19	transfers.....		4,039,300
20	ADJUSTED GROSS APPROPRIATION		\$ 4,343,403,700
21	Federal revenues:		
22	Federal aid - transportation programs		1,340,301,200
23	Total federal revenues		1,340,301,200
24	Special revenue funds:		
25	Local revenues		50,532,000



1	Private revenues	100,000
2	Total local and private revenues	50,632,000
3	Blue Water Bridge fund	23,432,600
4	Comprehensive transportation fund	335,482,700
5	Economic development fund	44,085,000
6	Intercity bus equipment and facility fund	100,000
7	IRS debt service rebate	7,004,300
8	Local bridge fund	30,598,300
9	Michigan transportation fund	1,480,983,700
10	Qualified airport fund	6,500,000
11	Rail freight fund	6,000,000
12	State aeronautics fund	16,418,600
13	State trunkline fund	1,001,865,300
14	Total other state restricted revenues	2,952,470,500
15	State general fund/general purpose	\$ 0
16	Sec. 102. DEBT SERVICE	
17	Airport safety and protection plan	\$ 4,617,000
18	Blue Water Bridge fund	7,105,100
19	Comprehensive transportation	18,244,500
20	Economic development	11,548,300
21	Local bridge fund	2,315,400
22	State trunkline	<u>185,109,100</u>
23	GROSS APPROPRIATION	\$ 228,939,400
24	Appropriated from:	
25	Federal revenues:	
26	Federal aid - transportation programs	37,783,300
27	Special revenue funds:	



1	Blue Water Bridge fund		7,105,100
2	Comprehensive transportation fund		18,244,500
3	Economic development fund		11,548,300
4	IRS debt service rebate		7,004,300
5	Local bridge fund		2,315,400
6	State aeronautics fund		4,617,000
7	State trunkline fund		140,321,500
8	State general fund/general purpose	\$	0
9	Sec. 103. COLLECTION, ENFORCEMENT, AND OTHER AGENCY		
10	SUPPORT SERVICES		
11	CTF grant to civil service commission	\$	200,000
12	CTF grant to department of attorney general		205,000
13	CTF grant to department of technology, management, and		
14	budget		45,500
15	CTF grant to department of treasury		12,700
16	CTF grant to legislative auditor general		39,000
17	MTF grant to department of environmental quality		1,345,900
18	MTF grant to department of state for collection of		
19	revenue and fees		20,000,000
20	MTF grant to department of treasury		2,701,700
21	MTF grant to legislative auditor general		315,800
22	SAF grant to civil service commission		150,000
23	SAF grant to department of attorney general		179,400
24	SAF grant to department of technology, management, and		
25	budget		34,600
26	SAF grant to department of treasury		73,400
27	SAF grant to legislative auditor general		30,300



1	STF grant to civil service commission	5,847,000
2	STF grant to department of attorney general	2,447,600
3	STF grant to department of state police	11,697,900
4	STF grant to department of technology, management, and	
5	budget.....	1,199,300
6	STF grant to department of treasury	169,800
7	STF grant to legislative auditor general	<u>733,500</u>
8	GROSS APPROPRIATION	\$ 47,428,400
9	Appropriated from:	
10	Special revenue funds:	
11	Comprehensive transportation fund	502,200
12	Michigan transportation fund	24,363,400
13	State aeronautics fund	467,700
14	State trunkline fund	22,095,100
15	State general fund/general purpose	\$ 0
16	Sec. 104. DEPARTMENTAL ADMINISTRATION AND SUPPORT	
17	Full-time equated unclassified positions	4.0
18	Full-time equated classified positions	247.3
19	Unclassified salaries--4.0 FTE positions	\$ 566,600
20	Asset management council	1,876,400
21	Business support services--42.0 FTE positions	6,595,600
22	Commission audit--29.3 FTE positions	3,367,500
23	Economic development and enhancement programs--10.0	
24	FTE positions.....	1,643,500
25	Finance, contracts, and support services--166.0 FTE	
26	positions.....	19,893,200
27	Property management	7,103,500



1	Worker's compensation	<u>1,619,000</u>
2	GROSS APPROPRIATION	\$ 42,665,300
3	Appropriated from:	
4	IDG for accounting service center user charges	4,039,300
5	Special revenue funds:	
6	Comprehensive transportation fund	1,551,300
7	Economic development fund	380,400
8	Michigan transportation fund	4,217,100
9	State aeronautics fund	702,400
10	State trunkline fund	31,774,800
11	State general fund/general purpose	\$ 0
12	Sec. 105. INFORMATION TECHNOLOGY	
13	Information technology services and projects	<u>\$ 33,465,900</u>
14	GROSS APPROPRIATION	\$ 33,465,900
15	Appropriated from:	
16	Federal revenues:	
17	Federal aid - transportation programs	520,500
18	Special revenue funds:	
19	Blue Water Bridge fund	55,300
20	Comprehensive transportation fund	225,100
21	Economic development fund	37,200
22	Michigan transportation fund	294,300
23	State aeronautics fund	175,600
24	State trunkline fund	32,157,900
25	State general fund/general purpose	\$ 0
26	Sec. 106. TRANSPORTATION PLANNING	
27	Full-time equated classified positions	130.0

1	Planning services--130.0 FTE positions	\$	37,510,200
2	Grants to regional planning councils		<u>488,800</u>
3	GROSS APPROPRIATION	\$	37,999,000
4	Appropriated from:		
5	Federal revenues:		
6	Federal aid - transportation programs		19,250,000
7	Special revenue funds:		
8	Comprehensive transportation fund		610,500
9	Michigan transportation fund		9,580,800
10	State aeronautics fund		15,000
11	State trunkline fund		8,542,700
12	State general fund/general purpose	\$	0
13	Sec. 107. DESIGN AND ENGINEERING SERVICES		
14	Full-time equated classified positions		1,390.3
15	Program development, delivery, and system operations--		
16	1,390.3 FTE positions	\$	<u>151,538,100</u>
17	GROSS APPROPRIATION	\$	151,538,100
18	Appropriated from:		
19	Federal revenues:		
20	Federal aid - transportation programs		23,529,800
21	Special revenue funds:		
22	Comprehensive transportation fund		187,100
23	Michigan transportation fund		12,281,400
24	State aeronautics fund		160,300
25	State trunkline fund		115,379,500
26	State general fund/general purpose	\$	0
27	Sec. 108. HIGHWAY MAINTENANCE		



1	Full-time equated classified positions	793.7	
2	State trunkline operations--793.7 FTE positions		\$ <u>317,593,400</u>
3	GROSS APPROPRIATION		\$ 317,593,400
4	Appropriated from:		
5	Special revenue funds:		
6	State trunkline fund		317,593,400
7	State general fund/general purpose		\$ 0
8	Sec. 109. ROAD AND BRIDGE PROGRAMS		
9	Cities and villages		\$ 495,278,500
10	County road commissions		888,822,100
11	Grants to local programs		33,000,000
12	Local agency wetland mitigation bank fund		100
13	Local bridge program		28,282,900
14	Local federal aid and road and bridge construction ...		278,400,300
15	Movable bridge		5,110,000
16	Rail grade crossing		3,000,000
17	Rail grade crossing - surface improvements		3,000,000
18	State trunkline federal aid and road and bridge		
19	construction		<u>1,150,941,800</u>
20	GROSS APPROPRIATION		\$ 2,885,835,700
21	Appropriated from:		
22	Federal revenues:		
23	Federal aid - transportation programs		1,061,767,600
24	Special revenue funds:		
25	Local funds		30,003,500
26	Blue Water Bridge fund		9,800,800
27	Local bridge fund		28,282,900



1	Michigan transportation fund	1,428,210,700
2	State trunkline fund	327,770,200
3	State general fund/general purpose	\$ 0
4	Sec. 110. BLUE WATER BRIDGE	
5	Full-time equated classified positions	41.0
6	Blue Water Bridge operations--41.0 FTE positions	\$ <u>6,471,400</u>
7	GROSS APPROPRIATION	\$ 6,471,400
8	Appropriated from:	
9	Special revenue funds:	
10	Blue Water Bridge fund	6,471,400
11	State general fund/general purpose	\$ 0
12	Sec. 111. TRANSPORTATION ECONOMIC DEVELOPMENT	
13	Forest roads	\$ 5,000,000
14	Rural county primary	7,779,800
15	Rural county urban system	2,500,000
16	Target industries/economic redevelopment	9,059,500
17	Urban county congestion	<u>7,779,800</u>
18	GROSS APPROPRIATION	\$ 32,119,100
19	Appropriated from:	
20	Special revenue funds:	
21	Economic development fund	32,119,100
22	State general fund/general purpose	\$ 0
23	Sec. 112. AERONAUTICS SERVICES	
24	Full-time equated classified positions	46.0
25	Air service program	\$ 250,000
26	Aviation services--46.0 FTE positions	<u>6,861,100</u>
27	GROSS APPROPRIATION	\$ 7,111,100



1	Appropriated from:		
2	Special revenue funds:		
3	State aeronautics fund		7,111,100
4	State general fund/general purpose	\$	0
5	Sec. 113. PUBLIC TRANSPORTATION SERVICES		
6	Full-time equated classified positions		36.0
7	Passenger transportation services--36.0 FTE positions	\$	<u>5,789,100</u>
8	GROSS APPROPRIATION	\$	5,789,100
9	Appropriated from:		
10	Federal revenues:		
11	Federal aid - transportation programs		972,100
12	Special revenue funds:		
13	Comprehensive transportation fund		4,817,000
14	State general fund/general purpose	\$	0
15	Sec. 114. LOCAL BUS TRANSIT		
16	Local bus operating	\$	189,750,000
17	Nonurban operating/capital		<u>28,027,900</u>
18	GROSS APPROPRIATION	\$	217,777,900
19	Appropriated from:		
20	Federal revenues:		
21	Federal aid - transportation programs		26,027,900
22	Special revenue funds:		
23	Local funds		2,000,000
24	Comprehensive transportation fund		189,750,000
25	State general fund/general purpose	\$	0
26	Sec. 115. INTERCITY PASSENGER AND FREIGHT		
27	Full-time equated classified positions		39.0

1	Detroit/Wayne County Port Authority	\$	100
2	Freight property management		1,000,000
3	Intercity services		8,060,000
4	Marine passenger service		400,000
5	Office of rail--39.0 FTE positions		6,483,400
6	Rail freight economic development		8,500,000
7	Rail operations and infrastructure		<u>114,959,600</u>
8	GROSS APPROPRIATION	\$	139,403,100
9	Appropriated from:		
10	Federal revenues:		
11	Federal aid - transportation programs		64,600,000
12	Special revenue funds:		
13	Local funds		260,000
14	Private funds		100,000
15	Comprehensive transportation fund		65,578,400
16	Intercity bus equipment and facility fund		100,000
17	Michigan transportation fund		2,036,000
18	Rail freight fund		6,000,000
19	State trunkline fund		728,700
20	State general fund/general purpose	\$	0
21	Sec. 116. PUBLIC TRANSPORTATION DEVELOPMENT		
22	Municipal credit program	\$	2,000,000
23	Service initiatives		3,389,200
24	Specialized services		17,938,900
25	Transit capital		59,403,500
26	Transportation to work		3,700,000
27	Van pooling		<u>195,000</u>

1	GROSS APPROPRIATION	\$	86,626,600
2	Appropriated from:		
3	Federal revenues:		
4	Federal aid - transportation programs		26,850,000
5	Special revenue funds:		
6	Local funds		5,760,000
7	Comprehensive transportation fund		54,016,600
8	State general fund/general purpose	\$	0
9	Sec. 117. CAPITAL OUTLAY		
10	(1) BUILDINGS AND FACILITIES		
11	Salt storage buildings and containment control	\$	2,500,000
12	Special maintenance, remodeling, and additions		3,001,500
13	GROSS APPROPRIATION		5,501,500
14	Appropriated from:		
15	State trunkline fund		5,501,500
16	State general fund/general purpose	\$	0
17	(2) AIRPORT IMPROVEMENT PROGRAMS		
18	Airport safety, protection and improvement program ...	\$	94,678,000
19	Detroit Metropolitan Wayne County Airport		6,500,000
20	GROSS APPROPRIATION		101,178,000
21	Appropriated from:		
22	Federal revenues:		
23	Federal aid - transportation programs		79,000,000
24	Special revenue funds:		
25	Local funds		12,508,500
26	Qualified airport fund		6,500,000
27	State aeronautics fund		3,169,500



1 State general fund/general purpose \$ 0

2 PART 2

3 PROVISIONS CONCERNING APPROPRIATIONS

4 FOR FISCAL YEAR 2017-2018

5 **GENERAL SECTIONS**

6 Sec. 201. Pursuant to section 30 of article IX of the state
 7 constitution of 1963, total state spending from state resources
 8 under part 1 for the fiscal year 2018 is \$2,952,470,500.00 and
 9 state spending from state resources to be paid to local units of
 10 government for fiscal year 2018 is \$1,729,747,200.00. The itemized
 11 statement below identifies appropriations from which spending to
 12 local units of government will occur:

13 **DEPARTMENT OF TRANSPORTATION**

14	Grants to regional planning councils	\$	488,800
15	Grants to local programs		33,000,000
16	Rail grade crossing		1,500,000
17	Rail grade crossing - surface improvements		3,000,000
18	Local bridge program		28,282,900
19	Local agency wetlands mitigation		100
20	Movable bridge		2,555,000
21	Cities and villages		495,278,500
22	County road commissions		888,822,100
23	Forest roads		5,000,000
24	Rural county primary		7,779,800
25	Rural county urban system		2,500,000
26	Urban county congestion		7,779,800



1	Air service program	250,000
2	Local bus operating	189,750,000
3	Detroit/Wayne County Port Authority	100
4	Marine passenger service	400,000
5	Municipal credit program	2,000,000
6	Specialized services	3,853,900
7	Service initiatives	1,283,200
8	Transit capital	42,853,500
9	Transportation to work	3,700,000
10	Airport safety, protection, and improvement program ..	3,169,500
11	Detroit Metropolitan Wayne County Airport	<u>6,500,000</u>
12	TOTAL	\$ 1,729,747,200

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

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

- 17 (a) "CTF" means comprehensive transportation fund.
18 (b) "Department" means the state transportation department.
19 (c) "Director" means the director of the department.
20 (d) "DOT" means the United States Department of
21 Transportation.
22 (e) "DOT-FHWA" means DOT, Federal Highway Administration.
23 (f) "FTE" means full-time equated.
24 (g) "IDG" means interdepartmental grant.
25 (h) "IRS" means the Internal Revenue Service.
26 (i) "MTF" means Michigan transportation fund.
27 (j) "SAF" means state aeronautics fund.



1 (k) "STF" means state trunkline fund.

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

8 Sec. 205. 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. 206. The director shall take all reasonable steps to
19 ensure businesses in deprived and depressed communities compete for
20 and perform contracts to provide services or supplies, or both.
21 Each director shall strongly encourage firms with which the
22 department contracts to subcontract with certified businesses in
23 depressed and deprived communities for services, supplies, or both.

24 Sec. 207. The departments and agencies receiving
25 appropriations in part 1 shall prepare a report on out-of-state
26 travel expenses not later than January 1 of each year. The travel
27 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 senate and house appropriations committees, the
5 house and senate fiscal agencies, and the state budget director.
6 The report shall include the following information:

7 (a) The dates of each travel occurrence.

8 (b) The transportation and related costs of each travel
9 occurrence, including the proportion funded with state general
10 fund/general purpose revenues, the proportion funded with state
11 restricted revenues, the proportion funded with federal revenues,
12 and the proportion funded with other revenues.

13 Sec. 208. Funds appropriated in part 1 shall not be used by a
14 principal executive department, state agency, or authority to hire
15 a person to provide legal services that are the responsibility of
16 the attorney general. This prohibition does not apply to legal
17 services for bonding activities and for those activities that the
18 attorney general authorizes.

19 Sec. 209. Not later than November 30, the state budget office
20 shall prepare and transmit a report that provides for estimates of
21 the total general fund/general purpose appropriation lapses at the
22 close of the prior 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 chairpersons of the senate and house of
26 representatives standing committees on appropriations and the
27 senate and house fiscal agencies.



1 Sec. 210. (1) In addition to the funds appropriated in part 1,
2 there is appropriated an amount not to exceed \$200,000,000.00 for
3 federal contingency funds. These funds are not available for
4 expenditure until they have been transferred to another line item
5 in part 1 pursuant to section 393(2) of the management and budget
6 act, 1984 PA 431, MCL 18.1393.

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

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

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

25 Sec. 211. The department shall cooperate with the department
26 of technology, management, and budget to maintain a searchable
27 website accessible by the public at no cost that includes, but is



1 not limited to, all of the following:

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

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

4 (c) Fiscal year-to-date payments to a selected vendor,
5 including the vendor name, payment date, payment amount, and
6 payment description.

7 (d) The number of active department employees by job
8 classification.

9 (e) Job specifications and wage rates.

10 Sec. 212. Within 14 days after the release of the executive
11 budget recommendation, the department shall cooperate with the
12 state budget office to provide the senate and house appropriations
13 chairs, the senate and house appropriations subcommittees on
14 transportation, respectively, and the senate and house fiscal
15 agencies with an annual report on estimated state restricted fund
16 balances, state restricted fund projected revenues, and state
17 restricted fund expenditures for the fiscal years ending September
18 30, 2017 and September 30, 2018.

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

23 Sec. 214. Total authorized appropriations from all sources
24 under part 1 for legacy costs for the fiscal year ending September
25 30, 2018 are \$63,943,300.00. From this amount, total agency
26 appropriations for pension-related legacy costs are estimated at
27 \$32,905,600.00. Total agency appropriations for retiree health care



1 legacy costs are estimated at \$31,037,700.00.

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

5 Sec. 217. The department shall provide notice to the speaker
6 of the house, the house minority leader, the senate majority
7 leader, the senate minority leader, the house and senate standing
8 committees on transportation, the appropriate house and senate
9 appropriations subcommittees on transportation, and the house and
10 senate fiscal agencies on proposed federal rule changes related to
11 the department that would require amendments to the laws of this
12 state. The notice shall be given within 30 business days of the
13 proposed federal rule being posted to the federal register and
14 shall include a description of the proposed federal rule, the
15 publication date, the date when public comment closes, the document
16 citation, and a description of the statutory changes needed when
17 the rule is finalized.

18 Sec. 270. In order to reduce costs and maintain quality, it is
19 the intent of the legislature that, excluding the fleet of motor
20 vehicles for the department of state police, the department will
21 prioritize the utilization of remanufactured parts as the primary
22 means of maintenance and repair for the state of Michigan's fleet
23 of motor vehicles.

24 **DEPARTMENTAL ADMINISTRATION AND SUPPORT**

25 Sec. 301. (1) The department may establish a fee schedule and
26 collect fees sufficient to cover the costs to issue the permits



1 that the department is authorized by law to issue upon request,
2 unless otherwise stipulated by law. All permit fees are
3 nonrefundable application fees and shall be credited to the
4 appropriate fund to recover the direct and indirect costs of
5 receiving, reviewing, and processing the requests.

6 (2) A bridge authority shall hold 3 public hearings on an
7 increase in any toll charged by the authority at least 30 days
8 before the toll change will become effective. Two of the hearings
9 shall be held within 5 miles of the bridge over which the bridge
10 authority has jurisdiction. One hearing shall be held in Lansing.
11 Public hearings held under this section shall be conducted in
12 accordance with the open meetings act, 1976 PA 267, MCL 15.261 to
13 15.275, and shall be conducted so as to provide a reasonable
14 opportunity for public comment, including both spoken and written
15 comments.

16 Sec. 304. If, as a requirement of bidding on a highway
17 project, the department requires a contractor to submit financial
18 or proprietary documentation as to how the bid was calculated, that
19 bid documentation shall be kept confidential and shall not be
20 disclosed other than to a department representative without the
21 contractor's written consent. The department may disclose the bid
22 documentation if necessary to address or defend a claim by a
23 contractor.

24 Sec. 305. (1) The department may permit space on public
25 passenger transportation properties to be occupied by public or
26 private tenants on a competitive market rate basis. The department
27 shall require that revenue from the tenants be placed in an account



1 to be used to pay the costs to maintain and improve the property.

2 (2) The department shall charge public transit agencies and
3 intercity bus carriers equal rates per square foot for leasing
4 space in state-owned intermodal facilities.

5 Sec. 306. (1) The amounts appropriated in part 1 to support
6 tax and fee collection, law enforcement, and other program services
7 provided to the department and to transportation funds by other
8 state departments shall be expended from transportation funds
9 pursuant to annual contracts between the department and those other
10 state departments. The contracts shall be executed prior to the
11 expenditure or obligation of those funds. The contracts shall
12 provide, but are not limited to, the following data applicable to
13 each state department:

14 (a) Estimated costs to be recovered from transportation funds.

15 (b) Description of services provided to the department and/or
16 transportation funds and financed with transportation funds.

17 (c) Detailed cost allocation methods appropriate to the type
18 of services being provided and the activities financed with
19 transportation funds.

20 (2) Not later than 2 months after publication of the state of
21 Michigan comprehensive annual financial report, each state
22 department receiving funding pursuant to an interdepartment
23 contract with the department shall submit a written report to the
24 department, the state budget director, and the house and senate
25 fiscal agencies stating by spending authorization account the
26 amount of estimated funds contracted with the department, the
27 amount of funds expended, the amount of funds returned to the



1 transportation funds, and any unreimbursed transportation-related
2 costs incurred but not billed to transportation funds. A copy of
3 the report shall be submitted to the auditor general, and the
4 report shall be subject to audit.

5 (3) The auditor general shall use a risk-based approach in
6 developing an audit program for the use of transportation funds.

7 Sec. 307. Before March 1 of each year, the department will
8 provide to the legislature, the state budget office, and the house
9 and senate fiscal agencies its rolling 5-year plan listing by
10 county or by county road commission all highway construction
11 projects for the fiscal year and all expected projects for the
12 ensuing fiscal years.

13 Sec. 310. The department shall provide in a timely manner
14 copies of the agenda and approved minutes of monthly transportation
15 commission meetings to the members of the house and senate
16 appropriations subcommittees on transportation, the house and
17 senate fiscal agencies, and the state budget director.

18 Sec. 313. (1) From funds appropriated in part 1, the
19 department may increase a state infrastructure bank program and
20 grant or loan funds in accordance with regulations of the state
21 infrastructure bank program of the United States Department of
22 Transportation. The state infrastructure bank is to be administered
23 by the department for the purpose of providing a revolving, self-
24 sustaining resource for financing transportation infrastructure
25 projects.

26 (2) In addition to funds provided in subsection (1), money
27 received by the state as federal grants, repayment of state



1 infrastructure bank loans, or other reimbursement or revenue
2 received by the state as a result of projects funded by the program
3 and interest earned on that money shall be deposited in the
4 revolving state infrastructure bank fund and shall be available for
5 transportation infrastructure projects. At the close of the fiscal
6 year, any unencumbered funds remaining in the state infrastructure
7 bank fund shall remain in the fund and be carried forward into the
8 succeeding fiscal year.

9 (3) The department shall submit a report to the state budget
10 director, the house and senate appropriations subcommittees on
11 transportation, and the house and senate fiscal agencies on the
12 status of the state infrastructure bank. The report shall be
13 submitted on or before December 1, 2017. The report shall include
14 all of the following:

15 (a) The balance in the state infrastructure bank at September
16 30, 2017, including a breakdown of the balance by cash and cash
17 equivalents, outstanding loans, and balance available for loan to
18 local agencies.

19 (b) A breakdown of the state infrastructure loan balance by
20 amounts designated as originating from federal sources and the
21 amounts originating from nonfederal sources.

22 (c) A list of outstanding loans by agency, original loan
23 amount, project description, loan term, and amount outstanding.

24 Sec. 353. The department shall review its contractor payment
25 process and ensure that all prime contractors are paid promptly.
26 The department shall ensure that prime contractors are in
27 compliance with special provision 109.10 regarding the prompt



1 payment of subcontractors.

2 Sec. 357. When presented with complete local federal aid
3 project submittals, the department shall complete all necessary
4 reviews and inspections required to let local federal aid projects
5 within 120 days of receipt. The department shall implement a system
6 for monitoring the local federal aid project review process.

7 Sec. 375. The department is prohibited from reimbursing
8 contractors or consultants for costs associated with groundbreaking
9 ceremonies, receptions, open houses, or press conferences related
10 to transportation projects funded, in whole or in part, by revenue
11 appropriated in part 1.

12 Sec. 376. The department shall not spend funds appropriated in
13 part 1 for the purpose of examining the potential association
14 between commercial signs, outdoor advertising signs, billboards,
15 digital billboards, or commercial electronic variable message signs
16 and motor vehicle activity or motor vehicle driver behavior.

17 Sec. 381. The department shall require as a condition of each
18 contract or subcontract for construction, maintenance, or
19 engineering services that the prequalified contractor or
20 prequalified subcontractor agree to use the E-Verify system to
21 verify that all persons hired during the contract term by the
22 contractor or subcontractor are legally present and authorized to
23 work in the United States. The department may verify this
24 information directly or may require contractors and subcontractors
25 to verify the information and submit a certification to the
26 department. The department shall report to the house and senate
27 appropriations committees and the house and senate fiscal agencies



1 by March 1 of each year describing the processes it has developed
2 and implemented under provisions of this section. As used in this
3 section, "E-Verify" means an internet-based system operated by the
4 Department of Homeland Security, U.S. Citizenship and Immigration
5 Services in partnership with the Social Security Administration.

6 Sec. 382. In administering a contract with a county road
7 commission, city, or village that allocates costs of construction
8 or reconstruction of highways, roads, and streets as provided in
9 section 18d of 1951 PA 51, MCL 247.668d, the department shall
10 submit the final cost-sharing bill to the county road commission,
11 city, or village not later than 2 years after the date of the final
12 contract payment to the construction contractor.

13 Sec. 383. (1) The department shall prepare a report on use of
14 department-owned aircraft during the fiscal year ending September
15 30, 2017. With respect to each department-owned aircraft, the
16 report shall include all of the following:

17 (a) Total hours of usage.

18 (b) Description of specific flights including dates of travel,
19 names of passengers including state agency, university, or local
20 government affiliation, travel origin and destination, and total
21 estimated costs associated with the air travel.

22 (2) The report shall be submitted to the senate and house
23 appropriations subcommittees on transportation and the house and
24 senate fiscal agencies no later than February 1, 2018.

25 (3) The department shall maintain a system for recovering the
26 cost of operating department-owned aircraft through charges to
27 aircraft users.



1 (4) From the funds appropriated in part 1, the department is
2 prohibited from transporting legislators or legislative staff on
3 state-owned aircraft without prior approval from the senate
4 majority leader or the speaker of the house of representatives and
5 only when the aircraft is already scheduled by state agencies on
6 related official state business.

7 Sec. 384. (1) Except as otherwise provided in subsection (2),
8 the department shall not obligate the state to expend any state
9 transportation revenue for construction planning or construction of
10 the Detroit River International Crossing or a renamed successor. In
11 addition, except as provided in subsection (2), the department
12 shall not commit the state to any new contract related to the
13 construction planning or construction of the Detroit River
14 International Crossing or a renamed successor that would obligate
15 the state to expend any state transportation revenue. An
16 expenditure for staff resources used in connection with project
17 activities, which expenditure is subject to full and prompt
18 reimbursement from Canada, shall not be considered an expenditure
19 of state transportation revenue.

20 (2) If the legislature enacts specific enabling legislation
21 for the construction of the Detroit River International Crossing or
22 a renamed successor, subsection (1) does not apply once the
23 enabling legislation goes into effect.

24 Sec. 385. (1) The department shall submit reports to the state
25 budget director, the speaker of the house, the house minority
26 leader, the senate majority leader, the senate minority leader, the
27 house and senate appropriations subcommittees on transportation,



1 and the house and senate fiscal agencies on department activities
2 related to all nonconstruction or construction planning activities
3 related to the Detroit River International Crossing or a renamed
4 successor. The initial report shall be submitted on or before
5 December 1, 2017 and shall cover the fiscal year ending September
6 30, 2017.

7 (2) The initial report shall include, at a minimum, all of the
8 following:

9 (a) Department costs incurred in the fiscal year ending
10 September 30, 2017, including employee salaries, wages, benefits,
11 travel, and contractual services, and what activities those costs
12 were related to.

13 (b) Costs of other executive branch agencies incurred in the
14 fiscal year ending September 30, 2017, including employee salaries,
15 wages, benefits, travel, and contractual services, and what
16 activities those costs were related to.

17 (c) A breakdown of the source of funds used for the activities
18 described in subdivisions (a) and (b).

19 (d) A breakdown of reimbursements made by Canada under section
20 384(1) to the state for expenditures for staff resources used in
21 connection with project activities.

22 (e) A narrative description of the status of the Detroit River
23 International Crossing or a renamed successor, including efforts
24 undertaken to implement provisions of the crossing agreement
25 executed June 15, 2012 by representatives of the Canadian
26 government and this state.

27 (3) After submission of the initial report, a subsequent



1 report shall be submitted on March 1, 2018, June 1, 2018, and
2 September 1, 2018 and shall include the same information described
3 in subsection (2) for the applicable previous fiscal quarter.

4 Sec. 386. (1) The department shall use all available toll
5 credits, as provided by public and private toll facilities in this
6 state and certified by the Federal Highway Administration, to match
7 available federal aid highway funds.

8 (2) In using toll credits as a method of financing federal
9 participating projects, the department shall use toll credits in
10 the following order of priority:

11 (a) Federal aid projects on roads and streets under the
12 jurisdiction of local road agencies.

13 (b) State trunkline projects within cities with a population
14 greater than 25,000 in order to limit the city cost share under
15 section 1c of 1951 PA 51, MCL 247.651c.

16 (c) Other federal aid highway projects on the state trunkline
17 system.

18 (d) Federal aid transit projects.

19 (3) In implementing this section, the department shall work
20 with the metropolitan planning commissions in this state.

21 Sec. 393. (1) The department shall promote best practices for
22 public transportation services in this state, including, but not
23 limited to, the following:

24 (a) Transit vehicle rehabilitation to reduce life-cycle cost
25 of public transportation through midlife rehabilitation of transit
26 buses.

27 (b) Cooperation between entities using transit, including



1 school districts, cities, townships, and counties with a view to
2 promoting cost savings through joint purchasing of fuel and other
3 procurements.

4 (c) Coordination of transportation dollars among state
5 departments which provide transit-related services, including the
6 department of health and human services. Priority should be given
7 to use of public transportation services where available.

8 (d) Promotion of intelligent transportation services for buses
9 that incorporate computer and navigation technology to make transit
10 systems more efficient, including stoplight coordinating, vehicle
11 tracking, data tracking, and computerized scheduling.

12 (2) The department shall report on efforts taken to implement
13 this section as well as section 393 of article XVII of 2011 PA 63.
14 The department shall complete and submit the report to the state
15 budget director, the house and senate appropriations subcommittees
16 on transportation, and the house and senate fiscal agencies on or
17 before March 1, 2018.

18 Sec. 394. The department and local road agencies shall make
19 the preservation of their existing road networks a funding
20 priority.

21 Sec. 395. From the funds appropriated in part 1 for state
22 trunkline federal aid road and bridge construction, the department
23 may expend up to \$10,000,000.00 on highway maintenance activities
24 to support safety-related, high-priority, and other deferred
25 routine maintenance needs on Michigan's state trunkline network.

26 **FEDERAL**



1 Sec. 402. A portion of the federal DOT-FHWA highway research,
2 planning, and construction funds made available to this state shall
3 be allocated to transportation programs administered by local
4 jurisdictions in accordance with section 10o of 1951 PA 51, MCL
5 247.660o. A local road agency, with respect to a project approved
6 for federal aid funding in a state transportation improvement
7 program, may enter into a voluntary buyout agreement with the
8 department or with another local road agency to exchange the
9 federal aid with state restricted transportation funds as agreed to
10 by the respective parties. The state restricted transportation
11 funds received in exchange for federal aid funds shall be used for
12 the same purpose as the federal aid funds were originally intended.

13 **MICHIGAN TRANSPORTATION FUND**

14 Sec. 501. The money received under the motor carrier act, 1933
15 PA 254, MCL 475.1 to 479.42, and not appropriated to the department
16 of licensing and regulatory affairs or the department of state
17 police is deposited in the Michigan transportation fund.

18 Sec. 503. (1) The funds appropriated in part 1 for the
19 economic development and local bridge programs shall not lapse at
20 the end of the fiscal year but shall carry forward each fiscal year
21 for the purposes for which appropriated in accordance with 1987 PA
22 231, MCL 247.901 to 247.913, and section 10(5) of 1951 PA 51, MCL
23 247.660.

24 (2) Interest earned in the department of transportation
25 economic development fund and local bridge fund shall remain in the
26 respective funds and shall be allocated to the respective programs



1 based on actual interest earned at the end of each fiscal year.

2 (3) In addition to the funds appropriated in part 1, the
3 department of transportation economic development fund and local
4 bridge fund may receive federal, local, or private funds or
5 restricted source funds such as interest earnings. These funds are
6 appropriated for projects that are consistent with the purposes of
7 the respective funds.

8 (4) None of the funds statutorily dedicated to the
9 transportation economic development fund and local bridge fund
10 shall be diverted to other projects.

11 Sec. 504. Funds from the Michigan transportation fund shall be
12 distributed to the comprehensive transportation fund, the economic
13 development fund, the recreation improvement fund, and the state
14 trunkline fund, in accordance with this part and part 1 and part
15 711 of the natural resources and environmental protection act, 1994
16 PA 451, MCL 324.71101 to 324.71108, and may only be used as
17 specified in this part and part 1, 1951 PA 51, MCL 247.651 to
18 247.675, and part 711 of the natural resources and environmental
19 protection act, 1994 PA 451, MCL 324.71101 to 324.71108.

20 **STATE TRUNKLINE FUND**

21 Sec. 601. The department shall maintain documentation to
22 support initial acceptance of warrantied projects, interim and
23 final inspections, and notifications to contractors that the
24 warranty period had expired. The department also shall review and
25 evaluate consultant evaluation requirements or recommendations and
26 update existing policies and procedures accordingly.



1 Sec. 604. At the close of the fiscal year, any unencumbered
2 and unexpended balance in the state trunkline fund shall remain in
3 the state trunkline fund and shall carry forward and is
4 appropriated for federal aid road and bridge programs for projects
5 contained in the annual state transportation program.

6 Sec. 605. (1) From the increased funds appropriated in part 1
7 for highway maintenance, the department shall expand highway
8 maintenance activities in the current fiscal year to support
9 flooding mitigation-related activities on limited access state
10 trunklines in Wayne, Oakland, and Macomb Counties, as well as other
11 safety-related, high-priority, and deferred routine maintenance
12 needs on Michigan's state trunkline network.

13 (2) The department shall identify specific outcomes and
14 performance measures, including, but not limited to, the following:

15 (a) Number of drainage catch basins cleaned on limited-access
16 state trunklines in Wayne, Oakland, and Macomb Counties during the
17 fiscal year ending September 30, 2018.

18 (b) Number of flooding-related closures on limited-access
19 state trunklines in Wayne, Oakland, and Macomb Counties during the
20 fiscal year ending September 30, 2018.

21 Sec. 612. The department shall establish guidelines governing
22 incentives and disincentives provided under contracts for state
23 trunkline projects. The guidelines shall include specific financial
24 information concerning incentives and disincentives. On or before
25 January 1 of each year, the department shall prepare a report for
26 the immediately preceding fiscal year regarding contract incentives
27 and disincentives. This report shall include a list, by project, of



1 the contractors that received contract incentives and/or
2 disincentives, the amount of the incentives and/or disincentives,
3 the fund source of any incentives, and the number of days that each
4 project was completed either ahead or past the contracted
5 completion date. This report shall be provided to the senate and
6 house appropriations subcommittees on transportation, the senate
7 and house standing committees on transportation, and the senate and
8 house fiscal agencies.

9 Sec. 613. (1) On or before February 1 of each year, the
10 department shall prepare a report on all capital federal aid
11 participating construction projects completed in the prior fiscal
12 year. The report shall include the following information:

- 13 (a) Location of the project.
- 14 (b) General description of the project.
- 15 (c) As-bid cost of the project.
- 16 (d) As-built cost of the project.
- 17 (e) Estimated completion date.
- 18 (f) Actual completion date.
- 19 (g) Whether design engineering was performed by department
20 staff or contract engineering consultants.
- 21 (h) Design engineering costs.
- 22 (i) Whether construction engineering was performed by
23 department staff or contract engineering consultants.
- 24 (j) Construction engineering costs.

25 (2) The report shall include a discussion of design
26 engineering and construction engineering costs as a proportion of
27 total project costs and in comparison with other state



1 transportation agencies. The report shall also include a discussion
2 of relative efficiency and effectiveness of work performed by
3 department staff and work performed by contract engineering
4 consultants.

5 (3) The report described in this section shall be provided to
6 the senate and house appropriations subcommittees on
7 transportation, the senate and house standing committees on
8 transportation, and the senate and house fiscal agencies.

9 Sec. 660. (1) The legislature encourages the department to
10 examine the use of alternative road surface materials, including
11 recycled materials, and to develop criteria and specifications for
12 their use in both department-managed and contracted projects.

13 (2) The department shall report on efforts taken to implement
14 this section. The report shall include descriptions of specific
15 materials evaluated, evaluation methods, and results of specific
16 field or laboratory tests. The department shall complete and submit
17 the report to the state budget director, the house and senate
18 appropriations subcommittees on transportation, and the house and
19 senate fiscal agencies on or before March 1 of each year.

20 **TRANSIT AND RAIL RELATED FUNDS**

21 Sec. 701. The department shall establish an intercity bus
22 equipment and facility fund as a subsidiary fund within the
23 comprehensive transportation fund created under section 10b of 1951
24 PA 51, MCL 247.660b. Proceeds received by this state from the sale
25 of state-owned intercity bus equipment shall be credited to the
26 intercity bus equipment and facility fund for the purchase and



1 repair of intercity bus equipment, as appropriated. Security
2 deposits not returned to a lessee of state-owned intercity bus
3 equipment under terms of the lease agreement shall be credited to
4 the intercity bus equipment and facility fund for the repair of
5 intercity bus equipment, as appropriated. Money received by the
6 department from lease payments for state-owned intercity bus
7 equipment, and facility maintenance charges under terms of leases
8 of state-owned intercity facilities, shall be credited to the
9 intercity bus equipment and facility fund for the purchase and
10 repair of intercity bus equipment or for the maintenance and
11 rehabilitation of state-owned intercity facilities, as
12 appropriated. At the close of the fiscal year, any funds remaining
13 in the intercity bus equipment and facility fund shall remain in
14 the fund and be carried forward into the succeeding fiscal year.

15 Sec. 702. Money that is received by this state as repayment
16 for loans made for rail or water freight capital projects, and as a
17 result of the sale of property or equipment used or projected to be
18 used for rail or water freight projects shall be deposited in the
19 rail freight fund created by section 17 of the state transportation
20 preservation act of 1976, 1976 PA 295, MCL 474.67. At the close of
21 the fiscal year, any funds remaining in the rail freight fund shall
22 remain in the fund and be carried forward into the succeeding
23 fiscal year.

24 Sec. 703. After receiving notification from a railroad company
25 pursuant to section 8 of the state transportation preservation act
26 of 1976, 1976 PA 295, MCL 474.58, the department shall immediately
27 notify the house of representatives and senate appropriations



1 subcommittees on transportation and the state budget office that
2 the railroad company has filed with the appropriate governmental
3 agencies for abandonment of a line.

4 Sec. 704. From the funds appropriated in part 1, the
5 department shall prepare and transmit a report that provides detail
6 regarding the department's obligations for programs funded under
7 the appropriation in part 1 for rail operations and infrastructure.
8 The report shall include a breakdown of the appropriation by
9 program, year-to-date obligations under each program itemized by
10 project, and an estimate of future obligations under each program
11 itemized by project for the remainder of the fiscal year. The
12 initial report shall be submitted to the senate and house
13 appropriations subcommittees on transportation, and the senate and
14 house fiscal agencies, on or before February 1, 2018. The
15 department also shall update and resubmit the final report on or
16 before November 1, 2018.

17 Sec. 706. The Detroit/Wayne County Port Authority shall issue
18 a complete operations assessment and a financial disclosure
19 statement. The operations assessment shall include operational
20 goals for the next 5 years and recommendations to improve land
21 acquisition and development efficiency. The report shall be
22 completed and submitted to the house of representatives and senate
23 appropriations subcommittees on transportation, the state budget
24 director, and the house and senate fiscal agencies by June 30 of
25 each fiscal year for the prior fiscal year.

26 Sec. 711. (1) As prescribed in subsection (2), the department
27 shall submit reports to the state budget director, the house and



1 senate appropriations subcommittees on transportation, and the
2 house and senate fiscal agencies on rail passenger service provided
3 by Amtrak under a contractual agreement with the department. The
4 report shall be submitted on or before May 1 of each year.

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

6 (a) Passenger counts for the preceding fiscal year for each
7 Amtrak service route in Michigan.

8 (b) Revenue and operating expenses by Amtrak route.

9 (c) Total state operating payments to Amtrak in the preceding
10 fiscal year by Amtrak route.

11 (d) A discussion of major factors affecting route costs and
12 revenue and net state costs in the preceding fiscal year, and
13 factors affecting route costs and revenue and net state costs
14 anticipated in the current and future fiscal years.

15 (e) Fare revenue by route and fare revenue as a percentage of
16 route operating expense.

17 Sec. 712. The part 1 appropriation for rail freight economic
18 development shall be used for projects related to the preservation
19 and enhancement of state-owned rail property or for rail freight
20 economic development projects. As used in this section, "state-
21 owned rail property" and "rail freight economic development
22 projects" do not include projects on the state-owned rail line
23 between Dearborn, Michigan and Kalamazoo, Michigan or projects
24 related to the Detroit-Chicago high-speed rail corridor.

25 Sec. 735. For the fiscal year ending September 30, 2017, the
26 appropriation to a street railway pursuant to section 10e(22) of
27 1951 PA 51, MCL 247.660e, is \$0.



1 AERONAUTICS FUND

2 Sec. 801. Except as otherwise provided in section 903 for
3 capital outlay, at the close of the fiscal year, any unobligated
4 and unexpended balance in the state aeronautics fund created in the
5 aeronautics code of the state of Michigan, 1945 PA 327, MCL 259.1
6 to 259.208, shall lapse to the state aeronautics fund and be
7 appropriated by the legislature in the immediately succeeding
8 fiscal year.

9 Sec. 802. The legislature encourages the department to find
10 private entities or local public agencies to assume ownership and
11 operating responsibility for airports currently owned by the
12 department.

13 Sec. 803. Within the fiscal year ending September 30, 2018,
14 the department shall sell 1 of 2 Beechcraft King Air Twin Engine
15 Turbo Prop airplanes and 1 of 2 Beechcraft Baron airplanes.
16 Proceeds from the sales shall be credited to the state aeronautics
17 fund.

18 CAPITAL OUTLAY

19 Sec. 901. (1) From federal-state-local project appropriations
20 contained in part 1 for the purpose of assisting political entities
21 and subdivisions of this state in the construction and improvement
22 of publicly used airports and landing fields within this state, the
23 state transportation department may permit the award of contracts
24 on behalf of units of local government for the authorized locations
25 not to exceed the indicated amounts, of which the state allocated
26 portion shall not exceed the amount appropriated in part 1.



1 (2) Political entities and subdivisions shall provide not less
2 than 5% of the cost of any project under this section, unless a
3 total nonfederal share greater than 10% is otherwise specified in
4 federal law. State money shall not be allocated until local money
5 is allocated. State money for any 1 project shall not exceed 1/3 of
6 the total appropriation in part 1 from state funds for airport
7 improvement programs.

8 (3) The Michigan aeronautics commission may take those steps
9 necessary to match federal money available for airport construction
10 and improvement within this state and to meet the matching
11 requirements of the federal government. Whether acting alone or
12 jointly with another political subdivision or public agency or with
13 this state, a political subdivision or public agency of this state
14 shall not submit to any agency of the federal government a project
15 application for airport planning or development unless it is
16 authorized in this part and part 1 and the project application is
17 approved by the governing body of each political subdivision or
18 public agency making the application and by the Michigan
19 aeronautics commission.

20 Sec. 903. The appropriations in part 1 for capital outlay
21 shall be carried forward at the end of the fiscal year consistent
22 with the provisions of section 248 of the management and budget
23 act, 1984 PA 431, MCL 18.1248.

24

PART 2A

25

PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS



FOR FISCAL YEAR 2018-2019

1
2
3
4
5
6
7
8
9
10
11

GENERAL SECTIONS

Sec. 1201. It is the intent of the legislature to provide appropriations for the fiscal year ending on September 30, 2019 for the line items listed in part 1. The fiscal year 2018-2019 appropriations are anticipated to be the same as those for fiscal year 2017-2018, 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 2018 consensus revenue estimating conference.

