

**SUBSTITUTE FOR
HOUSE BILL NO. 5578**

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, 2019; to provide for certain conditions on appropriations; and to provide for the expenditure of the appropriations.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

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ARTICLE I

DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of agriculture and rural development for the fiscal year ending

House Bill No. 5578 as amended April 24, 2018
September 30, 2019, from the following funds:

DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT

APPROPRIATION SUMMARY

4	Full-time equated unclassified positions	6.0	
5	Full-time equated classified positions	502.5	
6	GROSS APPROPRIATION.....		\$ [102,968,000]
7	Interdepartmental grant revenues:		
8	IDG from LARA (LCC), liquor quality testing fees.....		223,700
9	IDG from MDEQ, biosolids.....		90,200
10	Total interdepartmental grants and intradepartmental		
11	transfers		313,900
12	ADJUSTED GROSS APPROPRIATION.....		\$ [102,654,100]
13	Federal revenues:		
14	Department of interior.....		238,800
15	EPA, multiple grants.....		1,277,300
16	HHS, multiple grants.....		4,140,500
17	USDA, multiple grants.....		6,118,600
18	Total federal revenues.....		11,775,200
19	Special revenue funds:		
20	Private - commodity group revenue.....		80,500
21	Private - slow-the-spread foundation.....		21,300
22	Total private revenues.....		101,800
23	Agricultural preservation fund.....		1,442,500
24	Agriculture equine industry development fund.....		3,667,200
25	Agriculture licensing and inspection fees.....		4,110,200
26	Animal welfare fund.....		150,000
27	Commodity inspection fees.....		650,000

House Bill No. 5578 as amended April 24, 2018

1	Consumer and industry food safety education fund.....	356,500
2	Dairy and food safety fund.....	5,978,900
3	Feed control fund.....	1,305,400
4	Fertilizer control fund.....	1,095,600
5	Freshwater protection fund.....	7,940,700
6	Gasoline inspection and testing fund.....	1,444,400
7	Grain dealers fee fund.....	589,800
8	Horticulture fund.....	40,000
9	Industry support funds.....	486,100
10	Migratory labor housing fund.....	169,100
11	Nonretail liquor fees.....	917,200
12	Private forestland enhancement fund.....	481,500
13	Refined petroleum fund.....	3,316,800
14	Rural development fund.....	2,004,600
15	Testing fees.....	200,000
16	Weights and measures regulation fees.....	725,500
17	Total other state restricted revenues.....	37,072,000
18	State general fund/general purpose.....	\$ [53,705,100]
19	Sec. 102. DEPARTMENTWIDE	
20	Full-time equated unclassified positions6.0	
21	Full-time equated classified positions24.0	
22	Unclassified positions--6.0 FTE positions.....	\$ 573,500
23	Accounting service center.....	1,164,200
24	Commissions and boards.....	23,800
25	Emergency management--4.0 FTE positions.....	1,093,300
26	Executive direction--20.0 FTE positions.....	2,561,900
27	Property management.....	<u>705,700</u>

1	GROSS APPROPRIATION.....	\$	6,122,400
2	Appropriated from:		
3	Federal revenues:		
4	HHS, multiple grants.....		438,100
5	Special revenue funds:		
6	Agricultural preservation fund.....		16,600
7	Agriculture licensing and inspection fees.....		127,500
8	Freshwater protection fund.....		24,500
9	Industry support funds.....		54,300
10	Nonretail liquor fees.....		31,000
11	State general fund/general purpose.....	\$	5,430,400
12	Sec. 103. INFORMATION AND TECHNOLOGY		
13	Information technology services and projects.....	\$	<u>1,794,500</u>
14	GROSS APPROPRIATION.....	\$	1,794,500
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.....	\$	1,603,700
26	Sec. 104. FOOD AND DAIRY		
27	Full-time equated classified positions		134.0

1	Food safety and quality assurance--96.0 FTE positions.	\$	16,602,900
2	Milk safety and quality assurance--38.0 FTE positions.		<u>5,739,900</u>
3	GROSS APPROPRIATION.....	\$	22,342,800
4	Appropriated from:		
5	Federal revenues:		
6	HHS, multiple grants.....		2,398,600
7	USDA, multiple grants.....		137,100
8	Special revenue funds:		
9	Consumer and industry food safety education fund.....		356,500
10	Dairy and food safety fund.....		5,421,500
11	State general fund/general purpose.....	\$	14,029,100
12	Sec. 105. ANIMAL INDUSTRY		
13	Full-time equated classified positions		61.0
14	Animal agriculture initiative.....	\$	400,000
15	Animal disease prevention and response--61.0 FTE		
16	positions		9,356,900
17	Indemnification - livestock depredation.....		<u>50,000</u>
18	GROSS APPROPRIATION.....	\$	9,806,900
19	Appropriated from:		
20	Federal revenues:		
21	Department of interior.....		40,800
22	HHS, multiple grants.....		46,600
23	USDA, multiple grants.....		530,600
24	Special revenue funds:		
25	Private - commodity group revenue.....		30,500
26	Agriculture licensing and inspection fees.....		70,300
27	Animal welfare fund.....		150,000

1	State general fund/general purpose.....	\$	8,938,100
2	Sec. 106. PESTICIDE AND PLANT PEST MANAGEMENT		
3	Full-time equated classified positions		93.0
4	Pesticide and plant pest management--87.0 FTE		
5	positions	\$	13,772,700
6	Producer security/grain dealers--6.0 FTE positions....		<u>628,200</u>
7	GROSS APPROPRIATION.....	\$	14,400,900
8	Appropriated from:		
9	Federal revenues:		
10	Department of interior.....		101,700
11	EPA, multiple grants.....		543,000
12	HHS, multiple grants.....		325,300
13	USDA, multiple grants.....		716,900
14	Special revenue funds:		
15	Private - slow-the-spread foundation.....		21,300
16	Agriculture licensing and inspection fees.....		3,481,900
17	Commodity inspection fees.....		648,900
18	Feed control fund.....		1,116,200
19	Fertilizer control fund.....		1,071,600
20	Freshwater protection fund.....		156,200
21	Grain dealers fee fund.....		581,800
22	Horticulture fund.....		40,000
23	Industry support funds.....		251,400
24	State general fund/general purpose.....	\$	5,344,700
25	Sec. 107. ENVIRONMENTAL STEWARDSHIP		
26	Full-time equated classified positions		65.5
27	Environmental stewardship - MAEAP--25.0 FTE positions.	\$	10,191,200

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1	Farmland and open space preservation--10.0 FTE	
2	positions	1,545,000
3	Intercounty drain--6.0 FTE positions.....	811,900
4	Migrant labor housing--9.0 FTE positions.....	1,231,100
5	Qualified forest program--9.0 FTE positions.....	2,190,000
6	Right-to-farm--6.5 FTE positions.....	964,000
7	Watershed phosphorus removal pilot project.....	120,000
8	[_____]
9	GROSS APPROPRIATION.....	\$ [17,053,200]
10	Appropriated from:	
11	Interdepartmental grant revenues:	
12	IDG from MDEQ, biosolids.....	90,200
13	Federal revenues:	
14	Department of interior.....	96,300
15	EPA, multiple grants.....	560,500
16	USDA, multiple grants.....	822,300
17	Special revenue funds:	
18	Agricultural preservation fund.....	1,425,700
19	Freshwater protection fund.....	7,714,900
20	Migratory labor housing fund.....	140,100
21	Private forestland enhancement fund.....	481,500
22	State general fund/general purpose.....	\$ [5,721,700]
23	Sec. 108. LABORATORY PROGRAM	
24	Full-time equated classified positions108.0	
25	Central licensing and customer call center--12.0 FTE	
26	positions	\$ 1,338,200
27	Consumer protection program--41.0 FTE positions.....	6,790,600

1	Laboratory services--42.0 FTE positions.....	7,141,500
2	USDA monitoring--13.0 FTE positions.....	<u>1,637,300</u>
3	GROSS APPROPRIATION.....	\$ 16,907,600
4	Appropriated from:	
5	Interdepartmental grant revenues:	
6	IDG from LARA (LCC), liquor quality testing fees.....	220,500
7	Federal revenues:	
8	EPA, multiple grants.....	173,800
9	HHS, multiple grants.....	931,900
10	USDA, multiple grants.....	1,638,500
11	Special revenue funds:	
12	Agriculture licensing and inspection fees.....	336,700
13	Commodity inspection fees.....	1,100
14	Dairy and food safety fund.....	496,200
15	Feed control fund.....	189,200
16	Fertilizer control fund.....	24,000
17	Freshwater protection fund.....	45,000
18	Gasoline inspection and testing fund.....	1,412,600
19	Grain dealers fee fund.....	8,000
20	Migratory housing fund.....	29,000
21	Refined petroleum fund.....	3,316,800
22	Testing fees.....	200,000
23	Weights and measures regulation fees.....	725,500
24	State general fund/general purpose.....	\$ 7,158,800
25	Sec. 109. AGRICULTURE DEVELOPMENT	
26	Full-time equated classified positions	17.0
27	Agriculture development--13.0 FTE positions.....	\$ 4,253,100

1	Food and agriculture investment program.....	3,000,000
2	Grape and wine program--3.0 FTE positions.....	934,800
3	Rural development fund grant program--1.0 FTE	
4	position	2,004,600
5	ACRE agriculture incubator.....	<u>260,000</u>
6	GROSS APPROPRIATION.....	\$ 10,452,500
7	Appropriated from:	
8	Federal revenues:	
9	USDA, multiple grants.....	2,273,200
10	Special revenue funds:	
11	Private - commodity group revenue.....	50,000
12	Industry support funds.....	180,400
13	Nonretail liquor fees.....	885,700
14	Rural development fund.....	2,004,600
15	State general fund/general purpose.....	\$ 5,058,600
16	Sec. 110. FAIRS AND EXPOSITIONS	
17	County fairs, shows, and exhibitions.....	\$ 419,900
18	Michigan festivals.....	100
19	Fairs and racing.....	256,600
20	Licensed tracks - light horse racing.....	40,300
21	Light horse racing - breeders' awards.....	20,000
22	Purses and supplements - fairs/licensed tracks.....	708,300
23	Standardbred breeders' awards.....	345,900
24	Standardbred purses and supplements - licensed tracks.	671,800
25	Standardbred sire stakes.....	275,000
26	Thoroughbred breeders' awards.....	368,600
27	Thoroughbred sire stakes.....	378,800

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1	Thoroughbred supplements - licensed tracks.....		<u>601,900</u>
2	GROSS APPROPRIATION.....	\$	4,087,200
3	Appropriated from:		
4	Special revenue funds:		
5	Agriculture equine industry development fund.....		3,667,200
6	State general fund/general purpose.....	\$	420,000

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FOR FISCAL YEAR 2018-2019

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state sources under part 1 for fiscal year 2018-2019 is [\$90,777,100.00] and state spending from state sources to be paid to local units of government for fiscal year 2018-2019 is \$6,350,000.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT

19	Environmental stewardship/MAEAP.....	\$	4,250,000
20	Qualified forest program.....		1,500,000
21	Rural development fund grant program.....		<u>600,000</u>
22	TOTAL.....	\$	6,350,000

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

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

2 (a) "Department" means the department of agriculture and rural
3 development.

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

5 (c) "EPA" means the United States Environmental Protection
6 Agency.

7 (d) "FDA" means the United States Food and Drug
8 Administration.

9 (e) "Fiscal agencies" means the Michigan house fiscal agency
10 and the Michigan senate fiscal agency.

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

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

14 (h) "IDG" means interdepartmental grant.

15 (i) "LARA" means the Michigan department of licensing and
16 regulatory affairs.

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

18 (k) "MAEAP" means the Michigan agriculture environmental
19 assurance program.

20 (l) "MDEQ" means the Michigan department of environmental
21 quality.

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

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

24 (o) "Subcommittees" means all members of the subcommittees of
25 the house and senate appropriations committees with jurisdiction
26 over the budget for the department.

27 (p) "TB" means tuberculosis.

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

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 or supplies, or
24 both.

25 Sec. 207. The departments and agencies receiving
26 appropriations in part 1 shall prepare a report on out-of-state
27 travel expenses not later than January 1 of each year. The travel

1 report shall be a listing of all travel by classified and
2 unclassified employees outside this state in the immediately
3 preceding fiscal year that was funded in whole or in part with
4 funds appropriated in the department's budget. The report shall be
5 submitted to the house and senate appropriations committees, the
6 house and senate fiscal agencies, and the state budget director.
7 The report shall include the following information:

8 (a) The dates of each travel occurrence.

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

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

20 Sec. 209. Not later than November 30, the state budget office
21 shall prepare and transmit a report that provides for estimates of
22 the total general fund/general purpose appropriation lapses at the
23 close of the prior fiscal year. This report shall summarize the
24 projected year-end general fund/general purpose appropriation
25 lapses by major departmental program or program areas. The report
26 shall be transmitted to the chairpersons of the senate and house of
27 representatives standing committees on appropriations and the

1 senate and house fiscal agencies.

2 Sec. 210. (1) In addition to the funds appropriated in part 1,
3 there is appropriated an amount not to exceed \$5,000,000.00 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 \$6,000,000.00 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 \$100,000.00 for local
16 contingency funds. These funds are not available for expenditure
17 until they have been transferred to another line item in part 1
18 under section 393(2) of the management and budget act, 1984 PA 431,
19 MCL 18.1393.

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

26 Sec. 211. The department shall cooperate with the department
27 of technology, management, and budget to maintain a searchable

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

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

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

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

8 (d) The number of active department employees by job
9 classification.

10 (e) Job specifications and wage rates.

11 Sec. 212. Within 14 days after the release of the executive
12 budget recommendation, the department shall cooperate with the
13 state budget office to provide the senate and house appropriations
14 chairs, the subcommittees, respectively, and the senate and house
15 fiscal agencies with an annual report on estimated state restricted
16 fund balances, state restricted fund projected revenues, and state
17 restricted fund expenditures for the fiscal years ending September
18 30, 2018 and September 30, 2019.

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, 2019 is \$12,428,400.00. From this amount, total agency
26 appropriations for pension-related legacy costs are estimated at
27 \$5,729,700.00. Total agency appropriations for retiree health care

1 legacy costs are estimated at \$6,698,700.00.

2 Sec. 215. The 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. 234. The department and agencies receiving appropriations
6 in part 1 shall receive and retain copies of all reports funded
7 from appropriations in part 1. Federal and state guidelines for
8 short-term and long-term retention of records shall be followed.
9 The department may electronically retain copies of reports unless
10 otherwise required by federal and state guidelines.

11 **DEPARTMENTAL ADMINISTRATION AND SUPPORT**

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

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

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

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

21 (d) Laboratory support test samples for other state and local
22 agencies and public or private organizations.

23 (2) The department may receive and expend revenue from the
24 fees authorized under subsection (1), subject to appropriation, for
25 the purpose of recovering expenses associated with the work
26 activities and services described in subsection (1). Fee revenue

1 collected by the department under subsection (1) shall not lapse to
2 the state general fund at the end of the fiscal year but shall
3 carry forward for appropriation by the legislature in the
4 subsequent fiscal year.

5 (3) The department shall notify the subcommittees, the fiscal
6 agencies, and the state budget office 30 days prior to proposing
7 changes in fees authorized under this section or under section 5 of
8 1915 PA 91, MCL 285.35.

9 (4) On or before February 1 of each year, the department shall
10 provide a report to the subcommittees, the fiscal agencies, and the
11 state budget office detailing all the fees charged by the
12 department under the authorization provided in this section,
13 including, but not limited to, rates, number of individuals paying
14 each fee, and the revenue generated by each fee in the previous
15 fiscal year.

16 Sec. 302. (1) The department may contract with or provide
17 grants to local units of government, institutions of higher
18 education, or nonprofit organizations to support activities
19 authorized by appropriations in part 1. As used in this section,
20 contracts and grants include, but are not limited to, contracts for
21 delivery of groundwater/freshwater programs, MAEAP technical
22 assistance, forest management, invasive species monitoring,
23 wildlife risk mitigation, grants promoting proper pesticide
24 disposal, and research grants for the purpose of enhancing the
25 agricultural industries in this state.

26 (2) The department shall provide notice of contracts or grants
27 authorized under this section to the subcommittees, the fiscal

1 agencies, and the state budget office not later than 7 days before
2 the department notifies contract or grant recipients.

3 **FOOD AND DAIRY**

4 Sec. 401. (1) The department shall report on the previous
5 calendar year's activities of the food and dairy division. The
6 report shall include information on activities and outcomes of the
7 dairy safety and inspection program, the food safety inspection
8 program, the foodborne illness and emergency response program, and
9 the food service program.

10 (2) The report shall include information on significant
11 foodborne outbreaks and emergencies, including any enforcement
12 actions taken related to food safety during the prior calendar
13 year.

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

17 Sec. 403. It is the intent of the legislature that the
18 department work with the FDA and representatives of agriculture
19 producers to develop on-farm food safety education and training
20 programs to assist producers in implementing the food safety
21 modernization act, Public Law 111-353, requirements. The department
22 may receive and expend federal revenues in excess of the federal
23 revenue appropriated in section 104 of part 1 for food safety
24 modernization act, Public Law 111-353, education and training
25 program activities. The department shall notify the subcommittees
26 and the fiscal agencies prior to expending federal revenues

1 authorized under this section.

2 **ANIMAL INDUSTRY**

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

9 Sec. 452. The department shall report on the previous calendar
10 year's activities of the animal industry division. The report shall
11 be transmitted to the subcommittees, the fiscal agencies, and the
12 state budget office and posted to the department's website on or
13 before April 1 of each year.

14 Sec. 453. (1) From the funds appropriated in part 1 for animal
15 disease prevention and response, the department may provide for
16 indemnity pursuant to the animal industry act, 1988 PA 466, MCL
17 287.701 to 287.746, not to exceed \$100,000.00 per order. Any
18 indemnification agreement between the department and an owner of
19 livestock that exceeds \$100,000.00 shall be subject to specific
20 appropriation by the legislature.

21 (2) The department shall not make an indemnification payment
22 under the animal industry act, 1988 PA 466, MCL 287.701 to 287.746,
23 until the department provides all of the following information to
24 the subcommittees, the fiscal agencies, and the state budget
25 office:

26 (a) The reason for the indemnification.

1 (b) The amount of the indemnification.

2 (3) From the funds appropriated in part 1 for indemnification
3 - livestock depredation, the department shall make indemnification
4 payments for livestock killed by a wolf, coyote, or cougar pursuant
5 to the wildlife depredations indemnification act, 2012 PA 487, MCL
6 285.361 to 285.365.

7 (4) The department shall include in the annual report required
8 under section 452 of this part all indemnification payments for
9 livestock depredation made in the previous calendar year. The
10 report shall include all of the following information:

11 (a) The reason for the indemnification.

12 (b) The amount of the indemnification.

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

14 Sec. 454. The department shall use its resources to
15 collaborate with the USDA to monitor bovine TB, consistent with the
16 May 2016 memorandum of understanding between the department and the
17 USDA.

18 Sec. 457. (1) On or before October 15, 2018, the department
19 shall provide to the subcommittees, the fiscal agencies, and the
20 state budget office a report on bovine TB status and department
21 activities.

22 (2) For each fiscal quarter following the report required in
23 subsection (1), the department shall provide an update to the
24 subcommittees, the fiscal agencies, and the state budget office.
25 The quarterly update reports shall identify significant impacts to
26 the program, including new incidence of bovine TB in this state,
27 department activity associated with specific new incidence of

1 bovine TB, any changes in USDA requirements or movement orders, and
2 information and data on wildlife risk mitigation plan
3 implementation in the modified accredited zone; implementation of a
4 movement certificate process; progress toward annual surveillance
5 test requirements; efforts to work with slaughter facilities in
6 this state, as well as those that slaughter a significant number of
7 animals from this state; educational programs and information for
8 this state's livestock community; and any other item the
9 legislature should be aware of that will promote or hinder efforts
10 to achieve bovine TB-free status for this state.

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

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

25 Sec. 462. From the funds appropriated in part 1 for animal
26 disease prevention and response, not to exceed \$20,000.00, the
27 department shall establish a grant program to assist in the

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

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

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

9 **PESTICIDE AND PLANT PEST MANAGEMENT**

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

15 **ENVIRONMENTAL STEWARDSHIP**

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

23 Sec. 602. The department shall report on the previous calendar
24 year's activities of the environmental stewardship division. The
25 report shall be transmitted to the subcommittees, the fiscal

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

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

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

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

18 **LABORATORY PROGRAM**

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

24 **AGRICULTURE DEVELOPMENT**

25 Sec. 701. (1) From the funds appropriated in part 1 for the

1 food and agriculture investment program, the department shall
2 establish and administer a food and agriculture investment program.

3 (2) The food and agriculture investment program shall expand
4 the Michigan food and agriculture sector, grow Michigan exports,
5 promote the development of value-added agricultural production,
6 food hubs, food incubators, and community-based processing
7 facilities, and the expansion of farm markets and urban
8 agriculture, and increase food processing activities within the
9 state by accelerating projects and infrastructure development that
10 support growth in the food and agriculture processing industry.

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

14 (4) Before the allocation of funding, all projects shall
15 receive approval from the Michigan commission of agriculture and
16 rural development, except for projects selected through a
17 competitive process by a joint evaluation committee selected by the
18 director and consisting of representatives that have agriculture,
19 business, and economic development expertise. Projects funded
20 through the food and agriculture investment program will be
21 required to have a grant agreement that outlines milestones and
22 activities that must be met in order to receive a disbursement of
23 funds. Projects must also identify measurable project outcomes.

24 (5) The department shall include in the agriculture
25 development annual report a report on the food and agriculture
26 investment program for the previous fiscal year that includes a
27 listing of the grantees, award amounts, match funding, project

1 locations, and project outcomes.

2 (6) The food and agriculture investment program shall be
3 administered by the department and provide support for food and
4 agriculture projects that will enable growth in the industry and
5 this state's economy.

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

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

13 (b) The project will be funded in accordance with this section
14 and the project guidelines approved by the Michigan agriculture
15 commission prior to an award.

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

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

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

23 (a) Grants.

24 (b) Loans or loan guarantees.

25 (c) Infrastructure development.

26 (d) Other economic assistance.

27 (e) Program administration.

1 (f) Export assistance.

2 (9) The department shall expend no more than 10% from the
3 funds appropriated in part 1 for the food and agriculture
4 investment program for administrative purposes.

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

11 Sec. 706. (1) The department shall report on the previous
12 calendar year's activities of the agriculture development division.
13 The report shall be transmitted to the subcommittees, the fiscal
14 agencies, and the state budget office and posted to the
15 department's website on or before April 1 of each year.

16 (2) The report shall include the following information on any
17 grants awarded during the prior fiscal year:

18 (a) The name of the grantee.

19 (b) The amount of the grant.

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

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

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

24 Sec. 709. (1) Not later than April 1 of the current fiscal
25 year, the department shall provide a report to the subcommittees,
26 fiscal agencies, and the state budget office describing the
27 activities of the grape and wine industry council established under

1 section 303 of the Michigan liquor control code of 1998, 1998 PA
2 58, MCL 436.1303.

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

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

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

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

12 **FAIRS AND EXPOSITIONS**

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

18 Sec. 802. All appropriations from the agriculture equine
19 industry development fund, except for the Michigan gaming control
20 board's regulatory expenses and the department's expenses to
21 administer horse racing programs, shall be reduced proportionately
22 if revenues to the agriculture equine industry development fund
23 decline during the preceding fiscal year to a level lower than the
24 amounts appropriated in part 1.

25 Sec. 804. It is the intent of the legislature that the
26 Michigan gaming control board shall use actual expenditure data in

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

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

27 (a) Assist in the promotion of building improvements or other

1 capital improvements at county fairgrounds of the state.

2 (b) Provide financial support, promotion, prizes, and premiums
3 of equine, livestock, and other agricultural commodity expositions
4 in the state.

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

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

18 (4) All fairs receiving grants under this section shall
19 provide a report to the department on the financial impact
20 resulting from the capital improvement project on both fair and
21 nonfair events. These reports are due for 3 years immediately
22 following the completion of the capital improvement project.

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

26 (6) The department may expend money from the funds
27 appropriated in part 1 for the county fairs, shows, and expositions

1 grants for administering the program.

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

6 (a) The purpose of the project is to support building
7 improvements or other capital improvements at county fairgrounds of
8 the state.

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

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

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

16 (8) The department shall provide a year-end report on the
17 county fairs, shows, and expositions grants no later than December
18 1, 2018 to the subcommittees, the fiscal agencies, and the state
19 budget director that includes a listing of the grantees, award
20 amounts, match funding, and project outcomes.

21 ARTICLE V
22 DEPARTMENT OF CORRECTIONS
23 PART 1
24 LINE-ITEM APPROPRIATIONS

25 Sec. 101. There is appropriated for the department of

1 corrections for the fiscal year ending September 30, 2019, from the
2 following funds:

3 **DEPARTMENT OF CORRECTIONS**

4 APPROPRIATION SUMMARY

5	Average population.....	39,342	
6	Full-time equated unclassified positions.....	16.0	
7	Full-time equated classified positions.....	13,951.2	
8	GROSS APPROPRIATION.....		\$ 2,017,125,100
9	Interdepartmental grant revenues:		
10	Total interdepartmental grants and intradepartmental		
11	transfers		0
12	ADJUSTED GROSS APPROPRIATION.....		\$ 2,017,125,100
13	Federal revenues:		
14	Total federal revenues.....		5,315,200
15	Special revenue funds:		
16	Total local revenues.....		8,960,100
17	Total private revenues.....		0
18	Total other state restricted revenues.....		40,939,600
19	State general fund/general purpose.....		\$ 1,961,910,200
20	Sec. 102. DEPARTMENTAL ADMINISTRATION AND SUPPORT		
21	Full-time equated unclassified positions	16.0	
22	Full-time equated classified positions	322.0	
23	Unclassified salaries--16.0 FTE positions.....		\$ 1,884,600
24	Administrative hearings officers.....		3,266,100
25	Budget and operations administration--240.0 FTE		
26	positions		32,971,300
27	Compensatory buyout and union leave bank.....		100

1	County jail reimbursement program.....	15,064,600
2	Equipment and special maintenance.....	1,559,700
3	Executive direction--20.0 FTE positions.....	4,298,200
4	Judicial data warehouse user fees.....	50,600
5	New custody staff training.....	9,527,600
6	Prison industries operations--62.0 FTE positions.....	9,989,700
7	Property management.....	2,413,100
8	Prosecutorial and detainer expenses.....	4,551,000
9	Sheriffs' coordinating and training office.....	100,000
10	Worker's compensation.....	<u>10,613,000</u>
11	GROSS APPROPRIATION.....	\$ 96,289,600
12	Appropriated from:	
13	Federal revenues:	
14	DOJ, prison rape elimination act grant.....	674,700
15	Special revenue funds:	
16	Correctional industries revolving fund.....	9,989,700
17	Correctional industries revolving fund 110.....	616,700
18	Jail reimbursement program fund.....	5,900,000
19	Local corrections officer training fund.....	100,000
20	Program and special equipment fund.....	100
21	State general fund/general purpose.....	\$ 79,008,400
22	Sec. 103. OFFENDER SUCCESS ADMINISTRATION	
23	Full-time equated classified positions339.4	
24	Community corrections comprehensive plans and services	\$ 12,058,000
25	Education/skilled trades/career readiness programs--	
26	270.4 FTE positions	40,109,700
27	Felony drunk driver jail reduction and community	

1	treatment program	1,440,100
2	Goodwill Flip the Script.....	1,500,000
3	Offender success federal grants.....	751,000
4	Offender success community partners.....	14,500,000
5	Offender success programming.....	11,772,800
6	Public safety initiative.....	4,000,000
7	Offender success services--69.0 FTE positions.....	15,145,700
8	Residential probation diversions.....	<u>16,325,500</u>
9	GROSS APPROPRIATION.....	\$ 117,602,800
10	Appropriated from:	
11	Federal revenues:	
12	DOJ, prisoner reintegration.....	751,000
13	Federal education funding.....	1,536,300
14	Special revenue funds:	
15	Program and special equipment fund.....	10,213,200
16	State general fund/general purpose.....	\$ 105,102,300
17	Sec. 104. FIELD OPERATIONS ADMINISTRATION	
18	Full-time equated classified positions2,182.6	
19	Criminal justice reinvestment.....	\$ 5,498,400
20	Detroit Detention Center--66.1 FTE positions.....	8,685,100
21	Detroit Reentry Center--236.0 FTE positions.....	29,989,600
22	Field operations--1,849.5 FTE positions.....	215,083,300
23	Parole board operations--31.0 FTE positions.....	3,727,300
24	Parole/probation services.....	940,000
25	Residential alternative to prison program.....	1,500,000
26	Substance abuse parole certain sanction program.....	1,440,000
27	Supervising region incentive program.....	<u>1,000,000</u>

1	GROSS APPROPRIATION.....	\$	267,863,700
2	Appropriated from:		
3	Special revenue funds:		
4	Local - community tether program reimbursement.....		275,000
5	Local revenues.....		8,685,100
6	Parole and probation oversight fees.....		4,000,000
7	Parole and probation oversight fees set-aside.....		940,000
8	Reentry center offender reimbursements.....		10,000
9	Tether program participant contributions.....		2,630,500
10	State general fund/general purpose.....	\$	251,323,100
11	Sec. 105. CORRECTIONAL FACILITIES ADMINISTRATION		
12	Full-time equated classified positions654.0		
13	Central records--38.0 FTE positions.....	\$	4,446,300
14	Correctional facilities administration--24.0 FTE		
15	positions		5,010,700
16	Housing inmates in federal institutions.....		511,000
17	Inmate housing fund.....		100
18	Inmate legal services.....		490,900
19	Leased beds and alternatives to leased beds.....		100
20	Prison food service--352.0 FTE positions.....		70,770,800
21	Prison store operations--33.0 FTE positions.....		3,282,600
22	Public works programs.....		1,000,000
23	Transportation--207.0 FTE positions.....		<u>26,768,000</u>
24	GROSS APPROPRIATION.....	\$	112,280,500
25	Appropriated from:		
26	Federal revenues:		
27	DOJ-BOP, federal prisoner reimbursement.....		411,000

1	SSA-SSI, incentive payment.....	272,000
2	Special revenue funds:	
3	Correctional industries revolving fund 110.....	573,900
4	Public works user fees.....	1,000,000
5	Resident stores.....	3,282,600
6	State general fund/general purpose.....	\$ 106,741,000
7	Sec. 106. HEALTH CARE	
8	Full-time equated classified positions1,461.1	
9	Clinical complexes--1,047.1 FTE positions.....	\$ 147,596,100
10	Health care administration--20.0 FTE positions.....	3,775,800
11	Healthy Michigan plan administration--12.0 FTE	
12	positions	1,124,700
13	Hepatitis C treatment.....	6,735,500
14	Interdepartmental grant to health and human services,	
15	eligibility specialists	119,700
16	Mental health services and support--376.0 FTE	
17	positions	46,213,700
18	Prisoner health care services.....	86,076,400
19	Substance abuse testing and treatment services--6.0	
20	FTE positions	20,886,600
21	Vaccination program.....	<u>691,200</u>
22	GROSS APPROPRIATION.....	\$ 313,219,700
23	Appropriated from:	
24	Federal revenues:	
25	DOJ, Office of Justice Programs, RSAT.....	250,200
26	Federal revenues and reimbursements.....	385,200
27	Special revenue funds:	

1	Prisoner health care copayments.....	257,200
2	State general fund/general purpose.....	\$ 312,327,100
3	Sec. 107. CORRECTIONAL FACILITIES	
4	Average population	39,342
5	Full-time equated classified positions	8,992.1
6	Alger Correctional Facility - Munising--259.0 FTE	
7	positions	\$ 31,189,400
8	Baraga Correctional Facility - Baraga--293.8 FTE	
9	positions	36,021,600
10	Bellamy Creek Correctional Facility - Ionia--391.2 FTE	
11	positions	45,003,600
12	Carson City Correctional Facility - Carson City--424.4	
13	FTE positions	49,613,500
14	Central Michigan Correctional Facility - St. Louis--	
15	387.6 FTE positions	47,009,300
16	Charles E. Egeler Correctional Facility - Jackson--	
17	387.6 FTE positions	46,801,100
18	Chippewa Correctional Facility - Kincheloe--445.6 FTE	
19	positions	52,230,000
20	Cooper Street Correctional Facility - Jackson--262.1	
21	FTE positions	30,325,000
22	Earnest C. Brooks Correctional Facility - Muskegon--	
23	245.2 FTE positions	30,604,700
24	G. Robert Cotton Correctional Facility - Jackson--	
25	393.0 FTE positions	45,634,700
26	Gus Harrison Correctional Facility - Adrian--443.6 FTE	
27	positions	50,857,600

1	Ionia Correctional Facility - Ionia--287.3 FTE	
2	positions	34,886,000
3	Kinross Correctional Facility - Kincheloe--256.6 FTE	
4	positions	33,008,100
5	Lakeland Correctional Facility - Coldwater--276.4 FTE	
6	positions	33,619,700
7	Macomb Correctional Facility - New Haven--292.8 FTE	
8	positions	35,285,600
9	Marquette Branch Prison - Marquette--319.7 FTE	
10	positions	38,697,200
11	Michigan Reformatory - Ionia--318.7 FTE positions.....	36,034,000
12	Muskegon Correctional Facility - Muskegon--206.0 FTE	
13	positions	26,109,600
14	Newberry Correctional Facility - Newberry--198.1 FTE	
15	positions	24,673,000
16	Oaks Correctional Facility - Eastlake--289.4 FTE	
17	positions	34,862,600
18	Ojibway Correctional Facility - Marenisco--201.1 FTE	
19	positions	23,747,300
20	Parnall Correctional Facility - Jackson--264.1 FTE	
21	positions	29,475,600
22	Richard A. Handlon Correctional Facility - Ionia--	
23	252.7 FTE positions	30,762,400
24	Saginaw Correctional Facility - Freeland--275.9 FTE	
25	positions	33,835,800
26	Special Alternative Incarceration Program - Cassidy	
27	Lake--120.0 FTE positions	14,179,300

1	St. Louis Correctional Facility - St. Louis--302.6 FTE	
2	positions	37,907,700
3	Thumb Correctional Facility - Lapeer--283.6 FTE	
4	positions	33,809,700
5	Womens Huron Valley Correctional Complex - Ypsilanti--	
6	504.1 FTE positions	60,568,400
7	Woodland Correctional Facility - Whitmore Lake--277.9	
8	FTE positions	33,169,100
9	Northern region administration and support--43.0 FTE	
10	positions	4,336,300
11	Southern region administration and support--89.0 FTE	
12	positions	20,430,900
13	Facility closure.....	<u>(16,031,100)</u>
14	GROSS APPROPRIATION.....	\$ 1,068,657,700
15	Appropriated from:	
16	Federal revenues:	
17	DOJ, state criminal assistance program.....	1,034,800
18	Special revenue funds:	
19	State restricted fees, revenues, and reimbursements...	102,100
20	State general fund/general purpose.....	\$ 1,067,520,800
21	Sec. 108. INFORMATION TECHNOLOGY	
22	Information technology services and projects.....	<u>\$ 30,583,400</u>
23	GROSS APPROPRIATION.....	\$ 30,583,400
24	Appropriated from:	
25	Special revenue funds:	
26	Correctional industries revolving fund 110.....	178,600
27	Parole and probation oversight fees set-aside.....	701,000

1	Program and special equipment fund.....		444,000
2	State general fund/general purpose.....	\$	29,259,800
3	Sec. 109. ONE-TIME APPROPRIATIONS		
4	Higher custody level programming.....	\$	2,400,000
5	New custody staff training.....		<u>8,227,700</u>
6	GROSS APPROPRIATION.....	\$	10,627,700
7	Appropriated from:		
8	State general fund/general purpose.....	\$	10,627,700

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FOR FISCAL YEAR 2018-2019

GENERAL SECTIONS

13 Sec. 201. Pursuant to section 30 of article IX of the state
14 constitution of 1963, total state spending from state sources under
15 part 1 for fiscal year 2018-2019 is \$2,002,849,800.00 and state
16 spending from state sources to be paid to local units of government
17 for fiscal year 2018-2019 is \$120,319,600.00. The itemized
18 statement below identifies appropriations from which spending to
19 local units of government will occur:

DEPARTMENT OF CORRECTIONS

21	County jail reimbursement program.....	\$	15,064,600
22	Community corrections comprehensive plans		
23	and services		12,058,000
24	Felony drunk driver jail reduction and		
25	community treatment program		1,440,100

1	Field operations.....	65,380,300
2	Leased beds and alternatives to leased beds.....	100
3	Prosecutorial and detainer expenses.....	4,551,000
4	Public safety initiative.....	4,000,000
5	Residential alternative to prison program.....	1,500,000
6	Residential probation diversions.....	<u>16,325,500</u>
7	TOTAL.....	\$ 120,319,600

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

16 (b) "Cost per prisoner" means the sum total of the funds
17 appropriated under part 1 for the following, divided by the
18 projected prisoner population in fiscal year 2018-2019:

- 19 (i) New custody staff training.
- 20 (ii) Education/skilled trades/career readiness programs.
- 21 (iii) Offender success programming.
- 22 (iv) Central records.
- 23 (v) Correctional facilities administration.
- 24 (vi) Inmate legal services.
- 25 (vii) Prison food service.
- 26 (viii) Prison store operations.
- 27 (ix) Transportation.

1 (x) Clinical complexes.

2 (xi) Hepatitis C treatment.

3 (xii) Mental health services and support.

4 (xiii) Prisoner health care services.

5 (xiv) Vaccination program.

6 (xv) Correctional facilities.

7 (xvi) Northern and southern region administration and support.

8 (xvii) Higher custody level programming.

9 (c) "Department" or "MDOC" means the Michigan department of
10 corrections.

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

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

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

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

18 (h) "Federally qualified health center" means that term as
19 defined in section 1396d(l)(2)(B) of the social security act, 42
20 USC 1396d.

21 (i) "FTE" means full-time equated.

22 (j) "Goal" means the intended or projected result of a
23 comprehensive corrections plan or community corrections program to
24 reduce repeat offending, criminogenic and high-risk behaviors,
25 prison commitment rates, the length of stay in a jail, or to
26 improve the utilization of a jail.

27 (k) "Jail" means a facility operated by a local unit of

1 government for the physical detention and correction of persons
2 charged with or convicted of criminal offenses.

3 (l) "MDHHS" means the Michigan department of health and human
4 services.

5 (m) "Medicaid benefit" means a benefit paid or payable under a
6 program for medical assistance under the social welfare act, 1939
7 PA 280, MCL 400.1 to 400.119b.

8 (n) "Objective risk and needs assessment" means an evaluation
9 of an offender's criminal history; the offender's noncriminal
10 history; and any other factors relevant to the risk the offender
11 would present to the public safety, including, but not limited to,
12 having demonstrated a pattern of violent behavior, and a criminal
13 record that indicates a pattern of violent offenses.

14 (o) "OCC" means the office of community corrections.

15 (p) "Offender eligibility criteria" means particular criminal
16 violations, state felony sentencing guidelines descriptors, and
17 offender characteristics developed by advisory boards and approved
18 by local units of government that identify the offenders suitable
19 for community corrections programs funded through the office of
20 community corrections.

21 (q) "Offender success" means that an offender has, with the
22 support of the community, intervention of the field agent, and
23 benefit of any participation in programs and treatment, made an
24 adjustment while at liberty in the community such that he or she
25 has not been sentenced to or returned to prison for the conviction
26 of a new crime or the revocation of probation or parole.

27 (r) "Offender target populations" means felons or

1 misdemeanants who would likely be sentenced to imprisonment in a
2 state correctional facility or jail, who would not likely increase
3 the risk to the public safety based on an objective risk and needs
4 assessment that indicates that the offender can be safely treated
5 and supervised in the community.

6 (s) "Offender who would likely be sentenced to imprisonment"
7 means either of the following:

8 (i) A felon or misdemeanant who receives a sentencing
9 disposition that appears to be in place of incarceration in a state
10 correctional facility or jail, according to historical local
11 sentencing patterns.

12 (ii) A currently incarcerated felon or misdemeanant who is
13 granted early release from incarceration to a community corrections
14 program or who is granted early release from incarceration as a
15 result of a community corrections program.

16 (t) "Programmatic success" means that the department program
17 or initiative has ensured that the offender has accomplished all of
18 the following:

19 (i) Obtained employment, has enrolled or participated in a
20 program of education or job training, or has investigated all bona
21 fide employment opportunities.

22 (ii) Obtained housing.

23 (iii) Obtained a state identification card.

24 (u) "Recidivism" means that term as defined in section 1 of
25 2017 PA 5, MCL 798.31.

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

27 (w) "Serious emotional disturbance" means that term as defined

1 in section 100d(2) of the mental health code, 1974 PA 258, MCL
2 330.1100d.

3 (x) "Serious mental illness" means that term as defined in
4 section 100d(3) of the mental health code, 1974 PA 258, MCL
5 330.1100d.

6 (y) "SSA" means the United States Social Security
7 Administration.

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

9 Sec. 204. The department shall use the internet to fulfill the
10 reporting requirements of this part. This requirement may include
11 transmission of reports via electronic mail to the recipients
12 identified for each reporting requirement or it may include
13 placement of reports on an internet or intranet site.

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

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

27 Sec. 207. The department shall prepare a report on out-of-

1 state travel expenses not later than January 1 of each year. The
2 travel report shall be a listing of all travel by classified and
3 unclassified employees outside this state in the immediately
4 preceding fiscal year that was funded in whole or in part with
5 funds appropriated in the department's budget. The report shall be
6 submitted to the senate and house appropriations committees, the
7 senate and house fiscal agencies, and the state budget office. The
8 report shall include the following information:

9 (a) The dates of each travel occurrence.

10 (b) The total 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 shall not be used by
16 the department to hire a person to provide legal services that are
17 the responsibility of the attorney general. This prohibition does
18 not apply to legal services for bonding activities and for those
19 outside services that the attorney general authorizes.

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

1 Sec. 210. (1) In addition to the funds appropriated in part 1,
2 there is appropriated an amount not to exceed \$10,000,000.00 for
3 federal contingency funds. These funds are not available for
4 expenditure until they have been transferred to another line item
5 in part 1 under section 393(2) of the management and budget act,
6 1984 PA 431, MCL 18.1393.

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

13 (3) In addition to the funds appropriated in part 1, there is
14 appropriated an amount not to exceed \$2,000,000.00 for 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 under section 393(2) of the management and budget act, 1984 PA 431,
18 MCL 18.1393.

19 (4) In addition to the funds appropriated in part 1, there is
20 appropriated an amount not to exceed \$2,000,000.00 for 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 under section 393(2) of the management and budget act, 1984 PA 431,
24 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 for the department:

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 chairpersons of the senate and
13 house appropriations committees, the chairpersons of the senate and
14 house appropriations subcommittees on corrections, and the senate
15 and house fiscal agencies with an annual report on estimated state
16 restricted fund balances, state restricted fund projected revenues,
17 and state restricted fund expenditures for the prior 2 fiscal
18 years.

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 department'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, 2019 are estimated at \$319,141,800.00. From this amount, total
26 department appropriations for pension-related legacy costs are
27 estimated at \$147,129,800.00. Total department appropriations for

1 retiree health care legacy costs are estimated at \$172,012,000.00.

2 Sec. 217. The department shall receive and retain copies of
3 all reports funded from appropriations in part 1. Federal and state
4 guidelines for short-term and long-term retention of records shall
5 be followed. The department may electronically retain copies of
6 reports unless otherwise required by federal and state guidelines.

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

13 (2) Revenues appropriated and collected for program and
14 special equipment funds shall be considered state restricted
15 revenue. Funding shall be used for prisoner programming, special
16 equipment, and security projects. Unexpended funds remaining at the
17 close of the fiscal year shall not lapse to the general fund but
18 shall be carried forward and be available for appropriation in
19 subsequent fiscal years.

20 (3) The department shall submit a report to the senate and
21 house appropriations subcommittees on corrections, the senate and
22 house fiscal agencies, the legislative corrections ombudsman, and
23 the state budget office by February 1 outlining revenues and
24 expenditures from program and special equipment funds. The report
25 shall include all of the following:

26 (a) A list of all individual projects and purchases financed
27 with program and special equipment funds in the immediately

1 preceding fiscal year, the amounts expended on each project or
2 purchase, and the name of each vendor from which the products or
3 services were purchased.

4 (b) A list of planned projects and purchases to be financed
5 with program and special equipment funds during the current fiscal
6 year, the amounts to be expended on each project or purchase, and
7 the name of each vendor from which the products or services will be
8 purchased.

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

11 Sec. 220. The department may charge fees and collect revenues
12 in excess of appropriations in part 1 not to exceed the cost of
13 offender services and programming, employee meals, parolee loans,
14 academic/vocational services, custody escorts, compassionate
15 visits, union steward activities, and public works programs and
16 services provided to local units of government or private nonprofit
17 organizations. The revenues and fees collected are appropriated for
18 all expenses associated with these services and activities.

19 Sec. 247. In cooperation with the state court administrative
20 office, the department shall assist with the data compilation for
21 the swift and sure sanctions program.

22 **DEPARTMENTAL ADMINISTRATION AND SUPPORT**

23 Sec. 301. For 3 years after a felony offender is released from
24 the department's jurisdiction, the department shall maintain the
25 offender's file on the offender tracking information system and
26 make it publicly accessible in the same manner as the file of the

1 current offender. However, the department shall immediately remove
2 the offender's file from the offender tracking information system
3 upon determination that the offender was wrongfully convicted and
4 the offender's file is not otherwise required to be maintained on
5 the offender tracking information system.

6 Sec. 304. The department shall maintain a staff savings
7 initiative program in conjunction with the EPIC program for
8 employees to submit suggestions for efficiencies for the
9 department. The department shall consider each suggestion in a
10 timely manner. By March 1, the department shall report to the
11 senate and house appropriations subcommittees on corrections, the
12 senate and house fiscal agencies, the legislative corrections
13 ombudsman, and the state budget office on process improvements that
14 were implemented based on suggestions that were recommended for
15 implementation from the staff savings initiative and EPIC programs.

16 Sec. 305. From the funds appropriated in part 1 for
17 prosecutorial and detainer expenses, the department shall reimburse
18 counties for housing and custody of parole violators and offenders
19 being returned by the department from community placement who are
20 available for return to institutional status and for prisoners who
21 volunteer for placement in a county jail.

22 Sec. 306. Funds included in part 1 for the sheriffs'
23 coordinating and training office are appropriated for and may be
24 expended to defray costs of continuing education, certification,
25 recertification, decertification, and training of local corrections
26 officers, the personnel and administrative costs of the sheriffs'
27 coordinating and training office, the local corrections officers

1 advisory board, and the sheriffs' coordinating and training council
2 under the local corrections officers training act, 2003 PA 125, MCL
3 791.531 to 791.546.

4 Sec. 307. The department shall issue a biannual report for all
5 vendor contracts to the senate and house appropriations
6 subcommittees on corrections, the senate and house fiscal agencies,
7 the legislative corrections ombudsman, and the state budget office.
8 The report shall cover service contracts with a value of
9 \$500,000.00 or more and include all of the following:

10 (a) The original start date and the current expiration date of
11 each contract.

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

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

17 Sec. 308. The department shall provide for the training of all
18 custody staff in effective and safe ways of handling prisoners with
19 mental illness and referring prisoners to mental health treatment
20 programs. Mental health awareness training shall be incorporated
21 into the training of new custody staff.

22 Sec. 309. The department shall issue a report for all
23 correctional facilities to the senate and house appropriations
24 subcommittees on corrections, the senate and house fiscal agencies,
25 the legislative corrections ombudsman, and the state budget office
26 by January 1 setting forth the following information for each
27 facility: its name, street address, and date of construction; its

1 current maintenance costs; any maintenance planned; its current
2 utility costs; its expected future capital improvement costs; the
3 current unspent balance of any authorized capital outlay projects,
4 including the original authorized amount; and its expected future
5 useful life.

6 Sec. 311. By December 1, the department shall provide a report
7 on the Michigan state industries program to the senate and house
8 appropriations subcommittees on corrections, the senate and house
9 fiscal agencies, the legislative corrections ombudsman, and the
10 state budget office. The report shall include, but not be limited
11 to, the locations of the programs, the total number of participants
12 at each location, a description of job duties and typical inmate
13 schedules, the products that are produced, and how the program
14 provides marketable skills that lead to employable outcomes after
15 release from a department facility.

16 Sec. 312. (1) From the funds appropriated in part 1 for budget
17 and operations administration, \$50,000.00 shall be used to conduct
18 a comprehensive study of the prevalence of post-traumatic stress
19 disorder and other psychological issues among correctional officers
20 that are exacerbated by the corrections environment and exposure to
21 highly stressful situations.

22 (2) By April 1, the department shall submit a report on the
23 results of the study to the senate and house appropriations
24 subcommittees on corrections, the senate and house fiscal agencies,
25 the legislative corrections ombudsman, and the state budget office.

26 **OFFENDER SUCCESS ADMINISTRATION**

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

9 Sec. 402. By March 1, the department shall provide a report on
10 offender success expenditures and allocations to the senate and
11 house appropriations subcommittees on corrections, the senate and
12 house fiscal agencies, the legislative corrections ombudsman, and
13 the state budget office. At a minimum, the report shall include
14 information on both of the following:

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

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

23 Sec. 403. The department shall partner with nonprofit faith-
24 based, business and professional, civic, and community
25 organizations for the purpose of providing offender success
26 services. Offender success services include, but are not limited
27 to, counseling, providing information on housing and job placement,

1 and money management assistance.

2 Sec. 404. From the funds appropriated in part 1 for offender
3 success services, the department, when reasonably possible, shall
4 ensure that inmates have potential employer matches in the
5 communities to which they will return prior to each inmate's
6 initial parole hearing.

7 Sec. 405. By March 1, the department shall report to the
8 senate and house appropriations subcommittees on corrections, the
9 senate and house fiscal agencies, the legislative corrections
10 ombudsman, and the state budget office on substance abuse testing
11 and treatment program objectives, outcome measures, and results,
12 including program impact on offender success and programmatic
13 success.

14 Sec. 406. From the funds appropriated in part 1, the
15 department will work with the organization representing federally
16 qualified health centers (FQHCs) to implement a pilot project to
17 ensure that behavioral and physical health needs among parolees and
18 probationers are addressed. The pilot project will position FQHCs
19 to ensure that parolees and probationers are enrolled in and
20 maintain access to benefits for which they qualify, are linked to
21 the health care services they need, follow up with providers, stay
22 on their medications, are engaged in services, and have barriers to
23 care addressed. The department will make necessary accommodations
24 to perform the transition planning to allow for a direct referral
25 to the FQHC organization to patients in relevant areas. The FQHC
26 organization may submit annual reports detailing outcomes to the
27 senate and house appropriations subcommittees on corrections, the

1 senate and house fiscal agencies, the legislative corrections
2 ombudsman, and the state budget office.

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

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

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

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

25 (3) By March 1, the department shall provide a 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 office detailing the results of the
2 workforce development program.

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

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

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

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

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

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

1 (f) Contribute to offender success.

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

10 (3) Funds awarded for residential probation diversions in part
11 shall provide for a per diem reimbursement of not more than
12 \$47.50 for nonaccredited facilities, or of not more than \$48.50 for
13 facilities that have been accredited by the American Corrections
14 Association or a similar organization as approved by the
15 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 of this part. The state community
5 corrections board shall encourage local community corrections
6 advisory boards to include in their comprehensive corrections plans
7 strategies to collaborate with local alcohol and drug treatment
8 agencies of the MDHHS for the provision of alcohol and drug
9 screening, assessment, case management planning, and delivery of
10 treatment to alcohol- and 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 senate and house fiscal agencies, the legislative
17 corrections ombudsman, and the state budget office 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. 414. (1) The department shall administer a county jail
15 reimbursement program from the funds appropriated in part 1 for the
16 purpose of reimbursing counties for housing in jails certain felons
17 who otherwise would have been sentenced to prison.

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

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

1 the code of criminal procedure, 1927 PA 175, MCL 777.1 to 777.69.

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

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

10 (3) State reimbursement under this subsection shall be \$65.00
11 per diem per diverted offender for offenders with a presumptive
12 prison guideline score, \$55.00 per diem per diverted offender for
13 offenders with a straddle cell guideline for a group 1 crime, and
14 \$40.00 per diem per diverted offender for offenders with a straddle
15 cell guideline for a group 2 crime. Reimbursements shall be paid
16 for sentences up to a 1-year total.

17 (4) As used in this subsection:

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

27 (b) "Group 2 crime" means a crime that is not a group 1 crime,

1 including larceny, fraud, forgery, embezzlement, motor vehicle,
2 malicious destruction of property, controlled substance offense,
3 felony drunk driving, and other nonassaultive offenses.

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

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

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

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

1 shall be at the rate of \$43.50 per day per offender, up to a
2 maximum of 5 days per offender.

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

8 (a) The county jail reimbursement program.

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

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

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

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

20 (b) Expenditures by location.

21 (c) The impact on jail utilization.

22 (d) The impact on prison admissions.

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

25 Sec. 418. (1) The department shall collaborate with the state
26 court administrative office on facilitating changes to Michigan
27 court rules that would require the court to collect at the time of

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

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

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

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

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

1 data, year-to-date data, and comparisons to the prior year for the
2 following:

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

5 (b) Parole populations.

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

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

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

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

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

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

24 Sec. 421. (1) Funds appropriated in part 1 for the substance
25 abuse parole certain sanction program shall be distributed to an
26 American Correctional Association accredited rehabilitation
27 organization operating in any of the following counties: Berrien,

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

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

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

- 21 (a) How many prisoners in each quarter were reviewed.
22 (b) How many prisoners were granted parole.
23 (c) How many prisoners were denied parole.
24 (d) How many parole decisions were deferred.
25 (e) The distribution of the total number of prisoners reviewed
26 during that quarter grouped by whether the prisoner had been
27 interviewed for the first, second, third, fourth, fifth, sixth, or

1 more than sixth time.

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

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

5 Sec. 425. (1) From the funds appropriated in part 1 for
6 offender success programming, \$1,000,000.00 shall be used by the
7 department to establish medication-assisted treatment offender
8 success pilot programs to provide prerelease treatment and
9 postrelease referral for opioid-addicted and alcohol-addicted
10 offenders who voluntarily participate in the medication-assisted
11 treatment offender success pilot programs. The department shall
12 collaborate with residential and nonresidential substance abuse
13 treatment providers and with community-based clinics to provide
14 postrelease treatment. The programs shall employ a multifaceted
15 approach to treatment, including a long-acting nonaddictive
16 medication approved by the Food and Drug Administration for the
17 treatment of opioid and alcohol dependence, counseling, and
18 postrelease referral to community-based providers.

19 (2) The manufacturer of a long-acting nonaddictive medication
20 approved by the Food and Drug Administration for opioid and alcohol
21 dependence shall provide the department with samples of the
22 medication, at no cost to the department, during the duration of
23 the medication-assisted treatment offender success pilot programs.
24 Offenders shall receive 1 injection prior to being released from
25 custody and shall be connected with an aftercare plan and
26 assistance with obtaining insurance to cover subsequent injections.

27 (3) Participants of the programs shall be required to attend

1 substance abuse treatment programming as directed by their agent,
2 including coordination of both direct or indirect services through
3 federally qualified health centers in Wayne, Washtenaw, Genesee,
4 Berrien, Van Buren, and Allegan Counties, but not limited to only
5 those counties, shall be subject to routine drug and alcohol
6 testing, shall not be allowed to consume drugs or alcohol, and
7 shall possess a strong will to overcome addiction.

8 (4) The department shall submit a report by September 30 to
9 the senate and house appropriations subcommittees on corrections,
10 the senate and house fiscal agencies, the legislative corrections
11 ombudsman, and the state budget office on the number of offenders
12 who received injections upon release, the number of offenders who
13 received injections and tested positive for drugs or alcohol, the
14 number of offenders who received injections in the community for a
15 duration of at least 3 months, and the number of offenders who
16 received injections and were subsequently returned to prison.

17 Sec. 426. From the funds appropriated in part 1, the
18 department shall ensure that any inmate with a diagnosed mental
19 illness is referred to a local mental health care provider that is
20 able and willing to treat the inmate upon parole or discharge. The
21 department shall ensure that the provider is informed of the
22 inmate's current treatment plan including any medications that are
23 currently prescribed to the inmate.

24 Sec. 437. (1) Funds appropriated in part 1 for Goodwill Flip
25 the Script shall be distributed to a Michigan-chartered 501(c)(3)
26 nonprofit corporation operating in a county with greater than
27 1,500,000 people for administration and expansion of a program

1 which serves a population of persons aged 16 to 39. The program
2 shall target those who are entering the criminal justice system for
3 the first or second time and shall assist those individuals through
4 the following program types:

5 (a) Alternative sentencing programs in partnership with a
6 local district or circuit court.

7 (b) Educational recovery for special adult populations with
8 high rates of illiteracy.

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

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

17 **FIELD OPERATIONS ADMINISTRATION**

18 Sec. 602. The funds appropriated in part 1 for the supervising
19 region incentive program shall be used only to fund an incentive
20 program for field operations administration regions in accordance
21 with the supervising region incentive act, 2017 PA 11, MCL 791.131
22 to 791.137.

23 Sec. 603. (1) All prisoners, probationers, and parolees
24 involved with the curfew monitoring program shall reimburse the
25 department for costs associated with their participation in the
26 program. The department may require community service work

1 reimbursement as a means of payment for those able-bodied
2 individuals unable to pay for the costs of the equipment.

3 (2) Program participant contributions and local program
4 reimbursement for the curfew monitoring program appropriated in
5 part 1 are related to program expenditures and may be used to
6 offset expenditures for this purpose.

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

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

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

4 Sec. 604. The funds appropriated in part 1 for criminal
5 justice reinvestment shall be used only to fund data collection and
6 evidence-based programs designed to reduce recidivism among
7 probationers and parolees.

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

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

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

24 (c) Number of successful terminations.

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

26 (e) Average length of placement.

27 (f) Return to prison statistics.

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

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

5 (i) Comparison with prior year statistics.

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

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

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

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

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

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

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

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

22 Sec. 615. (1) The department shall submit a report detailing
23 the number of prisoners who have received life imprisonment
24 sentences with the possibility of parole and who are currently
25 eligible for parole to the senate and house appropriations
26 subcommittees on corrections, the senate and house fiscal agencies,
27 the legislative corrections ombudsman, and the state budget office

1 by April 30.

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

10 Sec. 617. From the funds appropriated in part 1 for the
11 residential alternative to prison program, the department shall
12 provide vocational, educational, and cognitive programming in a
13 secure environment to enhance existing alternative sentencing
14 options, increase employment readiness and successful placement
15 rates, and reduce new criminal behavior for the west Michigan
16 probation violator population. The department shall measure and set
17 the following metric goals:

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

19 (b) Of the participants that complete the program, 75% will
20 earn a nationally recognized credential for career and vocational
21 programs.

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

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

1 **HEALTH CARE**

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

13 (2) The reports shall include an itemized listing of quarterly
14 and fiscal year-to-date expenditures for the following:

15 (a) Physical health care, to include offsite, specialty, and
16 physical health care services provided by the department.

17 (b) Physical health care, to include offsite, specialty, and
18 physical health care services provided as part of integrated health
19 care services.

20 (c) Clinical care provided by the department.

21 (d) Clinical care provided as part of integrated health care
22 services.

23 (e) Mental health care provided by the department.

24 (f) Mental health care provided as part of integrated health
25 care services.

26 (g) Pharmacy services provided by the department.

27 (h) Pharmacy services provided as part of integrated health

1 care services.

2 Sec. 803. (1) The department shall assure that all prisoners,
3 upon any health care treatment, are given the opportunity to sign a
4 release of information form designating a family member or other
5 individual to whom the department shall release records information
6 regarding a prisoner. A release of information form signed by a
7 prisoner shall remain in effect for 1 year, and the prisoner may
8 elect to withdraw or amend the release form at any time.

9 (2) The department shall assure that any such signed release
10 forms follow a prisoner upon transfer to another department
11 facility or to the supervision of a parole officer.

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

14 Sec. 804. The department shall report quarterly to the senate
15 and house appropriations subcommittees on corrections, the senate
16 and house fiscal agencies, the legislative corrections ombudsman,
17 and the state budget office on prisoner health care utilization.
18 The report shall include the number of inpatient hospital days,
19 outpatient visits, emergency room visits, and prisoners receiving
20 off-site inpatient medical care in the previous quarter, by
21 facility.

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

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

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

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

26 Sec. 816. By April 1, the department shall provide the senate
27 and house appropriations subcommittees on corrections, the senate

1 and house fiscal agencies, the legislative corrections ombudsman,
2 and the state budget office with a report on pharmaceutical
3 expenditures and prescribing practices. In particular, the report
4 shall provide the following information:

5 (a) A detailed accounting of expenditures on antipsychotic
6 medications.

7 (b) Any changes that have been made to the prescription drug
8 formularies.

9 **CORRECTIONAL FACILITIES ADMINISTRATION**

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

26 Sec. 906. Any local unit of government or private nonprofit

1 organization that contracts with the department for public works
2 services shall be responsible for financing the entire cost of such
3 an agreement.

4 Sec. 907. The department shall report by March 1 to the senate
5 and house appropriations subcommittees on corrections, the senate
6 and house fiscal agencies, the legislative corrections ombudsman,
7 and the state budget office on academic and vocational programs.
8 The report shall provide information relevant to an assessment of
9 the department's academic and vocational programs, including, but
10 not limited to, all of the following:

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

13 (b) The number of prisoners enrolled in each program, the
14 number of prisoners completing each program, the number of
15 prisoners who do not complete each program and are not subsequently
16 reenrolled, and the reason for not completing the program, the
17 number of prisoners transferred to another facility while enrolled
18 in a program and not subsequently reenrolled, the number of
19 prisoners enrolled who are repeating the program, and the number of
20 prisoners on waiting lists for each program, all itemized by
21 facility.

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

25 (d) The number of prisoners paroled without a high school
26 diploma and the number of prisoners paroled without a high school
27 equivalency.

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

4 (f) An identification of program outcomes for each academic
5 and vocational program.

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

9 Sec. 910. The department shall allow the Michigan Braille
10 transcribing fund program to operate at its current location. The
11 donation of the building by the Michigan Braille transcribing fund
12 at the G. Robert Cotton Correctional Facility in Jackson is
13 acknowledged and appreciated. The department shall continue to
14 encourage the Michigan Braille transcribing fund program to produce
15 high-quality materials for use by the visually impaired.

16 Sec. 911. By March 1, the department shall report to the
17 senate and house appropriations subcommittees on corrections, the
18 senate and house fiscal agencies, the legislative corrections
19 ombudsman, and the state budget office the number of critical
20 incidents occurring each month by type and the number and severity
21 of assaults, escape attempts, suicides, and attempted suicides
22 occurring each month at each facility during the immediately
23 preceding calendar year.

24 Sec. 912. The department shall report monthly to the senate
25 and house appropriations subcommittees on corrections, the senate
26 and house fiscal agencies, the legislative corrections ombudsman,
27 and the state budget office on the ratio of correctional officers

1 to prisoners for each correctional institution, the ratio of shift
2 command staff to line custody staff, and the ratio of noncustody
3 institutional staff to prisoners for each correctional institution.

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 senate and house appropriations subcommittees on corrections, the
23 senate and house fiscal agencies, the legislative corrections
24 ombudsman, and the state budget office detailing enrollment in sex
25 offender programming, assaultive offender programming, violent
26 offender programming, and thinking for a change programming. At a
27 minimum, the report shall include the following:

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

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

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

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

24 Sec. 925. By March 1, the department shall report to the
25 senate and house appropriations subcommittees on corrections, the
26 senate and house fiscal agencies, the legislative corrections
27 ombudsman, and the state budget office on the annual number of

1 prisoners in administrative segregation between October 1, 2017 and
2 September 30, 2018, and the annual number of prisoners in
3 administrative segregation between October 1, 2017 and September
4 30, 2018 who at any time during the current or prior prison term
5 were diagnosed with serious mental illness or have a developmental
6 disorder and the number of days each of the prisoners with serious
7 mental illness or a developmental disorder have been confined to
8 administrative segregation.

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

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

16 Sec. 930. The department shall submit a quarterly report to
17 the senate and house appropriations subcommittees on corrections,
18 the senate and house fiscal agencies, the legislative corrections
19 ombudsman, and the state budget office on the number of youth in
20 prison. The report shall include, but not be limited to, the
21 following 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. 940. (1) Any lease, rental, contract, or other legal
2 agreement that includes a provision allowing a private person or
3 entity to use state-owned facilities or other property to conduct a
4 for-profit business enterprise shall require the lessee to pay fair
5 market value for the use of the state-owned property.

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

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

20 Sec. 943. The department shall submit a report by May 1 to the
21 senate and house appropriations subcommittees on corrections, the
22 senate and house fiscal agencies, the legislative corrections
23 ombudsman, and the state budget office on the actual and projected
24 savings achieved by closing correctional facilities. Savings
25 amounts shall be itemized by facility. Information required by this
26 section shall start with the closure of the Pugsley Correctional
27 Facility, which closed in September of 2016.

1 Sec. 944. When the department is planning to close a
2 correctional facility, the department shall fully consider the
3 potential economic impact of the prison closure on the community
4 where the facility is located. The department, when weighing all
5 factors related to the closure of a facility, shall also consider
6 the impact on the local community where the facility to be closed
7 is located.

8 Sec. 945. As a condition of expenditure of the funds
9 appropriated in part 1, the department shall provide the senate and
10 house appropriations subcommittees on corrections, the senate and
11 house fiscal agencies, the legislative corrections ombudsman, and
12 the state budget office with monthly status reports on
13 implementation of utilization of state employees for prison food
14 service operations. Reports shall include, but not be limited to,
15 the following:

16 (a) Implementation timeline.

17 (b) Delays in implementation and cause for delays.

18 (c) Number of employees necessary to sufficiently perform food
19 service operations, by facility, including position titles.

20 (d) Number of food service-related employees hired, by
21 facility, by position.

22 (e) Number of food service-related vacant positions, by
23 facility.

24 (f) Listing of all food service-related contracts and goods or
25 services to be provided through those contracts.

26 (g) Percent of food service-related contracts awarded to
27 disadvantaged business owners.

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

17 Sec. 1011. The department may accept in-kind services and
18 equipment donations to facilitate the addition of a cable network
19 that provides programming that will address the religious needs of
20 incarcerated individuals. This network may be a cable television
21 network that presently reaches the majority of households in the
22 United States. A bilingual channel affiliated with this network may
23 also be added to department programming to assist the religious
24 needs of Spanish-speaking inmates. The addition of these channels
25 shall be at no additional cost to this state.

26 Sec. 1013. From the funds appropriated in part 1, priority may
27 be given to funding reentry or rehabilitation programs that have

1 been demonstrated to reduce prison violence and recidivism,
2 including faith-based initiatives.

3 **ONE-TIME APPROPRIATIONS**

4 Sec. 1100. From the funds appropriated in part 1 for new
5 custody staff training, the department shall increase the training
6 capacity for new custody staff. The purpose of additional academies
7 is to address higher than normal attrition of correction officers
8 and decrease overtime costs.

9 ARTICLE VI

10 DEPARTMENT OF EDUCATION

11 PART 1

12 LINE-ITEM APPROPRIATIONS

13 Sec. 101. There is appropriated for the department of
14 education for the fiscal year ending September 30, 2019, from the
15 following funds:

16 **DEPARTMENT OF EDUCATION**

17 APPROPRIATION SUMMARY

18	Full-time equated unclassified positions	6.0	
19	Full-time equated classified positions	614.5	
20	GROSS APPROPRIATION.....		\$ 357,107,300
21	Interdepartmental grant revenues:		
22	Total interdepartmental grants and intradepartmental		
23	transfers		0
24	ADJUSTED GROSS APPROPRIATION.....		\$ 357,107,300

1	Federal revenues:	
2	Total federal revenues.....	255,366,800
3	Special revenue funds:	
4	Total local revenues.....	5,852,800
5	Total private revenues.....	2,035,800
6	Total other state restricted revenues.....	8,668,200
7	State general fund/general purpose.....	\$ 85,183,700
8	Sec. 102. STATE BOARD OF EDUCATION/OFFICE OF THE	
9	SUPERINTENDENT	
10	Full-time equated unclassified positions6.0	
11	Full-time equated classified positions13.0	
12	Unclassified positions--6.0 FTE positions.....	\$ 868,900
13	Education commission of the states.....	120,800
14	State board of education, per diem payments.....	24,400
15	State board/superintendent operations--13.0 FTE	
16	positions	<u>2,634,000</u>
17	GROSS APPROPRIATION.....	\$ 3,648,100
18	Appropriated from:	
19	Federal revenues:	
20	Federal revenues.....	238,400
21	Special revenue funds:	
22	Private foundations.....	28,100
23	Certification fees.....	783,800
24	State general fund/general purpose.....	\$ 2,597,800
25	Sec. 103. DEPARTMENTAL ADMINISTRATION AND SUPPORT	
26	Full-time equated classified positions23.6	
27	Central support operations--23.6 FTE positions.....	\$ 3,761,500

1	Federal and private grants.....	3,000,000
2	Property management.....	3,362,100
3	Terminal leave payments.....	353,300
4	Training and orientation workshops.....	150,000
5	Worker's compensation.....	<u>28,200</u>
6	GROSS APPROPRIATION.....	\$ 10,655,100
7	Appropriated from:	
8	Federal revenues:	
9	Federal revenues.....	3,688,600
10	Federal indirect funds.....	2,480,200
11	Special revenue funds:	
12	Private foundations.....	1,000,000
13	Certification fees.....	411,500
14	Teacher testing fees.....	4,200
15	Training and orientation workshop fees.....	150,000
16	State general fund/general purpose.....	\$ 2,920,600
17	Sec. 104. INFORMATION TECHNOLOGY	
18	Information technology services and projects.....	\$ <u>4,287,500</u>
19	GROSS APPROPRIATION.....	\$ 4,287,500
20	Appropriated from:	
21	Federal revenues:	
22	Federal revenues.....	630,900
23	Federal indirect funds.....	1,865,600
24	Special revenue funds:	
25	Certification fees.....	406,500
26	State general fund/general purpose.....	\$ 1,384,500
27	Sec. 105. SPECIAL EDUCATION SERVICES	

1	Full-time equated classified positions	47.0	
2	Special education operations--47.0 FTE positions.....		\$ <u>9,263,800</u>
3	GROSS APPROPRIATION.....		\$ 9,263,800
4	Appropriated from:		
5	Federal revenues:		
6	Federal revenues.....		8,678,800
7	Special revenue funds:		
8	Private foundations.....		110,100
9	Certification fees.....		45,300
10	State general fund/general purpose.....		\$ 429,600
11	Sec. 106. MICHIGAN SCHOOLS FOR THE DEAF AND BLIND		
12	Full-time equated classified positions	82.0	
13	Camp Tuhsmeheeta--1.0 FTE position.....		\$ 297,600
14	Low incidence outreach program.....		750,000
15	Michigan schools for the deaf and blind operations--		
16	81.0 FTE positions		13,430,700
17	Private gifts - blind.....		200,000
18	Private gifts - deaf.....		<u>150,000</u>
19	GROSS APPROPRIATION.....		\$ 14,828,300
20	Appropriated from:		
21	Federal revenues:		
22	Federal revenues.....		7,484,600
23	Special revenue funds:		
24	Local cost sharing (schools for deaf/blind).....		5,852,800
25	Gifts, bequests, and donations.....		647,600
26	Low incidence outreach fund.....		750,000
27	Student insurance revenue.....		93,300

1	State general fund/general purpose.....	\$	0
2	Sec. 107. PROFESSIONAL PREPARATION SERVICES		
3	Full-time equated classified positions	33.0	
4	Professional preparation operations--33.0 FTE		
5	positions	\$	<u>5,569,700</u>
6	GROSS APPROPRIATION.....	\$	5,569,700
7	Appropriated from:		
8	Federal revenues:		
9	Federal revenues.....		1,471,600
10	Special revenue funds:		
11	Certification fees.....		3,678,000
12	Teacher testing fees.....		193,300
13	State general fund/general purpose.....	\$	226,800
14	Sec. 108. MICHIGAN OFFICE OF GREAT START		
15	Full-time equated classified positions	66.0	
16	Child development and care external support.....	\$	28,749,600
17	Child development and care public assistance.....		162,396,100
18	Head start collaboration office--1.0 FTE position.....		313,700
19	Office of great start operations--65.0 FTE positions..		<u>25,746,200</u>
20	GROSS APPROPRIATION.....	\$	217,205,600
21	Appropriated from:		
22	Federal revenues:		
23	Federal revenues.....		175,558,400
24	Special revenue funds:		
25	Private foundations.....		250,000
26	Certification fees.....		64,600
27	State general fund/general purpose.....	\$	41,332,600

1 Sec. 109. STATE AID AND SCHOOL FINANCE SERVICES

2 Full-time equated classified positions11.5

3 State aid and school finance operations--11.5 FTE

4 positions \$ 1,671,500

5 GROSS APPROPRIATION..... \$ 1,671,500

6 Appropriated from:

7 State general fund/general purpose..... \$ 1,671,500

8 Sec. 110. AUDIT SERVICES

9 Full-time equated classified positions4.5

10 Audit operations--4.5 FTE positions..... \$ 624,700

11 GROSS APPROPRIATION..... \$ 624,700

12 Appropriated from:

13 Federal revenues:

14 Federal indirect funds..... 496,600

15 Special revenue funds:

16 Certification fees..... 62,900

17 State general fund/general purpose..... \$ 65,200

18 Sec. 111. ADMINISTRATIVE LAW SERVICES

19 Full-time equated classified positions2.0

20 Administrative law operations--2.0 FTE positions..... \$ 1,392,900

21 GROSS APPROPRIATION..... \$ 1,392,900

22 Appropriated from:

23 Federal revenues:

24 Federal revenues..... 573,800

25 Special revenue funds:

26 Certification fees..... 717,400

27 State general fund/general purpose..... \$ 101,700

1 Sec. 112. ACCOUNTABILITY SERVICES

2	Full-time equated classified positions	64.6	
3	Accountability services operations--64.6 FTE positions		\$ <u>14,828,600</u>
4	GROSS APPROPRIATION.....		\$ 14,828,600
5	Appropriated from:		
6	Federal revenues:		
7	Federal revenues.....		12,652,400
8	State general fund/general purpose.....		\$ 2,176,200

9 Sec. 113. SCHOOL SUPPORT SERVICES

10	Full-time equated classified positions	83.6	
11	School support services operations--83.6 FTE positions		\$ <u>17,238,800</u>
12	GROSS APPROPRIATION.....		\$ 17,238,800
13	Appropriated from:		
14	Federal revenues:		
15	Federal revenues.....		14,690,300
16	Special revenue funds:		
17	Certification fees.....		87,600
18	Commodity distribution fees.....		71,700
19	State general fund/general purpose.....		\$ 2,389,200

20 Sec. 114. FIELD SERVICES

21	Full-time equated classified positions	47.0	
22	Field services operations--47.0 FTE positions.....		\$ <u>9,494,900</u>
23	GROSS APPROPRIATION.....		\$ 9,494,900
24	Appropriated from:		
25	Federal revenues:		
26	Federal revenues.....		8,722,200
27	Special revenue funds:		

1	Certification fees.....	37,300
2	State general fund/general purpose.....	\$ 735,400
3	Sec. 115. EDUCATIONAL IMPROVEMENT AND INNOVATION	
4	SERVICES	
5	Full-time equated classified positions	44.7
6	Educational improvement and innovation operations--	
7	44.7 FTE positions	\$ <u>9,090,000</u>
8	GROSS APPROPRIATION.....	\$ 9,090,000
9	Appropriated from:	
10	Federal revenues:	
11	Federal revenues.....	5,942,100
12	Special revenue funds:	
13	Certification fees.....	565,100
14	State general fund/general purpose.....	\$ 2,582,800
15	Sec. 116. CAREER AND TECHNICAL EDUCATION	
16	Full-time equated classified positions	29.0
17	Career and technical education operations--29.0 FTE	
18	positions	\$ <u>5,312,900</u>
19	GROSS APPROPRIATION.....	\$ 5,312,900
20	Appropriated from:	
21	Federal revenues:	
22	Federal revenues.....	3,944,400
23	State general fund/general purpose.....	\$ 1,368,500
24	Sec. 117. LIBRARY OF MICHIGAN	
25	Full-time equated classified positions	33.0
26	Library of Michigan operations--31.0 FTE positions....	\$ 4,900,200
27	Library services and technology program--1.0 FTE	

1	position	5,611,400
2	Michigan eLibrary--1.0 FTE position.....	1,757,900
3	Renaissance zone reimbursements.....	2,500,000
4	State aid to libraries.....	<u>11,067,700</u>
5	GROSS APPROPRIATION.....	\$ 25,837,200
6	Appropriated from:	
7	Federal revenues:	
8	Federal revenues.....	5,611,400
9	Special revenue funds:	
10	Library fees.....	300,000
11	State general fund/general purpose.....	\$ 19,925,800
12	SEC. 118. EDUCATOR TALENT AND POLICY COORDINATION	
13	Full-time equated classified positions17.0	
14	Educator talent and policy coordination operations--	
15	17.0 FTE positions	\$ <u>2,652,700</u>
16	GROSS APPROPRIATION.....	\$ 2,652,700
17	Appropriated from:	
18	Federal revenues:	
19	Federal revenues.....	636,500
20	Special revenue funds:	
21	Certification fees.....	245,600
22	State general fund/general purpose.....	\$ 1,770,600
23	SEC. 119. PARTNERSHIP DISTRICT SUPPORT	
24	Full-time equated classified positions13.0	
25	Partnership district support operations--13.0 FTE	
26	positions	\$ <u>3,504,900</u>
27	GROSS APPROPRIATION.....	\$ 3,504,900

1	Appropriated from:	
2	State general fund/general purpose.....	\$ 3,504,900
3	Sec. 120. ONE-TIME APPROPRIATIONS	
4	Drinking water declaration of emergency.....	\$ <u>100</u>
5	GROSS APPROPRIATION.....	\$ 100
6	Appropriated from:	
7	Special revenue funds:	
8	Drinking water emergency reserve fund.....	100
9	State general fund/general purpose.....	\$ 0

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FOR FISCAL YEAR 2018-2019

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state sources under part 1 for fiscal year 2018-2019 is \$93,851,900.00 and state spending from state sources to be paid to local units of government for fiscal year 2018-2019 is \$13,567,700.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF EDUCATION

22	Renaissance zone reimbursements.....	\$ 2,500,000
23	State aid to libraries.....	<u>11,067,700</u>
24	Total department of education.....	\$ 13,567,700

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) "Department" means the Michigan department of education.

5 (b) "District" means a local school district as that term is
6 defined in section 6 of the revised school code, 1976 PA 451, MCL
7 380.6, or a public school academy as that term is defined in
8 section 5 of the revised school code, 1976 PA 451, MCL 380.5.

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

10 (d) "IDG" means interdepartmental grant.

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 should 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 state superintendent of public instruction shall

1 take all reasonable steps to ensure businesses in deprived and
2 depressed communities compete for and perform contracts to provide
3 services or supplies, or both. The state superintendent of public
4 instruction shall strongly encourage firms with which the
5 department contracts to subcontract with certified businesses in
6 depressed and deprived communities for services, supplies, or both.

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

10 Sec. 210. (1) In addition to the funds appropriated in part 1,
11 there is appropriated an amount not to exceed \$10,000,000.00 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 \$700,000.00 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 \$250,000.00 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,
27 MCL 18.1393.

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

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

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

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

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

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

18 (e) Job specifications and wage rates.

19 Sec. 212. Within 14 days after the release of the executive
20 budget recommendation, the department shall cooperate with the
21 state budget office to provide the senate and house appropriations
22 chairs, the senate and house appropriations subcommittees chairs,
23 and the senate and house fiscal agencies with an annual report on
24 estimated state restricted fund balances, state restricted fund
25 projected revenues, and state restricted fund expenditures for the
26 fiscal years ending September 30, 2018 and September 30, 2019.

27 Sec. 213. The department shall maintain, on a publicly

1 accessible website, a department scorecard that identifies, tracks,
2 and regularly updates key metrics that are used to monitor and
3 improve the department's performance.

4 Sec. 214. Total authorized appropriations from all sources
5 under part 1 for legacy costs for the fiscal year ending September
6 30, 2019 are estimated at \$15,595,300.00. From this amount, total
7 agency appropriations for pension-related legacy costs are
8 estimated at \$7,189,700.00. Total agency appropriations for retiree
9 health care legacy costs are estimated at \$8,405,600.00.

10 Sec. 215. The department shall provide through the internet
11 the state board of education agenda and all supporting documents,
12 and shall notify the state budget director and the senate and house
13 fiscal agencies that the agenda and supporting documents are
14 available on the internet, at the time the agenda and supporting
15 documents are provided to state board of education members.

16 Sec. 217. The department may assist the department of health
17 and human services, other departments, and local school districts
18 to secure reimbursement for eligible services provided in Michigan
19 schools from the federal Medicaid program. The department may
20 submit reports of direct expenses related to this effort to the
21 department of health and human services for reimbursement.

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

26 Sec. 220. The department shall post on its website a link to
27 the federal Institute of Education Sciences' What Works

1 Clearinghouse. The department also shall work to disseminate
2 knowledge about the What Works Clearinghouse to districts and
3 intermediate districts so that it may be used to improve reading
4 proficiency for pupils in grades K to 3.

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

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

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

21 Sec. 225. (1) The department shall do all of the following:

22 (a) Not later than August 1, 2018, open the grant application
23 process. The department shall send districts and post on its
24 publicly accessible website the grant application and award process
25 schedule and the list of the state grants available in the 2018-
26 2019 state fiscal year under article I of the state school aid act
27 of 1979, 1979 PA 94, MCL 388.1601 to 388.1772.

1 (b) On October 1, 2018, close the grant application process
2 and begin the award process for state grant funds appropriated in
3 the 2018-2019 state fiscal year under article I of the state school
4 aid act of 1979, 1979 PA 94, MCL 388.1601 to 388.1772.

5 (c) Not later than November 1, 2018, distribute grant awards
6 for state grant funds appropriated in the 2018-2019 state fiscal
7 year under article I of the state school aid act of 1979, 1979 PA
8 94, MCL 388.1601 to 388.1772.

9 (2) If the department fails to comply with subdivision (a),
10 (b), or (c), the state money appropriated in part 1 for
11 unclassified positions, state board/superintendent operations,
12 school support services operations, and field services operations
13 shall each be reduced by 5%.

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

23 Sec. 227. (1) The department shall provide data requested by a
24 member of the legislature, his or her staff, or the house and
25 senate fiscal agencies in a timely manner. If the department fails
26 to provide reasonably requested data within 30 days after the
27 request, the state money appropriated in part 1 for state

1 board/superintendent operations shall be reduced by 1%.

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

7 Sec. 229. The department shall not enter into a contract
8 funded under part 1 that exceeds \$1,000,000.00, submit federal
9 accountability plans, or request amendments to federal
10 accountability plans until after notification of the content to
11 both the house and senate appropriations committees and the state
12 budget director.

13 Sec. 230. From the funds appropriated in part 1, the
14 department shall compile a report that identifies any new, or lack
15 thereof, mandates required of nonpublic schools. In compiling the
16 report, the department may consult with relevant statewide
17 education associations in Michigan. The report compiled by the
18 department shall indicate the type of mandate, including, but not
19 limited to, student health, student or building safety,
20 accountability, and educational requirements, and shall indicate
21 whether a school has to report on the specified mandates. The
22 report required under this section shall be completed by April 1,
23 2019 and transmitted to the state budget director, the house and
24 senate appropriations subcommittees responsible for the department
25 of education, and the senate and house fiscal agencies not later
26 than April 15, 2019.

1 STATE BOARD OF EDUCATION/OFFICE OF THE SUPERINTENDENT

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

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

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

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

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

15 CENTRAL SUPPORT

16 Sec. 325. Within 10 days of the receipt of a grant
17 appropriated in the federal and private grants line item in part 1,
18 the department shall notify the house and senate chairpersons of
19 the appropriations subcommittees responsible for the department
20 budget, the house and senate fiscal agencies, and the state budget
21 director of the receipt of the grant, including the funding source,
22 purpose, and amount of the grant.

23 SPECIAL EDUCATION SERVICES

24 Sec. 350. From the funds in part 1 for special education
25 operations, the department shall use \$100,000.00 to design and

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

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

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

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

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

1 intermediate school districts in this state.

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

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

10 Sec. 407. Revenue received by the Michigan Schools for the
11 Deaf and Blind from gifts, bequests, and donations that is
12 unexpended at the end of the state fiscal year may be carried over
13 to the succeeding fiscal year and shall not revert to the general
14 fund.

15 Sec. 408. (1) The funds appropriated in part 1 for the low
16 incidence outreach fund are appropriated from money collected by
17 the Michigan Schools for the Deaf and Blind and the low incidence
18 outreach program for providing qualified services and may be used
19 for any expenses necessary to provide the qualified services. Any
20 money that is unexpended at the end of the current fiscal year may
21 be carried forward into the succeeding fiscal year.

22 (2) As used in this section, "qualified services" means
23 document reproduction and services; conducting conferences,
24 workshops, and training classes; and providing specialized
25 equipment, facilities, and software.

26 **PROFESSIONAL PREPARATION SERVICES**

1 Sec. 501. From the funds appropriated in part 1 for
2 professional preparation services, the department shall maintain
3 certificate revocation/felony conviction files of educational
4 personnel.

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

13 Sec. 503. From the funds appropriated in part 1, the
14 department shall, upon request, consult with the Michigan Virtual
15 Research Institute and external stakeholders in connection with the
16 department's implementation and administration of professional
17 development training described in section 35a of the state school
18 aid act of 1979, 1979 PA 94, MCL 388.1635a, including, but not
19 limited to, the online training of educators of pupils in grades K
20 to 3 described in that section.

21 Sec. 506. Revenue received from teacher testing fees that is
22 unexpended at the end of the current fiscal year may be carried
23 over to the succeeding fiscal year and shall not revert to the
24 general fund.

25 Sec. 507. From the funds appropriated in part 1, the
26 department shall adopt a teacher certification test that ensures
27 that all newly certified elementary teachers have the skills to

1 deliver evidence-based literacy instruction. The department may use
2 teacher certification or teacher testing fee revenue to the extent
3 allowable under law to implement this section, or may pass along
4 increased testing fees to teachers as allowable and appropriate.

5 **SCHOOL SUPPORT SERVICES**

6 Sec. 601. From the funds appropriated in part 1, there is
7 allocated to the department an amount not to exceed \$1,000,000.00
8 for implementation costs associated with programs for early
9 childhood literacy funded under section 35a of the state school aid
10 act of 1979, 1979 PA 94, MCL 388.1635a.

11 **FIELD SERVICES**

12 Sec. 701. (1) From the funds appropriated in part 1 for field
13 services operations, the department shall produce a report
14 detailing the progress made by districts with grades K to 12
15 receiving at-risk funding under section 31a of the state school aid
16 act of 1979, 1979 PA 94, MCL 388.1631a, in implementing multitiered
17 systems of supports in the prior school fiscal year for grades K to
18 12, and in providing reading intervention services described in
19 section 1280f of the revised school code, 1976 PA 451, MCL
20 380.1280f, for pupils in grades K to 3.

21 (2) The report described in subsection (1) shall include, at a
22 minimum:

23 (a) A description of the training, coaching, and technical
24 assistance offered by the department to districts to support the
25 implementation of effective multitiered systems of supports and

1 reading intervention programs.

2 (b) A list of districts determined by the department to have
3 successfully implemented multitiered systems of supports and
4 reading intervention programs.

5 (c) A list of best practices that the department has
6 identified that may be used by districts to implement multitiered
7 systems of supports and reading intervention programs.

8 (d) Other information the department determines would be
9 useful to understanding the status of districts' implementation of
10 effective multitiered systems of supports and reading intervention
11 programs.

12 (3) The department shall provide the report described in
13 subsection (1) to the state budget director, the house and senate
14 subcommittees that oversee the department of education and school
15 aid budgets, and the house and senate fiscal agencies by September
16 30, 2019.

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 Library of
20 Michigan for providing qualified services and may be used for any
21 expenses necessary to provide the qualified services. Any money
22 that is unexpended at the end of the current fiscal year may be
23 carried 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 2018. 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, 2018, 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, 2018.

25 Sec. 1002. (1) From the funds appropriated in part 1 for child
26 development and care public assistance, provider reimbursement

1 rates are as follows:

2 (a) The reimbursement rates for child care center providers
3 for children 0 to 2-1/2 years are as follows:

4 (i) The reimbursement rate for child care center providers
5 with an empty star rating is \$4.00 per hour for each child.

6 (ii) The reimbursement rate for child care center providers
7 with a 1-star rating is \$4.00 per hour for each child.

8 (iii) The reimbursement rate for child care center providers
9 with a 2-star rating is \$4.25 per hour for each child.

10 (iv) The reimbursement rate for child care center providers
11 with a 3-star rating is \$4.75 per hour for each child.

12 (v) The reimbursement rate for child care center providers
13 with a 4-star rating is \$5.00 per hour for each child.

14 (vi) The reimbursement rate for child care center providers
15 with a 5-star rating is \$5.50 per hour for each child.

16 (b) The reimbursement rates for child care center providers
17 for children over 2-1/2 years are as follows:

18 (i) The reimbursement rate for child care center providers
19 with an empty star rating is \$2.75 per hour for each child.

20 (ii) The reimbursement rate for child care center providers
21 with a 1-star rating is \$2.75 per hour for each child.

22 (iii) The reimbursement rate for child care center providers
23 with a 2-star rating is \$3.00 per hour for each child.

24 (iv) The reimbursement rate for child care center providers
25 with a 3-star rating is \$3.50 per hour for each child.

26 (v) The reimbursement rate for child care center providers
27 with a 4-star rating is \$3.75 per hour for each child.

1 (vi) The reimbursement rate for child care center providers
2 with a 5-star rating is \$4.25 per hour for each child.

3 (c) The reimbursement rates for group home providers for
4 children 0 to 2-1/2 years are as follows:

5 (i) The reimbursement rate for group home providers with an
6 empty star rating is \$3.15 per hour for each child.

7 (ii) The reimbursement rate for group home providers with a 1-
8 star rating is \$3.15 per hour for each child.

9 (iii) The reimbursement rate for group home providers with a
10 2-star rating is \$3.40 per hour for each child.

11 (iv) The reimbursement rate for group home providers with a 3-
12 star rating is \$3.90 per hour for each child.

13 (v) The reimbursement rate for group home providers with a 4-
14 star rating is \$4.15 per hour for each child.

15 (vi) The reimbursement rate for group home providers with a 5-
16 star rating is \$4.65 per hour for each child.

17 (d) The reimbursement rates for group home providers for
18 children over 2-1/2 years are as follows:

19 (i) The reimbursement rate for group home providers with an
20 empty star rating is \$2.65 per hour for each child.

21 (ii) The reimbursement rate for group home providers with a 1-
22 star rating is \$2.65 per hour for each child.

23 (iii) The reimbursement rate for group home providers with a
24 2-star rating is \$2.90 per hour for each child.

25 (iv) The reimbursement rate for group home providers with a 3-
26 star rating is \$3.40 per hour for each child.

27 (v) The reimbursement rate for group home providers with a 4-

1 star rating is \$3.65 per hour for each child.

2 (vi) The reimbursement rate for group home providers with a 5-
3 star rating is \$4.15 per hour for each child.

4 (e) The reimbursement rates for registered family home
5 providers for children 0 to 2-1/2 years are as follows:

6 (i) The reimbursement rate for registered family home
7 providers with an empty star rating is \$3.15 per hour for each
8 child.

9 (ii) The reimbursement rate for registered family home
10 providers with a 1-star rating is \$3.15 per hour for each child.

11 (iii) The reimbursement rate for registered family home
12 providers with a 2-star rating is \$3.40 per hour for each child.

13 (iv) The reimbursement rate for registered family home
14 providers with a 3-star rating is \$3.90 per hour for each child.

15 (v) The reimbursement rate for registered family home
16 providers with a 4-star rating is \$4.15 per hour for each child.

17 (vi) The reimbursement rate for registered family home
18 providers with a 5-star rating is \$4.65 per hour for each child.

19 (f) The reimbursement rates for registered family home
20 providers for children over 2-1/2 years are as follows:

21 (i) The reimbursement rate for registered family home
22 providers with an empty star rating is \$2.65 per hour for each
23 child.

24 (ii) The reimbursement rate for registered family home
25 providers with a 1-star rating is \$2.65 per hour for each child.

26 (iii) The reimbursement rate for registered family home
27 providers with a 2-star rating is \$2.90 per hour for each child.

1 (iv) The reimbursement rate for registered family home
2 providers with a 3-star rating is \$3.40 per hour for each child.

3 (v) The reimbursement rate for registered family home
4 providers with a 4-star rating is \$3.65 per hour for each child.

5 (vi) The reimbursement rate for registered family home
6 providers with a 5-star rating is \$4.15 per hour for each child.

7 (g) The reimbursement rates for unlicensed providers for
8 children 0 to age 2-1/2 years are as follows:

9 (i) The reimbursement rate for unlicensed providers with a
10 tier 1 rating is \$1.60 per hour for each child.

11 (ii) The reimbursement rate for unlicensed providers with a
12 tier 2 rating is \$2.95 per hour for each child.

13 (h) The reimbursement rates for unlicensed providers for
14 children over 2-1/2 years are as follows:

15 (i) The reimbursement rate for unlicensed providers with a
16 tier 1 rating is \$1.60 per hour for each child.

17 (ii) The reimbursement rate for unlicensed providers with a
18 tier 2 rating is \$2.60 per hour for each child.

19 (2) The department shall ensure that the final provider
20 reimbursement rates determined under this section are published on
21 the department and great start to quality webpages.

22 Sec. 1003. (1) The department shall provide the house and
23 senate appropriations subcommittees on the department budget with
24 an annual report on all funding appropriated to the Early Childhood
25 Investment Corporation by this state during the previous fiscal
26 year. The report is due by February 15 and must contain at least
27 the following information:

1 (a) Total funding appropriated to the Early Childhood
2 Investment Corporation by the state during the previous fiscal
3 year.

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

5 (c) The grant recipients.

6 (d) The activities funded by each grant.

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

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

13 Sec. 1004. From the funds appropriated in part 1 for office of
14 great start operations, there is allocated \$1,000,000.00 in federal
15 discretionary funds to ensure that the TEACH scholarship program
16 gives preference to the following providers:

17 (a) Providers that currently have a great start to quality
18 star rating or are in the process to receive a star rating.

19 (b) Providers that are seeking to increase their great start
20 to quality star rating and are only restricted from receiving the
21 increased rating because they lack employees with the proper
22 education level.

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

27 (a) Both the on-site and off-site activities that are intended

1 to improve child care provider quality and the number of times
2 those activities are performed by the licensing consultants.

3 (b) How many on-site visits a single licensing consultant has
4 made since the start of the current fiscal year.

5 (c) The types of on-site visits and the number of visits for
6 each type that a single consultant has made since the start of the
7 current fiscal year.

8 (d) The number of providers that have improved their quality
9 rating since the start of the current fiscal year compared to the
10 same time period in the preceding fiscal year, reported as the
11 number of providers in each regional prosperity zone.

12 (e) The types of activities that are intended to improve
13 licensing consultant performance and child care provider quality
14 and the number of times those activities are performed by the
15 managers and administrators.

16 (2) The progress reports shall be sent to the state budget
17 director, the house and senate subcommittees that oversee the
18 department of education, and the house and senate fiscal agencies
19 by April 1, 2019 and September 30, 2019.

20 Sec. 1008. From the amount appropriated in part 1 for office
21 of great start operations, the department shall work with the
22 department of health and human services to coordinate services
23 provided to families for home visits, reduce duplication of state
24 services and spending, and increase efficiencies including the home
25 visits funded under section 32p of the state school aid act of
26 1979, 1979 PA 94, MCL 388.1632p.

27 Sec. 1009. From the funds appropriated in part 1 for child

1 development and care public assistance, the entrance threshold for
2 the child development and care program is set at 130% of the
3 federal poverty guidelines.

4 **ONE-TIME APPROPRIATIONS**

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

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

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

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

21 (3) Each month, the department shall create a report
22 concerning each city where there is a drinking water declaration of
23 emergency or where a drinking water declaration of emergency has
24 been lifted and the department continues to spend funds under this
25 section. The report shall include, but is not limited to, all of
26 the following:

1 (a) The number of children ages 0 to 3 in the city.

2 (b) The number of children ages 0 to 3 in the city served by
3 the child development and care program before the implementation of
4 the increase to the entrance threshold to 300% of the federal
5 poverty guidelines.

6 (c) The number of children ages 0 to 3 in the city served by
7 the child development and care program after the implementation of
8 the increase to the entrance threshold to 300% of the federal
9 poverty guidelines.

10 (d) The number of cases including a child aged 0 to 3 in the
11 city being served by the child development and care program.

12 (e) The number of children receiving referrals for additional
13 screenings, assessments, or services that are ages 0 to 3 in the
14 city served by the child development and care program.

15 (f) The number of children ages 0 to 3 identified with
16 developmental delays in the city served by the child development
17 and care program.

18 (g) The number of children ages 0 to 3 who are in 1-parent
19 households in the city served by the child development and care
20 program.

21 (h) The number of children ages 0 to 3 who are in 2-parent
22 households in the city served by the child development and care
23 program.

24 (i) The number of child care providers that were provided
25 training on identifying the impacts of lead exposure, as well as
26 related developmental delays that are serving children ages 0 to 3
27 in the city participating in the child development and care

1 program.

2 (j) The types and number of communications with parents or
3 caretakers on the impact of developmental delays and available
4 services for children ages 0 to 3 in the city being served by the
5 child development and care program. The department shall create a
6 list of communication types that includes, but is not limited to,
7 all of the following: in person, telephone, letter, and electronic
8 mail.

9 (4) The report created under subsection (3) shall be sent to
10 the state budget director, the house and senate appropriations
11 subcommittees that oversee the department's budget, and the house
12 and senate fiscal agencies by the first of every month until the
13 department has spent all of the money appropriated in part 1 for a
14 drinking water declaration of emergency.

15 ARTICLE VII

16 DEPARTMENT OF ENVIRONMENTAL QUALITY

17 PART 1

18 LINE-ITEM APPROPRIATIONS

19 Sec. 101. There is appropriated for the department of
20 environmental quality for the fiscal year ending September 30,
21 2019, from the following funds:

22 **DEPARTMENT OF ENVIRONMENTAL QUALITY**

23 APPROPRIATION SUMMARY

24 Full-time equated unclassified positions6.0
25 Full-time equated classified positions1,215.0

1	GROSS APPROPRIATION.....	\$	445,702,600
2	Interdepartmental grant revenues:		
3	Total interdepartmental grants and intradepartmental		
4	transfers		3,143,700
5	ADJUSTED GROSS APPROPRIATION.....	\$	442,558,900
6	Federal revenues:		
7	Total federal revenues.....		160,225,400
8	Special revenue funds:		
9	Total local revenues.....		0
10	Total private revenues.....		1,061,700
11	Total other state restricted revenues.....		209,325,300
12	State general fund/general purpose.....	\$	71,946,500
13	FUND SOURCE SUMMARY		
14	Full-time equated unclassified positions6.0		
15	Full-time equated classified positions1,215.0		
16	GROSS APPROPRIATION.....	\$	445,702,600
17	Interdepartmental grant revenues:		
18	IDG from department of state police.....		1,776,100
19	IDG from state transportation department.....		1,367,600
20	Total interdepartmental grants and intradepartmental		
21	transfers		3,143,700
22	ADJUSTED GROSS APPROPRIATION.....	\$	442,558,900
23	Federal revenues:		
24	Federal funds.....		160,225,400
25	Total federal revenues.....		160,225,400
26	Special revenue funds:		
27	Private funds.....		1,061,700

1	Total private revenues.....	1,061,700
2	Air emissions fees.....	12,427,300
3	Aquatic nuisance control fund.....	931,400
4	Aquifer protection revolving fund.....	524,000
5	Campground fund.....	326,000
6	Clean Michigan initiative - clean water fund.....	3,417,100
7	Clean Michigan initiative - nonpoint source.....	2,000,000
8	Cleanup and redevelopment fund.....	19,939,400
9	Community pollution prevention fund.....	250,000
10	Drinking water declaration of emergency reserve fund..	100
11	Electronic waste recycling fund.....	334,500
12	Environmental education fund.....	171,300
13	Environmental pollution prevention fund.....	6,779,300
14	Environmental protection fund.....	2,476,700
15	Environmental response fund.....	3,782,600
16	Fees and collections.....	393,900
17	Financial instruments.....	9,489,100
18	Groundwater discharge permit fees.....	1,779,800
19	Infrastructure construction fund.....	51,400
20	Laboratory services fees.....	4,294,900
21	Land and water permit fees.....	3,306,700
22	Landfill maintenance trust fund.....	31,000
23	Lawsuit settlement proceeds fund.....	3,000,000
24	Medical waste emergency response fund.....	339,700
25	Metallic mining surveillance fee revenue.....	101,000
26	Mineral well regulatory fee revenue.....	223,100
27	Native copper mine fund.....	50,000

1	Nonferrous metallic mineral surveillance.....	367,300
2	NPDES fees.....	4,627,700
3	Oil and gas regulatory fund.....	5,242,400
4	Orphan well fund.....	2,424,600
5	Public swimming pool fund.....	662,600
6	Public utility assessments.....	417,000
7	Public water supply fees.....	5,012,000
8	Refined petroleum fund.....	42,085,200
9	Revitalization revolving loan fund.....	103,100
10	Revolving loan revenue bonds.....	15,000,000
11	Sand extraction fee revenue.....	92,900
12	Scrap tire regulatory fund.....	5,109,900
13	Septage waste contingency fund.....	3,400
14	Septage waste program fund.....	530,300
15	Settlement funds.....	426,100
16	Sewage sludge land application fee.....	1,006,800
17	Small business pollution prevention revolving loan	
18	fund	167,100
19	Soil erosion and sedimentation control training fund..	175,100
20	Solid waste management fund - staff account.....	5,208,300
21	Stormwater permit fees.....	3,078,000
22	Strategic water quality initiatives fund.....	17,211,900
23	Underground storage tank cleanup fund.....	20,028,700
24	Wastewater operator training fees.....	601,900
25	Water analysis fees.....	2,275,200
26	Water pollution control revolving fund.....	656,100
27	Water quality protection fund.....	100,000

1	Water use reporting fees.....	291,400
2	Total other state restricted revenues.....	209,325,300
3	State general fund/general purpose.....	\$ 71,946,500
4	Sec. 102. DEPARTMENTAL ADMINISTRATION AND SUPPORT	
5	Full-time equated unclassified positions6.0	
6	Full-time equated classified positions83.0	
7	Unclassified salaries--6.0 FTE positions.....	\$ 792,200
8	Accounting service center.....	1,419,700
9	Administrative hearings.....	388,000
10	Central support services--39.0 FTE positions.....	8,159,000
11	Communications and community outreach--31.0 FTE	
12	positions	3,585,900
13	Environmental support projects.....	5,000,000
14	Executive direction--13.0 FTE positions.....	2,142,600
15	Facilities management.....	1,000,000
16	Property management.....	<u>7,458,300</u>
17	GROSS APPROPRIATION.....	\$ 29,945,700
18	Appropriated from:	
19	Interdepartmental grant revenues:	
20	IDG from department of state police.....	61,100
21	Federal revenues:	
22	Federal funds.....	29,400
23	Special revenue funds:	
24	Private funds.....	364,000
25	Air emissions fees.....	1,508,500
26	Campground fund.....	15,600
27	Cleanup and redevelopment fund.....	1,589,500

1	Electronic waste recycling fund.....	15,300
2	Environmental education fund.....	171,300
3	Environmental pollution prevention fund.....	1,710,600
4	Environmental protection fund.....	323,800
5	Environmental response fund.....	529,800
6	Fees and collections.....	150,200
7	Financial instruments.....	7,326,100
8	Groundwater discharge permit fees.....	211,700
9	Laboratory services fees.....	157,800
10	Land and water permit fees.....	612,500
11	Lawsuit settlement proceeds fund.....	3,000,000
12	Medical waste emergency response fund.....	18,000
13	Metallic mining surveillance fee revenue.....	5,100
14	Mineral well regulatory fee revenue.....	9,000
15	Nonferrous metallic mineral surveillance.....	800
16	NPDES fees.....	276,100
17	Oil and gas regulatory fund.....	1,014,800
18	Orphan well fund.....	52,900
19	Public swimming pool fund.....	27,500
20	Public utility assessments.....	20,400
21	Public water supply fees.....	288,900
22	Refined petroleum fund.....	2,583,900
23	Sand extraction fee revenue.....	4,200
24	Scrap tire regulatory fund.....	158,800
25	Septage waste program fund.....	20,200
26	Settlement funds.....	426,100
27	Sewage sludge land application fee.....	121,600

1	Small business pollution prevention revolving loan	
2	fund	19,400
3	Soil erosion and sedimentation control training fund..	18,900
4	Solid waste management fund - staff account.....	331,800
5	Stormwater permit fees.....	264,700
6	Wastewater operator training fees.....	34,600
7	Water analysis fees.....	148,400
8	Water use reporting fees.....	24,700
9	State general fund/general purpose.....	\$ 6,297,700
10	Sec. 103. GREAT LAKES RESTORATION INITIATIVE	
11	Great Lakes restoration initiative.....	\$ <u>6,714,100</u>
12	GROSS APPROPRIATION.....	\$ 6,714,100
13	Appropriated from:	
14	Federal revenues:	
15	Federal funds.....	6,714,100
16	Special revenue funds:	
17	State general fund/general purpose.....	\$ 0
18	Sec. 104. WATER RESOURCES DIVISION	
19	Full-time equated classified positions316.0	
20	Aquatic nuisance control program--6.0 FTE positions... \$	931,400
21	Expedited water/wastewater permits--1.0 FTE position..	51,400
22	Federal - Great Lakes remedial action plan grants.....	583,800
23	Federal - nonpoint source water pollution grants.....	4,083,300
24	Fish contaminant monitoring.....	316,100
25	Groundwater discharge permit program--22.0 FTE	
26	positions	3,253,500
27	Land and water interface permit programs--82.0 FTE	

1	positions	11,848,200
2	Nonpoint source pollution prevention and control	
3	project program	2,000,000
4	NPDES nonstormwater program--83.0 FTE positions.....	13,245,000
5	Program direction and project assistance--27.0 FTE	
6	positions	3,113,700
7	Surface water--86.0 FTE positions.....	16,291,600
8	Technology advancements for water monitoring.....	500,000
9	Water quality and use initiative/general--5.0 FTE	
10	positions	1,498,300
11	Water quality protection grants.....	100,000
12	Water withdrawal assessment program--4.0 FTE positions	1,438,400
13	Wetland mitigation banking grants and loans.....	1,000,000
14	Wetlands program.....	<u>1,000,000</u>
15	GROSS APPROPRIATION.....	\$ 61,254,700
16	Appropriated from:	
17	Interdepartmental grant revenues:	
18	IDG from state transportation department.....	1,281,500
19	Federal revenues:	
20	Federal funds.....	20,490,200
21	Special revenue funds:	
22	Aquatic nuisance control fund.....	931,400
23	Aquifer protection revolving fund.....	524,000
24	Clean Michigan initiative fund - clean water fund.....	3,417,100
25	Clean Michigan initiative fund - nonpoint source.....	2,000,000
26	Environmental response fund.....	204,800
27	Groundwater discharge permit fees.....	1,472,500

1	Infrastructure construction fund.....	51,400
2	Land and water permit fees.....	2,347,000
3	NPDES fees.....	4,176,800
4	Refined petroleum fund.....	445,900
5	Sewage sludge land application fee.....	850,000
6	Soil erosion and sedimentation control training fund..	143,200
7	Stormwater permit fees.....	2,724,800
8	Strategic water quality initiatives fund.....	1,000,000
9	Wastewater operator training fees.....	288,700
10	Water pollution control revolving fund.....	143,500
11	Water quality protection fund.....	100,000
12	Water use reporting fees.....	250,300
13	State general fund/general purpose.....	\$ 18,411,600
14	Sec. 105. LAW ENFORCEMENT	
15	Full-time equated classified positions15.0	
16	Environmental investigations--15.0 FTE positions.....	\$ <u>3,004,900</u>
17	GROSS APPROPRIATION.....	\$ 3,004,900
18	Appropriated from:	
19	Federal revenues:	
20	Federal funds.....	574,800
21	Special revenue funds:	
22	Air emissions fees.....	57,700
23	Campground fund.....	2,100
24	Cleanup and redevelopment fund.....	190,400
25	Electronic waste recycling fund.....	1,600
26	Environmental pollution prevention fund.....	261,300
27	Environmental response fund.....	41,600

1	Fees and collections.....	4,100
2	Financial instruments.....	527,500
3	Groundwater discharge permit fees.....	18,900
4	Laboratory services fees.....	15,900
5	Land and water permit fees.....	78,800
6	Medical waste emergency response fund.....	2,400
7	Metallic mining surveillance fee revenue.....	700
8	Mineral well regulatory fee revenue.....	1,200
9	NPDES fees.....	32,400
10	Oil and gas regulatory fund.....	88,500
11	Orphan well fund.....	7,100
12	Public swimming pool fund.....	3,700
13	Public utility assessments.....	2,000
14	Public water supply fees.....	26,600
15	Refined petroleum fund.....	370,500
16	Sand extraction fee revenue.....	600
17	Scrap tire regulatory fund.....	29,500
18	Septage waste program fund.....	2,700
19	Sewage sludge land application fee.....	12,300
20	Small business pollution prevention revolving loan	
21	fund	2,600
22	Soil erosion and sedimentation control training fund..	2,600
23	Solid waste management fund - staff account.....	42,100
24	Stormwater permit fees.....	17,600
25	Wastewater operator training fees.....	4,600
26	Water analysis fees.....	18,300
27	Water use reporting fees.....	3,100

1	State general fund/general purpose.....	\$	559,100
2	Sec. 106. AIR QUALITY DIVISION		
3	Full-time equated classified positions		187.0
4	Air quality programs--187.0 FTE positions.....	\$	<u>27,493,200</u>
5	GROSS APPROPRIATION.....	\$	27,493,200
6	Appropriated from:		
7	Federal revenues:		
8	Federal funds.....		7,277,800
9	Special revenue funds:		
10	Air emissions fees.....		10,188,000
11	Fees and collections.....		205,100
12	Oil and gas regulatory fund.....		142,100
13	Public utility assessments.....		150,000
14	Refined petroleum fund.....		3,625,500
15	State general fund/general purpose.....	\$	5,904,700
16	Sec. 107. RESOURCE MANAGEMENT DIVISION		
17	Full-time equated classified positions		319.0
18	Drinking water and environmental health--115.0 FTE		
19	positions	\$	16,554,400
20	Drinking water program grants.....		830,000
21	Hazardous waste management program--45.0 FTE positions		6,600,700
22	Low-level radioactive waste authority--2.0 FTE		
23	positions		236,700
24	Medical waste program--2.0 FTE positions.....		309,300
25	Municipal assistance--29.0 FTE positions.....		4,881,200
26	Noncommunity water grants.....		1,905,700
27	Oil, gas, and mineral services--57.0 FTE positions....		6,804,700

1	Pollution prevention--7.0 FTE positions.....	2,095,700
2	Radiological protection program--12.0 FTE positions...	2,000,600
3	Recycling initiative--3.0 FTE positions.....	2,020,300
4	Scrap tire grants.....	3,500,000
5	Scrap tire regulatory program--10.0 FTE positions.....	1,357,300
6	Septage waste compliance grants.....	275,000
7	Solid waste management program--37.0 FTE positions....	5,159,600
8	Water state revolving funds.....	<u>120,000,000</u>
9	GROSS APPROPRIATION.....	\$ 174,531,200
10	Appropriated from:	
11	Interdepartmental grant revenues:	
12	IDG from department of state police.....	1,689,200
13	Federal revenues:	
14	Federal funds.....	117,388,600
15	Special revenue funds:	
16	Private funds.....	506,600
17	Campground fund.....	299,900
18	Cleanup and redevelopment fund.....	1,000,000
19	Community pollution prevention fund.....	250,000
20	Electronic waste recycling fund.....	311,100
21	Environmental pollution prevention fund.....	4,343,400
22	Fees and collections.....	34,500
23	Medical waste emergency response fund.....	309,300
24	Metallic mining surveillance fee revenue.....	92,500
25	Mineral well regulatory fee revenue.....	208,000
26	Native copper mine fund.....	50,000
27	Nonferrous metallic mineral surveillance.....	366,200

1	Oil and gas regulatory fund.....	3,667,100
2	Orphan well fund.....	2,335,100
3	Public swimming pool fund.....	616,300
4	Public utility assessments.....	236,700
5	Public water supply fees.....	4,231,200
6	Refined petroleum fund.....	709,900
7	Revolving loan revenue bonds.....	15,000,000
8	Sand extraction fee revenue.....	85,800
9	Scrap tire regulatory fund.....	4,857,300
10	Septage waste contingency fund.....	3,400
11	Septage waste program fund.....	496,100
12	Small business pollution prevention revolving loan	
13	fund	134,400
14	Solid waste management fund - staff account.....	4,661,500
15	Strategic water quality initiatives fund.....	1,211,900
16	Wastewater operator training fees.....	254,800
17	Water pollution control revolving fund.....	505,200
18	State general fund/general purpose.....	\$ 8,675,200
19	Sec. 108. REMEDIATION AND REDEVELOPMENT DIVISION	
20	Full-time equated classified positions	290.0
21	Contaminated site investigations, cleanup, and	
22	revitalization--120.0 FTE positions	\$ 14,674,100
23	Emergency cleanup actions.....	1,000,000
24	Environmental cleanup and redevelopment program.....	15,000,000
25	Environmental cleanup support.....	1,840,000
26	Federal cleanup project management--35.0 FTE positions	6,202,700
27	Laboratory services--39.0 FTE positions.....	6,406,400

1	Lead remediation grants.....	3,850,000
2	Refined petroleum product cleanup program--85.0 FTE	
3	positions	34,680,000
4	Renewing Michigan's environment program--11.0 FTE	
5	positions	25,000,000
6	Superfund cleanup.....	<u>1,000,000</u>
7	GROSS APPROPRIATION.....	\$ 109,653,200
8	Appropriated from:	
9	Federal revenues:	
10	Federal funds.....	6,412,500
11	Special revenue funds:	
12	Private funds.....	191,100
13	Cleanup and redevelopment fund.....	16,359,400
14	Environmental protection fund.....	2,065,500
15	Environmental response fund.....	2,839,100
16	Laboratory services fees.....	4,056,400
17	Landfill maintenance trust fund.....	31,000
18	Public water supply fees.....	315,800
19	Refined petroleum fund.....	32,619,700
20	Revitalization revolving loan fund.....	103,100
21	Strategic water quality initiatives fund.....	15,000,000
22	Water analysis fees.....	2,034,200
23	State general fund/general purpose.....	\$ 27,625,400
24	Sec. 109. UNDERGROUND STORAGE TANK AUTHORITY	
25	Full-time equated classified positions5.0	
26	Underground storage tank cleanup program--5.0 FTE	
27	positions	<u>\$ 20,028,700</u>

1	GROSS APPROPRIATION.....	\$	20,028,700
2	Appropriated from:		
3	Special revenue funds:		
4	Underground storage tank cleanup fund.....		20,028,700
5	State general fund/general purpose.....	\$	0
6	Sec. 110. INFORMATION TECHNOLOGY		
7	Information technology services and projects.....	\$	<u>9,076,800</u>
8	GROSS APPROPRIATION.....	\$	9,076,800
9	Appropriated from:		
10	Interdepartmental grant revenues:		
11	IDG from department of state police.....		25,800
12	IDG from state transportation department.....		86,100
13	Federal revenues:		
14	Federal funds.....		1,338,000
15	Special revenue funds:		
16	Air emission fees.....		673,100
17	Campground fund.....		8,400
18	Cleanup and redevelopment fund.....		800,100
19	Electronic waste recycling fund.....		6,500
20	Environmental pollution prevention fund.....		464,000
21	Environmental protection fund.....		87,400
22	Environmental response fund.....		167,300
23	Financial instruments.....		1,635,500
24	Groundwater discharge permit fees.....		76,700
25	Laboratory services fees.....		64,800
26	Land and water permit fees.....		268,400
27	Medical waste emergency response fund.....		10,000

1	Metallic mining surveillance fee revenue.....	2,700
2	Mineral well regulatory fee revenue.....	4,900
3	Nonferrous metallic mineral surveillance.....	300
4	NPDES fees.....	142,400
5	Oil and gas regulatory fund.....	329,900
6	Orphan well fund.....	29,500
7	Public swimming pool fund.....	15,100
8	Public utility assessments.....	7,900
9	Public water supply fees.....	149,500
10	Refined petroleum fund.....	1,729,800
11	Sand extraction fee revenue.....	2,300
12	Scrap tire regulatory fund.....	64,300
13	Septage waste program fund.....	11,300
14	Sewage sludge land application fee.....	22,900
15	Small business pollution prevention revolving loan	
16	fund	10,700
17	Soil erosion and sedimentation control training fund..	10,400
18	Solid waste management fund - staff account.....	172,900
19	Stormwater permit fees.....	70,900
20	Wastewater operator training fees.....	19,200
21	Water analysis fees.....	74,300
22	Water pollution control revolving fund.....	7,400
23	Water use reporting fees.....	13,300
24	State general fund/general purpose.....	\$ 472,800
25	Sec. 111. ONE-TIME APPROPRIATIONS	
26	Drinking water declaration of emergency.....	\$ 100
27	Oil, gas, and mineral services (one-time).....	<u>4,000,000</u>

1	GROSS APPROPRIATION.....	\$	4,000,100
2	Appropriated from:		
3	Special revenue funds:		
4	Drinking water declaration of emergency reserve fund..		100
5	State general fund/general purpose.....	\$	4,000,000

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FOR FISCAL YEAR 2018-2019

GENERAL SECTIONS

10 Sec. 201. Pursuant to section 30 of article IX of the state
11 constitution of 1963, total state spending from state sources under
12 part 1 for the fiscal year 2018-2019 is \$281,271,800.00 and state
13 spending from state sources to be paid to local units of government
14 for fiscal year 2018-2019 is \$5,581,000.00. The itemized statement
15 below identifies appropriations from which spending to local units
16 of government will occur:

DEPARTMENT OF ENVIRONMENTAL QUALITY

18	Surface water.....	\$	160,000
19	Technology advancements for water monitoring.....		500,000
20	Drinking water program grants.....		600,000
21	Medical waste program.....		65,000
22	Noncommunity water grants.....		1,800,000
23	Pollution prevention.....		250,000
24	Recycling initiative.....		1,500,000
25	Scrap tire grants.....		500,000

1	Septage waste compliance grants.....	100,000
2	Emergency cleanup actions.....	<u>106,000</u>
3	TOTAL.....	\$ 5,581,000

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

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

8 (a) "Department" means the department of environmental
9 quality.

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

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

12 (d) "IDG" means interdepartmental grant.

13 (e) "NPDES" means national pollution discharge elimination
14 system.

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

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

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

4 Sec. 206. The director shall take all reasonable steps to
5 ensure businesses in deprived and depressed communities compete for
6 and perform contracts to provide services or supplies, or both. The
7 director shall strongly encourage firms with which the department
8 contracts to subcontract with certified businesses in depressed and
9 deprived communities for services, supplies, or 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 house and senate 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 total 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 activities that the
4 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 and the senate and house fiscal agencies.

13 Sec. 210. (1) In addition to the funds appropriated in part 1,
14 there is appropriated an amount not to exceed \$30,000,000.00 for
15 federal 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 (2) In addition to the funds appropriated in part 1, there is
20 appropriated an amount not to exceed \$5,000,000.00 for state
21 restricted 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 (3) In addition to the funds appropriated in part 1, there is
26 appropriated an amount not to exceed \$100,000.00 for local
27 contingency funds. These funds are not available for expenditure

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

4 (4) In addition to the funds appropriated in part 1, there is
5 appropriated an amount not to exceed \$500,000.00 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. 211. The department shall cooperate with the department
11 of technology, management, and budget to maintain a searchable
12 website accessible by the public at no cost that includes, but is
13 not limited to, all of the following for each department or agency:

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

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

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

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

21 (e) Job specifications and wage rates.

22 Sec. 212. Within 14 days after the release of the executive
23 budget recommendation, the department shall cooperate with the
24 state budget office to provide the senate and house appropriations
25 chairs, the senate and house appropriations subcommittee chairs,
26 and the senate and house fiscal agencies with an annual report on
27 estimated state restricted fund balances, state restricted fund

1 projected revenues, and state restricted fund expenditures for the
2 fiscal years ending September 30, 2018 and September 30, 2019.

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

7 Sec. 214. Total authorized appropriations from all sources
8 under part 1 for legacy costs for the fiscal year ending September
9 30, 2019 are \$33,567,400.00. From this amount, total agency
10 appropriations for pension-related legacy costs are estimated at
11 \$15,475,100.00. Total agency appropriations for retiree health care
12 legacy costs are estimated at \$18,092,300.00.

13 Sec. 216. (1) The department shall report all of the following
14 information relative to allocations made from appropriations for
15 the environmental cleanup and redevelopment program, state cleanup,
16 emergency actions, superfund cleanup, the revitalization revolving
17 loan program, the brownfield grants and loans program, the leaking
18 underground storage tank cleanup program, the contaminated lake and
19 river sediments cleanup program, the refined petroleum product
20 cleanup program, and the environmental protection bond projects
21 under section 19508(7) of the natural resources and environmental
22 protection act, 1994 PA 451, MCL 324.19508, to the state budget
23 director, the senate and house appropriations subcommittees on
24 environmental quality, and the senate and house fiscal agencies:

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

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

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

3 (d) The estimated date that site closure activities will be
4 completed.

5 (e) The amount of the allocation, or the anticipated financing
6 for the site.

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

9 (g) The number of brownfield projects that were successfully
10 redeveloped.

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

13 (a) The status of all state-owned facilities that are on the
14 list compiled under part 201 of the natural resources and
15 environmental protection act, 1994 PA 451, MCL 324.20101 to
16 324.20142.

17 (b) The report shall include the total amount of funds
18 expended during the fiscal year and the total amount of funds
19 awaiting expenditure.

20 (c) The total amount of bonds issued for the environmental
21 protection bond program pursuant to part 193 of the natural
22 resources and environmental protection act, 1994 PA 451, MCL
23 324.19301 to 324.19306, and bonds issued pursuant to the clean
24 Michigan initiative act, 1998 PA 284, MCL 324.95101 to 324.95108.

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

27 Sec. 217. (1) The department may expend amounts remaining from

1 the current and prior fiscal year appropriations to meet funding
2 needs of legislatively approved sites for the environmental cleanup
3 and redevelopment program, the refined petroleum product cleanup
4 program, brownfield grants and loans, waterfront grants, and the
5 environmental bond site reclamation program.

6 (2) Unexpended and unencumbered amounts remaining from
7 appropriations from the environmental protection bond fund
8 contained in 2003 PA 173, 2005 PA 109, 2006 PA 343, 2011 PA 63, and
9 2012 PA 236 are appropriated for expenditure for any site listed in
10 this part and part 1 and any site listed in the public acts
11 referenced in this section.

12 (3) Unexpended and unencumbered amounts remaining from
13 appropriations from the clean Michigan initiative fund - response
14 activities contained in 2000 PA 52, 2004 PA 309, 2005 PA 11, 2006
15 PA 343, 2007 PA 121, 2011 PA 63, 2013 PA 59, 2014 PA 252, 2015 PA
16 84, 2016 PA 268, and 2017 PA 107 are appropriated for expenditure
17 for any site listed in this part and part 1 and any site listed in
18 the public acts referenced in this section.

19 (4) Unexpended and unencumbered amounts remaining from
20 appropriations from the refined petroleum fund activities contained
21 in 2007 PA 121, 2008 PA 247, 2009 PA 118, 2010 PA 189, 2011 PA 63,
22 2012 PA 200, 2013 PA 59, 2014 PA 252, 2015 PA 84, 2016 PA 268, and
23 2017 PA 107 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 (5) Unexpended and unencumbered amounts remaining from the
27 appropriations from the strategic water quality initiatives fund

1 contained in 2011 PA 50, 2011 PA 63, 2012 PA 200, 2013 PA 59, 2014
2 PA 252, 2015 PA 84, 2016 PA 268, and 2017 PA 107 are appropriated
3 for expenditure for any site listed in this part and part 1 and any
4 site listed in the public acts referenced in this section.

5 Sec. 219. Unexpended settlement revenues at the end of the
6 fiscal year may be carried forward into the settlement fund in the
7 succeeding fiscal year up to a maximum carryforward of
8 \$2,500,000.00.

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

12 Sec. 221. (1) Funds appropriated in part 1 shall not be used
13 by the department to promulgate a rule that will apply to a small
14 business and that will have a disproportionate economic impact on
15 small businesses because of the size of those businesses if the
16 department fails to reduce the disproportionate economic impact of
17 the rule on small businesses as provided under section 40 of the
18 administrative procedures act of 1969, 1969 PA 306, MCL 24.240.

19 (2) As used in this section:

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

22 (b) "Small business" means that term as defined under section
23 7a of the administrative procedures act of 1969, 1969 PA 306, MCL
24 24.207a.

25 Sec. 235. The department shall prepare an annual report to the
26 legislature by March 31 that details all of the following for each
27 of the allocations from the clean Michigan initiative bond fund as

1 described in section 19607(1)(a) to (i) of the natural resources
2 and environmental protection act, 1994 PA 451, MCL 324.19607:

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

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

6 (c) The estimated remaining cost of all projects funded in
7 each category.

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

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

13 Sec. 236. The department shall provide a report detailing the
14 expenditure of departmental funds appropriated in 2015 PA 143, 2016
15 PA 3, 2016 PA 268, 2016 PA 340, and 2017 PA 107. The report shall
16 include the following:

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

18 (b) The purpose for each expenditure.

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

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

22 (e) The job titles and number of departmental FTEs engaged in
23 the Flint declaration of emergency response effort.

24 Sec. 237. From the funds appropriated in part 1, the
25 department shall be responsible for the necessary and reasonable
26 attorney fees and costs incurred by private and independent legal
27 counsel chosen by current and former classified and unclassified

1 department employees in the defense of the department employees
2 named as a party in any state or federal lawsuits or investigations
3 related to the city of Flint municipal water system.

4 **REMEDIATION DIVISION**

5 Sec. 301. Revenues remaining in the interdepartmental
6 transfers, laboratory services at the end of the fiscal year carry
7 forward into the succeeding fiscal year.

8 Sec. 302. The unexpended funds appropriated in part 1 for
9 emergency cleanup actions are designated as a work project
10 appropriation, and any unencumbered or unallotted funds shall not
11 lapse at the end of the fiscal year and shall be available for
12 expenditures for projects under this section until the projects
13 have been completed. The following is in compliance with section
14 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

15 (a) The purpose of the project is to provide contaminated site
16 cleanup.

17 (b) The project will be accomplished by contract.

18 (c) The total estimated cost of the project is \$3,000,000.00.

19 (d) The tentative completion date is September 30, 2023.

20 Sec. 303. Effective October 1, 2018, surplus funds not to
21 exceed \$1,000,000.00 in the cleanup and redevelopment trust fund
22 are appropriated to the environmental protection fund created in
23 section 503a of the natural resources and environmental protection
24 act, 1994 PA 451, MCL 324.503a.

25 Sec. 304. Effective October 1, 2018, surplus funds not to
26 exceed \$1,000,000.00 in the community pollution prevention fund

1 created in section 3f of 1976 IL 1, MCL 445.573f, are appropriated
2 to the environmental protection fund created in section 503a of the
3 natural resources and environmental protection act, 1994 PA 451,
4 MCL 324.503a.

5 Sec. 305. It is the intent of the legislature to repay the
6 refined petroleum fund for the \$70,000,000.00 that was transferred
7 to the environmental protection fund created in section 503a of the
8 natural resources and environmental protection act, 1994 PA 451,
9 MCL 324.503a, as part of the resolution for the fiscal year 2006-
10 2007 budget.

11 Sec. 306. (1) Subject to section 314 of this part, the funds
12 appropriated in part 1 for the refined petroleum cleanup program
13 shall be used to fund corrective actions performed by the
14 department pursuant to section 21320 of the natural resources and
15 environmental protection act, 1994 PA 451, MCL 324.21320.

16 (2) By January 1, the department shall provide a report to the
17 house and senate subcommittees on environmental quality and the
18 state budget director on the refined petroleum product cleanup
19 program containing the following information:

20 (a) A list of sites the department intends to work on during
21 the current fiscal year, including the fiscal year the project
22 began.

23 (b) A list of sites at which the department performed
24 corrective actions during the previous fiscal year.

25 (c) A list of sites the department closed during the previous
26 fiscal year.

27 Sec. 307. The unexpended funds appropriated in part 1 for the

1 environmental cleanup and redevelopment program are designated as a
2 work project appropriation, and any unencumbered or unallotted
3 funds shall not lapse at the end of the fiscal year and shall be
4 available for expenditures for projects under this section until
5 the projects have been completed. The following is in compliance
6 with section 451a of the management and budget act, 1984 PA 431,
7 MCL 18.1451a:

8 (a) The purpose of the project is to provide contaminated site
9 cleanup.

10 (b) The project will be accomplished by contract.

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

12 (d) The tentative completion date is September 30, 2023.

13 Sec. 308. The unexpended funds appropriated in part 1 for the
14 refined petroleum product cleanup program are designated as a work
15 project appropriation, and any unencumbered or unallotted funds
16 shall not lapse at the end of the fiscal year and shall be
17 available for expenditures for projects under this section until
18 the projects have been completed. The following is in compliance
19 with section 451a of the management and budget act, 1984 PA 431,
20 MCL 18.1451a:

21 (a) The purpose of the project is to provide contaminated site
22 cleanup.

23 (b) The project will be accomplished by contract.

24 (c) The total estimated cost of the project is \$34,680,000.00.

25 (d) The tentative completion date is September 30, 2023.

26 Sec. 310. (1) Upon approval by the state budget director, the
27 department may expend from the general fund of the state an amount

1 to meet the cash-flow requirements of projects funded under any of
2 the following that are financed from bond proceeds and for which
3 bonds have been authorized but not yet issued:

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

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

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

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

13 Sec. 313. From the funds appropriated in part 1 for the vapor
14 intrusion program, the department shall investigate sites to
15 determine whether chemical vapors have migrated from the original
16 location of exposure. The purpose of this program is to evaluate,
17 investigate, and mitigate sites statewide where vapor intrusion
18 issues are or may be present.

19 Sec. 314. (1) From the funds appropriated in 2017 PA 107 from
20 the refined petroleum fund for the refined petroleum product
21 cleanup program, the department shall expend an amount not to
22 exceed \$36,000,000.00 for reimbursements to owners and operators of
23 underground storage tank systems that have performed corrective
24 actions but do not qualify for reimbursement under section 21510 of
25 the natural resources and environmental protection act, 1994 PA
26 451, MCL 324.21510, due to the date the release was discovered and
27 reported.

1 (2) As used in this section:

2 (a) "Corrective action" means that term as defined in section
3 21302 of the natural resources and environmental protection act,
4 1994 PA 451, MCL 324.21302.

5 (b) "Operator", "owner", and "underground storage tank system"
6 mean those terms as defined in section 21303 of the natural
7 resources and environmental protection act, 1994 PA 451, MCL
8 324.21303.

9 Sec. 315. From the funds appropriated in part 1 for lead
10 remediation grants, the department shall distribute grant awards
11 for the remediation and redevelopment of sites contaminated by lead
12 paint. The department shall prioritize sites affecting families
13 with children.

14 Sec. 316. From the funds appropriated in part 1 for the
15 renewing Michigan's environment program, the department shall
16 perform remediation and redevelopment actions at contaminated sites
17 in accordance with part 201 of the natural resources and
18 environmental protection act, 1994 PA 451, MCL 324.20101 to
19 324.20142.

20 Sec. 317. From the funds appropriated in section 108 of part 1
21 for the remediation and redevelopment division, the department
22 shall continue to maintain a statewide GIS map database of
23 contaminated groundwater in Michigan. The database shall include
24 all known sites of environmental contamination that have impacted
25 groundwater aquifers, the current scope of the contamination, if
26 available, and information regarding the direction in which any
27 contamination is currently moving. Included within the database

1 shall be information obtained by the department through its own
2 investigation, including, but not limited to, characterization of
3 facilities, proposals for remediation or closure of facilities,
4 baseline environmental assessments or notices received pursuant to
5 section 20114(1)(b) of the natural resources and environmental
6 protection act, 1994 PA 451, MCL 324.20114, of the release of
7 hazardous substances or notice that hazardous substances have
8 emanated beyond the property line of a current or past property
9 owner.

10 **WATER RESOURCES DIVISION**

11 Sec. 405. If a certified health department does not exist in a
12 city, county, or district or does not fulfill its responsibilities
13 under part 117 of the natural resources and environmental
14 protection act, 1994 PA 451, MCL 324.11701 to 324.11720, then the
15 department may spend funds appropriated in part 1 under the septage
16 waste compliance program in accordance with section 11716 of the
17 natural resources and environmental protection act, 1994 PA 451,
18 MCL 324.11716.

19 Sec. 412. The unexpended funds appropriated in part 1 for the
20 aquifer protection program are designated as a work project
21 appropriation, and any unencumbered or unallotted funds shall not
22 lapse at the end of the fiscal year and shall be available for
23 expenditures for projects under this section until the projects
24 have been completed. The following is in compliance with section
25 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

26 (a) The purpose of the project is to provide support for

1 aquifer disputes and their resolution.

2 (b) The project will be accomplished by contract.

3 (c) The total estimated cost of the project is \$524,000.00.

4 (d) The tentative completion date is September 30, 2023.

5 **RESOURCE MANAGEMENT DIVISION**

6 Sec. 603. From the funds appropriated in part 1, by December
7 31, 2018, the department shall compile and make available to the
8 public on a publicly accessible website a report containing a
9 summary document of each completed asset management plan for any
10 stormwater, asset management, or wastewater grant awarded to a
11 local unit of government to fund the development of a plan. As a
12 condition of receiving a stormwater, asset management, or
13 wastewater grant, a local unit of government shall make its asset
14 management plan available to the department upon request when
15 completed and shall retain copies of the plan that can be made
16 available to the public for a minimum of 15 years. The department
17 shall make available a summary document of each plan on a publicly
18 accessible website by September 30 of the year it was completed.
19 The summary document shall include a summary of the plan and
20 contact information for the local unit of government.

21 Sec. 604. From the funds appropriated in part 1, the
22 department will host training sessions to public water supply
23 owners and operators to provide technical assistance on the lead
24 and copper rule (LCR) of the safe drinking water act and contact
25 100% of public water supplies that are subject to the lead and
26 copper rule with information on current LCR requirements including

1 any modifications to Michigan's LCR and associated guidance and
2 policies. The purpose of the program is to ensure that water is in
3 accordance with the safe drinking water act, 1976 PA 399, MCL
4 325.1001 to 325.1023.

5 **UNDERGROUND STORAGE TANK AUTHORITY**

6 Sec. 701. The unexpended funds appropriated in part 1 for the
7 underground storage tank cleanup program are designated as a work
8 project appropriation, and any unencumbered or unallotted funds
9 shall not lapse at the end of the fiscal year and shall be
10 available for expenditures for projects under this section until
11 the projects have been completed. The following is in compliance
12 with section 451a of the management and budget act, 1984 PA 431,
13 MCL 18.1451a:

14 (a) The purpose of the project is to provide contaminated site
15 cleanup.

16 (b) The project will be accomplished by contract.

17 (c) The total estimated cost of the project is \$20,000,000.00.

18 (d) The tentative completion date is September 30, 2023.

19

ARTICLE VIII

20

GENERAL GOVERNMENT

21

PART 1

22

LINE-ITEM APPROPRIATIONS

23

24 Sec. 101. There is appropriated for the legislature, the
executive, the department of attorney general, the department of

House Bill No. 5578 as amended April 24, 2018

1 state, the department of treasury, the department of technology,
 2 management, and budget, the department of civil rights, the
 3 department of talent and economic development, and certain state
 4 purposes related thereto for the fiscal year ending September 30,
 5 2019, from the following funds:

6 **TOTAL GENERAL GOVERNMENT**

7 APPROPRIATION SUMMARY

8	Full-time equated unclassified positions	50.0	
9	Full-time equated classified positions	8,722.7	
10	GROSS APPROPRIATION		\$ [4,935,232,900]
11	Interdepartmental grant revenues:		
12	Total interdepartmental grants and intradepartmental		
13	transfers		821,066,200
14	ADJUSTED GROSS APPROPRIATION.....		\$ [4,114,166,700]
15	Federal revenues:		
16	Total federal revenues.....		808,698,700
17	Special revenue funds:		
18	Total local revenues.....		15,977,300
19	Total private revenues.....		6,247,400
20	Total other state restricted revenues.....		2,230,143,600
21	State general fund/general purpose.....		\$ [1,053,099,700]

22 **Sec. 102. DEPARTMENT OF ATTORNEY GENERAL**

23 **(1) APPROPRIATION SUMMARY**

24	Full-time equated unclassified positions	6.0	
25	Full-time equated classified positions	532.0	
26	GROSS APPROPRIATION.....		\$ 104,148,900
27	Interdepartmental grant revenues:		

1	Total interdepartmental grants and intradepartmental	
2	transfers	30,386,400
3	ADJUSTED GROSS APPROPRIATION.....	\$ 73,762,500
4	Federal revenues:	
5	Total federal revenues.....	9,628,500
6	Special revenue funds:	
7	Total local revenues.....	0
8	Total private revenues.....	0
9	Total other state restricted revenues.....	21,727,200
10	State general fund/general purpose.....	\$ 42,406,800
11	(2) ATTORNEY GENERAL OPERATIONS	
12	Full-time equated unclassified positions.....6.0	
13	Full-time equated classified positions532.0	
14	Attorney general.....	\$ 112,500
15	Unclassified positions--5.0 FTE positions.....	792,100
16	Attorney general operations--489.0 FTE positions.....	93,275,200
17	Child support enforcement--25.0 FTE positions.....	3,578,300
18	Prosecuting attorneys coordinating council--12.0 FTE	
19	positions	2,186,800
20	Public safety initiative--1.0 FTE position.....	906,200
21	Sexual assault law enforcement--5.0 FTE positions.....	<u>1,720,200</u>
22	GROSS APPROPRIATION.....	\$ 102,571,300
23	Appropriated from:	
24	Interdepartmental grant revenues:	
25	IDG from MDOC.....	677,900
26	IDG from MDE.....	608,900
27	IDG from MDEQ.....	2,051,400

1	IDG from MDHHS, health policy.....	211,300
2	IDG from MDHHS, human services.....	6,069,800
3	IDG from MDHHS, medical services administration.....	705,000
4	IDG from MDHHS, WIC.....	156,700
5	IDG from MDIFS, financial and insurance services.....	1,230,700
6	IDG from MDLARA, fireworks safety fund.....	85,300
7	IDG from MDLARA, health professions.....	3,108,500
8	IDG from MDLARA, licensing and regulation fees.....	344,100
9	IDG from MDLARA, Michigan occupational safety and	
10	health administration	107,700
11	IDG from MDLARA, remonumentation fees.....	108,600
12	IDG from MDLARA, securities fees.....	193,500
13	IDG from MDLARA, unlicensed builders.....	1,087,100
14	IDG from MDMVA.....	169,100
15	IDG from MDOS, children's protection registry.....	45,000
16	IDG from MDOT, comprehensive transportation fund.....	205,600
17	IDG from MDOT, state aeronautics fund.....	181,500
18	IDG from MDOT, state trunkline fund.....	2,476,400
19	IDG from MDSP.....	262,900
20	IDG from MDTED, workforce development agency.....	91,300
21	IDG from MDTMB.....	474,300
22	IDG from MDTMB, civil service commission.....	313,100
23	IDG from MDTMB, risk management revolving fund.....	1,499,700
24	IDG from Michigan state housing development authority.	695,000
25	IDG from treasury.....	7,042,400
26	IDG from TED, Michigan strategic fund.....	183,600
27	Federal revenues:	

1	DAG, state administrative match grant/food stamps.....	137,000
2	Federal funds.....	3,209,700
3	HHS, medical assistance, medigant.....	390,700
4	HHS-OS, state Medicaid fraud control units.....	5,769,900
5	National criminal history improvement program.....	121,200
6	Special revenue funds:	
7	Antitrust enforcement collections.....	778,600
8	Attorney general's operations fund.....	767,000
9	Auto repair facilities fees.....	335,800
10	Franchise fees.....	389,900
11	Game and fish protection fund.....	766,300
12	Human trafficking commission fund.....	390,000
13	Lawsuit settlement proceeds fund.....	2,602,700
14	Liquor purchase revolving fund.....	1,494,700
15	Marihuana regulatory fund.....	507,200
16	Michigan merit award trust fund.....	506,700
17	Michigan employment security act - administrative fund	2,298,000
18	Michigan state waterways fund.....	142,200
19	Mobile home code fund.....	255,400
20	Prisoner reimbursement.....	636,500
21	Prosecuting attorneys training fees.....	414,200
22	Public utility assessments.....	2,123,400
23	Real estate enforcement fund.....	100,700
24	Reinstatement fees.....	263,200
25	Retirement funds.....	1,073,100
26	Second injury fund.....	833,800
27	Self-insurers security fund.....	577,900

1	Silicosis and dust disease fund.....	228,200
2	State building authority revenue.....	124,300
3	State casino gaming fund.....	1,907,700
4	State lottery fund.....	353,500
5	Student safety fund.....	470,000
6	Utility consumers fund.....	1,009,100
7	Worker's compensation administrative revolving fund...	377,100
8	State general fund/general purpose.....	\$ 40,829,200
9	(3) INFORMATION TECHNOLOGY	
10	Information technology services and projects.....	\$ <u>1,577,600</u>
11	GROSS APPROPRIATION.....	\$ 1,577,600
12	Appropriated from:	
13	State general fund/general purpose.....	\$ 1,577,600
14	Sec. 103. DEPARTMENT OF CIVIL RIGHTS	
15	(1) APPROPRIATION SUMMARY	
16	Full-time equated unclassified positions	6.0
17	Full-time equated classified positions	110.0
18	GROSS APPROPRIATION.....	\$ 16,201,100
19	Interdepartmental grant revenues:	
20	Total interdepartmental grants and intradepartmental	
21	transfers	299,100
22	ADJUSTED GROSS APPROPRIATION.....	\$ 15,902,000
23	Federal revenues:	
24	Total federal revenues.....	2,802,700
25	Special revenue funds:	
26	Total local revenues.....	0
27	Total private revenues.....	18,700

1	Total other state restricted revenues.....	58,500
2	State general fund/general purpose.....	\$ 13,022,100
3	(2) CIVIL RIGHTS OPERATIONS	
4	Full-time equated unclassified positions6.0	
5	Full-time equated classified positions110.0	
6	Unclassified positions--6.0 FTE positions.....	\$ 693,700
7	Civil rights operations--104.0 FTE positions.....	14,068,600
8	Division on deaf, deafblind, and hard of hearing--6.0	
9	FTE positions	<u>715,600</u>
10	GROSS APPROPRIATION.....	\$ 15,477,900
11	Appropriated from:	
12	Interdepartmental grant revenues:	
13	IDG from DTMB.....	299,100
14	Federal revenues:	
15	EEOC, state and local antidiscrimination agency	
16	contracts	1,228,500
17	HUD, grant.....	1,559,200
18	Special revenue funds:	
19	Private revenues.....	18,700
20	State restricted indirect funds.....	58,500
21	State general fund/general purpose.....	\$ 12,313,900
22	(3) INFORMATION TECHNOLOGY	
23	Information technology services and projects.....	<u>\$ 723,200</u>
24	GROSS APPROPRIATION.....	\$ 723,200
25	Appropriated from:	
26	Federal revenues:	
27	EEOC, state and local antidiscrimination agency	

1	contracts	15,000
2	State general fund/general purpose.....	\$ 708,200
3	Sec. 104. EXECUTIVE OFFICE	
4	(1) APPROPRIATION SUMMARY	
5	Full-time equated unclassified positions	10.0
6	Full-time equated classified positions	79.2
7	GROSS APPROPRIATION.....	\$ 6,980,100
8	Interdepartmental grant revenues:	
9	Total interdepartmental grants and intradepartmental	
10	transfers	0
11	ADJUSTED GROSS APPROPRIATION.....	\$ 6,980,100
12	Federal revenues:	
13	Total federal revenues.....	0
14	Special revenue funds:	
15	Total local revenues.....	0
16	Total private revenues.....	0
17	Total other state restricted revenues.....	0
18	State general fund/general purpose.....	\$ 6,980,100
19	(2) EXECUTIVE OFFICE OPERATIONS	
20	Full-time equated unclassified positions	10.0
21	Full-time equated classified positions	79.2
22	Governor.....	\$ 159,300
23	Lieutenant governor.....	111,600
24	Unclassified positions--8.0 FTE positions.....	1,333,500
25	Executive office--79.2 FTE positions.....	<u>5,375,700</u>
26	GROSS APPROPRIATION.....	\$ 6,980,100
27	Appropriated from:	

1	State general fund/general purpose.....	\$	6,980,100
2	Sec. 105. LEGISLATURE		
3	(1) APPROPRIATION SUMMARY		
4	GROSS APPROPRIATION.....	\$	182,969,800
5	Interdepartmental grant revenues:		
6	Total interdepartmental grants and intradepartmental		
7	transfers		5,823,400
8	ADJUSTED GROSS APPROPRIATION.....	\$	177,146,400
9	Federal revenues:		
10	Total federal revenues.....		0
11	Special revenue funds:		
12	Total local revenues.....		0
13	Total private revenues.....		400,000
14	Total other state restricted revenues.....		6,403,100
15	State general fund/general purpose.....	\$	170,343,300
16	(2) LEGISLATURE		
17	Senate.....	\$	36,910,700
18	Senate automated data processing.....		2,678,000
19	Senate fiscal agency.....		3,971,000
20	House of representatives.....		56,766,900
21	House automated data processing.....		2,678,000
22	House fiscal agency.....		<u>3,971,000</u>
23	GROSS APPROPRIATION.....	\$	106,975,600
24	Appropriated from:		
25	State general fund/general purpose.....	\$	106,975,600
26	(3) LEGISLATIVE COUNCIL		
27	Legislative corrections ombudsman.....	\$	987,200

1	Legislative council.....	12,781,800
2	Legislative service bureau automated data processing..	1,740,700
3	Michigan forensic science commission.....	100
4	Michigan veterans facility ombudsman.....	309,000
5	National association dues.....	224,000
6	Worker's compensation.....	<u>151,400</u>
7	GROSS APPROPRIATION.....	\$ 16,194,200
8	Appropriated from:	
9	Special revenue funds:	
10	Private - gifts and bequests revenues.....	400,000
11	State general fund/general purpose.....	\$ 15,794,200
12	(4) LEGISLATIVE RETIREMENT SYSTEM	
13	General nonretirement expenses.....	\$ <u>5,202,200</u>
14	GROSS APPROPRIATION.....	\$ 5,202,200
15	Appropriated from:	
16	Special revenue funds:	
17	Court fees.....	1,201,300
18	State general fund/general purpose.....	\$ 4,000,900
19	(5) PROPERTY MANAGEMENT	
20	Binsfeld Office Building.....	\$ 8,270,900
21	Cora Anderson Building.....	<u>12,122,600</u>
22	GROSS APPROPRIATION.....	\$ 20,393,500
23	Appropriated from:	
24	State general fund/general purpose.....	\$ 20,393,500
25	(6) STATE CAPITOL HISTORIC SITE	
26	Bond/lease obligations.....	\$ 100
27	General operations.....	4,573,200

1	Restoration, renewal, and maintenance.....	<u>3,193,000</u>
2	GROSS APPROPRIATION.....	\$ 7,766,300
3	Appropriated from:	
4	Special revenue funds:	
5	Capitol historic site fund.....	3,193,000
6	State general fund/general purpose.....	\$ 4,573,300
7	(7) OFFICE OF THE AUDITOR GENERAL	
8	Unclassified positions.....	\$ 346,000
9	Field operations.....	<u>25,342,000</u>
10	GROSS APPROPRIATION.....	\$ 25,688,000
11	Appropriated from:	
12	Interdepartmental grant revenues:	
13	IDG from MDHHS, human services.....	31,200
14	IDG from MDLARA, liquor purchase revolving fund.....	76,800
15	IDG from MDLARA, self-insurers security fund.....	81,600
16	IDG from MDMVA, Michigan veterans facility authority..	50,000
17	IDG from MDOT, comprehensive transportation fund.....	39,800
18	IDG from MDOT, Michigan transportation fund.....	322,100
19	IDG from MDOT, state aeronautics fund.....	31,000
20	IDG from MDOT, state trunkline fund.....	748,200
21	IDG, legislative retirement system.....	29,800
22	IDG, single audit act.....	2,781,200
23	IDG, commercial mobile radio system emergency	
24	telephone fund	37,500
25	IDG, contract audit administration fees.....	51,000
26	IDG, deferred compensation funds.....	61,200
27	IDG, Michigan finance authority.....	337,400

1	IDG, Michigan economic development corporation.....	98,200
2	IDG, Michigan education trust fund.....	72,200
3	IDG, Michigan justice training commission fund.....	41,700
4	IDG, Michigan strategic fund.....	172,500
5	IDG, office of retirement services.....	700,000
6	IDG, other restricted funding sources.....	60,000
7	Special revenue funds:	
8	21st century jobs trust fund.....	98,200
9	Brownfield development fund.....	28,700
10	Clean Michigan initiative implementation bond fund....	55,600
11	Game and fish protection fund.....	32,000
12	MDTMB, civil service commission.....	169,500
13	Michigan state housing development authority fees.....	115,800
14	Michigan veterans' trust fund.....	36,200
15	Motor transport revolving fund.....	7,500
16	Office services revolving fund.....	10,200
17	State disbursement unit, office of child support.....	58,500
18	State services fee fund.....	1,385,100
19	Waterways fund.....	11,500
20	State general fund/general purpose.....	\$ 17,855,800
21	(8) ONE-TIME APPROPRIATIONS	
22	Legislative information technology systems design	
23	project	\$ <u>750,000</u>
24	GROSS APPROPRIATION.....	\$ 750,000
25	Appropriated from:	
26	State general fund/general purpose.....	\$ 750,000
27	Sec. 106. DEPARTMENT OF STATE	

1	(1) APPROPRIATION SUMMARY		
2	Full-time equated unclassified positions	6.0	
3	Full-time equated classified positions	1,586.0	
4	GROSS APPROPRIATION.....		\$ 247,662,800
5	Interdepartmental grant revenues:		
6	Total interdepartmental grants and intradepartmental		
7	transfers		20,000,000
8	ADJUSTED GROSS APPROPRIATION.....		\$ 227,662,800
9	Federal revenues:		
10	Total federal revenues.....		1,460,000
11	Special revenue funds:		
12	Total local revenues.....		0
13	Total private revenues.....		50,100
14	Total other state restricted revenues.....		206,686,400
15	State general fund/general purpose.....		\$ 19,466,300
16	(2) DEPARTMENTAL ADMINISTRATION AND SUPPORT		
17	Full-time equated unclassified positions	6.0	
18	Full-time equated classified positions	140.0	
19	Secretary of state.....		\$ 112,500
20	Unclassified positions--5.0 FTE positions.....		660,700
21	Executive direction--30.0 FTE positions.....		4,662,000
22	Operations--110.0 FTE positions.....		25,651,100
23	Property management.....		10,028,700
24	Worker's compensation.....		<u>248,200</u>
25	GROSS APPROPRIATION.....		\$ 41,363,200
26	Appropriated from:		
27	Special revenue funds:		

1	Abandoned vehicle fees.....	239,800
2	Auto repair facilities fees.....	133,000
3	Children's protection registry fund.....	270,700
4	Driver fees.....	2,497,000
5	Driver improvement course fund.....	308,200
6	Enhanced driver license and enhanced official state	
7	personal identification card fund	945,000
8	Parking ticket court fines.....	440,800
9	Personal identification card fees.....	289,800
10	Reinstatement fees - operator licenses.....	791,700
11	Scrap tire fund.....	78,600
12	Transportation administration collection fund.....	30,674,000
13	State general fund/general purpose.....	\$ 4,694,600
14	(3) LEGAL SERVICES	
15	Full-time equated classified positions	94.0
16	Operations--94.0 FTE positions.....	\$ <u>15,132,600</u>
17	GROSS APPROPRIATION.....	\$ 15,132,600
18	Appropriated from:	
19	Special revenue funds:	
20	Auto repair facilities fees.....	2,941,100
21	Driver fees.....	2,145,000
22	Driver responsibility fees.....	1,000,000
23	Enhanced driver license and enhanced official state	
24	personal identification card fund	544,700
25	Reinstatement fees - operator licenses.....	959,400
26	Transportation administration collection fund.....	4,518,700
27	Vehicle theft prevention fees.....	1,089,200

1	State general fund/general purpose.....	\$	1,934,500
2	(4) CUSTOMER DELIVERY SERVICES		
3	Full-time equated classified positions		1,307.0
4	Branch operations--925.0 FTE positions.....	\$	89,279,000
5	Central operations--380.0 FTE positions.....		52,665,800
6	Motorcycle safety education administration--2.0 FTE		
7	positions		339,300
8	Motorcycle safety education grants.....		1,800,000
9	Organ donor program.....		129,100
10	GROSS APPROPRIATION.....	\$	144,213,200
11	Appropriated from:		
12	Interdepartmental grant revenues:		
13	IDG from MDOT, Michigan transportation fund.....		20,000,000
14	Federal revenues:		
15	DOT.....		860,000
16	OHSP.....		600,000
17	Special revenue funds:		
18	Private funds.....		100
19	Thomas Daley gift of life fund.....		50,000
20	Abandoned vehicle fees.....		450,900
21	Auto repair facilities fees.....		901,900
22	Child support clearance fees.....		363,600
23	Driver education provider and instructor fund.....		75,000
24	Driver fees.....		24,616,300
25	Driver improvement course fund.....		1,227,600
26	Enhanced driver license and enhanced official state		
27	personal identification card fund		9,513,500

1	Expedient service fees.....		2,943,500
2	Marine safety fund.....		1,548,300
3	Michigan state police auto theft fund.....		123,700
4	Mobile home commission fees.....		507,500
5	Motorcycle safety fund.....		1,839,300
6	Off-road vehicle title fees.....		170,700
7	Parking ticket court fines.....		1,639,600
8	Personal identification card fees.....		2,373,900
9	Recreation passport fee revenue.....		1,000,000
10	Reinstatement fees - operator licenses.....		2,357,300
11	Snowmobile registration fee revenue.....		390,000
12	State lottery fund.....		1,015,800
13	Transportation administration collection fund.....		65,684,600
14	Vehicle theft prevention fees.....		786,000
15	State general fund/general purpose.....	\$	3,174,100
16	(5) ELECTION REGULATION		
17	Full-time equated classified positions	45.0	
18	County clerk education and training fund.....	\$	100,000
19	Election administration and services--45.0 FTE		
20	positions		7,297,100
21	Fees to local units.....		<u>109,800</u>
22	GROSS APPROPRIATION.....	\$	7,506,900
23	Appropriated from:		
24	Special revenue funds:		
25	Notary education and training fund.....		100,000
26	Notary fee fund.....		343,500
27	State general fund/general purpose.....	\$	7,063,400

1 **(6) INFORMATION TECHNOLOGY**

2	Information technology services and projects.....	\$	<u>38,446,900</u>
3	GROSS APPROPRIATION.....	\$	38,446,900
4	Appropriated from:		
5	Special revenue funds:		
6	Administrative order processing fee.....		11,700
7	Auto repair facilities fees.....		129,000
8	Driver fees.....		785,700
9	Enhanced driver license and enhanced official state		
10	personal identification card fund		344,300
11	Expedient service fees.....		1,082,800
12	Parking ticket court fines.....		88,800
13	Personal identification card fees.....		172,900
14	Reinstatement fees - operator licenses.....		591,000
15	Transportation administration collection fund.....		33,460,400
16	Vehicle theft prevention fees.....		180,600
17	State general fund/general purpose.....	\$	1,599,700

18 **(7) ONE-TIME APPROPRIATIONS**

19	Implementation of DRF elimination.....	\$	<u>1,000,000</u>
20	GROSS APPROPRIATION.....	\$	1,000,000
21	Appropriated from:		
22	State general fund/general purpose.....	\$	1,000,000

23 **Sec. 107. DEPARTMENT OF TECHNOLOGY, MANAGEMENT, AND**
 24 **BUDGET**

25 **(1) APPROPRIATION SUMMARY**

26	Full-time equated unclassified positions	6.0
27	Full-time equated classified positions	3,105.0

1	GROSS APPROPRIATION.....	\$ 1,328,661,000
2	Interdepartmental grant revenues:	
3	Total interdepartmental grants and intradepartmental	
4	transfers	751,777,000
5	ADJUSTED GROSS APPROPRIATION.....	\$ 576,884,000
6	Federal revenues:	
7	Total federal revenues.....	5,033,700
8	Special revenue funds:	
9	Total local revenues.....	2,341,600
10	Total private revenues.....	129,400
11	Total other state restricted revenues.....	114,457,400
12	State general fund/general purpose.....	\$ 454,921,900
13	(2) DEPARTMENTAL ADMINISTRATION AND SUPPORT	
14	Full-time equated unclassified positions6.0	
15	Full-time equated classified positions846.5	
16	Unclassified positions--6.0 FTE positions.....	\$ 905,100
17	Administrative services--139.5 FTE positions.....	18,368,400
18	Budget and financial management--203.0 FTE positions..	39,361,600
19	Building operation services--255.0 FTE positions.....	93,090,500
20	Bureau of labor market information and strategies--	
21	44.0 FTE positions	5,837,500
22	Business support services--104.0 FTE positions.....	12,759,800
23	Design and construction services--40.0 FTE positions..	6,603,300
24	Executive operations--12.0 FTE positions.....	2,427,700
25	Motor vehicle fleet--35.0 FTE positions.....	74,377,800
26	Office of the state employer--14.0 FTE positions.....	1,725,600
27	Property management.....	<u>7,991,600</u>

1	GROSS APPROPRIATION.....	\$	263,448,900
2	Appropriated from:		
3	Interdepartmental grant revenues:		
4	IDG from accounting service centers user charges.....		3,969,800
5	IDG from building occupancy and parking charges.....		95,118,600
6	IDG from MDHHS, community health.....		494,200
7	IDG from MDHHS, human services.....		227,000
8	IDG from MDLARA.....		100,000
9	IDG from motor transport fund.....		74,377,800
10	IDG from technology user fees.....		9,999,800
11	IDG from user fees.....		6,697,300
12	Federal revenues:		
13	Federal funds.....		5,033,700
14	Special revenue funds:		
15	Local - MPSCS subscriber and maintenance fees.....		58,600
16	Local funds.....		35,000
17	Health management funds.....		412,700
18	MAIN user charges.....		2,176,000
19	Other agency charges.....		1,221,200
20	Private funds.....		129,400
21	Special revenue, internal service, and pension trust		
22	funds		16,479,400
23	State restricted indirect funds.....		2,866,300
24	State general fund/general purpose.....	\$	44,052,100
25	(3) TECHNOLOGY SERVICES		
26	Full-time equated classified positions		1,618.5
27	Education services--33.0 FTE positions.....	\$	4,207,400

1	General services--354.5 FTE positions.....	116,405,200
2	Health and human services--656.5 FTE positions.....	318,723,300
3	Public protection--162.5 FTE positions.....	59,775,900
4	Resources services--154.5 FTE positions.....	20,934,300
5	Transportation services--99.5 FTE positions.....	35,113,500
6	Enterprise identity management--6.0 FTE positions.....	7,765,000
7	Information technology investment fund.....	28,810,000
8	Homeland security initiative/cyber security--25.0 FTE	
9	positions	14,231,300
10	Michigan public safety communication system--127.0 FTE	
11	positions	<u>40,404,100</u>
12	GROSS APPROPRIATION.....	\$ 646,370,000
13	Appropriated from:	
14	Interdepartmental grant revenues:	
15	IDG from technology user fees.....	555,159,600
16	Special revenue funds:	
17	Local - MPSCS subscriber and maintenance fees.....	2,248,000
18	State general fund/general purpose.....	\$ 88,962,400
19	(4) STATEWIDE APPROPRIATIONS	
20	Professional development fund - NERE.....	\$ 200,000
21	Professional development fund - UAW.....	<u>700,000</u>
22	GROSS APPROPRIATION.....	\$ 900,000
23	Appropriated from:	
24	Interdepartmental grant revenues:	
25	IDG from employer contributions.....	900,000
26	State general fund/general purpose.....	\$ 0
27	(5) SPECIAL PROGRAMS	

1	Full-time equated classified positions	181.0		
2	Office of children's ombudsman--14.0 FTE positions....		\$	1,860,900
3	Property management executive/legislative.....			1,195,900
4	Public private partnership.....			1,500,000
5	Regional prosperity grants.....			2,500,000
6	Retirement services--167.0 FTE positions.....			<u>29,529,300</u>
7	GROSS APPROPRIATION.....		\$	36,586,100
8	Appropriated from:			
9	Special revenue funds:			
10	Deferred compensation.....			2,800,000
11	Pension trust funds.....			21,412,500
12	Public private partnership investment fund.....			1,500,000
13	State general fund/general purpose.....		\$	10,873,600
14	(6) STATE BUILDING AUTHORITY RENT			
15	State building authority rent - state agencies.....		\$	56,737,700
16	State building authority rent - department of			
17	corrections			18,318,800
18	State building authority rent - universities.....			145,478,500
19	State building authority rent - community colleges....			<u>33,378,100</u>
20	GROSS APPROPRIATION.....		\$	253,913,100
21	Appropriated from:			
22	State general fund/general purpose.....		\$	253,913,100
23	(7) CIVIL SERVICE COMMISSION			
24	Full-time equated classified positions	459.0		
25	Agency services--74.0 FTE positions.....		\$	13,345,100
26	Employee benefits--25.0 FTE positions.....			7,683,200
27	Executive direction--40.0 FTE positions.....			9,518,800

1	Human resources operations--320.0 FTE positions.....	39,013,800
2	Information technology services and projects.....	<u>3,484,700</u>
3	GROSS APPROPRIATION.....	\$ 73,045,600
4	Appropriated from:	
5	Special revenue funds:	
6	State restricted funds 1%.....	29,510,400
7	State restricted indirect funds.....	8,839,600
8	State sponsored group insurance.....	10,742,800
9	State general fund/general purpose.....	\$ 23,952,800
10	(8) CAPITAL OUTLAY	
11	Major special maintenance, remodeling, and addition	
12	for state agencies	\$ 3,800,000
13	Enterprisewide special maintenance for state	
14	facilities	<u>23,396,000</u>
15	GROSS APPROPRIATION.....	\$ 27,196,000
16	Appropriated from:	
17	Interdepartmental grant revenues:	
18	IDG from building occupancy charges.....	3,800,000
19	State general fund/general purpose.....	\$ 23,396,000
20	(9) INFORMATION TECHNOLOGY	
21	Information technology services and projects.....	\$ <u>26,777,200</u>
22	GROSS APPROPRIATION.....	\$ 26,777,200
23	Appropriated from:	
24	Interdepartmental grant revenues:	
25	IDG from building occupancy and parking charges.....	723,200
26	IDG from user fees.....	209,700
27	Special revenue funds:	

1	Deferred compensation.....		2,600
2	MAIN user charges.....		2,516,700
3	Pension trust funds.....		10,266,700
4	Special revenue, internal service, and pension trust		
5	funds		2,706,500
6	State restricted indirect funds.....		583,900
7	State general fund/general purpose.....	\$	9,767,900
8	(10) ONE-TIME APPROPRIATIONS		
9	Drinking water declaration of emergency reserve fund..	\$	100
10	Michigan cyber civilian corps.....		420,000
11	Office of retirement services actuarial analysis.....		<u>4,000</u>
12	GROSS APPROPRIATION.....	\$	424,100
13	Appropriated from:		
14	Drinking water declaration of emergency reserve fund..		100
15	Michigan infrastructure fund.....		420,000
16	State general fund/general purpose.....	\$	4,000
17	Sec. 108. DEPARTMENT OF TREASURY		
18	(1) APPROPRIATION SUMMARY		
19	Full-time equated unclassified positions	10.0	
20	Full-time equated classified positions	1,860.5	
21	GROSS APPROPRIATION.....	\$	1,941,043,500
22	Interdepartmental grant revenues:		
23	Total interdepartmental grants and intradepartmental		
24	transfers		12,780,300
25	ADJUSTED GROSS APPROPRIATION.....	\$	1,928,263,200
26	Federal revenues:		
27	Total federal revenues.....		27,128,000

1	Special revenue funds:	
2	Total local revenues.....	13,135,700
3	Total private revenues.....	27,500
4	Total other state restricted revenues.....	1,675,478,700
5	State general fund/general purpose.....	\$ 212,493,300
6	(2) DEPARTMENTAL ADMINISTRATION AND SUPPORT	
7	Full-time equated unclassified positions10.0	
8	Full-time equated classified positions433.5	
9	Unclassified positions--10.0 FTE positions.....	\$ 1,045,800
10	Department services--75.0 FTE positions.....	9,142,500
11	Executive direction and operations--64.5 FTE positions	9,567,000
12	Office of accounting services--29.0 FTE positions.....	4,116,000
13	Office of collections--197.0 FTE positions.....	28,019,800
14	Office of financial services--40.0 FTE positions.....	4,883,200
15	Property management.....	7,019,700
16	Unclaimed property--28.0 FTE positions.....	4,898,100
17	Worker's compensation.....	<u>144,500</u>
18	GROSS APPROPRIATION.....	\$ 68,836,600
19	Appropriated from:	
20	IDG, data/collection services fees.....	336,600
21	IDG from accounting service center user charges.....	537,500
22	IDG from MDHHS, title IV-D.....	791,400
23	IDG, levy/warrant cost assessment fees.....	3,663,600
24	IDG, state agency collection fees.....	4,421,700
25	Federal revenues:	
26	DED-OPSE, federal lenders allowance.....	21,000
27	DED-OPSE, higher education act of 1965 insured loans..	47,300

1	Special revenue funds:	
2	Delinquent tax collection revenue.....	35,493,000
3	Escheats revenue.....	4,898,100
4	Garnishment fees.....	2,684,400
5	Justice system fund.....	433,100
6	Marihuana regulatory fund.....	190,000
7	State lottery fund.....	298,400
8	State restricted indirect funds.....	278,600
9	State services fee fund.....	339,300
10	Treasury fees.....	47,200
11	State general fund/general purpose.....	\$ 14,355,400
12	(3) LOCAL GOVERNMENT PROGRAMS	
13	Full-time equated classified positions101.0	
14	Local finance--18.0 FTE positions.....	\$ 2,658,900
15	Property tax assessor training--1.0 FTE position.....	1,043,100
16	Supervision of the general property tax law--82.0 FTE	
17	positions	<u>18,627,600</u>
18	GROSS APPROPRIATION.....	\$ 22,329,600
19	Appropriated from:	
20	Special revenue funds:	
21	Local - assessor training fees.....	1,043,100
22	Local - audit charges.....	835,500
23	Local - equalization study chargebacks.....	40,000
24	Local - revenue from local government.....	100,000
25	Delinquent tax collection revenue.....	1,548,400
26	Land reutilization fund.....	2,052,000
27	Municipal finance fees.....	554,600

1	State general fund/general purpose.....	\$	16,156,000
2	(4) TAX PROGRAMS		
3	Full-time equated classified positions		734.0
4	Bottle act implementation.....	\$	250,000
5	Health insurance claims fund program--13.0 FTE		
6	positions		2,110,500
7	Home heating assistance.....		3,093,900
8	Office of revenue and tax analysis--9.0 FTE positions.		1,818,600
9	Tax and economic policy--43.0 FTE positions.....		7,948,900
10	Tax compliance--318.0 FTE positions.....		45,501,600
11	Tax processing--340.0 FTE positions.....		39,185,700
12	Tobacco tax enforcement--11.0 FTE positions.....		<u>1,534,700</u>
13	GROSS APPROPRIATION.....	\$	101,443,900
14	Appropriated from:		
15	Interdepartmental grant revenues:		
16	IDG from MDOT, Michigan transportation fund.....		2,344,900
17	IDG from MDOT, state aeronautics fund.....		72,200
18	Federal revenues:		
19	HHS-SSA, low-income energy assistance.....		3,093,900
20	Special revenue funds:		
21	Bottle deposit fund.....		250,000
22	Brownfield development fund.....		214,300
23	Delinquent tax collection revenue.....		70,255,000
24	Health insurance claims fund.....		2,110,500
25	Marihuana regulatory fund.....		721,400
26	Michigan state waterways fund.....		107,100
27	Tobacco tax revenue.....		4,137,800

1	State general fund/general purpose.....	\$	18,136,800
2	(5) FINANCIAL PROGRAMS		
3	Full-time equated classified positions	178.0	
4	Common cash and debt management--11.0 FTE positions...	\$	1,701,600
5	Dual enrollment payments.....		2,007,600
6	Investments--81.0 FTE positions.....		20,980,600
7	John R. Justice grant program.....		288,100
8	Michigan finance authority - bond finance--64.0 FTE		
9	positions		26,097,700
10	Student financial assistance programs--22.0 FTE		
11	positions		<u>2,742,800</u>
12	GROSS APPROPRIATION.....	\$	53,818,400
13	Appropriated from:		
14	Interdepartmental grant revenues:		
15	IDG, fiscal agent service fees.....		212,400
16	Federal revenues:		
17	DED-OPSE, federal lenders allowance.....		3,741,800
18	DED-OPSE, higher education act of 1965, insured loans.		19,308,100
19	Federal - John R. Justice grant.....		288,100
20	Special revenue funds:		
21	Defined contribution administrative fee revenue.....		100,000
22	Michigan finance authority bond and loan program		
23	revenue		3,047,800
24	Michigan merit award trust fund.....		1,187,300
25	Retirement funds.....		18,644,700
26	School bond fees.....		872,600
27	Treasury fees.....		2,457,200

1	State general fund/general purpose.....	\$	3,958,400
2	(6) DEBT SERVICE		
3	Clean Michigan initiative.....	\$	62,751,000
4	Great Lakes water quality bond.....		22,865,000
5	Quality of life bond.....		<u>21,964,000</u>
6	GROSS APPROPRIATION.....	\$	107,580,000
7	Appropriated from:		
8	State general fund/general purpose.....	\$	107,580,000
9	(7) GRANTS		
10	Beat the streets.....	\$	100,000
11	Convention facility development distribution.....		90,950,000
12	Courageous cadets.....		50,000
13	Emergency 911 payments.....		27,000,000
14	Health and safety fund grants.....		1,500,000
15	Medical marihuana excise fund grants.....		10,890,000
16	Senior citizen cooperative housing tax exemption		
17	program		10,720,100
18	Financial data analytic tool reimbursement.....		<u>500,000</u>
19	GROSS APPROPRIATION.....	\$	141,710,100
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.....		10,890,000
26	Sales tax.....		500,000
27	State general fund/general purpose.....	\$	10,870,100

1 **(8) BUREAU OF STATE LOTTERY**

2	Full-time equated classified positions	196.0	
3	Lottery information technology services and projects..	\$	5,287,000
4	Lottery operations--196.0 FTE positions.....		<u>26,678,200</u>
5	GROSS APPROPRIATION.....	\$	31,965,200
6	Appropriated from:		
7	Special revenue funds:		
8	State lottery fund.....		31,965,200
9	State general fund/general purpose.....	\$	0

10 **(9) CASINO GAMING**

11	Full-time equated classified positions	143.0	
12	Casino gaming control operations--133.0 FTE positions.	\$	26,604,600
13	Gaming information technology services and projects...		2,556,400
14	Horse racing--10.0 FTE positions.....		2,052,100
15	Michigan gaming control board.....		<u>50,000</u>
16	GROSS APPROPRIATION.....	\$	31,263,100
17	Appropriated from:		
18	Special revenue funds:		
19	Casino gambling agreements.....		963,500
20	Equine development fund.....		2,176,300
21	Laboratory fees.....		705,400
22	State services fee fund.....		27,417,900
23	State general fund/general purpose.....	\$	0

24 **(10) PAYMENTS IN LIEU OF TAXES**

25	Commercial forest reserve.....	\$	3,368,100
26	Purchased lands.....		8,677,900
27	Swamp and tax reverted lands.....		<u>15,305,600</u>

1	GROSS APPROPRIATION.....	\$	27,351,600
2	Appropriated from:		
3	Special revenue funds:		
4	Private funds.....		27,500
5	Game and fish protection fund.....		3,007,400
6	Michigan natural resources trust fund.....		2,064,700
7	Michigan state waterways fund.....		260,800
8	State general fund/general purpose.....	\$	21,991,200
9	(11) REVENUE SHARING		
10	City, village, and township revenue sharing.....	\$	243,040,000
11	Constitutional state general revenue sharing grants...		832,343,800
12	County incentive program.....		43,218,800
13	County revenue sharing payments.....		175,006,700
14	Financially distressed cities, villages, or townships.		4,500,000
15	Sheriff patrol assistance for financially distressed		
16	communities		<u>100</u>
17	GROSS APPROPRIATION.....	\$	1,298,109,400
18	Appropriated from:		
19	Special revenue funds:		
20	Sales tax.....		1,298,109,300
21	State general fund/general purpose.....	\$	100
22	(12) STATE BUILDING AUTHORITY		
23	Full-time equated classified positions3.0		
24	State building authority--3.0 FTE positions.....	\$	<u>740,000</u>
25	GROSS APPROPRIATION.....	\$	740,000
26	Appropriated from:		
27	Special revenue funds:		

1	State building authority revenue.....	740,000
2	State general fund/general purpose.....	\$ 0
3	(13) CITY INCOME TAX ADMINISTRATION PROGRAM	
4	Full-time equated classified positions	72.0
5	City income tax administration program--72.0 FTE	
6	positions	\$ <u>9,887,900</u>
7	GROSS APPROPRIATION.....	\$ 9,887,900
8	Appropriated from:	
9	Special revenue funds:	
10	Local - city income tax fund.....	9,887,900
11	State general fund/general purpose.....	\$ 0
12	(14) INFORMATION TECHNOLOGY	
13	Treasury operations information technology services	
14	and projects	\$ <u>36,207,600</u>
15	GROSS APPROPRIATION.....	\$ 36,207,600
16	Appropriated from:	
17	Interdepartmental grant revenues:	
18	IDG from MDOT, Michigan transportation fund.....	400,000
19	Federal revenues:	
20	DED-OPSE, federal lender allowance.....	627,800
21	Special revenue funds:	
22	Local - city income tax fund.....	1,229,200
23	Delinquent tax collection revenue.....	17,588,500
24	Retirement funds.....	787,400
25	Tobacco tax revenue.....	129,400
26	State general fund/general purpose.....	\$ 15,445,300
27	(15) ONE-TIME APPROPRIATIONS	

House Bill No. 5578 as amended April 24, 2018

1	City, village, and township revenue sharing.....	\$	5,800,000
2	Drinking water declaration of emergency.....		100
3	Supplemental city, village, and township revenue		
4	sharing		3,100,000
5	Urban search and rescue.....		<u>900,000</u>
6	GROSS APPROPRIATION.....	\$	9,800,100
7	Appropriated from:		
8	Special revenue funds:		
9	Drinking water declaration of emergency reserve fund..		100
10	Sales tax.....		5,800,000
11	State general fund/general purpose.....	\$	4,000,000
12	Sec. 109. DEPARTMENT OF TALENT AND ECONOMIC		
13	DEVELOPMENT		
14	(1) APPROPRIATION SUMMARY		
15	Full-time equated unclassified positions		6.0
16	Full-time equated classified positions		1,450.0
17	GROSS APPROPRIATION.....	\$	[1,107,565,700]
18	Interdepartmental grant revenues:		
19	Total interdepartmental grants and intradepartmental		
20	transfers		0
21	ADJUSTED GROSS APPROPRIATION.....	\$	[1,107,565,700]
22	Federal revenues:		
23	Total federal revenues.....		762,645,800
24	Special revenue funds:		
25	Total local revenues.....		500,000
26	Total private revenues.....		5,621,700
27	Total other state restricted revenues.....		205,332,300

House Bill No. 5578 as amended April 24, 2018

1	State general fund/general purpose.....	\$	[133,465,900]
2	(2) DEPARTMENTAL ADMINISTRATION AND SUPPORT		
3	Full-time equated unclassified positions	6.0	
4	Full-time equated classified positions	15.0	
5	Unclassified positions--6.0 FTE positions.....	\$	1,108,500
6	Executive direction and operations--15.0 FTE positions		<u>3,903,500</u>
7	GROSS APPROPRIATION.....	\$	5,012,000
8	Appropriated from:		
9	Federal revenues:		
10	DOL-ETA, unemployment insurance.....		1,448,500
11	DOL, federal funds.....		369,100
12	Federal funds.....		2,500,000
13	Special revenue funds:		
14	Michigan state housing development authority fees and		
15	charges		495,900
16	State general fund/general purpose.....	\$	198,500
17	(3) MICHIGAN STRATEGIC FUND		
18	Full-time equated classified positions	157.0	
19	Administrative services--37.0 FTE positions.....	\$	6,418,300
20	Arts and cultural program.....		10,150,000
21	Business attraction and community revitalization.....		100,000,000
22	Community college skilled trades equipment program		
23	debt service		4,600,000
24	Community development block grants.....		47,000,000
25	Entrepreneurship ecosystem.....		[18,400,000]
26	Facility for rare isotope beams.....		7,300,000
27	Job creation services--120.0 FTE positions.....		22,518,900

House Bill No. 5578 as amended April 24, 2018

1	Pure Michigan.....	[35,000,000]
2	GROSS APPROPRIATION.....\$	[251,387,200]
3	Appropriated from:	
4	Federal revenues:	
5	DOL, federal funds.....	2,825,800
6	DOL-ETA, unemployment insurance.....	287,000
7	HUD-CPD community development block grant.....	49,773,300
8	NFAH-NEA, promotion of the arts, partnership	
9	agreements	1,050,000
10	Special revenue funds:	
11	Private - special project advances.....	250,000
12	Private - Michigan council for the arts fund.....	100,000
13	21st century jobs trust fund.....	75,000,000
14	Contingent fund, penalty and interest account.....	4,600,000
15	Land bank fast track fund.....	150,000
16	Michigan film promotion fund.....	402,200
17	Michigan state housing development authority fees and	
18	charges	4,699,100
19	State general fund/general purpose..... \$	[112,249,800]
20	(4) TALENT INVESTMENT AGENCY	
21	Full-time equated classified positions	979.0
22	At-risk youth grants..... \$	3,000,000
23	Community ventures.....	3,500,000
24	Executive direction--14.0 FTE positions.....	3,498,500
25	Information technology services and projects - TIA....	22,610,700
26	Going pro.....	27,918,800
27	Unemployment insurance agency--760.0 FTE positions....	137,836,900

1	Workforce development programs.....	381,556,600
2	Workforce program administration--205.0 FTE positions.	<u>34,645,800</u>
3	GROSS APPROPRIATION.....	\$ 614,567,300
4	Appropriated from:	
5	Federal revenues:	
6	DAG, employment and training.....	4,000,400
7	DED-OESE, GEAR-UP.....	4,730,700
8	DED-OVAE, adult education.....	20,000,000
9	DED-OVAE, basic grants to states.....	19,000,000
10	DOL, federal funds.....	108,732,800
11	DOL-ETA, unemployment insurance.....	138,940,600
12	DOL-ETA, workforce investment act.....	173,988,600
13	Federal funds.....	3,440,200
14	Social security act, temporary assistance to needy	
15	families	63,698,800
16	Special revenue funds:	
17	Local revenues.....	500,000
18	Private funds.....	5,271,700
19	Contingent fund, penalty and interest account.....	57,069,500
20	Defaulted loan collection fees.....	153,700
21	State general fund/general purpose.....	\$ 15,040,300
22	(5) LAND BANK FAST TRACK AUTHORITY	
23	Full-time equated classified positions9.0	
24	Land bank fast track authority--9.0 FTE positions.....	<u>\$ 3,625,700</u>
25	GROSS APPROPRIATION.....	\$ 3,625,700
26	Appropriated from:	
27	Federal revenues:	

House Bill No. 5578 as amended April 24, 2018

1	Federal revenues.....		1,000,000
2	Special revenue funds:		
3	Land bank fast track fund.....		148,400
4	State general fund/general purpose.....	\$	2,477,300
5	(6) MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY		
6	Full-time equated classified positions290.0		
7	Housing and rental assistance--290.0 FTE positions....	\$	45,043,500
8	Lighthouse preservation program.....		307,500
9	Michigan state housing development authority		
10	technology services and projects		3,625,100
11	Payments on behalf of tenants.....		166,860,000
12	Property management.....		<u>3,637,300</u>
13	GROSS APPROPRIATION.....	\$	219,473,400
14	Appropriated from:		
15	Federal revenues:		
16	HUD, lower income housing assistance.....		166,860,000
17	Special revenue funds:		
18	Michigan lighthouse preservation program.....		307,500
19	Michigan state housing development authority fees and		
20	charges		52,305,900
21	State general fund/general purpose.....	\$	0
22	(7) ONE-TIME APPROPRIATIONS		
23	Arts and cultural program.....	\$	1,000,000
24	Drinking water declaration of emergency.....		100
25	Entrepreneurship ecosystem.....		[1,500,000]
26	Going pro.....		10,000,000
27	Project rising tide.....		<u>[1,000,000]</u>

House Bill No. 5578 as amended April 24, 2018

1	GROSS APPROPRIATION.....	\$	[13,500,100]
2	Appropriated from:		
3	Special revenue funds:		
4	Contingent fund, penalty and interest account.....		10,000,000
5	Drinking water declaration of emergency reserve fund..		100
6	State general fund/general purpose.....	\$	[3,500,000]

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FOR FISCAL YEAR 2018-2019

GENERAL SECTIONS

Sec. 201. (1) Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state sources under part 1 for fiscal year 2018-2019 is [\$3,279,193,300.00] and state spending from state sources to be paid to local units of government for fiscal year 2018-2019 is [\$1,510,595,900.00]. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF STATE

19	Fees to local units.....	\$	109,800
20	Motorcycle safety grants.....		<u>1,019,200</u>
21	Subtotal.....	\$	1,129,000

DEPARTMENT OF TREASURY

23	Senior citizen cooperative housing tax exemption.....	\$	10,720,100
24	Health and safety fund grants.....		1,500,000
25	Constitutional state general revenue sharing grants...		832,343,800

1	City, village, and township revenue sharing.....	248,840,000
2	Medical marihuana excise fund grants.....	6,534,000
3	Supplemental city, village, and township revenue	
4	sharing	3,100,000
5	Convention facility development fund distribution.....	90,950,000
6	Emergency 9-1-1 payments.....	27,000,000
7	Financially distressed cities, villages, or townships.	4,500,000
8	Airport parking distribution pursuant to section 909..	24,601,900
9	County incentive program.....	43,218,800
10	County revenue sharing payments.....	175,006,700
11	Payments in lieu of taxes.....	<u>27,351,600</u>
12	Subtotal.....	\$ 1,495,666,900
13	DEPARTMENT OF TALENT AND ECONOMIC DEVELOPMENT	
14	Welfare-to-work programs.....	\$ <u>11,300,000</u>
15	Subtotal.....	\$ <u>11,300,000</u>
16	TOTAL GENERAL GOVERNMENT.....	\$ 1,508,095,900

17 (2) Pursuant to section 30 of article IX of the state
18 constitution of 1963, total state spending from state sources for
19 fiscal year 2018-2019 is estimated at \$32,742,310,300.00 in the
20 2018-2019 appropriations acts and total state spending from state
21 sources paid to local units of government for fiscal year 2018-2019
22 is estimated at \$18,584,557,000.00. The state-local proportion is
23 estimated at 56.8% of total state spending from state sources.

24 (3) If payments to local units of government and state
25 spending from state sources for fiscal year 2018-2019 are different
26 than the amounts estimated in subsection (2), the state budget
27 director shall report the payments to local units of government and

1 state spending from state sources that were made for fiscal year
2 2018-2019 to the senate and house of representatives standing
3 committees on appropriations within 30 days after the final book-
4 closing for fiscal year 2018-2019.

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

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

9 (a) "COBRA" means the consolidated omnibus budget
10 reconciliation act of 1985, Public Law 99-272, 100 Stat 82.

11 (b) "DAG" means the United States Department of Agriculture.

12 (c) "DED" means the United States Department of Education.

13 (d) "DED-OESE" means the DED Office of Elementary and
14 Secondary Education.

15 (e) "DED-OPSE" means the DED Office of Postsecondary
16 Education.

17 (f) "DED-OVAE" means the DED Office of Vocational and Adult
18 Education.

19 (g) "DOE-OEERE" means the United States Department of Energy,
20 Office of Energy Efficiency and Renewable Energy.

21 (h) "DOL" means the United States Department of Labor.

22 (i) "DOL-ETA" means the United States Department of Labor,
23 Employment and Training Administration.

24 (j) "EEOC" means the United States Equal Employment
25 Opportunity Commission.

26 (k) "FTE" means full-time equated.

27 (l) "Fund" means the Michigan strategic fund.

1 (m) "GEAR-UP" means gaining early awareness and readiness for
2 undergraduate programs.

3 (n) "GED" means a general educational development certificate.

4 (o) "GF/GP" means general fund/general purpose.

5 (p) "HHS" means the United States Department of Health and
6 Human Services.

7 (q) "HHS-OS" means the HHS Office of the Secretary.

8 (r) "HHS-SSA" means the HHS Social Security Administration.

9 (s) "HUD" means the United States Department of Housing and
10 Urban Development.

11 (t) "HUD-CPD" means the United States Department of Housing
12 and Urban Development - Community Planning and Development.

13 (u) "IDG" means interdepartmental grant.

14 (v) "JCOS" means the joint capital outlay subcommittee.

15 (w) "MAIN" means the Michigan administrative information
16 network.

17 (x) "MCL" means the Michigan Compiled Laws.

18 (y) "MDE" means the Michigan department of education.

19 (z) "MDLARA" means the Michigan department of licensing and
20 regulatory affairs.

21 (aa) "MDEQ" means the Michigan department of environmental
22 quality.

23 (bb) "MDHHS" means the Michigan department of health and human
24 services.

25 (cc) "MDMVA" means the Michigan department of military and
26 veterans affairs.

27 (dd) "MDOT" means the Michigan department of transportation.

1 (ee) "MDSP" means the Michigan department of state police.

2 (ff) "MDTMB" means the Michigan department of technology,
3 management, and budget.

4 (gg) "MEDC" means the Michigan economic development
5 corporation, which is the public body corporate created under
6 section 28 of article VII of the state constitution of 1963 and the
7 urban cooperation act of 1967, 1967 (Ex Sess) PA 7, MCL 124.501 to
8 124.512, by contractual interlocal agreement effective April 5,
9 1999, between local participating economic development corporations
10 formed under the economic development corporations act, 1974 PA
11 338, MCL 125.1601 to 125.1636, and the Michigan strategic fund.

12 (hh) "MEGA" means the Michigan economic growth authority.

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

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

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

16 (ll) "MSHDA" means the Michigan state housing development
17 authority.

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

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

21 (oo) "PA" means public act.

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

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

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

25 (ss) "SIGMA" means statewide integrated governmental
26 management applications.

27 (tt) "WDA" means the workforce development agency.

1 (uu) "WIC" means women, infants, and children.

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 should 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 of each department and agency receiving
19 appropriations in part 1 shall take all reasonable steps to ensure
20 businesses in deprived and depressed communities compete for and
21 perform contracts to provide services or supplies, or both. Each
22 director shall strongly encourage firms with which the department
23 contracts to subcontract with certified businesses in depressed and
24 deprived communities for services, supplies, or both.

25 Sec. 207. The departments and agencies receiving
26 appropriations in part 1 shall prepare a report on out-of-state
27 travel expenses not later than January 1 of each year. The travel

1 report shall be a listing of all travel by classified and
2 unclassified employees outside this state in the immediately
3 preceding fiscal year that was funded in whole or in part with
4 funds appropriated in the department's budget. The report shall be
5 submitted to the house and senate standing committees on
6 appropriations, the chairpersons of the relevant appropriations
7 subcommittees, the house and senate fiscal agencies, and the state
8 budget director. The report shall include the following
9 information:

10 (a) The dates of each travel occurrence.

11 (b) The total transportation and related costs of each travel
12 occurrence, including the proportion funded with state GF/GP
13 revenues, the proportion funded with state restricted revenues, the
14 proportion funded with federal revenues, and the proportion funded
15 with other revenues.

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

22 Sec. 209. Not later than November 30, the state budget office
23 shall prepare and transmit a report that provides for estimates of
24 the total GF/GP appropriation lapses at the close of the prior
25 fiscal year. This report shall summarize the projected year-end
26 GF/GP 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 and the senate and house
 2 fiscal agencies.

3 Sec. 210. (1) Pursuant to section 352 of the management and
 4 budget act, 1984 PA 431, MCL 18.1352, which provides for a transfer
 5 of state general fund revenue into or out of the countercyclical
 6 budget and economic stabilization fund, the calculations required
 7 by section 352 of the management and budget act, 1984 PA 431, MCL
 8 18.1352, are determined as follows:

	<u>2017</u>	<u>2018</u>	<u>2019</u>
9			
10 Michigan personal income (millions).	\$452,542	\$472,001	\$492,769
11 less: transfer payments.....	<u>95,699</u>	<u>100,254</u>	<u>105,578</u>
12 Subtotal	\$356,843	\$371,747	\$387,191
13 Divided by: Detroit consumer price			
14 index for 12 months ending June 30	2.249	2.280	2.321
15 Equals: real adjusted Michigan			
16 personal income.....	\$158,701	\$163,047	\$166,851
17 Percentage change.....	N/A	2.7%	2.3%
18 Growth rate in excess of 2%?.....	N/A	0.7%	0.3%
19 Equals: countercyclical budget and			
20 economic stabilization fund pay-in			
21 calculation for the fiscal year ending			
22 September 30, 2019 (millions).....	N/A	\$72.2	\$31.0
23 Growth rate less than 0%?.....	N/A	NO	NO
24 Equals: countercyclical budget and			
25 economic stabilization fund pay-out			
26 calculation for the fiscal year ending			
27 September 30, 2019 (millions).....	N/A	N/A	\$0.0

1 (2) Notwithstanding subsection (1), there is appropriated for
2 the fiscal year ending September 30, 2019, from GF/GP revenue for
3 deposit into the countercyclical budget and economic stabilization
4 fund the sum of \$0.00.

5 Sec. 211. The departments and agencies receiving
6 appropriations in part 1 shall cooperate with the department of
7 technology, management, and budget to maintain a searchable website
8 that is updated at least quarterly and that is accessible by the
9 public at no cost that includes, but is not limited to, all of the
10 following for each department or agency:

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

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

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

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

18 (e) Job specifications and wage rates.

19 Sec. 212. Within 14 days after the release of the executive
20 budget recommendation, the departments and agencies receiving
21 appropriations in part 1 shall cooperate with the state budget
22 office to provide the chairs of the senate and house of
23 representatives standing committees on appropriations, the chairs
24 of the senate and house of representatives standing committees on
25 appropriations subcommittees, and the senate and house fiscal
26 agencies with an annual report on estimated state restricted fund
27 balances, state restricted fund projected revenues, and state

1 restricted fund expenditures for the fiscal years ending September
2 30, 2018 and September 30, 2019.

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

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

13 Sec. 216. The departments and agencies receiving
14 appropriations in part 1 shall receive and retain copies of all
15 reports funded from appropriations in part 1. Federal and state
16 guidelines for short-term and long-term retention of records shall
17 be followed. The department may electronically retain copies of
18 reports unless otherwise required by federal and state guidelines.

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

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

25 Sec. 221. Each department and agency shall report no later
26 than April 1 on each specific policy change made to implement a
27 public act affecting the department that took effect during the

1 prior calendar year to the senate and house of representatives
2 standing committees on appropriations subcommittees on general
3 government, the joint committee on administrative rules, and the
4 senate and house fiscal agencies.

5 Sec. 229. (1) If the office of the auditor general has
6 identified an initiative or made a recommendation that is related
7 to savings and efficiencies in an audit report for an executive
8 branch department or agency, the department or agency shall report
9 within 6 months of the release of the audit on their efforts and
10 progress made toward achieving the savings and efficiencies
11 identified in the audit report. The report shall be submitted to
12 the chairs of the senate and house of representatives standing
13 committees on appropriations, the chairs of the senate and house of
14 representatives standing committees with jurisdiction over matters
15 relating to the department that is audited, and the senate and
16 house fiscal agencies.

17 (2) If the office of the auditor general does not receive the
18 required report regarding initiatives related to savings and
19 efficiencies within the 6-month time frame, the office of the
20 auditor general may charge noncompliant executive branch
21 departments and agencies for the cost of performing a subsequent
22 audit to ensure that the initiatives related to savings and
23 efficiencies have been implemented.

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 2019-2020 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 15, 2019, 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, 2020, 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.

26 **DEPARTMENT OF ATTORNEY GENERAL**

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

7 (2) In addition to the funds appropriated in part 1, there is
8 appropriated an amount not to exceed \$1,500,000.00 for state
9 restricted contingency funds. These funds are not available for
10 expenditure until they have been transferred to another line item
11 in part 1 under section 393(2) of the management and budget act,
12 1984 PA 431, MCL 18.1393.

13 (3) In addition to the funds appropriated in part 1, there is
14 appropriated an amount not to exceed \$100,000.00 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 under section 393(2) of the management and budget act, 1984 PA 431,
18 MCL 18.1393.

19 (4) In addition to the funds appropriated in part 1, there is
20 appropriated an amount not to exceed \$100,000.00 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 under section 393(2) of the management and budget act, 1984 PA 431,
24 MCL 18.1393.

25 Sec. 301a. (1) From the funds appropriated in part 1 for
26 attorney general operations, the attorney general must maintain a
27 minimum of 24 drug investigations and may prosecute when sufficient

1 evidence is obtained. The purpose of this investment is to
2 establish a specialized drug investigation and prosecution unit.

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

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

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

21 (3) The attorney general shall perform the duties specified in
22 1846 RS 12, MCL 14.28 to 14.35, and 1919 PA 232, MCL 14.101 to
23 14.102, and as otherwise provided by law.

24 Sec. 303. The attorney general may sell copies of the biennial
25 report in excess of the 350 copies that the attorney general may
26 distribute on a gratis basis. Gratis copies shall not be provided
27 to members of the legislature. Electronic copies of biennial

1 reports shall be made available on the department of attorney
2 general's website. The attorney general shall sell copies of the
3 report at not less than the actual cost of the report and shall
4 deposit the money received into the general fund.

5 Sec. 304. The department of attorney general is responsible
6 for the legal representation for state of Michigan state employee
7 worker's disability compensation cases. The risk management
8 revolving fund revenue appropriation in part 1 is to be satisfied
9 by billings from the department of attorney general for the actual
10 costs of legal representation, including salaries and support
11 costs.

12 Sec. 305. In addition to the funds appropriated in part 1, not
13 more than \$400,000.00 shall be reimbursed per fiscal year for food
14 stamp fraud cases heard by the third circuit court of Wayne County
15 that were initiated by the department of attorney general pursuant
16 to the existing contract between the department of health and human
17 services, the Prosecuting Attorneys Association of Michigan, and
18 the department of attorney general. The source of this funding is
19 money earned by the department of attorney general under the
20 agreement after the allowance for reimbursement to the department
21 of attorney general for costs associated with the prosecution of
22 food stamp fraud cases. It is recognized that the federal funds are
23 earned by the department of attorney general for its documented
24 progress on the prosecution of food stamp fraud cases according to
25 the United States Department of Agriculture regulations and that,
26 once earned by this state, the funds become state funds.

27 Sec. 306. Any proceeds from a lawsuit initiated by or

1 settlement agreement entered into on behalf of this state against a
2 manufacturer of tobacco products by the attorney general are state
3 funds and are subject to appropriation as provided by law.

4 Sec. 307. (1) In addition to the antitrust revenues in part 1,
5 antitrust, securities fraud, consumer protection or class action
6 enforcement revenues, or attorney fees recovered by the department,
7 not to exceed \$250,000.00, are appropriated to the department for
8 antitrust, securities fraud, and consumer protection or class
9 action enforcement cases.

10 (2) Any unexpended funds from antitrust, securities fraud, or
11 consumer protection or class action enforcement revenues at the end
12 of the fiscal year, including antitrust funds in part 1, may be
13 carried forward for expenditure in the following fiscal year up to
14 the maximum authorization of \$250,000.00.

15 (3) The attorney general's office shall make available upon
16 request information detailing the amount of revenue from subsection
17 (1) recovered by the attorney general, including a description of
18 the source of the revenue and the carryforward amount.

19 Sec. 308. (1) In addition to the funds appropriated in part 1,
20 there is appropriated up to \$1,000,000.00 from litigation expense
21 reimbursements awarded to the state.

22 (2) The funds may be expended for the payment of court
23 judgments, settlements, arbitration awards or other administrative
24 and litigation decisions, attorney fees, and litigation costs,
25 assessed against the office of the governor, the department of the
26 attorney general, the governor, or the attorney general when acting
27 in an official capacity as the named party in litigation against

1 the state. The funds may also be expended for the payment of state
2 costs incurred under section 16 of chapter X of the code of
3 criminal procedure, 1927 PA 175, MCL 770.16.

4 (3) Unexpended funds at the end of the fiscal year may be
5 carried forward for expenditure in the following year, up to a
6 maximum authorization of \$250,000.00.

7 Sec. 309. (1) From the prisoner reimbursement funds
8 appropriated in part 1, the department may spend up to \$636,500.00
9 on activities related to the state correctional facility
10 reimbursement act, 1935 PA 253, MCL 800.401 to 800.406. In addition
11 to the funds appropriated in part 1, if the department collects in
12 excess of \$1,131,000.00 in gross annual prisoner reimbursement
13 receipts provided to the general fund, the excess, up to a maximum
14 of \$1,000,000.00, is appropriated to the department of attorney
15 general and may be spent on the representation of the department of
16 corrections and its officers, employees, and agents, including, but
17 not limited to, the defense of litigation against the state, its
18 departments, officers, employees, or agents in civil actions filed
19 by prisoners.

20 (2) The attorney general's office shall make available upon
21 request information on the dollar amount of prisoner reimbursements
22 collected from subsection (1) as well as descriptions of all
23 expenditures made from the reimbursements, including what
24 activities related to the state correctional facility reimbursement
25 act, 1935 PA 253, MCL 800.401 to 800.406, funds were spent on.

26 Sec. 310. (1) For the purposes of providing title IV-D child
27 support enforcement funding, the attorney general shall maintain a

1 cooperative agreement with the department of health and human
2 services, as the state IV-D agency, for federal IV-D funding to
3 support the child support enforcement activities within the office
4 of the attorney general.

5 (2) The attorney general or his or her designee shall, to the
6 extent allowable under federal law, have access to any information
7 used by the state to locate parents who fail to pay court-ordered
8 child support.

9 Sec. 312. The department of attorney general shall not receive
10 and expend funds in addition to those authorized in part 1 for
11 legal services provided specifically to other state departments or
12 agencies except for costs for expert witnesses, court costs, or
13 other nonsalary litigation expenses associated with a pending legal
14 action.

15 Sec. 314. (1) From the lawsuit settlement proceeds fund
16 appropriated in part 1, the department may spend the funds for the
17 costs of all associated expenses related to the declaration of
18 emergency due to drinking water contamination up to \$2,602,700.00.

19 (2) The attorney general's office must submit a quarterly
20 report to the house and senate standing committees on
21 appropriations, the house and senate appropriations subcommittees
22 on general government, the senate and house fiscal agencies, and
23 the state budget director, detailing how funds in subsection (1)
24 and all other currently and previously budgeted funds associated
25 with legal costs pertaining to the Flint water declaration of
26 emergency were expended. The report must itemize expenditures by
27 case, purpose, hourly rate of retained attorney, and department

1 involved.

2 (3) As a condition of receiving funds appropriated in part 1,
3 the attorney general must not retain the services of an outside
4 counsel associated with the declaration of emergency due to
5 drinking water contamination at an hourly rate of more than \$250.00
6 unless all reporting requirements under subsection (2) are
7 satisfied.

8 Sec. 314a. (1) From funds available to the attorney general
9 for investigations, crime victim rights, prosecutions, and appeals
10 for retroactive juvenile life without parole cases, the department
11 of attorney general shall not expend more than \$700,000.00 for
12 these purposes.

13 (2) The attorney general's office shall submit a detailed
14 expenditure report to the house and senate appropriations
15 subcommittees on general government and the judiciary, the senate
16 and house fiscal agencies, and the state budget director by
17 September 30 detailing how the funds provided in subsection (1)
18 were expended.

19 Sec. 315. Total authorized appropriations from all sources
20 under part 1 for legacy costs for the fiscal year ending September
21 30, 2019 are estimated at \$18,049,500.00. From this amount, total
22 agency appropriations for pension-related legacy costs are
23 estimated at \$8,321,100.00. Total agency appropriations for retiree
24 health care legacy costs are estimated at \$9,728,400.00.

25 Sec. 316. (1) From the funds appropriated in part 1 for sexual
26 assault law enforcement efforts, the department shall use the funds
27 for testing of backlogged sexual assault kits across this state.

1 The funding provided in part 1 shall be distributed in the
2 following order of priority:

3 (a) To eliminate all county sexual assault kit backlogs across
4 this state.

5 (b) To assist local prosecutors with investigations and
6 prosecutions of viable cases.

7 (c) To provide victim services.

8 (2) The department of the attorney general shall provide a
9 report by February 1. The report shall include the following
10 information:

11 (a) The number of sexual assault kits across this state that
12 remain untested as of January 31.

13 (b) A detailed work plan outlining the department's action
14 plan to eliminate all outstanding sexual assault kits and the time
15 frame for completion of testing of all untested sexual assault
16 kits.

17 (c) A detailed work and spending plan outlining anticipated
18 litigation action and expenditures resulting from findings of the
19 sexual assault kit testing. The report shall be submitted 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.

23 (3) Any funds remaining after the department has met the
24 obligations required under subsection (1) may be used for the
25 purpose of retesting any previously tested sexual assault kits
26 across this state using currently available DNA testing. Funds only
27 may be used for DNA testing on previously tested kits that were not

1 tested for DNA. If there are remaining untested sexual assault kits
2 on January 31, 2019, funds appropriated in part 1 shall only be
3 used for the testing of those kits.

4 Sec. 317. (1) The department of attorney general shall report
5 all legal costs and associated expenses related to the declaration
6 of emergency due to drinking water contamination, and the
7 investigations and any resulting prosecutions, for publication in
8 the Flint water emergency-financial and activities tracking and
9 reporting document that is posted by the state budget director on
10 the public website, michigan.gov/flintwater. The tracking and
11 reporting documents shall include the budget line item source for
12 each expenditure.

13 (2) At the conclusion of all attorney general investigations
14 related to the declaration of emergency due to drinking water
15 contamination, all materials related to any investigations shall be
16 preserved pursuant to applicable document retention policies.

17 **DEPARTMENT OF CIVIL RIGHTS**

18 Sec. 401. (1) In addition to the funds appropriated in part 1,
19 there is appropriated an amount not to exceed \$2,000,000.00 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 \$750,000.00 for private
26 contingency funds. These funds are not available for expenditure

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

4 Sec. 402. (1) In addition to the appropriations contained in
5 part 1, the department of civil rights may receive and expend funds
6 from local or private sources for all of the following purposes:

7 (a) Developing and presenting training for employers on equal
8 employment opportunity law and procedures.

9 (b) The publication and sale of civil rights related
10 informational material.

11 (c) The provision of copy material made available under
12 freedom of information requests.

13 (d) Other copy fees, subpoena fees, and witness fees.

14 (e) Developing, presenting, and participating in mediation
15 processes for certain civil rights cases.

16 (f) Workshops, seminars, and recognition or award programs
17 consistent with the programmatic mission of the individual unit
18 sponsoring or coordinating the programs.

19 (g) Staffing costs for all activities included in this
20 subsection.

21 (2) The department of civil rights shall annually report to
22 the state budget director, the senate and house of representatives
23 standing committees on appropriations, the chairpersons of the
24 relevant appropriations subcommittees, and the senate and house
25 fiscal agencies the amount of funds received and expended for
26 purposes authorized under this section.

27 Sec. 403. The department of civil rights may contract with

1 local units of government to review equal employment opportunity
2 compliance of potential contractors and may charge for and expend
3 amounts received from local units of government for the purpose of
4 developing and providing these contractual services.

5 Sec. 404. (1) The department of civil rights shall prepare and
6 transmit a detailed report that includes, but is not limited to,
7 the following information for the most recent fiscal year:

8 (a) A detailed description of the department operations.

9 (b) A detailed description of all subunits within the
10 department, including FTE positions associated with each subunit,
11 responsibilities of each subunit, and all revenues and expenditures
12 for each subunit.

13 (c) The number of complaints by type of complaint.

14 (d) The average cost of, and time expended, investigating
15 complaints.

16 (e) The percentage of complaints that are meritorious and
17 worthy of investigation or settlement and the percentage of
18 complaints that have no merit.

19 (f) A listing of amounts awarded to claimants.

20 (g) Expenditures associated with complaint investigation and
21 enforcement.

22 (h) A listing of complaint investigations closed per FTE
23 position for each of the past 5 years.

24 (i) A listing of complaint evaluations completed per FTE
25 position for each of the past 5 years.

26 (j) Productivity projections for the current fiscal year,
27 including investigations closed per FTE, complaint evaluations

1 completed per FTE, and average time expended investigating
2 complaints.

3 (k) Revenues and expenditures associated with section 403 of
4 this part by local unit.

5 (2) The report required under subsection (1) shall be posted
6 online and transmitted electronically not later than November 30 to
7 the state budget director, the chairpersons of the senate and house
8 of representatives standing committees on appropriations, the
9 senate and house appropriations subcommittees on general
10 government, and the senate and house fiscal agencies.

11 Sec. 405. The department of civil rights shall notify the
12 office of the state budget, senate and house of representatives
13 standing committees on appropriations, the chairpersons of the
14 appropriations subcommittees on general government, and senate and
15 house fiscal agencies prior to submitting a report or complaint to
16 the United States Commission on Civil Rights or other federal
17 departments.

18 Sec. 410. Total authorized appropriations from all sources
19 under part 1 for legacy costs for the fiscal year ending September
20 30, 2019 are estimated at \$2,558,000.00. From this amount, total
21 agency appropriations for pension-related legacy costs are
22 estimated at \$1,179,300.00. Total agency appropriations for retiree
23 health care legacy costs are estimated at \$1,379,700.00.

24 LEGISLATURE

25 Sec. 600. The senate, the house of representatives, or an
26 agency within the legislative branch may receive, expend, and

1 transfer funds in addition to those authorized in part 1.

2 Sec. 601. (1) Funds appropriated in part 1 to an entity within
3 the legislative branch shall not be expended or transferred to
4 another account without written approval of the authorized agent of
5 the legislative entity. If the authorized agent of the legislative
6 entity notifies the state budget director of its approval of an
7 expenditure or transfer before the year-end book-closing date for
8 that legislative entity, the state budget director shall
9 immediately make the expenditure or transfer. The authorized
10 legislative entity agency shall be designated by the speaker of the
11 house of representatives for house entities, the senate majority
12 leader for senate entities, and the legislative council for
13 legislative council entities.

14 (2) Funds appropriated within the legislative branch, to a
15 legislative council component, shall not be expended by any agency
16 or other subgroup included in that component without the approval
17 of the legislative council.

18 Sec. 602. The senate may charge rent and assess charges for
19 utility costs. The amounts received for rent charges and utility
20 assessments are appropriated to the senate for the renovation,
21 operation, and maintenance of the Senate Office Building and other
22 properties.

23 Sec. 603. (1) From the appropriation contained in part 1 for
24 national association dues, the first \$34,800.00 shall be paid to
25 the National Conference of Commissioners of Uniform State Laws. The
26 remaining funds shall be distributed accordingly by the legislative
27 council.

1 (2) If any funds remain after all required dues payments have
2 been made as specified in subsection (1), the legislative council
3 may approve the use of up to \$10,000.00 to pay for the registration
4 fees of any state employees who serve as board members to any of
5 the national associations receiving state funds for annual dues to
6 attend that national association's annual conference. If any of the
7 \$10,000.00 remains after national board member's registration fees
8 are paid, the remaining funds may be used to pay for the
9 registration fees for any other state employees to attend the
10 annual conference of any of the national associations receiving
11 state funds for annual dues as prescribed in subsection (1).

12 Sec. 604. (1) The appropriation in part 1 to the Michigan
13 state capitol historic site includes funds to operate the
14 legislative parking facilities in the capitol area. The Michigan
15 state capitol commission shall establish rules regarding the
16 operation of the legislative parking facilities.

17 (2) The Michigan state capitol commission shall collect a fee
18 from state employees and the general public using certain
19 legislative parking facilities. The revenues received from the
20 parking fees are appropriated upon receipt and shall be allocated
21 by the Michigan state capitol commission.

22 Sec. 605. The unexpended funds appropriated in part 1 for the
23 legislative council are designated as a work project appropriation,
24 and any unencumbered or unallotted funds shall not lapse at the end
25 of the fiscal year and shall be available for expenditures for
26 projects under this section until the projects have been completed.
27 The following is in compliance with section 451a of the management

1 and budget act, 1984 PA 431, MCL 18.1451a:

2 (a) The purpose of the project is publication of the Michigan
3 manual.

4 (b) The project 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 \$3,000,000.00.

7 (d) The tentative completion date is September 30, 2023.

8 Sec. 606. The unexpended funds appropriated in part 1 for
9 property management are designated as a work project appropriation,
10 and any unencumbered or unallotted funds shall not lapse at the end
11 of the fiscal year and shall be available for expenditures for
12 projects under this section until the projects have been completed.
13 The following is in compliance with section 451a of the management
14 and budget act, 1984 PA 431, MCL 18.1451a:

15 (a) The purpose of the project is to purchase equipment and
16 services for building maintenance in order to ensure a safe and
17 productive work environment.

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

20 (c) The total estimated cost of the project is \$2,000,000.00.

21 (d) The tentative completion date is September 30, 2023.

22 Sec. 607. The unexpended funds appropriated in part 1 for
23 automated data processing are designated as a work project
24 appropriation, and any unencumbered or unallotted funds shall not
25 lapse at the end of the fiscal year and shall be available for
26 expenditures for projects under this section until the projects
27 have been completed. The following is in compliance with section

1 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

2 (a) The purpose of the project is to purchase equipment,
3 software, and services in order to support and implement data
4 processing requirements and technology improvements.

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

7 (c) The total estimated cost of the project is \$3,000,000.00.

8 (d) The tentative completion date is September 30, 2023.

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. 616. The unexpended funds appropriated in part 1 for the
17 legislative IT design special project are designated as a work
18 project appropriation, and any unencumbered or unallotted funds
19 shall not lapse at the end of the fiscal year and shall be
20 available for expenditures for projects under this section until
21 the projects have been completed. The following is in compliance
22 with section 451a of the management and budget act, 1984 PA 431,
23 MCL 18.1451a:

24 (a) The purpose of the project is for the continued design,
25 development, implementation, operation, and administration of the
26 legislative computer system.

27 (b) The project will be accomplished by utilizing state

1 employees or contracts with service providers, or both.

2 (c) The total estimated cost of the project is \$12,750,000.00.

3 (d) The tentative completion date is September 30, 2023.

4 (e) Funds described in this section shall not be expended
5 without written approval of the senate majority leader or his or
6 her designee, the speaker of the house of representatives or his or
7 her designee, and the legislative council administrator or his or
8 her designee.

9 **LEGISLATIVE AUDITOR GENERAL**

10 Sec. 620. Pursuant to section 53 of article IV of the state
11 constitution of 1963, the auditor general shall conduct audits of
12 the judicial branch. The audits may include the supreme court and
13 its administrative units, the court of appeals, and trial courts.

14 Sec. 621. (1) The auditor general shall take all reasonable
15 steps to ensure that certified minority- and women-owned and
16 operated accounting firms, and accounting firms owned and operated
17 by persons with disabilities participate in the audits of the
18 books, accounts, and financial affairs of each principal executive
19 department, branch, institution, agency, and office of this state.

20 (2) The auditor general shall strongly encourage firms with
21 which the auditor general contracts to perform audits of the
22 principal executive departments and state agencies to subcontract
23 with certified minority- and women-owned and operated accounting
24 firms, and accounting firms owned and operated by persons with
25 disabilities.

26 (3) The auditor general shall compile an annual report

1 regarding the number of contracts entered into with certified
2 minority- and women-owned and operated accounting firms, and
3 accounting firms owned and operated by persons with disabilities.
4 The auditor general shall deliver the report to the state budget
5 director and the senate and house of representatives standing
6 committees on appropriations subcommittees on general government by
7 November 1 of each year.

8 Sec. 622. From the funds appropriated in part 1 to the
9 legislative auditor general, the auditor general's salary and the
10 salaries of the remaining 2.0 FTE unclassified positions shall be
11 set by the speaker of the house of representatives, the senate
12 majority leader, the house of representatives minority leader, and
13 the senate minority leader.

14 Sec. 623. Any audits, reviews, or investigations requested of
15 the auditor general by the legislature or by legislative
16 leadership, legislative committees, or individual legislators shall
17 include an estimate of the additional costs involved and, when
18 those costs exceed \$50,000.00, should provide supplemental funding.
19 The auditor general shall determine whether to perform those
20 activities in keeping with Audit Directive No. 29, which describes
21 the office of the auditor general's policy on responding to
22 legislative requests.

23 Sec. 624. If the auditor general conducts a subsequent audit
24 pursuant to section 229 of this part, the auditor general may
25 charge fees and collect revenues in excess of appropriations in
26 part 1 not to exceed the cost of any audit conducted pursuant to
27 section 229 of this part. Any revenues and fees collected pursuant

1 to this section are appropriated for expenditure for all expenses
2 associated with an audit conducted pursuant to section 229 of this
3 part.

4 Sec. 625. The legislative auditor general shall conduct an
5 audit of the title IX operations of each public university that
6 receives operations funding under section 236 of the state school
7 aid act, 1979 PA 94, MCL 388.1836, at least once every 3 years.

8 **DEPARTMENT OF STATE**

9 Sec. 701. (1) In addition to the funds appropriated in part 1,
10 there is appropriated an amount not to exceed \$2,000,000.00 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 \$7,500,000.00 for state
17 restricted contingency funds. These funds are not available for
18 expenditure until they have been transferred to another line item
19 in part 1 under section 393(2) of the management and budget act,
20 1984 PA 431, MCL 18.1393.

21 (3) In addition to the funds appropriated in part 1, there is
22 appropriated an amount not to exceed \$50,000.00 for local
23 contingency funds. These funds are not available for expenditure
24 until they have been transferred to another line item in part 1
25 under section 393(2) of the management and budget act, 1984 PA 431,
26 MCL 18.1393.

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

7 Sec. 703. From the funds appropriated in part 1, the
8 department of state shall sell copies of records including, but not
9 limited to, records of motor vehicles, off-road vehicles,
10 snowmobiles, watercraft, mobile homes, personal identification
11 cardholders, drivers, and boat operators and shall charge \$11.00
12 per record sold only as authorized in section 208b of the Michigan
13 vehicle code, 1949 PA 300, MCL 257.208b, section 7 of 1972 PA 222,
14 MCL 28.297, and sections 80130, 80315, 81114, and 82156 of the
15 natural resources and environmental protection act, 1994 PA 451,
16 MCL 324.80130, 324.80315, 324.81114, and 324.82156. The revenue
17 received from the sale of records shall be credited to the
18 transportation administration collection fund created under section
19 810b of the Michigan vehicle code, 1949 PA 300, MCL 257.810b. The
20 department of state shall provide quarterly reports to the
21 legislature, the chairpersons of the relevant appropriations
22 subcommittees, and the senate and house fiscal agencies. The report
23 shall be provided within 15 days of the close of the quarter and
24 shall include the number of records sold and the revenues
25 collected.

26 Sec. 704. From the funds appropriated in part 1, the secretary
27 of state may enter into agreements with the department of

1 corrections for the manufacture of vehicle registration plates 15
2 months before the registration year in which the registration
3 plates will be used.

4 Sec. 705. (1) The department of state may accept gifts,
5 donations, contributions, and grants of money and other property
6 from any private or public source to underwrite, in whole or in
7 part, the cost of a departmental publication that is prepared and
8 disseminated under the Michigan vehicle code, 1949 PA 300, MCL
9 257.1 to 257.923. A private or public funding source may receive
10 written recognition in the publication and may furnish a traffic
11 safety message, subject to departmental approval, for inclusion in
12 the publication. The department may reject a gift, donation,
13 contribution, or grant. The department may furnish copies of a
14 publication underwritten, in whole or in part, by a private source
15 to the underwriter at no charge.

16 (2) The department of state may sell and accept paid
17 advertising for placement in a departmental publication that is
18 prepared and disseminated under the Michigan vehicle code, 1949 PA
19 300, MCL 257.1 to 257.923. The department may charge and receive a
20 fee for any advertisement appearing in a departmental publication
21 and shall review and approve the content of each advertisement. The
22 department may refuse to accept advertising from any person or
23 organization. The department may furnish a reasonable number of
24 copies of a publication to an advertiser at no charge.

25 (3) Pending expenditure, the funds received under this section
26 shall be deposited in the Michigan department of state publications
27 fund created by section 211 of the Michigan vehicle code, 1949 PA

1 300, MCL 257.211. Funds given, donated, or contributed to the
2 department from a private source are appropriated and allocated for
3 the purpose for which the revenue is furnished. Funds granted to
4 the department from a public source are allocated and may be
5 expended upon receipt. The department shall not accept a gift,
6 donation, contribution, or grant if receipt is conditioned upon a
7 commitment of state funding at a future date. Revenue received from
8 the sale of advertising is appropriated and may be expended upon
9 receipt.

10 (4) Any unexpended revenues received under this section shall
11 be carried over into subsequent fiscal years and shall be available
12 for appropriation for the purposes described in this section.

13 (5) On March 1 of each year, the department of state shall
14 file a report with the senate and house of representatives standing
15 committees on appropriations, the chairpersons of the relevant
16 appropriations subcommittees, the senate and house fiscal agencies,
17 and the state budget director. The report shall include all of the
18 following information:

19 (a) The amount of gifts, contributions, donations, and grants
20 of money received by the department under this section for the
21 prior fiscal year.

22 (b) A listing of the expenditures made from the amounts
23 received by the department as reported in subdivision (a).

24 (c) A listing of any gift, donation, contribution, or grant of
25 property other than funding received by the department under this
26 section for the prior year.

27 (d) The total revenue received from the sale of paid

1 advertising accepted under this section and a statement of the
2 total number of advertising transactions.

3 (6) In addition to copies delivered without charge as the
4 secretary of state considers necessary, the department of state may
5 sell copies of manuals and other publications regarding the sale,
6 ownership, or operation or regulation of motor vehicles, with
7 amendments, at prices to be established by the secretary of state.
8 As used in this subsection, the term "manuals and other
9 publications" includes videos and proprietary electronic
10 publications. All funds received from sales of these manuals and
11 other publications shall be credited to the Michigan department of
12 state publications fund.

13 Sec. 707. Funds collected by the department of state under
14 section 211 of the Michigan vehicle code, 1949 PA 300, MCL 257.211,
15 are appropriated for all expenses necessary to provide for the
16 costs of the publication. Funds are allotted for expenditure when
17 they are received by the department of treasury and shall not lapse
18 to the general fund at the end of the fiscal year.

19 Sec. 708. From the funds appropriated in part 1, the
20 department of state shall use available balances at the end of the
21 state fiscal year to provide payment to the department of state
22 police in the amount of \$332,000.00 for the services provided by
23 the traffic accident records program as first appropriated in 1990
24 PA 196 and 1990 PA 208.

25 Sec. 709. From the funds appropriated in part 1, the
26 department of state may restrict funds from miscellaneous revenue
27 to cover cash shortages created from normal branch office

1 operations. This amount shall not exceed \$50,000.00 of the total
2 funds available in miscellaneous revenue.

3 Sec. 711. Collector plate and fund-raising registration plate
4 revenues collected by the department of state are appropriated and
5 allotted for distribution to the recipient university or public or
6 private agency overseeing a state-sponsored goal when received.
7 Distributions shall occur on a quarterly basis or as otherwise
8 authorized by law. Any revenues remaining at the end of the fiscal
9 year shall not lapse to the general fund but shall remain available
10 for distribution to the university or agency in the next fiscal
11 year.

12 Sec. 712. The department of state may produce and sell copies
13 of a training video designed to inform registered automotive repair
14 facilities of their obligations under Michigan law. The price shall
15 not exceed the cost of production and distribution. The money
16 received from the sale of training videos shall revert to the
17 department of state and be placed in the auto repair facility
18 account.

19 Sec. 713. (1) The department of state, in collaboration with
20 the gift of life transplantation society or its successor federally
21 designated organ procurement organization, may develop and
22 administer a public information campaign concerning the Michigan
23 organ donor program.

24 (2) The department of state may solicit funds from any private
25 or public source to underwrite, in whole or in part, the public
26 information campaign authorized by this section. The department may
27 accept gifts, donations, contributions, and grants of money and

1 other property from private and public sources for this purpose. A
2 private or public funding source underwriting the public
3 information campaign, in whole or in substantial part, shall
4 receive sponsorship credit for its financial backing.

5 (3) Funds received under this section, including grants from
6 state and federal agencies, shall not lapse to the general fund at
7 the end of the fiscal year but shall remain available for
8 expenditure for the purposes described in this section.

9 (4) Funding appropriated in part 1 for the organ donor program
10 shall be used for producing a pamphlet to be distributed with
11 driver licenses and personal identification cards regarding organ
12 donations. The funds shall be used to update and print a pamphlet
13 that will explain the organ donor program and encourage people to
14 become donors by marking a checkoff on driver license and personal
15 identification card applications.

16 (5) The pamphlet shall include a return reply form addressed
17 to the gift of life organization. Funding appropriated in part 1
18 for the organ donor program shall be used to pay for return postage
19 costs.

20 (6) In addition to the appropriations in part 1, the
21 department of state may receive and expend funds from the organ and
22 tissue donation education fund for administrative expenses.

23 (7) The department must submit a report to the house and
24 senate appropriations subcommittees on general government, the
25 senate and house fiscal agencies, and the state budget director by
26 March 1 that provides the amount of revenue collected by the
27 department of state authorized under this section, the purpose of

1 each expenditure, and the amount of revenue carried forward.

2 Sec. 714. (1) Except as otherwise provided under subsection
3 (2), at least 180 days before closing a branch office or
4 consolidating a branch office and at least 60 days before
5 relocating a branch office, the department of state shall inform
6 members of the senate and house of representatives standing
7 committees on appropriations and legislators who represent affected
8 areas regarding the details of the proposal. The information
9 provided shall be in written form and include all analyses done
10 regarding criteria for changes in the location of branch offices,
11 including, but not limited to, branch transactions, revenue, and
12 the impact on citizens of the affected area. The impact on citizens
13 shall include information regarding additional distance to branch
14 office locations resulting from the plan. The written notice
15 provided by the department of state shall also include detailed
16 estimates of costs and savings that will result from the overall
17 changes made to the branch office structure and the same level of
18 detail regarding costs for new leased facilities and expansions of
19 current leased space.

20 (2) If the consolidation of a branch office is with another
21 branch office that is located within the same local unit of
22 government or the relocation of a branch office is to another
23 location that is located within the same local unit of government,
24 the department of state is not required to provide the notification
25 or written information described in subsection (1).

26 (3) As used in this section, "local unit of government" means
27 a city, village, township, or county.

1 Sec. 715. (1) Any service assessment collected by the
2 department of state from the user of a credit or debit card under
3 section 3 of 1995 PA 144, MCL 11.23, may be used by the department
4 for necessary expenses related to that service and may be remitted
5 to a credit or debit card company, bank, or other financial
6 institution.

7 (2) The service assessment imposed by the department of state
8 for credit and debit card services may be based either on a
9 percentage of each individual credit or debit card transaction, or
10 on a flat rate per transaction, or both, scaled to the amount of
11 the transaction. However, the department shall not charge any
12 amount for a service assessment which exceeds the costs billable to
13 the department for service assessments.

14 (3) If there is a balance of service assessments received from
15 credit and debit card services remaining on September 30, the
16 balance may be carried forward to the following fiscal year and
17 appropriated for the same purpose.

18 (4) As used in this section, "service assessment" means and
19 includes costs associated with service fees imposed by credit and
20 debit card companies and processing fees imposed by banks and other
21 financial institutions.

22 Sec. 717. (1) The department of state may accept nonmonetary
23 gifts, donations, or contributions of property from any private or
24 public source to support, in whole or in part, the operation of a
25 departmental function relating to licensing, regulation, or safety.
26 The department may recognize a private or public contributor for
27 making the contribution. The department may reject a gift,

1 donation, or contribution.

2 (2) The department of state shall not accept a gift, donation,
3 or contribution under subsection (1) if receipt of the gift,
4 donation, or contribution is conditioned upon a commitment of
5 future state funding.

6 (3) On March 1 of each year, the department of state shall
7 file a report with the senate and house of representatives standing
8 committees on appropriations, the chairpersons of the relevant
9 appropriations subcommittees, the senate and house fiscal agencies,
10 and the state budget director. The report shall list any gift,
11 donation, or contribution received by the department under
12 subsection (1) for the prior calendar year.

13 Sec. 718. From the funds appropriated in part 1 to the
14 department of state, branch operations, the department shall
15 maintain a full service secretary of state branch office in Buena
16 Vista Township.

17 Sec. 719. From the funds appropriated in part 1, the office of
18 investigative services may use available funds to conduct
19 investigations of any reported irregularities in a local, state, or
20 national election.

21 Sec. 720. (1) The department of state must develop a plan to
22 implement enhanced postelection audit procedures to ensure accurate
23 reporting processes and accurate counting of cast election ballots.
24 The plan shall recommend best practices for the conduct of
25 postelection audits by the bureau of elections and county election
26 offices. The recommendations shall include instructions for manual
27 audits of paper ballots to verify tabulated results.

1 (2) The plan must be completed by July 1 and distributed to
2 the house and senate appropriations subcommittees on general
3 government, and to the house and senate fiscal agencies.

4 Sec. 722. (1) From the funds appropriated in part 1 for
5 information technology services and projects, the department of
6 state shall continue implementation of a legacy modernization
7 project. The purpose of this project is modernization of the entire
8 system and removal of existing programs from the legacy mainframes.

9 (2) The department of state shall provide a report on the
10 status of the legacy modernization project that includes, but is
11 not limited to, itemization of all expenditures made on behalf of
12 the project, anticipated completion date of the project, time frame
13 of each phase of the project, the cost of the project, the number
14 of employees assigned to implement each phase of the project, the
15 contracts entered into for the project, anticipated overall cost of
16 the project, and any other information the department considers
17 necessary. The plan shall be distributed to the senate and house of
18 representatives standing committees on appropriations subcommittees
19 on general government, as well as the senate and house fiscal
20 agencies, and the state budget director by January 1.

21 Sec. 725. Total authorized appropriations from all sources
22 under part 1 for legacy costs for the fiscal year ending September
23 30, 2019 are estimated at \$30,655,900.00. From this amount, total
24 agency appropriations for pension-related legacy costs are
25 estimated at \$14,132,900.00. Total agency appropriations for
26 retiree health care legacy costs are estimated at \$16,523,000.00.

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 MDTMB
3 to offset costs incurred in the acquisition and distribution of
4 federal surplus property. The MDTMB shall provide consolidated
5 internet auction services through the state's contractors for all
6 local units of government.

7 Sec. 803. (1) The MDTMB 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 MDTMB 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 MDTMB 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 MDTMB 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) Financing in part 1 for statewide appropriations

1 shall be funded by assessments against longevity and insurance
2 appropriations throughout state government in a manner prescribed
3 by the MDTMB. Funds shall be used as specified in joint
4 labor/management agreements or through the coordinated compensation
5 hearings process. Any deposits made under this subsection and any
6 unencumbered funds are restricted revenues, may be carried over
7 into the succeeding fiscal years, and are appropriated.

8 (2) In addition to the funds appropriated in part 1 for
9 statewide appropriations, the MDTMB may receive and expend funds in
10 such additional amounts as may be specified in joint
11 labor/management agreements or through the coordinated compensation
12 hearings process in the same manner and subject to the same
13 conditions as prescribed in subsection (1).

14 Sec. 805. To the extent a specific appropriation is required
15 for a detailed source of financing included in part 1 for the MDTMB
16 appropriations financed from special revenue and internal service
17 and pension trust funds, or SIGMA user charges, the specific
18 amounts are appropriated within the special revenue internal
19 service and pension trust funds in portions not to exceed the
20 aggregate amount appropriated in part 1.

21 Sec. 806. In addition to the funds appropriated in part 1 to
22 the MDTMB, the MDTMB may receive and expend funds from other
23 principal executive departments and state agencies to implement
24 administrative leave bank transfer provisions as may be specified
25 in joint labor/management agreements. The amounts may also be
26 transferred to other principal executive departments and state
27 agencies under the joint agreement and any amounts transferred

1 under the joint agreement are authorized for receipt and
2 expenditure by the receiving principal executive department or
3 state agency. Any amounts received by the MDTMB under this section
4 and intended, under the joint labor/management agreements, to be
5 available for use beyond the close of the fiscal year and any
6 unencumbered funds may be carried over into the succeeding fiscal
7 year.

8 Sec. 807. Financing in part 1 for SIGMA shall be funded by
9 proportionate charges assessed against the respective state funds
10 benefiting from this project in the amounts determined by the
11 department.

12 Sec. 808. (1) Deposits against the interdepartmental grant
13 from building occupancy and parking charges appropriated in part 1
14 shall be collected, in part, from state agencies, the legislative
15 branch, and the judicial branch based on estimated costs associated
16 with maintenance and operation of buildings managed by the MDTMB.
17 To the extent excess revenues are collected due to estimates of
18 building occupancy charges exceeding actual costs, the excess
19 revenues may be carried forward into succeeding fiscal years for
20 the purpose of returning funds to state agencies.

21 (2) Appropriations in part 1 to the MDTMB, for management and
22 budget services from building occupancy charges and parking
23 charges, may be increased to return excess revenue collected to
24 state agencies.

25 Sec. 809. On a quarterly basis, the MDTMB shall notify the
26 chairpersons of the senate and house of representatives standing
27 committees on appropriations, the chairpersons of the senate and

1 house of representatives standing committees on appropriations
2 subcommittees on general government, the house and senate fiscal
3 agencies, and the state budget director on any revisions either
4 individually or in the aggregate that increase or decrease current
5 contracts by more than \$500,000.00 for computer software
6 development, hardware acquisition, or quality assurance.

7 Sec. 810. The MDTMB shall maintain an internet website that
8 contains notice of all invitations for bids and requests for
9 proposals over \$50,000.00 issued by the MDTMB or by any state
10 agency operating under delegated authority. This information must
11 appear on the first page of each department or state agency
12 dashboard. The MDTMB shall not accept an invitation for bid or
13 request for proposal in less than 14 days after the notice is made
14 available on the internet website, except in situations where it
15 would be in the best interest of the state and documented by the
16 MDTMB. In addition to the requirements of this section, the MDTMB
17 may advertise the invitations for bids and requests for proposals
18 in any manner the MDTMB determines appropriate, in order to give
19 the greatest number of individuals and businesses the opportunity
20 to make bids or requests for proposals.

21 Sec. 811. The MDTMB may receive and expend funds from the
22 Vietnam veterans memorial monument fund as provided in the Michigan
23 Vietnam veterans memorial act, 1988 PA 234, MCL 35.1051 to 35.1057.
24 Funds are appropriated and allocated when received and may be
25 expended upon receipt.

26 Sec. 812. The Michigan veterans' memorial park commission may
27 receive and expend money from any source, public or private,

1 including, but not limited to, gifts, grants, donations of money,
2 and government appropriations, for the purposes described in
3 Executive Order No. 2001-10. Funds are appropriated and allocated
4 when received and may be expended upon receipt. Any deposits made
5 under this section and unencumbered funds are restricted revenues
6 and may be carried over into succeeding fiscal years.

7 Sec. 813. (1) Funds in part 1 for motor vehicle fleet are
8 appropriated to the MDTMB for administration and for the
9 acquisition, lease, operation, maintenance, repair, replacement,
10 and disposal of state motor vehicles.

11 (2) The appropriation in part 1 for motor vehicle fleet shall
12 be funded by revenue from rates charged to principal executive
13 departments and agencies for utilizing vehicle travel services
14 provided by the MDTMB. Revenue in excess of the amount appropriated
15 in part 1 from the motor transport fund and any unencumbered funds
16 are restricted revenues and may be carried over into the succeeding
17 fiscal year.

18 (3) Pursuant to the MDTMB's authority under sections 213 and
19 215 of the management and budget act, 1984 PA 431, MCL 18.1213 and
20 18.1215, the MDTMB shall maintain a plan regarding the operation of
21 the motor vehicle fleet. The plan shall include the number of
22 vehicles assigned to, or authorized for use by, state departments
23 and agencies, efforts to reduce travel expenditures, the number of
24 cars in the motor vehicle fleet, the number of miles driven by
25 fleet vehicles, and the number of gallons of fuel consumed by fleet
26 vehicles. The plan shall include a calculation of the amount of
27 state motor vehicle fuel taxes that would have been incurred by

1 fleet vehicles if fleet vehicles were required by law to pay motor
2 fuel taxes. The plan shall include a description of fleet garage
3 operations, the goods sold and services provided by the fleet
4 garage, the cost to operate the fleet garage, the number of fleet
5 garage locations, and the number of employees assigned to each
6 fleet garage. The plan may be adjusted during the fiscal year based
7 on needs and cost savings to achieve the maximum value and
8 efficiency from the state motor fleet. Within 60 days after the
9 close of the fiscal year, the MDTMB shall provide a report to the
10 senate and house of representatives standing committees on
11 appropriations, the chairpersons of the relevant appropriations
12 subcommittees, the senate and house fiscal agencies, and the state
13 budget director detailing the current plan and changes made to the
14 plan during the fiscal year. The plan shall also be posted on the
15 department website.

16 (4) The MDTMB may charge state agencies for fuel cost
17 increases that exceed \$3.04 per gallon of unleaded gasoline. The
18 MDTMB shall notify state agencies, in writing or by electronic
19 mail, at least 30 days before implementing additional charges for
20 fuel cost increases. Revenues received from these charges are
21 appropriated upon receipt.

22 (5) The state budget director, upon notification to the senate
23 and house of representatives standing committees on appropriations,
24 may adjust spending authorization and the IDG from motor transport
25 fund in the MDTMB in order to ensure that the appropriations for
26 motor vehicle fleet in the MDTMB budget equal the expenditures for
27 motor vehicle fleet in the budgets for all executive branch

1 agencies.

2 Sec. 814. The MDTMB shall develop a plan regarding the use of
3 the funds appropriated in part 1 for the information technology
4 investment fund. The plan shall include, but not be limited to, a
5 description of proposed information technology investment projects,
6 the time frame for completion of the information technology
7 investment projects, the proposed cost of the information
8 technology investment projects, the number of employees assigned to
9 implement each information technology investment project, the
10 contracts entered into for each information technology investment
11 project, and any other information the MDTMB deems necessary. The
12 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 on a quarterly basis. The
16 submitted plan shall also include anticipated spending reductions
17 or overages for each of the proposed information technology
18 investment projects. The MDTMB shall notify the senate and house of
19 representatives standing committees on appropriations subcommittees
20 on general government, the senate and house fiscal agencies, and
21 the state budget director when a project funded under an
22 information technology investment project line item in part 1 is
23 expected to require a transfer of dollars from another project in
24 excess of \$500,000.00.

25 Sec. 814a. The funds appropriated in part 1 for information
26 technology investment fund shall be used for the modernization of
27 state information technology systems, improvement of the state's

1 cyber security framework, and to achieve efficiencies.

2 Sec. 816. An RFP issued for the purpose of privatization shall
3 include all factors used in evaluating and determining price.

4 Sec. 818. In addition to the funds appropriated in part 1, the
5 MDTMB may receive and expend money from the Michigan law
6 enforcement officers memorial monument fund as provided in the
7 Michigan law enforcement officers memorial act, 2004 PA 177, MCL
8 28.781 to 28.787.

9 Sec. 820. The MDTMB shall make available to the public a list
10 of all parcels of real property owned by the state that are
11 available for purchase. The list shall be posted on the internet
12 through the department's website.

13 Sec. 822. The MDTMB shall compile a report by January 1
14 pertaining to the salaries of unclassified employees, as well as
15 gubernatorial appointees, within all state departments and
16 agencies. The report shall enumerate each unclassified employee and
17 gubernatorial appointee and his or her annual salary individually.
18 The report shall be distributed to the chairs of the senate and
19 house of representatives standing committees on appropriations
20 subcommittees on general government, as well as the senate and
21 house fiscal agencies and be made available electronically.

22 Sec. 822b. (1) A public-private partnership investment fund is
23 created in the MDTMB. Subject to subsections (2) and (3), public-
24 private partnership investments shall include, but are not limited
25 to, all of the following:

26 (a) Capital asset improvements including buildings, land, or
27 structures.

1 (b) Energy resource exploration, extraction, generation, and
2 sales.

3 (c) Financial and investment incentive opportunities.

4 (d) Infrastructure construction, maintenance, and operation.

5 (e) Public-private sector joint ventures that provide economic
6 benefit to an area or to the state.

7 (2) Public-private investments shall not include projects,
8 consultant expenses, staff effort, or any other activity related to
9 the development, financing, construction, operation, or
10 implementation of the Detroit River International Crossing or any
11 successor project unless the project is approved by the legislature
12 and signed into law.

13 (3) The state budget director shall determine whether or not a
14 specific public-private partnership investment opportunity
15 qualifies for funding under subsection (1).

16 (4) Investment development revenue, including a portion of the
17 proceeds from the sale of any public-private partnership investment
18 designated in subsection (1), shall be deposited into the fund
19 created in subsection (1) and shall be available for
20 administration, development, financing, marketing, and operating
21 expenditures associated with public-private partnerships, unless
22 otherwise provided by law. Public-private partnership investments
23 authorized in subsection (1) are authorized for public or private
24 operation or sale consistent with state law. Expenditures from the
25 fund are authorized for investment purposes as designated in
26 subsection (1) to enhance the marketable value of each investment.
27 The unencumbered balance remaining in the fund at the end of the

1 fiscal year may be carried forward for appropriation in future
2 years.

3 (5) An annual report shall be transmitted to the senate and
4 house of representatives standing committees on appropriations, the
5 chairpersons of the relevant appropriations subcommittees, the
6 senate and house fiscal agencies, and the state budget office not
7 later than December 31 of each year. This report shall detail both
8 of the following:

9 (a) The revenue and expenditure activity in the fund for the
10 preceding fiscal year.

11 (b) Public-private partnership investments as identified under
12 subsection (1).

13 (6) The MDTMB shall monitor the revenue deposited in the
14 public-private partnership investment fund created in subsection
15 (1). If the revenue in the fund is insufficient to pay the amount
16 appropriated in part 1 for public-private partnership investment,
17 then the MDTMB shall propose a legislative transfer to fund the
18 line from the appropriations in part 1.

19 Sec. 822c. The funds appropriated in part 1 shall not be used
20 to support any staff effort, projects, consultant expenses, or any
21 other activity related to the development, financing, construction,
22 operation, or implementation of the Detroit River International
23 Crossing or any successor project unless the project is approved by
24 the legislature and signed into law.

25 Sec. 822d. By December 31, the MDTMB shall provide a report to
26 the senate and house appropriations subcommittees on general
27 government and the senate and house fiscal agencies that identifies

1 fee and rate schedules to be used by state departments and agencies
2 for services, including information technology, provided by the
3 MDTMB during fiscal year 2018-2019. The report shall also identify
4 changes from fees and rates charged in fiscal year 2017-2018 and
5 include an explanation of the factors that justify each fee and
6 rate increase.

7 Sec. 822e. Total authorized appropriations from all sources
8 under part 1 for legacy costs for the fiscal year ending September
9 30, 2019 are estimated at \$85,199,900.00. From this amount, total
10 agency appropriations for pension-related legacy costs are
11 estimated at \$39,278,600.00. Total agency appropriations for
12 retiree health care legacy costs are estimated at \$45,921,300.00.

13 Sec. 822f. (1) The funds appropriated in part 1 for the
14 regional prosperity initiative are to be used as competitive grants
15 to eligible regional planning organizations qualifying for funding
16 as a regional prosperity collaborative, a regional prosperity
17 council, or a regional prosperity board. A regional planning
18 organization may not qualify for funding under more than 1 category
19 in the same state fiscal year. As used in this section:

20 (a) "Eligible regional planning organization" means any of the
21 following:

22 (i) An existing regional planning commission created pursuant
23 to 1945 PA 281, MCL 125.11 to 125.25.

24 (ii) An existing regional economic development commission
25 created pursuant to 1966 PA 46, MCL 125.1231 to 125.1237.

26 (iii) An existing metropolitan area council formed pursuant to
27 the metropolitan councils act, 1989 PA 292, MCL 124.651 to 124.729.

1 (iv) A Michigan metropolitan planning organization established
2 pursuant to the moving ahead for progress in the 21st century act,
3 Public Law 112-141.

4 (b) "Freedom of information act" means the freedom of
5 information act, 5 USC 552.

6 (c) "Open meetings act" means the open meetings act, 1976 PA
7 267, MCL 15.261 to 15.275.

8 (d) "Regional prosperity board" means a regional body that has
9 a singular governing board with representation from private,
10 public, and nonprofit entities engaged in joint decision-making
11 practices for the purpose of creating or maintaining a phase three:
12 regional prosperity plan.

13 (e) "Regional prosperity collaborative" means any committee
14 developed by a regional planning organization or a metropolitan
15 planning organization that serves to bring organizational
16 representation together from private, public, and nonprofit
17 entities within a region for the purpose of creating or maintaining
18 a phase one: regional prosperity plan.

19 (f) "Regional prosperity council" means a regional body with
20 representation from private, public, and nonprofit entities with
21 shared administrative services and an executive governing entity,
22 as demonstrated by a formal local agreement or agreements for the
23 purpose of creating or maintaining a phase two: regional prosperity
24 plan.

25 (2) Regional planning organizations may qualify to receive not
26 more than \$250,000.00 of incentive-based funding as a regional
27 prosperity collaborative subject to meeting all of the following

1 requirements:

2 (a) The regional prosperity collaborative has created a phase
3 one: regional prosperity plan, as follows:

4 (i) The regional prosperity collaborative must include
5 regional representatives from adult education, workforce
6 development, community development, economic development,
7 transportation, and higher education organizations.

8 (ii) The plan is required, at a minimum, to include a 5-year
9 plan focused on economic growth and vitality for the region, as
10 well as a performance dashboard and measurable annual goals to
11 support the 5-year plan.

12 (iii) The 5-year plan shall address regional strategies
13 related to adult education, workforce development, economic
14 development, transportation, higher education, and business
15 development.

16 (iv) The regional prosperity collaborative shall adopt the
17 plan by a minimum 2/3 majority vote of its members.

18 (b) The regional prosperity collaborative adheres to
19 accountability and transparency measures required in the open
20 meetings act and the freedom of information act.

21 (c) The regional prosperity collaborative convenes monthly
22 meetings, open to the public, to consider and discuss issues
23 leading to a common vision of economic prosperity for the region,
24 including, but not limited to, community development, economic
25 development, talent, and infrastructure opportunities.

26 (d) The regional prosperity collaborative makes available on
27 the grant recipient's publicly accessible internet site pertinent

1 documents, including, but not limited to, monthly meeting agendas,
2 minutes of monthly meetings, voting records, and the regional
3 prosperity plan and performance dashboard.

4 (e) The regional prosperity collaborative keeps a status
5 report detailing the spending associated with previous regional
6 prosperity initiative grants. Organizations that have successfully
7 received grant awards in previous fiscal years shall be required to
8 make available to the department and on a publicly accessible
9 internet site information regarding the use of those grant dollars.

10 (3) Regional planning organizations eligible to receive a
11 payment as a regional prosperity collaborative under subsection (2)
12 may qualify to receive a 1-time grant of not more than \$75,000.00
13 to produce a plan to transform the regional prosperity
14 collaborative into a regional prosperity council or regional
15 prosperity board, including necessary local formal agreements, to
16 make recommendations that eliminate duplicative efforts and
17 administrative functions, and to leverage resources through
18 cooperation, collaboration, and consolidations of organizations or
19 programs throughout the region. Plans produced to transform the
20 regional prosperity collaborative into a regional prosperity
21 council or regional prosperity board shall be made available on the
22 grant recipient's publicly accessible internet site. The regional
23 prosperity collaborative may apply instead to use up to \$70,000.00
24 of the 1-time grant for integrated asset management under guidance
25 from the Michigan infrastructure council in the department of
26 treasury. The regional prosperity collaborative may not apply for
27 funds under both the transformation grant and the integrated asset

1 management grant.

2 (4) Regional planning organizations may qualify to receive not
3 more than \$375,000.00 of incentive-based funding as a regional
4 prosperity council subject to meeting all of the following
5 requirements:

6 (a) A regional prosperity council has been formed and includes
7 regional representatives from adult education, workforce
8 development, community development, economic development,
9 transportation, and higher education organizations.

10 (b) An eligible regional prosperity council will demonstrate
11 shared administrative services between 2 public regional entities
12 included in subdivision (a). In addition, the council must have and
13 maintain an executive governing entity, as demonstrated by a formal
14 local agreement or agreements.

15 (c) The regional prosperity council has created a phase two:
16 regional prosperity plan, as follows:

17 (i) The regional prosperity council shall identify
18 opportunities for shared administrative services and decision-
19 making among the private, public, and nonprofit entities within the
20 region and shall continue collaboration with regional prosperity
21 council members, including, but not limited to, representatives
22 from adult education providers, workforce development agencies,
23 community development agencies, economic development agencies,
24 transportation service providers, and higher education
25 institutions.

26 (ii) The plan is required to include, but is not limited to,
27 all of the following:

1 (A) A status report of the approved 5-year plan.

2 (B) The addition of a 10-year plan for the region which builds
3 upon prior work and is focused on economic growth and vitality in
4 the region.

5 (C) A prioritized list of regional projects.

6 (D) A performance dashboard with measurable annual goals.

7 (iii) The regional prosperity council shall adopt the plan by
8 a minimum 2/3 vote of its members.

9 (d) The regional prosperity council adheres to accountability
10 and transparency measures required in the open meetings act and the
11 freedom of information act.

12 (e) The regional prosperity council convenes monthly meetings,
13 open to the public, to consider and discuss issues leading to a
14 common vision of economic prosperity for the region, including, but
15 not limited to, community development, economic development,
16 talent, and infrastructure opportunities.

17 (f) The regional prosperity council makes available on the
18 grant recipient's publicly accessible internet site pertinent
19 documents, including, but not limited to, monthly meeting agendas,
20 minutes of monthly meetings, voting records, and the regional
21 prosperity plan and performance dashboard.

22 (g) The regional prosperity council keeps a status report
23 detailing the spending associated with previous regional prosperity
24 initiative grants. Organizations that have successfully received
25 grant awards in previous fiscal years shall be required to make
26 available to the MDTMB and on a publicly accessible internet site
27 information regarding the use of those grant dollars.

1 (5) Regional planning organizations eligible to receive a
2 payment as a regional prosperity council under subsection (4) may
3 qualify to receive a 1-time grant of not more than \$75,000.00 to
4 produce a plan to transform the regional prosperity council into a
5 regional prosperity board, including a singular private/public
6 governance structure that comports with federal guidelines for
7 governance under the workforce investment act, Public Law 105-220,
8 the moving ahead for progress in the 21st century act, Public Law
9 112-141, the economic development administration and Appalachian
10 regional development reform act of 1998, Public Law 105-393, and
11 recommendations to eliminate duplicative efforts, administrative
12 functions, and leverage resources through cooperation,
13 collaboration, and consolidations of organizations or programs
14 throughout the region. The regional prosperity council may apply
15 instead to use up to \$70,000.00 of the 1-time grant for integrated
16 asset management under guidance from the Michigan infrastructure
17 council in the department of treasury. The regional prosperity
18 council may not apply for funds under both the transformation grant
19 and the integrated asset management grant.

20 (6) Regional planning organizations may qualify to receive not
21 more than \$500,000.00 of incentive-based funding as a regional
22 prosperity board subject to meeting all of the following
23 requirements:

24 (a) The regional prosperity board has been formed and, at a
25 minimum, must demonstrate the consolidation of a regional
26 metropolitan planning organization, where one exists, state
27 designated regional planning agency boards, workforce development

1 boards, and federally designated regional economic development
2 districts within a region.

3 (b) The regional prosperity board has created a phase three:
4 regional prosperity plan, as follows:

5 (i) The regional prosperity board shall create a regional
6 services recommendations report prioritizing the list of state-
7 funded services and programs provided to the region, and
8 recommendations for state-regional partnerships to support the
9 adopted regional prosperity plan.

10 (ii) The plan is required to include a status report of the
11 approved 10-year plan for the creation of an updated regional
12 prosperity plan.

13 (iii) The regional prosperity board shall adopt the plan by a
14 minimum 2/3 vote of its members.

15 (c) The regional prosperity board adheres to accountability
16 and transparency measures required in the open meetings act and the
17 freedom of information act.

18 (d) The regional prosperity board convenes monthly meetings,
19 open to the public, to consider and discuss issues leading to a
20 common vision of economic prosperity for the region, including, but
21 not limited to, community development, economic development,
22 talent, and infrastructure opportunities.

23 (e) The regional prosperity board makes available on the grant
24 recipient's publicly accessible internet site pertinent documents,
25 including, but not limited to, monthly meeting agendas, minutes of
26 monthly meetings, voting records, and the regional prosperity plan
27 and performance dashboard. The regional prosperity board may apply

1 instead to use up to \$70,000.00 of the 1-time grant for integrated
2 asset management under guidance from the Michigan infrastructure
3 council in the department of treasury. The regional prosperity
4 board may not apply for funds under both the transformation grant
5 and the integrated asset management grant.

6 (7) Regional planning organizations eligible to receive a
7 payment as a regional prosperity board under subsection (6) may
8 qualify to receive not more than \$125,000.00, to implement the
9 prioritized regional prosperity plan projects.

10 (8) Regional planning organizations eligible to receive a
11 payment as a regional prosperity collaborative, board, or council
12 may partner with other eligible regional planning organizations to
13 submit joint applications. In the instance of a joint application,
14 1 regional planning organization shall be utilized as the overall
15 applicant. The MDTMB may award a joint application award of no
16 greater than the sum of potential application dollars which would
17 have otherwise been available through individual applications.

18 (9) The MDTMB shall develop an application process and method
19 of grant distribution for the regional prosperity initiative.
20 Funding applications from regional planning organizations shall be
21 due to the MDTMB by November 26, 2018. The MDTMB shall notify
22 regional planning organizations of grant application status by
23 December 31, 2018. The MDTMB shall ensure that processes are
24 established to verify that qualifying regional planning
25 organizations meet the requirements under subsections (2), (3),
26 (4), (5), (6), and (7), as applicable.

27 (10) Unexpended funds appropriated in part 1 for the regional

1 prosperity initiative are designated as work project
2 appropriations, and any unencumbered or unallotted funds shall not
3 lapse at the end of the fiscal year and shall be available for
4 expenditure for regional prosperity initiative projects under this
5 section 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 projects is to provide incentive-based
9 grants to recipients under this section.

10 (b) The projects will be accomplished by grants to qualified
11 regional planning organizations.

12 (c) The total estimated cost of all projects is \$2,500,000.00.

13 (d) The estimated completion date is September 30, 2022.

14 (11) The MDTMB may dedicate 0.3 FTEs up to \$30,000.00 to
15 manage the evaluation of the regional prosperity initiative,
16 departmental implementation of the regional prosperity initiative,
17 and grant management.

18 Sec. 822g. The MDTMB shall report quarterly to the senate and
19 house of representatives standing committees on appropriations, the
20 senate and house appropriations subcommittees on general
21 government, and the senate and house fiscal agencies on legal
22 service fund expenditures. The report shall itemize expenditures by
23 case, purpose, and department involved and shall include
24 expenditures related to all previously appropriated funds.

25 Sec. 822m. From the funds appropriated in part 1, the MDTMB
26 shall establish a system that collaborates with other departments
27 to keep track of the performance of vendors in fulfilling contract

1 obligations. The performance of these vendors shall be recorded and
2 used as a factor to determine future contracts awarded in the
3 procurement process.

4 Sec. 822n. From the funds appropriated in part 1, beginning on
5 October 1, the MDTMB shall ensure that all new requests for
6 proposals that are publicly displayed on the webpage include the
7 proposal's corresponding department and agency for the purpose of
8 searching for requests for proposals by department and agency.

9 **INFORMATION TECHNOLOGY**

10 Sec. 823. (1) The MDTMB may sell and accept paid advertising
11 for placement on any state website under its jurisdiction. The
12 MDTMB shall review and approve the content of each advertisement.
13 The MDTMB may refuse to accept advertising from any person or
14 organization or require modification to advertisements based upon
15 criteria determined by the MDTMB. Revenue received under this
16 subsection shall be used for operating costs of the MDTMB and for
17 future technology enhancements to state of Michigan e-government
18 initiatives. Funds received under this subsection shall be limited
19 to \$250,000.00. Any funds in excess of \$250,000.00 shall be
20 deposited in the state general fund.

21 (2) The MDTMB may accept gifts, donations, contributions,
22 bequests, and grants of money from any public or private source to
23 assist with the underwriting or sponsorship of state webpages or
24 services offered on those webpages. A private or public funding
25 source may receive recognition in the webpage. The MDTMB may reject
26 any gift, donation, contribution, bequest, or grant.

1 (3) Funds accepted by the MDTMB under subsection (1) or (2)
2 are appropriated and allotted when received and may be expended
3 upon approval of the state budget director. The state budget office
4 shall notify the senate and house of representatives standing
5 committees on appropriations subcommittees on general government
6 and the senate and house fiscal agencies within 10 days after the
7 approval is given. The MDTMB shall provide a report to the senate
8 and house of representatives appropriations subcommittees on
9 general government and senate and house fiscal agencies that
10 details the funds accepted for the prior fiscal year by November 1.

11 Sec. 824. The MDTMB may enter into agreements to supply
12 spatial information and technical services to other principal
13 executive departments, state agencies, local units of government,
14 and other organizations. The MDTMB may receive and expend funds in
15 addition to those authorized in part 1 for providing information
16 and technical services, publications, maps, and other products. The
17 MDTMB may expend amounts received for salaries, supplies, and
18 equipment necessary to provide informational products and technical
19 services. Prior to December 1 of each year, the MDTMB shall provide
20 a report to the senate and house of representatives standing
21 committees on appropriations subcommittees on general government
22 and the state budget director detailing the sources of funding and
23 expenditures made under this section.

24 Sec. 825. The legislature shall have access to all historical
25 and current data contained within SIGMA, or its predecessor,
26 pertaining to state departments. State departments shall have
27 access to all historical and current data contained within SIGMA,

1 or its predecessor.

2 Sec. 826. When used in this part and part 1, "information
3 technology services" means services involving all aspects of
4 managing and processing information, including, but not limited to,
5 all of the following:

6 (a) Application and mobile development and maintenance.

7 (b) Desktop computer support and management.

8 (c) Cyber security.

9 (d) Social media.

10 (e) Mainframe computer support and management.

11 (f) Server support and management.

12 (g) Local area network support and management, including, but
13 not limited to, wired and wireless network build-out, support, and
14 management.

15 (h) Information technology project management.

16 (i) Information technology planning and budget management.

17 (j) Telecommunication services, infrastructure, and support.

18 Sec. 827. (1) Funds appropriated in part 1 for the Michigan
19 public safety communications system shall be expended upon approval
20 of an expenditure plan by the state budget director.

21 (2) The MDTMB shall assess all subscribers of the Michigan
22 public safety communications system reasonable access and
23 maintenance fees and shall deposit the fees in the Michigan public
24 safety communications systems fees fund.

25 (3) All money received by the MDTMB under this section shall
26 be expended for the support and maintenance of the Michigan public
27 safety communications system.

1 Sec. 828. The MDTMB shall submit a report for the immediately
2 preceding fiscal year ending September 30 to the senate and house
3 of representatives standing committees on appropriations
4 subcommittees on general government and the senate and house fiscal
5 agencies by March 1. The report shall include the following:

6 (a) The total amount of funding appropriated for information
7 technology services and projects, by funding source, for all
8 principal executive departments and agencies.

9 (b) A listing of the expenditures made from the amounts
10 received by the MDTMB as reported in subdivision (a).

11 Sec. 829. The MDTMB shall provide a report that analyzes and
12 makes recommendations on the life-cycle of information technology
13 hardware and software. The report shall be submitted 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.

17 Sec. 830. (1) The MDTMB, enterprise portfolio management
18 office, must provide a report on a quarterly basis providing key
19 information on all executive branch department and enterprisewide
20 information technology projects. The report must be submitted to
21 the senate and house appropriations subcommittees on general
22 government, the senate and house fiscal agencies, and the state
23 budget director as well as being posted online.

24 (2) The report must contain the following information, as it
25 exists for or applies to each active information technology project
26 and each completed information technology project closed within the
27 2-year period immediately preceding the quarterly due date of the

1 report:

2 (a) The client department, agency, or organization for which
3 the project is being undertaken.

4 (b) The active or completed status.

5 (c) The red, yellow, green status as determined by enterprise
6 project performance criteria using initially set schedules and
7 budgets.

8 (d) The number of projects by color status and each number's
9 corresponding percentage of all active or completed projects.

10 (e) The project name.

11 (f) The purpose and high-level description.

12 (g) Whether the project is managed by the enterprise portfolio
13 management office.

14 (h) The initial planned budget.

15 (i) The revised budget if there is any increase or decrease to
16 the project's initial budget.

17 (j) The actual cost to date.

18 (k) The planned start date.

19 (l) The actual start date.

20 (m) The initial planned completion date.

21 (n) The revised planned completion date if there is a change
22 from the initial planned completion date.

23 (o) The actual completion date.

24 (p) A brief description of the benefit or justification of
25 changes by project change request that impact a project's schedule
26 or budget.

27 (q) Whether quality assurance services are assigned to the

1 project.

2 (r) The project success score after project closure.

3 (s) The customer satisfaction rating after project closure.

4 Sec. 831. The funds appropriated in part 1 for the office of
5 retirement services actuarial analysis shall be used to conduct an
6 actuarial analysis to determine the costs incurred by the state
7 employees retirement system as a result of implementing the
8 provisions of House Bill No. 5411 of the 99th Legislature. The
9 appropriations in part 1 for the office of retirement services
10 actuarial analysis and the requirements of this section do not take
11 effect unless House Bill No. 5411 of the 99th Legislature is
12 enacted into law.

13 Sec. 832. (1) The MDTMB shall inform the senate and house
14 appropriations subcommittees on general government and the senate
15 and house fiscal agencies within 30 days of any potential or actual
16 penalties assessed by the federal government for failure of the
17 Michigan child support enforcement system to achieve certification
18 by the federal government.

19 (2) If potential penalties are assessed by the federal
20 government, the MDTMB shall submit a report to the senate and house
21 appropriations subcommittees on general government and the senate
22 and house fiscal agencies within 90 days specifying the MDTMB's
23 plans to avoid actual penalties and ensure federal certification of
24 the Michigan child support enforcement system.

25 Sec. 833. (1) The state budget director, upon notification to
26 the senate and house of representatives standing committees on
27 appropriations, may adjust spending authorization and user fees in

1 the MDTMB in order to ensure that the appropriations for
2 information technology in the department equal the appropriations
3 for information technology in the budgets for all executive branch
4 agencies.

5 (2) If during the course of the fiscal year a transfer or
6 supplemental to or from the information technology line item within
7 an agency budget is made under section 393 of the management and
8 budget act, 1984 PA 431, MCL 18.1393, there is appropriated an
9 equal amount of user fees in the MDTMB budget to accommodate an
10 increase or decrease in spending authorization.

11 Sec. 834. (1) Revenue collected from licenses issued under the
12 antenna site management project shall be deposited into the antenna
13 site management revolving fund created for this purpose in the
14 department. The MDTMB may receive and expend money from the fund
15 for costs associated with the antenna site management project,
16 including the cost of a third-party site manager. Any excess
17 revenue remaining in the fund at the close of the fiscal year shall
18 be proportionately transferred to the appropriate state restricted
19 funds as designated in statute or by constitution.

20 (2) An antenna shall not be placed on any site pursuant to
21 this section without complying with the respective local zoning
22 codes and local unit of government processes.

23 Sec. 835. (1) In addition to the funds appropriated in part 1,
24 the funds collected by the MDTMB for supplying census-related
25 information and technical services, publications, statistical
26 studies, population projections and estimates, and other
27 demographic products are appropriated for all expenses necessary to

1 provide the required services. These funds are available for
2 expenditure when they are received and may be carried forward into
3 the next succeeding fiscal year.

4 (2) The MDTMB must submit a report to the house and senate
5 appropriations subcommittees on general government, the senate and
6 house fiscal agencies, and the state budget director by March 1
7 that provides the amount of revenue collected by the department
8 from the authorization in subsection (1) and the amount of revenue
9 carried forward.

10 Sec. 836. From the increased funds appropriated in part 1 for
11 the information technology investment fund, the MDTMB shall provide
12 for the modernization of state information technology systems, and
13 integrate state system interfaces to improve customer service.

14 Sec. 836a. (1) The MDTMB must utilize specific outcomes and
15 performance measures for cyber security staffing, hardware, and
16 support costs, including, but not limited to, the following:

17 (a) Reduce the number of cyber threats based on the daily
18 attacks to prevent data breaches during the fiscal year ending
19 September 30, 2019.

20 (b) Reduce the risk of cyber vulnerabilities for application,
21 data, and network during the fiscal year ending September 30, 2019.

22 (c) Increase awareness of cyber threats and the preventative
23 steps for citizens, businesses, and employees during the fiscal
24 year ending September 30, 2019.

25 (2) The MDTMB must submit a report to the house and senate
26 appropriations subcommittees on general government, the senate and
27 house fiscal agencies, and the state budget director by March 15.

1 The report must describe the specific outcomes and measures
2 required in subsection (1) and provide the results and data related
3 to these outcomes and measures for the prior fiscal year if related
4 information is available for the prior fiscal year.

5 Sec. 837. (1) The MDTMB must utilize specific outcomes and
6 performance measures for citizen centric government information
7 technology initiatives, including, but not limited to, the
8 following:

9 (a) Implement integration of MiLogin with at least 10 high-
10 value systems to provide seamless access to those systems with 1
11 set of credentials during the fiscal year ending September 30,
12 2019.

13 (b) Increase the number of high-value systems that citizens
14 and businesses can log into with 1 login during the fiscal year
15 ending September 30, 2019.

16 (2) The MDTMB must submit a report to the house and senate
17 appropriations subcommittees on general government, the senate and
18 house fiscal agencies, and the state budget director by March 15.
19 The report must describe the specific outcomes and measures
20 required in subsection (1) and provide the results and data related
21 to these outcomes and measures.

22 **STATE BUILDING AUTHORITY RENT**

23 Sec. 842. (1) The state building authority rent appropriations
24 in part 1 may also be expended for the payment of required premiums
25 for insurance on facilities owned by the state building authority
26 or payment of costs that may be incurred as the result of any

1 deductible provisions in such insurance policies.

2 (2) If the amount appropriated in part 1 for state building
3 authority rent is not sufficient to pay the rent obligations and
4 insurance premiums and deductibles identified in subsection (1) for
5 state building authority projects, there is appropriated from the
6 general fund of the state the amount necessary to pay such
7 obligations.

8 **CIVIL SERVICE COMMISSION**

9 Sec. 850. (1) In accordance with section 5 of article XI of
10 the state constitution of 1963, all restricted funds shall be
11 assessed a sum not less than 1% of the total aggregate payroll paid
12 from those funds for financing the civil service commission on the
13 basis of actual 1% restricted sources total aggregate payroll of
14 the classified service for the preceding fiscal year. This
15 includes, but is not limited to, restricted funds appropriated in
16 part 1 of any appropriations act. Unexpended 1% appropriated funds
17 shall be returned to each 1% fund source at the end of the fiscal
18 year.

19 (2) The appropriations in part 1 are estimates of actual
20 charges based on payroll appropriations. With the approval of the
21 state budget director, the commission is authorized to adjust
22 financing sources for civil service charges based on actual payroll
23 expenditures, provided that such adjustments do not increase the
24 total appropriation for the civil service commission.

25 (3) The financing from restricted sources shall be credited to
26 the civil service commission by the end of the second fiscal

1 quarter.

2 Sec. 851. Except where specifically appropriated for this
3 purpose, financing from restricted sources shall be credited to the
4 civil service commission. For restricted sources of funding within
5 the general fund that have the legislative authority for carryover,
6 if current spending authorization or revenues are insufficient to
7 accept the charge, the shortage shall be taken from carryforward
8 balances of that funding source. Restricted revenue sources that do
9 not have carryforward authority shall be utilized to satisfy
10 commission operating deducts first and civil service obligations
11 second. General fund dollars are appropriated for any shortfall,
12 pursuant to approval by the state budget director.

13 Sec. 852. The appropriation in part 1 to the civil service
14 commission, for state-sponsored group insurance, flexible spending
15 accounts, and COBRA, represents amounts, in part, included within
16 the various appropriations throughout state government for the
17 current fiscal year to fund the flexible spending account program
18 included within the civil service commission. Deposits against
19 state-sponsored group insurance, flexible spending accounts, and
20 COBRA for the flexible spending account program shall be made from
21 assessments levied during the current fiscal year in a manner
22 prescribed by the civil service commission. Unspent employee
23 contributions to the flexible spending accounts may be used to
24 offset administrative costs for the flexible spending account
25 program, with any remaining balance of unspent employee
26 contributions to be lapsed to the general fund.

1 **CAPITAL OUTLAY**

2 Sec. 860. As used in sections 861 through 867 of this part:

3 (a) "Board" means the state administrative board.

4 (b) "Community college" means a community college organized
5 under the community college act of 1966, 1966 PA 331, MCL 389.1 to
6 389.195, or under part 25 of the revised school code, 1976 PA 451,
7 MCL 380.1601 to 380.1607, and does not include a state agency or
8 university.

9 (c) "Department" means the department of technology,
10 management, and budget.

11 (d) "Director" means the director of the department of
12 technology, management, and budget.

13 (e) "Fiscal agencies" means the senate fiscal agency and the
14 house fiscal agency.

15 (f) "State agency" means an agency of state government. State
16 agency does not include a community college or university.

17 (g) "State building authority" means the authority created
18 under 1964 PA 183, MCL 830.411 to 830.425.

19 (h) "University" means a 4-year university supported by the
20 state. University does not include a community college or a state
21 agency.

22 Sec. 861. Each capital outlay project authorized in this part
23 and part 1 or any previous capital outlay act shall comply with the
24 procedures required by the management and budget act, 1984 PA 431,
25 MCL 18.1101 to 18.1594.

26 Sec. 862. (1) The department shall provide the JCOS, state
27 budget director, and the senate and house fiscal agencies with

1 reports as considered necessary relative to the status of each
2 planning or construction project financed by the state building
3 authority, by this part and part 1, or by previous acts.

4 (2) Before the end of each fiscal year, the department shall
5 report to the JCOS, state budget director, and the senate and house
6 fiscal agencies for each capital outlay project other than lump
7 sums all of the following:

8 (a) The account number and name of each construction project.

9 (b) The balance remaining in each account.

10 (c) The date of the last expenditure from the account.

11 (d) The anticipated date of occupancy if the project is under
12 construction.

13 (e) The appropriations history for the project.

14 (f) The professional service contractor.

15 (g) The amount of the project financed with federal funds.

16 (h) The amount of the project financed through the state
17 building authority.

18 (i) The total authorized cost for the project and the state
19 authorized share if different than the total.

20 (3) Before the end of each fiscal year, the MDTMB shall report
21 the following for each project by a state agency, university, or
22 community college that is authorized for planning but is not yet
23 authorized for construction:

24 (a) The name of the project and account number.

25 (b) Whether a program statement is approved.

26 (c) Whether schematics are approved by the department.

27 (d) Whether preliminary plans are approved by the department.

1 (e) The name of the professional service contractor.

2 (4) As used in this section, "project" includes appropriation
3 line items made for purchase of real estate.

4 Sec. 864. The appropriations in part 1 for capital outlay
5 shall be carried forward at the end of the fiscal year consistent
6 with the provisions of section 248 of the management and budget
7 act, 1984 PA 431, MCL 18.1248.

8 Sec. 865. (1) A site preparation economic development fund is
9 created in the MDTMB. As used in this section, "economic
10 development sites" means those state-owned sites declared as
11 surplus property pursuant to section 251 of the management and
12 budget act, 1984 PA 431, MCL 18.1251, that would provide economic
13 benefit to the area or to the state. The MEDC board and the state
14 budget director shall determine whether or not a specific state-
15 owned site qualifies for inclusion in the fund created under this
16 subsection.

17 (2) Proceeds from the sale of any sites designated in
18 subsection (1) shall be deposited into the fund created in
19 subsection (1) and shall be available for site preparation
20 expenditures, unless otherwise provided by law. The economic
21 development sites authorized in subsection (1) are authorized for
22 sale consistent with state law. Expenditures from the fund are
23 authorized for site preparation activities that enhance the
24 marketable sale value of the sites. Site preparation activities
25 include, but are not limited to, demolition, environmental studies
26 and abatement, utility enhancement, and site excavation.

27 (3) A cash advance in an amount of not more than

1 \$25,000,000.00 is authorized from the general fund to the site
2 preparation economic development fund.

3 (4) An annual report shall be transmitted to the senate and
4 house of representatives standing committees on appropriations not
5 later than December 31 of each year. This report shall detail both
6 of the following:

7 (a) The revenue and expenditure activity in the fund for the
8 preceding fiscal year.

9 (b) The sites identified as economic development sites under
10 subsection (1).

11 Sec. 867. Proceeds from the sale of the Farnum Building shall
12 be subsequently appropriated to the MDTMB in accordance with any
13 legislation enacted that authorizes the sale of that property. If
14 the net proceeds from the sale of the Farnum Building are less than
15 the \$7,000,000.00 authorized for senate relocation costs in section
16 896 of article VIII of 2014 PA 252, an amount equal to the
17 difference between the net sale proceeds and \$7,000,000.00 shall be
18 appropriated by the legislature to the department.

19 **CAPITAL OUTLAY - UNIVERSITIES AND COMMUNITY COLLEGES**

20 Sec. 873. (1) This section applies only to projects for
21 community colleges.

22 (2) State support is directed towards the remodeling and
23 additions, special maintenance, or construction of certain
24 community college buildings. The community college shall obtain or
25 provide for site acquisition and initial main utility installation
26 to operate the facility. Funding shall be composed of local and

1 state shares and not more than 50% of a capital outlay project, not
2 including a lump-sum special maintenance project or remodeling and
3 addition project, for a community college shall be appropriated
4 from state and federal funds, unless otherwise appropriated by the
5 legislature.

6 (3) An expenditure under this part and part 1 is authorized
7 when the release of the appropriation is approved by the board upon
8 the recommendation of the director. The director may recommend to
9 the board the release of any appropriation in part 1 only after the
10 director is assured that the legal entity operating the community
11 college to which the appropriation is made has complied with this
12 part and part 1 and has matched the amounts appropriated as
13 required by this part and part 1. A release of funds in part 1
14 shall not exceed 50% of the total cost of planning and construction
15 of any project, not including lump-sum remodeling and additions and
16 special maintenance, unless otherwise appropriated by the
17 legislature. Further planning and construction of a project
18 authorized by this part and part 1 or applicable sections of the
19 management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594,
20 shall be in accordance with the purpose and scope as defined and
21 delineated in the approved program statements and planning
22 documents. This part and part 1 are applicable to all projects for
23 which planning appropriations were made in previous acts.

24 (4) The community college shall take the steps necessary to
25 secure available federal construction and equipment money for
26 projects funded for construction in this part and part 1 if an
27 application was not previously made. If there is a reasonable

1 expectation that a prior year unfunded application may receive
2 federal money in a subsequent year, the college shall take whatever
3 action necessary to keep the application active.

4 Sec. 874. If university and community college matching
5 revenues are received in an amount less than the appropriations for
6 capital projects contained in this part and part 1, the state funds
7 shall be reduced in proportion to the amount of matching revenue
8 received.

9 Sec. 875. (1) The director may require that community colleges
10 and universities that have an authorized project listed in part 1
11 submit documentation regarding the project match and governing
12 board approval of the authorized project not more than 60 days
13 after the beginning of the fiscal year.

14 (2) If the documentation required by the director under
15 subsection (1) is not submitted, or does not adequately
16 authenticate the availability of the project match or board
17 approval of the authorized project, the authorization may
18 terminate. The authorization terminates 30 days after the director
19 notifies the JCOS of the intent to terminate the project unless the
20 JCOS convenes to extend the authorization.

21 DEPARTMENT OF TREASURY

22 OPERATIONS

23 Sec. 901. (1) In addition to the funds appropriated in part 1,
24 there is appropriated an amount not to exceed \$1,000,000.00 for
25 federal contingency funds. These funds are not available for
26 expenditure until they have been transferred to another line item

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

3 (2) In addition to the funds appropriated in part 1, there is
4 appropriated an amount not to exceed \$10,000,000.00 for state
5 restricted 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 (3) In addition to the funds appropriated in part 1, there is
10 appropriated an amount not to exceed \$200,000.00 for local
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 (4) In addition to the funds appropriated in part 1, there is
16 appropriated an amount not to exceed \$40,000.00 for private
17 contingency funds. These funds are not available for expenditure
18 until they have been transferred to another line item in part 1
19 under section 393(2) of the management and budget act, 1984 PA 431,
20 MCL 18.1393.

21 Sec. 902. (1) Amounts needed to pay for interest, fees,
22 principal, mandatory and optional redemptions, arbitrage rebates as
23 required by federal law, and costs associated with the payment,
24 registration, trustee services, credit enhancements, and issuing
25 costs in excess of the amount appropriated to the department of
26 treasury in part 1 for debt service on notes and bonds that are
27 issued by the state under sections 14, 15, and 16 of article IX of

1 the state constitution of 1963 as implemented by 1967 PA 266, MCL
2 17.451 to 17.455, are appropriated.

3 (2) In addition to the amount appropriated to the department
4 of treasury for debt service in part 1, there is appropriated an
5 amount for fiscal year cash-flow borrowing costs to pay for
6 interest on interfund borrowing made under 1967 PA 55, MCL 12.51 to
7 12.53.

8 (3) In addition to the amount appropriated to the department
9 of treasury for debt service in part 1, there is appropriated all
10 repayments received by the state on loans made from the school bond
11 loan fund not required to be deposited in the school loan revolving
12 fund by or pursuant to section 4 of 1961 PA 112, MCL 388.984, to
13 the extent determined by the state treasurer, for the payment of
14 debt service, including, without limitation, optional and mandatory
15 redemptions, on bonds, notes or commercial paper issued by the
16 state pursuant to 1961 PA 112, MCL 388.981 to 388.985.

17 Sec. 902a. The department of treasury shall notify the senate
18 and house of representatives standing committees on appropriations,
19 the chairpersons of the relevant appropriations subcommittees, the
20 senate and house fiscal agencies, and the state budget office not
21 more than 30 days after a refunding or restructuring bond issue is
22 sold. The notification shall compare the annual debt service prior
23 to the refinancing or restructuring, the annual debt service after
24 the refinancing or restructuring, the change in the principal and
25 interest over the duration of the debt, and the projected change in
26 the present value of the debt service due to the refinancing and
27 restructuring.

1 Sec. 903. (1) From the funds appropriated in part 1, the
2 department of treasury may contract with private collection
3 agencies and law firms to collect taxes and other accounts due this
4 state. In addition to the amounts appropriated in part 1 to the
5 department of treasury, there are appropriated amounts necessary to
6 fund collection costs and fees not to exceed 25% of the collections
7 or 2.5% plus operating costs, whichever amount is prescribed by
8 each contract. The appropriation to fund collection costs and fees
9 for the collection of taxes or other accounts due this state are
10 from the fund or account to which the revenues being collected are
11 recorded or dedicated. However, if the taxes collected are
12 constitutionally dedicated for a specific purpose, the
13 appropriation of collection costs and fees are from the general
14 purpose account of the general fund.

15 (2) From the funds appropriated in part 1, the department of
16 treasury may contract with private collections agencies and law
17 firms to collect defaulted student loans and other accounts due the
18 Michigan guaranty agency. In addition to the amounts appropriated
19 in part 1 to the department of treasury, there are appropriated
20 amounts necessary to fund collection costs and fees not to exceed
21 24.34% of the collection or a lesser amount as prescribed by the
22 contract. The appropriation to fund collection costs and fees for
23 the auditing and collection of defaulted student loans due the
24 Michigan guaranty agency is from the fund or account to which the
25 revenues being collected are recorded or dedicated.

26 (3) The department of treasury shall submit a report for the
27 immediately preceding fiscal year ending September 30 to the state

1 budget director, the senate and house of representatives standing
2 committees on appropriations, and the chairpersons of the relevant
3 appropriations subcommittees, not later than November 30 stating
4 the agencies or law firms employed, the amount of collections for
5 each, the costs of collection, and other pertinent information
6 relating to determining whether this authority should be continued.

7 Sec. 904. (1) The department of treasury, through its bureau
8 of investments, may charge an investment service fee against the
9 applicable retirement funds. The fees may be expended for necessary
10 salaries, wages, contractual services, supplies, materials,
11 equipment, travel, worker's compensation insurance premiums, and
12 grants to the civil service commission and state employees'
13 retirement funds. Service fees shall not exceed the aggregate
14 amount appropriated in part 1. The department of treasury shall
15 maintain accounting records in sufficient detail to enable the
16 retirement funds to be reimbursed periodically for fee revenue that
17 is determined by the department of treasury to be surplus.

18 (2) In addition to the funds appropriated in part 1 from the
19 retirement funds to the department of treasury, there is
20 appropriated from retirement funds an amount sufficient to pay for
21 the services of money managers, investment advisors, investment
22 consultants, custodians, and other outside professionals, the state
23 treasurer considers necessary to prudently manage the retirement
24 funds' investment portfolios. The state treasurer shall report
25 annually to the senate and house of representatives standing
26 committees on appropriations, the chairpersons of the relevant
27 appropriations subcommittees, and the state budget office

1 concerning the performance of each portfolio by investment advisor.

2 Sec. 904a. (1) There is appropriated an amount sufficient to
3 recognize and pay expenditures for financial services provided by
4 financial institutions or equivalent vendors that perform these
5 services including treasury as provided under section 1 of 1861 PA
6 111, MCL 21.181.

7 (2) The appropriations under subsection (1) shall be funded by
8 restricting revenues from common cash interest earnings and
9 investment earnings in an amount sufficient to record these
10 expenditures. If the amounts of common cash interest earnings are
11 insufficient to cover these costs, then miscellaneous revenues
12 shall be used to fund the remaining balance of these expenditures.

13 Sec. 905. A revolving fund known as the municipal finance fee
14 fund is created in the department of treasury. Fees are established
15 under the revised municipal finance act, 2001 PA 34, MCL 141.2101
16 to 141.2821, and the fees collected shall be credited to the
17 municipal finance fee fund and may be carried forward for future
18 appropriation.

19 Sec. 906. (1) The department of treasury shall charge for
20 audits as permitted by state or federal law or under contractual
21 arrangements with local units of government, other principal
22 executive departments, or state agencies. However, the charge shall
23 not be more than the actual cost for performing the audit. A report
24 detailing audits performed and audit charges for the immediately
25 preceding fiscal year shall be submitted to the state budget
26 director, the chairpersons of the relevant appropriations
27 subcommittees, and the senate and house fiscal agencies not later

1 than November 30.

2 (2) A revolving fund known as the audit charges fund is
3 created in the department of treasury. The contractual charges
4 collected shall be credited to the audit charges fund and may be
5 carried forward for future appropriation.

6 Sec. 907. A revolving fund known as the assessor certification
7 and training fund is created in the department of treasury. The
8 assessor certification and training fund shall be used to organize
9 and operate a property assessor certification and training program.
10 Each participant certified and trained shall pay to the department
11 of treasury examination fees not to exceed \$50.00 per examination
12 and certification fees not to exceed \$175.00. Training courses
13 shall be offered in assessment administration. Each participant
14 shall pay a fee to cover the expenses incurred in offering the
15 optional programs to certified assessing personnel and other
16 individuals interested in an assessment career opportunity. The
17 fees collected shall be credited to the assessor certification and
18 training fund.

19 Sec. 908. The amount appropriated in part 1 to the department
20 of treasury, home heating assistance program, is to cover the
21 costs, including data processing, of administering federal home
22 heating credits to eligible claimants and to administer the
23 supplemental fuel cost payment program for eligible tax credit and
24 welfare recipients.

25 Sec. 909. Revenue from the airport parking tax act, 1987 PA
26 248, MCL 207.371 to 207.383, is appropriated and shall be
27 distributed under section 7a of the airport parking tax act, 1987

1 PA 248, MCL 207.377a.

2 Sec. 910. The disbursement by the department of treasury from
3 the bottle deposit fund to dealers as required by section 3c(2) of
4 1976 IL 1, MCL 445.573c, is appropriated.

5 Sec. 911. There is appropriated an amount sufficient to
6 recognize and pay refundable income tax credits as provided by law.

7 Sec. 912. A plaintiff in a garnishment action involving this
8 state shall pay to the state treasurer 1 of the following:

9 (a) A fee of \$6.00 at the time a writ of garnishment of
10 periodic payments is served upon the state treasurer, as provided
11 in section 4012 of the revised judicature act of 1961, 1961 PA 236,
12 MCL 600.4012.

13 (b) A fee of \$6.00 at the time any other writ of garnishment
14 is served upon the state treasurer, except that the fee shall be
15 reduced to \$5.00 for each writ of garnishment for individual income
16 tax refunds or credits filed by magnetic media.

17 Sec. 913. (1) The department of treasury may contract with
18 private firms to appraise and, if necessary, appeal the assessments
19 of senior citizen cooperative housing units. Payment for this
20 service shall be from savings resulting from the appraisal or
21 appeal process.

22 (2) Of the funds appropriated in part 1 to the department of
23 treasury for the senior citizens' cooperative housing tax exemption
24 program, a portion may be utilized for a program audit of the
25 program. The department of treasury shall forward copies of any
26 audit report completed to the senate and house of representatives
27 standing committees on appropriations subcommittees on general

1 government and to the state budget office. The department of
2 treasury may utilize up to 1% of the funds for program
3 administration and auditing.

4 Sec. 914. The department of treasury may provide a \$200.00
5 annual prize from the Ehlers internship award account in the gifts,
6 bequests, and deposit fund to the runner-up of the Rosenthal prize
7 for interns. The Ehlers internship award account is interest
8 bearing.

9 Sec. 915. Pursuant to section 61 of the Michigan campaign
10 finance act, 1976 PA 388, MCL 169.261, there is appropriated from
11 the general fund to the state campaign fund an amount equal to the
12 amounts designated for tax year 2016. Except as otherwise provided
13 in this section, the amount appropriated shall not revert to the
14 general fund and shall remain in the state campaign fund. Any
15 amounts remaining in the state campaign fund in excess of
16 \$10,000,000.00 on December 31 shall revert to the general fund.

17 Sec. 916. The department of treasury may make available to
18 interested entities otherwise unavailable customized unclaimed
19 property listings of nonconfidential information in its possession.
20 The charge for this information is as follows: 1 to 100,000 records
21 at 2.5 cents per record and 100,001 or more records at .5 cents per
22 record. The revenue received from this service shall be deposited
23 to the appropriate revenue account or fund. The department shall
24 submit an annual report on or before June 1 to the state budget
25 director and the senate and house of representatives standing
26 committees on appropriations that states the amount of revenue
27 received from the sale of information.

1 Sec. 917. (1) There is appropriated for write-offs and
2 advances an amount equal to total write-offs and advances for
3 departmental programs, but not to exceed current year
4 authorizations that would otherwise lapse to the general fund.

5 (2) The department of treasury shall submit a report for the
6 immediately preceding fiscal year to the state budget director, the
7 chairpersons of the relevant appropriations subcommittees, and the
8 senate and house fiscal agencies not later than November 30 stating
9 the amounts appropriated for write-offs and advances under
10 subsection (1).

11 Sec. 919. (1) From funds appropriated in part 1, the
12 department of treasury may contract with private auditing firms to
13 audit for and collect unclaimed property due this state in
14 accordance with the uniform unclaimed property act, 1995 PA 29, MCL
15 567.221 to 567.265. In addition to the amounts appropriated in part
16 1 to the department of treasury, there are appropriated amounts
17 necessary to fund auditing and collection costs and fees not to
18 exceed 12% of the collections, or a lesser amount as prescribed by
19 the contract. The appropriation to fund collection costs and fees
20 for the auditing and collection of unclaimed property due this
21 state is from the fund or account to which the revenues being
22 collected are recorded or dedicated.

23 (2) The department of treasury shall submit a report for the
24 immediately preceding fiscal year ending September 30 to the state
25 budget director, the senate and house of representatives standing
26 committees on appropriations, and the chairpersons of the relevant
27 appropriations subcommittees not later than November 30 stating the

1 auditing firms employed, the amount of collections for each, the
2 costs of collection, and other pertinent information relating to
3 determining whether this authority should be continued.

4 Sec. 920. (1) The department of treasury shall produce a
5 listing of all personal property tax reimbursement payments to be
6 distributed by the local community stabilization authority related
7 to property taxes levied in the current calendar year and shall
8 post the list of payments on the department website by September
9 30.

10 (2) The department of treasury shall prepare a written notice
11 that describes the potential for adjustments in personal property
12 tax reimbursement payments that will affect the subsequent payment.
13 The department shall provide the notice to the local community
14 stabilization authority by March 31.

15 (3) The local community stabilization authority shall
16 distribute the notice prepared under subsection (2) to all
17 municipalities by April 30. The notice may be distributed
18 electronically.

19 Sec. 924. (1) In addition to the funds appropriated in part 1,
20 the department of treasury may receive and expend principal
21 residence audit fund revenue for administration of principal
22 residence audits under the general property tax act, 1893 PA 206,
23 MCL 211.1 to 211.155.

24 (2) The department of treasury shall submit a report for the
25 immediately preceding fiscal year to the state budget director, the
26 chairpersons of the relevant appropriations subcommittees, and the
27 senate and house fiscal agencies not later than December 31 stating

1 the amount of exemptions denied and the revenue received under the
2 program.

3 Sec. 926. Unexpended appropriations of the John R. Justice
4 grant program are designated as work project appropriations and
5 shall not lapse at the end of the fiscal year and shall continue to
6 be available for expenditure until the project has been completed.
7 The following is in compliance with section 451a of the management
8 and budget act, 1984 PA 431, MCL 18.1451a:

9 (a) The purpose of the project is to provide student loan
10 forgiveness to qualified public defenders and prosecutors.

11 (b) The project will be accomplished by utilizing state
12 employees or contracts with private vendors, or both.

13 (c) The total estimated cost of the project is \$288,100.00.

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

15 Sec. 927. The department of treasury shall submit annual
16 progress reports to the senate and house of representatives
17 standing committees on appropriations subcommittees on general
18 government and the senate and house fiscal agencies, regarding
19 personal property tax audits. The report shall include the number
20 of audits, revenue generated, and number of complaints received by
21 the department related to the audits.

22 Sec. 928. The department of treasury may provide receipt,
23 warrant and cash processing, data, collection, investment, fiscal
24 agent, levy and warrant cost assessment, writ of garnishment, and
25 other user services on a contractual basis for other principal
26 executive departments and state agencies. Funds for the services
27 provided are appropriated and shall be expended for salaries and

1 wages, fees, supplies, and equipment necessary to provide the
2 services. Any unobligated balance of the funds received shall
3 revert to the general fund of this state as of September 30.

4 Sec. 930. (1) The department of treasury shall provide
5 accounts receivable collections services to other principal
6 executive departments and state agencies under 1927 PA 375, MCL
7 14.131 to 14.134. The department of treasury shall deduct a fee
8 equal to the cost of collections from all receipts except
9 unrestricted general fund collections. Fees shall be credited to a
10 restricted revenue account and appropriated to the department of
11 treasury to pay for the cost of collections. The department of
12 treasury shall maintain accounting records in sufficient detail to
13 enable the respective accounts to be reimbursed periodically for
14 fees deducted that are determined by the department of treasury to
15 be surplus to the actual cost of collections.

16 (2) The department of treasury shall submit a report for the
17 immediately preceding fiscal year to the state budget director, the
18 chairpersons of the relevant appropriations subcommittees, and the
19 senate and house fiscal agencies not later than November 30 stating
20 the principal executive departments and state agencies served,
21 funds collected, and costs of collection under subsection (1).

22 Sec. 931. (1) The appropriation in part 1 to the department of
23 treasury for treasury fees shall be assessed against all restricted
24 funds that receive common cash earnings or other investment income.
25 Treasury fees include all costs, including administrative overhead,
26 relating to the investment of each restricted fund. The fee
27 assessed against each restricted fund will be based on the size of

1 the restricted fund (the absolute value of the average daily cash
2 balance plus the market value of investments in the prior fiscal
3 year) and the level of effort necessary to maintain the restricted
4 fund as required by each department. The department of treasury
5 shall provide a report to the state budget director, the senate and
6 house of representatives standing committees on appropriations
7 subcommittees on general government, and the senate and house
8 fiscal agencies by November 30 of each year identifying the fees
9 assessed against each restricted fund and the methodology used for
10 assessment.

11 (2) In addition to the funds appropriated in part 1, the
12 department of treasury may receive and expend investment fees
13 relating to new restricted funding sources that participate in
14 common cash earnings or other investment income during the current
15 fiscal year. When a new restricted fund is created starting on or
16 after October 1, that restricted fund shall be assessed a fee using
17 the same criteria identified in subsection (1).

18 Sec. 932. Revenue received under the Michigan education trust
19 act, 1986 PA 316, MCL 390.1421 to 390.1442, may be expended by the
20 board of directors of the Michigan education trust for necessary
21 salaries, wages, supplies, contractual services, equipment,
22 worker's compensation insurance premiums, and grants to the civil
23 service commission and state employees' retirement fund.

24 Sec. 934. (1) The department of treasury may expend revenues
25 received under the hospital finance authority act, 1969 PA 38, MCL
26 331.31 to 331.84, the shared credit rating act, 1985 PA 227, MCL
27 141.1051 to 141.1076, the higher education facilities authority

1 act, 1969 PA 295, MCL 390.921 to 390.934, the Michigan public
2 educational facilities authority, Executive Reorganization Order
3 No. 2002-3, MCL 12.192, the Michigan tobacco settlement finance
4 authority act, 2005 PA 226, MCL 129.261 to 129.279, the land bank
5 fast track act, 2003 PA 258, MCL 124.751 to 124.774, part 505 of
6 the natural resources and environmental protection act, 1994 PA
7 451, MCL 324.50501 to 324.50522, the state housing development
8 authority act of 1966, 1966 PA 346, MCL 125.1401 to 125.1499c, and
9 the Michigan finance authority, Executive Reorganization Order No.
10 2010-2, MCL 12.194, for necessary salaries, wages, supplies,
11 contractual services, equipment, worker's compensation insurance
12 premiums, grants to the civil service commission and state
13 employees' retirement fund, and other expenses as allowed under
14 those acts.

15 (2) The department of treasury shall report by January 31 to
16 the senate and house appropriations subcommittees on general
17 government, the senate and house fiscal agencies, and the state
18 budget director on the amount and purpose of expenditures made
19 under subsection (1) from funds received in addition to those
20 appropriated in part 1. The report shall also include a listing of
21 reimbursement of revenue, if any. The report shall cover the
22 previous fiscal year.

23 Sec. 935. The funds appropriated in part 1 for dual enrollment
24 payments for an eligible student enrolled in a state-approved
25 nonpublic school shall be distributed as provided under the
26 postsecondary enrollment options act, 1996 PA 160, MCL 388.511 to
27 388.524, and the career and technical preparation act, 2000 PA 258,

1 MCL 388.1901 to 388.1913, in a form and manner as determined by the
2 department of treasury.

3 Sec. 936. (1) From the funds appropriated in part 1 for
4 financial data analytic tool reimbursement, there is allocated an
5 amount not to exceed \$500,000.00 for reimbursements to cities,
6 villages, townships, and counties for the licensing of data
7 analytic tools as described under this section. Reimbursements are
8 for cities, villages, townships, and counties that choose to use a
9 data analytic tool with 1 of the vendors approved by the MDTMB
10 under subsection (2). Funds allocated under this section are
11 intended to provide cities, villages, townships, and counties with
12 financial forecasting and transparency reporting tools to improve
13 the financial health of cities, villages, townships, and counties
14 and to improve communication with the public.

15 (2) Not later than October 15, the MDTMB shall review vendors
16 for data analytic tools and provide cities, villages, townships,
17 and counties with a list of up to 2 approved vendors that cities,
18 villages, townships, and counties may use to qualify for a
19 reimbursement under this section. An approved data analytic tool
20 supplied by the vendor must do all of the following:

- 21 (a) Analyze financial data.
- 22 (b) Analyze pension and other postemployment benefit trends.
- 23 (c) Provide early warning indicators of financial stress.
- 24 (d) Provide peer community comparisons of financial data.
- 25 (e) Provide financial projections for at least 3 subsequent
26 fiscal years.

27 (3) Funds allocated under this section shall be paid to

1 cities, villages, townships, and counties as a reimbursement for
2 already having a licensing agreement or for entering into a
3 licensing agreement not later than December 1, with a vendor
4 approved under subsection (2) to implement a data analytic
5 agreement. Reimbursement under this section shall be made as
6 follows:

7 (a) All cities, villages, townships, and counties seeking
8 reimbursement shall submit requests not later than December 1,
9 indicating the cost paid for the financial data analytic tool.

10 (b) The department shall determine the sum of the funding
11 requested by all cities, villages, townships, and counties under
12 subdivision (a) and, if there are sufficient funds, shall reimburse
13 1/2 of the costs submitted by each city, village, township, and
14 county under subdivision (a). If there are insufficient funds to
15 pay 1/2 of the costs submitted under subdivision (a), the
16 reimbursement shall be made on an equal percentage basis.

17 (c) Any funds remaining after the calculation and payment of
18 reimbursements under this subsection shall be available for
19 expenditure under the program for financially distressed cities,
20 villages, or townships after the approval of transfers by the
21 legislature pursuant to section 393(2) of the management and budget
22 act, 1984 PA 431, MCL 18.1393.

23 (d) The reimbursement to a city, village, township, or county
24 shall not be greater than the amount paid for a data analytic
25 application.

26 (e) A city, village, township, or county shall not be
27 reimbursed for the purchase of more than 1 software application.

1 (4) Payments under this section shall be made on a schedule
2 determined by the department.

3 (5) Within 30 days after the department has made all payments
4 under subsection (3), the department shall report the following to
5 the senate and house of representatives standing committees on
6 appropriations subcommittees on general government, the state
7 budget director, and the fiscal agencies:

8 (a) The total amount of payments made.

9 (b) If the payments were prorated, the amount of proration.

10 (c) A list of each payment made to cities, villages,
11 townships, and counties.

12 Sec. 937. From the funds appropriated in part 1, the
13 department of treasury shall submit a report to the state budget
14 director, the senate and house standing committees on
15 appropriations, the chairpersons of the relevant appropriations
16 subcommittees, and the senate and house fiscal agencies not later
17 than March 31 regarding the performance of the Michigan accounts
18 receivable collections system. The report shall include, but is not
19 limited to:

20 (a) Information regarding the effectiveness of the
21 department's current collection strategies, including use of
22 vendors or contractors.

23 (b) The amount of delinquent accounts and collection referrals
24 to vendors and contractors.

25 (c) The liquidation rates for declining delinquent accounts.

26 (d) The profile of uncollected delinquent accounts, including
27 specific uncollected amounts by category.

1 (e) The department's strategy to manage delinquent accounts
2 once those accounts exceed the vendor's or contractor's contracted
3 collectible period.

4 (f) A summary of the strategies used in other states,
5 including, but not limited to, secondary placement services, and
6 assessing the benefits of those strategies.

7 Sec. 940. The department of treasury shall study the
8 feasibility of requiring homeowners to file principal residence
9 exemption documents directly with the department of treasury. The
10 feasibility study shall include information regarding additional
11 staffing and administrative resources necessary to implement the
12 change. The department of treasury shall provide a report of their
13 findings to the chairpersons of the senate and house of
14 representatives standing committees on appropriations, the
15 chairpersons of the senate and house of representatives standing
16 committees on appropriations subcommittees on general government,
17 the senate and house fiscal agencies, and the state budget director
18 by January 1.

19 Sec. 941. (1) The department of treasury, in conjunction with
20 the MSF, shall report to the senate and house of representatives
21 standing committees on appropriations, the senate and house of
22 representatives appropriations subcommittees on general government,
23 the senate and house fiscal agencies, and the state budget director
24 by November 1 on the annual cost of the MEGA tax credits. The
25 report shall include for each year the board-approved credit
26 amount, adjusted for credit amendments where applicable, and the
27 actual and projected value of tax credits for each year from 1995

1 to the expiration of the credit program. For years for which credit
2 claims are complete, the report shall include the total of actual
3 certificated credit amounts. For years for which claims are still
4 pending or not yet submitted, the report shall include a
5 combination of actual credits where available and projected
6 credits. Credit projections shall be based on updated estimates of
7 employees, wages, and benefits for eligible companies.

8 (2) In addition to the report under subsection (1), the
9 department of treasury, in conjunction with the MSF, shall report
10 to the senate and house of representatives standing committees on
11 appropriations, the senate and house of representatives
12 appropriations subcommittees on general government, the senate and
13 house fiscal agencies, and the state budget director by November 1
14 on the annual cost of all other certificated credits by program,
15 for each year until the credits expire or can no longer be
16 collected. The report shall include estimates on the brownfield
17 redevelopment credit, film credits, MEGA photovoltaic technology
18 credit, MEGA polycrystalline silicon manufacturing credit, MEGA
19 vehicle battery credit, and other certificated credits.

20 Sec. 942. As a condition of receiving funds appropriated in
21 part 1 for supervision of the general property tax law, the
22 department of treasury shall prioritize maintaining existing
23 contracts related to the property services division.

24 Sec. 943. From the funds appropriated in part 1, the
25 department of treasury may establish a closed-loop payment
26 processing and digital patient identification delivery and
27 authentication system under which the department creates accounts

1 to be used only by registered patients and caregivers at licenses
2 dispensaries as well as by all license holders and licensed
3 marihuana businesses, vendors, and other approved participants in
4 the state program.

5 Sec. 944. If the department of treasury hires a pension plan
6 consultant using any of the funds appropriated in part 1, the
7 department shall retain any report provided to the department by
8 that consultant, notify the senate and house of representatives
9 appropriations subcommittees on general government, the senate and
10 house fiscal agencies, and the state budget director, and shall
11 make that report available upon request to the senate and house of
12 representatives standing committees on appropriations subcommittees
13 on general government, the senate and house fiscal agencies, and
14 the state budget director. A rationale for retention of a pension
15 plan consultant shall be included in the notification of retention.

16 Sec. 945. Reviews of local unit assessment administration
17 practices, procedures, and records, also known as the audit of
18 minimal assessing requirements, shall be conducted in each
19 assessment jurisdiction a minimum of once every 5 years.

20 Sec. 946. Revenue collected in the convention facility
21 development fund is appropriated and shall be distributed under
22 sections 8 and 9 of the state convention facility development act,
23 1985 PA 106, MCL 207.628 and 207.629.

24 Sec. 947. Financial independence teams shall cooperate with
25 the financial responsibility section to coordinate and streamline
26 efforts in identifying and addressing fiscal emergencies in school
27 districts and intermediate school districts.

1 Sec. 948. Total authorized appropriations from all department
2 of treasury sources under part 1 for legacy costs for the fiscal
3 year ending September 30, 2019 are estimated at \$44,037,800.00.
4 From this amount, total agency appropriations for pension-related
5 legacy costs are estimated at \$20,302,200.00. Total agency
6 appropriations for retiree health care legacy costs are estimated
7 at \$23,735,600.00.

8 Sec. 949. (1) From the funds appropriated in part 1, the
9 department of treasury may contract with private agencies to
10 prevent the disbursement of fraudulent tax refunds. In addition to
11 the amounts appropriated in part 1 to the department of treasury,
12 there are appropriated amounts necessary to pay contract costs or
13 fund operations designed to reduce fraudulent income tax refund
14 payments not to exceed \$1,200,000.00 of the refunds identified as
15 potentially fraudulent and for which payment of the refund is
16 denied. The appropriation to fund fraud prevention efforts is from
17 the fund or account to which the revenues being collected are
18 recorded or dedicated.

19 (2) The department of treasury shall submit a report for the
20 immediately preceding fiscal year ending September 30 to the state
21 budget director, the senate and house of representatives standing
22 committees on appropriations, and the chairpersons of the relevant
23 appropriations subcommittees not later than November 30 stating the
24 number of refund claims denied due to the fraud prevention
25 operations, the amount of refunds denied, the costs of the fraud
26 prevention operations, and other pertinent information relating to
27 determining whether this authority should be continued.

1 Sec. 949a. From the funds appropriated in part 1 for
2 additional staff in city income tax administration, the department
3 shall expand individual income tax return administration to 1
4 additional city to leverage the department's capabilities to assist
5 cities with their taxation efforts.

6 Sec. 949d. (1) From the funds appropriated in part 1 for
7 financial review commission, the department shall continue
8 financial review commission efforts in the current fiscal year. The
9 purpose of the funding is to cover ongoing costs associated with
10 the operation of the commission.

11 (2) The department shall identify specific outcomes and
12 performance measures for this initiative, including, but not
13 limited to, the department's ability to perform a critical fiscal
14 review to ensure the city of Detroit does not reenter distress
15 following its exit from bankruptcy and to ensure that the community
16 district does not enter distress and maintains a balanced budget.

17 (3) 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.

23 Sec. 949e. From the funds appropriated in part 1 for the state
24 essential services assessment program, the department of treasury
25 shall administer the state essential services assessment program.
26 The program will provide the department the ability to collect the
27 state essential services assessment which is a phased-in

1 replacement of locally collected personal property taxes on
2 eligible manufacturing personal property.

3 Sec. 949f. Revenue from the tobacco products tax act, 1993 PA
4 327, MCL 205.421 to 205.436, related to counties with a 2000
5 population of more than 2,000,000 is appropriated and shall be
6 distributed under section 12(4)(d) of the tobacco products tax act,
7 1993 PA 327, MCL 205.432.

8 Sec. 949g. From the one-time funds appropriated in part 1 for
9 urban search and rescue task force, \$900,000.00 shall be expended
10 to support the urban search and rescue task force. In distributing
11 funds under this section, the department of treasury shall require
12 the task force to provide to the department the following
13 information:

14 (a) A final year-end report providing information on all
15 revenue received by source and expenditures by categories, with the
16 funds distributed to the task force under section 949g of article
17 VIII of 2017 PA 107 discretely presented.

18 (b) Detail on the proposed expenditure of the funds
19 distributed under this section.

20 (c) A final year-end report providing information on all
21 revenue received by source and expenditures by categories, with the
22 funds distributed under this section discretely presented.

23 Sec. 949h. Revenue from part 6 of the medical marihuana
24 facilities licensing act, 2016 PA 281, MCL 333.27601 to 333.27605,
25 is appropriated and distributed pursuant to part 6 of the medical
26 marihuana facilities licensing act, 2016 PA 281, MCL 333.27601 to
27 333.27605.

1 Sec. 949j. All funds in the wrongful imprisonment compensation
2 fund created in the wrongful imprisonment compensation act, 2016 PA
3 343, MCL 691.1751 to 691.1757, are appropriated and available for
4 expenditure. Expenditures are limited to support wrongful
5 imprisonment compensation payments pursuant to section 6 of the
6 wrongful imprisonment compensation act, 2016 PA 343, MCL 691.1756.

7 Sec. 949k. There is appropriated an amount equal to the tax
8 capture revenues due under approved transformational brownfield
9 plans created in the brownfield redevelopment financing act, 1996
10 PA 381, MCL 125.2651 to 125.2670.

11 **REVENUE SHARING**

12 Sec. 950. The funds appropriated in part 1 for constitutional
13 revenue sharing shall be distributed by the department of treasury
14 to cities, villages, and townships, as required under section 10 of
15 article IX of the state constitution of 1963. Revenue collected in
16 accordance with section 10 of article IX of the state constitution
17 of 1963 in excess of the amount appropriated in part 1 for
18 constitutional revenue sharing is appropriated for distribution to
19 cities, villages, and townships, on a population basis as required
20 under section 10 of article IX of the state constitution of 1963.

21 Sec. 952. (1) The funds appropriated in part 1 for city,
22 village, and township revenue sharing are for grants to cities,
23 villages, and townships such that, subject to fulfilling the
24 requirements under subsection (3), each city, village, or township
25 is eligible to receive 100% of its eligible payment under section
26 952 of article VIII of 2017 PA 107. For purposes of this
27 subsection, any city, village, or township that completely merges

1 with another city, village, or township will be treated as a single
2 entity, such that when determining the eligible payment under
3 section 952 of article VIII of 2017 PA 107 for the combined single
4 entity, the amount each of the merging local units was eligible to
5 receive under section 952 of article VIII of 2017 PA 107 is summed.
6 For purposes of this subsection, population is determined in the
7 same manner as under section 3 of the Glenn Steil state revenue
8 sharing act of 1971, 1971 PA 140, MCL 141.903. In addition, any
9 city or village that according to the 2010 federal decennial census
10 is determined to have population in more than 1 county shall be
11 treated as a single entity when determining the eligible payment
12 under section 952 of article VIII of 2017 PA 107.

13 (2) The funds appropriated in part 1 for the county incentive
14 program are to be used for grants to counties such that each county
15 is eligible to receive an amount equal to 20% of the amount by
16 which the balance in its revenue sharing reserve fund under section
17 44a of the general property tax act, 1893 PA 206, MCL 211.44a, for
18 the county's most recent fiscal year that ends prior to the January
19 1 of the state's fiscal year is less than the amount calculated
20 under section 44a(14) of the general property tax act, 1893 PA 206,
21 MCL 211.44a, for the county fiscal year that begins in the state's
22 fiscal year. The amount calculated under this subsection shall be
23 adjusted as necessary to reflect partial county fiscal years and
24 prorated based on the total amount appropriated for distribution to
25 all eligible counties. Except as otherwise provided under this
26 subsection, payments under this subsection will be distributed to
27 an eligible county subject to the county's fulfilling the

1 requirements under subsection (3).

2 (3) For purposes of accountability and transparency, each
3 eligible city, village, township, or county shall certify by
4 December 1, or the first day of a payment month, that it has
5 produced a citizen's guide of its most recent local finances,
6 including a recognition of its unfunded liabilities; a performance
7 dashboard; a debt service report containing a detailed listing of
8 its debt service requirements, including, at a minimum, the
9 issuance date, issuance amount, type of debt instrument, a listing
10 of all revenues pledged to finance debt service by debt instrument,
11 and a listing of the annual payment amounts until maturity; and a
12 projected budget report, including, at a minimum, the current
13 fiscal year and a projection for the immediately following fiscal
14 year. The projected budget report shall include revenues and
15 expenditures and an explanation of the assumptions used for the
16 projections. Each eligible city, village, township, or county shall
17 include in any mailing of general information to its citizens the
18 internet website address location for its citizen's guide,
19 performance dashboard, debt service report, and projected budget
20 report or the physical location where these documents are available
21 for public viewing in the city, village, township, or county
22 clerk's office. Each city, village, township, and county applying
23 for a payment under this subsection shall submit a copy of the
24 performance dashboard, a copy of the debt service report, and a
25 copy of the projected budget report to the department of treasury.
26 In addition, each eligible city, village, township, or county
27 applying for a payment under this subsection shall either submit a

1 copy of the citizen's guide or certify that the city, village,
2 township, or county will be utilizing treasury's online citizen's
3 guide. The department of treasury shall develop detailed guidance
4 for a city, village, township, or county to follow to meet the
5 requirements of this subsection. The detailed guidance shall be
6 posted on the department of treasury website and distributed to
7 cities, villages, townships, and counties by October 1.

8 (4) City, village, and township revenue sharing payments and
9 county incentive program payments are subject to the following
10 conditions:

11 (a) The city, village, township, or county shall certify to
12 the department that it has met the required criteria for subsection
13 (3) and submitted the required citizen's guide, performance
14 dashboard, debt service report, and projected budget report as
15 required by subsection (3). A department of treasury review of the
16 citizen's guide, dashboard, or reports is not required in order for
17 a city, village, township, or county to receive a payment under
18 subsection (1) or (2). The department shall develop a certification
19 process and method for cities, villages, townships, and counties to
20 follow.

21 (b) Subject to subdivisions (c), (d), and (e), if a city,
22 village, township, or county meets the requirements of subsection
23 (3), the city, village, township, or county shall receive its full
24 potential payment under this section.

25 (c) Cities, villages, and townships eligible to receive a
26 payment under subsection (1) shall receive 1/6 of their eligible
27 payment on the last business day of October, December, February,

1 April, June, and August. Payments under subsection (1) shall be
2 issued to cities, villages, and townships until the specified due
3 date for subsection (3). After the specified due date for
4 subsection (3), payments shall be made to a city, village, or
5 township only if that city, village, or township has complied with
6 subdivision (a).

7 (d) Payments under subsection (2) shall be issued to counties
8 until the specified due date for subsection (3). After the
9 specified due date for subsection (3), payments shall be made to a
10 county only if that county has complied with subdivision (a).

11 (e) If a city, village, township, or county does not submit
12 the required certification, citizen's guide, performance dashboard,
13 debt service report, and projected budget report by the first day
14 of a payment month, the city, village, township, or county shall
15 forfeit the payment in that payment month.

16 (f) Any city, village, township, or county that falsifies
17 certification documents shall forfeit any future city, village, and
18 township revenue sharing payments or county incentive program
19 payments and shall repay to this state all payments it has received
20 under this section.

21 (g) City, village, and township revenue sharing payments and
22 county incentive program payments under this section shall be
23 distributed on the last business day of October, December,
24 February, April, June, and August.

25 (h) Payments distributed under this section may be withheld
26 pursuant to sections 17a and 21 of the Glenn Steil state revenue
27 sharing act of 1971, 1971 PA 140, MCL 141.917a and 141.921.

1 (5) The unexpended funds appropriated in part 1 for city,
2 village, and township revenue sharing and the county incentive
3 program shall be available for expenditure under the program for
4 financially distressed cities, villages, or townships after the
5 approval of transfers by the legislature pursuant to section 393(2)
6 of the management and budget act, 1984 PA 431, MCL 18.1393.

7 Sec. 955. (1) The funds appropriated in part 1 for county
8 revenue sharing shall be distributed by the department of treasury
9 so that each eligible county receives a payment equal to 100.986%
10 of the amount determined pursuant to the Glenn Steil state revenue
11 sharing act of 1971, 1971 PA 140, MCL 141.901 to 141.921, less the
12 amount for which the county is eligible under section 952(2) of
13 this part. The amount calculated under this subsection shall be
14 adjusted as necessary to reflect partial county fiscal years and
15 prorated based on the total amount appropriated for distribution to
16 all eligible counties.

17 (2) The department of treasury shall annually certify to the
18 state budget director the amount each county is authorized to
19 expend from its revenue sharing reserve fund.

20 Sec. 956. (1) The funds appropriated in part 1 for financially
21 distressed cities, villages, or townships shall be granted by the
22 department of treasury to cities, villages, and townships that have
23 1 or more conditions that indicate probable financial distress, as
24 determined by the department of treasury. A city, village, or
25 township with 1 or more conditions that indicate probable financial
26 distress may apply in a manner determined by the department of
27 treasury for a grant to pay for specific projects or services that

1 move the city, village, or township toward financial stability.
2 Grants are to be used for specific projects or services that move
3 the city, village, or township toward financial stability. The
4 city, village, or township must use the grants under this section
5 to make payments to reduce unfunded accrued liability; to repair or
6 replace critical infrastructure and equipment owned or maintained
7 by the city, village, or township; to reduce debt obligations; for
8 costs associated with a transition to shared services with another
9 jurisdiction; or to administer other projects that move the city,
10 village, or township toward financial stability. The department of
11 treasury shall award no more than \$2,000,000.00 to any city,
12 village, or township under this section.

13 (2) The department of treasury shall provide a report to the
14 senate and house of representatives appropriations subcommittees on
15 general government, the senate and house fiscal agencies, and the
16 state budget office by March 31. The report shall include a list by
17 grant recipient of the date each grant was approved, the amount of
18 the grant, and a description of the project or projects that will
19 be paid by the grant.

20 (3) The unexpended funds appropriated in part 1 for
21 financially distressed cities, villages, or townships are
22 designated as a work project appropriation, and any unencumbered or
23 unallotted funds shall not lapse at the end of the fiscal year and
24 shall be available for expenditure for projects under this section
25 until the projects have been completed. The following is in
26 compliance with section 451a of the management and budget act, 1984
27 PA 431, MCL 18.1451a:

1 (a) The purpose of the project is to provide assistance to
2 financially distressed cities, villages, and townships under this
3 section.

4 (b) The projects will be accomplished by grants to cities,
5 villages, and townships approved by the department of treasury.

6 (c) The total estimated cost of all projects is \$4,500,000.00.

7 (d) The tentative completion date is September 30, 2023.

8 Sec. 957. (1) From the 1-time funds appropriated in part 1 for
9 supplemental revenue sharing, a city, village, or township eligible
10 for a payment under section 952 of this part shall receive a
11 payment equal to the population of the city, village, or township
12 multiplied by \$0.40599, rounded to the nearest dollar. For purposes
13 of this section, population is determined in the same manner as
14 under section 3 of the Glenn Steil state revenue sharing act of
15 1971, 1971 PA 140, MCL 141.903. In addition, any city or village
16 that according to the 2010 federal decennial census is determined
17 to have population in more than 1 county shall be treated as a
18 single entity when determining the payment received under this
19 section.

20 (2) Cities, villages, and townships eligible to receive a
21 payment under subsection (1) shall receive 1/6 of their eligible
22 payment on the last business day of October, December, February,
23 April, June, and August.

24 **BUREAU OF STATE LOTTERY**

25 Sec. 960. In addition to the funds appropriated in part 1 to
26 the bureau of state lottery, there is appropriated from state
27 lottery fund revenues the amount necessary for, and directly

1 related to, implementing and operating lottery games under the
2 McCauley-Traxler-Law-Bowman-McNeely lottery act, 1972 PA 239, MCL
3 432.1 to 432.47, and activities under the Traxler-McCauley-Law-
4 Bowman bingo act, 1972 PA 382, MCL 432.101 to 432.120, including
5 expenditures for contractually mandated payments for vendor
6 commissions, contractually mandated payments for instant tickets
7 intended for resale, the contractual costs of providing and
8 maintaining the online system communications network, and incentive
9 and bonus payments to lottery retailers.

10 Sec. 964. For the bureau of state lottery, there is
11 appropriated 1% of the lottery's prior fiscal year's gross sales or
12 \$30,000,000.00, whichever is less, for promotion and advertising.

13 **CASINO GAMING**

14 Sec. 971. From the revenue collected by the Michigan gaming
15 control board regarding the total annual assessment of each casino
16 licensee, \$2,000,000.00 is appropriated and shall be deposited in
17 the compulsive gaming prevention fund as described in section
18 12a(5) of the Michigan gaming control and revenue act, 1996 IL 1,
19 MCL 432.212a.

20 Sec. 973. (1) Funds appropriated in part 1 for local
21 government programs may be used to provide assistance to a local
22 revenue sharing board referenced in an agreement authorized by the
23 Indian gaming regulatory act, Public Law 100-497.

24 (2) A local revenue sharing board described in subsection (1)
25 shall comply with the open meetings act, 1976 PA 267, MCL 15.261 to
26 15.275, and the freedom of information act, 1976 PA 442, MCL 15.231
27 to 15.246.

1 (3) A county treasurer is authorized to receive and administer
2 funds received for and on behalf of a local revenue sharing board.
3 Funds appropriated in part 1 for local government programs may be
4 used to audit local revenue sharing board funds held by a county
5 treasurer. This section does not limit the ability of local units
6 of government to enter into agreements with federally recognized
7 Indian tribes to provide financial assistance to local units of
8 government or to jointly provide public services.

9 (4) A local revenue sharing board described in subsection (1)
10 shall comply with all applicable provisions of any agreement
11 authorized by the Indian gaming regulatory act, Public Law 100-497,
12 in which the local revenue sharing board is referenced, including,
13 but not limited to, the disbursement of tribal casino payments
14 received under applicable provisions of the tribal-state class III
15 gaming compact in which those funds are received.

16 (5) The director of the department of state police and the
17 executive director of the Michigan gaming control board are
18 authorized to assist the local revenue sharing boards in
19 determining allocations to be made to local public safety
20 organizations.

21 (6) The Michigan gaming control board shall submit a report by
22 September 30 to the senate and house of representatives standing
23 committees on appropriations and the state budget director on the
24 receipts and distribution of revenues by local revenue sharing
25 boards.

26 Sec. 974. If revenues collected in the state services fee fund
27 are less than the amounts appropriated from the fund, available

1 revenues shall be used to fully fund the appropriation in part 1
2 for casino gaming regulation activities before distributions are
3 made to other state departments and agencies. If the remaining
4 revenue in the fund is insufficient to fully fund appropriations to
5 other state departments or agencies, the shortfall shall be
6 distributed proportionally among those departments and agencies.

7 Sec. 976. The executive director of the Michigan gaming
8 control board may pay rewards of not more than \$5,000.00 to a
9 person who provides information that results in the arrest and
10 conviction on a felony or misdemeanor charge for a crime that
11 involves the horse racing industry. A reward paid pursuant to this
12 section shall be paid out of the appropriation in part 1 for the
13 racing commission.

14 Sec. 977. All appropriations from the Michigan agriculture
15 equine industry development fund, except for the racing commission
16 appropriations, shall be reduced proportionately if revenues to the
17 Michigan agriculture equine industry development fund decline
18 during the current fiscal year to a level lower than the amount
19 appropriated in part 1.

20 Sec. 978. The Michigan gaming control board shall use actual
21 expenditure data in determining the actual regulatory costs of
22 conducting racing dates and shall provide that data to the senate
23 and house appropriations subcommittees on agriculture and general
24 government, the state budget office, and the senate and house
25 fiscal agencies. The Michigan gaming control board shall not be
26 reimbursed for more than the actual regulatory cost of conducting
27 race dates. If a certified horsemen's organization funds more than

1 the actual regulatory cost, the balance shall remain in the
2 agriculture equine industry development fund to be used to fund
3 subsequent race dates conducted by race meeting licensees with
4 which the certified horsemen's organization has contracts. If a
5 certified horsemen's organization funds less than the actual
6 regulatory costs of the additional horse racing dates, the Michigan
7 gaming control board shall reduce the number of future race dates
8 conducted by race meeting licensees with which the certified
9 horsemen's organization has contracts. Prior to the reduction in
10 the number of authorized race dates due to budget deficits, the
11 executive director of the Michigan gaming control board shall
12 provide notice to the certified horsemen's organizations with an
13 opportunity to respond with alternatives. In determining actual
14 costs, the Michigan gaming control board shall take into account
15 that each specific breed may require different regulatory
16 mechanisms.

17 Sec. 979. In addition to the funds appropriated in part 1, the
18 Michigan gaming control board may receive and expend state lottery
19 fund revenue in an amount not to exceed \$3,000,000.00 for necessary
20 expenses incurred in the licensing and regulation of millionaire
21 parties pursuant to Executive Order No. 2012-4. In accordance with
22 section 8 of the Traxler-McCauley-Law-Bowman bingo act, 1972 PA
23 382, MCL 432.108, the amount of necessary expenses shall not exceed
24 the amount of revenue received under that act. The Michigan gaming
25 control board shall provide a report to the senate and house of
26 representatives appropriations subcommittees on general government,
27 the senate and house fiscal agencies, and the state budget office

1 by April 15. The report shall include, but not be limited to, total
2 expenditures related to the licensing and regulating of millionaire
3 parties, steps taken to ensure charities are receiving revenue due
4 to them, progress on promulgating rules to ensure compliance with
5 the Traxler-McCauley-Law-Bowman bingo act, 1972 PA 382, MCL 432.101
6 to 432.120, and any enforcement actions taken.

7 **DEPARTMENT OF TALENT AND ECONOMIC DEVELOPMENT**

8 Sec. 980. (1) In addition to the funds appropriated in part 1,
9 there is appropriated an amount not to exceed \$30,000,000.00 for
10 federal contingency funds. These funds are not available for
11 expenditure until they have been transferred to another line item
12 in part 1 under section 393(2) of the management and budget act,
13 1984 PA 431, MCL 18.1393.

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

20 (3) In addition to the funds appropriated in part 1, there is
21 appropriated an amount not to exceed \$2,000,000.00 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 (4) In addition to the funds appropriated in part 1, there is

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

6 Sec. 981. Total authorized appropriations from all sources
7 under part 1 for legacy costs for the fiscal year ending September
8 30, 2019 are estimated at \$32,493,000.00. From this amount, total
9 agency appropriations for pension-related legacy costs are
10 estimated at \$14,979,800.00. Total agency appropriations for
11 retiree health care legacy costs are estimated at \$17,513,200.00.

12 Sec. 982. Federal pass-through funds to local institutions and
13 governments that are received in amounts in addition to those
14 included in part 1 and that do not require additional state
15 matching funds are appropriated for the purposes intended. The
16 department may carry forward into the succeeding fiscal year
17 unexpended federal pass-through funds to local institutions and
18 governments that do not require additional state matching funds.
19 The department shall report the amount and source of the funds to
20 the senate and house appropriation subcommittees on general
21 government, the senate and house fiscal agencies, and the state
22 budget office within 10 business days after receiving any
23 additional pass-through funds.

24 **MICHIGAN STRATEGIC FUND - HOUSING AND COMMUNITY DEVELOPMENT**

25 Sec. 990. MSHDA shall annually present a report to the state
26 budget office and the subcommittees on the status of the
27 authority's housing production goals under all financing programs

1 established or administered by the authority. The report shall give
2 special attention to efforts to raise affordable multifamily
3 housing production goals.

4 Sec. 994. In addition to the funds appropriated in part 1, the
5 funds collected by state historic preservation programs for
6 document reproduction and services and application fees are
7 appropriated for all expenses necessary to provide the required
8 services. These funds are available for expenditure when they are
9 received and may be carried forward into the succeeding fiscal
10 year.

11 Sec. 995. In addition to the amounts appropriated in part 1,
12 the land bank fast track authority may expend revenues received
13 under the land bank fast track act, 2003 PA 258, MCL 124.751 to
14 124.774, for the purposes authorized by the act, including, but not
15 limited to, the acquisition, lease, management, demolition,
16 maintenance, or rehabilitation of real or personal property,
17 payment of debt service for notes or bonds issued by the authority,
18 and other expenses to clear or quiet title property held by the
19 authority.

20 **MICHIGAN STRATEGIC FUND**

21 Sec. 1004. As a condition of receiving funds appropriated in
22 part 1, the MSF shall provide all information required to be
23 transmitted in the activities report required under section 9 of
24 the Michigan strategic fund act, 1984 PA 270, MCL 125.2009, to the
25 chairpersons of the senate and house of representatives standing
26 committees on appropriations, the chairpersons of the senate and
27 house of representatives standing committees on appropriations

1 subcommittees on general government, the senate and house fiscal
2 agencies, and the state budget director by March 15.

3 Sec. 1005. In addition to the appropriations in part 1, Travel
4 Michigan may receive and expend private revenue related to the use
5 of "Pure Michigan" and all other copyrighted slogans and images.
6 This revenue may come from the direct licensing of the name and
7 image or from the royalty payments from various merchandise sales.
8 Revenue collected is appropriated for the marketing of the state as
9 a travel destination. The funds are available for expenditure when
10 they are received by the department of treasury. The fund shall
11 provide a report that lists the revenues by source received from
12 the use of "Pure Michigan" and all other copyrighted slogans and
13 images. The report shall provide a detailed list of expenditures of
14 revenues received under this section. The report shall be provided
15 to the appropriations subcommittees on general government, the
16 fiscal agencies, and the state budget office by March 15.

17 Sec. 1006. (1) As a condition of receiving funds appropriated
18 in part 1, the fund shall provide a report of all approved
19 amendments to projects for the immediately preceding year under
20 sections 88r and 90b of the Michigan strategic fund act, 1984 PA
21 270, MCL 125.2088r and 125.2090b. The report shall provide a
22 description of each amendment, by award, which shall include, but
23 is not limited to, the following:

24 (a) The amended award amount relative to the prior award
25 amount.

26 (b) The amended number of committed jobs relative to the prior
27 number of committed jobs.

1 (c) The amended amount of qualified investment committed
2 relative to the prior amount of qualified investment committed.

3 (d) A description of any change in scope of the project.

4 (e) A description of any change in project benchmarks,
5 deadlines, or completion dates.

6 (f) The reason or justification for the amendment approval.

7 (2) In addition to being posted online, the report shall be
8 distributed to the chairpersons of the senate and house of
9 representatives standing committees on appropriations, the
10 chairpersons of the senate and house of representatives standing
11 committees on appropriations subcommittees on general government,
12 the senate and house fiscal agencies, and the state budget director
13 by March 15.

14 Sec. 1007. (1) As a condition of receiving funds appropriated
15 in part 1, the fund and the MEDC shall provide an activities report
16 on the programs and activities administered and approved by the
17 MEDC executive committee for the preceding fiscal year. Programs
18 and activities include, but are not limited to, programs and
19 activities funded with corporate or other investment revenues,
20 programs and activities supported with a combination of corporate
21 funds and state appropriated funds, and any other program
22 administered and approved by the MEDC executive committee. The MEDC
23 executive committee activities report shall provide expenditures
24 allocated by program and a listing of individual grants, loans, and
25 investments and shall include the recipient; the amount granted,
26 loaned, or invested; and the purpose of the grant, loan, or
27 investment. The activities report shall also include the following:

1 (a) The number of corporate employees of the MSF and the MEDC
2 by division.

3 (b) The preceding fiscal year year-end corporate fund balance,
4 projected corporate fund expenditures for the current fiscal year,
5 and the projected year-end corporate fund balance for the current
6 fiscal year.

7 (c) A projected budget report for the current fiscal year that
8 provides projected expenditures by specific program or activity.

9 (2) The report shall be posted online and shall be distributed
10 to the chairpersons of the senate and house of representatives
11 standing committees on appropriations, the chairpersons of the
12 senate and house of representatives standing committees on
13 appropriations subcommittees on general government, the senate and
14 house fiscal agencies, and the state budget director by March 15.

15 Sec. 1008. As a condition of receiving funds under part 1, any
16 interlocal agreement entered into by the fund shall include
17 language which states that if a local unit of government has a
18 contract or memorandum of understanding with a private economic
19 development agency, the MEDC will work cooperatively with that
20 private organization in that local area.

21 Sec. 1009. (1) Of the funds appropriated to the fund or
22 through grants to the MEDC, no funds shall be expended for the
23 purchase of options on land or the purchase of land unless at least
24 1 of the following conditions applies:

25 (a) The land is located in an economically distressed area.

26 (b) The land is obtained through a purchase or exercise of an
27 option at the invitation of the local unit of government and local

1 economic development agency.

2 (2) Consideration may be given to purchases where the proposed
3 use of the land is consistent with a regional land use plan, will
4 result in the redevelopment of an economically distressed area, can
5 be supported by existing infrastructure, and will not cause shifts
6 in population away from the area's population centers.

7 (3) As used in this section, "economically distressed area"
8 means an area in a city, village, or township that has been
9 designated as blighted; a city, village, or township that shows
10 negative population change from 1970 and a poverty rate and
11 unemployment rate greater than the statewide average; or an area
12 certified as a neighborhood enterprise zone under the neighborhood
13 enterprise zone act, 1992 PA 147, MCL 207.771 to 207.786.

14 (4) If land or options on land are purchased under subsection
15 (1), the fund shall provide a report to the senate and house of
16 representatives appropriations subcommittees on general government,
17 the senate and house fiscal agencies, and the state budget director
18 that provides a list of all properties purchased, all options on
19 land purchased, the location of the land purchased, and the
20 purchase price. The report must be submitted before March 15.

21 Sec. 1010. As a condition for receiving funds in part 1, not
22 later than March 15, the fund shall provide a report for the
23 immediately preceding fiscal year on the jobs for Michigan
24 investment fund, created in section 88h of the Michigan strategic
25 fund act, 1984 PA 270, MCL 125.2088h. The report shall be submitted
26 to the chairpersons of the senate and house of representatives
27 standing committees on appropriations, the chairpersons of the

1 senate and house of representatives standing committees on
2 appropriations subcommittees on general government, the senate and
3 house fiscal agencies, and the state budget office. The report
4 shall include, but is not limited to, all of the following:

5 (a) A detailed listing of revenues, by fund source, to the
6 jobs for Michigan investment fund. The listing shall include the
7 manner and reason for which the funds were appropriated to the jobs
8 for Michigan investment fund.

9 (b) A detailed listing of expenditures, by project, from the
10 jobs for Michigan investment fund.

11 (c) A fiscal year-end balance of the jobs for Michigan
12 investment fund.

13 Sec. 1011. (1) From the appropriations in part 1 to the fund
14 or granted or transferred to the MEDC, any unexpended or
15 unencumbered balance shall be disposed of in accordance with the
16 requirements in the management and budget act, 1984 PA 431, MCL
17 18.1101 to 18.1594, unless carryforward authorization has been
18 otherwise provided for.

19 (2) Any encumbered funds, including encumbered funds
20 subsequently unobligated, shall be used for the same purposes for
21 which funding was originally appropriated in this part and part 1.

22 (3) For funds appropriated in part 1 to the fund, any
23 carryforward authorization subsequently created through a work
24 project shall be preserved until a cash or accrued expenditure has
25 been executed or the allowable work project time period has
26 expired.

27 Sec. 1012. (1) As a condition of receiving funds under part 1,

1 the fund shall ensure that the MEDC and the fund comply with all of
2 the following:

3 (a) The freedom of information act, 1976 PA 442, MCL 15.231 to
4 15.246.

5 (b) The open meetings act, 1976 PA 267, MCL 15.261 to 15.275.

6 (c) Annual audits of all financial records by the auditor
7 general or his or her designee.

8 (d) All reports required by law to be submitted to the
9 legislature.

10 (2) If the MEDC is unable for any reason to perform duties
11 under this part, the fund may exercise those duties.

12 Sec. 1013. As a condition for receiving the appropriations in
13 part 1, any staff of the MEDC involved in private fund-raising
14 activities shall not be party to any decisions regarding the
15 awarding of grants, incentives, or tax abatements from the fund,
16 the MEDC, or the Michigan economic growth authority.

17 Sec. 1024. From the funds appropriated in part 1 for business
18 attraction and community revitalization, not less than
19 \$20,000,000.00 shall be granted by the fund board for brownfield
20 redevelopment and historic preservation projects under the
21 community revitalization program authorized by chapter 8C of the
22 Michigan strategic fund act, 1984 PA 270, MCL 125.2090 to
23 125.2090d.

24 Sec. 1032. (1) The department of talent and economic
25 development shall report to the house and senate subcommittees on
26 general government, the state budget director, and the fiscal
27 agencies on the status of the film incentives at the same time as

1 it submits the annual report required under section 455 of the
2 Michigan business tax act, 2007 PA 36, MCL 208.1455. The department
3 of treasury shall provide the department of talent and economic
4 development with the data necessary to prepare the report.
5 Incentives included in the report shall include all of the
6 following:

7 (a) The tax credit provided under section 455 of the Michigan
8 business tax act, 2007 PA 36, MCL 208.1455.

9 (b) The tax credit provided under section 457 of the Michigan
10 business tax act, 2007 PA 36, MCL 208.1457.

11 (c) The tax credit provided under section 459 of the Michigan
12 business tax act, 2007 PA 36, MCL 208.1459.

13 (d) The amount of any tax credit claimed under former section
14 367 of the income tax act of 1967, 1967 PA 281.

15 (e) Any tax credits provided for film and digital media
16 production under the Michigan economic growth authority act, 1995
17 PA 24, MCL 207.801 to 207.810.

18 (f) Loans to an eligible production company or film and
19 digital media private equity fund authorized under section 88d(3),
20 (4), and (5) of the Michigan strategic fund act, 1984 PA 270, MCL
21 125.2088d.

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

23 (a) For each tax credit, the number of contracts signed, the
24 projected expenditures qualifying for the credit, and the estimated
25 value of the credits. For loans, the number of loans made under
26 each section, the interest rate of those loans, the loan amount,
27 the percent of the projected budget of each production financed by

1 those loans, and the estimated interest earnings from the loan.

2 (b) For credits authorized under section 455 of the Michigan
3 business tax act, 2007 PA 36, MCL 208.1455, for productions
4 completed by December 31, the expenditures of each production
5 eligible for the credit that has filed a request for certificate of
6 completion with the film office, broken down into expenditures for
7 goods, services, or salaries and wages and showing separately
8 expenditures in each local unit of government, including
9 expenditures for personnel, whether or not they were made to a
10 Michigan entity, and whether or not they were taxable under the
11 laws of this state. For loans, the report shall include the number
12 of loans that have been fully repaid, with principal and interest
13 shown separately, and the number of loans that are delinquent or in
14 default, and the amount of principal that is delinquent or is in
15 default.

16 (c) For each of the tax credit incentives and loan incentives
17 listed in subsection (1), a breakdown for each project or
18 production showing each of the following:

19 (i) The number of temporary jobs created.

20 (ii) The number of permanent jobs created.

21 (iii) The number of persons employed in Michigan as a result
22 of the incentive, on a full-time equated basis.

23 (3) For any information not included in the report due to the
24 provisions of section 455(6), 457(6), or 459(6) of the Michigan
25 business tax act, 2007 PA 36, MCL 208.1455, 208.1457, and 208.1459,
26 the report shall do all of the following:

27 (a) Indicate how the information would describe the commercial

1 and financial operations or intellectual property of the company.

2 (b) Attest that the information has not been publicly
3 disseminated at any time.

4 (c) Describe how disclosure of the information may put the
5 company at a competitive disadvantage.

6 (4) Any information not disclosed due to the provisions of
7 section 455(6), 457(6), or 459(6) of the Michigan business tax act,
8 2007 PA 36, MCL 208.1455, 208.1457, and 208.1459, shall be
9 presented at the lowest level of aggregation that would no longer
10 describe the commercial and financial operations or intellectual
11 property of the company.

12 Sec. 1033. As a condition of receiving funds in part 1, not
13 later than March 15, the department of talent and economic
14 development shall provide a report on the activities of the
15 Michigan film and digital media office for the immediately
16 preceding fiscal year. The report shall be submitted to the
17 chairpersons of the senate and house of representatives
18 subcommittees on general government, the senate and house fiscal
19 agencies, and the state budget office. The report shall include,
20 but not be limited to, a listing of all projects the Michigan film
21 and digital media office provided assistance on, a listing of the
22 services provided for each project, and an estimate of investment
23 leveraged.

24 Sec. 1034. Each business incubator or accelerator that
25 received an award from the fund shall maintain and update a
26 dashboard of indicators to measure the effectiveness of the
27 business incubator and accelerator programs. Indicators shall

1 include the direct jobs created, new companies launched as a direct
2 result of business incubator or accelerator involvement, businesses
3 expanded as a direct result of business incubator or accelerator
4 involvement, direct investment in client companies, private equity
5 financing obtained by client companies, grant funding obtained by
6 client companies, and other measures developed by the recipient
7 business incubators and accelerators in conjunction with the MEDC.
8 Dashboard indicators shall be reported for the prior fiscal year
9 and cumulatively, if available. Each recipient shall submit a copy
10 of their dashboard indicators to the fund by March 1. The fund
11 shall transmit the local reports to the senate and house of
12 representatives appropriations subcommittees on general government,
13 the senate and house fiscal agencies, and the state budget director
14 by March 15.

15 Sec. 1035. (1) From the appropriation in part 1, the Michigan
16 council for arts and cultural affairs shall administer an arts and
17 cultural grant program that maintains an equitable geographic
18 distribution of funding and utilizes past arts and cultural grant
19 programs as a guideline for administering this program. The council
20 shall do all of the following:

21 (a) On or before October 1, the fund shall publish proposed
22 application criteria, instructions, and forms for use by eligible
23 applicants. The fund shall provide at least a 2-week period for
24 public comment before finalizing the application criteria,
25 instructions, and forms.

26 (b) A nonrefundable application fee may be assessed for each
27 application. Application fees shall be deposited in the council for

1 the arts fund and are appropriated for expenses necessary to
2 administer the programs. These funds are available for expenditure
3 when they are received and may be carried forward to the following
4 fiscal year.

5 (c) Grants are to be made to public and private arts and
6 cultural entities.

7 (d) Within 1 business day after the award announcements, the
8 council shall provide to each member of the legislature and the
9 fiscal agencies a list of all grant recipients and the total award
10 given to each recipient, sorted by county.

11 (e) In addition to the information in subdivision (d), the
12 council shall report on the number of applications received, number
13 of grants awarded, total amount requested from applications
14 received, and total amount of grants awarded.

15 (2) The appropriation in part 1 for arts and cultural program
16 shall not be used for the administration of the grant program.

17 Sec. 1036. (1) The GF/GP funds appropriated in part 1 to the
18 fund for business attraction and community revitalization shall be
19 transferred to the 21st century jobs trust fund per section 90b(3)
20 of the Michigan strategic fund act, 1984 PA 270, MCL 125.2090b.

21 (2) Funds transferred to the 21st century jobs trust fund
22 under subsection (1) are appropriated and available for allocation
23 as authorized in the Michigan strategic fund act, 1984 PA 270, MCL
24 125.2001 to 125.2094.

25 Sec. 1038. (1) From the funds appropriated in part 1, the
26 department shall work with Michigan State University to gather
27 information and create an annual progress report on the

1 construction of the Facility for Rare Isotope Beams. The report
2 shall include, but is not limited to, the following information:

3 (a) If construction is ahead of the scheduled timeline made
4 with the United States Department of Energy at the end of the
5 previous fiscal year and the number of weeks.

6 (b) If the cost of construction is under or over the amount
7 projected for the previous fiscal year and the amount.

8 (c) The number of Michigan companies that have been contracted
9 for the project, the total amount of those contracts, and number of
10 permanent and temporary employees employed in the previous fiscal
11 year.

12 (2) The department shall report to the state budget director,
13 senate and house standing committees on appropriations, senate and
14 house appropriation subcommittees on general government, and senate
15 and house fiscal agencies by March 15. If information is not
16 provided by Michigan State University by March 15, the department
17 shall provide notice of steps taken to get the required information
18 and when it will be available.

19 Sec. 1040. As a condition of receiving funds in part 1, the
20 department of talent and economic development shall utilize SIGMA,
21 or a successor MDTMB-administered administrative information system
22 used across state government, as an appropriation and expenditure
23 reporting system to track all financial transactions with
24 individual vendors, contractual partners, grantees, recipients of
25 business incentives, and recipients of other economic assistance.
26 Encumbrances and expenditures shall be reported in a timely manner.

27 Sec. 1041. From the funds appropriated in part 1 for business

1 attraction and community revitalization, the fund shall request the
2 transfer by the state treasurer of not more than 60% of the funds
3 prior to April 1.

4 Sec. 1042. For the funds appropriated in part 1 for business
5 attraction and community revitalization, the fund shall report
6 quarterly on the amount of funds considered appropriated, pre-
7 encumbered, encumbered, and expended. The report shall also include
8 a listing of all previous appropriations for business attraction
9 and community revitalization, or a predecessor, that were
10 considered appropriated, pre-encumbered, encumbered, or expended
11 that have lapsed back to the fund for any purpose. The report shall
12 be submitted to the chairpersons of the senate and house of
13 representatives standing committees on appropriations, the
14 chairpersons of the senate and house of representatives standing
15 committees on appropriations subcommittees on general government,
16 the senate and house fiscal agencies, and the state budget
17 director.

18 Sec. 1043. (1) The fund, in conjunction with the department of
19 treasury, shall report to the senate and house of representatives
20 appropriations subcommittees on general government, the senate and
21 house fiscal agencies, and the state budget director by November 1
22 on the annual cost of the MEGA tax credits. The report shall
23 include for each year the board-approved credit amount, adjusted
24 for credit amendments where applicable, and the actual and
25 projected value of tax credits for each year from 1995 to the
26 expiration of the credit program. For years for which credit claims
27 are complete, the report shall include the total of actual

1 certificated credit amounts. For years for which claims are still
2 pending or not yet submitted, the report shall include a
3 combination of actual credits where available and projected
4 credits. Credit projections shall be based on updated estimates of
5 employees, wages, and benefits for eligible companies.

6 (2) In addition to the report under subsection (1), the fund,
7 in conjunction with the department of treasury, shall report to the
8 senate and house of representatives appropriations subcommittees on
9 general government, the senate and house fiscal agencies, and the
10 state budget director by November 1 on the annual cost of all other
11 certificated credits by program, for each year until the credits
12 expire or can no longer be collected. The report shall include
13 estimates on the brownfield redevelopment credit, film credits,
14 MEGA photovoltaic technology credit, MEGA polycrystalline silicon
15 manufacturing credit, MEGA vehicle battery credit, and other
16 certificated credits.

17 Sec. 1044. As a condition of receiving appropriations in part
18 1, prior to authorizing the transfer of any previously authorized
19 tax credit that would increase the liability to this state, the
20 department of talent and economic development, on behalf of the MSF
21 board, shall notify the chairpersons of the senate and house of
22 representatives standing committees on appropriations, the
23 chairpersons of the relevant appropriations subcommittees, the
24 senate and house fiscal agencies, and the state budget director not
25 fewer than 30 days prior to the authorization of the tax credit
26 transfer.

27 Sec. 1047. (1) From the funds appropriated in part 1 for

1 business attraction and community revitalization, \$500,000.00 shall
2 be allocated to a career and technology education center that
3 serves both students and adults and has joint cooperation and
4 funding from a local school district, intermediate school district,
5 Michigan Works!, and Michigan manufacturing companies located in a
6 county with a population of between 99,000 and 100,000 according to
7 the most recent federal decennial census. The funds shall be used
8 to support a pilot program that provides 50% of training funds up
9 front for eligible participants and works with local employers to
10 ensure that the pilot program is reimbursed for the training funds
11 used to train a participant who completes 90 days of employment
12 with the employer. Funds appropriated under part 1 for this program
13 shall be sufficient to support the first 3 years of program
14 funding.

15 (2) The pilot program funded under subsection (1) shall
16 require the adult training staff to work with individuals and local
17 employers to identify a cohort of participants who meet the
18 eligibility requirements for this program. To be eligible for this
19 program, participants shall meet all of the requirements for either
20 of the following options:

21 (a) Option 1 requires the participant to meet all of the
22 following:

23 (i) The participant must be currently employed.

24 (ii) The participant must be working in a job that is
25 determined to be below his or her level of education or experience.

26 (iii) The participant must demonstrate an ability to maintain
27 a job once training is complete.

1 (b) Option 2 requires the participant to meet all of the
2 following:

3 (i) The participant must be currently employed.

4 (ii) The participant must be identified by his or her employer
5 as a person who can master higher level skills.

6 (iii) The participant must demonstrate an ability to maintain
7 a job once training is complete.

8 (3) A pilot program funded under subsection (1) must be
9 required to have on staff at least 1 adult training navigator who
10 will serve as a caseworker for each participant identified under
11 subsection (2). The navigator must work with adult training staff
12 and potential employers to design an educational program best
13 suited to the personal and employment needs of the participant.

14 (4) Not later than December 1, the pilot program funded under
15 subsection (1) must provide a report detailing the number of
16 participants, the number of certificates obtained, and the number
17 of participants transitioned to enhanced employment to the senate
18 and house appropriations subcommittees on general government, the
19 senate and house fiscal agencies, and the state budget director.

20 (5) It is the intent of the legislature that upon completion
21 of the 3-year pilot program, industry partners shall be required to
22 provide 50% of employment enhancement training funds up front to
23 the training facility for eligible training participants. In
24 addition, the training facility shall provide 50% of training funds
25 up front for eligible training participants. Once a training
26 participant completes 90 days of employment with an industry
27 partner, the industry partner shall reimburse the training facility

1 for funds used to train the training participant.

2 Sec. 1050. (1) From the funds appropriated in part 1 for
3 business attraction and community revitalization, the department of
4 talent and economic development shall identify specific outcomes
5 and performance measures, including, but not limited to, the
6 following:

7 (a) Total verified jobs created during the fiscal year ending
8 September 30, 2019.

9 (b) Total private investment obtained during the fiscal year
10 ending September 30, 2019.

11 (c) Amount of private and public square footage created and
12 reactivated during the fiscal year ending September 30, 2019.

13 (2) The department of talent and economic development must
14 submit a report to the house and senate appropriations
15 subcommittees on general government, the senate and house fiscal
16 agencies, and the state budget director by March 15. The report
17 must describe the specific outcomes and measures required in
18 subsection (1) and provide the results and data related to these
19 outcomes and measures for the prior fiscal year if related
20 information is available for the prior fiscal year.

21 Sec. 1052. From the one-time funds appropriated in part 1 for
22 project rising tide, the department of talent and economic
23 development shall identify specific outcomes and performance
24 measures, including, but not limited to, the following:

25 (a) Number of communities participating in and completing the
26 redevelopment ready communities best practices evaluation during
27 the fiscal year ending September 30, 2019.

1 (b) Number of technical assistance projects completed during
2 the fiscal year ending September 30, 2019.

3 Sec. 1053. As a condition of receiving funds appropriated in
4 part 1 for the arts and cultural program, the department of talent
5 and economic development shall identify specific outcomes and
6 performance measures, including, but not limited to, the following:

7 (a) Number of applications received during the fiscal year
8 ending September 30, 2019.

9 (b) Number of grants awarded during the fiscal year ending
10 September 30, 2019.

11 (c) Number of FTEs supported by grants during the fiscal year
12 ending September 30, 2019.

13 **TALENT INVESTMENT AGENCY**

14 Sec. 1060. The talent investment agency shall administer the
15 PATH training program in accordance with the requirements of
16 section 407(d) of title IV of the social security act, 42 USC 607,
17 the state social welfare act, 1939 PA 280, MCL 400.1 to 400.119b,
18 and all other applicable laws and regulations.

19 Sec. 1061. From the funds appropriated in part 1 for workforce
20 programs subgrantees, the talent investment agency may allocate
21 funding for grants to nonprofit organizations that offer programs
22 pursuant to the workforce investment act of 1998, Public Law 105-
23 220, or the workforce innovation and opportunity act, 29 USC 3101
24 to 3361, eligible youth focusing on apprenticeship readiness, pre-
25 apprenticeship and apprenticeship activities, entrepreneurship,
26 work-readiness skills, job shadowing, and financial literacy.
27 Organizations eligible for funding under this section must have the

1 capacity to provide similar programs in urban areas, as determined
2 by the United States Bureau of the Census according to the most
3 recent federal decennial census. Additionally, programs eligible
4 for funding under this section must include the participation of
5 local business partners. The talent investment agency shall develop
6 other appropriate eligibility requirements to ensure compliance
7 with applicable federal rules and regulations.

8 Sec. 1062. The talent investment agency shall make available,
9 in person or by telephone, 1 disabled veterans outreach program
10 specialist or local veterans employment representative to Michigan
11 Works! service centers, as resources permit, during hours of
12 operation, and shall continue to make the appropriate placement of
13 veterans and disabled veterans a priority.

14 Sec. 1063. (1) In addition to the funds appropriated in part
15 1, any unencumbered and unrestricted federal workforce investment
16 act of 1998, Public Law 105-220, workforce innovation and
17 opportunity act, 29 USC 3101 to 3361, or trade adjustment
18 assistance funds available from prior fiscal years are appropriated
19 for the purposes originally intended.

20 (2) The talent investment agency shall report by February 15
21 to the senate and house subcommittees on general government, the
22 fiscal agencies, and the state budget director on the amount, by
23 fiscal year, of federal workforce investment act of 1998, Public
24 Law 105-220, and workforce innovation and opportunity act, 29 USC
25 3101 to 3361, funds appropriated under this section.

26 Sec. 1064. As a condition of receiving funds appropriated in
27 part 1 for Going pro, the talent investment agency shall provide a

1 report on Going pro expenditures, by program or grant type, for the
2 prior fiscal year. In addition, the report shall include projected
3 expenditures, by program or grant type, for the current fiscal
4 year. The report shall be posted online and distributed to the
5 chairpersons of the senate and house of representatives standing
6 committees on appropriations, the chairpersons of the senate and
7 house of representatives standing committees on appropriations
8 subcommittees on general government, the senate and house fiscal
9 agencies, and the state budget director by March 15.

10 Sec. 1065. The talent investment agency shall publish data and
11 reports on March 15 and September 30 on the agency website
12 concerning the status of career technology and Going pro funded in
13 part 1. The report shall include the following:

14 (a) The number of awardees participating in the program and
15 the names of those awardees organized by major industry group.

16 (b) The amount of funding received by each awardee under the
17 program.

18 (c) Amount of funding leveraged from each awardee.

19 (d) Training models established by each awardee.

20 (e) The number of individuals enrolled in classroom training,
21 on-the-job training, and new USDOL registered apprenticeships.

22 (f) The number of individuals who completed the program and
23 were hired by awardee.

24 (g) The number of applications received and the number of
25 applications approved for each region.

26 (h) The talent investment agency shall expand workforce
27 training and reemployment services to better connect workers to in-

1 demand jobs and identify specific outcomes with performance metrics
2 for this initiative, including, but not limited to, new
3 apprenticeships, individuals to be hired and trained, current
4 employees trained, training completed, and employment retention
5 rate at 6 months, and hourly wage at 6 months.

6 Sec. 1066. As a condition of receiving funds in part 1 for
7 Going pro, the talent investment agency shall administer the
8 program as follows:

9 (a) The talent investment agency shall work cooperatively with
10 grantees to maximize the amount of funds from part 1 that are
11 available for direct training.

12 (b) The talent investment agency, workforce development
13 partners, including regional Michigan Works! agencies, and
14 employers shall collaborate and work cooperatively to prioritize
15 and streamline the expenditure of the funds appropriated in part 1.
16 The talent investment agency shall ensure that Going pro provides a
17 collaborative statewide network of workforce and employee skill
18 development partners that addresses the employee talent needs
19 throughout the state.

20 (c) The talent investment agency shall ensure that grants are
21 utilized for individual skill enhancement and to address in-demand
22 talent needs in Michigan.

23 (d) The talent investment agency shall develop program goals
24 and detailed guidance for prospective participants to follow to
25 qualify under the program. The program goals and detailed guidance
26 shall be posted on the talent investment agency website and
27 distributed to workforce development partners, including local

1 Michigan Works! agencies, by October 1. Periodic assessments of
2 employer and employee needs shall be evaluated on a regional basis,
3 and the talent investment agency shall identify solutions and goals
4 to be implemented to satisfy those needs. The talent investment
5 agency shall notify the senate and house of representatives
6 standing committees on appropriations, the senate and house of
7 representatives standing committees on appropriations subcommittees
8 on general government, the senate and house fiscal agencies, and
9 the state budget director on any program goal, solution, or
10 guidance changes not fewer than 14 days prior to the finalization
11 and publication of the changes. Revenue received by the talent
12 investment agency for Going pro may be expended for the purpose of
13 those programs.

14 (e) Up to \$5,000,000.00 of the funds may be expended to match
15 federal funds. The intent of these funds will involve improving and
16 increasing the skill level of employees in skilled trades in the
17 automotive industry and the manufacturing processes within the
18 changing manufacturing environment.

19 Sec. 1068. (1) Of the funds appropriated in part 1 for the
20 workforce training programs, the talent investment agency shall
21 provide a report by March 15 to the senate and house of
22 representatives standing committees on appropriations subcommittees
23 on general government, the state budget director, and the fiscal
24 agencies on the status of the workforce training programs. The
25 report shall include the following:

26 (a) The amount of funding allocated to each Michigan Works!
27 agency and the total funding allocated to the workforce training

1 programs statewide by fund source.

2 (b) The number of participants enrolled in education or
3 training programs by each Michigan Works! agency.

4 (c) The average duration of training for training program
5 participants by each Michigan Works! agency.

6 (d) The number of participants enrolled in remedial education
7 programs and the number of participants enrolled in literacy
8 programs.

9 (e) The number of participants enrolled in programs at 2-year
10 institutions.

11 (f) The number of participants enrolled in programs at 4-year
12 institutions.

13 (g) The number of participants enrolled in proprietary schools
14 or other technical training programs.

15 (h) The number of participants that have completed education
16 or training programs.

17 (i) The number of participants who secured employment in
18 Michigan within 1 year of completing a training program.

19 (j) The number of participants who completed a training
20 program and secured employment in a field related to their
21 training.

22 (k) The average wage earned by participants who completed a
23 training program and secured employment within 1 year.

24 (l) The actual revenues received by the fund source and fund
25 appropriated for each discrete workforce development program area.

26 (2) Data collection for the report shall be for the prior
27 state fiscal year.

1 Sec. 1070. (1) From the one-time funds appropriated in part 1
2 for Going pro, \$1,500,000.00 must be awarded for a program to
3 assist adults over the age of 23 in obtaining high school diplomas
4 and placement in career training programs.

5 (2) For purposes of this section, an eligible program provider
6 may be a public, nonprofit, or private accredited diploma-granting
7 institution, but must have at least 2 years of experience providing
8 dropout recovery services in the state of Michigan.

9 (3) The department of talent and economic development shall
10 issue a request for qualifications for eligible program providers
11 to participate in the pilot program. To be considered a qualified
12 program provider, the institution must possess all of the
13 following:

14 (a) Experience providing dropout reengagement services.

15 (b) Ability to provide academic intake assessments.

16 (c) Capacity to provide an integrated learning plan.

17 (d) Course catalog that includes access to all graduation
18 requirements.

19 (e) Capability to provide remediation coursework.

20 (f) Means to provide academic resilience assessment and
21 intervention.

22 (g) Capacity to provide employability skills development.

23 (h) Ability to provide WorkKeys preparation.

24 (i) Ability to provide industry credentials.

25 (j) Capability to provide credit for on-the-job training.

26 (k) Access to a robust support framework, including
27 technology, social support, and academic support accredited by a

1 recognized accrediting body.

2 (4) The department shall announce qualified program providers
3 no later than January 1, 2018. Qualified program providers must
4 start providing programming by February 1, 2018.

5 (5) The department of talent and economic development shall
6 reimburse qualified program providers for each month of
7 satisfactory monthly progress as described in section 23a of the
8 state school aid act, 1979 PA 94, MCL 388.1623a, at a rate of
9 \$500.00 per month. A payment shall be made to a qualified program
10 provider for the completion of the following by a pupil:

11 (a) \$500.00 for the completion of an employability skills
12 certification program equal to at least 1 Carnegie unit.

13 (b) \$250.00 for the attainment of an industry-recognized
14 credential requiring up to 50 hours of training.

15 (c) \$500.00 for the attainment of an industry-recognized
16 credential requiring 50 to 100 hours of training.

17 (d) \$750.00 for the attainment of an industry-recognized
18 credential requiring more than 100 hours of training.

19 (e) \$1,000.00 for attainment of a high school diploma.

20 (f) \$2,500.00 for placement in a job in an in-demand career
21 pathway.

22 (6) The department of talent and economic development shall
23 develop policies and guidelines to implement this section.

24 Sec. 1071. From the funds appropriated in part 1 for at-risk
25 youth grants, \$3,000,000.00 must be awarded to the Michigan
26 franchise holder of the national Jobs for America's Graduates
27 program.

1 Sec. 1076. The department of talent and economic development
2 shall provide a quarterly report to the members of the senate and
3 house committees on appropriations, the senate and house fiscal
4 agencies, and the state budget director that includes, but is not
5 limited to, the following:

6 (a) The number of new fraudulent cases that have been
7 identified or issued by the unemployment insurance agency,
8 classified by employer or claimant, during the quarter.

9 (b) The total amount of penalties and interest issued on
10 fraudulent cases during the quarter.

11 (c) The total amount of penalties and interest dollars
12 received during the quarter.

13 (d) The total amount of penalties and interest still owed to
14 the state.

15 (e) The number of fraudulent cases that have been appealed by
16 an employer or claimant during the quarter.

17 Sec. 1078. (1) From the funds appropriated in part 1 for the
18 unemployment insurance agency, the talent investment agency shall
19 maintain customer service standards for employers and claimants
20 making use of the various means by which they can access the
21 system.

22 (2) The talent investment agency shall identify specific
23 outcomes and performance metrics for this initiative, including,
24 but not limited to, the following:

25 (a) Unemployment benefit fund balance.

26 (b) Process improvement - fiscal integrity.

27 (c) Process improvement - determination timeliness.

1 (d) Process improvement - determination quality.

2 Sec. 1079. (1) The talent investment agency shall extend the
3 interagency agreement with the department of health and human
4 services for the duration of the current fiscal year, which
5 concerns TANF funding to provide job readiness and welfare-to-work
6 programming. The interagency agreement shall include specific
7 outcome and performance reporting requirements as described in this
8 section. TANF funding provided to the talent investment agency in
9 the current fiscal year is contingent on compliance with the data
10 and reporting requirements described in this section. The
11 interagency agreement shall require the talent investment agency to
12 provide all of the following items for the previous year to the
13 senate and house appropriations committees by January 1 of the
14 current fiscal year:

15 (a) An itemized spending report on TANF funding, including all
16 of the following:

17 (i) Direct services to clients.

18 (ii) Administrative expenditures.

19 (b) The number of family independence program clients served
20 through the TANF funding, including all of the following:

21 (i) The number and percentage who obtained employment through
22 Michigan Works!.

23 (ii) The number and percentage who fulfilled their TANF work
24 requirement through other job readiness programming.

25 (iii) Average TANF spending per client.

26 (iv) The number and percentage of clients who were referred to
27 Michigan Works! but did not receive a job or job readiness

1 placement and the reasons why.

2 (2) Not later than March 15 of the current fiscal year, the
3 department shall provide to the senate and house appropriations
4 subcommittees on the department budget, the senate and house fiscal
5 agencies, and the senate and house policy offices an annual report
6 on the following matters itemized by Michigan Works! agency: the
7 number of referrals to Michigan Works! job readiness programs, the
8 number of referrals to Michigan Works! job readiness programs who
9 became a participant in the Michigan Works! job readiness programs,
10 the number of participants who obtained employment, and the cost
11 per participant case.

12 Sec. 1080. (1) From the funds appropriated in part 1 for
13 community ventures, the department of talent and economic
14 development may expend not more than \$2,000,000.00 of the funds as
15 matching funds upon the commitment of matching dollars from private
16 sources. For every \$1.00 the department of talent and economic
17 development elects to receive from a private source for the
18 purposes of a community ventures program match, the department of
19 talent and economic development shall expend \$1.00 from the
20 appropriation in part 1 up to \$2,000,000.00. Funds received from
21 private sources for a community ventures program match are
22 appropriated upon receipt and shall be expended for the purposes of
23 the community ventures program.

24 (2) The department of talent and economic development shall
25 identify specific outcomes and performance measures for this
26 initiative, including, but not limited to, the following:

27 (a) The number of commitments from private sources, including

1 the dollar amount committed and source.

2 (b) Additional participants served with challenge funds.

3 (c) Jobs created and the average wage.

4 Sec. 1081. (1) The department of talent and economic
5 development shall provide a status update on the statewide system
6 for data integration that established new information technology
7 systems to integrate data for talent and pipeline development to
8 track and report workforce development activities and provide for
9 sustained and expanded longitudinal data analysis between state
10 departments.

11 (2) The department of talent and economic development shall
12 provide a report by March 15 for the current and prior fiscal years
13 on specific outcomes and performance metrics for this initiative,
14 including, but not limited to, the following:

15 (a) Job placements and retention at 6 months.

16 (b) Apprenticeships completed.

17 (c) Average wage.

18 Sec. 1082. As a condition of receiving funds in part 1, the
19 department of talent and economic development shall provide a
20 status update by March 15 on the usage of the funds appropriated
21 for the sustainable employment pilot program in 2016 PA 268 and
22 2016 PA 340. The status update shall include, but not be limited
23 to, all of the following:

24 (a) A description of the sustainable employment initiatives
25 supported with the funds appropriated, including the location of
26 the initiatives.

27 (b) Number of individuals participating in the program

1 supported with the funds appropriated.

2 (c) A listing of performance measures the department uses to
3 measure program effectiveness.

4 (d) Specific outcomes related to the performance measures
5 developed by the department.

6 Sec. 1084. As a condition of receiving funds appropriated in
7 part 1 for Going pro, the department of talent and economic
8 development shall identify specific outcomes and performance
9 measures, including, but not limited to, all of the following:

10 (a) Number of job training grants awarded to employers during
11 the fiscal year ending September 30, 2019.

12 (b) Number of individuals enrolled in and completing training
13 during the fiscal year ending September 30, 2019.

14 (c) Number of new jobs and apprenticeships created during the
15 fiscal year ending September 30, 2019.

16 **STATE BUILDING AUTHORITY**

17 Sec. 1100. (1) Subject to section 242 of the management and
18 budget act, 1984 PA 431, MCL 18.1242, and upon the approval of the
19 state building authority, the department of treasury may expend
20 from the general fund of the state during the fiscal year an amount
21 to meet the cash flow requirements of those state building
22 authority projects solely for lease to a state agency identified in
23 both part 1 and this section, and for which state building
24 authority bonds or notes have not been issued, and for the sole
25 acquisition by the state building authority of equipment and
26 furnishings for lease to a state agency as permitted by 1964 PA

1 183, MCL 830.411 to 830.425, for which the issuance of bonds or
2 notes is authorized by a legislative appropriation act that is
3 effective for the immediately preceding fiscal year. Any general
4 fund advances for which state building authority bonds have not
5 been issued shall bear an interest cost to the state building
6 authority at a rate not to exceed that earned by the state
7 treasurer's common cash fund during the period in which the
8 advances are outstanding and are repaid to the general fund of the
9 state.

10 (2) Upon sale of bonds or notes for the projects identified in
11 part 1 or for equipment as authorized by a legislative
12 appropriation act and in this section, the state building authority
13 shall credit the general fund of the state an amount equal to that
14 expended from the general fund plus interest, if any, as defined in
15 this section.

16 (3) For state building authority projects for which bonds or
17 notes have been issued and upon the request of the state building
18 authority, the state treasurer shall make advances without interest
19 from the general fund as necessary to meet cash flow requirements
20 for the projects, which advances shall be reimbursed by the state
21 building authority when the investments earmarked for the financing
22 of the projects mature.

23 (4) In the event that a project identified in part 1 is
24 terminated after final design is complete, advances made on behalf
25 of the state building authority for the costs of final design shall
26 be repaid to the general fund in a manner recommended by the
27 director.

1 Sec. 1102. (1) State building authority funding to finance
2 construction or renovation of a facility that collects revenue in
3 excess of money required for the operation of that facility shall
4 not be released to a university or community college unless the
5 institution agrees to reimburse that excess revenue to the state
6 building authority. The excess revenue shall be credited to the
7 general fund to offset rent obligations associated with the
8 retirement of bonds issued for that facility. The auditor general
9 shall annually identify and present an audit of those facilities
10 that are subject to this section. Costs associated with the
11 administration of the audit shall be charged against money
12 recovered pursuant to this section.

13 (2) As used in this section, "revenue" includes state
14 appropriations, facility opening money, other state aid, indirect
15 cost reimbursement, and other revenue generated by the activities
16 of the facility.

17 Sec. 1103. The state building authority shall provide to the
18 JCOS and senate and house fiscal agencies a report relative to the
19 status of construction projects associated with state building
20 authority bonds as of September 30 of each year, on or before
21 October 15, or not more than 30 days after a refinancing or
22 restructuring bond issue is sold. The report shall include, but is
23 not limited to, the following:

24 (a) A list of all completed construction projects for which
25 state building authority bonds have been sold, and which bonds are
26 currently active.

27 (b) A list of all projects under construction for which sale

1 of state building authority bonds is pending.

2 (c) A list of all projects authorized for construction or
 3 identified in an appropriations act for which approval of
 4 schematic/preliminary plans or total authorized cost is pending
 5 that have state building authority bonds identified as a source of
 6 financing.

7 **REVENUE STATEMENT**

8 Sec. 1201. Pursuant to section 18 of article V of the state
 9 constitution of 1963, fund balances and estimates are presented in
 10 the following statement:

11 BUDGET RECOMMENDATIONS BY OPERATING FUNDS

12 (Amounts in millions)

13 Fiscal Year 2018-2019

14	Beginning	Estimated	Ending
15	<u>Balance</u>	<u>Revenue</u>	<u>Balance</u>
16 OPERATING FUNDS			
17 General fund/general purpose	191.8	9,864.8	7.3
18 School aid fund	97.1	15,335.6	6.1
19 Federal aid	0.0	20,650.0	0.0
20 Transportation funds	0.0	5,971.7	0.0
21 Special revenue funds	0.0	7,075.1	0.0
22 Countercyclical economic and			
23 budget stabilization fund	889.1	33.1	922.2
24 TOTALS	\$1,178.0	\$58,930.3	\$935.6

House Bill No. 5578 as amended April 24, 2018

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ARTICLE X

DEPARTMENT OF HEALTH AND HUMAN SERVICES

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of health and human services for the fiscal year ending September 30, 2019, from the following funds:

DEPARTMENT OF HEALTH AND HUMAN SERVICES

APPROPRIATION SUMMARY

Full-time equated unclassified positions	6.0	
Full-time equated classified positions	15,612.7	
Average population	770.0	
GROSS APPROPRIATION.....	\$	[25,137,624,300]
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		13,813,700
AJUSTED GROSS APPROPRIATION.....	\$	[25,123,810,600]
Federal revenues:		
Social security act, temporary assistance for needy families		552,359,500
Capped federal revenues.....		592,047,600
Total other federal revenues.....		16,737,130,700
Special revenue funds:		
Total local revenues.....		123,112,900
Total private revenues.....		148,409,900
Michigan merit award trust fund.....		52,268,700
Total other state restricted revenues.....		2,409,579,500

House Bill No. 5578 as amended April 24, 2018

1	State general fund/general purpose.....	\$	[4,508,901,800]
2	Sec. 102. DEPARTMENTAL ADMINISTRATION AND SUPPORT		
3	Full-time equated unclassified positions	6.0	
4	Full-time equated classified positions	797.6	
5	Unclassified salaries--6.0 FTE positions.....	\$	1,176,100
6	Administrative hearings officers.....		11,340,000
7	Demonstration projects--7.0 FTE positions.....		7,358,400
8	Departmental administration and management--603.6 FTE		
9	positions		113,659,000
10	Developmental disabilities council and projects--10.0		
11	FTE positions		3,090,000
12	Office of inspector general--177.0 FTE positions.....		22,204,500
13	Property management.....		65,966,100
14	Terminal leave payments.....		7,250,000
15	Worker's compensation.....		<u>7,523,100</u>
16	GROSS APPROPRIATION.....	\$	239,567,200
17	Appropriated from:		
18	Interdepartmental grant revenues:		
19	IDG from department of education.....		1,943,300
20	Federal revenues:		
21	Social security act, temporary assistance for needy		
22	families		23,489,700
23	Capped federal revenues.....		20,421,100
24	Total other federal revenues.....		90,125,000
25	Special revenue funds:		
26	Total local revenues.....		86,000
27	Total private revenues.....		3,843,200

1	Total other state restricted revenues.....	851,400
2	State general fund/general purpose.....	\$ 98,807,500
3	Sec. 103. CHILD SUPPORT ENFORCEMENT	
4	Full-time equated classified positions185.7	
5	Child support enforcement operations--179.7 FTE	
6	positions	\$ 22,940,500
7	Child support incentive payments.....	24,409,600
8	Legal support contracts.....	113,607,100
9	State disbursement unit--6.0 FTE positions.....	<u>8,127,500</u>
10	GROSS APPROPRIATION.....	\$ 169,084,700
11	Appropriated from:	
12	Federal revenues:	
13	Capped federal revenues.....	1,735,000
14	Total other federal revenues.....	143,074,600
15	State general fund/general purpose.....	\$ 24,275,100
16	Sec. 104. COMMUNITY SERVICES AND OUTREACH	
17	Full-time equated classified positions75.6	
18	Bureau of community services and outreach--20.0 FTE	
19	positions	\$ 2,571,400
20	Child advocacy centers--0.5 FTE position.....	1,407,000
21	Community services and outreach administration--11.0	
22	FTE positions	1,492,000
23	Community services block grant.....	25,840,000
24	Crime victim grants administration services--13.0 FTE	
25	positions	2,206,500
26	Crime victim justice assistance grants.....	59,279,300
27	Crime victim rights services grants.....	18,870,000

House Bill No. 5578 as amended April 24, 2018

1	Domestic violence prevention and treatment--15.6 FTE	
2	positions	16,010,100
3	Homeless programs	20,642,700
4	Housing and support services	13,031,000
5	[]
6	Michigan community service commission--15.0 FTE	
7	positions	11,650,300
8	Rape prevention and services--0.5 FTE position.....	5,097,300
9	School success partnership program.....	525,000
10	Uniform statewide sexual assault evidence kit tracking	
11	system	800,000
12	Weatherization assistance.....	<u>16,340,000</u>
13	GROSS APPROPRIATION.....	\$ [195,762,600]
14	Appropriated from:	
15	Federal revenues:	
16	Social security act, temporary assistance for needy	
17	families	13,189,800
18	Capped federal revenues.....	67,894,400
19	Total other federal revenues.....	75,852,300
20	Special revenue funds:	
21	Private - collections.....	44,100
22	Compulsive gambling prevention fund.....	1,040,500
23	Sexual assault victims' prevention and treatment fund.	3,000,000
24	Child advocacy centers fund.....	1,407,000
25	Crime victim's rights fund.....	15,356,600
26	Sexual assault evidence tracking fund.....	800,000
27	State general fund/general purpose.....	\$ [17,177,900]

1 **Sec. 105. CHILDREN'S SERVICES AGENCY - CHILD**

2 **WELFARE**

3	Full-time equated classified positions	3,844.2	
4	Adoption subsidies.....		\$ 204,711,800
5	Adoption support services--10.0 FTE positions.....		27,417,100
6	Attorney general contract.....		4,455,800
7	Child abuse and neglect - children's justice act--1.0		
8	FTE position		624,700
9	Child care fund.....		194,562,300
10	Child protection.....		800,300
11	Child welfare administration travel.....		375,000
12	Child welfare field staff - caseload compliance--		
13	2,461.0 FTE positions		234,317,000
14	Child welfare field staff - noncaseload compliance--		
15	330.0 FTE positions		35,199,800
16	Child welfare first line supervisors--578.0 FTE		
17	positions		74,179,200
18	Child welfare institute--45.0 FTE positions.....		8,328,600
19	Child welfare licensing--59.0 FTE positions.....		7,025,400
20	Child welfare medical/psychiatric evaluations.....		10,435,500
21	Children's services administration--172.2 FTE		
22	positions		20,430,800
23	Children's trust fund--12.0 FTE positions.....		4,345,200
24	Contractual services, supplies, and materials.....		9,300,000
25	Education planners--15.0 FTE positions.....		1,558,600
26	Family preservation and prevention services		
27	administration--9.0 FTE positions		1,322,100

1	Family preservation programs--13.0 FTE positions.....	38,900,900
2	Family support subsidy.....	15,236,100
3	Foster care payments.....	234,843,400
4	Guardianship assistance program.....	12,675,500
5	Interstate compact.....	179,600
6	Peer coaches--45.5 FTE positions.....	5,838,600
7	Performance-based funding implementation--3.0 FTE	
8	positions	1,450,200
9	Permanency resource managers--28.0 FTE positions.....	3,254,600
10	Prosecuting attorney contracts.....	3,879,500
11	Second line supervisors and technical staff--54.0 FTE	
12	positions	9,078,000
13	Settlement monitor.....	1,885,800
14	Strong families/safe children.....	12,350,100
15	Title IV-E compliance and accountability office--4.0	
16	FTE positions	432,200
17	Youth in transition--4.5 FTE positions.....	<u>15,787,300</u>
18	GROSS APPROPRIATION.....	\$ 1,195,181,000
19	Appropriated from:	
20	Interdepartmental grant revenues:	
21	IDG from department of education.....	90,300
22	Federal revenues:	
23	Social security act, temporary assistance for needy	
24	families	352,753,000
25	Capped federal revenues.....	108,403,600
26	Total other federal revenues.....	256,456,400
27	Special revenue funds:	

1	Private - collections.....	1,770,700
2	Local funds - county chargeback.....	18,728,400
3	Children's trust fund.....	2,895,300
4	State general fund/general purpose.....	\$ 454,083,300
5	Sec. 106. CHILDREN'S SERVICES AGENCY - JUVENILE	
6	JUSTICE	
7	Full-time equated classified positions	120.5
8	Bay Pines Center--47.0 FTE positions.....	\$ 5,623,600
9	Committee on juvenile justice administration--2.5 FTE	
10	positions	354,500
11	Committee on juvenile justice grants.....	3,000,000
12	Community support services--3.0 FTE positions.....	2,122,700
13	County juvenile officers.....	3,904,300
14	Juvenile justice, administration and maintenance--21.0	
15	FTE positions	3,790,000
16	Juvenile justice data sharing project.....	100
17	Shawono Center--47.0 FTE positions.....	5,651,700
18	W.J. Maxey Training School.....	<u>250,000</u>
19	GROSS APPROPRIATION.....	\$ 24,696,900
20	Appropriated from:	
21	Federal revenues:	
22	Capped federal revenues.....	8,411,800
23	Special revenue funds:	
24	Local funds - state share education funds.....	1,355,700
25	Local funds - county chargeback.....	5,117,400
26	State general fund/general purpose.....	\$ 9,812,000
27	Sec. 107. PUBLIC ASSISTANCE	

1	Full-time equated classified positions	8.0	
2	Emergency services local office allocations.....		\$ 9,357,500
3	Family independence program.....		80,150,000
4	Food assistance program benefits.....		1,931,717,000
5	Food Bank Council of Michigan.....		2,045,000
6	Indigent burial.....		4,375,000
7	Low-income home energy assistance program.....		174,951,600
8	Michigan energy assistance program--1.0 FTE position..		50,000,000
9	Multicultural integration funding.....		15,303,800
10	Refugee assistance program--7.0 FTE positions.....		28,011,500
11	State disability assistance payments.....		8,739,900
12	State supplementation.....		60,353,200
13	State supplementation administration.....		<u>1,904,900</u>
14	GROSS APPROPRIATION.....		\$ 2,366,909,400
15	Appropriated from:		
16	Federal revenues:		
17	Social security act, temporary assistance for needy		
18	families		68,943,400
19	Capped federal revenues.....		203,147,600
20	Total other federal revenues.....		1,927,517,000
21	Special revenue funds:		
22	Child support collections.....		11,081,900
23	Supplemental security income recoveries.....		4,142,700
24	Public assistance recoupment revenue.....		5,000,000
25	Low-income energy assistance fund.....		50,000,000
26	State general fund/general purpose.....		\$ 97,076,800
27	Sec. 108. FIELD OPERATIONS AND SUPPORT SERVICES		

1	Full-time equated classified positions	6,337.5	
2	Administrative support workers--221.0 FTE positions...		\$ 13,110,500
3	Adult services field staff--520.0 FTE positions.....		57,183,700
4	Contractual services, supplies, and materials.....		16,731,400
5	Donated funds positions--238.0 FTE positions.....		27,273,300
6	Elder Law of Michigan MiCAFE contract.....		350,000
7	Electronic benefit transfer (EBT).....		8,509,000
8	Employment and training support services.....		4,219,100
9	Field policy and administration--63.0 FTE positions...		10,900,900
10	Field staff travel.....		8,103,900
11	Independent living.....		12,031,600
12	Medical/psychiatric evaluations.....		1,420,100
13	Michigan rehabilitation services--526.0 FTE positions.		129,881,000
14	Nutrition education--2.0 FTE positions.....		33,047,400
15	Public assistance field staff--4,747.5 FTE positions..		491,734,700
16	Training and program support--20.0 FTE positions.....		2,472,200
17	Volunteer services and reimbursement.....		<u>942,400</u>
18	GROSS APPROPRIATION.....		\$ 817,911,200
19	Appropriated from:		
20	Interdepartmental grant revenues:		
21	IDG from department of corrections.....		119,700
22	IDG from department of education.....		7,851,700
23	IDG from department of licensing and regulatory		
24	affairs		38,300
25	Federal revenues:		
26	Social security act, temporary assistance for needy		
27	families		68,288,200

1	Capped federal revenues.....	158,672,500
2	Federal supplemental security income.....	8,588,600
3	Total other federal revenues.....	262,664,700
4	Special revenue funds:	
5	Local funds - donated funds.....	4,071,400
6	Local vocational rehabilitation match.....	5,300,000
7	Private funds - donated funds.....	9,285,700
8	Private funds - gifts, bequests, and donations.....	531,500
9	Rehabilitation service fees.....	150,000
10	State general fund/general purpose.....	\$ 292,348,900
11	Sec. 109. DISABILITY DETERMINATION SERVICES	
12	Full-time equated classified positions587.4	
13	Disability determination operations--583.3 FTE	
14	positions	\$ 113,054,600
15	Retirement disability determination--4.1 FTE positions	<u>616,500</u>
16	GROSS APPROPRIATION.....	\$ 113,671,100
17	Appropriated from:	
18	Interdepartmental grant revenues:	
19	IDG from DTMB - office of retirement services.....	793,600
20	Federal revenues:	
21	Total other federal revenues.....	108,563,700
22	State general fund/general purpose.....	\$ 4,313,800
23	Sec. 110. BEHAVIORAL HEALTH PROGRAM ADMINISTRATION	
24	AND SPECIAL PROJECTS	
25	Full-time equated classified positions102.0	
26	Behavioral health program administration--80.0 FTE	
27	positions	\$ 47,989,300

1	Federal and other special projects.....	2,535,600
2	Gambling addiction--1.0 FTE position.....	3,009,200
3	Office of recipient rights--21.0 FTE positions.....	2,763,000
4	Protection and advocacy services support.....	<u>194,400</u>
5	GROSS APPROPRIATION.....	\$ 56,491,500
6	Appropriated from:	
7	Federal revenues:	
8	Total other federal revenues.....	31,049,200
9	Special revenue funds:	
10	Total private revenues.....	1,004,700
11	Total other state restricted revenues.....	3,009,200
12	State general fund/general purpose.....	\$ 21,428,400
13	Sec. 111. BEHAVIORAL HEALTH SERVICES	
14	Full-time equated classified positions9.5	
15	Autism services.....	\$ 159,873,100
16	Children with serious emotional disturbance waiver....	10,000,000
17	Children's waiver home care program.....	20,241,100
18	Civil service charges.....	399,300
19	Community mental health non-Medicaid services.....	125,578,200
20	Community substance use disorder prevention,	
21	education, and treatment	76,956,200
22	Court-appointed guardian and conservator	
23	reimbursements	2,490,000
24	Federal mental health block grant--2.5 FTE positions..	17,465,400
25	Health homes.....	3,369,000
26	Healthy Michigan plan - behavioral health.....	292,962,900
27	Medicaid mental health services.....	2,364,039,500

1	Medicaid substance use disorder services.....	68,441,000
2	Nursing home PAS/ARR-OBRA--7.0 FTE positions.....	12,282,200
3	State disability assistance program substance use	
4	disorder services	<u>2,018,800</u>
5	GROSS APPROPRIATION.....	\$ 3,156,116,700
6	Appropriated from:	
7	Federal revenues:	
8	Total other federal revenues.....	2,066,679,900
9	Special revenue funds:	
10	Total local revenues.....	25,475,800
11	Total other state restricted revenues.....	24,212,100
12	State general fund/general purpose.....	\$ 1,039,748,900
13	Sec. 112. STATE PSYCHIATRIC HOSPITALS AND FORENSIC	
14	MENTAL HEALTH SERVICES	
15	Total average population	770.0
16	Full-time equated classified positions	2,290.6
17	Caro Regional Mental Health Center - psychiatric	
18	hospital - adult--474.3 FTE positions	\$ 53,491,300
19	Average population	145.0
20	Center for forensic psychiatry--601.1 FTE positions...	94,729,400
21	Average population	240.0
22	Gifts and bequests for patient living and treatment	
23	environment	1,000,000
24	Hawthorn Center - psychiatric hospital - children and	
25	adolescents--276.0 FTE positions	32,179,800
26	Average population	55.0
27	IDEA, federal special education.....	120,000

1	Kalamazoo Psychiatric Hospital - adult--533.8 FTE	
2	positions	69,457,400
3	Average population170.0	
4	Purchase of medical services for residents of	
5	hospitals and centers	445,600
6	Revenue recapture.....	750,000
7	Special maintenance.....	924,600
8	Walter P. Reuther Psychiatric Hospital - adult--405.4	
9	FTE positions	57,673,400
10	Average population160.0	
11	GROSS APPROPRIATION.....	\$ 310,771,500
12	Appropriated from:	
13	Federal revenues:	
14	Total other federal revenues.....	40,231,600
15	Special revenue funds:	
16	Total local revenues.....	23,029,900
17	Total private revenues.....	1,000,000
18	Total other state restricted revenues.....	14,937,000
19	State general fund/general purpose.....	\$ 231,573,000
20	Sec. 113. HEALTH POLICY	
21	Full-time equated classified positions50.9	
22	Certificate of need program administration--11.8 FTE	
23	positions	\$ 2,741,600
24	Health policy administration--33.9 FTE positions.....	14,391,600
25	Human trafficking intervention services.....	200,000
26	Michigan essential health provider.....	3,591,300
27	Minority health grants and contracts.....	612,700

1	Nurse education and research program--3.0 FTE	
2	positions	791,300
3	Primary care services--1.2 FTE positions.....	5,244,200
4	Rural health services--1.0 FTE position.....	<u>1,555,500</u>
5	GROSS APPROPRIATION.....	\$ 29,128,200
6	Appropriated from:	
7	Interdepartmental grant revenues:	
8	IDG from the department of education.....	2,400
9	IDG from the department of licensing and regulatory	
10	affairs	791,300
11	IDG from the department of treasury, Michigan state	
12	hospital finance authority	117,700
13	Federal revenues:	
14	Social security act, temporary assistance for needy	
15	families	190,900
16	Capped federal revenues.....	63,400
17	Total other federal revenues.....	15,608,100
18	Special revenue funds:	
19	Total private revenues.....	865,000
20	Total other state restricted revenues.....	2,737,500
21	State general fund/general purpose.....	\$ 8,751,900
22	Sec. 114. LABORATORY SERVICES	
23	Full-time equated classified positions100.0	
24	Laboratory services--100.0 FTE positions.....	<u>\$ 23,580,200</u>
25	GROSS APPROPRIATION.....	\$ 23,580,200
26	Appropriated from:	
27	Interdepartmental grant revenues:	

1	IDG from the department of environmental quality.....	998,400
2	Federal revenues:	
3	Total other federal revenues.....	3,838,600
4	Special revenue funds:	
5	Total other state restricted revenues.....	10,799,700
6	State general fund/general purpose.....	\$ 7,943,500
7	Sec. 115. DISEASE CONTROL, PREVENTION, AND	
8	EPIDEMIOLOGY	
9	Full-time equated classified positions137.9	
10	Childhood lead program--4.5 FTE positions.....	\$ 2,055,300
11	Epidemiology administration--75.1 FTE positions.....	21,179,800
12	Healthy homes program--12.0 FTE positions.....	27,754,200
13	Immunization program--12.8 FTE positions.....	16,838,100
14	Newborn screening follow-up and treatment services--	
15	10.5 FTE positions	7,535,600
16	PFAS and environmental contamination response--23.0	
17	FTE positions	<u>8,025,300</u>
18	GROSS APPROPRIATION.....	\$ 83,388,300
19	Appropriated from:	
20	Federal revenues:	
21	Total other federal revenues.....	53,784,300
22	Special revenue funds:	
23	Total private revenues.....	342,700
24	Total other state restricted revenues.....	9,721,500
25	State general fund/general purpose.....	\$ 19,539,800
26	Sec. 116. LOCAL HEALTH AND ADMINISTRATIVE SERVICES	
27	Full-time equated classified positions230.2	

1	AIDS prevention, testing, and care programs--37.7 FTE		
2	positions	\$	70,682,000
3	Cancer prevention and control program--15.0 FTE		
4	positions		15,101,500
5	Chronic disease control and health promotion		
6	administration--23.4 FTE positions		8,506,800
7	Dental programs--3.8 FTE positions.....		2,209,100
8	Diabetes and kidney program--8.0 FTE positions.....		3,062,400
9	Essential local public health services.....		40,886,100
10	Health and wellness initiatives--11.7 FTE positions...		9,047,600
11	Implementation of 1993 PA 133, MCL 333.17015.....		20,000
12	Local health services--3.3 FTE positions.....		6,707,500
13	Medicaid outreach cost reimbursement to local health		
14	departments		12,500,000
15	Public health administration--9.0 FTE positions.....		1,968,800
16	Sexually transmitted disease control program--20.0 FTE		
17	positions		6,333,400
18	Smoking prevention program--12.0 FTE positions.....		2,168,600
19	Violence prevention--4.9 FTE positions.....		3,310,400
20	Vital records and health statistics--81.4 FTE		
21	positions		<u>10,167,700</u>
22	GROSS APPROPRIATION.....	\$	192,671,900
23	Appropriated from:		
24	Federal revenues:		
25	Capped federal revenues.....		81,100
26	Total other federal revenues.....		80,208,700
27	Special revenue funds:		

1	Total local revenues.....	5,150,000
2	Total private revenues.....	39,282,400
3	Total other state restricted revenues.....	18,478,000
4	State general fund/general purpose.....	\$ 49,471,700
5	Sec. 117. FAMILY, MATERNAL, AND CHILD HEALTH	
6	Full-time equated classified positions112.3	
7	Family, maternal, and child health administration--	
8	53.3 FTE positions	\$ 9,221,700
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	19,597,000
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	18,125,400
19	Women, infants, and children program local agreements	
20	and food costs	<u>256,285,000</u>
21	GROSS APPROPRIATION.....	\$ 325,770,400
22	Appropriated from:	
23	Federal revenues:	
24	Social security act, temporary assistance for needy	
25	families	650,000
26	Total other federal revenues.....	253,070,500
27	Special revenue funds:	

1	Total local revenues.....	75,000
2	Total private revenues.....	61,702,400
3	State general fund/general purpose.....	\$ 10,272,500
4	Sec. 118. EMERGENCY MEDICAL SERVICES, TRAUMA, AND	
5	PREPAREDNESS	
6	Full-time equated classified positions	76.0
7	Bioterrorism preparedness--53.0 FTE positions.....	\$ 30,491,300
8	Emergency medical services program--23.0 FTE positions	<u>6,559,200</u>
9	GROSS APPROPRIATION.....	\$ 37,050,500
10	Appropriated from:	
11	Federal revenues:	
12	Total other federal revenues.....	31,435,300
13	Special revenue funds:	
14	Total other state restricted revenues.....	4,004,900
15	State general fund/general purpose.....	\$ 1,610,300
16	Sec. 119. CHILDREN'S SPECIAL HEALTH CARE SERVICES	
17	Full-time equated classified positions	46.8
18	Bequests for care and services--2.8 FTE positions.....	\$ 1,837,800
19	Children's special health care services	
20	administration--44.0 FTE positions	6,101,400
21	Medical care and treatment.....	220,640,800
22	Nonemergency medical transportation.....	905,900
23	Outreach and advocacy.....	<u>5,510,000</u>
24	GROSS APPROPRIATION.....	\$ 234,995,900
25	Appropriated from:	
26	Federal revenues:	
27	Total other federal revenues.....	126,143,700

1	Special revenue funds:	
2	Total private revenues.....	1,016,200
3	Total other state restricted revenues.....	3,682,900
4	State general fund/general purpose.....	\$ 104,153,100
5	Sec. 120. AGING AND ADULT SERVICES AGENCY	
6	Full-time equated classified positions47.0	
7	Aging and adult services administration--47.0 FTE	
8	positions	\$ 8,828,300
9	Community services.....	43,567,400
10	Employment assistance.....	3,500,000
11	Nutrition services.....	42,254,200
12	Respite care program.....	6,468,700
13	Senior volunteer service programs.....	<u>4,765,300</u>
14	GROSS APPROPRIATION.....	\$ 109,383,900
15	Appropriated from:	
16	Federal revenues:	
17	Capped federal revenues.....	371,500
18	Total other federal revenues.....	59,094,200
19	Special revenue funds:	
20	Total private revenues.....	520,000
21	Michigan merit award trust fund.....	4,068,700
22	Total other state restricted revenues.....	2,000,000
23	State general fund/general purpose.....	\$ 43,329,500
24	Sec. 121. MEDICAL SERVICES ADMINISTRATION	
25	Full-time equated classified positions453.0	
26	Electronic health record incentive program--23.0 FTE	
27	positions	\$ 96,087,400

1	Healthy Michigan plan administration--30.0 FTE	
2	positions	47,578,400
3	Medical services administration--357.0 FTE positions..	82,369,800
4	Technology supporting integrated service--43.0 FTE	
5	positions	<u>52,299,500</u>
6	GROSS APPROPRIATION.....	\$ 278,335,100
7	Appropriated from:	
8	Federal revenues:	
9	Social security act, temporary assistance for needy	
10	families	749,600
11	Capped federal revenues.....	910,700
12	Total other federal revenues.....	233,830,500
13	Special revenue funds:	
14	Total local revenues.....	37,700
15	Total private revenues.....	101,300
16	Total other state restricted revenues.....	336,300
17	State general fund/general purpose.....	\$ 42,369,000
18	Sec. 122. MEDICAL SERVICES	
19	Adult home help services.....	\$ 318,424,000
20	Ambulance services.....	20,922,500
21	Auxiliary medical services.....	6,139,600
22	Dental clinic program.....	1,000,000
23	Dental services.....	307,869,400
24	Federal Medicare pharmaceutical program.....	286,072,800
25	Health plan services.....	5,029,343,700
26	Healthy Michigan plan.....	3,825,430,000
27	Home health services.....	5,498,000

1	Hospice services.....	110,207,800
2	Hospital disproportionate share payments.....	45,000,000
3	Hospital services and therapy.....	749,940,600
4	Integrated care organizations.....	201,080,800
5	Long-term care services.....	1,813,423,300
6	Maternal and child health.....	26,279,500
7	Medicaid home- and community-based services waiver....	355,062,600
8	Medicare premium payments.....	601,305,100
9	Personal care services.....	9,678,800
10	Pharmaceutical services.....	322,846,400
11	Physician services.....	263,526,100
12	Program of all-inclusive care for the elderly.....	149,774,500
13	School-based services.....	109,937,200
14	Special Medicaid reimbursement.....	309,532,500
15	Transportation.....	<u>19,683,700</u>
16	GROSS APPROPRIATION.....	\$ 14,887,978,900
17	Appropriated from:	
18	Federal revenues:	
19	Total other federal revenues.....	10,739,100,300
20	Special revenue funds:	
21	Total local revenues.....	34,685,600
22	Total private revenues.....	2,100,000
23	Michigan merit award trust fund.....	48,200,000
24	Total other state restricted revenues.....	2,217,935,100
25	State general fund/general purpose.....	\$ 1,845,957,900
26	Sec. 123. INFORMATION TECHNOLOGY	
27	Child support automation.....	\$ 44,425,600

1	Information technology services and projects.....	157,656,000
2	Michigan Medicaid information system.....	<u>75,634,400</u>
3	GROSS APPROPRIATION.....	\$ 277,716,000
4	Appropriated from:	
5	Interdepartmental grant revenues:	
6	IDG from department of education.....	1,067,000
7	Federal revenues:	
8	Social security act, temporary assistance for needy	
9	families	24,104,900
10	Capped federal revenues.....	21,934,900
11	Total other federal revenues.....	130,213,500
12	Special revenue funds:	
13	Total private revenues.....	25,000,000
14	Total other state restricted revenues.....	1,999,800
15	State general fund/general purpose.....	\$ 73,395,900
16	Sec. 124. ONE-TIME APPROPRIATIONS	
17	Autism navigator.....	\$ 1,025,000
18	Child lead poisoning elimination board.....	625,000
19	Dental clinic program.....	1,000,000
20	Drinking water declaration of emergency.....	1,680,100
21	Employment first.....	500,000
22	Michigan medical resident loan repayment program.....	5,000,000
23	Multicultural integration.....	1,381,100
24	University autism programs.....	<u>250,000</u>
25	GROSS APPROPRIATION.....	\$ 11,461,200
26	Appropriated from:	
27	Special revenue funds:	

House Bill No. 5578 as amended April 24, 2018

1	Total other state restricted revenues.....		100
2	State general fund/general purpose.....	\$	11,461,100

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FOR FISCAL YEAR 2018-2019

GENERAL SECTIONS

7 Sec. 201. Pursuant to section 30 of article IX of the state
8 constitution of 1963, total state spending from state sources under
9 part 1 for fiscal year 2018-2019 is [\$6,970,750,000.00] and state
10 spending from state sources to be paid to local units of government
11 for fiscal year 2018-2019 is \$1,459,338,700.00. The itemized
12 statement below identifies appropriations from which spending to
13 local units of government will occur:

DEPARTMENT OF HEALTH AND HUMAN SERVICES

COMMUNITY SERVICES AND OUTREACH

16	Crime victim rights services grants.....	\$	9,474,800
17	Housing and support services.....		550,700

CHILDREN'S SERVICES AGENCY - CHILD WELFARE

19	Child care fund.....	\$	158,787,200
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PUBLIC ASSISTANCE

21	Family independence program.....	\$	4,200
22	Multicultural integration funding.....		1,193,300
23	State disability assistance payments.....		621,300

BEHAVIORAL HEALTH PROGRAM ADMINISTRATION AND SPECIAL PROJECTS

25	Behavioral health program administration.....	\$	2,388,700
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1	BEHAVIORAL HEALTH SERVICES		
2	Autism services.....	\$	55,546,900
3	Children with serious emotional disturbance waiver....		3,555,000
4	Children's waiver home care program.....		7,195,700
5	Community mental health non-Medicaid services.....		125,578,200
6	Community substance use disorder prevention,		
7	education, and treatment		16,208,500
8	Court-appointed guardian and conservator		
9	reimbursements		2,490,000
10	Health homes.....		70,700
11	Healthy Michigan plan - behavioral health.....		19,775,100
12	Medicaid mental health services.....		803,544,200
13	Medicaid substance use disorder services.....		23,988,800
14	Nursing home PAS/ARR-OBRA.....		3,070,500
15	State disability assistance program substance use		
16	disorder services		2,018,400
17	STATE PSYCHIATRIC HOSPITALS AND FORENSIC MENTAL		
18	HEALTH SERVICES		
19	Caro Regional Mental Health Center - psychiatric		
20	hospital - adult	\$	1,200
21	Center for forensic psychiatry.....		1,400
22	HEALTH POLICY		
23	Primary care services.....	\$	88,900
24	DISEASE CONTROL, PREVENTION, AND EPIDEMIOLOGY		
25	Childhood lead program.....	\$	72,700
26	Epidemiology administration.....		291,400
27	Healthy homes program.....		10,000

1	Immunization program.....		1,138,900
2	LOCAL HEALTH AND ADMINISTRATIVE SERVICES		
3	AIDS prevention, testing, and care programs.....	\$	2,038,400
4	Cancer prevention and control program.....		121,400
5	Essential local public health services.....		35,736,100
6	Health and wellness initiatives.....		2,363,300
7	Local health services.....		4,500,000
8	Public health administration.....		19,800
9	Sexually transmitted disease control program.....		438,400
10	FAMILY, MATERNAL, AND CHILD HEALTH		
11	Family planning local agreements.....	\$	225,400
12	Prenatal care outreach and service delivery support...		3,941,500
13	EMERGENCY MEDICAL SERVICES, TRAUMA, AND PREPAREDNESS		
14	Emergency medical services program.....	\$	71,000
15	CHILDREN'S SPECIAL HEALTH CARE SERVICES		
16	Medical care and treatment.....	\$	797,200
17	Outreach and advocacy.....		2,598,100
18	AGING AND ADULT SERVICES AGENCY		
19	Aging and adult services administration.....	\$	594,100
20	Community services.....		19,226,700
21	Nutrition services.....		11,086,900
22	Respite care program.....		5,224,500
23	Senior volunteer service programs.....		946,300
24	MEDICAL SERVICES ADMINISTRATION		
25	Medical services administration.....	\$	282,000
26	MEDICAL SERVICES		
27	Adult home help services.....	\$	486,300

1	Ambulance services.....	475,900
2	Auxiliary medical services.....	1,300
3	Dental services.....	1,265,400
4	Healthy Michigan plan.....	4,353,000
5	Home health services.....	8,200
6	Hospice services.....	38,100
7	Hospital services and therapy.....	1,313,400
8	Long-term care services.....	104,351,600
9	Medicaid home- and community-based services waiver....	10,995,100
10	Personal care services.....	23,800
11	Pharmaceutical services.....	20,300
12	Physician services.....	4,690,100
13	Special Medicaid reimbursement.....	5,415,200
14	Transportation.....	<u>23,200</u>
15	TOTAL OF PAYMENTS TO LOCAL UNITS OF GOVERNMENT.....	\$ 1,459,338,700

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) "AIDS" means acquired immunodeficiency syndrome.

21 (b) "CMHSP" means a community mental health services program
 22 as that term is defined in section 100a of the mental health code,
 23 1974 PA 258, MCL 330.1100a.

24 (c) "CMS" means the Centers for Medicare and Medicaid
 25 Services.

26 (d) "Current fiscal year" means the fiscal year ending
 27 September 30, 2019.

1 (e) "Department" means the department of health and human
2 services.

3 (f) "Director" means the director of the department.

4 (g) "DSH" means disproportionate share hospital.

5 (h) "EPSDT" means early and periodic screening, diagnosis, and
6 treatment.

7 (i) "Federal poverty level" means the poverty guidelines
8 published annually in the Federal Register by the United States
9 Department of Health and Human Services under its authority to
10 revise the poverty line under 42 USC 9902.

11 (j) "FTE" means full-time equated.

12 (k) "GME" means graduate medical education.

13 (l) "Health plan" means, at a minimum, an organization that
14 meets the criteria for delivering the comprehensive package of
15 services under the department's comprehensive health plan.

16 (m) "HEDIS" means healthcare effectiveness data and
17 information set.

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

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

21 (p) "IDG" means interdepartmental grant.

22 (q) "MCH" means maternal and child health.

23 (r) "Medicaid" means subchapter XIX of the social security
24 act, 42 USC 1396 to 1396w-5.

25 (s) "Medicare" means subchapter XVIII of the social security
26 act, 42 USC 1395 to 1395III.

27 (t) "MiCAFE" means Michigan's coordinated access to food for

1 the elderly.

2 (u) "MIChild" means the program described in section 1670 of
3 this part.

4 (v) "MiSACWIS" means Michigan statewide automated child
5 welfare information system.

6 (w) "PAS/ARR-OBRA" means the preadmission screening and annual
7 resident review required under the omnibus budget reconciliation
8 act of 1987, section 1919(e)(7) of the social security act, 42 USC
9 1396r.

10 (x) "PFAS" means perfluoroalkyl and polyfluoroalkyl
11 substances.

12 (y) "PIHP" means an entity designated by the department as a
13 regional entity or a specialty prepaid inpatient health plan for
14 Medicaid mental health services, services to individuals with
15 developmental disabilities, and substance use disorder services.
16 Regional entities are described in section 204b of the mental
17 health code, 1974 PA 258, MCL 330.1204b. Specialty prepaid
18 inpatient health plans are described in section 232b of the mental
19 health code, 1974 PA 258, MCL 330.1232b.

20 (z) "Previous fiscal year" means the fiscal year ending
21 September 30, 2018.

22 (aa) "Settlement" means the settlement agreement entered in
23 the case of *Dwayne B. v Snyder*, docket no. 2:06-cv-13548 in the
24 United States District Court for the Eastern District of Michigan.

25 (bb) "SSI" means supplemental security income.

26 (cc) "Temporary assistance for needy families" or "TANF" or
27 "title IV-A" means part A of subchapter IV of the social security

1 act, 42 USC 601 to 619.

2 (dd) "Title IV-B" means part B of title IV of the social
3 security act, 42 USC 620 to 629m.

4 (ee) "Title IV-D" means part D of title IV of the social
5 security act, 42 USC 651 to 669b.

6 (ff) "Title IV-E" means part E of title IV of the social
7 security act, 42 USC 670 to 679c.

8 (gg) "Title X" means subchapter VIII of the public health
9 service act, 42 USC 300 to 300a-8, which establishes grants to
10 states for family planning services.

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

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 competitively
26 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, supplies, or both.

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

16 (a) The dates of each travel occurrence.

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

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

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

10 Sec. 210. (1) In addition to the funds appropriated in part 1,
11 there is appropriated an amount not to exceed \$400,000,000.00 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. These funds shall not be made available
16 to increase TANF authorization.

17 (2) In addition to the funds appropriated in part 1, there is
18 appropriated an amount not to exceed \$45,000,000.00 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 \$40,000,000.00 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 \$60,000,000.00 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 senate and house appropriations subcommittees chairs on
24 the department budget, and the senate and house fiscal agencies
25 with an annual report on estimated state restricted fund balances,
26 state restricted fund projected revenues, and state restricted fund
27 expenditures for the previous fiscal year and the current fiscal

1 year.

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

6 Sec. 214. Total authorized appropriations from all sources
7 under part 1 for legacy costs for the current fiscal year are
8 estimated at \$365,234,500.00. From this amount, total agency
9 appropriations for pension-related legacy costs are estimated at
10 \$168,379,300.00. Total agency appropriations for retiree health
11 care legacy costs are estimated at \$196,855,200.00.

12 Sec. 215. If either of the following events occur, within 30
13 days the department shall notify the state budget director, the
14 chairs of the house and senate appropriations subcommittees on the
15 department budget, and the house and senate fiscal agencies and
16 policy offices of that fact:

17 (a) A legislative objective of this part or of a bill or
18 amendment to a bill to amend the social welfare act, 1939 PA 280,
19 MCL 400.1 to 400.119b, cannot be implemented because implementation
20 would conflict with or violate federal regulations.

21 (b) A federal grant, for which a notice of an award has been
22 received, cannot be used, or will not be used.

23 Sec. 216. (1) In addition to funds appropriated in part 1 for
24 all programs and services, there is appropriated for write-offs of
25 accounts receivable, deferrals, and for prior year obligations in
26 excess of applicable prior year appropriations, an amount equal to
27 total write-offs and prior year obligations, but not to exceed

1 amounts available in prior year revenues.

2 (2) The department's ability to satisfy appropriation fund
3 sources in part 1 shall not be limited to collections and accruals
4 pertaining to services provided in the current fiscal year, but
5 shall also include reimbursements, refunds, adjustments, and
6 settlements from prior years.

7 Sec. 217. (1) By February 1 of the current fiscal year, the
8 department shall report to the house and senate appropriations
9 subcommittees on the department budget, the house and senate fiscal
10 agencies, and the state budget director on the detailed name and
11 amounts of estimated federal, restricted, private, and local
12 sources of revenue that support the appropriations in each of the
13 line items in part 1.

14 (2) Upon the release of the next fiscal year executive budget
15 recommendation, the department shall report to the same parties in
16 subsection (1) on the amounts and detailed sources of federal,
17 restricted, private, and local revenue proposed to support the
18 total funds appropriated in each of the line items in part 1 of the
19 next fiscal year executive budget proposal.

20 Sec. 218. The department shall include, but not be limited to,
21 the following in its annual list of proposed basic health services
22 as required in part 23 of the public health code, 1978 PA 368, MCL
23 333.2301 to 333.2321:

24 (a) Immunizations.

25 (b) Communicable disease control.

26 (c) Sexually transmitted disease control.

27 (d) Tuberculosis control.

1 (e) Prevention of gonorrhoea eye infection in newborns.

2 (f) Screening newborns for the conditions listed in section
3 5431 of the public health code, 1978 PA 368, MCL 333.5431, or
4 recommended by the newborn screening quality assurance advisory
5 committee created under section 5430 of the public health code,
6 1978 PA 368, MCL 333.5430.

7 (g) Health and human services annex of the Michigan emergency
8 management plan.

9 (h) Prenatal care.

10 Sec. 219. (1) The department may contract with the Michigan
11 Public Health Institute for the design and implementation of
12 projects and for other public health-related activities prescribed
13 in section 2611 of the public health code, 1978 PA 368, MCL
14 333.2611. The department may develop a master agreement with the
15 Michigan Public Health Institute to carry out these purposes for up
16 to a 3-year period. The department shall report to the house and
17 senate appropriations subcommittees on the department budget, the
18 house and senate fiscal agencies, and the state budget director on
19 or before January 1 of the current fiscal year all of the
20 following:

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

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

25 (c) The expected project duration.

26 (d) A detailed spending plan for each project, including a
27 list of all subgrantees and the amount allocated to each

1 subgrantee.

2 (2) On or before December 30 of the current fiscal year, the
3 department shall provide to the same parties listed in subsection
4 (1) a copy of all reports, studies, and publications produced by
5 the Michigan Public Health Institute, its subcontractors, or the
6 department with the funds appropriated in the department's budget
7 in the previous fiscal year and allocated to the Michigan Public
8 Health Institute.

9 Sec. 220. The department shall ensure that faith-based
10 organizations are able to apply and compete for services, programs,
11 or contracts that they are qualified and suitable to fulfill. The
12 department shall not disqualify faith-based organizations solely on
13 the basis of the religious nature of their organization or their
14 guiding principles or statements of faith.

15 Sec. 221. According to section 1b of the social welfare act,
16 1939 PA 280, MCL 400.1b, the department shall treat part 1 and this
17 part as a time-limited addendum to the social welfare act, 1939 PA
18 280, MCL 400.1 to 400.119b.

19 Sec. 222. (1) The department shall make the entire policy and
20 procedures manual available and accessible to the public via the
21 department website.

22 (2) The department shall report by April 1 of the current
23 fiscal year on each specific policy change made to implement a
24 public act affecting the department that took effect during the
25 prior calendar year to the house and senate appropriations
26 subcommittees on the budget for the department, the joint committee
27 on administrative rules, the senate and house fiscal agencies, and

1 policy offices. The department shall attach each policy bulletin
2 issued during the prior calendar year to this report.

3 Sec. 223. The department may establish and collect fees for
4 publications, videos and related materials, conferences, and
5 workshops. Collected fees are appropriated when received and shall
6 be used to offset expenditures to pay for printing and mailing
7 costs of the publications, videos and related materials, and costs
8 of the workshops and conferences. The department shall not collect
9 fees under this section that exceed the cost of the expenditures.
10 When collected fees are appropriated under this section in an
11 amount that exceeds the current fiscal year appropriation, within
12 30 days the department shall notify the chairs of the house and
13 senate appropriations subcommittees on the department budget, the
14 house and senate fiscal agencies and policy offices, and the state
15 budget director of that fact.

16 Sec. 224. The department may retain all of the state's share
17 of food assistance overissuance collections as an offset to general
18 fund/general purpose costs. Retained collections shall be applied
19 against federal funds deductions in all appropriation units where
20 department costs related to the investigation and recoupment of
21 food assistance overissuances are incurred. Retained collections in
22 excess of such costs shall be applied against the federal funds
23 deducted in the departmental administration and support
24 appropriation unit.

25 Sec. 225. (1) Sanctions, suspensions, conditions for
26 provisional license status, and other penalties shall not be more
27 stringent for private service providers than for public entities

1 performing equivalent or similar services.

2 (2) Neither the department nor private service providers or
3 licensees shall be granted preferential treatment or considered
4 automatically to be in compliance with administrative rules based
5 on whether they have collective bargaining agreements with direct
6 care workers. Private service providers or licensees without
7 collective bargaining agreements shall not be subjected to
8 additional requirements or conditions of licensure based on their
9 lack of collective bargaining agreements.

10 Sec. 226. If the revenue collected by the department from fees
11 and collections exceeds the amount appropriated in part 1, the
12 revenue may be carried forward with the approval of the state
13 budget director into the subsequent fiscal year. The revenue
14 carried forward under this section shall be used as the first
15 source of funds in the subsequent fiscal year.

16 Sec. 227. The state departments, agencies, and commissions
17 receiving tobacco tax funds and Healthy Michigan fund revenue from
18 part 1 shall report by April 1 of the current fiscal year to the
19 senate and house appropriations committees, the senate and house
20 fiscal agencies, and the state budget director on the following:

21 (a) Detailed spending plan by appropriation line item
22 including description of programs and a summary of organizations
23 receiving these funds.

24 (b) Description of allocations or bid processes including need
25 or demand indicators used to determine allocations.

26 (c) Eligibility criteria for program participation and maximum
27 benefit levels where applicable.

1 (d) Outcome measures used to evaluate programs, including
2 measures of the effectiveness of these programs in improving the
3 health of Michigan residents.

4 Sec. 228. If a quality assurance assessment payment that the
5 department has the legal right to collect and that resulted from an
6 overpayment by the department to a provider, excluding those caused
7 by department error, is not received by the required due date, the
8 department may assess a penalty of 1% per month until the
9 overpayment is paid back in full. The penalty shall be calculated
10 each month on the unpaid balance of the overpayment as of the first
11 day of the month. This section does not apply to overpayments for
12 which the department has other legal authority to assess a penalty.
13 The state share of any funds collected under this section shall be
14 deposited in the state general fund.

15 Sec. 229. (1) The department shall extend the interagency
16 agreement with the Michigan talent investment agency for the
17 duration of the current fiscal year, which concerns TANF funding to
18 provide job readiness and welfare-to-work programming. The
19 interagency agreement shall include specific outcome and
20 performance reporting requirements as described in this section.
21 TANF funding provided to the Michigan talent investment agency in
22 the current fiscal year is contingent on compliance with the data
23 and reporting requirements described in this section. The
24 interagency agreement must require the Michigan talent investment
25 agency to provide all of the following items by January 1 of the
26 current fiscal year for the previous fiscal year to the senate and
27 house appropriations subcommittees on the department budget and the

1 state budget office:

2 (a) An itemized spending report on TANF funding, including all
3 of the following:

4 (i) Direct services to recipients.

5 (ii) Administrative expenditures.

6 (b) The number of family independence program (FIP) recipients
7 served through the TANF funding, including all of the following:

8 (i) The number and percentage who obtained employment through
9 Michigan Works!

10 (ii) The number and percentage who fulfilled their TANF work
11 requirement through other job readiness programming.

12 (iii) Average TANF spending per recipient.

13 (iv) The number and percentage of recipients who were referred
14 to Michigan Works! but did not receive a job or job readiness
15 placement and the reasons why.

16 (2) By March 1 of the current fiscal year, the department
17 shall provide to the senate and house appropriations subcommittees
18 on the department budget, the senate and house fiscal agencies, the
19 senate and house policy offices, and the state budget office an
20 annual report on the following matters itemized by Michigan Works!
21 agency: the number of referrals to Michigan Works! job readiness
22 programs, the number of referrals to Michigan Works! job readiness
23 programs who became a participant in the Michigan Works! job
24 readiness programs, the number of participants who obtained
25 employment, and the cost per participant case.

26 Sec. 231. From the funds appropriated in part 1 for travel
27 reimbursements to employees, the department shall allocate up to

1 \$100,000.00 toward reimbursing counties for the out-of-pocket
2 travel costs of the local county department board members and
3 county department directors to attend 1 meeting per year of the
4 Michigan County Social Services Association.

5 Sec. 232. (1) The department shall provide the approved
6 spending plan for each line item receiving an appropriation in the
7 current fiscal year to the senate and house appropriations
8 subcommittees on the department budget and the senate and house
9 fiscal agencies within 60 days of approval by the department but
10 not later than January 15 of the current fiscal year. The spending
11 plan shall include the following information regarding planned
12 expenditures for each category: allocation in the previous period,
13 change in the allocation, and new allocation. The spending plan
14 shall include the following information regarding each revenue
15 source for the line item: category of the fund source indicated by
16 general fund/general purpose, state restricted, local, private or
17 federal. Figures included in the approved spending plan shall not
18 be assumed to constitute the actual final expenditures, as line
19 items may be updated on an as-needed basis to reflect changes in
20 projected expenditures and projected revenue. The department shall
21 supplement the spending plan information by providing a list of all
22 active contracts and grants in the department's contract systems.

23 (2) Notwithstanding any other appropriation authority granted
24 in part 1, the department shall not appropriate any additional
25 general fund/general purpose funds or any related federal and state
26 restricted funds without providing a written 30-day notice to the
27 senate and house appropriations subcommittees on the department

1 budget, the senate and house fiscal agencies, and the senate and
2 house policy offices.

3 Sec. 252. The appropriations in part 1 for Healthy Michigan
4 plan - behavioral health, Healthy Michigan plan administration, and
5 Healthy Michigan plan are contingent on the provisions of the
6 social welfare act, 1939 PA 280, MCL 400.1 to 400.119b, that were
7 contained in 2013 PA 107 not being amended, repealed, or otherwise
8 altered to eliminate the Healthy Michigan plan. If that occurs,
9 then, upon the effective date of the amendatory act that amends,
10 repeals, or otherwise alters those provisions, the remaining funds
11 in the Healthy Michigan plan - behavioral health, Healthy Michigan
12 plan administration, and Healthy Michigan plan line items shall
13 only be used to pay previously incurred costs and any remaining
14 appropriations shall not be allotted to support those line items.

15 Sec. 263. (1) Except as otherwise provided in this subsection,
16 before submission of a waiver, a state plan amendment, or a similar
17 proposal to CMS or other federal agency, the department shall
18 provide written notification of the planned submission to the house
19 and senate appropriations subcommittees on the department budget,
20 the house and senate fiscal agencies and policy offices, and the
21 state budget office. This subsection does not apply to the
22 submission of a waiver, a state plan amendment, or similar proposal
23 that does not propose a material change or is outside of the
24 ordinary course of waiver, state plan amendment, or similar
25 proposed submissions.

26 (2) The department shall provide written biannual reports to
27 the senate and house appropriations subcommittees on the department

1 budget, the senate and house fiscal agencies, and the state budget
2 office summarizing the status of any new or ongoing discussions
3 with CMS or the United States Department of Health and Human
4 Services or other federal agency regarding potential or future
5 waiver applications as well as the status of submitted waivers that
6 have not yet received federal approval. If, at the time a biannual
7 report is due, there are no reportable items, then no report is
8 required to be provided.

9 Sec. 264. The department shall not take disciplinary action
10 against an employee for communicating with a member of the
11 legislature or his or her staff.

12 Sec. 270. The department shall advise the legislature of the
13 receipt of a notification from the attorney general's office of a
14 legal action in which expenses had been recovered pursuant to
15 section 106(4) of the social welfare act, 1939 PA 280, MCL 400.106.
16 By February 1 of the current fiscal year, the department shall
17 submit a written report to the house and senate appropriations
18 subcommittees on the department budget, the house and senate fiscal
19 agencies, and the state budget office that includes, at a minimum,
20 all of the following:

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

22 (b) The program or service for which the money was originally
23 expended.

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

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

1 Sec. 274. (1) The department, in collaboration with the state
2 budget office, shall submit to the house and senate appropriations
3 subcommittees on the department budget, the house and senate fiscal
4 agencies, and the house and senate policy offices 1 week after the
5 day the governor submits to the legislature the budget for the
6 ensuing fiscal year a report on spending and revenue projections
7 for each of the capped federal funds listed below. The report shall
8 contain actual spending and revenue in the previous fiscal year,
9 spending and revenue projections for the current fiscal year as
10 enacted, and spending and revenue projections within the executive
11 budget proposal for the fiscal year beginning October 1, 2019 for
12 each individual line item for the department budget. The report
13 shall also include federal funds transferred to other departments.
14 The capped federal funds shall include, but not be limited to, all
15 of the following:

- 16 (a) TANF.
17 (b) Title XX social services block grant.
18 (c) Title IV-B part I child welfare services block grant.
19 (d) Title IV-B part II promoting safe and stable families
20 funds.
21 (e) Low-income home energy assistance program.

22 (2) It is the intent of the legislature that the department,
23 in collaboration with the state budget office, not utilize capped
24 federal funding for economics adjustments for FTEs or other
25 economics costs that are included as part of the budget submitted
26 to the legislature by the governor for the ensuing fiscal year,
27 unless there is a reasonable expectation for increased federal

1 funding to be available to the department from that capped revenue
2 source in the ensuing fiscal year.

3 Sec. 275. (1) As part of the year-end closing process, the
4 department, with the approval of the state budget director, is
5 authorized to realign sources between other federal, TANF, and
6 capped federal financing authorizations in order to maximize
7 federal revenues. This realignment of financing shall not produce a
8 gross increase or decrease in the department's total individual
9 line item authorizations, nor will it produce a net increase or
10 decrease in total federal revenues, or a net increase in TANF
11 authorization.

12 (2) Not later than November 30, the department shall submit to
13 the house and senate appropriations subcommittees on the department
14 budget, the house and senate fiscal agencies, and the house and
15 senate policy offices a report on the realignment of federal fund
16 sources that took place as part of the year-end closing process for
17 the previous fiscal year.

18 Sec. 279. (1) All master contracts relating to foster care and
19 adoption services as funded by the appropriations in section 105 of
20 part 1 shall be performance-based contracts that employ a client-
21 centered results-oriented process that is based on measurable
22 performance indicators and desired outcomes and includes the annual
23 assessment of the quality of services provided.

24 (2) By February 1 of the current fiscal year, the department
25 shall provide the senate and house appropriations subcommittees on
26 the department budget, the senate and house fiscal agencies and
27 policy offices, and the state budget office a report detailing

1 measurable performance indicators, desired outcomes, and an
2 assessment of the quality of services provided by the department
3 during the previous fiscal year.

4 Sec. 280. By March 1 of the current fiscal year, the
5 department shall provide a report to the house and senate
6 appropriations committees, the house and senate fiscal agencies,
7 the house and senate policy offices, and the state budget director
8 that provides all of the following for each line item in part 1
9 containing personnel-related costs, including the specific
10 individual amounts for salaries and wages, payroll taxes, and
11 fringe benefits:

12 (a) FTE authorization.

13 (b) Spending authorization for personnel-related costs, by
14 fund source, under the spending plan.

15 (c) Actual year-to-date expenditures for personnel-related
16 costs, by fund source, through the end of the prior month.

17 (d) The projected year-end balance or shortfall for personnel-
18 related costs, by fund source, based on actual monthly spending
19 levels through the end of the prior month.

20 (e) A specific plan for addressing any projected shortfall for
21 personnel-related costs at either the gross or fund source level.

22 Sec. 288. (1) Beginning October 1 of the current fiscal year,
23 no less than 90% of a new department contract supported solely from
24 state restricted funds or general fund/general purpose funds and
25 designated in this part or part 1 for a specific entity for the
26 purpose of providing services to individuals shall be expended for
27 such services after the first year of the contract.

1 (2) The department may allow a contract to exceed the
2 limitation on administrative and services costs if it can be
3 demonstrated that an exception should be made to the provision in
4 subsection (1).

5 (3) By September 30 of the current fiscal year, the department
6 shall report to the house and senate appropriations subcommittees
7 on the department budget, house and senate fiscal agencies, and
8 state budget office on the rationale for all exceptions made to the
9 provision in subsection (1) and the number of contracts terminated
10 due to violations of subsection (1).

11 Sec. 289. By 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, and the senate and house policy offices an annual report
15 on the supervisor-to-staff ratio by department divisions and
16 subdivisions.

17 Sec. 290. Any public advertisement for public assistance shall
18 also inform the public of the welfare fraud hotline operated by the
19 department.

20 Sec. 295. (1) From the funds appropriated in part 1 to
21 agencies providing physical and behavioral health services to
22 multicultural populations, the department shall award grants in
23 accordance with the requirements of subsection (2). The state is
24 not liable for any spending above the contract amount. Funds shall
25 not be released until reporting requirements under section 295 of
26 article X of 2017 PA 107 are satisfied.

27 (2) The department shall require each contractor described in

1 subsection (1) that receives greater than \$1,000,000.00 in state
2 grant funding to comply with performance-related metrics to
3 maintain their eligibility for funding. The organizational metrics
4 shall include, but not be limited to, all of the following:

5 (a) Each contractor or subcontractor shall have accreditations
6 that attest to their competency and effectiveness as behavioral
7 health and social service agencies.

8 (b) Each contractor or subcontractor shall have a mission that
9 is consistent with the purpose of the multicultural agency.

10 (c) Each contractor shall validate that any subcontractors
11 utilized within these appropriations share the same mission as the
12 lead agency receiving funding.

13 (d) Each contractor or subcontractor shall demonstrate cost-
14 effectiveness.

15 (e) Each contractor or subcontractor shall ensure their
16 ability to leverage private dollars to strengthen and maximize
17 service provision.

18 (f) Each contractor or subcontractor shall provide timely and
19 accurate reports regarding the number of clients served, units of
20 service provision, and ability to meet their stated goals.

21 (3) The department shall require an annual report from the
22 contractors described in subsection (2). The annual report, due 60
23 days following the end of the contract period, shall include
24 specific information on services and programs provided, the client
25 base to which the services and programs were provided, information
26 on any wraparound services provided, and the expenditures for those
27 services. The department shall provide the annual reports to the

1 senate and house appropriations subcommittees on health and human
2 services, the senate and house fiscal agencies, and the state
3 budget office.

4 Sec. 296. From the funds appropriated in part 1, the
5 department shall be responsible for the necessary and reasonable
6 attorney fees and costs incurred by private and independent legal
7 counsel chosen by current and former classified and unclassified
8 department employees in the defense of those employees in any state
9 or federal lawsuit or investigation related to the water system in
10 a city in which a declaration of emergency was issued because of
11 drinking water contamination.

12 Sec. 297. By April 1 of the current fiscal year, the
13 department shall report on the number of FTEs in pay status by type
14 of staff. The report shall include a comparison by line item of the
15 number of FTEs authorized from funds appropriated in part 1 to the
16 actual number of FTEs employed by the department at the end of the
17 reporting period.

18 Sec. 298. (1) The department shall continue to pursue the
19 implementation of the demonstration model as specified under
20 section 298(2) of article X of 2017 PA 107. The department shall
21 ensure that the demonstration model described in this subsection is
22 implemented in a manner that ensures at least all of the following:

23 (a) That any changes made to a Medicaid waiver or Medicaid
24 state plan to implement the demonstration model described in this
25 subsection must only be in effect for the duration of the
26 demonstration model described in this subsection.

27 (b) That the demonstration model described in this subsection

1 is consistent with the stated core values as identified in the
2 final report of the workgroup established in section 298 of article
3 X of 2016 PA 268.

4 (c) That updates are provided to the medical care advisory
5 council, behavioral health advisory council, and developmental
6 disabilities council.

7 (2) The department shall continue to pursue the implementation
8 of up to 3 pilot projects as specified under section 298(3) of
9 article X of 2017 PA 107. The department shall ensure that the
10 pilot projects described in this subsection are implemented in a
11 manner that ensures at least all of the following:

12 (a) That allows the CMHSP in the geographic area of the pilot
13 project to be a provider of behavioral health supports and
14 services.

15 (b) That any changes made to a Medicaid waiver or Medicaid
16 state plan to implement the pilot projects described in this
17 subsection must only be in effect for the duration of the pilot
18 projects described in this subsection.

19 (c) That the project is consistent with the stated core values
20 as identified in the final report of the workgroup established in
21 section 298 of article X of 2016 PA 268.

22 (d) That updates are provided to the medical care advisory
23 council, behavioral health advisory council, and developmental
24 disabilities council.

25 (3) The department shall ensure that the pilot projects and
26 demonstration model described in subsections (1) and (2) are
27 operational for the entire current fiscal year. Each pilot project

1 shall be designed to last at least 2 years.

2 (4) For the duration of any pilot projects and demonstration
3 model, the department shall require that contracts between CMHSPs
4 and the Medicaid health plans within their pilot region mandate
5 that any and all realized benefits and cost savings of integrating
6 the physical health and behavioral health systems shall be
7 reinvested in services and supports for individuals having or at
8 risk of having a mental illness, an intellectual or developmental
9 disability, or a substance use disorder. Any and all realized
10 benefits and cost savings shall be specifically reinvested in the
11 counties where the savings occurred in accordance with the Medicaid
12 state plan and any applicable Medicaid waiver.

13 (5) It is the intent of the legislature that the primary
14 purpose of the pilot projects and demonstration model is to test
15 how the state may better integrate behavioral and physical health
16 delivery systems in order to improve behavioral and physical health
17 outcomes, maximize efficiencies, minimize unnecessary costs, and
18 achieve material increases in behavioral health services without
19 increases in overall Medicaid spending.

20 (6) The department shall continue to partner with 1 of the
21 state's research universities to evaluate any pilot project and
22 demonstration model that is authorized under this section. The
23 evaluation shall comply with all of the following:

24 (a) Include information on the pilot project's or
25 demonstration model's success in meeting the performance metrics
26 developed in this subsection and information on whether the pilot
27 project could be replicated into other geographic areas with

1 similar performance metric outcomes.

2 (b) Include the performance metrics, at a minimum, from each
3 of the following categories:

4 (i) Improvement of the coordination between behavioral health
5 and physical health.

6 (ii) Improvement of services available to individuals with
7 mental illness, intellectual or developmental disabilities, or
8 substance use disorders.

9 (iii) Benefits associated with full access to community-based
10 services and supports.

11 (iv) Customer health status.

12 (v) Customer satisfaction.

13 (vi) Provider network stability.

14 (vii) Treatment and service efficacies before and after the
15 pilot projects and demonstration model.

16 (viii) Use of best practices.

17 (ix) Financial efficiencies.

18 (x) Barriers to clinical data sharing with Medicaid health
19 plans.

20 (xi) Any other relevant categories.

21 (c) Be completed within 6 months of the end of the pilot
22 project or demonstration model and be provided to the department,
23 the house and senate appropriations subcommittees on the department
24 budget, the house and senate fiscal agencies, the house and senate
25 policy offices, and the state budget office.

26 (7) Upon completion of any pilot project or demonstration
27 model advanced under this section, the managing entity of the pilot

1 project or demonstration model shall submit a report to the senate
2 and house appropriations subcommittees on the department budget,
3 the senate and house fiscal agencies, the senate and house policy
4 offices, and the state budget office within 30 days of completion
5 of that pilot project or demonstration model detailing their
6 experience, lessons learned, efficiencies and savings revealed,
7 increases in investment on behavioral health services, and
8 recommendations for extending pilot projects to full implementation
9 or discontinuation.

10 Sec. 299. (1) No state department or agency shall issue a
11 request for proposal (RFP) for a contract in excess of
12 \$5,000,000.00, unless the department or agency has first considered
13 issuing a request for information (RFI) or a request for
14 qualification (RFQ) relative to that contract to better enable the
15 department or agency to learn more about the market for the
16 products or services that are the subject of the RFP. The
17 department or agency shall notify the department of technology,
18 management, and budget of the evaluation process used to determine
19 if an RFI or RFQ was not necessary prior to issuing the RFP.

20 (2) From funds appropriated in part 1, for all RFPs issued
21 during the current fiscal year where an existing service received
22 proposals by multiple vendors, the department shall notify all
23 vendors within 30 days of the RFP decision. The notification to
24 vendors shall include details on the RFP process, including the
25 respective RFP scores and the respective cost for each vendor. If
26 the highest scored RFP or lowest cost RFP does not receive the
27 contract for an existing service offered by the department, the

1 notification shall issue an explanation for the reasons that the
2 highest scored RFP or lowest cost RFP did not receive the contract
3 and detail the incremental cost target amount or service level
4 required that was required to migrate the service to a new vendor.
5 Additionally, the department shall include in the notification
6 details as to why a cost or service difference is justifiable if
7 the highest scored or lowest cost vendor does not receive the
8 contract.

9 (3) The department shall submit to the senate and house
10 appropriations subcommittees on the department budget, the senate
11 and house fiscal agencies, the senate and house policy offices, and
12 the state budget office by September 30 of the current fiscal year
13 a report that summarizes all RFPs during the current fiscal year
14 where an existing service received proposals by multiple vendors.
15 The report shall list all finalized RFPs where there was a
16 divergence from awarding the contract to the lowest cost or highest
17 scoring vendor. The report shall also include the cost or service
18 threshold required by department policy that must be satisfied in
19 order for an existing contract to be received by a new vendor.

20 **DEPARTMENTAL ADMINISTRATION AND SUPPORT**

21 Sec. 307. (1) From the funds appropriated in part 1 for
22 demonstration projects, \$950,000.00 shall be distributed as
23 provided in subsection (2). The amount distributed under this
24 subsection shall not exceed 50% of the total operating expenses of
25 the program described in subsection (2), with the remaining 50%
26 paid by local United Way organizations and other nonprofit

1 organizations and foundations.

2 (2) Funds distributed under subsection (1) shall be
3 distributed to Michigan 2-1-1, a nonprofit corporation organized
4 under the laws of this state that is exempt from federal income tax
5 under section 501(c)(3) of the internal revenue code of 1986, 26
6 USC 501, and whose mission is to coordinate and support a statewide
7 2-1-1 system. Michigan 2-1-1 shall use the funds only to fulfill
8 the Michigan 2-1-1 business plan adopted by Michigan 2-1-1 in
9 January 2005.

10 (3) Michigan 2-1-1 shall refer to the department any calls
11 received reporting fraud, waste, or abuse of state-administered
12 public assistance.

13 (4) Michigan 2-1-1 shall report annually to the department and
14 the house and senate standing committees with primary jurisdiction
15 over matters relating to human services and telecommunications on
16 2-1-1 system performance, the senate and house appropriations
17 subcommittees on the department budget, and the senate and house
18 fiscal agencies, including, but not limited to, call volume by
19 health and human service needs and unmet needs identified through
20 caller data and customer satisfaction metrics.

21 Sec. 316. From the funds appropriated in part 1 for terminal
22 leave payments, the department shall not spend in excess of its
23 annual gross appropriation unless it identifies and requests a
24 legislative transfer from another budgetary line item supporting
25 administrative costs, as provided by section 393(2) of the
26 management and budget act, 1984 PA 431, MCL 18.1393.

1 **CHILD SUPPORT ENFORCEMENT**

2 Sec. 401. (1) The appropriations in part 1 assume a total
3 federal child support incentive payment of \$26,500,000.00.

4 (2) From the federal money received for child support
5 incentive payments, \$12,000,000.00 shall be retained by the state
6 and expended for child support program expenses.

7 (3) From the federal money received for child support
8 incentive payments, \$14,500,000.00 shall be paid to the counties
9 based on each county's performance level for each of the federal
10 performance measures as established in 45 CFR 305.2.

11 (4) If the child support incentive payment to the state from
12 the federal government is greater than \$26,500,000.00, then 100% of
13 the excess shall be retained by the state and is appropriated until
14 the total retained by the state reaches \$15,397,400.00.

15 (5) If the child support incentive payment to the state from
16 the federal government is greater than the amount needed to satisfy
17 the provisions identified in subsections (1), (2), (3), and (4),
18 the additional funds shall be subject to appropriation by the
19 legislature.

20 (6) If the child support incentive payment to the state from
21 the federal government is less than \$26,500,000.00, then the state
22 and county share shall each be reduced by 50% of the shortfall.

23 Sec. 409. (1) If statewide retained child support collections
24 exceed \$38,300,000.00, 75% of the amount in excess of
25 \$38,300,000.00 is appropriated to legal support contracts. This
26 excess appropriation may be distributed to eligible counties to
27 supplement and not supplant county title IV-D funding.

1 (2) Each county whose retained child support collections in
2 the current fiscal year exceed its fiscal year 2004-2005 retained
3 child support collections, excluding tax offset and financial
4 institution data match collections in both the current fiscal year
5 and fiscal year 2004-2005, shall receive its proportional share of
6 the 75% excess.

7 Sec. 410. (1) If title IV-D-related child support collections
8 are escheated, the state budget director is authorized to adjust
9 the sources of financing for the funds appropriated in part 1 for
10 legal support contracts to reduce federal authorization by 66% of
11 the escheated amount and increase general fund/general purpose
12 authorization by the same amount. This budget adjustment is
13 required to offset the loss of federal revenue due to the escheated
14 amount being counted as title IV-D program income in accordance
15 with federal regulations at 45 CFR 304.50.

16 (2) The department shall notify the chairs of the house and
17 senate appropriations subcommittees on the department budget and
18 the house and senate fiscal agencies within 15 days of the
19 authorization adjustment in subsection (1).

20 **COMMUNITY SERVICES AND OUTREACH**

21 Sec. 450. (1) From the funds appropriated in part 1 for school
22 success partnership program, the department shall allocate
23 \$525,000.00 by December 1 of the current fiscal year to support the
24 Northeast Michigan Community Service Agency programming, which will
25 take place in each county in the Governor's Prosperity Region 3.
26 The department shall require the following performance objectives

1 be measured and reported for the duration of the state funding for
2 the school success partnership program:

3 (a) Increasing school attendance and decreasing chronic
4 absenteeism.

5 (b) Increasing academic performance based on grades with
6 emphasis on math and reading.

7 (c) Identifying barriers to attendance and success and
8 connecting families with resources to reduce these barriers.

9 (d) Increasing parent involvement with the parent's child's
10 school and community.

11 (2) The Northeast Michigan Community Service Agency shall
12 provide reports to the department on January 31 and June 30 of the
13 current fiscal year on the number of children and families served
14 and the services that were provided to families to meet the
15 performance objectives identified in this section. The department
16 shall distribute the reports within 1 week after receipt to the
17 senate and house appropriations subcommittees on the department
18 budget, the senate and house fiscal agencies, the senate and house
19 policy offices, and the state budget office.

20 Sec. 452. From the funds appropriated in part 1 for crime
21 victim justice assistance grants, the department shall continue to
22 support forensic nurse examiner programs to facilitate training for
23 improved evidence collection for the prosecution of sexual assault.
24 The funds shall be used for program coordination and training.

25 Sec. 453. From the funds appropriated in part 1 for homeless
26 programs, the department shall maintain emergency shelter program
27 per diem rates at \$16.00 per bed night to support efforts of

1 shelter providers to move homeless individuals and households into
2 permanent housing as quickly as possible. Expected outcomes are
3 increased shelter discharges to stable housing destinations,
4 decreased recidivism rates for shelter clients, and a reduction in
5 the average length of stay in emergency shelters.

6 Sec. 454. The department shall allocate the full amount of
7 funds appropriated in part 1 for homeless programs to provide
8 services for homeless individuals and families, including, but not
9 limited to, third-party contracts for emergency shelter services.

10 Sec. 455. As a condition of receipt of federal TANF funds,
11 homeless shelters and human services agencies shall collaborate
12 with the department to obtain necessary TANF eligibility
13 information on families as soon as possible after admitting a
14 family to the homeless shelter. From the funds appropriated in part
15 1 for homeless programs, the department is authorized to make
16 allocations of TANF funds only to the homeless shelters and human
17 services agencies that report necessary data to the department for
18 the purpose of meeting TANF eligibility reporting requirements.
19 Homeless shelters or human services agencies that do not report
20 necessary data to the department for the purpose of meeting TANF
21 eligibility reporting requirements will not receive reimbursements
22 that exceed the per diem amount they received in fiscal year 2000.
23 The use of TANF funds under this section is not an ongoing
24 commitment of funding.

25 Sec. 457. (1) From the funds appropriated in part 1 for the
26 uniform statewide sexual assault evidence kit tracking system, in
27 accordance with the final report of the Michigan sexual assault

1 evidence kit tracking and reporting commission, \$800,000.00 is
2 allocated from the sexual assault evidence tracking fund to
3 contract for development and implementation of a uniform statewide
4 sexual assault evidence kit tracking system. The system shall
5 include the following:

6 (a) A uniform statewide system to track the submission and
7 status of sexual assault evidence kits.

8 (b) A uniform statewide system to audit untested kits that
9 were collected on or before March 1, 2015 and were released by
10 victims to law enforcement.

11 (c) Secure electronic access for victims.

12 (d) The ability to accommodate concurrent data entry with kit
13 collection through various mechanisms, including web entry through
14 computer or smartphone, and through scanning devices.

15 (2) By March 30 of the current fiscal year, the department
16 shall submit to the senate and house appropriations subcommittees
17 on the department budget, the senate and house fiscal agencies, the
18 senate and house policy offices, and the state budget office a
19 status report on implementation and operation of the uniform
20 statewide sexual assault evidence kit tracking system, including
21 operational status and any known issues regarding implementation.

22 (3) The sexual assault evidence tracking fund established in
23 section 1451 of 2017 PA 158 shall continue to be maintained in the
24 department of treasury. Money in the sexual assault evidence
25 tracking fund at the close of a fiscal year shall remain in the
26 sexual assault evidence tracking fund and shall not revert to the
27 general fund and shall be appropriated as provided by law for the

1 development and implementation of a uniform statewide sexual
2 assault evidence kit tracking system as described in subsection
3 (1).

4 (4) By September 30 of the current fiscal year, the department
5 shall submit to the senate and house appropriations subcommittees
6 on the department budget, the senate and house fiscal agencies, the
7 senate and house policy offices, and the state budget office a
8 report on the findings of the annual audit of the proper submission
9 of sexual assault evidence kits as required by the sexual assault
10 kit evidence submission act, 2014 PA 227, MCL 752.931 to 752.935.
11 The report must include, but is not limited to, a detailed county-
12 by-county compilation of the number of sexual assault evidence kits
13 that were properly submitted and the number that met or did not
14 meet deadlines established in the sexual assault kit evidence
15 submission act, 2014 PA 227, MCL 752.931 to 752.935, the number of
16 kits retrieved by law enforcement after analysis, and the physical
17 location of all released kits collected by health care providers in
18 that year, as of the date of the annual draft report for each
19 reporting agency.

20 Sec. 458. From the funds appropriated in part 1 for crime
21 victim rights services grants, the department shall allocate
22 \$2,000,000.00 state general fund/general purpose to increase grant
23 funding to support the further use of crime victim advocates in the
24 criminal justice system. The purpose of the additional funding is
25 to increase available grant funding for crime victim advocates to
26 ensure that the advocates have the resources, training, and funding
27 needed to respond to the physical and emotional needs of crime

1 victims, provide victims with the necessary services, information,
2 and assistance in order to help them understand and participate in
3 the criminal justice system and experience a measure of safety and
4 security throughout the legal process.

5 **CHILDREN'S SERVICES AGENCY - CHILD WELFARE**

6 Sec. 501. (1) A goal is established that not more than 25% of
7 all children in foster care at any given time during the current
8 fiscal year, if in the best interest of the child, will have been
9 in foster care for 24 months or more.

10 (2) By March 1 of the current fiscal year, the department
11 shall provide to the senate and house appropriations subcommittees
12 on the department budget, the senate and house fiscal agencies, the
13 senate and house policy offices, and the state budget office a
14 report describing the steps that will be taken to achieve the
15 specific goal established in this section and on the percentage of
16 children who currently are in foster care and who have been in
17 foster care a total of 24 or more months.

18 Sec. 502. From the funds appropriated in part 1 for foster
19 care, the department shall provide 50% reimbursement to Indian
20 tribal governments for foster care expenditures for children who
21 are under the jurisdiction of Indian tribal courts and who are not
22 otherwise eligible for federal foster care cost sharing.

23 Sec. 503. (1) In accordance with the final report of the
24 Michigan child welfare performance-based funding task force issued
25 in response to section 503 of article X of 2013 PA 59, the
26 department shall periodically review actuarially sound case rates

1 for necessary out-of-home child welfare services that achieve
2 permanency by the department and private child placing agencies in
3 a prospective payment system under a performance-based funding
4 model.

5 (2) The department shall continue to pilot a prospective rate
6 payment system for private agencies that includes funding for
7 adoption incentive payments. The full cost prospective rate payment
8 system will identify and cover contractual costs paid through the
9 case rate developed by an independent actuary.

10 (3) By March 1 of the current fiscal year, the department
11 shall provide to the senate and house appropriations committees on
12 the department budget, the senate and house fiscal agencies and
13 policy offices, and the state budget office a report on the full
14 cost analysis of the performance-based funding model. The report
15 shall include background information on the project and give
16 details about the contractual costs covered through the case rate.

17 (4) In accordance with the final report of the Michigan child
18 welfare performance-based funding task force issued in response to
19 section 503 of article X of 2013 PA 59, the department shall
20 continue an independent, third-party evaluation of the performance-
21 based funding model.

22 (5) The department shall only implement the performance-based
23 funding model into additional counties where the department,
24 private child welfare agencies, the county, and the court operating
25 within that county have signed a memorandum of understanding that
26 incorporates the intentions of the concerned parties in order to
27 implement the performance-based funding model.

1 (6) The department, in conjunction with members from both the
2 house of representatives and senate, private child placing
3 agencies, the courts, and counties shall continue to implement the
4 recommendations that are described in the workgroup report that was
5 provided in section 503 of article X of 2013 PA 59 to establish a
6 performance-based funding for public and private child welfare
7 services providers. The department shall provide a quarterly report
8 on the status of the performance-based contracting model to the
9 senate and house appropriations subcommittees on the department
10 budget, the senate and house standing committees on families and
11 human services, and the senate and house fiscal agencies and policy
12 offices.

13 (7) From the funds appropriated in part 1 for the performance-
14 based funding model pilot, the department shall continue to work
15 with the West Michigan Partnership for Children Consortium on the
16 implementation of the performance-based funding model pilot. The
17 consortium shall accept and comprehensively assess referred youth,
18 assign cases to members of its continuum or leverage services from
19 other entities, and make appropriate case management decisions
20 during the duration of a case. The consortium shall operate an
21 integrated continuum of care structure, with services provided by
22 both private and public agencies, based on individual case needs.
23 The consortium shall demonstrate significant organizational
24 capacity and competencies, including experience with managing risk-
25 based contracts, financial strength, experienced staff and
26 leadership, and appropriate governance structure.

27 Sec. 504. (1) The department may continue a master agreement

1 with the West Michigan Partnership for Children Consortium for a
2 performance-based child welfare contracting pilot program. The
3 consortium shall consist of a network of affiliated child welfare
4 service providers that will accept and comprehensively assess
5 referred youth, assign cases to members of its continuum or
6 leverage services from other entities, and make appropriate case
7 management decisions during the duration of a case.

8 (2) The consortium shall operate an integrated continuum of
9 care structure, with services provided by private or public
10 agencies, based on individual case needs.

11 (3) By March 1 of the current fiscal year, the consortium
12 shall provide to the department and the house and senate
13 appropriations subcommittees on the department budget a report on
14 the consortium, including, but not limited to, actual expenditures,
15 number of children placed by agencies in the consortium, fund
16 balance of the consortium, and the status of the consortium
17 evaluation.

18 Sec. 505. By March 1 of the current fiscal year, the
19 department shall provide to the senate and house appropriations
20 subcommittees on the department budget, the senate and house fiscal
21 agencies and policy offices, and the state budget office a report
22 for youth referred or committed to the department for care or
23 supervision in the previous fiscal year and in the first quarter of
24 the current fiscal year outlining the number of youth served by the
25 department within the juvenile justice system, the type of setting
26 for each youth, performance outcomes, and financial costs or
27 savings.

1 Sec. 507. The department's ability to satisfy appropriation
2 deducts in part 1 for foster care private collections shall not be
3 limited to collections and accruals pertaining to services provided
4 only in the current fiscal year but may include revenues collected
5 during the current fiscal year for services provided in prior
6 fiscal years.

7 Sec. 508. (1) In addition to the amount appropriated in part 1
8 for children's trust fund grants, money granted or money received
9 as gifts or donations to the children's trust fund created by 1982
10 PA 249, MCL 21.171 to 21.172, is appropriated for expenditure.

11 (2) The department and the child abuse and neglect prevention
12 board shall collaborate to ensure that administrative delays are
13 avoided and the local grant recipients and direct service providers
14 receive money in an expeditious manner. The department and board
15 shall make available the children's trust fund contract funds to
16 grantees within 31 days of the start date of the funded project.

17 (3) From the funds appropriated in part 1 for the children's
18 trust fund, \$500,000.00 shall be allocated to provide additional
19 funding to children's trust fund designated local councils for
20 increased substance use disorder programs. The \$500,000.00
21 additional allocation shall be funded by \$300,000.00 children's
22 trust fund cash reserve balance and \$200,000.00 state general
23 fund/general purpose. The purpose of this additional funding is to
24 increase the amount of services for substance use disorders that is
25 provided by local councils over the amount provided in the previous
26 fiscal year.

27 Sec. 511. The department shall provide semi-annual reports to

1 the senate and house appropriations subcommittees on the department
2 budget, the senate and house standing committees on families and
3 human services, and the senate and house fiscal agencies and policy
4 offices on the number and percentage of children who received
5 timely physical and mental health examinations after entry into
6 foster care. The goal of the program is that at least 85% of
7 children receive timely physical and mental health examinations
8 after entry into foster care.

9 Sec. 512. (1) As required by the settlement, by March 1 of the
10 current fiscal year, the department shall report to the senate and
11 house appropriations subcommittees on the department budget, the
12 senate and house fiscal agencies, the senate and house policy
13 offices, and the state budget office on the following information
14 for cases of child abuse or child neglect from the previous fiscal
15 year:

16 (a) The total number of relative care placements.

17 (b) The total number of relatives with a placement who became
18 licensed.

19 (c) The number of waivers of foster care licensure granted to
20 relative care providers.

21 (d) The number of waivers of foster care denied to relative
22 care providers.

23 (e) A list of the reasons from a sample of cases the
24 department denied granting a waiver of foster care licensure for a
25 relative care provider.

26 (f) A list of the reasons from a sample of cases where
27 relatives were declined foster care licensure as documented by the

1 department.

2 (2) The caseworker shall request a waiver of foster care
3 licensure if both of the following apply:

4 (a) The caseworker has fully informed the relative of the
5 benefits of licensure and the option of a licensure waiver.

6 (b) The caseworker has assessed the relative and the
7 relative's home using the department's initial relative safety
8 screen and the department's relative home assessment and has
9 determined that the relative's home is safe and placement there is
10 in the child's best interest.

11 Sec. 513. (1) The department shall not expend funds
12 appropriated in part 1 to pay for the direct placement by the
13 department of a child in an out-of-state facility unless all of the
14 following conditions are met:

15 (a) There is no appropriate placement available in this state
16 as determined by the department interstate compact office.

17 (b) An out-of-state placement exists that is nearer to the
18 child's home than the closest appropriate in-state placement as
19 determined by the department interstate compact office.

20 (c) The out-of-state facility meets all of the licensing
21 standards of this state for a comparable facility.

22 (d) The out-of-state facility meets all of the applicable
23 licensing standards of the state in which it is located.

24 (e) The department has done an on-site visit to the out-of-
25 state facility, reviewed the facility records, reviewed licensing
26 records and reports on the facility, and believes that the facility
27 is an appropriate placement for the child.

1 (2) The department shall not expend money for a child placed
2 in an out-of-state facility without approval of the executive
3 director of the children's services agency.

4 (3) The department shall submit an annual report to the state
5 court administrative office, the house and senate appropriations
6 subcommittees on the department budget, the house and senate fiscal
7 agencies, the house and senate policy offices, and the state budget
8 office on the number of Michigan children residing in out-of-state
9 facilities at the time of the report, the total cost and average
10 per diem cost of these out-of-state placements to this state, and a
11 list of each such placement arranged by the Michigan county of
12 residence for each child.

13 Sec. 514. The department shall make a comprehensive report
14 concerning children's protective services (CPS) to the legislature,
15 including the senate and house policy offices and the state budget
16 director, by March 1 of the current fiscal year, that shall include
17 all of the following:

18 (a) Statistical information including, but not limited to, all
19 of the following:

20 (i) The total number of reports of child abuse or child
21 neglect investigated under the child protection law, 1975 PA 238,
22 MCL 722.621 to 722.638, and the number of cases classified under
23 category I or category II and the number of cases classified under
24 category III, category IV, or category V.

25 (ii) Characteristics of perpetrators of child abuse or child
26 neglect and the child victims, such as age, relationship, race, and
27 ethnicity and whether the perpetrator exposed the child victim to

1 drug activity, including the manufacture of illicit drugs, that
2 exposed the child victim to substance abuse, a drug house, or
3 methamphetamine.

4 (iii) The mandatory reporter category in which the individual
5 who made the report fits, or other categorization if the individual
6 is not within a group required to report under the child protection
7 law, 1975 PA 238, MCL 722.621 to 722.638.

8 (iv) The number of cases that resulted in the separation of
9 the child from the parent or guardian and the period of time of
10 that separation, up to and including termination of parental
11 rights.

12 (v) For the reported complaints of child abuse or child
13 neglect by teachers, school administrators, and school counselors,
14 the number of cases classified under category I or category II and
15 the number of cases classified under category III, category IV, or
16 category V.

17 (vi) For the reported complaints of child abuse or child
18 neglect by teachers, school administrators, and school counselors,
19 the number of cases that resulted in separation of the child from
20 the parent or guardian and the period of time of that separation,
21 up to and including termination of parental rights.

22 (b) New policies related to children's protective services
23 including, but not limited to, major policy changes and court
24 decisions affecting the children's protective services system
25 during the immediately preceding 12-month period.

26 (c) Statistical information regarding families that were
27 classified in category III, including, but not limited to, all of

1 the following:

2 (i) The total number of cases classified in category III.

3 (ii) The number of cases in category III referred to voluntary
4 community services and closed with no additional monitoring.

5 (iii) The number of cases in category III referred to
6 voluntary community services and monitored for up to 90 days.

7 (iv) The number of cases in category III for which the
8 department entered more than 1 determination that there was
9 evidence of child abuse or child neglect.

10 (v) The number of cases in category III that the department
11 reclassified from category III to category II.

12 (vi) The number of cases in category III that the department
13 reclassified from category III to category I.

14 (vii) The number of cases in category III that the department
15 reclassified from category III to category I that resulted in a
16 removal.

17 (d) The department policy, or changes to the department
18 policy, regarding children who have been exposed to the production
19 or manufacture of methamphetamines.

20 Sec. 519. The department shall permit any private agency that
21 has an existing contract with this state to provide foster care
22 services to be also eligible to provide treatment foster care
23 services.

24 Sec. 520. To the extent that the data are available, the
25 department shall submit a report to the house and senate
26 appropriations subcommittees on the department budget, the house
27 and senate fiscal agencies, the house and senate policy offices,

1 and the state budget office by February 15 of the current fiscal
2 year on the number of days of care and expenditures by funding
3 source for the previous year for out-of-home placements by specific
4 placement programs for child abuse or child neglect, including, but
5 not limited to, paid relative placement, department direct family
6 foster care, private agency supervised foster care, private child
7 caring institutions, county-supervised facilities, court-supervised
8 facilities, and independent living. The report shall also identify
9 days of care for department-operated residential juvenile justice
10 facilities by security classification.

11 Sec. 522. (1) From the funds appropriated in part 1 for youth
12 in transition, the department shall allocate \$750,000.00 for
13 scholarships through the fostering futures scholarship program in
14 the Michigan education trust to youths who were in foster care
15 because of child abuse or child neglect and are attending a college
16 or a career technical educational institution located in this
17 state. Of the funds appropriated, 100% shall be used to fund
18 scholarships for the youths described in this section.

19 (2) By March 1 of the current fiscal year, the department
20 shall provide a report to the senate and house appropriations
21 subcommittees on the department budget, the senate and house fiscal
22 agencies, the senate and house policy offices, and the state budget
23 office that includes the number of youths who received scholarships
24 and the amount of each scholarship, and the total amount of funds
25 spent or encumbered in the current fiscal year.

26 Sec. 523. (1) By February 15 of the current fiscal year, the
27 department shall submit to the senate and house appropriations

1 subcommittees on the department budget, the senate and house fiscal
2 agencies, the senate and house policy offices, and the state budget
3 office a report on the families first, family reunification, and
4 families together building solutions family preservation programs.
5 The report shall provide population and outcome data based on
6 contractually required follow-up evaluations for families who
7 received family preservation services and shall include information
8 for each program on any innovations that may increase child safety
9 and risk reduction.

10 (2) From the funds appropriated in part 1 for youth in
11 transition and domestic violence prevention and treatment, the
12 department is authorized to make allocations of TANF funds only to
13 agencies that report necessary data to the department for the
14 purpose of meeting TANF eligibility reporting requirements.

15 Sec. 524. As a condition of receiving funds appropriated in
16 part 1 for strong families/safe children, counties must submit the
17 service spending plan to the department by October 1 of the current
18 fiscal year for approval. The department shall approve the service
19 spending plan within 30 calendar days after receipt of a properly
20 completed service spending plan.

21 Sec. 525. The department shall implement the same on-site
22 evaluation processes for privately operated child welfare and
23 juvenile justice residential facilities as is used to evaluate
24 state-operated facilities. Penalties for noncompliance shall be the
25 same for privately operated child welfare and juvenile justice
26 residential facilities and state-operated facilities.

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. 533. The department shall make payments to child placing
10 facilities for in-home and out-of-home care services and adoption
11 services within 30 days of receiving all necessary documentation
12 from those agencies. It is the intent of the legislature that the
13 burden of ensuring that these payments are made in a timely manner
14 and no payments are in arrears is upon the department.

15 Sec. 540. If a physician or psychiatrist who is providing
16 services to state or court wards placed in a residential facility
17 submits a formal request to the department to change the
18 psychotropic medication of a ward, the department shall, if the
19 ward is a state ward, make a determination on the proposed change
20 within 7 business days after the request or, if the ward is a
21 temporary court ward, seek parental consent within 7 business days
22 after the request. If parental consent is not provided within 7
23 business days, the department shall petition the court on the
24 eighth business day.

25 Sec. 546. (1) From the funds appropriated in part 1 for foster
26 care payments and from child care fund, the department shall pay
27 providers of general foster care, independent living, and trial

1 reunification services not less than a \$46.20 administrative rate.

2 (2) From the funds appropriated in part 1, the department
3 shall pay providers of independent living plus services statewide
4 per diem rates for staff-supported housing and host-home housing
5 based on proposals submitted in response to a solicitation for
6 pricing. The independent living plus program provides staff-
7 supported housing and services for foster youth ages 16 through 19
8 who, because of their individual needs and assessments, are not
9 initially appropriate for general independent living foster care.

10 (3) If required by the federal government to meet title IV-E
11 requirements, providers of foster care services shall submit
12 quarterly expenditure reports to the department to identify actual
13 costs of providing foster care services.

14 Sec. 547. (1) From the funds appropriated in part 1 for the
15 guardianship assistance program, the department shall pay a minimum
16 rate that is not less than the approved age-appropriate payment
17 rates for youth placed in family foster care.

18 (2) The department shall report quarterly to the state budget
19 office, the senate and house appropriations subcommittees on the
20 department budget, the senate and house fiscal agencies, and the
21 senate and house policy offices on the number of children enrolled
22 in the guardianship assistance and foster care children with
23 serious emotional disturbance waiver programs.

24 Sec. 550. (1) The department shall not offset against
25 reimbursement payments to counties or seek reimbursement from
26 counties for charges that were received by the department more than
27 12 months before the department seeks to offset against

1 reimbursement. A county shall not request reimbursement for and
2 reimbursement payments shall not be paid for a charge that is more
3 than 12 months after the date of service or original status
4 determination when initially submitted by the county.

5 (2) All service providers shall submit a request for payment
6 within 12 months after the date of service. Any request for payment
7 submitted 12 months or more after the date of service requires the
8 provider to submit an exception request to the county or the
9 department for approval or denial.

10 (3) The county shall not be subject to any offset, chargeback,
11 or reimbursement liability for prior expenditures resulting from an
12 error in foster care fund source determinations.

13 Sec. 551. The department shall respond to counties within 30
14 days regarding any request for a clarification requested through
15 the department's child care fund management unit electronic mail
16 address.

17 Sec. 552. Sixty days after a county's child care fund on-site
18 review is completed, the department shall provide the results of
19 the review to the county.

20 Sec. 558. By January 1 of the current fiscal year, the
21 department shall provide to the senate and house appropriations
22 subcommittees on the department budget, the senate and house fiscal
23 agencies, the senate and house policy offices, and the state budget
24 office a report that identifies the policies, procedures, and other
25 relevant issues related to the modernization of the child welfare
26 training program.

27 Sec. 559. (1) From the funds appropriated in part 1 for

1 adoption support services, the department shall allocate up to
2 \$250,000.00 to the Adoptive Family Support Network by December 1 of
3 the current fiscal year to operate and expand its adoptive parent
4 mentor program to provide a listening ear, knowledgeable guidance,
5 and community connections to adoptive parents and children who were
6 adopted in this state or another state.

7 (2) The Adoptive Family Support Network shall submit to the
8 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 by March 1 of the
11 current fiscal year a report on the program described in subsection
12 (1), including, but not limited to, the number of cases served and
13 the number of cases in which the program prevented an out-of-home
14 placement.

15 Sec. 562. The department shall provide time and travel
16 reimbursements for foster parents who transport a foster child to
17 parent-child visitations. As part of the foster care parent
18 contract, the department shall provide written confirmation to
19 foster parents that states that the foster parents have the right
20 to request these reimbursements for all parent-child visitations.
21 The department shall provide these reimbursements within 60 days of
22 receiving a request for eligible reimbursements from a foster
23 parent.

24 Sec. 564. (1) The department shall develop a clear policy for
25 parent-child visitations. The local county offices, caseworkers,
26 and supervisors shall meet an 85% success rate, after accounting
27 for factors outside of the caseworkers' control.

1 (2) Per the court-ordered number of required meetings between
2 caseworkers and a parent, the caseworkers shall achieve a success
3 rate of 85%, after accounting for factors outside of the
4 caseworkers' control.

5 (3) By March 1 of the current fiscal year, the department
6 shall provide to the senate and house appropriations subcommittees
7 on the department budget, the senate and house fiscal agencies, the
8 senate and house policy offices, and the state budget office a
9 report on the following:

10 (a) The percentage of success rate for parent-child
11 visitations and court-ordered required meetings between caseworkers
12 referenced in subsections (1) and (2) for the previous year.

13 (b) The barriers to achieve the success rates in subsections
14 (1) and (2) and how this information is tracked.

15 Sec. 567. The department shall submit 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 by March 1 of the current fiscal year a
19 report on transfer of medical passports for children in foster
20 care, including the following:

21 (a) From the total medical passports transferred, the
22 percentage that transferred within 2 weeks from the date of
23 placement or return to the home.

24 (b) From the total school records, the percentage that
25 transferred within 2 weeks from the date of placement or return to
26 the home.

27 (c) The implementation steps that have been taken to improve

1 the outcomes for the measures in subdivision (a).

2 Sec. 569. The department shall reimburse private child placing
3 agencies that complete adoptions at the rate according to the date
4 on which the petition for adoption and required support
5 documentation was accepted by the court and not according to the
6 date the court's order placing for adoption was entered.

7 Sec. 573. The department may pay providers of foster care
8 services a per diem daily administrative rate for every case on a
9 caseworker's caseload for the duration of a case from referral
10 acceptance to the discharge of wardship.

11 Sec. 574. (1) From the funds appropriated in part 1 for foster
12 care payments, \$2,000,000.00 is allocated to support performance-
13 based contracts with child placing agencies to facilitate the
14 licensure of relative caregivers as foster parents. Agencies shall
15 receive \$2,300.00 for each facilitated licensure if completed
16 within 180 days after case acceptance, or, if a waiver was
17 previously approved, 180 days from the referral date. If the
18 facilitated licensure, or approved waiver, is completed after 180
19 days, the agency shall receive up to \$2,300.00. The agency
20 facilitating the licensure would retain the placement and continue
21 to provide case management services for the newly licensed cases
22 for which the placement was appropriate to the agency.

23 (2) From the funds appropriated for foster care payments,
24 \$375,000.00 is allocated to support family incentive grants to
25 private and community-based foster care service providers to assist
26 with home improvements or payment for physical exams for applicants
27 needed by foster families to accommodate foster children.

1 Sec. 583. By March 1 of the current fiscal year, the
2 department shall provide to the senate and house appropriations
3 subcommittees on the department budget, the senate and house
4 standing committees on families and human services, the senate and
5 house fiscal agencies and policy offices, and the state budget
6 office a report that includes:

7 (a) The number and percentage of foster parents that dropped
8 out of the program in the previous fiscal year and the reasons the
9 foster parents left the program and how those figures compare to
10 prior fiscal years.

11 (b) The number and percentage of foster parents successfully
12 retained in the previous fiscal year and how those figures compare
13 to prior fiscal years.

14 Sec. 585. The department shall make available at least 1 pre-
15 service training class each month in which new caseworkers for
16 private foster care and adoption agencies can enroll.

17 Sec. 588. Concurrently with public release, the department
18 shall transmit all reports from the court-appointed settlement
19 monitor, including, but not limited to, the needs assessment and
20 period outcome reporting, to the state budget office, the senate
21 and house appropriations subcommittees on the department budget,
22 and the senate and house fiscal agencies and policy offices,
23 without revision.

24 Sec. 589. On a quarterly basis, the department shall report on
25 the number of all foster care cases administered by the department
26 and all foster care cases administered by private providers.

27 Sec. 593. The department may allow residential service

1 providers for child abuse and child neglect cases to implement a
2 staff ratio during working hours of 1 staff to 5 children.

3 Sec. 594. From the funds appropriated in part 1 for foster
4 care payments, the department shall support regional resource teams
5 to provide for the recruitment, retention, and training of foster
6 and adoptive parents and shall expand the Michigan youth
7 opportunities initiative to all Michigan counties. The purpose of
8 this funding is to increase the number of annual inquiries from
9 prospective foster parents, increase the number of nonrelative
10 foster homes that achieve licensure each year, increase the annual
11 retention rate of nonrelative foster homes, reduce the number of
12 older foster youth placed outside of family settings, and provide
13 older youth with enhanced support in transitioning to adulthood.

14 Sec. 595. Partial child care fund reimbursements to counties
15 for undisputed charges shall be made within 45 business days after
16 the receipt of the required forms and documentation. The department
17 shall notify a county within 15 business days after a disputed
18 reimbursement request. The department shall reimburse for corrected
19 charges within 45 business days after a properly corrected
20 submission by the county.

21 Sec. 596. From the funds appropriated in part 1 for youth in
22 transition, the department shall allocate \$750,000.00 state general
23 fund/general purpose revenue to increase funding to support the
24 runaway and homeless youth services program. The purpose of the
25 additional funding is to increase funding to contracted providers
26 that provide emergency shelter and services to homeless and runaway
27 youth.

1 **PUBLIC ASSISTANCE**

2 Sec. 601. Whenever a client agrees to the release of his or
3 her name and address to the local housing authority, the department
4 shall request from the local housing authority information
5 regarding whether the housing unit for which vendoring has been
6 requested meets applicable local housing codes. Vendoring shall be
7 terminated for those units that the local authority indicates in
8 writing do not meet local housing codes until such time as the
9 local authority indicates in writing that local housing codes have
10 been met.

11 Sec. 602. The department shall conduct a full evaluation of an
12 individual's assistance needs if the individual has applied for
13 disability more than 1 time within a 1-year period.

14 Sec. 604. (1) The department shall operate a state disability
15 assistance program. Except as provided in subsection (3), persons
16 eligible for this program shall include needy citizens of the
17 United States or aliens exempted from the supplemental security
18 income citizenship requirement who are at least 18 years of age or
19 emancipated minors meeting 1 or more of the following requirements:

20 (a) A recipient of supplemental security income, social
21 security, or medical assistance due to disability or 65 years of
22 age or older.

23 (b) A person with a physical or mental impairment that meets
24 federal supplemental security income disability standards, except
25 that the minimum duration of the disability shall be 90 days.
26 Substance use disorder alone is not defined as a basis for
27 eligibility.

1 (c) A resident of an adult foster care facility, a home for
2 the aged, a county infirmary, or a substance use disorder treatment
3 center.

4 (d) A person receiving 30-day postresidential substance use
5 disorder treatment.

6 (e) A person diagnosed as having acquired immunodeficiency
7 syndrome.

8 (f) A person receiving special education services through the
9 local intermediate school district.

10 (g) A caretaker of a disabled person who meets the
11 requirements specified in subdivision (a), (b), (e), or (f).

12 (2) Applicants for and recipients of the state disability
13 assistance program shall be considered needy if they:

14 (a) Meet the same asset test as is applied for the family
15 independence program.

16 (b) Have a monthly budgetable income that is less than the
17 payment standards.

18 (3) Except for a person described in subsection (1)(c) or (d),
19 a person is not disabled for purposes of this section if his or her
20 drug addiction or alcoholism is a contributing factor material to
21 the determination of disability. "Material to the determination of
22 disability" means that, if the person stopped using drugs or
23 alcohol, his or her remaining physical or mental limitations would
24 not be disabling. If his or her remaining physical or mental
25 limitations would be disabling, then the drug addiction or
26 alcoholism is not material to the determination of disability and
27 the person may receive state disability assistance. Such a person

1 must actively participate in a substance abuse treatment program,
2 and the assistance must be paid to a third party or through vendor
3 payments. For purposes of this section, substance abuse treatment
4 includes receipt of inpatient or outpatient services or
5 participation in alcoholics anonymous or a similar program.

6 Sec. 605. The level of reimbursement provided to state
7 disability assistance recipients in licensed adult foster care
8 facilities shall be the same as the prevailing supplemental
9 security income rate under the personal care category.

10 Sec. 606. County department offices shall require each
11 recipient of family independence program and state disability
12 assistance who has applied with the social security administration
13 for supplemental security income to sign a contract to repay any
14 assistance rendered through the family independence program or
15 state disability assistance program upon receipt of retroactive
16 supplemental security income benefits.

17 Sec. 607. (1) The department's ability to satisfy
18 appropriation deductions in part 1 for state disability
19 assistance/supplemental security income recoveries and public
20 assistance recoupment revenues shall not be limited to recoveries
21 and accruals pertaining to state disability assistance, or family
22 independence assistance grant payments provided only in the current
23 fiscal year, but may include revenues collected during the current
24 year that are prior year related and not a part of the department's
25 accrued entries.

26 (2) The department may use supplemental security income
27 recoveries to satisfy the deduct in any line in which the revenues

1 are appropriated, regardless of the source from which the revenue
2 is recovered.

3 Sec. 608. Adult foster care facilities providing domiciliary
4 care or personal care to residents receiving supplemental security
5 income or homes for the aged serving residents receiving
6 supplemental security income shall not require those residents to
7 reimburse the home or facility for care at rates in excess of those
8 legislatively authorized. To the extent permitted by federal law,
9 adult foster care facilities and homes for the aged serving
10 residents receiving supplemental security income shall not be
11 prohibited from accepting third-party payments in addition to
12 supplemental security income if the payments are not for food,
13 clothing, shelter, or result in a reduction in the recipient's
14 supplemental security income payment.

15 Sec. 609. The state supplementation level under the
16 supplemental security income program for the personal care/adult
17 foster care and home for the aged categories shall not be reduced
18 during the current fiscal year. The legislature shall be notified
19 not less than 30 days before any proposed reduction in the state
20 supplementation level.

21 Sec. 610. (1) In developing good cause criteria for the state
22 emergency relief program, the department shall grant exemptions if
23 the emergency resulted from unexpected expenses related to
24 maintaining or securing employment.

25 (2) For purposes of determining housing affordability
26 eligibility for state emergency relief, a group is considered to
27 have sufficient income to meet ongoing housing expenses if their

1 total housing obligation does not exceed 75% of their total net
2 income.

3 (3) State emergency relief payments shall not be made to
4 individuals who have been found guilty of fraud in regard to
5 obtaining public assistance.

6 (4) State emergency relief payments shall not be made
7 available to persons who are out-of-state residents or illegal
8 immigrants.

9 (5) State emergency relief payments for rent assistance shall
10 be distributed directly to landlords and shall not be added to
11 Michigan bridge cards.

12 Sec. 611. The state supplementation level under the
13 supplemental security income program for the living independently
14 or living in the household of another categories shall not exceed
15 the minimum state supplementation level as required under federal
16 law or regulations.

17 Sec. 613. (1) The department shall provide reimbursements for
18 the final disposition of indigent persons. The reimbursements shall
19 include the following:

20 (a) The maximum allowable reimbursement for the final
21 disposition is \$800.00.

22 (b) The adult burial with services allowance is \$725.00.

23 (c) The adult burial without services allowance is \$490.00.

24 (d) The infant burial allowance is \$170.00.

25 (2) Reimbursement for a cremation permit fee of up to \$75.00
26 and for mileage at the standard rate will be made available for an
27 eligible cremation. The reimbursements under this section shall

1 take into consideration religious preferences that prohibit
2 cremation.

3 Sec. 614. The department shall report to the senate and house
4 of representatives appropriations subcommittees on the department
5 budget, the senate and house fiscal agencies, and the senate and
6 house policy offices by January 15 of the current fiscal year on
7 the number and percentage of state disability assistance recipients
8 who were determined to be eligible for federal supplemental
9 security income benefits in the previous fiscal year.

10 Sec. 615. Except as required by federal law or regulations,
11 funds appropriated in part 1 shall not be used to provide public
12 assistance to a person who is an illegal alien. This section shall
13 not prohibit the department from entering into contracts with food
14 banks, emergency shelter providers, or other human services
15 agencies who may, as a normal part of doing business, provide food
16 or emergency shelter.

17 Sec. 616. The department shall require retailers that
18 participate in the electronic benefits transfer program to charge
19 no more than \$2.50 in fees for cash back as a condition of
20 participation.

21 Sec. 618. 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, the senate and house policy offices, and the state budget
25 office the quarterly numbers of supervised individuals who have
26 absconded from supervision and whom a law enforcement agency or the
27 department is actively seeking according to section 84 of the

1 corrections code of 1953, 1953 PA 232, MCL 791.284.

2 Sec. 619. (1) Subject to subsection (2), the department shall
3 not deny title IV-A assistance and food assistance benefits under
4 21 USC 862a to any individual who has been convicted of a single
5 felony that included the possession, use, or distribution of a
6 controlled substance, for which the act that resulted in the
7 conviction occurred after August 22, 1996, if the individual is not
8 in violation of his or her probation or parole requirements.

9 Benefits shall be provided to those individuals, if the individual
10 is the grantee (head of household), as follows:

11 (a) Family independence program benefits must be paid in the
12 form of restricted payments when the grantee has been convicted,
13 for conduct occurring after August 22, 1996, of a felony for the
14 use, possession, or distribution of controlled substances. A
15 protective payee shall be used, if possible. If a protective payee
16 cannot be found, vendor payments for shelter shall be used to the
17 extent possible.

18 (b) An authorized representative shall be required for food
19 assistance receipt. If the individual with the conviction was not
20 the grantee, the food assistance shall go to the grantee.

21 (2) Subject to federal approval, an individual is not entitled
22 to the exemption in this section if the individual was convicted in
23 2 or more separate felony acts that included the possession, use,
24 or distribution of a controlled substance and both acts occurred
25 after August 22, 1996.

26 Sec. 620. (1) The department shall make a determination of
27 Medicaid eligibility not later than 90 days if disability is an

1 eligibility factor. For all other Medicaid applicants, including
2 patients of a nursing home, the department shall make a
3 determination of Medicaid eligibility within 45 days of
4 application.

5 (2) The department shall report on a quarterly basis to the
6 senate and house appropriations subcommittees on the department
7 budget, the senate and house standing committees on families and
8 human services, the senate and house fiscal agencies, the senate
9 and house policy offices, and the state budget office on the
10 average Medicaid eligibility standard of promptness for each of the
11 required standards of promptness under subsection (1) and for
12 medical review team reviews achieved statewide and at each local
13 office.

14 Sec. 645. An individual or family is considered homeless, for
15 purposes of eligibility for state emergency relief, if living
16 temporarily with others in order to escape domestic violence. For
17 purposes of this section, domestic violence is defined and verified
18 in the same manner as in the department's policies on good cause
19 for not cooperating with child support and paternity requirements.

20 Sec. 650. An individual who is an able-bodied adult without
21 dependents must be subject to the time-limited food assistance and
22 work requirement provisions of 7 CFR 273.24(a) to (d) regardless of
23 the individual's county of residence, redetermination date, or
24 federal waiver status effective October 1, 2018.

25 Sec. 653. From the funds appropriated in part 1 for food
26 assistance, an individual who is the victim of domestic violence
27 and does not qualify for any other exemption may be exempt from the

1 3-month in 36-month limit on receiving food assistance under 7 USC
2 2015. This exemption can be extended an additional 3 months upon
3 demonstration of continuing need.

4 Sec. 654. The department shall notify recipients of food
5 assistance program benefits that their benefits can be spent with
6 their bridge cards at many farmers' markets in the state. The
7 department shall also notify recipients about the Double Up Food
8 Bucks program that is administered by the Fair Food Network.
9 Recipients shall receive information about the Double Up Food Bucks
10 program, including information that when the recipient spends
11 \$20.00 at participating farmers' markets through the program, the
12 recipient can receive an additional \$20.00 to buy Michigan produce.

13 Sec. 655. Within 14 days after the spending plan for low-
14 income home energy assistance program is approved by the state
15 budget office, the department shall provide the spending plan,
16 including itemized projected expenditures, to the chairpersons of
17 the senate and house appropriations subcommittees on the department
18 budget, the senate and house fiscal agencies, the senate and house
19 policy offices, and the state budget office.

20 Sec. 660. From the funds appropriated in part 1 for Food Bank
21 Council of Michigan, the department is authorized to make
22 allocations of TANF funds only to the agencies that report
23 necessary data to the department for the purpose of meeting TANF
24 eligibility reporting requirements. The agencies that do not report
25 necessary data to the department for the purpose of meeting TANF
26 eligibility reporting requirements will not receive allocations in
27 excess of those received in fiscal year 2000. The use of TANF funds

1 under this section is not an ongoing commitment of funding.

2 Sec. 669. The department shall allocate \$6,270,000.00 for the
3 annual clothing allowance. The allowance shall be granted to all
4 eligible children in a family independence program group.

5 Sec. 672. (1) The department's office of inspector general
6 shall report to the senate and house of representatives
7 appropriations subcommittees on the department budget, the senate
8 and house fiscal agencies, and the senate and house policy offices
9 by February 15 of the current fiscal year on department efforts to
10 reduce inappropriate use of Michigan bridge cards. The department
11 shall provide information on the number of recipients of services
12 who used their electronic benefit transfer card inappropriately and
13 the current status of each case, the number of recipients whose
14 benefits were revoked, whether permanently or temporarily, as a
15 result of inappropriate use, and the number of retailers that were
16 fined or removed from the electronic benefit transfer program for
17 permitting inappropriate use of the cards. The report shall
18 distinguish between savings and cost avoidance. Savings include
19 receivables established from instances of fraud committed. Cost
20 avoidance includes expenditures avoided due to front-end
21 eligibility investigations and other preemptive actions undertaken
22 in the prevention of fraud.

23 (2) It shall be the policy of the department that the
24 department shall require an explanation from a recipient if a
25 bridge card is replaced more than 2 times over any 3-month period.

26 (3) As used in this section, "inappropriate use" means not
27 used to meet a family's ongoing basic needs, including food,

1 clothing, shelter, utilities, household goods, personal care items,
2 and general incidentals.

3 Sec. 677. (1) The department shall establish a state goal for
4 the percentage of family independence program cases involved in
5 employment activities. The percentage established shall not be less
6 than 50%. The goal for long-term employment shall be 15% of cases
7 for 6 months or more.

8 (2) On a quarterly basis, the department shall report to the
9 senate and house appropriations subcommittees on the department
10 budget, the senate and house fiscal agencies and policy offices,
11 and the state budget director on the number of cases referred to
12 Partnership. Accountability. Training. Hope. (PATH), the current
13 percentage of family independence program cases involved in PATH
14 employment activities, an estimate of the current percentage of
15 family independence program cases that meet federal work
16 participation requirements on the whole, and an estimate of the
17 current percentage of the family independence program cases that
18 meet federal work participation requirements for those cases
19 referred to PATH.

20 (3) The department shall submit to the senate and house
21 appropriations subcommittees on the department budget, the senate
22 and house fiscal agencies, the senate and house policy offices, and
23 the state budget office a quarterly report that includes all of the
24 following:

25 (a) The number and percentage of nonexempt family independence
26 program recipients who are employed.

27 (b) The average and range of wages of employed family

1 independence program recipients.

2 (c) The number and percentage of employed family independence
3 program recipients who remain employed for 6 months or more.

4 Sec. 686. (1) The department shall ensure that program policy
5 requires caseworkers to confirm that individuals presenting
6 personal identification issued by another state seeking assistance
7 through the family independence program, food assistance program,
8 state disability assistance program, or medical assistance program
9 are not receiving benefits from any other state.

10 (2) The department shall require caseworkers to confirm the
11 address provided by any individual seeking family independence
12 program benefits or state disability assistance benefits.

13 (3) The department shall prohibit individuals with property
14 assets assessed at a value higher than \$200,000.00 from accessing
15 assistance through department-administered programs, unless such a
16 prohibition would violate federal rules and guidelines.

17 (4) The department shall require caseworkers to obtain an up-
18 to-date telephone number during the eligibility determination or
19 redetermination process for individuals seeking medical assistance
20 benefits.

21 Sec. 687. (1) The department shall, on a quarterly basis by
22 February 1, May 1, August 1, and November 1, compile and make
23 available on its website all of the following information about the
24 family independence program, state disability assistance, the food
25 assistance program, Medicaid, and state emergency relief:

26 (a) The number of applications received.

27 (b) The number of applications approved.

1 (c) The number of applications denied.

2 (d) The number of applications pending and neither approved
3 nor denied.

4 (e) The number of cases opened.

5 (f) The number of cases closed.

6 (g) The number of cases at the beginning of the quarter and
7 the number of cases at the end of the quarter.

8 (2) The information provided under subsection (1) shall be
9 compiled and made available for the state as a whole and for each
10 county and reported separately for each program listed in
11 subsection (1).

12 (3) For cases that are closed in the family independence
13 program and the food assistance program for which the recipient
14 achieved employment, the department shall compile and make
15 available on its website the type of job category of the
16 employment. This information shall be reported on a semi-annual
17 basis by May 1 and November 1 for the state as a whole.

18 (4) The department shall, on a quarterly basis by February 1,
19 May 1, August 1, and November 1, compile and make available on its
20 website the family independence program information listed as
21 follows:

22 (a) The number of new applicants who successfully met the
23 requirements of the 21-day assessment period for PATH.

24 (b) The number of new applicants who did not meet the
25 requirements of the 21-day assessment period for PATH.

26 (c) The number of cases sanctioned because of the school
27 truancy policy.

1 (d) The number of cases closed because of the 48-month and 60-
2 month lifetime limits and whether the recipient gained employment.

3 (e) The number of first-, second-, and third-time sanctions.

4 (f) The number of children ages 0-5 living in FIP-sanctioned
5 households.

6 Sec. 688. From the funds appropriated in part 1 for the low-
7 income home energy assistance program, an additional \$20.01 payment
8 shall be made to food assistance program cases that are not
9 currently eligible for the standard utility allowance to enable
10 these cases to receive expanded food assistance benefits through
11 the program commonly known as the heat and eat program.

12 **CHILDREN'S SERVICES AGENCY - JUVENILE JUSTICE**

13 Sec. 701. Unless required from changes to federal or state law
14 or at the request of a provider, the department shall not alter the
15 terms of any signed contract with a private residential facility
16 serving children under state or court supervision without written
17 consent from a representative of the private residential facility.

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 October 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 for the following fiscal year to the
9 department by August 15 of the current fiscal year for approval.
10 Upon submission of the county service spending plan, the department
11 shall approve within 30 calendar days after receipt of a properly
12 completed service plan that complies with the requirements of the
13 social welfare act, 1939 PA 280, MCL 400.1 to 400.119b. The
14 department shall notify and submit county service spending plan
15 revisions to any county whose county service spending plan is not
16 accepted upon initial submission. The department shall notify a
17 county within 30 days after approval that its service plan was
18 approved.

19 (2) Counties must submit amendments to current fiscal year
20 county service plans no later than August 30. Counties must submit
21 current fiscal year payable estimates to the department no later
22 than September 15.

23 (3) The department shall submit a report to the house and
24 senate appropriations subcommittees on the department budget, the
25 house and senate fiscal agencies, the house and senate policy
26 offices, and the state budget office by February 15 of the current
27 fiscal year on the number of counties that fail to submit a service

1 spending plan by August 15 and the number of service spending plans
2 not approved by October 15. The report shall include the number of
3 county service spending plans that were not approved as first
4 submitted by the counties, as well as the number of plans that were
5 not approved by the department after being resubmitted by the
6 county with the first revisions that were requested by the
7 department.

8 Sec. 709. The department's master contract for juvenile
9 justice residential foster care services shall prohibit contractors
10 from denying a referral for placement of a youth, or terminating a
11 youth's placement, if the youth's assessed treatment needs are in
12 alignment with the facility's residential program type, as
13 identified by the court or the department. In addition, the master
14 contract shall require that youth placed in juvenile justice
15 residential foster care facilities must have regularly scheduled
16 treatment sessions with a licensed psychologist or psychiatrist, or
17 both, and access to the licensed psychologist or psychiatrist as
18 needed.

19 **FIELD OPERATIONS AND SUPPORT SERVICES**

20 Sec. 801. (1) Funds appropriated in part 1 for independent
21 living shall be used to support the general operations of centers
22 for independent living in delivering mandated independent living
23 services in compliance with federal rules and regulations for the
24 centers, by existing centers for independent living to serve
25 underserved areas, and for projects to build the capacity of
26 centers for independent living to deliver independent living

1 services. Applications for the funds shall be reviewed in
2 accordance with criteria and procedures established by the
3 department. The funds appropriated in part 1 may be used to
4 leverage federal vocational rehabilitation innovation and expansion
5 funds consistent with 34 CFR 361.35 up to \$5,543,000.00, if
6 available. If the possibility of matching federal funds exists, the
7 centers for independent living network will negotiate a mutually
8 beneficial contractual arrangement with Michigan rehabilitation
9 services. Funds shall be used in a manner consistent with the state
10 plan for independent living. Services provided should assist people
11 with disabilities to move toward self-sufficiency, including
12 support for accessing transportation and health care, obtaining
13 employment, community living, nursing home transition, information
14 and referral services, education, youth transition services,
15 veterans, and stigma reduction activities and community education.
16 This includes the independent living guide project that
17 specifically focuses on economic self-sufficiency.

18 (2) The Michigan centers for independent living shall provide
19 a report by March 1 of the current fiscal year to the house and
20 senate appropriations subcommittees on the department budget, the
21 house and senate fiscal agencies, the house and senate policy
22 offices, and the state budget office on direct customer and system
23 outcomes and performance measures.

24 Sec. 802. The Michigan rehabilitation services shall work
25 collaboratively with the bureau of services for blind persons,
26 service organizations, and government entities to identify
27 qualified match dollars to maximize use of available federal

1 vocational rehabilitation funds.

2 Sec. 803. The department shall provide an annual report by
3 February 1 to the house and senate appropriations subcommittees on
4 the department budget, the house and senate fiscal agencies, the
5 house and senate policy offices, and the state budget office on
6 efforts taken to improve the Michigan rehabilitation services. The
7 report shall include all of the following items:

8 (a) Reductions and changes in administration costs and
9 staffing.

10 (b) Service delivery plans and implementation steps achieved.

11 (c) Reorganization plans and implementation steps achieved.

12 (d) Plans to integrate Michigan rehabilitative services
13 programs into other services provided by the department.

14 (e) Quarterly expenditures by major spending category.

15 (f) Employment and job retention rates from both Michigan
16 rehabilitation services and its nonprofit partners.

17 (g) Success rate of each district in achieving the program
18 goals.

19 Sec. 804. (1) From the funds appropriated in part 1 for
20 Michigan rehabilitation services, the department shall allocate
21 \$50,000.00 along with available federal match to support the
22 provision of vocational rehabilitation services to eligible
23 agricultural workers with disabilities. Authorized services shall
24 assist agricultural workers with disabilities in acquiring or
25 maintaining quality employment and independence.

26 (2) By March 1 of the current fiscal year, the department
27 shall report to the senate and house appropriations subcommittees

1 on the department budget, the senate and house fiscal agencies, the
2 senate and house policy offices, and the state budget office on the
3 total number of clients served and the total amount of federal
4 matching funds obtained throughout the duration of the program.

5 Sec. 806. From the funds appropriated in part 1 for Michigan
6 rehabilitation services, the department shall allocate
7 \$6,100,300.00, including federal matching funds, to service
8 authorizations with community-based rehabilitation organizations
9 for an array of needed services throughout the rehabilitation
10 process.

11 Sec. 807. From the funds appropriated in part 1 for Elder Law
12 of Michigan MiCAFE contract, the department shall allocate not less
13 than \$350,000.00 to the Elder Law of Michigan MiCAFE to assist this
14 state's elderly population in participating in the food assistance
15 program. Of the \$350,000.00 allocated under this section, the
16 department shall use \$175,000.00, which are general fund/general
17 purpose funds, as state matching funds for not less than
18 \$175,000.00 in United States Department of Agriculture funding to
19 provide outreach program activities, such as eligibility screening
20 and information services, as part of a statewide food assistance
21 hotline.

22 Sec. 808. By March 1 of the current fiscal year, the
23 department shall provide a report to the senate and house
24 appropriations subcommittees on the department budget, the senate
25 and house fiscal agencies, the senate and house policy offices, and
26 the state budget office on the nutrition education program. The
27 report shall include planned allocation and actual expenditures for

1 the supplemental nutrition assistance program education funding,
2 planned and actual grant amounts for the supplemental nutrition
3 assistance program education funding, the total amount of expected
4 carryforward balance at the end of the current fiscal year for the
5 supplemental nutrition assistance program education funding, a list
6 of all supplemental nutrition assistance program education funding
7 programs by implementing agency, and the stated purpose of each
8 program.

9 Sec. 809. The purpose of the pathways to potential program is
10 to reduce chronic absenteeism by 10%, decrease the number of
11 students who repeat grades, decrease the rate of dropouts, and
12 increase graduation for schools that are current participants in
13 the pathways to potential program. The funding priority for the
14 pathways to potential program shall be based on schools requiring
15 assistance in meeting these performance outcomes.

16 Sec. 825. From the funds appropriated in part 1, the
17 department shall provide individuals not more than \$500.00 for
18 vehicle repairs, including any repairs done in the previous 12
19 months. However, the department may in its discretion pay for
20 repairs up to \$900.00. Payments under this section shall include
21 the combined total of payments made by the department and work
22 participation program.

23 Sec. 850. (1) The department shall maintain out-stationed
24 eligibility specialists in community-based organizations, community
25 mental health agencies, nursing homes, adult placement and
26 independent living settings, federally qualified health centers,
27 and hospitals unless a community-based organization, community

1 mental health agency, nursing home, adult placement and independent
2 living setting, federally qualified health centers, or hospital
3 requests that the program be discontinued at its facility.

4 (2) From the funds appropriated in part 1 for donated funds
5 positions, the department shall enter into contracts with agencies
6 that are able and eligible under federal law to provide the
7 required matching funds for federal funding, as determined by
8 federal statute and regulations.

9 (3) A contract for an assistance payments donated funds
10 position must include, but not be limited to, the following
11 performance metrics:

12 (a) Meeting a standard of promptness for processing
13 applications for Medicaid and other public assistance programs
14 under state law.

15 (b) Meeting required standards for error rates in determining
16 programmatic eligibility as determined by the department.

17 (4) The department shall only fill additional donated funds
18 positions after a new contract has been signed. That position shall
19 also be abolished when the contract expires or is terminated.

20 (5) The department shall classify as limited-term FTEs any new
21 employees who are hired to fulfill the donated funds position
22 contracts or are hired to fill any vacancies from employees who
23 transferred to a donated funds position.

24 (6) By March 1 of the current fiscal year, the department
25 shall submit a report to the senate and house appropriations
26 subcommittees on the department budget, the senate and house fiscal
27 agencies and policy offices, and the state budget office detailing

1 information on the donated funds positions, including the total
2 number of occupied positions, the total private contribution of the
3 positions, and the total cost to the state for any nonsalary
4 expenditure for the donated funds position employees.

5 Sec. 851. A staffing enhancement for adult services field
6 staff was included in 2017 PA 107. The goal of the investment is to
7 reduce the number of older adults who are victims of crime and
8 fraud by increasing the standard of promptness in every county, as
9 measured by commencing an investigation within 24 hours,
10 establishing face-to-face contact with the client within 72 hours,
11 and completing the investigation within 30 days.

12 **BEHAVIORAL HEALTH SERVICES**

13 Sec. 901. Except for the pilot projects and demonstration
14 models described in section 298 of this part, the funds
15 appropriated in part 1 are intended to support a system of
16 comprehensive community mental health services under the full
17 authority and responsibility of local CMHSPs or PIHPs in accordance
18 with the mental health code, 1974 PA 258, MCL 330.1001 to 330.2106,
19 the Medicaid provider manual, federal Medicaid waivers, and all
20 other applicable federal and state laws.

21 Sec. 902. (1) Except for the pilot projects and demonstration
22 models described in section 298 of this part, from the funds
23 appropriated in part 1, final authorizations to CMHSPs or PIHPs
24 shall be made upon the execution of contracts between the
25 department and CMHSPs or PIHPs. The contracts shall contain an
26 approved plan and budget as well as policies and procedures

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

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

14 (a) Any new contracts the department has entered into with
15 CMHSPs or PIHPs that would affect rates or expenditures.

16 (b) Any amendments to contracts the department has entered
17 into with CMHSPs or PIHPs that would affect rates or expenditures.

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

21 Sec. 904. (1) By May 31 of the current fiscal year, the
22 department shall provide a report on the CMHSPs, PIHPs, and
23 designated regional entities for substance use disorder prevention
24 and treatment to the members of the house and senate appropriations
25 subcommittees on the department budget, the house and senate fiscal
26 agencies, and the state budget director that includes the
27 information required by this section.

1 (2) The report shall contain information for each CMHSP, PIHP,
2 and designated regional entity for substance use disorder
3 prevention and treatment, and a statewide summary, each of which
4 shall include at least the following information:

5 (a) A demographic description of service recipients that,
6 minimally, shall include reimbursement eligibility, client
7 population, age, ethnicity, housing arrangements, and diagnosis.

8 (b) Per capita expenditures in total and by client population
9 group and cultural and ethnic groups of the services area,
10 including the deaf and hard of hearing population.

11 (c) Financial information that, minimally, includes a
12 description of funding authorized; expenditures by diagnosis group,
13 service category, and reimbursement eligibility; and cost
14 information by Medicaid, Healthy Michigan plan, state appropriated
15 non-Medicaid mental health services, local funding, and other fund
16 sources, including administration and funds specified for all
17 outside contracts for services and products. Financial information
18 must include the amount of funding, from each fund source, used to
19 cover clinical services and supports. Service category includes all
20 department-approved services.

21 (d) Data describing service outcomes that include, but are not
22 limited to, an evaluation of consumer satisfaction, consumer
23 choice, and quality of life concerns including, but not limited to,
24 housing and employment.

25 (e) Information about access to CMHSPs and designated regional
26 entities for substance use disorder prevention and treatment that
27 includes, but is not limited to, the following:

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

2 (ii) The number of people who requested services but did not
3 receive services.

4 (f) The number of second opinions requested under the mental
5 health code, 1974 PA 258, MCL 330.1001 to 330.2106, and the
6 determination of any appeals.

7 (g) Lapses and carryforwards during the previous fiscal year
8 for CMHSPs, PIHPs, and designated regional entities for substance
9 use disorder prevention and treatment.

10 (h) Performance indicator information required to be submitted
11 to the department in the contracts with CMHSPs, PIHPs, and
12 designated regional entities for substance use disorder prevention
13 and treatment.

14 (i) Administrative expenditures of each CMHSP, PIHP, and
15 designated regional entity for substance use disorder prevention
16 and treatment that include a breakout of the salary, benefits, and
17 pension of each executive-level staff and shall include the
18 director, chief executive, and chief operating officers and other
19 members identified as executive staff.

20 (3) The report shall contain the following information from
21 the previous fiscal year on substance use disorder prevention,
22 education, and treatment programs:

23 (a) Expenditures stratified by department-designated community
24 mental health entity, by central diagnosis and referral agency, by
25 fund source, by subcontractor, by population served, and by service
26 type.

27 (b) Expenditures per state client, with data on the

1 distribution of expenditures reported using a histogram approach.

2 (c) Number of services provided by central diagnosis and
3 referral agency, by subcontractor, and by service type.

4 Additionally, data on length of stay, referral source, and
5 participation in other state programs.

6 (d) Collections from other first- or third-party payers,
7 private donations, or other state or local programs, by department-
8 designated community mental health entity, by subcontractor, by
9 population served, and by service type.

10 (4) The department shall include data reporting requirements
11 listed in subsections (2) and (3) in the annual contract with each
12 individual CMHSP, PIHP, and designated regional entity for
13 substance use disorder treatment and prevention.

14 (5) The department shall take all reasonable actions to ensure
15 that the data required are complete and consistent among all
16 CMHSPs, PIHPs, and designated regional entities for substance use
17 disorder prevention and treatment.

18 Sec. 905. (1) From the funds appropriated in part 1 for
19 behavioral health program administration, the department shall
20 maintain a psychiatric transitional unit and children's behavioral
21 action team. These services will augment the continuum of
22 behavioral health services for high-need youth and provide
23 additional continuity of care and transition into supportive
24 community-based services.

25 (2) Outcomes and performance measures for this initiative
26 include, but are not limited to, the following:

27 (a) The rate of rehospitalization for youth served through the

1 program at 30 and 180 days.

2 (b) Measured change in the Child and Adolescent Functional
3 Assessment Scale for children served through the program.

4 Sec. 906. (1) The funds appropriated in part 1 for the state
5 disability assistance substance use disorder services program shall
6 be used to support per diem room and board payments in substance
7 use disorder residential facilities. Eligibility of clients for the
8 state disability assistance substance use disorder services program
9 shall include needy persons 18 years of age or older, or
10 emancipated minors, who reside in a substance use disorder
11 treatment center.

12 (2) The department shall reimburse all licensed substance use
13 disorder programs eligible to participate in the program at a rate
14 equivalent to that paid by the department to adult foster care
15 providers. Programs accredited by department-approved accrediting
16 organizations shall be reimbursed at the personal care rate, while
17 all other eligible programs shall be reimbursed at the domiciliary
18 care rate.

19 Sec. 907. (1) The amount appropriated in part 1 for community
20 substance use disorder prevention, education, and treatment shall
21 be expended to coordinate care and services provided to individuals
22 with severe and persistent mental illness and substance use
23 disorder diagnoses.

24 (2) The department shall approve managing entity fee schedules
25 for providing substance use disorder services and charge
26 participants in accordance with their ability to pay.

27 (3) The managing entity shall continue current efforts to

1 collaborate on the delivery of services to those clients with
2 mental illness and substance use disorder diagnoses with the goal
3 of providing services in an administratively efficient manner.

4 Sec. 909. From the funds appropriated in part 1 for community
5 substance use disorder prevention, education, and treatment, the
6 department shall use available revenue from the marihuana
7 regulatory fund established in section 604 of the medical marihuana
8 facilities licensing act, 2016 PA 281, MCL 333.27604, to improve
9 physical health; expand access to substance use disorder prevention
10 and treatment services; and strengthen the existing prevention,
11 treatment, and recovery systems.

12 Sec. 910. The department shall ensure that substance use
13 disorder treatment is provided to applicants and recipients of
14 public assistance through the department who are required to obtain
15 substance use disorder treatment as a condition of eligibility for
16 public assistance.

17 Sec. 911. (1) The department shall ensure that each contract
18 with a CMHSP or PIHP requires the CMHSP or PIHP to implement
19 programs to encourage diversion of individuals with serious mental
20 illness, serious emotional disturbance, or developmental disability
21 from possible jail incarceration when appropriate.

22 (2) Each CMHSP or PIHP shall have jail diversion services and
23 shall work toward establishing working relationships with
24 representative staff of local law enforcement agencies, including
25 county prosecutors' offices, county sheriffs' offices, county
26 jails, municipal police agencies, municipal detention facilities,
27 and the courts. Written interagency agreements describing what

1 services each participating agency is prepared to commit to the
2 local jail diversion effort and the procedures to be used by local
3 law enforcement agencies to access mental health jail diversion
4 services are strongly encouraged.

5 Sec. 912. The department shall contract directly with the
6 Salvation Army Harbor Light program to provide non-Medicaid
7 substance use disorder services if the local coordinating agency or
8 the department confirms the Salvation Army Harbor Light program
9 meets the standard of care. The standard of care shall include, but
10 is not limited to, utilization of the medication assisted treatment
11 option.

12 Sec. 915. (1) By March 1 of the current fiscal year, the
13 department shall report the following information on the mental
14 health and wellness commission to the house and senate
15 appropriations subcommittees on the department budget, the house
16 and senate fiscal agencies, the house and senate policy offices,
17 and the state budget office:

18 (a) Previous fiscal year expenditures by actionable
19 recommendation of the mental health and wellness commission.

20 (b) Programs utilized during the previous fiscal year to
21 address each actionable recommendation of the mental health and
22 wellness commission.

23 (c) Outcomes and performance measures achieved during the
24 previous fiscal year by actionable recommendation of the mental
25 health and wellness commission.

26 (d) Current fiscal year funding by actionable recommendation
27 of the mental health and wellness commission.

1 (e) Current fiscal year funding by program utilized to address
2 each actionable recommendation of the mental health and wellness
3 commission.

4 (2) By April 1 of the current fiscal year, the department
5 shall report on funding within the executive budget proposal for
6 the fiscal year ending September 30, 2020, by actionable
7 recommendation of the mental health and wellness commission to the
8 same report recipients listed in subsection (1).

9 Sec. 918. On or before the twenty-fifth of each month, the
10 department shall report to the senate and house appropriations
11 subcommittees on the department budget, the senate and house fiscal
12 agencies, and the state budget director on the amount of funding
13 paid to PIHPs to support the Medicaid managed mental health care
14 program in the preceding month. The information shall include the
15 total paid to each PIHP, per capita rate paid for each eligibility
16 group for each PIHP, and number of cases in each eligibility group
17 for each PIHP, and year-to-date summary of eligibles and
18 expenditures for the Medicaid managed mental health care program.

19 Sec. 920. (1) As part of the Medicaid rate-setting process for
20 behavioral health services, the department shall work with PIHP
21 network providers and actuaries to include any state and federal
22 wage and compensation increases that directly impact staff who
23 provide Medicaid-funded community living supports, personal care
24 services, respite services, skill-building services, and other
25 similar supports and services as part of the Medicaid rate.

26 (2) It is the intent of the legislature that any increased
27 Medicaid rate related to state minimum wage increases shall also be

1 distributed to direct care employees.

2 Sec. 924. From the funds appropriated in part 1 for autism
3 services, autism services reimbursement rates shall not exceed 75%
4 of the rates paid by the TRICARE health care program of the United
5 States Department of Defense Military Health System for autism
6 services provided in this state.

7 Sec. 925. From the funds appropriated in part 1 for community
8 mental health non-Medicaid services, each CMHSP is allocated not
9 less than the amount allocated to that CMHSP during the previous
10 fiscal year.

11 Sec. 926. From the funds appropriated in part 1 for community
12 substance use disorder prevention, education, and treatment,
13 \$500,000.00 is allocated for a specialized substance use disorder
14 detoxification pilot project created at a hospital in a city with a
15 population between 95,000 and 97,000 within a county with a
16 population of at least 1,500,000. The hospital must have a wing
17 with at least 10 beds dedicated to stabilizing patients suffering
18 from addiction by providing a specialized trauma therapist as well
19 as a peer support specialist to assist with treatment and
20 counseling. The hospital shall collect data on the outcomes of the
21 pilot project throughout the duration of the pilot project and
22 shall provide a report on the pilot project's outcomes to the house
23 and senate appropriations subcommittees on the department budget,
24 the house and senate fiscal agencies, and the state budget office.

25 Sec. 928. (1) Each PIHP shall provide, from internal
26 resources, local funds to be used as a part of the state match
27 required under the Medicaid program in order to increase capitation

1 rates for PIHPs. These funds shall not include either state funds
2 received by a CMHSP for services provided to non-Medicaid
3 recipients or the state matching portion of the Medicaid capitation
4 payments made to a PIHP.

5 (2) It is the intent of the legislature that any funds that
6 lapse from the funds appropriated in part 1 for Medicaid mental
7 health services shall be redistributed to individual CMHSPs as a
8 reimbursement of local funds on a proportional basis to those
9 CMHSPs whose local funds were used as state Medicaid match. By
10 April 1 of the current fiscal year, the department shall report to
11 the senate and house appropriations subcommittees on the department
12 budget, the senate and house fiscal agencies, the senate and house
13 policy offices, and the state budget office on the lapse by PIHP
14 from the previous fiscal year and the projected lapse by PIHP in
15 the current fiscal year.

16 Sec. 935. A county required under the provisions of the mental
17 health code, 1974 PA 258, MCL 330.1001 to 330.2106, to provide
18 matching funds to a CMHSP for mental health services rendered to
19 residents in its jurisdiction shall pay the matching funds in equal
20 installments on not less than a quarterly basis throughout the
21 fiscal year, with the first payment being made by October 1 of the
22 current fiscal year.

23 Sec. 940. (1) According to section 236 of the mental health
24 code, 1974 PA 258, MCL 330.1236, the department shall do both of
25 the following:

26 (a) Review expenditures for each CMHSP to identify CMHSPs with
27 projected allocation surpluses and to identify CMHSPs with

1 projected allocation shortfalls. The department shall encourage the
2 board of a CMHSP with a projected allocation surplus to concur with
3 the department's recommendation to reallocate those funds to CMHSPs
4 with projected allocation shortfalls.

5 (b) Withdraw unspent funds that have been allocated to a CMHSP
6 if other reallocated funds were expended in a manner not provided
7 for in the approved contract, including expending funds on services
8 and programs provided to individuals residing outside of the
9 CMHSP's geographic region.

10 (2) A CMHSP that has its funding allocation transferred out or
11 withdrawn during the current fiscal year as described in subsection
12 (1) is not eligible for any additional funding reallocations during
13 the remainder of the current fiscal year, unless that CMHSP is
14 responding to a public health emergency as determined by the
15 department.

16 (3) CMHSPs shall report to the department on any proposed
17 reallocations described in this section at least 30 days before any
18 reallocations take effect.

19 (4) The department shall notify the chairs of the
20 appropriation subcommittees on the department budget when a request
21 is made and when the department grants approval for reallocation or
22 withdraw as described in subsection (1). By September 30 of the
23 current fiscal year, the department shall provide a report on the
24 amount of funding reallocated or withdrawn to the senate and house
25 appropriation subcommittees on the department budget, the senate
26 and house fiscal agencies, the senate and house policy offices, and
27 the state budget office.

1 Sec. 942. A CMHSP shall provide at least 30 days' notice
2 before reducing, terminating, or suspending services provided by a
3 CMHSP to CMHSP clients, with the exception of services authorized
4 by a physician that no longer meet established criteria for medical
5 necessity.

6 Sec. 950. From the funds appropriated in part 1 for court-
7 appointed guardian and conservator reimbursements, the department
8 shall allocate \$2,490,000.00 to reimburse counties for 50% of the
9 cost incurred by the county to reimburse court-appointed public
10 guardians and conservators for recipients who also receive CMHSP
11 services. The department shall only reimburse counties for 50% of
12 costs for reimbursements up to \$83.00 per month per court-appointed
13 public guardian and conservator.

14 Sec. 995. From the funds appropriated in part 1 for behavioral
15 health program administration, \$4,350,000.00 is intended to address
16 the recommendations of the mental health diversion council.

17 Sec. 997. The population data used in determining the
18 distribution of substance use disorder block grant funds shall be
19 from the most recent federal census.

20 Sec. 998. For distribution of state general funds to CMHSPs,
21 if the department decides to use census data, the department shall
22 use the most recent federal census data available.

23 Sec. 1003. The department shall notify the Community Mental
24 Health Association of Michigan when developing policies and
25 procedures that will impact PIHPs or CMHSPs.

26 Sec. 1004. The department shall provide the senate and house
27 appropriations subcommittee on the department budget, the senate

1 and house fiscal agencies, and the state budget office any rebased
2 formula changes to either Medicaid behavioral health services or
3 non-Medicaid mental health services 90 days before implementation.
4 The notification shall include a table showing the changes in
5 funding allocation by PIHP for Medicaid behavioral health services
6 or by CMHSP for non-Medicaid mental health services.

7 Sec. 1005. For the purposes of special projects involving
8 high-need children or adults, including the not guilty by reason of
9 insanity population, the department may contract directly with
10 providers of services to these identified populations.

11 Sec. 1008. PIHPs and CMHSPs shall do all of the following:

12 (a) Work to reduce administration costs by ensuring that PIHP
13 responsible functions are efficient in allowing optimal transition
14 of dollars to those direct services considered most effective in
15 assisting individuals served. Any consolidation of administrative
16 functions must be demonstrated by independent analysis, a reduction
17 in dollars spent on administration resulting in greater dollars
18 spent on direct services. Savings resulting from increased
19 efficiencies shall not be applied to PIHP net assets, internal
20 service fund increases, building costs, increases in the number of
21 PIHP personnel, or other areas not directly related to the delivery
22 of improved services.

23 (b) Take an active role in managing mental health care by
24 ensuring consistent and high-quality service delivery throughout
25 its network and promote a conflict-free care management
26 environment.

27 (c) Ensure that direct service rate variances are related to

1 the level of need or other quantifiable measures to ensure that the
2 most money possible reaches direct services.

3 (d) Whenever possible, promote fair and adequate direct care
4 reimbursement, including fair wages for direct service workers.

5 Sec. 1009. (1) Each PIHP shall report to the department by
6 February 1 of the current fiscal year the range of wages paid to
7 direct care workers, including information on the number of direct
8 care workers at each wage level.

9 (2) The department shall report the information required to be
10 reported according to subsection (1) 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 March 1 of the current fiscal year.

14 Sec. 1010. From the funds appropriated in part 1 for
15 behavioral health program administration, up to \$2,000,000.00 shall
16 be allocated to address the implementation of court-ordered
17 assisted outpatient treatment as provided under chapter 4 of the
18 mental health code, 1974 PA 258, MCL 330.1400 to 330.1490.

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. 1058. Effective October 1 of the current fiscal year, the
13 department, in consultation with the department of technology,
14 management, and budget, may maintain a bid process to identify 1 or
15 more private contractors to provide food service and custodial
16 services for the administrative areas at any state hospital
17 identified by the department as capable of generating savings
18 through the outsourcing of such services.

19 Sec. 1059. The department shall identify specific outcomes and
20 performance measures for the center for forensic psychiatry,
21 including, but not limited to, the following:

22 (a) The average wait time for persons determined incompetent
23 to stand trial before admission to the center for forensic
24 psychiatry.

25 (b) The average wait time for persons determined incompetent
26 to stand trial before admission to other state-operated psychiatric
27 facilities.

1 (c) The number of persons waiting to receive services at the
2 center for forensic psychiatry.

3 (d) The number of persons waiting to receive services at other
4 state-operated hospitals and centers.

5 Sec. 1060. (1) The department shall continue to convene a
6 workgroup that meets at least quarterly in collaboration with the
7 chairs of the house and senate appropriations subcommittees on the
8 department budget or their designees, labor union representation,
9 civil service, and any other appropriate parties to recommend
10 solutions to address mandatory overtime, staff turnover, and staff
11 retention at the state psychiatric hospitals and centers,
12 including, but not limited to, permitting retired workers to return
13 and permitting hiring of part-time workers.

14 (2) By March 1 of the current fiscal year, the department
15 shall provide the workgroup's recommendations to the senate and
16 house appropriations subcommittees on the department budget, the
17 senate and house fiscal agencies, and the state budget office.

18 Sec. 1061. The funds appropriated in part 1 for Caro Regional
19 Mental Health Center shall only be utilized to support a
20 psychiatric hospital located at its current location. It is the
21 intent of the legislature that the Caro Regional Mental Health
22 Center shall remain open and operational at its current location on
23 an ongoing basis, and that any capital outlay funding shall be
24 utilized for planning and construction at the current location
25 instead of at a new location.

26 **HEALTH POLICY**

1 Sec. 1140. From the funds appropriated in part 1 for primary
2 care services, \$250,000.00 shall be allocated to free health
3 clinics operating in the state. The department shall distribute the
4 funds equally to each free health clinic. For the purpose of this
5 appropriation, "free health clinics" means nonprofit organizations
6 that use volunteer health professionals to provide care to
7 uninsured individuals.

8 Sec. 1142. The department shall continue to seek means to
9 increase retention of Michigan medical school students for
10 completion of their primary care residency requirements within this
11 state and ultimately, for some period of time, to remain in this
12 state and serve as primary care physicians. The department is
13 encouraged to work with Michigan institutions of higher education.

14 Sec. 1144. (1) From the funds appropriated in part 1 for
15 health policy administration, the department shall allocate the
16 federal state innovation model grant funding that supports
17 implementation of the health delivery system innovations detailed
18 in this state's "Reinventing Michigan's Health Care System:
19 Blueprint for Health Innovation" document. This initiative will
20 test new payment methodologies, support improved population health
21 outcomes, and support improved infrastructure for technology and
22 data sharing and reporting. The funds will be used to provide
23 financial support directly to regions participating in the model
24 test and to support statewide stakeholder guidance and technical
25 support.

26 (2) Outcomes and performance measures for the initiative under
27 subsection (1) include, but are not limited to, the following:

1 (a) Increasing the number of physician practices fulfilling
2 patient-centered medical home functions.

3 (b) Reducing inappropriate health utilization, specifically
4 reducing preventable emergency department visits, reducing the
5 proportion of hospitalizations for ambulatory sensitive conditions,
6 and reducing this state's 30-day hospital readmission rate.

7 (3) By March 1 and September 1 of the current fiscal year, the
8 department shall submit a written report to the house and senate
9 appropriations subcommittees on the department budget, the house
10 and senate fiscal agencies, and the state budget office on the
11 status of the program and progress made since the prior report.

12 (4) From the funds appropriated in part 1 for health policy
13 administration, any data aggregator created as part of the
14 allocation of the federal state innovation model grant funds must
15 meet the following standards:

16 (a) The primary purpose of the data aggregator must be to
17 increase the quality of health care delivered in this state, while
18 reducing costs.

19 (b) The data aggregator must be governed by a nonprofit
20 entity.

21 (c) All decisions regarding the establishment, administration,
22 and modification of the database must be made by an advisory board.
23 The membership of the advisory board must include the director of
24 the department or a designee of the director and representatives of
25 health carriers, consumers, and purchasers.

26 (d) The Michigan Data Collaborative shall be the data
27 aggregator to receive health care claims information from, without

1 limitation, commercial health carriers, nonprofit health care
2 corporations, health maintenance organizations, and third party
3 administrators that process claims under a service contract.

4 (e) The data aggregator must use existing data sources and
5 technological infrastructure, to the extent possible.

6 Sec. 1145. The department will take steps necessary to work
7 with Indian Health Service, tribal health program facilities, or
8 Urban Indian Health Program facilities that provide services under
9 a contract with a Medicaid managed care entity to ensure that those
10 facilities receive the maximum amount allowable under federal law
11 for Medicaid services.

12 Sec. 1147. (1) From the funds appropriated in part 1 for
13 primary care services, \$1,000,000.00 shall be appropriated for the
14 second year of a 6-year early primary care incentive program to
15 facilitate the placement of physicians in medically underserved
16 areas of this state. The early primary care incentive program
17 format includes all of the following:

18 (a) Recruitment of interested physicians before completion of
19 first year of residency.

20 (b) To participate in the pilot program, a physician must do
21 all of the following:

22 (i) Complete at least 1 year of postgraduate education.

23 (ii) Complete and pass all 3 parts of a national licensing
24 board examination.

25 (iii) Obtain an unrestricted license to engage in the practice
26 of osteopathic medicine and surgery or an unrestricted license to
27 engage in the practice of medicine in this state.

1 (c) A participating physician shall enter into a contract to
2 work with an employer for no less than 2 years in a federally
3 underserved rural or urban area in this state, beginning the year
4 following completion of at least 1 year of postgraduate education.

5 (d) The employer shall employ the physician at a competitive
6 salary. A contractual employer may include, but is not limited to,
7 a private practice physician or physician group, a hospital or
8 hospital system, a community clinic, or a federally qualified
9 health center.

10 (e) Assistance with repayment of medical education loans of
11 the participating physician shall be provided through local, state,
12 federal, or other sources during the employment period, with a
13 target assistance amount of \$50,000.00 over 2 years.

14 (f) Upon completion of the 2-year employment period,
15 participating physicians may reenter and complete a postgraduate
16 residency program.

17 (2) The department shall seek philanthropic support for the
18 early primary care incentive program to achieve increased
19 participation and may use state funds to match philanthropic
20 contributions.

21 (3) The department shall contract with the Michigan Health
22 Council for the purpose of administering the early primary care
23 incentive program. Funds shall be disbursed by the department to
24 the Michigan Health Council by December 1 of the current fiscal
25 year for this purpose.

26 (4) Use of funds for administration of the early primary care
27 incentive program is limited to no more than \$150,000.00.

1 (5) The department shall prepare a report on the status of the
2 early primary care incentive program that shall include, but is not
3 limited to, the number of physicians placed, location of placement,
4 type of employer, average student loan burden of the participating
5 physicians, and average loan relief provided under the program. By
6 April 1 of the current fiscal year, the department shall provide
7 the report described in this subsection to the house and senate
8 appropriations subcommittees on the department budget, the house
9 and senate fiscal agencies and policy offices, and the state budget
10 office.

11 (6) Unexpended and unencumbered funds up to a maximum of
12 \$1,000,000.00 general fund/general purpose revenue in part 1 for
13 primary care services are designated as work project
14 appropriations, and any unencumbered or unallotted funds shall not
15 lapse at the end of the fiscal year and shall be available for
16 expenditures for the early primary care incentive program under
17 this section until the project has been completed. All of the
18 following are in compliance with section 451a of the management and
19 budget act, 1984 PA 431, MCL 18.1451a:

20 (a) The purpose of the work project is to fund the cost of an
21 early primary care incentive program as provided by this section.

22 (b) The work project will be accomplished by administering the
23 partnering of participating physicians with qualifying employers
24 and coordinating the negotiation of medical school loan repayment
25 assistance for the participating physician.

26 (c) The total estimated cost of the work project is
27 \$1,000,000.00 of general fund/general purpose revenue.

1 (d) The tentative completion date of the work project is
2 September 30, 2023.

3 Sec. 1150. The department shall coordinate with the department
4 of licensing and regulatory affairs, the department of the attorney
5 general, all appropriate law enforcement agencies, and the Medicaid
6 health plans to reduce fraud related to opioid prescribing within
7 Medicaid, and to address other appropriate recommendations of the
8 prescription drug and opioid abuse task force outlined in its
9 report of October 2015. By October 1 of the current fiscal year,
10 the department shall submit a 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 on steps the department has taken to
14 coordinate with the entities listed in this section and other
15 stakeholders to reduce fraud related to opioid prescribing, and to
16 address other appropriate recommendations of the task force.

17 Sec. 1151. The department shall coordinate with the department
18 of licensing and regulatory affairs, the department of the attorney
19 general, all appropriate law enforcement agencies, and the Medicaid
20 health plans to work with local substance use disorder agencies and
21 addiction treatment providers to help inform Medicaid beneficiaries
22 of all medically appropriate treatment options for opioid addiction
23 when their treating physician stops prescribing prescription opioid
24 medication for pain, and to address other appropriate
25 recommendations of the prescription drug and opioid abuse task
26 force outlined in its report of October 2015. By October 1 of the
27 current fiscal year, the department shall submit a report to the

1 senate and house appropriations subcommittees on the department
2 budget, the senate and house fiscal agencies, the senate and house
3 policy offices, and the state budget office on how the department
4 is working with local substance use disorder agencies and addiction
5 treatment providers to ensure that Medicaid beneficiaries are
6 informed of all available and medically appropriate treatment
7 options for opioid addiction when their treating physician stops
8 prescribing prescription opioid medication for pain, and to address
9 other appropriate recommendations of the task force. The report
10 shall include any potential barriers to medication-assisted
11 treatment, as recommended by the Michigan medication-assisted
12 treatment guidelines, for Medicaid beneficiaries in both office-
13 based opioid treatment and opioid treatment program facility
14 settings.

15 **LABORATORY SERVICES**

16 Sec. 1170. From the funds appropriated in part 1 for
17 laboratory services, the department shall allocate \$1,000,000.00
18 for enhanced laboratory testing of opioids in cases of drug
19 overdose deaths in order to accurately identify all prescription
20 and nonprescription substances that may have impacted a drug
21 poisoning death. The following provisions apply:

22 (a) The funds shall be used to support state laboratory and
23 county medical examiner costs for collection of biological
24 specimens for all cases of suspected or confirmed overdose death,
25 toxicology screening of specimens for opioids including fentanyl
26 analogues, shipment of specimens as needed, and information systems

1 for reporting of results to the department when a toxicology
2 screening is positive for opioids including fentanyl analogues.

3 (b) The department shall establish standards to specify type
4 of toxicology screening and proper utilization measures that are
5 consistent with standards set by the Centers for Disease Control
6 and Prevention, the College of American Pathologists, and other
7 accrediting organizations.

8 **DISEASE CONTROL, PREVENTION, AND EPIDEMIOLOGY**

9 Sec. 1180. From the funds appropriated in part 1 for
10 epidemiology administration and for childhood lead program, the
11 department shall maintain a public health drinking water unit and
12 maintain enhanced efforts to monitor child blood lead levels. The
13 public health drinking water unit shall ensure that appropriate
14 investigations of potential health hazards occur for all community
15 and noncommunity drinking water supplies where chemical exceedances
16 of action levels, health advisory levels, or maximum contaminant
17 limits are identified. The goals of the childhood lead program
18 shall include improving the identification of affected children,
19 the timeliness of case follow-up, and attainment of nurse case
20 management for children with lead exposure, and to achieve a long-
21 term reduction in the percentage of children in this state with
22 elevated blood lead levels.

23 Sec. 1181. From the funds appropriated in part 1 for
24 epidemiology administration, the department shall maintain a vapor
25 intrusion response unit. The vapor intrusion response unit shall
26 assess risks to public health at vapor intrusion sites and respond

1 to vapor intrusion risks where appropriate. The goals of the vapor
2 intrusion response unit shall include reducing the number of
3 residents of this state exposed to toxic substances through vapor
4 intrusion and improving health outcomes for individuals that are
5 identified as having been exposed to vapor intrusion.

6 Sec. 1182. (1) From the funds appropriated in part 1 for the
7 healthy homes program, no less than \$1,750,000.00 of general
8 fund/general purpose funds and \$23,480,000.00 of federal funds
9 shall be allocated for lead abatement of homes.

10 (2) By January 1 of the current fiscal year, the department
11 shall provide a report to the house and senate appropriations
12 subcommittees on the department budget, the house and senate fiscal
13 agencies, and the state budget office on the expenditures and
14 activities undertaken by the lead abatement program in the previous
15 fiscal year from the funds appropriated in part 1 for the healthy
16 homes program. The report shall include, but is not limited to, a
17 funding allocation schedule, expenditures by category of
18 expenditure and by subcontractor, revenues received, description of
19 program elements, and description of program accomplishments and
20 progress.

21 **LOCAL HEALTH AND ADMINISTRATIVE SERVICES**

22 Sec. 1220. The amount appropriated in part 1 for
23 implementation of the 1993 additions of or amendments to sections
24 9161, 16221, 16226, 17014, 17015, and 17515 of the public health
25 code, 1978 PA 368, MCL 333.9161, 333.16221, 333.16226, 333.17014,
26 333.17015, and 333.17515, shall be used to reimburse local health

1 departments for costs incurred related to implementation of section
2 17015(18) of the public health code, 1978 PA 368, MCL 333.17015.

3 Sec. 1221. If a county that has participated in a district
4 health department or an associated arrangement with other local
5 health departments takes action to cease to participate in such an
6 arrangement after October 1 of the current fiscal year, the
7 department shall have the authority to assess a penalty from the
8 local health department's operational accounts in an amount equal
9 to no more than 6.25% of the local health department's essential
10 local public health services funding. This penalty shall only be
11 assessed to the local county that requests the dissolution of the
12 health department.

13 Sec. 1222. (1) Funds appropriated in part 1 for essential
14 local public health services shall be prospectively allocated to
15 local health departments to support immunizations, infectious
16 disease control, sexually transmitted disease control and
17 prevention, hearing screening, vision services, food protection,
18 public water supply, private groundwater supply, and on-site sewage
19 management. Food protection shall be provided in consultation with
20 the department of agriculture and rural development. Public water
21 supply, private groundwater supply, and on-site sewage management
22 shall be provided in consultation with the department of
23 environmental quality.

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

26 (3) Distributions in subsection (1) shall be made only to
27 counties that maintain local spending in the current fiscal year of

1 at least the amount expended in fiscal year 1992-1993 for the
2 services described in subsection (1).

3 (4) By December 1 of the current fiscal year, the department
4 shall provide a report to the house and senate appropriations
5 subcommittees on the department budget, the house and senate fiscal
6 agencies, and the state budget director on the planned allocation
7 of the funds appropriated for essential local public health
8 services.

9 Sec. 1223. (1) From the funds appropriated in part 1 for
10 dental programs, \$150,000.00 shall be allocated to the Michigan
11 Dental Association for the administration of a volunteer dental
12 program that provides dental services to the uninsured.

13 (2) By December 1 of the current fiscal year, the department
14 shall report to the senate and house appropriations subcommittees
15 on the department budget, the senate and house standing committees
16 on health policy, the senate and house fiscal agencies, and the
17 state budget office the number of individual patients treated,
18 number of procedures performed, and approximate total market value
19 of those procedures from the previous fiscal year.

20 Sec. 1224. The department shall use revenue from mobile
21 dentistry facility permit fees received under section 21605 of the
22 public health code, 1978 PA 368, MCL 333.21605, to offset the cost
23 of the permit program.

24 Sec. 1225. The department shall work with the Michigan health
25 endowment fund corporation established under section 653 of the
26 nonprofit health care corporation reform act, 1980 PA 350, MCL
27 550.1653, to explore ways to fund and evaluate current and future

1 policies and programs. It is the intent of the legislature that, by
2 March 1 of the current fiscal year, the senate and house
3 appropriations subcommittees on the department budget shall hold a
4 joint hearing for the purpose of a presentation by the Michigan
5 health endowment fund corporation and the department, detailing the
6 steps taken to work together, and to report on initiatives
7 supported by the Michigan health endowment fund.

8 Sec. 1226. From the funds appropriated in part 1 for health
9 and wellness initiatives, \$1,000,000.00 shall be allocated for a
10 school children's healthy exercise program to promote and advance
11 physical health for school children in kindergarten through grade
12 8. The department shall recommend model programs for sites to
13 implement that incorporate evidence-based best practices. The
14 department shall grant no less than 1/2 of the funds appropriated
15 in part 1 for before- and after-school programs. The department
16 shall establish guidelines for program sites, which may include
17 schools, community-based organizations, private facilities,
18 recreation centers, or other similar sites. The program format
19 shall encourage local determination of site activities and shall
20 encourage local inclusion of youth in the decision-making regarding
21 site activities. Program goals shall include children experiencing
22 improved physical health and access to physical activity
23 opportunities, the reduction of obesity, providing a safe place to
24 play and exercise, and nutrition education. To be eligible to
25 participate, program sites shall provide a 20% match to the state
26 funding, which may be provided in full, or in part, by a
27 corporation, foundation, or private partner. The department shall

1 seek financial support from corporate, foundation, or other private
2 partners for the program or for individual program sites.

3 Sec. 1227. The department shall establish criteria for all
4 funds allocated under part 1 for health and wellness initiatives.
5 The criteria must include a requirement that all programs funded be
6 evidence-based and supported by research, include interventions
7 that have been shown to demonstrate outcomes that lower cost and
8 improve quality, and be designed for statewide impact. Preference
9 must be given to programs that utilize the funding as match for
10 additional resources including, but not limited to, federal
11 sources.

12 Sec. 1230. By October 1 of the current fiscal year, the
13 department shall provide a report to the house and senate
14 appropriations subcommittees on the department budget, the house
15 and senate fiscal agencies, and the state budget office on
16 estimated costs and timeline to implement a school-based pilot
17 program for children up to grade 7 that may include, but is not
18 limited to, oral health assessments, primary dental services, and
19 referrals. The school-based pilot program shall track the number of
20 children offered and receiving services at the school sites.
21 Program goals shall include improving oral and physical health
22 outcomes for children, improving rates of children receiving dental
23 sealants, and reduction of rates of childhood tooth decay.

24 Sec. 1231. From the funds appropriated for local health
25 services, up to \$4,750,000.00 shall be allocated for grants to
26 local public health departments to support PFAS response and
27 emerging public health threat activities. A portion of the funding

1 shall be allocated by the department in a collaborative fashion
2 with local public health departments in jurisdictions experiencing
3 PFAS contamination. The remainder of the funding shall be allocated
4 to address infectious and vector-borne disease threats, and other
5 environmental contamination issues such as vapor intrusion,
6 drinking water contamination, and lead exposure. The funding shall
7 be allocated to address issues including, but not limited to,
8 staffing, planning and response, and creation and dissemination of
9 materials related to PFAS contamination issues and other emerging
10 public health issues and threats.

11 Sec. 1232. It is the intent of the legislature that the United
12 States Department of Defense shall reimburse the state for costs
13 associated with PFAS and environmental contamination response at
14 military training sites and support facilities.

15 Sec. 1233. General fund and state restricted fund
16 appropriations in part 1 shall not be expended for PFAS and
17 environmental contamination response where federal funding or
18 private grant funding is available for the same expenditures.

19 **FAMILY, MATERNAL, AND CHILD HEALTH**

20 Sec. 1301. (1) Before April 1 of the current fiscal year, the
21 department shall submit a report to the house and senate fiscal
22 agencies and the state budget director on planned allocations from
23 the amounts appropriated in part 1 for local MCH services, prenatal
24 care outreach and service delivery support, family planning local
25 agreements, and pregnancy prevention programs. Using applicable
26 federal definitions, the report shall include information on all of

1 the following:

2 (a) Funding allocations.

3 (b) Actual number of women, children, and adolescents served
4 and amounts expended for each group for the immediately preceding
5 fiscal year.

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

8 (2) The department shall ensure that the distribution of funds
9 through the programs described in subsection (1) takes into account
10 the needs of rural communities.

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

15 Sec. 1302. Each family planning program receiving federal
16 title X family planning funds under 42 USC 300 to 300a-8 shall be
17 in compliance with all performance and quality assurance indicators
18 that the office of population affairs within the United States
19 Department of Health and Human Services specifies in the program
20 guidelines for project grants for family planning services. An
21 agency not in compliance with the indicators shall not receive
22 supplemental or reallocated funds.

23 Sec. 1303. The department shall not contract with an
24 organization that provides elective abortions, abortion counseling,
25 or abortion referrals, for services that are to be funded with
26 state restricted or state general fund/general purpose funds
27 appropriated in part 1 for family planning local agreements. An

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1 organization under contract with the department shall not
 2 subcontract with an organization that provides elective abortions,
 3 abortion counseling, or abortion referrals, for services that are
 4 to be funded with state restricted or state general fund/general
 5 purpose funds appropriated in part 1 for family planning local
 6 agreements.

7 Sec. 1304. The department shall not use state restricted funds
 8 or state general funds appropriated in part 1 in the pregnancy
 9 prevention program or family planning local agreements
 10 appropriation line items for abortion counseling, referrals, or
 11 services.

[Sec. 1305. (1) From the funds appropriated in part 1 for family
 planning local agreements and the pregnancy prevention program, the
 department shall not contract with or award grants to an entity that
 engages in 1 or more of the activities described in section 1091(2) of
 2002 PA 360, MCL 333.1091, if the entity is located in a county or health
 district where family planning or pregnancy prevention services are
 provided by the county, the health district, or a qualified entity that
 does not engage in any of the activities described in section 1091(2) of
 2002 PA 360, MCL 333.1091.

(2) The department shall give priority to counties or health
 districts where no contracts or grants currently exist for family
 planning or pregnancy prevention services before contracting with or
 awarding grants to an entity that engages in 1 or more of the activities
 described in 1091(2) of 2002 PA 360, MCL 333.1091, if that entity is
 located in a county where family planning and pregnancy prevention
 services are provided by the county, the health district, or another
 qualified entity that does not engage in the activities described in
 1091(2) of 2002 PA 360, MCL 333.1091.]

12 Sec. 1307. From the funds appropriated in part 1 for prenatal
 13 care outreach and service delivery support, \$650,000.00 of TANF
 14 revenue shall be allocated for a pregnancy and parenting support
 15 services program, which program must promote childbirth,
 16 alternatives to abortion, and grief counseling. The department

17 shall establish a program with a qualified contractor that will
 18 contract with qualified service providers to provide free
 19 counseling, support, and referral services to eligible women during
 20 pregnancy through 12 months after birth. As appropriate, the goals
 21 for client outcomes shall include an increase in client support, an
 22 increase in childbirth choice, an increase in adoption knowledge,
 23 an improvement in parenting skills, and improved reproductive
 24 health through abstinence education. The contractor of the program
 25 shall provide for program training, client educational material,
 26 program marketing, and annual service provider site monitoring. The
 27 department shall submit a report to the house and senate

1 appropriations subcommittees on the department budget and the house
2 and senate fiscal agencies by April 1 of the current fiscal year on
3 the number of clients served.

4 Sec. 1308. From the funds appropriated in part 1 for prenatal
5 care outreach and service delivery support, not less than
6 \$500,000.00 of funding shall be allocated for evidence-based
7 programs to reduce infant mortality including nurse family
8 partnership programs. The funds shall be used for enhanced support
9 and education to nursing teams or other teams of qualified health
10 professionals, client recruitment in areas designated as
11 underserved for obstetrical and gynecological services and other
12 high-need communities, strategic planning to expand and sustain
13 programs, and marketing and communications of programs to raise
14 awareness, engage stakeholders, and recruit nurses.

15 Sec. 1309. The department shall allocate funds appropriated in
16 section 117 of part 1 for family, maternal, and child health
17 according to section 1 of 2002 PA 360, MCL 333.1091.

18 Sec. 1310. The department shall continue to work jointly with
19 the Michigan state housing development authority and the joint task
20 force established under article IV of 2014 PA 252 to review housing
21 rehabilitation, energy and weatherization, and hazard abatement
22 program policies and to make recommendations for integrating and
23 coordinating project delivery with the goals of serving more
24 families and achieving better outcomes by maximizing state and
25 federal resources. The joint task force may provide recommendations
26 to the department. Recommendations of the joint task force must
27 give consideration to best practices and cost effectiveness.

1 Sec. 1311. From the funds appropriated in part 1 for prenatal
2 care outreach and service delivery support, equal consideration
3 shall be given to all eligible evidence-based providers in all
4 regions in contracting for rural home visitation services.

5 Sec. 1313. (1) The department shall continue developing an
6 outreach program on fetal alcohol syndrome services, targeting
7 health promotion, prevention, and intervention as described in the
8 Michigan fetal alcohol spectrum disorders 5-year plan 2015-2020.

9 (2) The department shall explore federal grant funding to
10 address prevention services for fetal alcohol syndrome and reduce
11 alcohol consumption among pregnant women.

12 Sec. 1314. The department shall seek to enhance education and
13 outreach efforts that encourage women of childbearing age to seek
14 confirmation at the earliest indication of possible pregnancy and
15 initiate continuous and routine prenatal care upon confirmation of
16 pregnancy. The department shall seek to ensure that department
17 programs, policies, and practices promote prenatal and obstetrical
18 care by doing the following:

19 (a) Supporting access to care.

20 (b) Reducing and eliminating barriers to care.

21 (c) Supporting recommendations for best practices.

22 (d) Encouraging optimal prenatal habits such as prenatal
23 medical visits, use of prenatal vitamins, and cessation of use of
24 tobacco, alcohol, or drugs.

25 (e) Tracking of birth outcomes to study improvements in
26 prevalence of fetal drug addiction, fetal alcohol syndrome, and
27 other preventable neonatal disease.

1 (f) Tracking of maternal increase in healthy behaviors
2 following childbirth.

3 Sec. 1340. The department shall include national brand peanut
4 butter on the list of approved women, infants, and children special
5 supplemental nutrition program basket items.

6 Sec. 1341. The department and county offices shall utilize
7 income eligibility and verification guidelines established by the
8 Food and Nutrition Service agency of the United States Department
9 of Agriculture in determining eligibility of individuals for the
10 special supplemental nutrition program for women, infants, and
11 children (WIC) as stated in WIC policy memorandum 2013-3.

12 **CHILDREN'S SPECIAL HEALTH CARE SERVICES**

13 Sec. 1360. The department may do 1 or more of the following:

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

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

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

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

22 Sec. 1361. From the funds appropriated in part 1 for medical
23 care and treatment, the department is authorized to spend those
24 funds for the continued development and expansion of telemedicine
25 capacity to allow families with children in the children's special
26 health care services program to access specialty providers more

1 readily and in a more timely manner.

2 **AGING AND ADULT SERVICES AGENCY**

3 Sec. 1402. The department may encourage the Food Bank Council
4 of Michigan to collaborate directly with each area agency on aging
5 and any other organizations that provide senior nutrition services
6 to secure the food access of vulnerable seniors.

7 Sec. 1403. (1) By February 1 of the current fiscal year, the
8 aging and adult services agency shall require each region to report
9 to the aging and adult services agency and to the legislature home-
10 delivered meals waiting lists based upon standard criteria.

11 Determining criteria shall include all of the following:

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

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

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

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

18 (2) Data required in subsection (1) shall be recorded only for
19 individuals who have applied for participation in the home-
20 delivered meals program and who are initially determined as likely
21 to be eligible for home-delivered meals.

22 Sec. 1417. The department shall provide to the senate and
23 house appropriations subcommittees on the department budget, senate
24 and house fiscal agencies, and state budget director a report by
25 March 30 of the current fiscal year that contains all of the
26 following:

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

3 (b) Detail expenditure by each area agency on aging by
4 individual program and administration including both state-funded
5 resources and locally funded resources.

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

9 Sec. 1422. (1) From the funds appropriated in part 1 for aging
10 and adult services administration, not less than \$300,000.00 shall
11 be allocated for the department to contract with the Prosecuting
12 Attorneys Association of Michigan to provide the support and
13 services necessary to increase the capability of the state's
14 prosecutors, adult protective service system, and criminal justice
15 system to effectively identify, investigate, and prosecute elder
16 abuse and financial exploitation.

17 (2) By March 1 of the current fiscal year, the Prosecuting
18 Attorneys Association of Michigan shall provide a report on the
19 efficacy of the contract to the state budget office, the house and
20 senate appropriations subcommittees on the department budget, the
21 house and senate fiscal agencies, and the house and senate policy
22 offices.

23 Sec. 1425. The department shall coordinate with the department
24 of licensing and regulatory affairs to ensure that, upon receipt of
25 the order of suspension of a licensed adult foster care home, home
26 for the aged, or nursing home, the department of licensing and
27 regulatory affairs shall provide notice to the department, to the

1 house and senate appropriations subcommittees on the department
2 budget, and to the members of the house and senate that represent
3 the legislative districts of the county in which the facility lies.

4 **MEDICAL SERVICES ADMINISTRATION**

5 Sec. 1501. The unexpended funds appropriated in part 1 for the
6 electronic health records incentive program are designated as a
7 work project appropriation, and any unencumbered or unallotted
8 funds shall not lapse at the end of the fiscal year and shall be
9 available for expenditures for projects under this section until
10 the projects have been completed. The following is in compliance
11 with section 451a of the management and budget act, 1984 PA 431,
12 MCL 18.1451a:

13 (a) The purpose of the project is to implement the Medicaid
14 electronic health record program that provides financial incentive
15 payments to Medicaid health care providers to encourage the
16 adoption and meaningful use of electronic health records to improve
17 quality, increase efficiency, and promote safety.

18 (b) The projects will be accomplished by utilizing state
19 employees or contracts with service providers, or both, and
20 according to the approved federal advanced planning document.

21 (c) The total estimated cost of the project is \$96,087,400.00.

22 (d) The tentative completion date is September 30, 2023.

23 Sec. 1503. From the funds appropriated in part 1 for Healthy
24 Michigan plan administration, the department shall maintain an
25 accounting structure within the statewide integrated governmental
26 management applications that will allow expenditures associated

1 with the administration of the Healthy Michigan plan to be
2 identified.

3 Sec. 1505. By March 1 and September 1 of the current fiscal
4 year, the department shall submit a report to the senate and house
5 appropriations subcommittees on the department budget, the senate
6 and house fiscal agencies, and the state budget office including
7 both of the following:

8 (a) The department's projected annual increase in
9 reimbursement savings and cost offsets that will result from the
10 funds appropriated in part 1 for the office of inspector general
11 and third party liability efforts.

12 (b) The actual increase in reimbursement savings and cost
13 offsets that have resulted from the funds appropriated in part 1
14 for the office of inspector general and third party liability
15 efforts.

16 Sec. 1506. The department shall submit to the senate and house
17 appropriations subcommittees on the department budget, the senate
18 and house fiscal agencies, the senate and house policy offices, and
19 the state budget office a quarterly report on the implementation
20 status of the public assistance call center that includes all of
21 the following information:

22 (a) Call volume during the prior quarter.

23 (b) Percentage of calls resolved through the public assistance
24 call center.

25 (c) Percentage of calls transferred to a local department
26 office or other office for resolution.

27 Sec. 1507. (1) From the funds appropriated for integrated

1 service delivery in part 1 in the technology supporting integrated
2 service and departmental administration and management line items,
3 the department shall maintain new information technology tools and
4 enhance existing systems to improve the eligibility and enrollment
5 process for citizens accessing department administered programs.
6 This information technology system will consolidate beneficiary
7 information, support department caseworker efforts in building a
8 success plan for beneficiaries, and better support department staff
9 in supporting enrollees in assistance programs.

10 (2) Outcomes and performance measures for the initiative under
11 subsection (1) include, but are not limited to, the following:

12 (a) Successful consolidation of data warehouses maintained by
13 the department.

14 (b) The amount of time a department caseworker devotes to data
15 entry when initiating an enrollee application.

16 (c) A reduction in wait times for persons enrolled in
17 assistance programs to speak with department staff and get
18 necessary changes made.

19 (d) A reduction in department caseworker workload.

20 Sec. 1509. (1) The department shall contract for an
21 independent feasibility study and actuarial model of public,
22 private, and public-private hybrid options to help individuals
23 prepare for, access, and afford long-term services and supports.
24 The department shall match 100% of any private funds, up to
25 \$200,000.00, with state general fund/general purpose revenues. The
26 study must include models for all of the following:

27 (a) An affordable annual long-term care benefit available to

1 all individuals who meet the minimum eligibility of needing
2 assistance with 2 activities of daily living, with the maximum
3 benefit amount to be determined by actuarial analysis.

4 (b) A public-private reinsurance or risk-sharing model, with
5 the purpose of providing a stable and ongoing source of
6 reimbursement to insurers for a portion of their catastrophic long-
7 term care services and supports losses in order to provide
8 additional insurance capacity for the state. The entity would
9 operate as a public-private partnership supporting the private
10 sector's role as the primary risk bearer.

11 (c) A long-term care benefit paid for and open to those that
12 are not currently eligible for the state Medicaid program.

13 (2) The awarded contractor shall provide a report to the
14 department on the independent feasibility study and actuarial model
15 that includes all of the following:

16 (a) An analysis of public and private long-term care programs
17 that exist in the state, the participation rates for those
18 programs, and any clear gaps that exist, including, but not limited
19 to, gaps in coverage, affordability, and participation.

20 (b) The expected costs and benefits for participants in a new
21 long-term care benefit program, when accounting for a living wage
22 rate for home care workers and compliance with the fair labor
23 standards act of 1938, 29 USC 201 to 219, the federal regulations
24 in 29 CFR 552 relating to that act, and state labor laws.

25 (c) The total anticipated number of participants.

26 (d) The impact on the current workforce.

27 (e) A recruitment and retention plan to meet anticipated

1 shortage in the workforce due to the increasing aging population.

2 (f) The impact of current services, access to a paid
3 workforce, and affordability of care on family caregivers,
4 including how many family members are providing care to the
5 individual, the impact that providing care has on a family
6 caregiver's job, family caregivers' access to training programs,
7 how many hours of care a family caregiver is providing, the types
8 of services a family caregiver is performing, if the primary
9 caregiver is also caring for a child, and if there are children
10 present in the home who also assist with caring for the aging adult
11 in the home.

12 (g) The projected savings to the state Medicaid program, if
13 any.

14 (h) Legal and financial risks to the state.

15 (3) The department shall provide oversight and direction for
16 the analysis described in subsection (2) and shall convene meetings
17 for interested stakeholders, including consumer and worker
18 representatives, to provide ongoing input on the feasibility study
19 design. The department shall hold not fewer than 3 meetings for
20 stakeholders to comply with the provisions of this subsection, as
21 follows: a meeting before the study begins, a meeting during the
22 study's implementation, and a meeting after the study is completed.

23 (4) The feasibility study and the actuarial analysis that is
24 included in the feasibility study must be completed and submitted
25 to the department no later than 270 days after the start date of
26 the feasibility study. The department shall hold a public hearing
27 presenting its findings. The department shall submit a report,

1 including the director's findings and recommendations based on the
2 feasibility study and actuarial analysis, to the legislature no
3 later than 60 days after the completion of the feasibility study.

4 **MEDICAL SERVICES**

5 Sec. 1601. The cost of remedial services incurred by residents
6 of licensed adult foster care homes and licensed homes for the aged
7 shall be used in determining financial eligibility for the
8 medically needy. Remedial services include basic self-care and
9 rehabilitation training for a resident.

10 Sec. 1603. (1) The department may establish a program for
11 individuals to purchase medical coverage at a rate determined by
12 the department.

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

16 (3) The premiums described in this section shall be classified
17 as private funds.

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

22 Sec. 1606. For the purpose of guardian and conservator
23 charges, the department may deduct up to \$83.00 per month as an
24 allowable expense against a recipient's income when determining
25 medical services eligibility and patient pay amounts.

26 Sec. 1607. (1) An applicant for Medicaid, whose qualifying

1 condition is pregnancy, shall immediately be presumed to be
2 eligible for Medicaid coverage unless the preponderance of evidence
3 in her application indicates otherwise. The applicant who is
4 qualified as described in this subsection shall be allowed to
5 select or remain with the Medicaid participating obstetrician of
6 her choice.

7 (2) All qualifying applicants shall be entitled to receive all
8 medically necessary obstetrical and prenatal care without
9 preauthorization from a health plan. All claims submitted for
10 payment for obstetrical and prenatal care shall be paid at the
11 Medicaid fee-for-service rate in the event a contract does not
12 exist between the Medicaid participating obstetrical or prenatal
13 care provider and the managed care plan. The applicant shall
14 receive a listing of Medicaid physicians and managed care plans in
15 the immediate vicinity of the applicant's residence.

16 (3) In the event that an applicant, presumed to be eligible
17 pursuant to subsection (1), is subsequently found to be ineligible,
18 a Medicaid physician or managed care plan that has been providing
19 pregnancy services to an applicant under this section is entitled
20 to reimbursement for those services until such time as they are
21 notified by the department that the applicant was found to be
22 ineligible for Medicaid.

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

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

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

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

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

24 (2) Notwithstanding subsection (1), medical services
25 reimbursement for hospital services provided to dual
26 Medicare/medical services recipients with Medicare part B coverage
27 only shall equal, when combined with payments for Medicare and

1 other third-party resources, if any, those amounts established for
2 medical services-only patients, including capital payments.

3 Sec. 1620. (1) For fee-for-service Medicaid recipients, the
4 professional dispensing fee for drugs indicated as specialty
5 medications on the Michigan pharmaceutical products list is \$20.02
6 or the pharmacy's usual or customary cash charge, whichever is
7 less.

8 (2) For fee-for-service Medicaid recipients, for drugs not
9 indicated as specialty drugs on the Michigan pharmaceutical
10 products list, the professional dispensing fee for medications is
11 as follows:

12 (a) For medications on the department's preferred drug list,
13 \$10.80 or the pharmacy's usual or customary cash charge, whichever
14 is less.

15 (b) For medications not on the department's preferred drug
16 list, \$10.64 or the pharmacy's usual or customary cash charge,
17 whichever is less.

18 (c) For nonpreferred medications on the department's preferred
19 drug list, \$9.00 or the pharmacy's usual or customary cash charge,
20 whichever is less.

21 (3) For fee-for-service Medicaid recipients, if the prescriber
22 mandates the use of a specific medication by indicating "Dispense
23 as Written" for nonspecialty medications, the professional
24 dispensing fee is \$10.64 or the pharmacy's usual or customary cash
25 charge, whichever is less.

26 (4) The department shall require a prescription co-payment for
27 Medicaid recipients not enrolled in the Healthy Michigan plan or

1 with an income less than 100% of the federal poverty level of \$1.00
2 for a generic drug and \$3.00 for a brand-name drug, except as
3 prohibited by federal or state law or regulation.

4 (5) The department shall require a prescription co-payment for
5 Medicaid recipients enrolled in the Healthy Michigan plan with an
6 income of at least 100% of the federal poverty level of \$4.00 for a
7 generic drug and \$8.00 for a brand-name drug, except as prohibited
8 by federal or state law or regulation.

9 Sec. 1621. The department shall report to the house and senate
10 appropriations subcommittees on the department budget, the house
11 and senate fiscal agencies, and the state budget office on
12 strategies the department is using to minimize the state cost of
13 specialty drugs. Also, the department may take additional measures
14 in order to further reduce state costs, while also ensuring that
15 appropriate clinical care is being utilized. The report shall also
16 include information on savings generated as a result of these
17 additional measures that may include additional cost sharing, step
18 therapy, and prior authorization.

19 Sec. 1629. The department shall utilize maximum allowable cost
20 pricing for generic drugs that is based on wholesaler pricing to
21 providers that is available from at least 2 wholesalers who deliver
22 in this state.

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

27 (2) Except as otherwise prohibited by federal or state law or

1 regulation, the department shall require Medicaid recipients not
2 enrolled in the Healthy Michigan plan or with an income less than
3 100% of the federal poverty level to pay not less than the
4 following co-payments:

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

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

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

9 (d) Two dollars for an outpatient hospital visit.

10 (3) Except as otherwise prohibited by federal or state law or
11 regulation, the department shall require Medicaid recipients
12 enrolled in the Healthy Michigan plan with an income of at least
13 100% of the federal poverty level to pay the following co-payments:

14 (a) Four dollars for a physician office visit.

15 (b) Eight dollars for a hospital emergency room visit.

16 (c) One hundred dollars for the first day of an inpatient
17 hospital stay.

18 (d) Four dollars for an outpatient hospital visit or any other
19 medical provider visit to the extent allowed by federal or state
20 law or regulation.

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

25 Sec. 1646. (1) From the funds appropriated in part 1 for long-
26 term care services, the department shall administer a nursing
27 facility quality measure initiative program. The initiative shall

1 be financed through an increase of the quality assurance assessment
2 for nursing homes and hospital long-term care units, and the funds
3 shall be distributed according to the following criteria:

4 (a) The department shall award more dollars to nursing
5 facilities that have a higher CMS 5-star quality measure domain
6 rating, then adjusted to account for both positive and negative
7 aspects of a patient satisfaction survey.

8 (b) A nursing facility with a CMS 5-star quality measure
9 domain star rating of 1 or 2 must file an action plan with the
10 department describing how it intends to use funds appropriated
11 under this section to increase quality outcomes before funding
12 shall be released.

13 (c) The total incentive dollars must reflect the following
14 Medicaid utilization scale:

15 (i) For nursing facilities with a Medicaid participation rate
16 of above 63%, the facility shall receive 100% of the incentive
17 payment.

18 (ii) For nursing facilities with a Medicaid participation rate
19 between 50% and 63%, the facility shall receive 75% of the
20 incentive payment.

21 (iii) For nursing facilities with a Medicaid participation
22 rate of less than 50%, the facility shall receive 50% of the
23 incentive payment.

24 (iv) For nursing facilities not enrolled in Medicaid, the
25 facility shall not receive an incentive payment.

26 (d) Facilities designated as special focus facilities are not
27 eligible for any payment under this section.

1 (e) Number of licensed beds.

2 (2) It is the intent of the legislature that, beginning in the
3 fiscal year ending September 30, 2019, the department and nursing
4 facility representatives shall evaluate the program's effectiveness
5 on quality, measured by the change in the CMS 5-star quality
6 measure domain rating since the implementation of this section.

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

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

18 (3) Subsections (1) and (2) do not require an alteration to an
19 existing agreement between an HMO and its contracting hospitals and
20 do not require an HMO to reimburse for services that are not
21 considered to be medically necessary.

22 Sec. 1659. The following sections of this part are the only
23 ones that shall apply to the following Medicaid managed care
24 programs, including the comprehensive plan, MIChoice long-term care
25 plan, and the mental health, substance use disorder, and
26 developmentally disabled services program: 904, 911, 918, 920, 924,
27 928, 942, 1008, 1009, 1607, 1657, 1662, 1699, 1700, 1702, 1764,

1 1791, 1806, 1809, 1810, 1820, 1850, 1871, 1875, and 1888.

2 Sec. 1662. (1) The department shall ensure that an external
3 quality review of each contracting HMO is performed that results in
4 an analysis and evaluation of aggregated information on quality,
5 timeliness, and access to health care services that the HMO or its
6 contractors furnish to Medicaid beneficiaries.

7 (2) The department shall require Medicaid HMOs to provide
8 EPSDT utilization data through the encounter data system, and HEDIS
9 well child health measures in accordance with the National
10 Committee for Quality Assurance prescribed methodology.

11 (3) The department shall provide a copy of the analysis of the
12 Medicaid HMO annual audited HEDIS reports and the annual external
13 quality review report to the senate and house of representatives
14 appropriations subcommittees on the department budget, the senate
15 and house fiscal agencies, and the state budget director, within 30
16 days of the department's receipt of the final reports from the
17 contractors.

18 Sec. 1670. (1) The appropriation in part 1 for the MIChild
19 program is to be used to provide comprehensive health care to all
20 children under age 19 who reside in families with income at or
21 below 212% of the federal poverty level, who are uninsured and have
22 not had coverage by other comprehensive health insurance within 6
23 months of making application for MIChild benefits, and who are
24 residents of this state. The department shall develop detailed
25 eligibility criteria through the medical services administration
26 public concurrence process, consistent with the provisions of this
27 part and part 1.

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

7 (3) The department may make payments on behalf of children
8 enrolled in the MICHild program as described in the MICHild state
9 plan approved by the United States Department of Health and Human
10 Services, or from other medical services.

11 Sec. 1673. The department may establish premiums for MICHild
12 eligible individuals in families with income at or below 212% of
13 the federal poverty level. The monthly premiums shall be \$10.00 per
14 month.

15 Sec. 1677. The MICHild program shall provide, at a minimum,
16 all benefits available under the Michigan benchmark plan that are
17 delivered through contracted providers and consistent with federal
18 law, including, but not limited to, the following medically
19 necessary services:

20 (a) Inpatient mental health services, other than substance use
21 disorder treatment services, including services furnished in a
22 state-operated mental hospital and residential or other 24-hour
23 therapeutically planned structured services.

24 (b) Outpatient mental health services, other than substance
25 use disorder services, including services furnished in a state-
26 operated mental hospital and community-based services.

27 (c) Durable medical equipment and prosthetic and orthotic

1 devices.

2 (d) Dental services as outlined in the approved MICHild state
3 plan.

4 (e) Substance use disorder treatment services that may include
5 inpatient, outpatient, and residential substance use disorder
6 treatment services.

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

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

10 (h) Emergency ambulance services.

11 Sec. 1682. (1) In addition to the appropriations in part 1,
12 the department is authorized to receive and spend penalty money
13 received as the result of noncompliance with medical services
14 certification regulations. Penalty money, characterized as private
15 funds, received by the department shall increase authorizations and
16 allotments in the long-term care accounts.

17 (2) Any unexpended penalty money, at the end of the year,
18 shall carry forward to the following year.

19 Sec. 1692. (1) The department is authorized to pursue
20 reimbursement for eligible services provided in Michigan schools
21 from the federal Medicaid program. The department and the state
22 budget director are authorized to negotiate and enter into
23 agreements, together with the department of education, with local
24 and intermediate school districts regarding the sharing of federal
25 Medicaid services funds received for these services. The department
26 is authorized to receive and disburse funds to participating school
27 districts pursuant to such agreements and state and federal law.

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

4 (a) Finance activities within the medical services
5 administration related to this project.

6 (b) Reimburse participating school districts pursuant to the
7 fund-sharing ratios negotiated in the state-local agreements
8 authorized in subsection (1).

9 (c) Offset general fund costs associated with the medical
10 services program.

11 Sec. 1693. The special Medicaid reimbursement appropriation in
12 part 1 may be increased if the department submits a medical
13 services state plan amendment pertaining to this line item at a
14 level higher than the appropriation. The department is authorized
15 to appropriately adjust financing sources in accordance with the
16 increased appropriation.

17 Sec. 1694. From the funds appropriated in part 1 for special
18 Medicaid reimbursement, \$386,700.00 of general fund/general purpose
19 revenue and any associated federal match shall be distributed for
20 poison control services to an academic health care system that
21 includes a children's hospital that has a high indigent care
22 volume.

23 Sec. 1699. (1) The department may make separate payments in
24 the amount of \$45,000,000.00 directly to qualifying hospitals
25 serving a disproportionate share of indigent patients and to
26 hospitals providing GME training programs. If direct payment for
27 GME and DSH is made to qualifying hospitals for services to

1 Medicaid recipients, hospitals shall not include GME costs or DSH
2 payments in their contracts with HMOs.

3 (2) The department shall allocate \$45,000,000.00 in DSH
4 funding using the distribution methodology used in fiscal year
5 2003-2004.

6 Sec. 1700. By December 1 of the current fiscal year, the
7 department shall report to the senate and house appropriations
8 subcommittees on the department budget, the senate and house fiscal
9 agencies, and the state budget office on the distribution of
10 funding provided, and the net benefit if the special hospital
11 payment is not financed with general fund/general purpose revenue,
12 to each eligible hospital during the previous fiscal year from the
13 following special hospital payments:

14 (a) DSH, separated out by unique DSH pool.

15 (b) GME.

16 (c) Special rural hospital payments provided under section
17 1866 of this part.

18 (d) Lump-sum payments to rural hospitals for obstetrical care
19 provided under section 1802 of this part.

20 Sec. 1702. From the funds appropriated in part 1, the
21 department shall maintain the 15% rate increase provided during the
22 fiscal year ending September 30, 2017 for private duty nursing
23 services for Medicaid beneficiaries under the age of 21. These
24 additional funds must be used to attract and retain highly
25 qualified registered nurses and licensed practical nurses to
26 provide private duty nursing services so that medically frail
27 children can be cared for in the most homelike setting possible.

1 Sec. 1704. (1) From the funds appropriated in part 1 for
2 dental services, the department shall allocate \$2,697,300.00 to
3 support the enhancement of the Medicaid adult dental benefit for
4 pregnant women enrolled in a Medicaid program.

5 (2) The department shall report to the senate and house
6 appropriations subcommittees on the department budget, the senate
7 and house fiscal agencies, and the state budget office by October 1
8 of the current fiscal year on the steps taken by the department to
9 implement subsection (1).

10 (3) Outcomes and performance measures for the program change
11 under this section include, but are not limited to, the following:

12 (a) The number of pregnant women enrolled in Medicaid who
13 visited a dentist over the prior year.

14 (b) The number of dentists statewide who participate in
15 providing dental services to pregnant women enrolled in Medicaid.

16 Sec. 1730. The department shall continue to maintain enhanced
17 assessment tools established in collaboration with the department
18 of education that promote literacy development of pregnant women
19 and new mothers in the maternal infant health program. When
20 possible, the department shall include new fathers of the infants
21 in the literacy promotion efforts that are included in the
22 assessment tools and in the subsequent services provided. The
23 assessment tools shall expand the assessment of maternal and
24 parental literacy and provide support and referrals to resources to
25 enable program participants to achieve an increase in literacy that
26 may contribute to improvements in family health, economic, and life
27 outcomes.

1 Sec. 1757. The department shall obtain proof from all Medicaid
2 recipients that they are legal United States citizens or otherwise
3 legally residing in this country and that they are residents of
4 this state before approving Medicaid eligibility.

5 Sec. 1764. The department shall annually certify whether rates
6 paid to Medicaid health plans and specialty PIHPs are actuarially
7 sound in accordance with federal requirements and shall provide a
8 copy of the rate certification and approval of rates paid to
9 Medicaid health plans and specialty PIHPs within 5 business days
10 after certification or approval to the senate and house
11 appropriations subcommittees on the department budget, the senate
12 and house fiscal agencies, and the state budget office. Following
13 the rate certification, the department shall ensure that no new or
14 revised state Medicaid policy bulletin that is promulgated
15 materially impacts the capitation rates that have been certified in
16 a negative manner.

17 Sec. 1775. (1) By March 1 of the current fiscal year, 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 office on progress in implementing
21 the waiver to implement managed care for individuals who are
22 eligible for both Medicare and Medicaid, known as MI Health Link,
23 including, but not limited to, a description of how the department
24 intends to ensure that service delivery is integrated, how key
25 components of the proposal are implemented effectively, and any
26 problems and potential solutions as identified by the ombudsman
27 described in subsection (2).

1 (2) The department shall ensure the existence of an ombudsman
2 program that is not associated with any project service manager or
3 provider to assist MI Health Link beneficiaries with navigating
4 complaint and dispute resolution mechanisms and to identify
5 problems in the demonstrations and in the complaint and dispute
6 resolution mechanisms.

7 Sec. 1782. Subject to federal approval, from the funds
8 appropriated in part 1 for health plan services, the department
9 shall allocate \$740,000.00 general fund/general purpose plus any
10 available work project funds and federal match through an
11 administered contract with oversight from medical services
12 administration and population health. The funds shall be used to
13 support a statewide media campaign for improving this state's
14 immunization rates.

15 Sec. 1791. From the funds appropriated in part 1 for health
16 plan services and physician services, the department shall provide
17 Medicaid reimbursement rates for neonatal services at 75% of the
18 Medicare rate received for those services in effect on the date the
19 services are provided to eligible Medicaid recipients. The current
20 procedural terminology (CPT) codes that are eligible for this
21 reimbursement rate increase are 99468, 99469, 99471, 99472, 99475,
22 99476, 99477, 99478, 99479, and 99480.

23 Sec. 1800. For the distribution of each of the pools within
24 the \$85,000,000.00 outpatient disproportionate share hospital
25 payment, the department shall maintain a formula for the
26 distribution of each pool based on the quality of care, cost,
27 traditional disproportionate share hospital factors such as

1 Medicaid utilization and uncompensated care, and any other factor
2 that the department determines should be considered.

3 Sec. 1801. (1) From the funds appropriated in part 1 for
4 physician services and health plan services, the department shall
5 continue the increase to Medicaid rates for primary care services
6 provided only by primary care providers. For the purpose of this
7 section, a primary care provider is a physician, or a practitioner
8 working under the personal supervision of a physician, who is
9 either licensed under part 170 or part 175 of the public health
10 code, 1978 PA 368, MCL 333.17001 to 333.17084 and 333.17501 to
11 333.17556, and working as a primary care provider in general
12 practice or board-eligible or certified with a specialty
13 designation of family medicine, general internal medicine, or
14 pediatric medicine, or a provider who provides the department with
15 documentation of equivalency. Providers performing a service and
16 whose primary practice is as a non-primary-care subspecialty is not
17 eligible for the increase. The department shall establish policies
18 that most effectively limit the increase to primary care providers
19 for primary care services only.

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 list
24 of medical specialties and licensed providers that were paid
25 enhanced primary care rates in the fiscal year ending September 30,
26 2017.

27 Sec. 1802. From the funds appropriated in part 1 for hospital

1 services and therapy, \$11,978,300.00 in general fund/general
2 purpose revenue shall be provided as lump-sum payments to hospitals
3 that qualified for rural hospital access payments in fiscal year
4 2013-2014 and that provide obstetrical care in the current fiscal
5 year. Payment amounts shall be based on the volume of obstetrical
6 care cases and newborn care cases for all such cases billed by each
7 qualified hospital in the most recent fiscal year for which data
8 are available. Payments shall be made by January 1 of the current
9 fiscal year.

10 Sec. 1804. The department, in cooperation with the department
11 of military and veterans affairs, shall work with the federal
12 public assistance reporting information system to identify Medicaid
13 recipients who are veterans and who may be eligible for federal
14 veterans health care benefits or other benefits.

15 Sec. 1805. Hospitals receiving medical services payments for
16 graduate medical education shall submit fully completed quality
17 data to a nonprofit organization with extensive experience in
18 collecting and reporting hospital quality data on a public website.
19 The reporting must utilize consensus-based nationally endorsed
20 standards that meet National Quality Forum-endorsed safe practices.
21 The organization collecting the data must be an organization that
22 uses severity-adjusted risk models and measures that will help
23 patients and payers identify hospital campuses likely to have
24 superior outcomes. The public website shall provide information to
25 allow consumers to compare safe practices by hospital campus,
26 including, but not limited to, perinatal care, hospital-acquired
27 infection, and serious reportable events. Hospitals receiving

1 medical services payments for graduate medical education shall also
2 make their fully completed quality data available on the hospital's
3 website. The department shall withhold 25% of a hospital's graduate
4 medical education payment if the hospital does not submit the data
5 to a qualifying nonprofit organization described in this section by
6 January 1 of the current fiscal year.

7 Sec. 1806. (1) The department shall contractually require the
8 Medicaid health plans to monitor the progress of implementing the
9 Medicaid health plan common formulary. As part of the monitoring
10 process, by February 1 of the current fiscal year, the Medicaid
11 health plans shall provide a report to the department on the
12 following:

13 (a) The progress of implementing the Medicaid health plan
14 common formulary.

15 (b) The participation by the Medicaid health plans in the
16 Medicaid health plan common formulary.

17 (c) The timeliness of prior authorization approvals or
18 disapprovals.

19 (2) By March 1 of the current fiscal year, the department
20 shall provide the Medicaid health plan report provided in
21 subsection (1) and identify any areas of inconsistency across the
22 Medicaid health plans' implementation and utilization of the
23 Medicaid health plan common formulary to the house and senate
24 appropriations subcommittees on the department budget, the house
25 and senate fiscal agencies, and the state budget office.

26 (3) The department shall maintain policies and procedures to
27 govern the operations of the Michigan Medicaid health plan common

1 formulary so that the department is able to receive fair and full
2 public participation.

3 Sec. 1809. The department shall establish separate contract
4 performance standards for Medicaid health plans that adhere to the
5 requirements of section 105d of the social welfare act, 1939 PA
6 280, MCL 400.105d, associated with the 0.75% and 0.25% capitation
7 withhold. The determination of the performance of the 0.75%
8 capitation withhold is at the discretion of the department but must
9 include recognized concepts such as 1-year continuous enrollment
10 and the HEDIS audited data. The determination of the performance of
11 the 0.25% capitation withhold is at the discretion of the
12 department but must include the utilization of high-value services
13 and discouraging the utilization of low-value services.

14 Sec. 1810. The department shall enhance encounter data
15 reporting processes and develop rules that would make each health
16 plan's encounter data as complete as possible, provide a fair
17 measure of acuity for each health plan's enrolled population for
18 risk adjustment purposes, capitation rate setting, diagnosis-
19 related group rate setting, and research and analysis of program
20 efficiencies while minimizing health plan administrative expense.
21 The department shall notify each contracting Medicaid health plan
22 of any encounter data that have not been accepted for the purposes
23 of rate setting.

24 Sec. 1812. By June 1 of the current fiscal year, and using the
25 most recent available cost reports, the department shall complete a
26 report of all direct and indirect costs associated with residency
27 training programs for each hospital that receives funds

1 appropriated in part 1 for graduate medical education. The report
2 shall be submitted to the house and senate appropriations
3 subcommittees on the department budget, the house and senate fiscal
4 agencies, and the state budget office.

5 Sec. 1820. (1) In order to avoid duplication of efforts, the
6 department shall utilize applicable national accreditation review
7 criteria to determine compliance with corresponding state
8 requirements for Medicaid health plans that have been reviewed and
9 accredited by a national accrediting entity for health care
10 services.

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

14 (3) As used in this section, "national accrediting entity"
15 means the National Committee for Quality Assurance, the URAC,
16 formerly known as the Utilization Review Accreditation Commission,
17 or other appropriate entity, as approved by the department.

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. 1851. From the funds appropriated in part 1 for adult
11 home help services, the department shall allocate up to \$150,000.00
12 state general fund/general purpose revenue plus any associated
13 federal match to develop and deploy a mobile electronic visit
14 verification solution that shall include biometric identity
15 verification to create administrative efficiencies, reduce error,
16 and minimize fraud. The development of the solution shall be
17 predicated on input from the results of the 2017 stakeholder
18 survey.

19 Sec. 1855. From the funds appropriated in part 1 for program
20 of all-inclusive care for the elderly (PACE), to the extent that
21 funding is available in the PACE line item and unused program slots
22 are available, the department may do the following:

23 (a) Increase the number of slots for an already-established
24 local PACE program if the local PACE program has provided
25 appropriate documentation to the department indicating its ability
26 to expand capacity to provide services to additional PACE clients.

27 (b) Suspend the 10 member per month individual PACE program

1 enrollment increase cap in order to allow unused and unobligated
2 slots to be allocated to address unmet demand for PACE services.

3 Sec. 1856. (1) From the funds appropriated in part 1 for
4 hospice services, \$3,318,000.00 shall be expended to provide room
5 and board for Medicaid recipients who meet hospice eligibility
6 requirements and receive services at Medicaid-enrolled hospices
7 with residences in this state. The department shall distribute
8 funds through grants based on the total beds located in all
9 eligible residences that have been providing these services as of
10 October 1, 2017. Any eligible grant applicant may inform the
11 department of their request to reduce the grant amount allocated
12 for their residence and the funds shall be distributed
13 proportionally to increase the total grant amount of the remaining
14 grant-eligible residences. Grant amounts shall be paid out monthly
15 with 1/12 of the total grant amount distributed each month to the
16 grantees.

17 (2) By September 15 of the current fiscal year, each Medicaid-
18 enrolled hospice with a residence that receives funds under this
19 section shall provide a report to the department on the utilization
20 of the grant funding provided in subsection (1). The report shall
21 be provided in a format prescribed by the department and shall
22 include the following:

23 (a) The number of patients served.

24 (b) The number of days served.

25 (c) The daily room and board rates for the patients served.

26 (d) If there is not sufficient funding to cover the total room
27 and board need, the number of patients who did not receive care due

1 to insufficient grant funding.

2 (3) If there is funding remaining at the end of the current
3 fiscal year, the Medicaid-enrolled hospice with a residence shall
4 return the funding to the state.

5 Sec. 1857. By July 1 of the current fiscal year, the
6 department shall explore the implementation of a managed care long-
7 term support service.

8 Sec. 1858. By April 1 of the current fiscal year, the
9 department shall report to the senate and house appropriations
10 subcommittees on the department budget and the senate and house
11 fiscal agencies on all of the following elements related to the
12 current Medicaid pharmacy carve-out of pharmaceutical products as
13 provided for in section 109h of the social welfare act, 1939 PA
14 280, MCL 400.109h:

15 (a) The number of prescriptions paid by the department during
16 the previous fiscal year and for the fiscal year ending September
17 30, 2017.

18 (b) The total amount of expenditures for prescriptions paid by
19 the department during the previous fiscal year and for the fiscal
20 year ending September 30, 2017.

21 (c) The number of and total expenditures for prescriptions
22 paid for by the department for generic equivalents during the
23 previous fiscal year and for the fiscal year ending September 30,
24 2017.

25 Sec. 1859. The department shall partner with the Michigan
26 Association of Health Plans (MAHP) and Medicaid health plans to
27 develop and implement strategies for the use of information

1 technology services for Medicaid research activities. The
2 department shall make available state medical assistance program
3 data, including Medicaid behavioral data, to MAHP and Medicaid
4 health plans or any vendor considered qualified by the department
5 for the purpose of research activities consistent with this state's
6 goals of improving health; increasing the quality, reliability,
7 availability, and continuity of care; and reducing the cost of care
8 for the eligible population of Medicaid recipients.

9 Sec. 1861. From the funds appropriated in part 1 for
10 transportation, the department shall maintain the previous fiscal
11 year increase in the number of counties in which a local public
12 transportation entity is the primary administrator of the Medicaid
13 nonemergency transportation benefit. The department shall use a
14 nonprofit transportation brokerage already operating in the state
15 to carry out the requirements of this section. The purpose of this
16 expansion is to improve Medicaid beneficiary access to care, reduce
17 the number of missed physician appointments by Medicaid
18 beneficiaries, and reduce time spent by caseworkers facilitating
19 nonemergency transportation for Medicaid beneficiaries. Performance
20 goals include an increase in utilization of local public
21 transportation, a reduction in the rate of trips reported as missed
22 to no more than 0.5%, and the successful collection of data on
23 program utilization, access, and beneficiary satisfaction.

24 Sec. 1862. From the funds appropriated in part 1, the
25 department shall maintain payment rates for Medicaid obstetrical
26 services at 95% of Medicare levels effective October 1, 2014.

27 Sec. 1866. (1) From the funds appropriated in part 1 for

1 hospital services and therapy and Healthy Michigan plan,
2 \$12,000,000.00 in general fund/general purpose revenue and any
3 associated federal match shall be awarded as rural access payments
4 to hospitals that meet criteria established by the department for
5 services to low-income rural residents. One of the reimbursement
6 components of the distribution formula shall be assistance with
7 labor and delivery services.

8 (2) No hospital or hospital system shall receive more than
9 10.0% of the total funding referenced in subsection (1).

10 (3) To allow hospitals to understand their rural payment
11 amounts under this section, the department shall provide hospitals
12 with the methodology for distribution under this section and
13 provide each hospital with its applicable data that are used to
14 determine the payment amounts by August 1 of the current fiscal
15 year. The department shall publish the distribution of payments for
16 the current fiscal year and the immediately preceding fiscal year.

17 Sec. 1867. (1) The department shall continue a workgroup that
18 includes psychiatrists, other relevant prescribers, and pharmacists
19 to identify best practices and to develop a protocol for
20 psychotropic medications. Any changes proposed by the workgroup
21 shall protect a Medicaid beneficiary's current psychotropic
22 pharmaceutical treatment regimen by not requiring a physician
23 currently prescribing any treatment to alter or adjust that
24 treatment.

25 (2) By March 1 of the current fiscal year, the department
26 shall provide the workgroup's recommendations to the senate and
27 house appropriations subcommittees on the department budget, the

1 senate and house fiscal agencies, and the state budget office.

2 Sec. 1870. (1) From the funds appropriated in part 1 for
3 MiDocs, \$5,000,000.00 general fund/general purpose revenues,
4 \$5,000,000.00 in restricted revenues from the MiDocs consortium,
5 and any associated federal match is provided to the MiDocs
6 consortium. The department shall seek the necessary approvals from
7 the United States Department of Health and Human Services to
8 implement this section. The purpose of MiDocs is to significantly
9 increase the state's ability to recruit, train, and retain primary
10 care physicians and other select specialty physicians in
11 underserved communities. MiDocs shall maximize training
12 opportunities with community health centers, rural critical access
13 hospitals, solo or group private practice physician practices, and
14 other community-based clinics, in addition to required rotations at
15 inpatient hospitals. MiDocs shall create new residency slots only
16 in the following specialties: family medicine, general internal
17 medicine, general pediatrics, general OB-GYN, psychiatry, and
18 general surgery. Students in the program must agree to forego any
19 subspecialty fellowship training for at least 2 years
20 postresidency. Any loan repayment, loan interest payment, or
21 scholarships provided to MiDocs trainees shall include a minimum 2-
22 year commitment to practice in an underserved community in this
23 state postresidency. In collaboration with the Michigan Health
24 Council, MiDocs shall reserve at least 3 residency slots per class
25 to be used for the Michigan early primary care incentive program.

26 (2) MiDocs shall submit an annual report to the house and
27 senate appropriations subcommittees on the department budget, the

1 house and senate fiscal agencies, and the state budget office that
2 includes the following:

- 3 (a) Audited financial statement of per resident costs.
- 4 (b) Education and clinical quality data.
- 5 (c) Roster of trainees including areas of specialty and
6 locations of training.
- 7 (d) Medicaid revenue for training sites.

8 (3) The department shall create a MiDocs initiative advisory
9 council to help support implementation and oversight. The advisory
10 council shall include the MiDocs consortium, the Michigan Area
11 Health Education Centers, the Michigan Primary Care Association,
12 the Michigan Center for Rural Health, and the Michigan Academy of
13 Family Physicians, and any other appointees by the department.

14 Sec. 1871. The funds appropriated in part 1 for the Healthy
15 Michigan plan healthy behaviors incentives program shall only
16 provide reductions in cost-sharing responsibilities and shall not
17 include other financial rewards such as gift cards.

18 Sec. 1872. From the funds appropriated in part 1 for personal
19 care services, beginning October 1, 2018, the department shall
20 increase the monthly Medicaid personal care supplement paid to
21 adult foster care facilities and homes for the aged that provide
22 personal care services to Medicaid recipients by \$32.00.

23 Sec. 1873. From the funds appropriated in part 1 for long-term
24 care services, the department may allocate up to \$3,700,000.00 for
25 the purpose of outreach and education to nursing home residents and
26 the coordination of housing in order to move out of the facility.
27 In addition, any funds appropriated shall be used for other quality

1 improvement activities of the program. The department shall
2 consider working with all relevant stakeholders to develop a plan
3 for the ongoing sustainability of the nursing facility transition
4 initiative.

5 Sec. 1874. The department shall ensure, in counties where
6 program of all-inclusive care for the elderly or PACE services are
7 available, that the program of all-inclusive care for the elderly
8 (PACE) is included as an option in all options counseling and
9 enrollment brokering for aging services and managed care programs,
10 including, but not limited to, Area Agencies on Aging, centers for
11 independent living, and the MiChoice home and community-based
12 waiver. Such options counseling must include approved marketing and
13 discussion materials.

14 Sec. 1875. (1) The department and its contractual agents may
15 not subject Medicaid prescriptions to prior authorization
16 procedures during the current fiscal year if that drug is carved
17 out or is not subject to prior authorization procedures as of May
18 9, 2016, and is generally recognized in a standard medical
19 reference or the American Psychiatric Association's Diagnostic and
20 Statistical Manual for the Treatment of a Psychiatric Disorder.

21 (2) The department and its contractual agents may not subject
22 Medicaid prescriptions to prior authorization procedures during the
23 current fiscal year if that drug is carved out or is not subject to
24 prior authorization procedures as of May 9, 2016 and is a
25 prescription drug that is generally recognized in a standard
26 medical reference for the treatment of epilepsy or seizure disorder
27 or organ replacement therapy.

1 (3) As used in this section, "prior authorization" means a
2 process implemented by the department or its contractual agents
3 that conditions, delays, or denies delivery or particular pharmacy
4 services to Medicaid beneficiaries upon application of
5 predetermined criteria by the department or its contractual agents
6 to those pharmacy services. The process of prior authorization
7 often requires that a prescriber do 1 or both of the following:

8 (a) Obtain preapproval from the department or its contractual
9 agents before prescribing a given drug.

10 (b) Verify to the department or its contractual agents that
11 the use of a drug prescribed for an individual meets predetermined
12 criteria from the department or its contractual agents for a
13 prescription drug that is otherwise available under the Medicaid
14 program in this state.

15 Sec. 1878. By March 1 of the current fiscal year, the
16 department shall provide a report to the senate and house
17 appropriations subcommittees on the department budget, the senate
18 and house fiscal agencies, the senate and house policy offices, and
19 the state budget office on hepatitis C tracking data. At a minimum,
20 the report shall include information on the following for
21 individuals treated with Harvoni or any other treatment used to
22 cure hepatitis C during the current fiscal year or a previous
23 fiscal year:

24 (a) The total number of people treated broken down by those
25 treated through traditional Medicaid and those treated through the
26 Healthy Michigan plan.

27 (b) The total cost of treatment.

1 (c) The total cost of treatment broken down by those treated
2 through traditional Medicaid and those treated through the Healthy
3 Michigan plan.

4 (d) The cure rate broken down by Metavir Score, genotype,
5 Medicaid match rate, and drug used during treatment.

6 (e) The reinfection rate broken down by Metavir Score,
7 genotype, Medicaid match rate, and drug used during treatment.

8 Sec. 1888. The department shall establish contract performance
9 standards associated with the capitation withhold provisions for
10 Medicaid health plans at least 3 months in advance of the
11 implementation of those standards. The determination of whether
12 performance standards have been met shall be based primarily on
13 recognized concepts such as 1-year continuous enrollment and the
14 healthcare effectiveness data and information set, HEDIS, audited
15 data.

16 Sec. 1894. (1) By July 1 of the current fiscal year, the
17 department shall provide a report to the senate and house
18 appropriations subcommittees on the department budget, the senate
19 and house fiscal agencies, and the state budget office on outcomes
20 and performance measures of the Healthy Kids Dental program.

21 (2) Outcomes and performance measures for the Healthy Kids
22 Dental program include, but are not limited to, the following:

23 (a) The number of children enrolled in the Healthy Kids Dental
24 program who visited the dentist during the previous fiscal year.

25 (b) The number of dentists who will accept payment from the
26 Healthy Kids Dental program.

27 (c) The annual change in dental utilization of children

1 enrolled in the Healthy Kids Dental program.

2 **INFORMATION TECHNOLOGY**

3 Sec. 1901. (1) By December 1 of the current fiscal year, the
4 department shall report to the senate and house appropriations
5 subcommittees on the department budget, the senate and house fiscal
6 agencies, the senate and house policy offices, and the state budget
7 office all of the following information:

8 (a) The process used to define requests for proposals for each
9 expansion of information technology projects, including timelines,
10 project milestones, and intended outcomes.

11 (b) If the department decides not to contract the services out
12 to design and implement each element of the information technology
13 expansion, the department shall submit its own project plan that
14 includes, at a minimum, the requirements in subdivision (a).

15 (c) A recommended project management plan with milestones and
16 time frames.

17 (d) The proposed benefits from implementing the information
18 technology expansion, including customer service improvement, form
19 reductions, potential time savings, caseload reduction, and return
20 on investment.

21 (e) Details on the implementation of the integrated service
22 delivery project.

23 (2) Once an award for an expansion of information technology
24 is made, the department shall report to the senate and house
25 appropriations subcommittees on the department budget, the senate
26 and house fiscal agencies, the senate and house policy offices, and

1 the state budget office a projected cost of the expansion broken
2 down by use and type of expense.

3 Sec. 1902. From the funds appropriated in part 1 for the
4 Michigan Medicaid information system (MMIS) line item, private
5 revenue may be received from and allocated for other states
6 interested in participating as part of the broader MMIS initiative.
7 By March 1 of the current fiscal year, the department shall provide
8 a report on the use of MMIS by other states for the previous fiscal
9 year, including a list of states, type of use, and revenue and
10 expenditures related to the agreements with the other states to use
11 the MMIS. The report shall be provided to the house and senate
12 appropriations subcommittees on the department budget, the house
13 and senate fiscal agencies, and the state budget office.

14 Sec. 1903. (1) The department shall report to the senate and
15 house appropriations subcommittees on the department budget, the
16 senate and house fiscal agencies, the senate and house policy
17 offices, and the state budget office by November 1 of the current
18 fiscal year on the status of an implementation plan regarding the
19 appropriation in part 1 to modernize the MiSACWIS. The report shall
20 include, but not be limited to, efforts to bring the system in
21 compliance with the settlement and other federal guidelines set
22 forth by the United States Department of Health and Human Services
23 Administration for Children and Families.

24 (2) The department shall report to the senate and house
25 appropriations subcommittees on the department budget, the senate
26 and house fiscal agencies, the senate and house policy offices, and
27 the state budget office by November 1 of the current fiscal year a

1 status report on the planning, implementation, and operation,
2 regardless of the current operational status, regarding the
3 appropriation in part 1 to implement the MiSACWIS. The report shall
4 provide details on the planning, implementation, and operation of
5 the system, including, but not limited to, all of the following:

6 (a) Areas where implementation went as planned.

7 (b) The number of known issues.

8 (c) The average number of help tickets submitted per day.

9 (d) Any additional overtime or other staffing costs to address
10 known issues and volume of help tickets.

11 (e) Any contract revisions to address known issues and volume
12 of help tickets.

13 (f) Other strategies undertaken to improve implementation.

14 (g) Progress developing cross-system trusted data exchange
15 with MiSACWIS.

16 (h) Progress in moving away from a statewide automated child
17 welfare information system (SACWIS) to a comprehensive child
18 welfare information system (CCWIS).

19 (i) Progress developing and implementing a program to monitor
20 data quality.

21 (j) Progress developing and implementing custom integrated
22 systems for private agencies.

23 **ONE-TIME APPROPRIATIONS**

24 Sec. 1905. From the funds appropriated in part 1 for the
25 drinking water declaration of emergency, the department shall
26 allocate funds to address needs in a city in which a declaration of

1 emergency was issued because of drinking water contamination. These
2 funds may support, but are not limited to, the following
3 activities:

4 (a) Nutrition assistance, nutritional and community education,
5 food bank resources, and food inspections.

6 (b) Epidemiological analysis and case management of
7 individuals at risk of elevated blood lead levels.

8 (c) Support for child and adolescent health centers,
9 children's healthcare access program, and pathways to potential
10 programming.

11 (d) Nursing services, breastfeeding education, evidence-based
12 home visiting programs, intensive services, and outreach for
13 children exposed to lead coordinated through local community mental
14 health organizations.

15 (e) Department field operations costs.

16 (f) Lead poisoning surveillance, treatment, and abatement.

17 (g) Nutritional incentives provided to local residents through
18 the Double Up Food Bucks Expansion Program.

19 (h) Genesee County health department food inspectors to
20 perform water testing at local food service establishments.

21 Sec. 1906. (1) From the funds appropriated in part 1 for
22 university autism programs, the department shall continue a grant
23 process for autism programs. These grants are intended to increase
24 the number of applied behavioral analysts, increase the number of
25 autism diagnostic services provided, or increase employment of
26 individuals who are diagnosed with autism spectrum disorder.

27 (2) As a condition of accepting the grants described in

1 subsection (1), each university shall track and report back to the
2 department where the individuals who have completed the applied
3 behavioral analysis training are initially employed and the
4 location of the initial employment.

5 (3) Outcomes and performance measures related to this
6 initiative include, but are not limited to, the following:

7 (a) An increase in applied behavioral analysts certified from
8 university autism programs.

9 (b) The number of autism diagnostic services provided.

10 (c) The employment rate of employment program participants.

11 (d) The employment rate of applied behavioral analysts trained
12 through the university autism programs.

13 Sec. 1907. From the funds appropriated in part 1 for child
14 lead poisoning elimination board, the department shall implement
15 recommendations of the board offered in the board's report of
16 November 2016. The recommendations implemented by the department
17 under this section shall be based in science and best practices,
18 and the department shall give priority to the implementation of the
19 recommendations that are most in agreement with recommendations of
20 nationally recognized organizations and authorities.

21 Sec. 1909. (1) The funds appropriated in part 1 for employment
22 first shall be allocated to support the objectives stated in
23 Executive Order No. 2015-15.

24 (2) The department shall use the funds to provide consultation
25 and technical assistance regarding best practices to increase
26 competitive integrated employment for people with disabilities in
27 the following areas:

1 (a) Statewide capacity building of professionals providing job
2 preparation, placement, and retention supports and services.

3 (b) Provider transformation among community rehabilitation
4 organizations.

5 (c) Rate restructuring of employment supports and services.

6 (d) Blending and braiding of resources.

7 (e) Seamless transition outcomes from education to employment.

8 (f) Employer engagement.

9 (g) Education and outreach to clients and their families,
10 including information on benefits coordination and planning.

11 (h) Other systemic change activities leading to competitive
12 integrated employment.

13 Sec. 1913. (1) The department shall spend available work
14 project revenue and any associated federal match to continue the
15 implementation and operation of the direct primary care pilot
16 program as specified in section 1407 of 2017 PA 158.

17 (2) On a quarterly basis, the department shall report to the
18 senate and house appropriations subcommittees on the department
19 budget, the senate and house fiscal agencies, the senate and house
20 policy offices, and the state budget office on the status and
21 implementation of the direct primary care pilot program for both
22 managed care Medicaid enrollees and fee-for-service Medicaid
23 recipients. The report shall include, but is not limited to, the
24 following performance metrics:

25 (a) The number of enrollees in the direct primary care pilot
26 program by eligibility category.

27 (b) The per-member-per-month rate paid in the previous fiscal

1 year per eligibility category.

2 (c) The number of claims paid in the previous fiscal year per
3 eligibility category.

4 (d) The number of claims per category weighted to reflect 400
5 enrollees.

6 (e) The dollar value of all claims per eligibility category.

7 (f) The per-member-per-month actual cost. As used in this
8 subdivision, "per-member-per-month actual cost" means the direct
9 primary care plan costs and any managed care costs not covered
10 through the direct primary care plan, including managed care
11 provider overhead costs.

12 (g) The average direct primary care cost per enrollee per
13 eligibility category.

14 (h) The average number of actual claims per eligibility
15 category.

16 (i) The average actual dollar value of claims per eligibility
17 category.

18 (j) The number of enrollees in the direct primary care pilot
19 program during the previous quarter who are no longer eligible for
20 Medicaid in the current quarter, broken down by eligibility
21 category.

22 (k) The category savings subtotal. As used in this
23 subdivision, "category savings subtotal" means the per-member-per-
24 month rate paid in fiscal year 2016-2017 minus the per-member-per-
25 month actual cost, times the number of enrollees in the eligibility
26 category.

27 (l) The total savings. As used in this subdivision, "total

1 savings" means the per-member-per-month rate paid in the previous
2 fiscal year minus the per-member-per-month actual cost, times the
3 total number of enrollees in the program.

4 Sec. 1917. (1) From the funds appropriated in part 1 for
5 Michigan medical resident loan repayment program, \$5,000,000.00 is
6 allocated for a 5-year Michigan medical resident loan repayment
7 program to incentivize placement of primary care physicians and
8 other select specialty physicians in rural and urban medically
9 underserved areas of this state following medical residency and
10 provide financial assistance for medical education loan repayment
11 of up to \$50,000.00 to the participating physician before the
12 service period. The Michigan medical resident loan repayment
13 program shall include the following provisions:

14 (a) The program shall incentivize medical residents only in
15 the following specialties: family medicine, general internal
16 medicine, general pediatrics, general OB-GYN, psychiatry, and
17 general surgery.

18 (b) Upon signing an initial agreement to participate in the
19 program, an amount of up to \$50,000.00 shall be provided to the
20 participating physician for the repayment of medical education
21 loans or interest, or both, according to a payment schedule as
22 prescribed and agreed upon by the department and the participant.

23 (c) Beginning the year following completion of a medical
24 residency, a physician participating in the program shall enter
25 into a contract to work with an employer for no less than 2 years
26 in a federally designated rural or urban medically underserved area
27 in this state.

1 (d) A physician participating in the program shall agree to
2 forego any subspecialty fellowship training for at least 2 years
3 postresidency.

4 (2) The department shall contract with the Michigan Health
5 Council for the purpose of administering the Michigan medical
6 resident loan repayment program. Funds shall be disbursed by the
7 department to the Michigan Health Council by December 1 of the
8 current fiscal year for this purpose.

9 (3) The department shall prepare a report on the status of the
10 Michigan medical resident loan repayment program that shall
11 include, but is not limited to, the number of physicians placed,
12 location of placement, type of employer, average medical education
13 loan burden of the participating physicians, and average loan
14 relief provided under the program. By April 1 of the current fiscal
15 year, the department shall provide the report described in this
16 subsection to the house and senate appropriations subcommittees on
17 the department budget, the house and senate fiscal agencies and
18 policy offices, and the state budget office.

19 (4) Unexpended and unencumbered funds up to a maximum of
20 \$5,000,000.00 general fund/general purpose revenue in part 1 for
21 Michigan medical resident loan repayment program are designated as
22 work project appropriations, and any unencumbered or unallotted
23 funds shall not lapse at the end of the fiscal year and shall be
24 available for expenditures for the Michigan medical resident loan
25 repayment program under this section until the project has been
26 completed. All of the following are in compliance with section 451a
27 of the management and budget act, 1984 PA 431, MCL 18.1451a:

1 (a) The purpose of the work project is to fund the cost of a
2 Michigan medical resident loan repayment program as provided by
3 this section.

4 (b) The work project shall be accomplished by administering
5 the placement of participating physicians with qualifying employers
6 and providing medical education loan repayment assistance to
7 participating physicians.

8 (c) The total estimated cost of the work project is
9 \$5,000,000.00 of general fund/general purpose revenue.

10 (d) The tentative completion date of the work project is
11 September 30, 2023.

12 ARTICLE XI

13 DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES

14 PART 1

15 LINE-ITEM APPROPRIATIONS

16 Sec. 101. There is appropriated for the department of
17 insurance and financial services for the fiscal year ending
18 September 30, 2019, from the following funds:

19 **DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES**

20 APPROPRIATION SUMMARY

21	Full-time equated unclassified positions	6.0	
22	Full-time equated classified positions	336.5	
23	GROSS APPROPRIATION.....		\$ 67,971,900
24	Interdepartmental grant revenues:		
25	Total interdepartmental grants and intradepartmental		

1	transfers	713,800
2	ADJUSTED GROSS APPROPRIATION.....	\$ 67,258,100
3	Federal revenues:	
4	Total federal revenues.....	2,017,300
5	Special revenue funds:	
6	Total local revenues.....	0
7	Total private revenues.....	0
8	Total state restricted revenues.....	65,090,800
9	State general fund/general purpose.....	\$ 150,000
10	State general fund/general purpose schedule:	
11	Ongoing state general fund/general	
12	purpose	150,000
13	One-time state general fund/general	
14	purpose	0
15	Sec. 102. DEPARTMENTAL ADMINISTRATION AND SUPPORT	
16	Full-time equated unclassified positions	6.0
17	Full-time equated classified positions	22.5
18	Unclassified salaries--6.0 FTE positions.....	\$ 784,500
19	Administrative hearings.....	182,500
20	Department services--19.0 FTE positions.....	3,801,200
21	Executive director programs--3.5 FTE positions.....	1,075,900
22	Property management.....	1,245,400
23	Worker's compensation.....	<u>4,200</u>
24	GROSS APPROPRIATION.....	\$ 7,093,700
25	Appropriated from:	
26	Special revenue funds:	
27	Bank fees.....	512,300

1	Captive insurance regulatory and supervision fund.....		2,900
2	Consumer finance fees.....		201,100
3	Credit union fees.....		862,200
4	Deferred presentment service transaction fees.....		272,000
5	Insurance bureau fund.....		2,451,800
6	Insurance continuing education fees.....		64,200
7	Insurance licensing and regulation fees.....		1,915,600
8	MBLSLA fund.....		660,300
9	Multiple employer welfare arrangement.....		1,300
10	State general fund/general purpose.....	\$	150,000
11	Sec. 103. INSURANCE AND FINANCIAL SERVICES REGULATION		
12	Full-time equated classified positions		314.0
13	Consumer services and protection--64.0 FTE positions..	\$	8,803,600
14	Financial institutions evaluation--132.0 FTE positions		24,633,100
15	Insurance evaluation--118.0 FTE positions.....		<u>24,789,600</u>
16	GROSS APPROPRIATION.....	\$	58,226,300
17	Appropriated from:		
18	Interdepartmental grant revenues:		
19	IDG-LARA, for debt management.....		713,800
20	Federal revenues:		
21	Federal funds.....		2,017,300
22	Special revenue funds:		
23	Bank fees.....		5,737,100
24	Captive insurance regulatory and supervision fund.....		289,200
25	Consumer finance fees.....		2,997,200
26	Credit union fees.....		8,141,100
27	Deferred presentment service transaction fees.....		3,315,400

1	Insurance bureau fund.....	21,406,800
2	Insurance continuing education fees.....	957,000
3	Insurance licensing and regulation fees.....	6,421,100
4	MBLSLA fund.....	5,946,800
5	Multiple employer welfare arrangement.....	283,500
6	State general fund/general purpose.....	\$ 0
7	Sec. 104. INFORMATION TECHNOLOGY	
8	Information technology services and projects.....	\$ <u>2,251,900</u>
9	GROSS APPROPRIATION.....	\$ 2,251,900
10	Appropriated from:	
11	Special revenue funds:	
12	Bank fees.....	225,500
13	Consumer finance fees.....	93,000
14	Credit union fees.....	369,100
15	Deferred presentment service transaction fees.....	113,300
16	Insurance bureau fund.....	440,700
17	Insurance continuing education fees.....	22,800
18	Insurance licensing and regulation fees.....	727,600
19	MBLSLA fund.....	259,900
20	State general fund/general purpose.....	\$ 0
21	Sec. 105. ONE-TIME APPROPRIATIONS	
22	Insurance evaluation enhancement.....	\$ <u>400,000</u>
23	GROSS APPROPRIATION.....	\$ 400,000
24	Appropriated from:	
25	Special revenue funds:	
26	Insurance bureau fund.....	400,000
27	State general fund/general purpose.....	\$ 0

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FOR FISCAL YEAR 2018-2019

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state sources under part 1 for fiscal year 2018-2019 is \$65,240,800.00 and state spending from state sources to be paid to local units of government for fiscal year 2018-2019 is \$0.

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

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

(a) "Department" means the department of insurance and financial services.

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

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

(d) "IDG" means interdepartmental grant.

(e) "LARA" means the department of licensing and regulatory affairs.

(f) "MBLSLA fund" means the restricted account established under section 8 of the mortgage brokers, lenders, and servicers licensing act, 1987 PA 173, MCL 445.1658.

(g) "Subcommittees" means the subcommittees of the house of representatives and senate appropriations committees with jurisdiction over the budget for the department.

Sec. 204. The department and agencies receiving appropriations

1 in part 1 shall use the internet to fulfill the reporting
2 requirements of this part. This requirement may include
3 transmission of reports via electronic mail to the recipients
4 identified for each reporting requirement, or it may include
5 placement of reports on an internet or intranet site.

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

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

22 Sec. 207. (1) Out-of-state travel shall be limited to
23 situations where the travel is approved by a departmental
24 employee's immediate supervisor and in which 1 or more of the
25 following conditions apply:

26 (a) The travel is required by legal mandate or court order or
27 for law enforcement purposes.

1 (b) The travel is necessary to protect the health or safety of
2 Michigan citizens or visitors or to assist other states in similar
3 circumstances.

4 (c) The travel is necessary to produce budgetary savings or to
5 increase state revenues, including protecting existing federal
6 funds or securing additional federal funds.

7 (d) The travel is necessary to comply with federal
8 requirements.

9 (e) The travel is necessary to secure specialized training for
10 staff that is not available within this state.

11 (f) The travel is financed entirely by federal or nonstate
12 funds.

13 (2) The department shall not approve the travel of more than 1
14 departmental employee to a specific professional development
15 conference or training seminar that is located outside of this
16 state unless a professional development conference or training
17 seminar is funded by a federal or private funding source and
18 requires more than 1 individual from a department to attend, or the
19 conference or training seminar includes multiple issues in which 1
20 employee from the department does not have expertise.

21 (3) Not later than January 1, the department shall prepare a
22 travel report listing all travel by classified and unclassified
23 employees outside this state in the immediately preceding fiscal
24 year that was funded in whole or in part with funds appropriated in
25 the department's budget. The department shall submit the report to
26 the senate and house of representatives standing committees on
27 appropriations, the senate and house fiscal agencies, and the state

1 budget director. The report must include the following information:

2 (a) The name of each person receiving reimbursement for travel
3 outside this state or whose travel costs were paid by this state.

4 (b) The destination of each travel occurrence.

5 (c) The dates of each travel occurrence.

6 (d) A brief statement of the reason for each travel
7 occurrence.

8 (e) 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 (f) A total of all out-of-state travel funded for the
14 immediately preceding fiscal year.

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 prior fiscal year. This report must summarize the
25 projected year-end general fund/general purpose appropriation
26 lapses by major departmental program or program areas. The state
27 budget office shall transmit the report to the chairpersons of the

1 senate and house of representatives appropriations committees 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 \$1,000,000.00 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 \$5,000,000.00 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 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 of
3 representatives appropriations committee chairs, the senate and
4 house appropriations subcommittees chairs, and the senate and house
5 fiscal agencies with an annual report on estimated state restricted
6 fund balances, state restricted fund projected revenues, and state
7 restricted fund expenditures for the fiscal years ending September
8 30, 2018 and September 30, 2019.

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, 2019 are estimated at \$9,513,100.00. From this amount, total
16 agency appropriations for pension-related legacy costs are
17 estimated at \$4,385,700.00. Total agency appropriations for retiree
18 health care legacy costs are estimated at \$5,127,400.00.

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. 218. 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 Sec. 219. The department shall not develop or produce any
26 television or radio productions.

27 Sec. 220. The department, in conjunction with the department

1 of health and human services, shall maintain an accounting
2 structure within this state's accounting system that will allow
3 expenditures associated with the administration of the Healthy
4 Michigan plan to be identified.

5 Sec. 221. The amount appropriated from the general fund in
6 part 1 for executive director programs may only be expended to
7 comply with reporting requirements regarding the Healthy Michigan
8 plan under section 105d(9) of the social welfare act, 1939 PA 280,
9 MCL 400.105d.

10 **INSURANCE AND FINANCIAL SERVICES REGULATION**

11 Sec. 301. The department shall provide a report to the
12 subcommittees, the senate and house fiscal agencies, and the state
13 budget director by September 30 based on the annual rate filings
14 from health insurance issuers that includes all of the following:

- 15 (a) The number that are approved by the department.
16 (b) The number that are denied by the department.
17 (c) The percentage of rate filings processed within the
18 applicable statutory time frames.
19 (d) The average number of calendar days to process rate
20 filings.

21 Sec. 302. In addition to the funds appropriated in part 1, the
22 funds collected by the department in connection with a
23 conservatorship under section 32 of the mortgage brokers, lenders,
24 and servicers licensing act, 1987 PA 173, MCL 445.1682, and funds
25 collected by the department from corporations being liquidated
26 under the insurance code of 1956, 1956 PA 218, MCL 500.100 to

1 500.8302, must be appropriated for all expenses necessary to
2 provide for the required services. Funds are available for
3 expenditure when they are received by the department of treasury
4 and must not lapse to the general fund at the end of the fiscal
5 year.

6 Sec. 303. The department may make available to interested
7 entities customized listings of nonconfidential information in its
8 possession. The department may establish and collect a reasonable
9 charge to provide this service. The revenue from this service is
10 appropriated when received and must be used to offset expenses to
11 provide the service. Any balance of this revenue collected and
12 unexpended at the end of the fiscal year must lapse to the
13 appropriate restricted fund.

14 **ONE-TIME APPROPRIATIONS**

15 Sec. 401. (1) From the funds appropriated in part 1 for
16 insurance evaluation enhancement, by January 31, 2019, the
17 department must complete a study led by an actuarial firm capable
18 of supporting this state's pursuit of a state innovation waiver
19 under section 1332 of the patient protection and affordable care
20 act. The study must meet all criteria for a section 1332 state
21 innovation waiver found at 45 CFR Part 155. The study must include
22 analyses, actuarial certifications data, assumptions, targets, and
23 other information sufficient to provide the secretary of the United
24 States Department of Health and Human Services and the secretary of
25 the United States Department of Treasury with the necessary data to
26 determine whether this state's proposed waiver would do all of the

1 following:

2 (a) Provide coverage that is at least as comprehensive as the
3 coverage defined in section 1203(b) of the patient protection and
4 affordable care act.

5 (b) Provide coverage and cost sharing protections against
6 excessive out-of-pocket spending that are at least as affordable as
7 the provisions of title I of the patient protection and affordable
8 care act.

9 (c) Provide coverage to a comparable number of its residents
10 as the provisions of title I of the patient protection and
11 affordable care act would provide.

12 (d) Not increase the federal deficit.

13 (2) The study under subsection (1) must create any actuarial
14 analyses and certifications necessary to determine whether the
15 estimates will comply with the above requirements. The study must
16 produce an economic analysis to provide a detailed 10 year budget
17 plan that is deficit neutral to the federal government and detailed
18 analyses regarding the estimated impact of the waiver on health
19 insurance coverage in this state.

20 ARTICLE XII

21 JUDICIARY

22 PART 1

23 LINE-ITEM APPROPRIATIONS

24 Sec. 101. There is appropriated for the judiciary for the
25 fiscal year ending September 30, 2019, from the following funds:

1 **JUDICIARY**

2 APPROPRIATION SUMMARY

3	Full-time equated exempted positions	502.0	
4	GROSS APPROPRIATION.....		\$ 303,983,300
5	Interdepartmental grant revenues:		
6	Total interdepartmental grants and intradepartmental		
7	transfers		1,551,300
8	ADJUSTED GROSS APPROPRIATION.....		\$ 302,432,000
9	Federal revenues:		
10	Total federal revenues.....		5,987,400
11	Special revenue funds:		
12	Total local revenues.....		6,499,800
13	Total private revenues.....		981,600
14	Total other state restricted revenues.....		92,979,500
15	State general fund/general purpose.....		\$ 195,983,700
16	Sec. 102. SUPREME COURT		
17	Full-time equated exempted positions	248.0	
18	Community dispute resolution--3.0 FTE positions.....		\$ 2,890,700
19	Direct trial court automation support--44.0 FTE		
20	positions		6,499,800
21	Drug treatment courts.....		11,833,000
22	Foster care review board--10.0 FTE positions.....		1,331,900
23	Judicial information systems--22.0 FTE positions.....		4,431,800
24	Judicial institute--13.0 FTE positions.....		1,848,000
25	Mental health courts and diversion services--1.0 FTE		
26	position		5,466,800
27	Next generation Michigan court system.....		4,116,000

1	Other federal grants.....	275,100
2	State court administrative office--63.0 FTE positions.	11,416,100
3	Supreme court administration--92.0 FTE positions.....	14,059,100
4	Swift and sure sanctions program.....	3,654,200
5	Veterans courts.....	936,400
6	Youthful sex offender treatment pilot program.....	<u>100</u>
7	GROSS APPROPRIATION.....	\$ 68,759,000
8	Appropriated from:	
9	Interdepartmental grant revenues:	
10	IDG from department of corrections.....	51,300
11	IDG from department of state police.....	1,500,000
12	Federal revenues:	
13	DOJ, drug court training and evaluation.....	300,000
14	DOT, National Highway Traffic Safety Administration...	2,219,000
15	HHS, access and visitation grant.....	482,500
16	HHS, children's justice grant.....	238,900
17	HHS, court improvement project.....	915,700
18	HHS, title IV-D child support program.....	812,300
19	HHS, title IV-E foster care program.....	400,400
20	Other federal grant revenues.....	275,100
21	Special revenue funds:	
22	Local - user fees.....	6,499,800
23	Private.....	195,600
24	Private - interest on lawyers trust accounts.....	269,500
25	Private - state justice institute.....	430,600
26	Community dispute resolution fund.....	2,390,800
27	Court of appeals filing/motion fees.....	1,450,000

1	Drug court fund.....		1,920,500
2	Justice system fund.....		587,900
3	Law exam fees.....		730,600
4	Miscellaneous revenue.....		243,400
5	State court fund.....		392,700
6	State general fund/general purpose.....	\$	46,452,400
7	Sec. 103. COURT OF APPEALS		
8	Full-time equated exempted positions	175.0	
9	Court of appeals operations--175.0 FTE positions.....	\$	<u>24,360,500</u>
10	GROSS APPROPRIATION.....	\$	24,360,500
11	Appropriated from:		
12	State general fund/general purpose.....	\$	24,360,500
13	Sec. 104. BRANCHWIDE APPROPRIATIONS		
14	Full-time equated exempted positions	4.0	
15	Branchwide appropriations--4.0 FTE positions.....	\$	<u>9,128,300</u>
16	GROSS APPROPRIATION.....	\$	9,128,300
17	Appropriated from:		
18	State general fund/general purpose.....	\$	9,128,300
19	Sec. 105. JUSTICES' AND JUDGES' COMPENSATION		
20	Full-time judges positions	590.0	
21	Supreme court justices' salaries--7.0 justices.....	\$	1,152,300
22	Circuit court judges' state base salaries--216.0		
23	judges		22,140,600
24	Circuit court judicial salary standardization.....		9,854,900
25	Court of appeals judges' salaries--27.0 judges.....		4,337,700
26	District court judges' state base salaries--237.0		
27	judges		23,936,400

1	District court judicial salary standardization.....	10,836,700
2	Probate court judges' state base salaries--103.0	
3	judges	10,500,400
4	Probate court judicial salary standardization.....	4,669,600
5	Judges' retirement system defined contributions.....	4,858,100
6	OASI, Social Security.....	<u>6,210,700</u>
7	GROSS APPROPRIATION.....	\$ 98,497,400
8	Appropriated from:	
9	Special revenue funds:	
10	Court fee fund.....	3,315,200
11	State general fund/general purpose.....	\$ 95,182,200
12	Sec. 106. JUDICIAL AGENCIES	
13	Full-time equated exempted positions7.0	
14	Judicial tenure commission--7.0 FTE positions.....	\$ <u>1,162,900</u>
15	GROSS APPROPRIATION.....	\$ 1,162,900
16	Appropriated from:	
17	State general fund/general purpose.....	\$ 1,162,900
18	Sec. 107. INDIGENT DEFENSE - CRIMINAL	
19	Full-time equated exempted positions51.0	
20	Appellate public defender program--51.0 FTE positions..	\$ <u>8,143,400</u>
21	GROSS APPROPRIATION.....	\$ 8,143,400
22	Appropriated from:	
23	Federal revenues:	
24	Other federal grant revenues.....	343,500
25	Special revenue funds:	
26	Private - interest on lawyers trust accounts.....	85,900
27	Miscellaneous revenue.....	92,300

1	State general fund/general purpose.....	\$	7,621,700
2	Sec. 108. INDIGENT CIVIL LEGAL ASSISTANCE		
3	Indigent civil legal assistance.....	\$	<u>7,937,000</u>
4	GROSS APPROPRIATION.....	\$	7,937,000
5	Appropriated from:		
6	Special revenue funds:		
7	State court fund.....		7,937,000
8	State general fund/general purpose.....	\$	0
9	Sec. 109. TRIAL COURT OPERATIONS		
10	Full-time equated exempted positions6.0		
11	Court equity fund reimbursements.....	\$	60,815,700
12	Drug case-flow program.....		250,000
13	Drunk driving case-flow program.....		3,300,000
14	Judicial technology improvement fund.....		4,815,000
15	Juror compensation reimbursement--1.0 FTE position....		6,602,400
16	Statewide e-file system--5.0 FTE positions.....		<u>8,511,700</u>
17	GROSS APPROPRIATION.....	\$	84,294,800
18	Appropriated from:		
19	Special revenue funds:		
20	Court equity fund.....		50,440,000
21	Drug fund.....		250,000
22	Drunk driving fund.....		3,300,000
23	Electronic filing fee fund.....		8,511,700
24	Judicial technology improvement fund.....		4,815,000
25	Juror compensation fund.....		6,602,400
26	State general fund/general purpose.....	\$	10,375,700
27	Sec. 110. ONE-TIME APPROPRIATIONS		

1	Full-time equated exempted positions	11.0	
2	Compliance with <i>Montgomery v Louisiana</i> --	11.0 FTE	
3	positions		\$ 700,000
4	Expansion of problem solving courts.....		<u>1,000,000</u>
5	GROSS APPROPRIATION.....		\$ 1,700,000
6	Appropriated from:		
7	State general fund/general purpose.....		\$ 1,700,000

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FOR FISCAL YEAR 2018-2019

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state sources under part 1 for fiscal year 2018-2019 is \$288,963,200.00 and state spending from state sources to be paid to local units of government for fiscal year 2018-2019 is \$148,443,800.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

JUDICIARY

SUPREME COURT

21	Drug treatment courts.....	\$ 11,833,000
22	Mental health courts and diversion services.....	5,466,800
23	Next generation Michigan court system.....	4,116,000
24	State court administrative office.....	200,000
25	Swift and sure sanctions program.....	3,654,200

1	Veterans courts.....		936,400
2	Youthful sex offender treatment pilot program.....		100
3	JUSTICES' AND JUDGES' COMPENSATION		
4	Circuit court judicial salary standardization.....	\$	9,854,900
5	District court judicial salary standardization.....		10,836,700
6	Probate court judges' state base salaries.....		10,500,400
7	Probate court judicial salary standardization.....		4,669,600
8	Grant to OASI contribution fund, employer's share,		
9	Social Security		1,080,900
10	TRIAL COURT OPERATIONS		
11	Court equity fund reimbursements.....	\$	60,815,700
12	Drug case-flow program.....		250,000
13	Drunk driving case-flow program.....		3,300,000
14	Judicial technology improvement fund.....		4,815,000
15	Juror compensation reimbursement.....		6,602,400
16	Statewide e-file system.....		8,511,700
17	ONE-TIME APPROPRIATIONS		
18	Expansion of problem solving courts.....	\$	<u>1,000,000</u>
19	TOTAL.....	\$	148,443,800

20 Sec. 202. (1) The appropriations authorized under this part
21 and part 1 are subject to the management and budget act, 1984 PA
22 431, MCL 18.1101 to 18.1594.

23 (2) Funds appropriated in part 1 to an entity within the
24 judicial branch shall not be expended or transferred to another
25 account without written approval of the authorized agent of the
26 judicial entity. If the authorized agent of the judicial entity
27 notifies the state budget director of its approval of an

1 expenditure or transfer, the state budget director shall
2 immediately make the expenditure or transfer. The authorized
3 judicial entity agent shall be designated by the chief justice of
4 the supreme court.

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

6 (a) "DOJ" means the United States Department of Justice.

7 (b) "DOT" means the United States Department of
8 Transportation.

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

10 (d) "HHS" means the United States Department of Health and
11 Human Services.

12 (e) "IDG" means interdepartmental grant.

13 (f) "OASI" means old age survivor's insurance.

14 (g) "SADO" means the state appellate defender office created
15 under the appellate defender act, 1978 PA 620, MCL 780.711 to
16 780.719.

17 (h) "Title IV-D" means the part of the federal social security
18 act, 42 USC 301 to 1397mm, pertaining to the child support
19 enforcement program.

20 (i) "Title IV-E" means the part of the federal social security
21 act, 42 USC 301 to 1397mm, pertaining to the foster care program.

22 Sec. 204. The reporting requirements of this part shall be
23 completed with the approval of, and at the direction of, the
24 supreme court, except as otherwise provided in this part. The
25 judicial branch shall use the internet to fulfill the reporting
26 requirements of this part. This may include transmission of reports
27 via electronic mail to the recipients identified for each reporting

1 requirement, or it may include placement of reports on an internet
2 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 shall 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. 207. Not later than January 1 of each year, the state
14 court administrative office shall prepare a report on out-of-state
15 travel listing all travel by judicial branch employees outside this
16 state in the immediately preceding fiscal year that was funded in
17 whole or in part with funds appropriated in the budget for the
18 judicial branch. The report shall be submitted to the senate and
19 house appropriations committees, the senate and house fiscal
20 agencies, and the state budget office. The report shall include the
21 following information:

22 (a) The dates of each travel occurrence.

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

9 Sec. 211. From the funds appropriated in part 1, the judicial
10 branch shall maintain a searchable website accessible by the public
11 at no cost that includes all expenditures made by the judicial
12 branch within a fiscal year. The posting shall include the purpose
13 for which each expenditure is made. The judicial branch shall not
14 provide financial information on its website under this section if
15 doing so would violate a federal or state law, rule, regulation, or
16 guideline that establishes privacy or security standards applicable
17 to that financial information.

18 Sec. 212. Within 14 days after the release of the executive
19 budget recommendation, the judicial branch shall cooperate with the
20 state budget office to provide the senate and house appropriations
21 committee chairs, the senate and house appropriations subcommittee
22 chairs, and the senate and house fiscal agencies with an annual
23 report on estimated state restricted fund balances, state
24 restricted fund projected revenues, and state restricted fund
25 expenditures for the prior 2 fiscal years.

26 Sec. 213. The judiciary shall maintain, on a publicly
27 accessible website, a scorecard that identifies, tracks, and

1 regularly updates key metrics that are used to monitor and improve
2 the judiciary's performance.

3 Sec. 214. Total authorized appropriations from all sources
4 under part 1 for legacy costs for the fiscal year ending September
5 30, 2019 are estimated at \$14,127,500.00. From this amount, total
6 judiciary appropriations for pension-related legacy costs are
7 estimated at \$6,513,000.00. Total judiciary appropriations for
8 retiree health care legacy costs are estimated at \$7,614,500.00.

9 Sec. 215. The judicial branch shall not take disciplinary
10 action against an employee for communicating with a member of the
11 legislature or his or her staff.

12 Sec. 216. It is the intent of the legislature that judges who
13 are presiding over a hearing on a foster care case shall publicly
14 acknowledge and request the input of the foster parent or foster
15 parents during the hearing.

16 Sec. 217. If the judicial branch makes any changes to a foster
17 care family service plan before its finalization, it is the intent
18 of the legislature that the presiding judge provide an explanation
19 for any changes to that plan in the court record.

20 Sec. 219. The judicial branch shall receive and retain copies
21 of all reports funded from appropriations in part 1. Federal and
22 state guidelines for short-term and long-term retention of records
23 shall be followed. The judicial branch may electronically retain
24 copies of reports unless otherwise required by federal and state
25 guidelines.

26 **JUDICIAL BRANCH**

1 Sec. 301. From the funds appropriated in part 1, the direct
2 trial court automation support program of the state court
3 administrative office shall recover direct and overhead costs from
4 trial courts by charging for services rendered. The fee shall cover
5 the actual costs incurred to the direct trial court automation
6 support program in providing the service, including development of
7 future versions of case management systems.

8 Sec. 302. Funds appropriated within the judicial branch shall
9 not be expended by any component within the judicial branch without
10 the approval of the supreme court.

11 Sec. 303. Of the amount appropriated in part 1 for the
12 judicial branch, \$711,900.00 is allocated for circuit court
13 reimbursement under section 3 of 1978 PA 16, MCL 800.453, and for
14 costs associated with the court of claims.

15 Sec. 304. A member of the legislature may request a report or
16 data from the data collected in the judicial data warehouse. The
17 report shall be made available to the public upon request, unless
18 disclosure is prohibited by court order or state or federal law.
19 Any data provided under this section shall be public and non-
20 identifying information.

21 Sec. 305. From the funds appropriated in part 1 for community
22 dispute resolution, community dispute resolution centers shall
23 provide restorative justice programs to schools to help reduce
24 suspensions and truancy, and to improve school climate. Funding may
25 be used for community dispute resolution centers, in cooperation
26 with local prosecutors, to expand existing restorative justice
27 programming that targets juvenile offenders who have been charged

1 with assault and battery, malicious destruction of property, or a
2 larceny offense, including retail fraud. Participation shall be
3 completely voluntary for the person charged and any person harmed
4 by the crime.

5 Sec. 307. From the funds appropriated in part 1 for mental
6 health courts and diversion services, \$1,730,000.00 is intended to
7 address the recommendations of the mental health diversion council.

8 Sec. 308. If sufficient funds are not available from the court
9 fee fund to pay judges' compensation, the difference between the
10 appropriated amount from that fund for judges' compensation and the
11 actual amount available after the amount appropriated for trial
12 court reimbursement is made shall be appropriated from the state
13 general fund for judges' compensation. If an appropriation is made
14 under this section, the state court administrative office shall
15 notify, within 14 days of the appropriation, the senate and house
16 standing committees on appropriations, the senate and house
17 appropriations subcommittees on judiciary, the senate and house
18 fiscal agencies, and the state budget office.

19 Sec. 309. By April 1, the state court administrative office
20 shall provide a report on drug treatment, mental health, and
21 veterans court programs in this state. The report shall include
22 information on the number of each type of program that has been
23 established, the number of program participants in each
24 jurisdiction, and the impact of the programs on offender criminal
25 involvement and recidivism. The report shall be submitted to the
26 senate and house appropriations subcommittees on judiciary, the
27 senate and house fiscal agencies, and the state budget office.

1 Sec. 311. (1) The funds appropriated in part 1 for drug
2 treatment courts as that term is defined in section 1060 of the
3 revised judicature act of 1961, 1961 PA 236, MCL 600.1060, shall be
4 administered by the state court administrative office to operate
5 drug treatment court programs. A drug treatment court shall be
6 responsible for handling cases involving substance abusing
7 nonviolent offenders through comprehensive supervision, testing,
8 treatment services, and immediate sanctions and incentives. A drug
9 treatment court shall use all available county and state personnel
10 involved in the disposition of cases including, but not limited to,
11 parole and probation agents, prosecuting attorneys, defense
12 attorneys, and community corrections providers. The funds may be
13 used in connection with other federal, state, and local funding
14 sources.

15 (2) From the funds appropriated in part 1, the chief justice
16 shall allocate sufficient funds for the Michigan judicial institute
17 to provide in-state training for those identified in subsection
18 (1), including training for new drug treatment court judges.

19 (3) For drug treatment court grants, consideration for
20 priority may be given to those courts where higher instances of
21 substance abuse cases are filed.

22 (4) The judiciary shall receive \$1,500,000.00 in Byrne formula
23 grant funding as an interdepartmental grant from the department of
24 state police to be used for expansion of drug treatment courts, to
25 assist in avoiding prison bed space growth for nonviolent offenders
26 in collaboration with the department of corrections.

27 Sec. 312. From the funds appropriated in part 1, the state

1 court administrator shall produce a statistical report regarding
2 the implementation of the parental rights restoration act, 1990 PA
3 211, MCL 722.901 to 722.908, as it pertains to minors seeking
4 court-issued waivers of parental consent. The state court
5 administrative office shall report the total number of petitions
6 filed and the total number of petitions granted under that act.

7 Sec. 316. (1) From the funds appropriated in part 1 for
8 pretrial risk assessment, the state court administrative office
9 shall pilot a pretrial risk assessment tool in an effort to provide
10 relevant information to judges so they can make evidence-based bond
11 decisions that will increase public safety and reduce costs
12 associated with unnecessary pretrial detention.

13 (2) The state court administrative office shall submit a
14 report by March 1 to the senate and house appropriations
15 subcommittees on judiciary, the senate and house fiscal agencies,
16 and the state budget office on progress made toward implementing
17 the pretrial risk assessment tool and associated costs.

18 Sec. 317. Funds appropriated in part 1 shall not be used for
19 the permanent assignment of state-owned vehicles to justices or
20 judges or any other judicial branch employee. This section does not
21 preclude the use of state-owned motor pool vehicles for state
22 business in accordance with approved guidelines.

23 Sec. 320. (1) From the funds appropriated in part 1 for the
24 swift and sure sanctions program, created under section 3 of
25 chapter XIA of the code of criminal procedure, 1927 PA 175, MCL
26 771A.3, the state court administrative office shall administer a
27 program to distribute grants to qualifying courts in accordance

1 with the objectives and requirements of the probation swift and
2 sure sanctions act, chapter XIA of the code of criminal procedure,
3 1927 PA 175, MCL 771A.1 to 771A.8. Of the funds designated for the
4 program, not more than \$100,000.00 shall be available to the state
5 court administrative office to pay for employee costs associated
6 with the administration of the program funds. Of the funds
7 designated for the program, \$500,000.00 is reserved for programs in
8 counties that had more than 325 individuals sentenced to prison in
9 the previous calendar year. Courts interested in participating in
10 the swift and sure sanctions program may apply to the state court
11 administrative office for a portion of the funds appropriated in
12 part 1 under this section.

13 (2) By April 1, the state court administrative office, in
14 cooperation with the department of corrections, shall provide a
15 report on the courts that receive funding under the swift and sure
16 sanctions program described in subsection (1) to the senate and
17 house appropriations subcommittees on judiciary, the senate and
18 house fiscal agencies, and the state budget office. The report
19 shall include all of the following:

20 (a) The number of offenders who participate in the program.

21 (b) The criminal history of offenders who participate in the
22 program.

23 (c) The recidivism rate of offenders who participate in the
24 program, including the rate of return to jail, prison, or both.

25 (d) A detailed description of the establishment and parameters
26 of the program.

27 (3) As used in this section, "program" means a swift and sure

1 sanctions program described in subsection (1).

2 Sec. 321. From the funds appropriated in part 1, the judicial
3 branch shall support a statewide legal self-help internet website
4 and local nonprofit self-help centers that use the statewide
5 website to provide assistance to individuals representing
6 themselves in civil legal proceedings. The state court
7 administrative office shall summarize the costs of maintaining the
8 website, provide statistics on the number of people visiting the
9 website, and provide information on content usage, form completion,
10 and user feedback. By March 1, the state court administrative
11 office shall report this information for the preceding fiscal year
12 to the senate and house appropriations subcommittees on judiciary,
13 the senate and house fiscal agencies, and the state budget office.

14 Sec. 322. If Byrne formula grant funding is awarded to the
15 state appellate defender, the state appellate defender office may
16 receive and expend Byrne formula grant funds in an amount not to
17 exceed \$250,000.00 as an interdepartmental grant from the
18 department of state police. If the appellate defender appointed
19 under section 3 of the appellate defender act, 1978 PA 620, MCL
20 780.713, receives federal grant funding from the United States
21 Department of Justice in excess of the amount appropriated in part
22 1, the office of appellate defender may receive and expend grant
23 funds in an amount not to exceed \$300,000.00 as other federal
24 grants.

25 Sec. 324. From the funds appropriated in part 1, the judiciary
26 shall maintain a medication-assisted treatment program to provide
27 treatment for opioid-addicted and alcohol-addicted individuals who

1 are referred to and voluntarily participate in the medication-
2 assisted treatment program.

3 **ONE-TIME APPROPRIATIONS**

4 Sec. 402. (1) The state appellate defender office attorneys
5 and support staff shall ensure Michigan compliance with *Montgomery*
6 *v Louisiana*, 577 US _____ (2016). The purpose of the program
7 expansion is to ensure competent, resourced, and supervised counsel
8 in cases involving the resentencing of juvenile lifers. The
9 representation by SADO counsel will create opportunities for
10 release, saving prison costs for the state.

11 (2) From the funds appropriated in part 1, the state appellate
12 defender office shall submit a report by September 30 to the senate
13 and house appropriations subcommittees on judiciary, the senate and
14 house fiscal agencies, and the state budget office on the number of
15 juvenile lifer cases investigated and prepared by the state
16 appellate defender office. The report shall include a calculation
17 of hours spent and focus on incremental costs associated with
18 investigating and conducting a robust examination of each case,
19 with particular emphasis on those costs that may be avoided after
20 the cases have been disposed.

21

PART 2A

22

PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS

23

FOR FISCAL YEAR 2019-2020

24

GENERAL SECTIONS

1 Sec. 1201. It is the intent of the legislature to provide
 2 appropriations for the fiscal year ending on September 30, 2020 for
 3 the line items listed in part 1. Fiscal year 2019-2020
 4 appropriations are anticipated to be the same as those for fiscal
 5 year 2018-2019, except that the line items will be adjusted for
 6 changes in caseload and related costs, federal fund match rates,
 7 economic factors, and available revenue. These adjustments will be
 8 determined after the January 2019 consensus revenue estimating
 9 conference.

ARTICLE XIII

DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS

PART 1

LINE-ITEM APPROPRIATIONS

14 Sec. 101. There is appropriated for the department of
 15 licensing and regulatory affairs for the fiscal year ending
 16 September 30, 2019, from the following funds:

DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS

APPROPRIATION SUMMARY

19	Full-time equated unclassified positions	57.5	
20	Full-time equated classified positions	2,322.3	
21	GROSS APPROPRIATION.....		\$ 491,962,100
22	Interdepartmental grant revenues:		
23	Total interdepartmental grants and intradepartmental		
24	transfers		48,414,300
25	ADJUSTED GROSS APPROPRIATION.....		\$ 443,547,800

1	Federal revenues:	
2	Total federal revenues.....	65,744,400
3	Special revenue funds:	
4	Total local revenues.....	100,000
5	Total private revenues.....	111,800
6	Total state restricted revenues.....	288,771,300
7	State general fund/general purpose.....	\$ 88,820,300
8	State general fund/general purpose schedule:	
9	Ongoing state general fund/general	
10	purpose	88,820,300
11	One-time state general fund/general purpose	0
12	Sec. 102. DEPARTMENTAL ADMINISTRATION AND SUPPORT	
13	Full-time equated unclassified positions	57.5
14	Full-time equated classified positions	108.0
15	Unclassified salaries--57.5 FTE positions.....	\$ 5,107,700
16	Administrative services--77.0 FTE positions.....	8,810,100
17	Executive director programs--24.0 FTE positions.....	3,256,500
18	FOIA coordination--3.0 FTE positions.....	314,900
19	Office for new Americans--4.0 FTE positions.....	480,200
20	Property management.....	11,488,900
21	Worker's compensation.....	<u>318,500</u>
22	GROSS APPROPRIATION.....	\$ 29,776,800
23	Appropriated from:	
24	Interdepartmental grant revenues:	
25	IDG - MDIFS, accounting services.....	150,000
26	IDG - MDTED, unemployment hearings.....	601,100
27	Federal revenues:	

1	DED - vocational rehabilitation and independent living	897,400
2	DOE - heating oil and propane.....	25,000
3	DOL - occupational safety and health.....	712,200
4	EPA - underground storage tanks.....	29,100
5	HHS - Medicaid, certification of health care providers	
6	and suppliers	405,200
7	HHS - Medicare, certification of health care providers	
8	and suppliers	589,000
9	Special revenue funds:	
10	Aboveground storage tank fees.....	92,400
11	Accountancy enforcement fund.....	46,100
12	Asbestos abatement fund.....	150,100
13	Boiler inspection fund.....	278,300
14	Builder enforcement fund.....	100,400
15	Construction code fund.....	760,000
16	Corporation fees.....	5,644,500
17	Elevator fees.....	302,100
18	Fire alarm fees.....	7,100
19	Fire safety standard and enforcement fund.....	2,100
20	Fire service fees.....	483,400
21	Fireworks safety fund.....	51,000
22	Health professions regulatory fund.....	1,569,800
23	Health systems fees.....	246,400
24	Licensing and regulation fund.....	783,000
25	Liquor license revenue.....	300,000
26	Liquor purchase revolving fund.....	3,807,100
27	Marihuana registry fund.....	670,500

1	Michigan unarmed combat fund.....	5,900
2	Mobile home code fund.....	317,100
3	Nurse professional fund.....	37,500
4	PMECSEMA fund.....	45,000
5	Private occupational school license fees.....	55,200
6	Property development fees.....	7,400
7	Public utility assessments.....	2,779,400
8	Radiological health fees.....	223,500
9	Real estate appraiser education fund.....	2,600
10	Real estate education fund.....	11,000
11	Real estate enforcement fund.....	11,300
12	Refined petroleum fund.....	185,800
13	Restructuring mechanism assessments.....	31,600
14	Retired engineers technical assistance program fund...	7,000
15	Safety education and training fund.....	850,800
16	Second injury fund.....	236,700
17	Securities fees.....	3,678,200
18	Securities investor education and training fund.....	9,200
19	Security business fund.....	7,000
20	Self-insurers security fund.....	120,300
21	Silicosis and dust disease fund.....	102,300
22	Survey and remonumentation fund.....	97,000
23	Tax tribunal fund.....	885,300
24	Utility consumer representation fund.....	54,000
25	Worker's compensation administrative revolving fund...	103,800
26	State general fund/general purpose.....	\$ 1,208,600
27	Sec. 103. ENERGY AND UTILITY PROGRAMS	

1	Full-time equated classified positions	208.0	
2	Michigan agency for energy--26.0 FTE positions.....		\$ 7,132,800
3	Public service commission--182.0 FTE positions.....		<u>31,879,000</u>
4	GROSS APPROPRIATION.....		\$ 39,011,800
5	Appropriated from:		
6	Federal revenues:		
7	DOE - heating oil and propane.....		3,795,000
8	DOT - gas pipeline safety.....		2,212,800
9	Special revenue funds:		
10	Public utility assessments.....		31,332,300
11	Restructuring mechanism assessments.....		620,900
12	Retired engineers technical assistance program fund...		491,200
13	State general fund/general purpose.....		\$ 559,600
14	Sec. 104. LIQUOR CONTROL COMMISSION		
15	Full-time equated classified positions	143.0	
16	Liquor licensing and enforcement--115.0 FTE positions.		\$ 16,006,400
17	Management support services--28.0 FTE positions.....		<u>4,518,400</u>
18	GROSS APPROPRIATION.....		\$ 20,524,800
19	Appropriated from:		
20	Special revenue funds:		
21	Direct shipper enforcement revolving fund.....		300,700
22	Liquor control enforcement and license investigation		
23	revolving fund		175,000
24	Liquor license fee enhancement fund.....		76,400
25	Liquor license revenue.....		7,580,700
26	Liquor purchase revolving fund.....		12,392,000
27	State general fund/general purpose.....		\$ 0

1	Sec. 105. OCCUPATIONAL REGULATION	
2	Full-time equated classified positions	1,143.9
3	Bureau of community and health systems--426.9 FTE	
4	positions	\$ 63,085,000
5	Bureau of construction codes--182.0 FTE positions	23,839,300
6	Bureau of fire services--78.0 FTE positions	11,175,500
7	Bureau of professional licensing--206.0 FTE positions	39,834,200
8	Corporations, securities, and commercial licensing	
9	bureau--118.0 FTE positions	15,431,400
10	Medical marihuana facilities licensing and tracking--	
11	108.0 FTE positions	10,000,000
12	Medical marihuana program--25.0 FTE positions	<u>5,001,300</u>
13	GROSS APPROPRIATION	\$ 168,366,700
14	Appropriated from:	
15	Interdepartmental grant revenues:	
16	IDG - MDE, child care licensing	17,794,900
17	Federal revenues:	
18	DHS - fire training systems	28,000
19	DOT - hazardous materials training and planning	60,000
20	EPA - underground storage tanks	804,400
21	HHS - Medicaid, certification of health care providers	
22	and suppliers	8,379,900
23	HHS - Medicare, certification of health care providers	
24	and suppliers	13,638,100
25	Special revenue funds:	
26	Aboveground storage tank fees	206,800
27	Accountancy enforcement fund	689,600

1	Boiler inspection fund.....	3,399,700
2	Builder enforcement fund.....	644,000
3	Construction code fund.....	7,910,200
4	Corporation fees.....	7,143,500
5	Distance education fund.....	355,500
6	Division on deafness fund.....	93,400
7	Elevator fees.....	4,356,300
8	Fire alarm fees.....	130,100
9	Fire safety standard and enforcement fund.....	40,400
10	Fire service fees.....	2,553,300
11	Fireworks safety fund.....	703,900
12	Health professions regulatory fund.....	24,158,800
13	Health systems fees.....	3,792,200
14	Licensing and regulation fund.....	11,851,200
15	Liquor purchase revolving fund.....	143,200
16	Marihuana registry fund.....	5,001,300
17	Marihuana regulatory fund.....	10,500,000
18	Michigan unarmed combat fund.....	76,900
19	Mobile home code fund.....	3,045,200
20	Nurse aide registration fund.....	600,000
21	Nurse professional fund.....	1,964,900
22	Nursing home administrative penalties.....	100,000
23	PMECSEMA fund.....	1,855,600
24	Private occupational school license fees.....	478,600
25	Property development fees.....	318,100
26	Real estate appraiser education fund.....	65,400
27	Real estate education fund.....	345,400

1	Real estate enforcement fund.....	704,400
2	Refined petroleum fund.....	2,643,400
3	Securities fees.....	4,779,800
4	Securities investor education and training fund.....	502,300
5	Security business fund.....	233,600
6	Survey and remonumentation fund.....	864,900
7	State general fund/general purpose.....	\$ 25,409,500
8	Sec. 106. EMPLOYMENT SERVICES	
9	Full-time equated classified positions464.4	
10	Bureau of employment relations--22.0 FTE positions....	\$ 4,289,800
11	Bureau of services for blind persons--113.0 FTE	
12	positions	24,931,000
13	Compensation supplement fund.....	1,820,000
14	First responder presumed coverage fund claims.....	5,245,000
15	Insurance funds administration--23.0 FTE positions....	5,031,200
16	Michigan occupational safety and health	
17	administration--197.0 FTE positions	29,418,000
18	Radiation safety section--21.4 FTE positions.....	3,299,300
19	Wage and hour program--32.0 FTE positions.....	3,826,100
20	Workers' compensation agency--56.0 FTE positions.....	<u>8,177,000</u>
21	GROSS APPROPRIATION.....	\$ 86,037,400
22	Appropriated from:	
23	Federal revenues:	
24	DED - vocational rehabilitation and independent living	18,725,100
25	DOL - occupational safety and health.....	12,047,700
26	HHS - mammography quality standards.....	513,300
27	Special revenue funds:	

1	Local revenues - blind services.....	100,000
2	Private revenues - blind services.....	111,800
3	Asbestos abatement fund.....	817,300
4	Corporation fees.....	9,619,100
5	First responder presumed coverage fund.....	5,445,000
6	Michigan business enterprise program fund.....	327,800
7	Radiological health fees.....	2,786,000
8	Safety education and training fund.....	9,922,200
9	Second injury fund.....	2,627,000
10	Securities fees.....	8,807,300
11	Self-insurers security fund.....	1,587,000
12	Silicosis and dust disease fund.....	817,200
13	Worker's compensation administrative revolving fund...	1,682,500
14	State general fund/general purpose.....	\$ 10,101,100
15	Sec. 107. MICHIGAN ADMINISTRATIVE HEARING SYSTEM	
16	Full-time equated classified positions236.0	
17	Michigan administrative hearing system--218.0 FTE	
18	positions	\$ 38,607,100
19	Michigan compensation appellate commission--18.0 FTE	
20	positions	<u>4,649,000</u>
21	GROSS APPROPRIATION.....	\$ 43,256,100
22	Appropriated from:	
23	Interdepartmental grant revenues:	
24	IDG revenues - administrative hearings and rules.....	25,561,600
25	IDG - MDTED, unemployment hearings.....	4,306,700
26	Federal revenues:	
27	DOL - occupational safety and health.....	153,900

1	Special revenue funds:	
2	Construction code fund.....	26,000
3	Corporation fees.....	4,026,000
4	Health professions regulatory fund.....	392,800
5	Health systems fees.....	156,600
6	Licensing and regulation fund.....	849,200
7	Liquor purchase revolving fund.....	967,000
8	Public utility assessments.....	2,547,600
9	Safety education and training fund.....	62,600
10	Securities fees.....	2,418,900
11	Tax tribunal fund.....	954,000
12	Worker's compensation administrative revolving fund...	137,400
13	State general fund/general purpose.....	\$ 695,800
14	Sec. 108. COMMISSIONS	
15	Full-time equated classified positions19.0	
16	Asian Pacific American affairs commission--1.0 FTE	
17	position	\$ 137,400
18	Commission on Middle Eastern American affairs--1.0 FTE	
19	position	125,000
20	Hispanic/Latino commission of Michigan--1.0 FTE	
21	position	288,300
22	Michigan indigent defense commission--16.0 FTE	
23	positions	<u>2,420,700</u>
24	GROSS APPROPRIATION.....	\$ 2,971,400
25	Appropriated from:	
26	State general fund/general purpose.....	\$ 2,971,400
27	Sec. 109. DEPARTMENT GRANTS	

1	Firefighter training grants.....	\$	2,000,000
2	Liquor law enforcement grants.....		8,400,000
3	Michigan indigent defense commission grants.....		61,300,000
4	Remonumentation grants.....		7,300,000
5	Subregional libraries state aid.....		451,800
6	Utility consumer representation.....		<u>750,000</u>
7	GROSS APPROPRIATION.....	\$	80,201,800
8	Appropriated from:		
9	Special revenue funds:		
10	Fireworks safety fund.....		2,000,000
11	Liquor license revenue.....		8,400,000
12	Local indigent defense reimbursement.....		15,300,000
13	Survey and remonumentation fund.....		7,300,000
14	Utility consumer representation fund.....		750,000
15	State general fund/general purpose.....	\$	46,451,800
16	Sec. 110. INFORMATION TECHNOLOGY		
17	Information technology services and projects.....	\$	<u>21,815,300</u>
18	GROSS APPROPRIATION.....	\$	21,815,300
19	Appropriated from:		
20	Federal revenues:		
21	DED - vocational rehabilitation and independent living		1,229,800
22	DOE - heating oil and propane.....		24,000
23	DOL - occupational safety and health.....		367,300
24	DOT - gas pipeline safety.....		45,000
25	EPA - underground storage tanks.....		100,200
26	HHS - Medicaid, certification of health care providers		
27	and suppliers		331,600

1	HHS - Medicare, certification of health care providers	
2	and suppliers	630,400
3	Special revenue funds:	
4	Aboveground storage tank fees.....	54,600
5	Accountancy enforcement fund.....	1,100
6	Asbestos abatement fund.....	55,400
7	Boiler inspection fund.....	388,800
8	Construction code fund.....	1,064,400
9	Corporation fees.....	3,676,100
10	Distance education fund.....	11,600
11	Elevator fees.....	431,100
12	Fire safety standard and enforcement fund.....	3,000
13	Fire service fees.....	199,200
14	Fireworks safety fund.....	35,200
15	Health professions regulatory fund.....	1,258,900
16	Health systems fees.....	233,800
17	Licensing and regulation fund.....	1,858,700
18	Liquor purchase revolving fund.....	2,934,000
19	Marihuana registry fund.....	301,700
20	Michigan unarmed combat fund.....	6,800
21	Mobile home code fund.....	311,400
22	PMECSEMA fund.....	178,600
23	Private occupational school license fees.....	21,900
24	Public utility assessments.....	1,506,200
25	Radiological health fees.....	143,300
26	Real estate appraiser education fund.....	1,000
27	Real estate education fund.....	4,900

1	Liquor law enforcement grants.....	8,400,000
2	Michigan indigent defense commission grants.....	61,300,000
3	Remonumentation grants.....	7,300,000
4	Subregional libraries state aid.....	<u>451,800</u>
5	Total department of licensing and regulatory	
6	affairs	\$ 79,451,800

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

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

11 (a) "DED" means the United States Department of Education.

12 (b) "Department" means the department of licensing and
13 regulatory affairs.

14 (c) "DHHS" means the Michigan department of health and human
15 services.

16 (d) "DHS" means the United States Department of Homeland
17 Security.

18 (e) "DIFS" means the department of insurance and financial
19 services.

20 (f) "Director" means the director of the department.

21 (g) "DOE" means the United States Department of Energy.

22 (h) "DOL" means the United States Department of Labor.

23 (i) "DOT" means the United States Department of
24 Transportation.

25 (j) "EPA" means the United States Environmental Protection
26 Agency.

27 (k) "Fiscal agencies" means Michigan house fiscal agency and

1 Michigan senate fiscal agency.

2 (l) "FOIA" means the freedom of information act, 1976 PA 442,
3 MCL 15.231 to 15.246.

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

5 (n) "HHS" means the United States Department of Health and
6 Human Services.

7 (o) "IDG" means interdepartmental grant.

8 (p) "IT" means information technology.

9 (q) "MDE" means the Michigan department of education.

10 (r) "PMECSEMA" means pain management education and controlled
11 substances electronic monitoring and antidiversion.

12 (s) "Subcommittees" means the subcommittees of the house and
13 senate appropriations committees with jurisdiction over the budget
14 for the department.

15 (t) "TED" means the Michigan department of talent and economic
16 development.

17 Sec. 204. The department and agencies receiving appropriations
18 in this part and 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 this part and part 1 shall not
24 be used for 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 should 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 when 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 individual 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, the 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 fiscal agencies, and the
17 state budget director. The report shall include all of the
18 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 this part and part 1 shall not
6 be used by a principal executive department, state agency, or
7 authority to hire a person to provide legal services that are the
8 responsibility of the attorney general. This prohibition does not
9 apply to legal services for bonding activities and for those
10 outside services that 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 must summarize the
15 projected year-end general fund/general purpose appropriation
16 lapses by major departmental program or program areas. The report
17 must 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 chairs, the senate and house appropriations subcommittees chairs,
5 and the senate and house fiscal agencies with an annual report on
6 estimated state restricted fund balances, state restricted fund
7 projected revenues, and state restricted fund expenditures for the
8 fiscal years ending September 30, 2018 and September 30, 2019.

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, 2019 are estimated at \$57,167,300.00. From this amount, total
16 agency appropriations for pension-related legacy costs are
17 estimated at \$26,355,100.00. Total agency appropriations for
18 retiree health care legacy costs are estimated at \$30,812,200.00.

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. 218. 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 Sec. 219. The department shall not develop or produce any
26 television or radio productions.

27 Sec. 220. The department, in conjunction with the department

1 of health and human services, shall maintain an accounting
2 structure within this state's accounting system that will allow
3 expenditures associated with the administration of the Healthy
4 Michigan plan to be identified.

5 Sec. 221. The department may carry into the succeeding fiscal
6 year unexpended federal pass-through funds to local institutions
7 and governments that do not require additional state matching
8 funds. Federal pass-through funds to local institutions and
9 governments that are received in amounts in addition to those
10 included in part 1 and that do not require additional state
11 matching funds are appropriated for the purposes intended. Within
12 14 days after the receipt of federal pass-through funds, the
13 department shall notify the house and senate chairpersons of the
14 subcommittees, the fiscal agencies, and the state budget director
15 of pass-through funds appropriated under this section.

16 Sec. 222. (1) Grants supported with private revenues received
17 by the department are appropriated upon receipt and are available
18 for expenditure by the department, subject to subsection (3), for
19 purposes specified within the grant agreement and as permitted
20 under state and federal law.

21 (2) Within 10 days after the receipt of a private grant
22 appropriated in subsection (1), the department shall notify the
23 house and senate chairpersons of the subcommittees, the fiscal
24 agencies, and the state budget director of the receipt of the
25 grant, including the fund source, purpose, and amount of the grant.

26 (3) The amount appropriated under subsection (1) shall not
27 exceed \$1,500,000.00.

1 Sec. 223. (1) The department may charge registration fees to
2 attendees of informational, training, or special events sponsored
3 by the department, and related to activities that are under the
4 department's preview.

5 (2) These fees shall reflect the costs for the department to
6 sponsor the informational, training, or special events.

7 (3) Revenue generated by the registration fees is appropriated
8 upon receipt and available for expenditure to cover the
9 department's costs of sponsoring informational, training, or
10 special events.

11 (4) Revenue generated by registration fees in excess of the
12 department's costs of sponsoring informational, training, or
13 special events shall carry forward to the subsequent fiscal year
14 and not lapse to the general fund.

15 (5) The amount appropriated under subsection (3) shall not
16 exceed \$500,000.00.

17 Sec. 224. The department may make available to interested
18 entities otherwise unavailable customized listings of
19 nonconfidential information in its possession, such as names and
20 addresses of licensees. The department may establish and collect a
21 reasonable charge to provide this service. The revenue received
22 from this service is appropriated when received and shall be used
23 to offset expenses to provide the service. Any balance of this
24 revenue collected and unexpended at the end of the fiscal year
25 shall lapse to the appropriate restricted fund.

26 Sec. 225. (1) The department shall sell documents at a price
27 not to exceed the cost of production and distribution. Money

1 received from the sale of these documents shall revert to the
2 department. In addition to the funds appropriated in part 1, these
3 funds are available for expenditure when they are received by the
4 department of treasury. This subsection applies only for the
5 following documents:

6 (a) Corporation and securities division documents, reports,
7 and papers required or permitted by law pursuant to section 1060(5)
8 of the business corporation act, 1972 PA 284, MCL 450.2060.

9 (b) The Michigan liquor control code of 1998, 1998 PA 58, MCL
10 436.1101 to 436.2303.

11 (c) The mobile home commission act, 1987 PA 96, MCL 125.2301
12 to 125.2350; the business corporation act, 1972 PA 284, MCL
13 450.1101 to 450.2098; the nonprofit corporation act, 1982 PA 162,
14 MCL 450.2101 to 450.3192; and the uniform securities act (2002),
15 2008 PA 551, MCL 451.2101 to 451.2703.

16 (d) Worker's compensation health care services rules.

17 (e) Construction code manuals.

18 (f) Copies of transcripts from administrative law hearings.

19 (2) In addition to the funds appropriated in part 1, funds
20 appropriated for the department under sections 57, 58, and 59 of
21 the administrative procedures act of 1969, 1969 PA 306, MCL 24.257,
22 24.258, and 24.259, and section 203 of the legislative council act,
23 1986 PA 268, MCL 4.1203, are appropriated for all expenses
24 necessary to provide for the cost of publication and distribution.

25 (3) Unexpended funds at the end of the fiscal year shall carry
26 forward to the subsequent fiscal year and not lapse to the general
27 fund.

1 Sec. 226. (1) No later than March 1, the department shall
2 submit a report to the subcommittees and fiscal agencies pertaining
3 to licensing and regulatory programs during the previous fiscal
4 year for the following agencies:

5 (a) Public service commission.

6 (b) Liquor control commission.

7 (c) Bureau of fire services.

8 (d) Bureau of construction codes.

9 (e) Corporations, securities, and commercial licensing bureau.

10 (f) Bureau of professional licensing.

11 (g) Bureau of community and health systems.

12 (h) Michigan occupational safety and health administration.

13 (2) The report shall be in a format that is consistent between
14 the agencies listed in subsection (1) and shall provide, but is not
15 limited to, the following information, as applicable, for each
16 agency in subsection (1):

17 (a) Revenue generated by and expenditures disbursed for each
18 regulatory product.

19 (b) Number of applications, both initial and renewal, for each
20 regulatory product.

21 (c) Number of applications, both initial and renewal, approved
22 for each regulatory product.

23 (d) Number of applications, both initial and renewal, denied
24 for each regulatory product.

25 (e) Average amount of time, both tolled and untolled, to
26 approve or deny applications, both initial and renewal, for each
27 regulatory product.

1 (f) Number of examinations proctored for initial applications
2 for each regulatory product.

3 (g) Number of complaints received pertaining to each regulated
4 activity.

5 (h) Number of investigations opened pertaining to each
6 regulated activity.

7 (i) Number of investigations closed pertaining to each
8 regulated activity.

9 (j) Average amount of time to close investigations pertaining
10 to each regulated activity.

11 (k) Number of enforcement actions pertaining to each regulated
12 activity.

13 (l) Number of administrative hearings pertaining to each
14 regulated activity.

15 (m) Number of administrative hearing adjudications pertaining
16 to each regulated activity.

17 (n) The type and amount of each fee charged to support each
18 regulated activity.

19 (3) As used in subsection (2), "regulatory product" means
20 licensure, certification, registration, inspection, review,
21 permitting, approval, or any other regulatory service provided by
22 the agencies specified in subsection (1) for each regulated
23 activity. As used in this subsection and subsection (2), "regulated
24 activity" means the particular activities, entities, facilities,
25 and industries regulated by the agencies specified in subsection
26 (1).

27 Sec. 227. It is the intent of the legislature that the

1 department establish an employee performance monitoring process
2 that is consistent throughout the department in addition to current
3 civil service commission evaluations. By April 1, the department
4 shall submit a report to the state budget office, the
5 subcommittees, and the fiscal agencies on changes to the employee
6 performance monitoring process that are planned or implemented, as
7 well as the number of employee evaluations performed.

8 **ENERGY AND UTILITY PROGRAMS**

9 Sec. 301. The public service commission administers the low-
10 income energy assistance grant program on behalf of the Michigan
11 department of health and human services via an interagency
12 agreement. Funds supporting the grant program are appropriated in
13 the department upon awarding of grants and may be expended for
14 grant payments and administrative related expenses incurred in the
15 operation of the program.

16 **LIQUOR CONTROL COMMISSION**

17 Sec. 401. (1) From the appropriations in part 1 from the
18 direct shipper enforcement fund, the liquor control commission
19 shall expend these funds as required under section 203(11) of the
20 Michigan liquor control code of 1998, 1998 PA 58, MCL 436.1203, to
21 investigate and audit unlawful direct shipments of wine by
22 unlicensed wineries and retailers, with priority directed toward
23 unlicensed out-of-state retailers and third-party marketers. The
24 commission shall use shipping records available to it under section
25 203(21) of the Michigan liquor control code of 1998, 1998 PA 58,

1 MCL 436.1203, to assist with this effort. The liquor control
2 commission must refer all unlicensed out-of-state retailers and
3 third-party marketers identified with the shipping records to the
4 attorney general.

5 (2) By February 1, the liquor control commission shall provide
6 a report to the legislature and the subcommittees detailing the
7 commission's activities to investigate and audit the illegal
8 shipping of wine and the results of these activities. The report
9 must include the following:

10 (a) Work hours spent, specific actions undertaken, and the
11 number of FTEs dedicated to identify and stop unlicensed out-of-
12 state retailers, third-party marketers, and wineries that ship
13 illegally in Michigan.

14 (b) General overview of expenditures associated with efforts
15 to identify and stop unlicensed out-of-state retailers, third-party
16 marketers, and wineries that ship illegally in Michigan.

17 (c) Number of out-of-state entities found to have illegally
18 shipped wine into Michigan and total number of bottles (750 ml),
19 number of cases with 750 ml bottles, number of liters, or number of
20 gallons of illegally shipped wine. These items must be broken down
21 by total number of retailers and total number of wineries.

22 (d) Suggested areas of focus on how to address direct shipper
23 enforcement and illegal importation in the future.

24 (e) Number of unlicensed out-of-state entities found to have
25 illegally shipped wine into Michigan identified with the shipping
26 records under subsection (1).

27 (f) Number of notices sent under subsection (3).

1 (3) From the appropriations in part 1 from the direct shipper
 2 enforcement fund, the liquor control commission shall send a notice
 3 to each unlicensed out-of-state entity found to have illegally
 4 shipped wine into Michigan that has been identified via the
 5 shipping records under subsection (1). The notice must include all
 6 of the following:

7 (a) Notification that shipping wine into Michigan by retailers
 8 and third-party marketers is illegal, and wineries shipping into
 9 Michigan must obtain a direct shipper license.

10 (b) Under section 909 of the Michigan liquor control code of
 11 1998, 1998 PA 58, MCL 436.1909, making unlawful shipments of wine
 12 into Michigan may be a felony punishable by imprisonment for not
 13 more than 4 years or a fine of not more than \$5,000.00, or both.

14 (c) Notice that the matter has been referred to the attorney
 15 general.

16 **OCCUPATIONAL REGULATION**

17 Sec. 501. Money appropriated under this part and part 1 for
 18 the bureau of fire services shall not be expended unless, in
 19 accordance with section 2c of the fire prevention code, 1941 PA
 20 207, MCL 29.2c, inspection and plan review fees will be charged
 21 according to the following schedule:

22 <u>Operation and maintenance inspection fee</u>		
23 <u>Facility type</u>	24 <u>Facility size</u>	25 <u>Fee</u>
26 Hospitals	Any	\$8.00 per bed
27 <u>Plan review and construction inspection fees for</u>		
28 <u>hospitals and schools</u>		

<u>Project cost range</u>	<u>Fee</u>
\$101,000.00 or less	minimum fee of \$155.00
\$101,001.00 to \$1,500,000.00	\$1.60 per \$1,000.00
\$1,500,001.00 to \$10,000,000.00	\$1.30 per \$1,000.00
\$10,000,001.00 or more	\$1.10 per \$1,000.00
	or a maximum fee of \$60,000.00.

7 Sec. 502. The funds collected by the department for licenses,
8 permits, and other elevator regulation fees set forth in the
9 Michigan Administrative Code and as determined under section 8 of
10 1976 PA 333, MCL 338.2158, and section 16 of 1967 PA 227, MCL
11 408.816, that are unexpended at the end of the fiscal year shall
12 carry forward to the subsequent fiscal year.

13 Sec. 503. No later than February 15, the department shall
14 submit a report to the subcommittees, fiscal agencies, and state
15 budget director providing the following information:

16 (a) The number of veterans who were separated from service in
17 the Armed Forces of the United States with an honorable character
18 of service or under honorable conditions (general) character of
19 service, individually or if a majority interest of a corporation or
20 limited liability company, that were exempted from paying
21 licensure, registration, filing, or any other fees collected under
22 each licensure or regulatory program administered by the bureau of
23 construction codes and the corporations, securities, and commercial
24 licensing bureau during the preceding fiscal year.

25 (b) The specific fees and total amount of revenue exempted
26 under each licensure or regulatory program administered by the
27 bureau of construction codes and the corporations, securities, and

1 commercial licensing bureau during the preceding fiscal year.

2 (c) The actual costs of providing licensing and other
3 regulatory services to veterans exempted from paying licensure,
4 registration, filing, or any other fees during the preceding fiscal
5 year and a description of how these costs were calculated.

6 (d) The estimated amount of revenue that will be exempted
7 under each licensure or regulatory program administered by the
8 bureau of construction codes and the corporations, securities, and
9 commercial licensing bureau in both the current and subsequent
10 fiscal years and a description of how the exempted revenue was
11 estimated.

12 Sec. 504. Funds remaining in the homeowner construction lien
13 recovery fund are appropriated to the department for payment of
14 court-ordered homeowner construction lien recovery fund judgments
15 entered prior to August 23, 2010. Pursuant to available funds, the
16 payment of final judgments shall be made in the order in which the
17 final judgments were entered and began accruing interest.

18 Sec. 505. The department shall submit a report by January 31
19 to the standing committees on appropriations of the senate and
20 house of representatives, the fiscal agencies, and the state budget
21 director that includes all of the following information for the
22 prior fiscal year regarding the medical marihuana program under the
23 Michigan medical marihuana act, 2008 IL 1, MCL 333.26421 to
24 333.26430:

25 (a) The number of initial applications received.

26 (b) The number of initial applications approved and the number
27 of initial applications denied.

1 (c) The average amount of time, from receipt to approval or
2 denial, to process an initial application.

3 (d) The number of renewal applications received.

4 (e) The number of renewal applications approved and the number
5 of renewal applications denied.

6 (f) The average amount of time, from receipt to approval or
7 denial, to process a renewal application.

8 (g) The percentage of initial applications not approved or
9 denied within the time requirements established in section 6 of the
10 Michigan medical marihuana act, 2008 IL 1, MCL 333.26426.

11 (h) The percentage of renewal applications not approved or
12 denied within the time requirements established in section 6 of the
13 Michigan medical marihuana act, 2008 IL 1, MCL 333.26426.

14 (i) The percentage of registry identification cards for
15 approved initial applications not issued within the time
16 requirements established in section 6 of the Michigan medical
17 marihuana act, 2008 IL 1, MCL 333.26426.

18 (j) The percentage of registry identification cards for
19 approved renewal applications not issued within the time
20 requirements established in section 6 of the Michigan medical
21 marihuana act, 2008 IL 1, MCL 333.26426.

22 (k) The number of registry identification cards issued to or
23 renewed for patients residing in each county as of September 30 of
24 the preceding fiscal year under the Michigan medical marihuana act,
25 2008 IL 1, MCL 333.26421 to 333.26430.

26 (l) The amount collected from the medical marihuana program
27 application and renewal fees authorized in section 5 of the

1 Michigan medical marihuana act, 2008 IL 1, MCL 333.26425.

2 (m) The costs of administering the medical marihuana program
3 under the Michigan medical marihuana act, 2008 IL 1, MCL 333.26421
4 to 333.26430.

5 Sec. 506. If the revenue collected by the department for
6 health systems administration or radiological health administration
7 and projects from fees and collections exceeds the amount
8 appropriated in part 1, the revenue may be carried forward into the
9 subsequent fiscal year. The revenue carried forward under this
10 section shall be used as the first source of funds in the
11 subsequent fiscal year.

12 Sec. 507. No later than February 1, the department shall
13 submit a report to the subcommittees, fiscal agencies, and state
14 budget director providing the following information:

15 (a) The total amount of reimbursements made to local units of
16 government for delegated inspections of fireworks retail locations
17 pursuant to section 11 of the Michigan fireworks safety act, 2011
18 PA 256, MCL 28.461, from the funds appropriated in part 1 for the
19 bureau of fire services during the preceding fiscal year.

20 (b) The amount of reimbursement for delegated inspections of
21 fireworks retail locations for each local unit of government that
22 received reimbursement from the funds appropriated in part 1 for
23 the bureau of fire services during the preceding fiscal year.

24 Sec. 508. (1) Beginning October 1, for the purpose of
25 defraying the costs associated with responding to false final
26 inspection appointments and to discourage the practice of calling
27 for final inspections when the project is incomplete or

1 noncompliant with a plan of correction previously provided by the
2 bureau of fire services, the bureau of fire services may assess a
3 fee not to exceed \$200.00 for responding to a second or subsequent
4 confirmed false inspection appointment. Fees collected under this
5 section shall be deposited into the restricted account referenced
6 by section 2c(2) of the fire prevention code, 1941 PA 207, MCL
7 29.2c, and explicitly identified within the statewide integrated
8 governmental management applications system.

9 (2) Not later than September 30, the department shall prepare
10 a report that provides the amount of the fee assessed under
11 subsection (1), the number of fees assessed and issued per region,
12 the cost allocation for the work performed and reduced as a result
13 of this section, and any recommendations for consideration by the
14 legislature. The department shall submit this information to the
15 state budget director, the subcommittees, and the fiscal agencies.

16 Sec. 509. (1) The department shall assess and collect fees in
17 the licensing and regulation of child care organizations, as
18 described in 1973 PA 116, MCL 722.111 to 722.128, and adult foster
19 care facilities, as described in the adult foster care facility
20 licensing act, 1979 PA 218, MCL 400.701 to 400.737.

21 (2) The department shall report the total amount of fees
22 assessed and collected under subsection (1) during the preceding
23 fiscal year to the fiscal agencies no later than December 1 and
24 shall provide information requested by the fiscal agencies as they
25 consider necessary to shift authorization equivalent to that amount
26 from the general fund/general purpose to a state restricted fund
27 within the department's budget for fiscal year 2019-2020.

1 Sec. 510. The department shall submit a report on the Michigan
2 automated prescription system to the senate and house
3 appropriations committees and the senate and house fiscal agencies
4 by November 30. The report shall include, but is not limited to,
5 the following:

6 (a) Total number of licensed health professionals registered
7 to the Michigan automated prescription system.

8 (b) Total number of dispensers registered to the Michigan
9 automated prescription system.

10 (c) Total number of prescribers using the Michigan automated
11 prescription system.

12 (d) Total number of dispensers using the Michigan automated
13 prescription system.

14 (e) Number of cases related to overprescribing,
15 overdispensing, and drug diversion where the department took
16 administrative action as a result of information and data generated
17 from the Michigan automated prescription system.

18 (f) The number of hospitals, doctor's offices, pharmacies, and
19 other health facilities that have integrated the Michigan automated
20 prescription system into their electronic health records systems.

21 (g) Total number of delegate users registered to the Michigan
22 automated prescription system.

23 Sec. 511. From the amount appropriated in part 1 for the
24 bureau of community and health systems, upon receipt of the order
25 of suspension of a licensed adult foster care home, home for the
26 aged, or nursing home, the department shall serve the facility and
27 provide contemporaneous notice to the offices of legislators

1 representing a district where the licensed facility is situated.

2 Sec. 512. The department shall submit a report regarding the
3 medical marihuana facilities licensing and tracking program to the
4 standing committees on appropriations of the senate and house, the
5 senate and house fiscal agencies, and the state budget director by
6 March 1. The report shall include, but is not limited to, the
7 following:

8 (a) The number of initial license applications received for
9 each license category.

10 (b) The number of initial applications approved and the number
11 of initial license applications denied.

12 (c) The average amount of time, from receipt to approval or
13 denial, to process an initial application.

14 (d) The total number of license applications approved by
15 license category and by county.

16 (e) The total amount collected from application fees.

17 (f) The total amount collected from any established regulatory
18 assessment.

19 (g) The costs of administering the medical marihuana
20 facilities licensing and tracking program.

21 **EMPLOYMENT SERVICES**

22 Sec. 701. (1) The appropriation in part 1 for the bureau of
23 services for blind persons includes funds for case services. These
24 funds may be used for tuition payments for blind clients.

25 (2) Revenue collected by the bureau of services for blind
26 persons and from private and local sources that is unexpended at

1 the end of the fiscal year may carry forward to the subsequent
2 fiscal year.

3 Sec. 702. The bureau of services for blind persons shall work
4 collaboratively with service organizations and government entities
5 to identify qualified match dollars to maximize use of available
6 federal vocational rehabilitation funds.

7 Sec. 703. The bureau of services for blind persons may provide
8 and enter into agreements to provide general services, training,
9 meetings, information, special equipment, software, facility use,
10 and technical consulting services to other principal executive
11 departments, state agencies, local units of government, the
12 judicial branch of government, other organizations, and patrons of
13 department facilities. The department may charge fees for these
14 services that are reasonably related to the cost of providing the
15 services. In addition to the funds appropriated in part 1, funds
16 collected by the department for these services are appropriated for
17 all expenses necessary. The funds appropriated under this section
18 are allotted for expenditure when they are received by the
19 department of treasury.

20 Sec. 704. Funds received in excess of the appropriation in
21 part 1 for first responder presumed coverage claims from the first
22 responder presumed coverage fund are appropriated in an amount
23 sufficient to pay approved claims due in the current fiscal year
24 pursuant to section 405 of the worker's disability compensation act
25 of 1969, 1969 PA 317, MCL 418.405.

26 **COMMISSIONS**

1 Sec. 801. If Byrne Formula Grant Program funding is awarded to
2 the Michigan indigent defense commission, the Michigan indigent
3 defense commission may receive and expend Byrne Formula Grant
4 Program funds in an amount not to exceed \$250,000.00 as an
5 interdepartmental grant from the department of state police. The
6 Michigan indigent defense commission, created under section 5 of
7 the Michigan indigent defense commission act, 2013 PA 93, MCL
8 780.985, may receive and expend federal grant funding from the
9 United States Department of Justice in an amount not to exceed
10 \$300,000.00 as other federal grants.

11 Sec. 802. From the funds appropriated in part 1, the Michigan
12 indigent defense commission shall submit a report by September 30
13 to the senate and house appropriations subcommittees on licensing
14 and regulatory affairs, the senate and house fiscal agencies, and
15 the state budget director on the incremental costs associated with
16 the standard development process, the compliance plan process, and
17 the collection of data from all indigent defense systems and
18 attorneys providing indigent defense. Particular emphasis shall be
19 placed on those costs that may be avoided after standards are
20 developed and compliance plans are in place.

21 Sec. 803. The Michigan indigent defense commission shall
22 identify and implement a system of performance metrics to assess
23 the provision of indigent defense services in Michigan relative to
24 national standards and benchmarks. The Michigan indigent defense
25 commission shall prepare an annual report to the governor, the
26 legislature, the Michigan supreme court, and the state budget
27 director on the performance metrics no later than September 30.

1 Sec. 804. The Michigan office for new Americans is to
2 coordinate with the Asian Pacific American affairs commission, the
3 Commission on Middle Eastern American affairs, and the
4 Hispanic/Latino commission of Michigan to produce a report by
5 January 31 that is to be transmitted to the senate and house
6 subcommittee chairpersons, the senate and house fiscal agencies,
7 and the state budget director. The report shall include, but is not
8 limited to, the following:

9 (a) Total number of people with whom each commission directly
10 interacts through programming.

11 (b) Total number of public events that each commission
12 conducted.

13 (c) Description of the activities that the commissions
14 initiated to promote cooperation between the commissions.

15 (d) Total number of meetings that each commission held with
16 foreign diplomats.

17 (e) Programmatic costs of each commission.

18 Sec. 805. An expenditure of funds appropriated in part 1 by
19 the Asian Pacific American affairs commission, the Commission on
20 Middle Eastern American affairs, or the Hispanic/Latino commission
21 of Michigan for a commission event must directly relate to the
22 mission statement of that commission.

23 **DEPARTMENT GRANTS**

24 Sec. 901. (1) The amount appropriated in part 1 for
25 firefighter training grants shall only be expended for payments to
26 counties to reimburse organized fire departments for firefighter

1 training and other activities required under the firefighters
2 training council act, 1966 PA 291, MCL 29.361 to 29.377.

3 (2) If the amount appropriated in part 1 for firefighter
4 training grants is expended by the firefighter training council,
5 established in section 3 of the firefighters training council act,
6 1966 PA 291, MCL 29.363, for payments to counties under section 14
7 of the firefighters training council act, 1966 PA 291, MCL 29.374,
8 it is the intent of the legislature that:

9 (a) The amount appropriated in part 1 for firefighter training
10 grants shall be allocated pursuant to section 14(2) of the
11 firefighters training council act, 1966 PA 291, MCL 29.374.

12 (b) If the amount allocated to any county under subdivision
13 (a) is less than \$5,000.00, the amounts disbursed to each county
14 under subdivision (a) shall be adjusted to provide for a minimum
15 payment of \$5,000.00 to each county.

16 (3) No later than February 1, the department shall submit a
17 financial report to the subcommittees, the fiscal agencies, and the
18 state budget director identifying the following information for the
19 preceding fiscal year:

20 (a) The amount of the payments that would be made to each
21 county if the distribution formula described by the first sentence
22 of section 14(2) of the firefighters training council act, 1966 PA
23 291, MCL 29.374, would have been utilized to allocate the total
24 amount appropriated in part 1 for firefighter training grants.

25 (b) The amount of the payments approved by the firefighter
26 training council for allocation to each county.

27 (c) The amount of the payments actually expended or encumbered

1 within each county.

2 (d) A description of any other payments or expenditures made
3 under the authority of the firefighter training council.

4 (e) The amount of payments approved for allocations to
5 counties that was not expended or encumbered and lapsed back to the
6 fireworks safety fund.

7 Sec. 902. (1) The funds appropriated in part 1 for a regional
8 or subregional library shall not be released until a budget for
9 that regional or subregional library has been approved by the
10 department for expenditures for library services directly serving
11 the blind and persons with disabilities.

12 (2) In order to receive subregional state aid as appropriated
13 in part 1, a regional or subregional library's fiscal agency shall
14 agree to maintain local funding support at the same level in the
15 current fiscal year as in the fiscal agency's preceding fiscal
16 year. If a reduction in expenditures equally affects all agencies
17 in a local unit of government that is the regional or subregional
18 library's fiscal agency, that reduction shall not be interpreted as
19 a reduction in local support and shall not disqualify a regional or
20 subregional library from receiving state aid under part 1. If a
21 reduction in income affects a library cooperative or district
22 library that is a regional or subregional library's fiscal agency
23 or a reduction in expenditures for the regional or subregional
24 library's fiscal agency, a reduction in expenditures for the
25 regional or subregional library shall not be interpreted as a
26 reduction in local support and shall not disqualify a regional or
27 subregional library from receiving state aid under part 1.

House Bill No. 5578 as amended April 24, 2018

ARTICLE XIV

DEPARTMENT OF MILITARY AND VETERANS AFFAIRS

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of military and veterans affairs for the fiscal year ending September 30, 2019, from the following funds:

DEPARTMENT OF MILITARY AND VETERANS AFFAIRS

APPROPRIATION SUMMARY

10	Full-time equated unclassified positions	9.0	
11	Full-time equated classified positions	912.5	
12	GROSS APPROPRIATION.....		\$ [189,977,600]
13	Interdepartmental grant and intradepartmental		
14	transfer revenues:		
15	Total interdepartmental grants and intradepartmental		
16	transfers		101,800
17	ADJUSTED GROSS APPROPRIATION.....		\$ [189,875,800]
18	Federal revenues:		
19	Total federal revenues.....		98,170,200
20	Special revenue funds:		
21	Total local revenues.....		1,545,400
22	Total private revenues.....		630,000
23	Total other state restricted revenues.....		23,279,500
24	State general fund/general purpose.....		\$ [66,250,700]
25	State general fund/general purpose schedule:		
26	Ongoing state general fund/general		
27	purpose		[66,250,700]

1	One-time state general fund/general		
2	purpose	0	
3	Sec. 102. MILITARY		
4	Full-time equated unclassified positions	9.0	
5	Full-time equated classified positions	341.0	
6	Unclassified salaries--9.0 FTE positions.....		\$ 1,497,700
7	Departmentwide.....		1,876,300
8	Headquarters and armories--86.0 FTE positions.....		17,452,100
9	Michigan youth challenge academy--50.0 FTE positions..		5,323,000
10	Military family relief fund.....		600,000
11	Military training sites and support facilities--203.0		
12	FTE positions		34,911,300
13	National Guard operations.....		398,200
14	National Guard tuition assistance fund--2.0 FTE		
15	positions		6,506,700
16	Starbase grant.....		<u>2,322,000</u>
17	GROSS APPROPRIATION.....		\$ 70,887,300
18	Appropriated from:		
19	Interdepartmental grant and intradepartmental		
20	transfer revenues:		
21	IDG - state police.....		101,800
22	Total interdepartmental grants and intradepartmental		
23	transfers		101,800
24	Federal revenues:		
25	DOD-DOA-NGB.....		47,561,000
26	Federal counternarcotic revenues.....		100,000
27	Total federal revenues.....		47,661,000

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1	Special revenue funds:	
2	Local school aid fund.....	1,545,400
3	Total local revenues.....	1,545,400
4	Total private revenues.....	90,000
5	Military family relief fund.....	600,000
6	Billeting fund.....	1,517,800
7	Rental fees.....	165,400
8	Test project fees.....	50,000
9	Mackinac Bridge Authority.....	100,000
10	Total other state restricted revenues.....	2,433,200
11	State general fund/general purpose.....	\$ 19,055,900
12	Sec. 103. MICHIGAN VETERANS AFFAIRS AGENCY	
13	Full-time equated classified positions224.5	
14	Board of managers (veterans homes).....	\$ 940,000
15	County veteran service fund.....	[2,500,100]
16	D.J. Jacobetti home for veterans--179.5 FTE positions.	20,455,500
17	D.J. Jacobetti home for veterans Centers for Medicare	
18	and Medicaid Services certification	2,120,000
19	Michigan veterans affairs agency administration--39.0	
20	FTE positions	7,136,500
21	Michigan veterans facility authority.....	1,000,000
22	Targeted grants.....	200,000
23	Veterans service grants.....	3,835,400
24	Veterans trust fund administration--6.0 FTE positions.	1,480,100
25	Veterans trust fund grants.....	<u>3,746,500</u>
26	GROSS APPROPRIATION.....	\$ [43,414,100]
27	Appropriated from:	

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1	Federal revenues:	
2	DVA-VHA.....	7,921,300
3	HHS-HCFA title XVIII, Medicare.....	582,500
4	HHS-HCFA title XIX, Medicaid.....	12,500
5	Total federal revenues.....	8,516,300
6	Special revenue funds:	
7	Total private revenues.....	540,000
8	Military family relief fund.....	400,000
9	Michigan veterans trust fund.....	5,226,600
10	Michigan veterans engagement fund.....	50,000
11	Income and assessments.....	5,157,300
12	Total other state restricted revenues.....	10,833,900
13	State general fund/general purpose.....	\$ [23,523,900]
14	Sec. 104. GRAND RAPIDS HOME FOR VETERANS	
15	Full-time equated classified positions347.0	
16	Veterans home operations.....	\$ 8,989,700
17	Purchased services.....	10,342,700
18	Salaries, wages, and fringe benefits--347.0 FTE	
19	positions	<u>31,536,800</u>
20	GROSS APPROPRIATION.....	\$ 50,869,200
21	Appropriated from:	
22	Federal revenues:	
23	DVA-VHA.....	20,116,600
24	HHS-HCFA title XVIII, Medicare.....	1,220,100
25	HHS-HCFA title XIX, Medicaid.....	77,200
26	Total federal revenues.....	21,413,900
27	Special revenue funds:	

1	Income and assessments.....	6,680,800
2	Lease revenue.....	12,200
3	Total other state restricted revenues.....	6,693,000
4	State general fund/general purpose.....	\$ 22,762,300
5	Sec. 105. CAPITAL OUTLAY	
6	Land and acquisitions.....	\$ 2,900,000
7	Special maintenance - National Guard.....	20,000,000
8	Special maintenance - veterans homes.....	<u>500,000</u>
9	GROSS APPROPRIATION.....	\$ 23,400,000
10	Appropriated from:	
11	Federal revenues:	
12	DOD-DOA-NGB.....	20,000,000
13	Total federal revenues.....	20,000,000
14	Special revenue funds:	
15	Michigan National Guard construction fund.....	2,900,000
16	Total other state restricted revenues.....	2,900,000
17	State general fund/general purpose.....	\$ 500,000
18	Sec. 106. INFORMATION TECHNOLOGY	
19	Information technology services and projects.....	\$ <u>1,407,000</u>
20	GROSS APPROPRIATION.....	\$ 1,407,000
21	Appropriated from:	
22	Federal revenues:	
23	Total federal revenues.....	579,000
24	Special revenue funds:	
25	Total other state restricted revenues.....	419,400
26	State general fund/general purpose.....	\$ 408,600

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PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FOR FISCAL YEAR 2018-2019

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state sources under part 1 for fiscal year 2018-2019 is [\$89,530,200.00] and state spending from state sources to be paid to local units of government for fiscal year 2018-2019 is [\$2,642,500.00]. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF MILITARY AND VETERANS AFFAIRS	
[County veteran service fund	\$ 2,500,100]
Michigan veterans affairs agency administration.....	\$ 90,000
Military training sites and support facilities.....	\$ <u>52,400</u>
TOTAL.....	\$ [2,642,500]

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

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

(a) "Core services" means that term as defined in section 373 of the management and budget act, 1984 PA 431, MCL 18.1373.

(b) "Department" means the department of military and veterans affairs.

(c) "Director" means the director of the department.

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

(e) "HVAC" means heating, ventilation, and air conditioning.

(f) "IDG" means interdepartmental grant.

1 (g) "Michigan veterans' facility authority" means the
2 authority created under section 3 of the Michigan veterans'
3 facility authority act, 2016 PA 560, MCL 36.103.

4 (h) "MVAA" means the Michigan veterans affairs agency.

5 (i) "Subcommittees" means the subcommittees of the senate and
6 house appropriations committees with jurisdiction over the budget
7 of the department.

8 (j) "Support services" means an activity, such as information
9 technology, accounting, human resources, legal, and other support
10 functions that are required to support the ongoing delivery of core
11 services.

12 (k) "USDVA" means the United States Department of Veterans
13 Affairs.

14 (l) "USDVA-VHA" means the USDVA Veterans Health
15 Administration.

16 (m) "VSO" means veterans service organization.

17 (n) "Work project" means that term as defined in section 404
18 of the management and budget act, 1984 PA 431, MCL 18.1404, and
19 that meets the criteria in section 451a(1) of the management and
20 budget act, 1984 PA 431, MCL 18.1451a.

21 Sec. 204. The department and agencies receiving appropriations
22 in part 1 shall use the internet to fulfill the reporting
23 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 must be given to goods
4 or services, or both, manufactured or provided by Michigan
5 businesses, if they are competitively priced and of comparable
6 quality. In addition, preference shall be given to goods or
7 services, or both, that are manufactured or provided by Michigan
8 businesses owned and operated by veterans, if they are
9 competitively priced and of comparable quality.

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

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

26 (a) The dates of each travel occurrence.

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

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

5 Sec. 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, the subcommittees, and the senate and
19 house fiscal agencies.

20 Sec. 210. (1) In addition to the funds appropriated in part 1,
21 there is appropriated an amount not to exceed \$12,000,000.00 for
22 federal contingency funds. These funds are not available for
23 expenditure until they have been transferred to another line item
24 in part 1 under section 393(2) of the management and budget act,
25 1984 PA 431, MCL 18.1393.

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

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

5 (3) In addition to the funds appropriated in part 1, there is
6 appropriated an amount not to exceed \$500,000.00 for local
7 contingency funds. These funds are not available for expenditure
8 until they have been transferred to another line item in part 1
9 under section 393(2) of the management and budget act, 1984 PA 431,
10 MCL 18.1393.

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

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

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

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

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

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

1 (e) Job specifications and wage rates.

2 Sec. 212. Within 14 days after the release of the executive
3 budget recommendation, the department shall cooperate with the
4 state budget office to provide the senate and house appropriations
5 chairs, the senate and house appropriations subcommittees chairs,
6 and the senate and house fiscal agencies with an annual report on
7 estimated state restricted fund balances, state restricted fund
8 projected revenues, and state restricted fund expenditures for the
9 fiscal years ending September 30, 2018 and September 30, 2019.

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

14 Sec. 214. Total authorized appropriations from all sources
15 under part 1 for legacy costs for the fiscal year ending September
16 30, 2019 are estimated at \$17,509,500.00. From this amount, total
17 agency appropriations for pension-related legacy costs are
18 estimated at \$8,072,200.00. Total agency appropriations for retiree
19 health care legacy costs are estimated at \$9,437,300.00.

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

23 Sec. 216. The department shall provide quarterly reports to
24 the subcommittees on military and veterans affairs, the senate and
25 house fiscal agencies, and the state budget office, which shall
26 provide the following data:

27 (a) A list of all major work projects, including a status

1 report of each project.

2 (b) The department's financial status, featuring a report of
3 budgeted versus actual expenditures by part 1 line item including a
4 year-end projection of budget requirements. If projected department
5 budget requirements exceed the allocated budget, the report shall
6 include a plan to reduce overall expenses while still satisfying
7 specified service level requirements.

8 (c) A report on the status of performance metrics cited in
9 this part and information required to be reported in this part.

10 (d) The number of active employees at the close of the fiscal
11 quarter by job classification and program.

12 (e) Evidence of efficiencies and management of funds within
13 established appropriations.

14 Sec. 217. The appropriations in part 1 are for the core
15 services, support services, and work projects of the department,
16 including, but not limited to, the following core services:

17 (a) Armories and joint force readiness.

18 (b) National Guard training facilities and air bases.

19 (c) Michigan youth challeNGe academy.

20 (d) Military family relief fund.

21 (e) Starbase grant.

22 (f) National Guard tuition assistance program.

23 (g) Michigan veterans affairs agency administration.

24 (h) Veterans service grants.

25 (i) Veterans' trust fund administration.

26 (j) Veterans' trust fund grants.

27 (k) Board of managers (veterans homes).

1 (l) Grand Rapids home for veterans.

2 (m) D.J. Jacobetti home for veterans.

3 (n) Michigan veterans' facility authority.

4 Sec. 218. The appropriations in part 1 for capital outlay
5 shall be carried forward at the end of the fiscal year consistent
6 with section 248 of the management and budget act, 1984 PA 431, MCL
7 18.1248.

8 Sec. 219. Sixty days prior to the public announcement of the
9 intention to sell any department real property, the department
10 shall submit notification of that intent to the subcommittees on
11 military and veterans affairs and the senate and house fiscal
12 agencies.

13 **MILITARY**

14 Sec. 301. (1) From the funds appropriated in part 1, there is
15 funding to support unclassified employee positions as authorized by
16 section 5 of article XI of the state constitution of 1963. These
17 positions include the following: department director - the adjutant
18 general for Michigan; assistant adjutant general - army; assistant
19 adjutant general - installations; assistant adjutant general - air;
20 senior policy executive - Michigan veterans affairs agency; senior
21 deputy director - state operations; director - strategy and policy;
22 chief executive officer for the Michigan veteran health system; and
23 director - Michigan veterans affairs agency.

24 (2) Not less than 30 days prior to the department submitting a
25 request for an additional unclassified employee position from the
26 civil service commission, or for any substantive change to the

1 duties of an existing unclassified employee position, the
2 department shall notify the subcommittees on military and veterans
3 affairs and the senate and house fiscal agencies.

4 Sec. 302. (1) From the funds appropriated in part 1 for
5 military operations, effective and efficient executive direction
6 and administrative leadership shall be provided to the department.

7 (2) The department shall operate and maintain National Guard
8 armories.

9 (3) The department shall evaluate armories and submit a
10 quarterly report on the status of the armories.

11 (4) The department shall maintain a system to measure the
12 condition and adequacy of the armories.

13 (5) The Michigan Army National Guard and Air National Guard
14 shall work to provide a culture that is free of sexual assault,
15 through an environment of prevention, education and training,
16 response capability, victim support, reporting procedures, and
17 appropriate accountability that enhances the safety and well-being
18 of all guard members.

19 (6) By December 1, the department shall report the following
20 information to the subcommittees on military and veterans affairs,
21 the senate and house fiscal agencies, and the state budget office:

22 (a) An assessment of the grounds and facilities of each armory
23 to objectively measure and determine the current facility condition
24 and capability to support authorized manpower, unit training, and
25 operations.

26 (b) Recommendations for the placement of new armories, the
27 relocation or consolidation of existing armories, or a change in

1 the mission of units assigned to armories to ideally position the
2 National Guard in current or projected population centers.

3 (c) Recommendations for the enhanced use of armories to
4 facilitate family support programs during deployments.

5 (d) An analysis of the feasibility, potential costs, and
6 benefits of use of armories shared with other local, state, or
7 federal agencies to improve responses to local emergencies as well
8 as the community support provided to armories.

9 (e) An investment strategy and proposed funding amounts in a
10 prioritized project list to correct the most critical facility
11 shortfalls across the inventory of armories in this state.

12 Sec. 303. (1) The department shall maintain the Michigan youth
13 challenge academy to provide values, skills, education, and self-
14 discipline instruction for at-risk youth as provided under 32 USC
15 509.

16 (2) The department shall take steps to recruit candidates to
17 the challenge academy from economically disadvantaged areas,
18 including those with low-income and high-unemployment backgrounds.

19 (3) The department shall partner with the department of health
20 and human services to identify youth who may be eligible for the
21 challenge academy from those youth served by department of health
22 and human services programs. These eligible youth shall be given
23 priority for enrollment in the academy.

24 (4) The department shall maintain the staffing and resources
25 necessary to train and graduate at least 144 students per cohort
26 (228 annually).

27 (5) The department shall ensure individual academic success as

1 measured by the number of individuals who have received a general
2 equivalency diploma, high school diploma, or high school credit
3 recovery or by the improvement of tests of adult basic education
4 scores, or both.

5 (6) Any unexpended private donations to support the Michigan
6 youth challenge academy at the close of this fiscal year shall not
7 lapse to the general fund but shall be carried forward to the
8 subsequent fiscal year.

9 Sec. 304. (1) The department shall provide grants for
10 disbursement from the military family relief fund, as provided
11 under the military family relief fund act, 2004 PA 363, MCL 35.1211
12 to 35.1216, and R 200.5 to R 200.95 of the Michigan Administrative
13 Code.

14 (2) The department shall provide information on the revenues,
15 expenditures for advertising and assistance grants, and fund
16 balance of the Michigan military family relief fund, as provided
17 under section 216 of this part.

18 (3) The department shall provide sufficient staffing and other
19 resources to provide outreach to the Michigan families of members
20 of the reserve component of the Armed Forces of the United States
21 called into active duty and to support the processing and approval
22 of grant applications for this fiscal year under the Michigan
23 military relief fund and report those applications as provided in
24 section 216 of this part.

25 Sec. 305. (1) The department shall provide Army and Air
26 National Guard forces, when directed, for state and local
27 emergencies and in support of national military requirements.

1 (2) The department shall operate and maintain Army National
2 Guard training facilities, including Fort Custer and Camp Grayling.

3 (3) The department shall maintain a system that measures the
4 condition and adequacy of air facilities using both quality and
5 functionality criteria.

6 (4) The department shall operate and maintain Air National
7 Guard air bases, including Selfridge Air National Guard base,
8 Battle Creek Air National Guard base, and Alpena combat readiness
9 training center.

10 (5) The department shall provide the following information as
11 provided under section 216 of this part:

12 (a) The apportioned and assigned strength of the Michigan Army
13 National Guard.

14 (b) The apportioned and assigned strength of the Michigan Air
15 National Guard.

16 (c) Recruiting, retention, and attrition data, including
17 measurement against stated performance goals, for the Michigan Army
18 National Guard.

19 (d) Recruiting, retention, and attrition data, including
20 measurement against stated performance goals, for the Michigan Air
21 National Guard.

22 Sec. 306. There is created and established under the
23 jurisdiction and control of the department a revolving account to
24 be known as the billeting fund account. All of the fees and other
25 revenues generated from the operation of the chargeable transient
26 quarters program shall be deposited in the billeting fund account.
27 Appropriations will be made from the account for the support of

1 program operations and the maintenance and operations of the
2 chargeable transient quarters program and will not exceed the
3 estimated revenues for the fiscal year in which they are made,
4 together with unexpended balances from prior years. The department
5 shall submit an annual report of operations and expenditures
6 regarding the billeting fund account to the appropriations
7 committees of the senate and house of representatives, the senate
8 and house fiscal agencies, and the state budget office at the end
9 of the fiscal year.

10 Sec. 307. (1) The department shall maintain a National Guard
11 tuition assistance program for members of the Michigan Army and Air
12 National Guard.

13 (2) The objective of the National Guard tuition assistance
14 program is to bolster military readiness by increasing recruitment
15 and retention of Michigan Army and Air National Guard service
16 members, to fill federally authorized strength levels for the
17 state, to improve the Michigan Army and Air National Guard's
18 competitive draw from other military enlistment options in the
19 state, to enhance the ability of the Michigan Army and Air National
20 Guard to compete for members and federal dollars with surrounding
21 states, and to increase the pool of eligible candidates within the
22 Michigan Army and Air National Guard to become commissioned
23 officers.

24 (3) The department shall make efforts to increase the number
25 of Michigan Army and Air National Guard members participating in
26 the program to 1,100 during the fifth year of the program's
27 existence. To evaluate the effectiveness of the program, the

1 department shall monitor the number of new recruits and new
2 reenlistments and the percentage of those who become participants
3 in the program to determine whether the percentage of authorized
4 Michigan Army and Air National Guard strength obtained and retained
5 is competitive in comparison with the neighboring army and air
6 national guards from Illinois, Indiana, Ohio, and Wisconsin.

7 (4) The general fund/general purpose funds appropriated in
8 part 1 for the National Guard tuition assistance fund shall be
9 deposited to the restricted Michigan National Guard tuition
10 assistance fund created in section 4 of the Michigan National Guard
11 tuition assistance act, 2014 PA 259, MCL 32.434. All funds in the
12 restricted Michigan National Guard tuition assistance fund are
13 appropriated and available for expenditure to support the Michigan
14 National Guard tuition assistance program.

15 Sec. 308. The department shall maintain the starbase program
16 at Air National Guard facilities, as provided under 10 USC 2193b,
17 to improve the knowledge, skills, and interest of students,
18 primarily in the fifth grade, in math, science, and technology. The
19 starbase program is to specifically target minority and at-risk
20 students for participation.

21 **MICHIGAN VETERANS AFFAIRS AGENCY**

22 Sec. 401. The board of managers and Michigan veterans'
23 facility authority shall exercise certain regulatory and governance
24 authority regarding admission and member affairs at the Grand
25 Rapids and D.J. Jacobetti homes for veterans. The board of managers
26 shall also work to represent the interest of the veterans'

1 community in both advisory and advocacy roles.

2 Sec. 402. (1) The MVAA, the board of managers, and the
3 Michigan veterans' facility authority shall provide compassionate
4 and quality nursing and domiciliary care services at the Grand
5 Rapids and D.J. Jacobetti homes for veterans so that members can
6 achieve their highest potential of wellness, independence, self-
7 worth, and dignity.

8 (2) The department shall provide resources necessary to
9 provide nursing care services to veterans in accordance with
10 federal standards and provide the results of the annual USDVA
11 survey and certification as proof of compliance.

12 (3) Appropriations in part 1 for the Grand Rapids and the D.J.
13 Jacobetti homes for veterans shall not be used for any purpose
14 other than for veterans and veterans' families.

15 (4) Any contractor providing mental health services to the
16 Grand Rapids and D.J. Jacobetti homes for veterans shall utilize
17 mental health interventions that have been shown to be effective
18 with the conditions they are treating, in accordance with evidence-
19 based best practices supported by the USDVA-VHA, United States
20 Department of Defense, the Substance Abuse and Mental Health
21 Services Administration, the American Psychological Association,
22 and the National Association of Social Workers.

23 (5) Any contractor providing competency evaluated nursing
24 assistants (CENA) to the Grand Rapids home for veterans shall
25 ensure that each CENA has at least 8 hours of training on
26 information provided by the home.

27 (6) Any contractor providing competency evaluated nursing

1 assistants to the Grand Rapids home for veterans shall ensure that
2 each CENA has at least 1 eight-hour shift of shadowing at the
3 veterans' home.

4 (7) Any contractor providing competency evaluated nursing
5 assistants to the Grand Rapids home for veterans shall ensure that
6 each CENA is competent in the basic skills needed to perform his or
7 her assigned duties at the home.

8 (8) The Grand Rapids home for veterans shall provide each CENA
9 at least 12 hours of in-service training once that individual has
10 been assigned to the home.

11 (9) All complaints of abusive or neglectful care at the Grand
12 Rapids and the D.J. Jacobetti homes for veterans by a resident
13 member, a resident member's family or legal guardian, or staff of
14 the veterans' homes received by a supervisor shall be referred to
15 the director of nursing or his or her designee upon receipt of the
16 complaint. The director of nursing or his or her designee shall
17 report on not less than a monthly basis, except that the board of
18 managers may specify a more frequent reporting period to the home
19 administrator, board of managers, agency, subcommittees, senate and
20 house fiscal agencies, and state budget office the following
21 information:

22 (a) A description of the process by which resident members and
23 others may file complaints of alleged abuse or neglect at the Grand
24 Rapids and the D.J. Jacobetti homes for veterans.

25 (b) Summary statistics on the number and general nature of
26 complaints of abuse or neglect.

27 (c) Summary statistics on the final disposition of complaints

1 of abuse or neglect received.

2 (10) The Grand Rapids and D.J. Jacobetti homes for veterans
3 shall provide an on-site, board-certified psychiatrist for all
4 resident members with mental health disorders in order to ensure
5 that those resident members receive needed services in a
6 professional and timely manner. The Grand Rapids and D.J. Jacobetti
7 homes for veterans shall provide all members and staff a safe and
8 secure environment.

9 (11) The Grand Rapids and D.J. Jacobetti homes for veterans
10 shall ensure that they effectively develop, execute, and monitor
11 all comprehensive care plans in accordance with federal regulations
12 and their internal policies, with a goal that a comprehensive care
13 plan is fully developed for all resident members.

14 (12) The Grand Rapids and D.J. Jacobetti homes for veterans
15 shall implement controls over their food, maintenance supplies,
16 pharmaceuticals, and medical supplies inventories.

17 (13) The Grand Rapids and D.J. Jacobetti homes for veterans
18 shall establish sufficient controls for calculating resident member
19 maintenance assessments in order to accurately calculate resident
20 member maintenance assessments for each billing cycle. The Grand
21 Rapids and D.J. Jacobetti homes for veterans shall establish
22 sufficient controls to ensure that all past due resident member
23 maintenance assessments are addressed within 30 days.

24 (14) The Grand Rapids and D.J. Jacobetti homes for veterans
25 shall establish sufficient controls over monetary donations and
26 donated goods.

27 (15) The Grand Rapids and D.J. Jacobetti homes for veterans

1 shall implement sufficient controls over the handling of resident
2 member funds to ensure the release of funds within 3 business days
3 upon the resident member leaving the home and to ensure that a
4 representative of a resident member is provided a full accounting
5 of that resident member's funds within 10 business days of the
6 death of that resident member.

7 (16) The MVAA shall post on its website all policies adopted
8 by the board of managers, the Michigan veterans' facility
9 authority, and the veterans' homes related to the administrative
10 operations of the veterans' homes.

11 (17) The process by which visitors, residents, and employees
12 of the Grand Rapids and D.J. Jacobetti homes for veterans may
13 register complaints shall be displayed in high-traffic areas
14 throughout the home.

15 (18) The MVAA shall report its findings regarding the state
16 veterans' homes' compliance with the requirements and standards
17 under this section in a quarterly report to the legislature and the
18 state budget office. The quarterly reports shall include, but are
19 not limited to, all of the following information:

20 (a) Quality of care metrics, including:

21 (i) The number of patient care hours and staffing levels
22 measured against USDVA-VHA standards.

23 (ii) Sentinel events reported to the USDVA.

24 (iii) Fall and wound reports.

25 (iv) Complaint reports, including abuse and neglect complaints
26 and outcomes of complaint investigations.

27 (v) Additional minimum data set quality of care indicators

1 used to measure quality of care in long-term care facilities.

2 (b) Quarterly budget update.

3 (c) An accounting of resident member populations at the Grand
4 Rapids and D.J. Jacobetti homes for veterans as follows:

5 (i) By demographics, including period of service, gender, and
6 age.

7 (ii) By care setting, payment source, and associated revenue
8 projections.

9 (d) Updates related to the modernization of the Grand Rapids
10 and D.J. Jacobetti homes for veterans, including information
11 related to the following:

12 (i) Infrastructure/capital outlay improvements.

13 (ii) Information technology updates.

14 (iii) Financial management.

15 (e) Updates on corrective action status related to any audit
16 and survey findings until those findings have been fully addressed.

17 (19) The Grand Rapids and D.J. Jacobetti homes for veterans
18 shall provide to the subcommittees on military and veterans
19 affairs, the senate and house fiscal agencies, and the state budget
20 office the results of any annual or for-cause survey conducted by
21 the USDVA-VHA and any corresponding corrective action plan. This
22 information shall also be made available publicly through the
23 department's or MVAA's website.

24 (20) The MVAA shall provide to the legislature and the state
25 budget office quarterly reports regarding the status of Medicaid
26 certification efforts, including, but not limited to, descriptions
27 of incremental milestones, associated expenditures, and the

1 percentage of plan completed.

2 Sec. 403. (1) From the increased funds appropriated in part 1
3 for D.J. Jacobetti home for veterans and D.J. Jacobetti home for
4 veterans centers for Medicare and Medicaid services certification,
5 the department shall pursue compliance with current Centers for
6 Medicare and Medicaid Services certification standards. The purpose
7 of this expansion is to obtain Centers for Medicare and Medicaid
8 Services certification by October 1, 2018, to increase the ability
9 to fully utilize all federal funding available to cover the cost of
10 care of eligible veterans living at the D.J. Jacobetti home for
11 veterans, and to improve overall quality of care for all veterans
12 living at the D.J. Jacobetti home for veterans.

13 (2) If the department fails to achieve Centers for Medicare
14 and Medicaid Services certification by October 1, 2018, the
15 director shall submit a written report by October 12, 2018 to the
16 speaker of the house, the house minority leader, the senate
17 majority leader, the senate minority leader, the chairs of the
18 senate and house of representatives standing committees on
19 appropriations, and the chairs of the senate and house of
20 representatives appropriations subcommittees on the department of
21 military and veterans affairs. This report must provide detailed
22 information, which includes, but is not limited to, all of the
23 following:

24 (a) Reasons why the department failed to achieve Centers for
25 Medicare and Medicaid Services certification by the date provided
26 in subsection (1).

27 (b) A corrective action plan, which must include, but is not

1 limited to, the following:

2 (i) A new date, proposed by the director, for anticipated
3 Centers for Medicare and Medicaid Services certification.

4 (ii) All outstanding facility upgrades and personnel
5 requirements, with associated cost projections, necessary to
6 achieve Centers for Medicare and Medicaid Services certification by
7 the date proposed by the director in subparagraph (i).

8 (3) 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 of this part, on the financial status of the
11 Michigan veterans' trust fund, including the number and amount of
12 emergency grants, state administrative expenses, and county
13 administrative 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 of this
11 part, on the MVAA's performance on the performance measures,
12 outcomes, and initiatives developed by the agency in the strategic
13 plan required by section 501 of 2013 PA 9.

14 (f) Provide a report to the subcommittees on military and
15 veterans affairs, the senate and house fiscal agencies, and the
16 state budget office no later than April 1 providing, to the extent
17 known, data on the estimated number of homeless veterans, by
18 county, in this state.

19 (2) From the funds appropriated in part 1, the MVAA shall
20 provide for the regional coordination of services, as follows:

21 (a) Regional coordinators shall be selected by the MVAA
22 through a grant agreement with VSOs or by other means.

23 (b) Regional coordinators shall provide the following
24 services:

25 (i) Coordinate veteran benefit counselors' efforts throughout
26 a specified region.

27 (ii) Coordinate services with the department of health and

1 human services and the department of corrections.

2 (iii) Coordinate with regional workforce and economic
3 development agencies.

4 (iv) Coordinate activities among local foundations, nonprofit
5 organizations, and community groups to improve accessibility,
6 enrollment, and utilization of the array of health care, education,
7 employment assistance, and quality of life services provided at the
8 local level.

9 (c) The MVAA may work with MVAA service officers, regional
10 coordinators, county veteran counselors, VSO service officers, and
11 other service providers to incorporate the provision of information
12 relating to mental health care resources into their daily
13 operations to aid veterans in understanding the mental health care
14 support services they may be eligible to receive.

15 (d) The MVAA shall coordinate with the department of health
16 and human services to identify Medicaid recipients who are veterans
17 and who may be eligible for federal veterans health care benefits
18 or other benefits, to the extent that the identification does not
19 violate applicable confidentiality requirements.

20 (e) The MVAA shall collaborate with the department of
21 corrections to create and maintain a process by which prisoners can
22 obtain a copy of their DD-214 form or other military discharge
23 documentation if necessary.

24 (f) The MVAA shall ensure that all MVAA service officers, VSO
25 service officers, and regional coordinators receive appropriate
26 training in processing applications for benefits payable to
27 veterans due to military sexual trauma, post-traumatic stress

1 disorder, depression, anxiety, substance abuse, or other mental
2 health issues.

3 (3) The MVAA shall provide claims processing services to
4 Michigan veterans in support of benefit claims submitted to the
5 USDVA for the health, financial, and memorial benefits for which
6 they are eligible, and shall do all of the following:

7 (a) Report the following information as provided in section
8 216 of this part:

9 (i) The number of benefit claims, by type, submitted to the
10 USDVA by MVAA and coalition partner veteran service officers.

11 (ii) The number of fully developed claims submitted to the
12 USDVA, with an overall goal of 40% of benefit claims submitted that
13 are considered fully developed by the USDVA.

14 (b) Maintain the staffing and resources necessary to process a
15 minimum of 500 claims per year.

16 (4) The MVAA shall maintain staffing and resources necessary
17 to develop and implement a process to ensure that all county
18 counselors receive the training and accreditation necessary to
19 provide quality services to veterans. The MVAA shall report
20 information as provided in section 216 of this part on the number
21 and percentage of county veterans counselors requesting training by
22 the MVAA, with an overall goal of 100% of county veterans
23 counselors trained.

24 (5) From the funds appropriated in part 1 for MVAA operations,
25 the MVAA shall provide grant assistance to enhance the capacity and
26 capabilities of counties in providing benefit claims assistance.
27 These funds must be used to continue the implementation of an

1 internet-based data system, to increase the number of county
2 veterans counselors, and to increase the number of counties that
3 provide service to veterans through county veterans counselors. The
4 MVAA shall provide a report, as provided in section 216 of this
5 part, on the expenditures and activities of the grant funds
6 directed by this subsection.

7 (6) From the funds appropriated in part 1 for MVAA, the MVAA
8 is authorized to expend up to \$50,000.00 to hire legal services to
9 represent veterans benefit cases before federal court to maintain
10 accreditation under 38 CFR 14.628(d)(1)(iv).

11 Sec. 407. (1) The MVAA shall disburse VSO grants to achieve
12 agency goals and performance objectives in partnership with the
13 VSOs. Grants to VSOs will be disbursed to fund programs and
14 projects which are determined by the agency to meet agency
15 performance objectives and ensure that VSOs communicate the
16 availability of emergency grants through the Michigan veterans'
17 trust fund. In disbursing veterans service organization grants, the
18 MVAA shall do the following:

19 (a) Ensure that each VSO that receives grants is issued
20 performance standards.

21 (b) Ensure that each VSO that receives grant funds uses those
22 funds for veterans advocacy and outreach.

23 (c) Monitor the performance of each VSO that receives grants.

24 (d) Ensure that each VSO that receives grant funds report
25 annually on services provided to veterans and accounts for all
26 grant fund expenditures.

27 (e) Require that each VSO that receives grant funds report

1 annually on the number of claims processed. Of the total number of
2 claims processed by each VSO that receives grant funds, a VSO must
3 include in the annual report the number of VSO initiated claims and
4 the number of claims initiated by local units of government and
5 which local unit of government initiated each claim.

6 (f) Promulgate monthly benchmark requirements that each VSO
7 that receives grant funds must meet, based upon appropriations and
8 service region, and require each VSO that receives grant funds to
9 report this data monthly to the MVAA, in order to ensure that each
10 VSO that receives grant funds meet MVAA veteran service goals.

11 (g) Validate the accuracy of claims activity reported by each
12 VSO that receives grant funds, and report, as provided in section
13 216 of this part, all inaccurate claims activity reported by each
14 VSO that receives grant funds.

15 (h) Ensure that each VSO that receives grant funds adhere to
16 the MVAA approved schedule of operations, and report, as provided
17 in section 216 of this part, all schedule discrepancies as well as
18 VSO reported explanations for each discrepancy and any corrective
19 action necessary to ensure adherence to the approved schedule of
20 operations.

21 (2) Veterans service organization grants awarded by the MVAA
22 shall provide for the following, as developed by the MVAA:

23 (a) The provision of service to veterans statewide, using a
24 regional service delivery model, with services provided at
25 specified locations and times, including service provided in state
26 correctional facilities.

27 (b) The payment of a fixed hourly service rate of \$34.00 per

1 hour.

2 (c) A specified number of service hours within each geographic
3 region of this state, with a statewide goal based on both
4 appropriations for the fiscal year ending September 30, 2019 for
5 the VSO grant program and the fixed hourly service rate under
6 subsection (2) (b). The statewide goal will include service hours
7 provided to eligible incarcerated veterans within 1 year of their
8 earliest release date.

9 (d) Use of an MVAA-designated internet-based claims data
10 system.

11 (3) The MVAA shall report the following information as
12 provided in section 216 of this part:

13 (a) A summary of activities supported through the
14 appropriation in part 1 for VSO grants, including, separately for
15 each service region, the amount of expenditures to date, number of
16 service hours, number of claims for benefits submitted by type of
17 claim, and other information deemed appropriate by the MVAA.

18 (b) The number of fully developed claims, by type, submitted
19 to the USDVA by VSOs, with an overall goal of 40% of benefit claims
20 submitted that are considered fully developed by the USDVA.

21 Sec. 408. (1) The Michigan veterans' trust fund board together
22 with the MVAA shall provide emergency grants for disbursement from
23 the Michigan veterans' trust fund, as provided under the following
24 program authorities:

25 (a) Sections 37, 38, and 39 of article IX of the state
26 constitution of 1963.

27 (b) 1946 (1st Ex Sess) PA 9, MCL 35.602 to 35.610.

1 (c) R 35.1 to R 35.7 of the Michigan Administrative Code.

2 (d) R 35.621 to R 35.623 of the Michigan Administrative Code.

3 (2) No later than December 1, the MVAA shall provide a
4 detailed report of the Michigan veterans' trust fund that includes,
5 for the immediately preceding fiscal year, information on grants
6 provided from the emergency grant program, including details
7 concerning the methodology of allocations, the selection of
8 emergency grant program authorized agents, a description of how the
9 emergency grant program is administered in each county, and a
10 detailed breakdown of trust fund expenditures for that year,
11 including the amount distributed to each county for administrative
12 costs and emergency grants. The report shall also include the
13 number of approved applications, by category of assistance, and the
14 number of denied applications, by reason of denial. The report
15 shall also provide an update on the department's efforts to reduce
16 program administrative costs and maintain the Michigan veterans'
17 trust fund corpus to its original amount of at least
18 \$50,000,000.00.

19 (3) Any funds not expended or encumbered at the end of the
20 current fiscal year shall be deposited into the Michigan veterans'
21 trust fund corpus.

22 **CAPITAL OUTLAY**

23 Sec. 501. (1) The department shall provide for the acquisition
24 and disposition of National Guard armories, facilities, and lands
25 as provided under sections 368, 382, and 382a of the Michigan
26 military act, 1967 PA 150, MCL 32.768, 32.782, and 32.782a.

1 (2) The department shall provide a listing of property sales
2 and acquisitions as provided under section 216 of this part.

3 Sec. 502. (1) The appropriations in part 1 for special
4 maintenance - National Guard shall be carried forward at the end of
5 the fiscal year consistent with section 248 of the management and
6 budget act, 1984 PA 431, MCL 18.1248.

7 (2) The appropriations for special maintenance - National
8 Guard shall be expended in accordance with the requirements of
9 sections 302 and 305 of this part and shall be expended according
10 to the maintenance priorities of the department to repair and
11 modernize military training sites and support facilities, including
12 armories, which may include projects such as roof, HVAC, or boiler
13 replacement, interior renovations, facility expansion, improvements
14 to parking facilities, and other projects.

15 (3) The department shall provide a quarterly report as
16 provided under section 216 of this part providing information on
17 the status, projected costs, and projected completion date of
18 current and planned special maintenance projects at the armories
19 and other National Guard facilities funded from capital outlay
20 appropriations made in part 1 and in prior appropriations years.

21 Sec. 503. (1) The appropriations in part 1 for special
22 maintenance - veterans homes shall be carried forward at the end of
23 the fiscal year consistent with section 248 of the management and
24 budget act, 1984 PA 431, MCL 18.1248.

25 (2) The appropriations for special maintenance - veterans
26 homes shall be expended in accordance with the requirements of
27 section 402 of this part and shall be expended according to the

1 maintenance priorities of the department to repair and modernize
2 the state's veterans' homes, which may include projects such as
3 roof, HVAC, or boiler replacement, interior renovations, facility
4 expansion, improvements to parking facilities, and other projects
5 designed to enhance the quality of life and medical care of
6 members.

7 (3) The MVAA shall provide a quarterly report as provided
8 under section 216 of this part providing information on the status,
9 projected costs, and projected completion date of current and
10 planned special maintenance projects at the Grand Rapids home for
11 veterans and D.J. Jacobetti home for veterans funded from capital
12 outlay appropriations made in part 1 and in prior appropriations
13 years.

14 PART 2A

15 PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS

16 FOR FISCAL YEAR 2019-2020

17 **GENERAL SECTIONS**

18 Sec. 601. It is the intent of the legislature to provide
19 appropriations for the fiscal year ending on September 30, 2020 for
20 the line items listed in part 1. The fiscal year 2019-2020
21 appropriations are anticipated to be the same as those for fiscal
22 year 2018-2019, excluding appropriations designated as one-time
23 appropriations and adjusting for changes in caseload and related
24 costs, federal fund match rates, economic factors, and available
25 revenue. These adjustments will be determined after the January

1 2019 consensus revenue estimating conference.

2 Sec. 602. The veterans affairs agency shall provide the
3 percentage of Michigan veterans contacted, with a goal of 100%, and
4 report upon those outreach findings to the subcommittees on
5 military and veterans affairs at quarterly legislative hearings.

6 Sec. 603. The veterans affairs agency shall maintain a minimum
7 50% fully developed claims as determined by the USDVA.

8 ARTICLE XV

9 DEPARTMENT OF NATURAL RESOURCES

10 PART 1

11 LINE-ITEM APPROPRIATIONS

12 Sec. 101. There is appropriated for the department of natural
13 resources for the fiscal year ending September 30, 2019, from the
14 following funds:

15 **DEPARTMENT OF NATURAL RESOURCES**

16 APPROPRIATION SUMMARY

17	Full-time equated unclassified positions	6.0	
18	Full-time equated classified positions	2,322.3	
19	GROSS APPROPRIATION.....		\$ 436,105,300
20	Interdepartmental grant revenues:		
21	Total interdepartmental grants and intradepartmental		
22	transfers		232,200
23	ADJUSTED GROSS APPROPRIATION.....		\$ 435,873,100
24	Federal revenues:		
25	Total federal revenues.....		81,731,600

1	Special revenue funds:	
2	Total local revenues.....	0
3	Total private revenues.....	7,431,400
4	Total other state restricted revenues.....	299,965,800
5	State general fund/general purpose.....	\$ 46,744,300
6	FUND SOURCE SUMMARY	
7	Full-time equated unclassified positions6.0	
8	Full-time equated classified positions2,322.3	
9	GROSS APPROPRIATION.....	\$ 436,105,300
10	Interdepartmental grant revenues:	
11	IDG, land acquisition services-to-work orders.....	232,200
12	Total interdepartmental grants and intradepartmental	
13	transfers	232,200
14	ADJUSTED GROSS APPROPRIATION.....	\$ 435,873,100
15	Federal revenues:	
16	Federal funds.....	78,038,100
17	Federal national forest timber fund.....	900,000
18	Michigan state waterways fund, federal.....	2,473,500
19	State park improvement, federal.....	320,000
20	Total federal revenues.....	81,731,600
21	Special revenue funds:	
22	Private funds.....	7,431,400
23	Total private revenues.....	7,431,400
24	Cervidae licensing and inspection fees.....	138,800
25	Commercial forest fund.....	26,600
26	Deer habitat reserve.....	2,153,300
27	Fire equipment fund.....	668,700

1	Fisheries settlement.....	629,200
2	Forest development fund.....	41,571,200
3	Forest land user charges.....	257,700
4	Forest recreation account.....	1,976,200
5	Game and fish protection fund.....	75,210,400
6	Great Lakes protection fund.....	529,500
7	Invasive species fund.....	100
8	Land exchange facilitation fund.....	5,021,400
9	Local public recreation facilities fund.....	1,876,100
10	Mackinac Island State Park fund.....	1,605,600
11	Mackinac Island State Park operation fund.....	128,500
12	MacMullan Conference Center account.....	1,169,800
13	Marine safety fund.....	3,752,400
14	Michigan heritage publications fund.....	22,300
15	Michigan historical center operations fund.....	807,300
16	Michigan natural resources trust fund.....	1,329,100
17	Michigan state parks endowment fund.....	26,856,800
18	Michigan state waterways fund.....	28,447,800
19	Michigan trailways fund.....	200
20	Nongame wildlife fund.....	486,200
21	Off-road vehicle safety education fund.....	203,700
22	Off-road vehicle trail improvement fund.....	8,397,300
23	Park improvement fund.....	64,356,300
24	Park improvement fund - Belle Isle subaccount.....	800,200
25	Permanent snowmobile trail easement fund.....	700,000
26	Public use and replacement deed fees.....	28,200
27	Recreation improvement account.....	1,538,200

1	Recreation passport fees.....	12,348,600
2	Snowmobile registration fee revenue.....	1,198,500
3	Snowmobile trail improvement fund.....	10,146,500
4	Sportsmen against hunger fund.....	77,500
5	Turkey permit fees.....	1,026,900
6	Waterfowl fees.....	120,800
7	Waterfowl hunt stamp.....	1,000,000
8	Wildlife management public education fund.....	2,100,000
9	Wildlife resource protection fund.....	1,159,200
10	Youth hunting and fishing education and outreach fund.	98,700
11	Total other state restricted revenues.....	299,965,800
12	State general fund/general purpose.....	\$ 46,744,300
13	Sec. 102. DEPARTMENTAL ADMINISTRATION AND SUPPORT	
14	Full-time equated unclassified positions6.0	
15	Full-time equated classified positions121.1	
16	Unclassified salaries--6.0 FTE positions.....	\$ 792,200
17	Accounting service center.....	1,508,600
18	Executive direction--11.6 FTE positions.....	2,187,600
19	Finance and operations--105.5 FTE positions.....	16,802,500
20	Gifts and pass-through transactions.....	5,000,000
21	Legal services--4.0 FTE positions.....	560,700
22	Natural resources commission.....	77,100
23	Property management.....	<u>3,875,300</u>
24	GROSS APPROPRIATION.....	\$ 30,804,000
25	Appropriated from:	
26	Interdepartmental grant revenues:	
27	IDG, land acquisition services-to-work orders.....	232,200

1	Federal revenues:	
2	Federal funds.....	346,100
3	Special revenue funds:	
4	Private funds.....	5,000,000
5	Deer habitat reserve.....	159,500
6	Forest development fund.....	2,870,400
7	Forest land user charges.....	7,700
8	Forest recreation account.....	53,600
9	Game and fish protection fund.....	7,196,400
10	Land exchange facilitation fund.....	4,944,000
11	Local public recreation facilities fund.....	201,100
12	Marine safety fund.....	801,300
13	Michigan natural resources trust fund.....	1,306,800
14	Michigan state parks endowment fund.....	1,324,100
15	Michigan state waterways fund.....	789,400
16	Nongame wildlife fund.....	13,900
17	Off-road vehicle safety education fund.....	700
18	Off-road vehicle trail improvement fund.....	207,600
19	Park improvement fund.....	1,797,100
20	Public use and replacement deed fees.....	28,200
21	Recreation improvement account.....	84,700
22	Snowmobile registration fee revenue.....	50,000
23	Snowmobile trail improvement fund.....	126,500
24	Sportsmen against hunger fund.....	500
25	Turkey permit fees.....	79,400
26	Waterfowl fees.....	3,400
27	Wildlife resource protection fund.....	42,600

1	State general fund/general purpose.....	\$	3,136,800
2	Sec. 103. DEPARTMENT INITIATIVES		
3	Full-time equated classified positions		37.0
4	Great Lakes restoration initiative--11.0 FTE positions	\$	11,339,900
5	Invasive species prevention and control--14.0 FTE		
6	positions		5,048,000
7	Michigan conservation corps.....		1,000,000
8	Office of the Great Lakes--12.0 FTE positions.....		<u>2,237,800</u>
9	GROSS APPROPRIATION.....	\$	19,625,700
10	Appropriated from:		
11	Special revenue funds:		
12	Federal funds.....		12,143,600
13	Special revenue funds:		
14	Great Lakes protection fund.....		504,500
15	State general fund/general purpose.....	\$	6,977,600
16	Sec. 104. COMMUNICATION AND CUSTOMER SERVICES		
17	Full-time equated classified positions		135.3
18	Marketing and outreach--80.8 FTE positions.....	\$	13,978,700
19	Michigan historical center--54.5 FTE positions.....		6,134,900
20	Michigan wildlife council.....		<u>2,100,000</u>
21	GROSS APPROPRIATION.....	\$	22,213,600
22	Appropriated from:		
23	Federal revenues:		
24	Federal funds.....		1,337,100
25	State park improvement, federal.....		320,000
26	Special revenue funds:		
27	Private funds.....		396,200

1	Forest development fund.....	134,100
2	Forest recreation account.....	16,400
3	Game and fish protection fund.....	8,400,800
4	Land exchange facilitation fund.....	46,800
5	Marine safety fund.....	36,000
6	Michigan heritage publications fund.....	22,300
7	Michigan historical center operations fund.....	807,300
8	Michigan state parks endowment fund.....	90,400
9	Michigan state waterways fund.....	150,000
10	Nongame wildlife fund.....	10,800
11	Off-road vehicle trail improvement fund.....	38,400
12	Park improvement fund.....	2,857,600
13	Recreation passport fees.....	28,200
14	Snowmobile registration fee revenue.....	19,400
15	Snowmobile trail improvement fund.....	45,600
16	Sportsmen against hunger fund.....	76,400
17	Wildlife management public education fund.....	2,100,000
18	Youth hunting and fishing education and outreach fund.	96,700
19	State general fund/general purpose.....	\$ 5,183,100
20	Sec. 105. WILDLIFE DIVISION	
21	Full-time equated classified positions230.5	
22	Natural resources heritage--9.0 FTE positions.....	\$ 634,900
23	Wildlife and fisheries health study.....	114,900
24	Wildlife management--221.5 FTE positions.....	<u>44,917,900</u>
25	GROSS APPROPRIATION.....	\$ 45,667,700
26	Appropriated from:	
27	Federal revenues:	

1	Federal funds.....		25,368,800
2	Special revenue funds:		
3	Private funds.....		315,700
4	Cervidae licensing and inspection fees.....		85,400
5	Deer habitat reserve.....		1,732,200
6	Forest development fund.....		77,600
7	Game and fish protection fund.....		12,063,600
8	Nongame wildlife fund.....		431,000
9	Turkey permit fees.....		913,700
10	Waterfowl fees.....		114,100
11	State general fund/general purpose.....	\$	4,565,600
12	Sec. 106. FISHERIES DIVISION		
13	Full-time equated classified positions	223.5	
14	Aquatic resource mitigation--2.0 FTE positions.....		\$ 629,300
15	Cormorant population mitigation program.....		150,000
16	Fish production--63.0 FTE positions.....		10,328,900
17	Fisheries resource management--158.5 FTE positions....		<u>21,063,600</u>
18	GROSS APPROPRIATION.....	\$	32,171,800
19	Appropriated from:		
20	Federal revenues:		
21	Federal funds.....		11,402,200
22	Special revenue funds:		
23	Private funds.....		136,700
24	Fisheries settlement.....		629,200
25	Game and fish protection fund.....		19,330,400
26	Invasive species fund.....		100
27	State general fund/general purpose.....	\$	673,200

1 **Sec. 107. LAW ENFORCEMENT**

2	Full-time equated classified positions	291.0	
3	General law enforcement--291.0 FTE positions.....		\$ <u>43,984,200</u>
4	GROSS APPROPRIATION.....		\$ 43,984,200
5	Appropriated from:		
6	Federal revenues:		
7	Federal funds.....		6,588,300
8	Special revenue funds:		
9	Cervidae licensing and inspection fees.....		53,400
10	Forest development fund.....		45,400
11	Forest recreation account.....		72,800
12	Game and fish protection fund.....		19,722,800
13	Marine safety fund.....		1,345,700
14	Michigan state parks endowment fund.....		71,400
15	Michigan state waterways fund.....		21,700
16	Off-road vehicle safety education fund.....		156,200
17	Off-road vehicle trail improvement fund.....		2,004,000
18	Park improvement fund.....		72,800
19	Snowmobile registration fee revenue.....		721,600
20	Wildlife resource protection fund.....		1,074,500
21	State general fund/general purpose.....		\$ 12,033,600

22 **Sec. 108. PARKS AND RECREATION DIVISION**

23	Full-time equated classified positions	938.4	
24	Forest recreation and trails--56.6 FTE positions.....		\$ 6,346,900
25	MacMullan Conference Center--15.0 FTE positions.....		1,169,800
26	Recreational boating--173.0 FTE positions.....		19,599,500
27	State parks--693.8 FTE positions.....		72,086,600

1	State park improvement revenue bonds - debt service...	<u>1,195,700</u>
2	GROSS APPROPRIATION.....	\$ 100,398,500
3	Appropriated from:	
4	Federal revenues:	
5	Federal funds.....	141,300
6	Michigan state waterways fund, federal.....	1,630,500
7	Special revenue funds:	
8	Private funds.....	427,900
9	Forest recreation account.....	1,791,400
10	MacMullan Conference Center account.....	1,169,800
11	Michigan state parks endowment fund.....	21,307,600
12	Michigan state waterways fund.....	18,445,900
13	Michigan trailways fund.....	100
14	Off-road vehicle safety education fund.....	7,200
15	Off-road vehicle trail improvement fund.....	1,468,700
16	Park improvement fund.....	48,255,500
17	Park improvement fund - Belle Isle subaccount.....	800,200
18	Recreation improvement account.....	497,500
19	Recreation passport fees.....	320,400
20	Snowmobile registration fee revenue.....	15,800
21	Snowmobile trail improvement fund.....	1,609,600
22	State general fund/general purpose.....	\$ 2,509,100
23	Sec. 109. MACKINAC ISLAND STATE PARK COMMISSION	
24	Full-time equated classified positions17.0	
25	Historical facilities system--13.0 FTE positions.....	\$ 1,705,600
26	Mackinac Island State Park operations--4.0 FTE	
27	positions	<u>334,400</u>

1	GROSS APPROPRIATION.....	\$	2,040,000
2	Appropriated from:		
3	Special revenue funds:		
4	Mackinac Island State Park fund.....		1,605,600
5	Mackinac Island State Park operation fund.....		128,500
6	State general fund/general purpose.....	\$	305,900
7	Sec. 110. FOREST RESOURCES DIVISION		
8	Full-time equated classified positions		328.5
9	Adopt-a-forest program.....	\$	25,000
10	Cooperative resource programs--11.0 FTE positions.....		1,567,900
11	Forest fire equipment.....		931,500
12	Forest management and timber market development--176.0		
13	FTE positions		31,721,400
14	Forest management initiatives--8.5 FTE positions.....		874,900
15	Minerals management--19.0 FTE positions.....		2,881,000
16	Wildfire protection--114.0 FTE positions.....		<u>14,028,600</u>
17	GROSS APPROPRIATION.....	\$	52,030,300
18	Appropriated from:		
19	Federal revenues:		
20	Federal funds.....		3,401,400
21	Federal national forest timber fund.....		900,000
22	Special revenue funds:		
23	Private funds.....		1,054,900
24	Commercial forest fund.....		24,500
25	Fire equipment fund.....		668,700
26	Forest development fund.....		33,314,700
27	Forest land user charges.....		226,100

1	Game and fish protection fund.....		1,966,500
2	Michigan state parks endowment fund.....		2,708,500
3	Michigan state waterways fund.....		51,600
4	State general fund/general purpose.....	\$	7,713,400
5	Sec. 111. GRANTS		
6	Coastal management grants.....	\$	1,250,000
7	Dam management grant program.....		350,000
8	Deer habitat improvement partnership initiative.....		200,000
9	Federal - clean vessel act grants.....		400,000
10	Federal - forest stewardship grants.....		2,000,000
11	Federal - land and water conservation fund payments...		2,566,900
12	Federal - rural community fire protection.....		400,000
13	Federal - urban forestry grants.....		900,000
14	Fisheries habitat improvement grants.....		1,250,000
15	Grants to communities - federal oil, gas, and timber		
16	payments		3,450,000
17	Grants to counties - marine safety.....		3,074,700
18	National recreational trails.....		3,900,000
19	Nonmotorized trail development and maintenance grants.		350,000
20	Off-road vehicle safety training grants.....		29,200
21	Off-road vehicle trail improvement grants.....		4,656,800
22	Recreation improvement fund grants.....		907,100
23	Recreation passport local grants.....		1,675,000
24	Snowmobile law enforcement grants.....		380,100
25	Snowmobile local grants program.....		8,090,400
26	Trail easements.....		700,000
27	Wildlife habitat improvement grants.....		<u>1,500,000</u>

1	GROSS APPROPRIATION.....	\$	38,030,200
2	Appropriated from:		
3	Federal revenues:		
4	Federal funds.....		16,434,300
5	Special revenue funds:		
6	Private funds.....		100,000
7	Deer habitat reserve.....		200,000
8	Game and fish protection fund.....		2,750,000
9	Local public recreation facilities fund.....		1,675,000
10	Marine safety fund.....		1,407,300
11	Off-road vehicle safety education fund.....		29,200
12	Off-road vehicle trail improvement fund.....		4,656,800
13	Permanent snowmobile trail easement fund.....		700,000
14	Recreation improvement account.....		907,100
15	Snowmobile registration fee revenue.....		380,100
16	Snowmobile trail improvement fund.....		8,090,400
17	State general fund/general purpose.....	\$	700,000
18	Sec. 112. INFORMATION TECHNOLOGY		
19	Information technology services and projects.....	\$	<u>10,458,700</u>
20	GROSS APPROPRIATION.....	\$	10,458,700
21	Appropriated from:		
22	Special revenue funds:		
23	Commercial forest fund.....		2,100
24	Deer habitat reserve.....		61,600
25	Forest development fund.....		1,629,000
26	Forest land user charges.....		23,900
27	Forest recreation account.....		42,000

1	Game and fish protection fund.....	3,779,900
2	Great Lakes protection fund.....	25,000
3	Land exchange facilitation fund.....	30,600
4	Marine safety fund.....	162,100
5	Michigan natural resources trust fund.....	22,300
6	Michigan state parks endowment fund.....	1,354,800
7	Michigan state waterways fund.....	489,200
8	Michigan trailways fund.....	100
9	Nongame wildlife fund.....	30,500
10	Off-road vehicle safety education fund.....	10,400
11	Off-road vehicle trail improvement fund.....	21,800
12	Park improvement fund.....	1,373,300
13	Recreation improvement account.....	48,900
14	Snowmobile registration fee revenue.....	11,600
15	Snowmobile trail improvement fund.....	74,400
16	Sportsmen against hunger fund.....	600
17	Turkey permit fees.....	33,800
18	Waterfowl fees.....	3,300
19	Wildlife resource protection fund.....	42,100
20	Youth hunting and fishing education and outreach.....	2,000
21	State general fund/general purpose.....	\$ 1,183,400
22	Sec. 113. CAPITAL OUTLAY	
23	(a) RECREATIONAL LANDS AND INFRASTRUCTURE	
24	Forest development infrastructure.....	\$ 3,500,000
25	State parks repair and maintenance.....	23,500,000
26	Wetlands restoration, enhancement, and acquisition....	<u>1,000,000</u>
27	GROSS APPROPRIATION.....	\$ 28,000,000

1	Appropriated from:	
2	Special revenue funds:	
3	Forest development fund.....	3,500,000
4	Park improvement fund.....	10,000,000
5	Recreation passport fees.....	12,000,000
6	Waterfowl hunt stamp.....	1,000,000
7	State general fund/general purpose.....	\$ 1,500,000
8	(b) WATERWAYS BOATING PROGRAM	
9	State harbors and boating access sites:	
10	East Tawas state harbor, Iosco County, harbormaster	
11	building and site improvements, phase III (total	
12	authorized cost is increased from \$5,920,000 to	
13	\$6,670,000; federal share is \$1,650,000; state share	
14	is increased from \$4,270,000 to \$5,020,000)	\$ 750,000
15	Elmwood Township Marina, Leelanau County, marina	
16	improvements (total authorized cost is \$1,202,200;	
17	state share is \$601,100; local share is \$601,100) ...	601,100
18	Local boating infrastructure maintenance and	
19	improvements	1,729,500
20	Ottawa Beach Marina, Ottawa County, marina	
21	improvements (total authorized cost is \$1,314,800;	
22	federal share is \$643,000; local share is \$671,800) .	643,000
23	Presque Isle Marina, Marquette County, marina	
24	improvements (total authorized cost is \$1,123,800;	
25	state share is \$541,900; local share is \$581,900) ...	541,900
26	State boating infrastructure maintenance.....	<u>5,952,500</u>
27	GROSS APPROPRIATION.....	\$ 10,218,000

1	Appropriated from:	
2	Federal revenues:	
3	Federal funds.....	875,000
4	Michigan state waterways fund, federal.....	843,000
5	Special revenue funds:	
6	Michigan state waterways fund.....	8,500,000
7	State general fund/general purpose.....	\$ 0
8	Sec. 114. ONE-TIME APPROPRIATIONS	
9	Grand River dredging project.....	\$ 100
10	Local public recreation development grant.....	142,500
11	Local public recreation planning grant.....	120,000
12	Snowmobile trail groomer pilot.....	<u>200,000</u>
13	GROSS APPROPRIATION.....	\$ 462,600
14	Appropriated from:	
15	Special revenue funds:	
16	Snowmobile trail improvement fund.....	200,000
17	State general fund/general purpose.....	\$ 262,600

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FOR FISCAL YEAR 2018-2019

GENERAL SECTIONS

22 Sec. 201. Pursuant to section 30 of article IX of the state
 23 constitution of 1963, total state spending from state sources under
 24 part 1 for fiscal year 2018-2019 is \$346,710,100.00 and state
 25 spending from state sources to be paid to local units of government

1 for fiscal year 2018-2019 is \$7,975,200.00. The itemized statement
 2 below identifies appropriations from which spending to local units
 3 of government will occur:

4 DEPARTMENT OF NATURAL RESOURCES

5 GRANTS

6	Dam management grant program.....	\$	175,000
7	Fisheries habitat improvement grants.....		125,000
8	Grants to counties - marine safety.....		1,407,300
9	Nonmotorized trail development and maintenance grants.		175,000
10	Off-road vehicle safety training grants.....		29,200
11	Off-road vehicle trail improvement grants.....		632,900
12	Recreation improvement fund grants.....		90,700
13	Recreation passport local grants.....		1,675,000
14	Snowmobile law enforcement grants.....		380,100
15	Wildlife habitat improvement grants.....		150,000
16	Elmwood Township Marina, Leelanau County.....		601,100
17	Local boating infrastructure maintenance and		
18	improvements		1,729,500
19	Presque Isle Marina, Marquette County.....		541,900
20	Local public recreation development grant.....		142,500
21	Local public recreation planning grant.....		<u>120,000</u>
22	TOTAL.....	\$	7,975,200

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

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

27 (a) "Department" means the department of natural resources.

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

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

3 (d) "IDG" means interdepartmental grant.

4 Sec. 204. The departments and agencies receiving
5 appropriations in part 1 shall use the internet to fulfill the
6 reporting 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 shall 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 shall be given to
14 goods or services, or both, manufactured or provided by Michigan
15 businesses if they are competitively priced and of comparable
16 quality. In addition, preference should 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, supplies, or both.

26 Sec. 207. The departments and agencies receiving
27 appropriations in part 1 shall prepare a report on out-of-state

1 travel expenses not later than January 1 of each year. The travel
2 report shall be a listing of all travel by classified and
3 unclassified employees outside this state in the immediately
4 preceding fiscal year that was funded in whole or in part with
5 funds appropriated in the department's budget. The report shall be
6 submitted to the senate and house appropriations committees, the
7 house and senate fiscal agencies, and the state budget director.
8 The report shall include the following information:

9 (a) The dates of each travel occurrence.

10 (b) The total 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 this part and part 1 shall not
16 be used by a principal executive department, state agency, or
17 authority to hire a person to provide legal services that are the
18 responsibility of the attorney general. This prohibition does not
19 apply to legal services for bonding activities and for those
20 outside services that 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 prior fiscal year. This report shall summarize the
25 projected year-end general fund/general purpose appropriation
26 lapses by major departmental program or program areas. The report
27 shall be transmitted to the chairpersons of the senate and house

1 appropriations committees, and the senate and house fiscal
2 agencies.

3 Sec. 210. (1) In addition to the funds appropriated in part 1,
4 there is appropriated an amount not to exceed \$3,000,000.00 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 \$10,000,000.00 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 \$1,000,000.00 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, the department shall cooperate with the
14 state budget office to provide the senate and house appropriations
15 chairs, the senate and house appropriations subcommittees chairs,
16 and the senate and house fiscal agencies with an annual report on
17 estimated state restricted fund balances, state restricted fund
18 projected revenues, and state restricted fund expenditures for the
19 fiscal years ending September 30, 2018 and September 30, 2019.

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

24 Sec. 214. Total authorized appropriations from all sources
25 under part 1 for legacy costs for the fiscal year ending September
26 30, 2019 are \$47,662,000.00. From this amount, total agency
27 appropriations for pension-related legacy costs are estimated at

1 \$21,973,000.00. Total agency appropriations for retiree health care
2 legacy costs are estimated at \$25,689,000.00.

3 Sec. 215. Appropriations of state restricted game and fish
4 protection funds have been made in the following amounts to the
5 following departments and agencies:

6	Legislative auditor general.....	\$	32,000
7	Attorney general.....		766,300
8	Department of technology, management, and budget.....		482,100
9	Department of treasury.....		3,016,200

10 Sec. 216. Pursuant to section 43703(3) of the natural
11 resources and environmental protection act, 1994 PA 451, MCL
12 324.43703, there is appropriated from the game and fish protection
13 trust fund to the game and fish protection account of the Michigan
14 conservation and recreation legacy fund, \$6,000,000.00 for the
15 fiscal year ending September 30, 2019.

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

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 Sec. 221. From the funds appropriated in part 1 for finance
26 and operations, \$35,000.00 is designated to reimburse qualifying
27 costs related to lake level assessments.

1 **DEPARTMENT INITIATIVES**

2 Sec. 251. From the amounts appropriated in part 1 for invasive
3 species prevention and control, the department shall allocate not
4 less than \$3,600,000.00 for grants for the prevention, detection,
5 eradication, and control of invasive species.

6 **DEPARTMENT SUPPORT SERVICES**

7 Sec. 302. The department may charge land acquisition projects
8 appropriated for the fiscal year ending September 30, 2019, and for
9 prior fiscal years, a standard percentage fee to recover actual
10 costs, and may use the revenue derived to support the land
11 acquisition service charges provided for in part 1.

12 Sec. 303. As appropriated in part 1, the department may charge
13 both application fees and transaction fees related to the exchange
14 or sale of state-owned land or rights in land authorized by part 21
15 of the natural resources and environmental protection act, 1994 PA
16 451, MCL 324.2101 to 324.2162. The fees shall be set by the
17 director at a rate that allows the department to recover its costs
18 for providing these services.

19 **COMMUNICATION AND CUSTOMER SERVICES**

20 Sec. 405. As appropriated in part 1, proceeds in excess of
21 costs incurred in the conduct of auctions, sales, or transfers of
22 artifacts no longer considered suitable for the collections of the
23 state historical museum may be expended upon receipt for additional
24 material for the collection. The department shall notify the
25 chairpersons, vice chairpersons, and minority vice chairpersons of

1 the senate and house appropriations subcommittees on natural
2 resources 1 week prior to any auctions or sales. Any unexpended
3 funds may be carried forward into the next succeeding fiscal year.

4 Sec. 406. As appropriated in part 1, funds collected by the
5 department for historical markers; document reproduction and
6 services; conferences, admissions, workshops, and training classes;
7 and the use of specialized equipment, facilities, exhibits,
8 collections, and software shall be used for expenses necessary to
9 provide the required services. The department may charge fees for
10 the aforementioned services, including admission fees. Any
11 unexpended funds may be carried forward into the next succeeding
12 fiscal year.

13 Sec. 408. By October 21, 2018, the department shall submit to
14 the senate and house appropriations subcommittees on natural
15 resources a report on all land transactions approved by the natural
16 resources commission in the fiscal year ending September 30, 2018.
17 For each land transaction, the report shall include the size of the
18 parcel, the county and municipality in which the parcel is located,
19 the dollar amount of the transaction, the fund source affected by
20 the transaction, and whether the transaction is by purchase, public
21 auction, transfer, exchange, or conveyance.

22 **WILDLIFE DIVISION**

23 Sec. 503. From the funds appropriated in part 1, the
24 department shall produce a report detailing any efforts undertaken
25 to enforce the invasive species order on swine raised under the
26 husbandry of residents of this state. The report shall include fund

1 sources used and the amount of expenditures and shall be submitted
2 to the legislature by December 31, 2018.

3 Sec. 504. From the funds appropriated in part 1, the
4 department shall provide a report to the legislature on the use of
5 registration fees collected from privately owned cervid operations.
6 Appropriations in part 1 from cervidae licensing and inspection
7 fees shall not be used for anything other than work directly
8 related to the regulation of privately owned cervid operations in
9 this state.

10 Sec. 505. (1) From the funds appropriated in part 1 for
11 wildlife and fisheries health study, the department shall
12 investigate the effect of PFAS contamination on Michigan's wildlife
13 and fisheries populations.

14 (2) As used in this section, "PFAS" means perfluoroalkyl and
15 polyfluoroalkyl substances.

16 **FISHERIES DIVISION**

17 Sec. 601. (1) From the appropriation in part 1 for aquatic
18 resource mitigation, not more than \$758,000.00 shall be allocated
19 for grants to watershed councils, resource development councils,
20 soil conservation districts, local governmental units, and other
21 nonprofit organizations for stream habitat stabilization and soil
22 erosion control.

23 (2) The fisheries division in the department shall develop
24 priority and cost estimates for all projects recommended for grants
25 under subsection (1).

26 Sec. 602. As a condition of expenditure of fisheries

1 management appropriations under part 1, the department of natural
2 resources shall not impede the certification process for water
3 control structures on Michigan waterways. The department of natural
4 resources shall fund from funds appropriated in part 1 all non-
5 water-quality studies or requirements that the department requests
6 of either of the following:

7 (a) The department of environmental quality as a condition for
8 issuance of a certification under section 401 of the federal water
9 pollution control act, 33 USC 1341.

10 (b) The Federal Energy Regulatory Commission as a condition of
11 licensing under the federal power act, 16 USC 791a to 825r.

12 Sec. 603. The department shall provide an annual report to the
13 legislature on use of funding provided for cormorant management.
14 The department shall use general fund/general purpose revenue for
15 this purpose and submit revenue appropriated in part 1 for
16 cormorant management to the United States Department of Agriculture
17 Animal and Plant Health Inspection Service to allow for increased
18 taking of cormorants and their nests. If any funds appropriated for
19 cormorant management are retained by the department, or other funds
20 become available for this purpose, the department shall use those
21 funds to harass cormorants with the goal of reducing foraging
22 attempts on fish populations.

23 **FOREST RESOURCES DIVISION**

24 Sec. 802. From the funds appropriated in part 1, the
25 department shall provide quarterly reports on the number of acres
26 of state forestland marked or treated for timber harvest to the

1 senate and house appropriations subcommittees on natural resources
2 and the standing committees of the senate and house of
3 representatives with primary responsibility for natural resources
4 issues. The department shall complete and deliver these reports by
5 45 days after the end of the fiscal quarter.

6 Sec. 803. In addition to the money appropriated in part 1, the
7 department may receive and expend money from federal sources to
8 provide response to wildfires as required by a compact with the
9 federal government. If additional expenditure authorization is
10 required, the department shall notify the state budget office that
11 expenditure under this section is required. The department shall
12 notify the house and senate appropriations subcommittees on natural
13 resources and the house and senate fiscal agencies by November 1,
14 2018, of the expenditures under this section during the fiscal year
15 ending September 30, 2018.

16 Sec. 807. (1) In addition to the funds appropriated in part 1,
17 there is appropriated from the disaster and emergency contingency
18 fund up to \$800,000.00 to cover costs related to any disaster as
19 defined in section 2 of the emergency management act, 1976 PA 390,
20 MCL 30.402.

21 (2) Funds appropriated under subsection (1) shall not be
22 expended unless the state budget director recommends the
23 expenditure and the department notifies the house and senate
24 committees on appropriations. By December 1 each year, the
25 department shall provide a report to the senate and house fiscal
26 agencies and the state budget office on the use of the disaster and
27 emergency contingency fund during the prior fiscal year.

1 (3) If Federal Emergency Management Agency (FEMA)
2 reimbursement is approved for costs paid from the disaster and
3 emergency contingency fund, the federal revenue shall be deposited
4 into the disaster and emergency contingency fund.

5 (4) Unexpended and unencumbered funds remaining in the
6 disaster and emergency contingency fund at the close of the fiscal
7 year shall not lapse to the general fund and shall be carried
8 forward and be available for expenditures in subsequent fiscal
9 years.

10 Sec. 808. (1) From the increased funds appropriated in part 1
11 for forest management and timber market development, the department
12 shall increase the harvest of timber on state forestlands. The
13 purpose of this program expansion is to expand the forest products
14 economy.

15 (2) The department shall identify specific outcomes and
16 performance metrics for this initiative, such as increasing the
17 number of acres prepared for timber sale.

18 Sec. 809. From the funds appropriated in part 1 for
19 cooperative resource programs, \$25,000.00 is designated for the
20 Wayne County soil mapping program.

21 **LAW ENFORCEMENT**

22 Sec. 902. The department shall provide a report on the marine
23 safety grant program to the senate and house appropriations
24 subcommittees on natural resources and the senate and house fiscal
25 agencies by December 1, 2018. The report shall include the
26 following information for the preceding year: the total amount of

1 revenue received for watercraft registrations, the amount deposited
2 into the marine safety fund, and the expenditures made from the
3 marine safety fund, including the amounts expended for department
4 administration, other state agencies, the law enforcement division,
5 and grants to counties. The report shall also include the
6 distribution methodology used by the department to distribute the
7 marine safety grants and a list of the grants and the amounts
8 awarded by county.

9 **GRANTS**

10 Sec. 1001. Federal pass-through funds to local institutions
11 and governments that are received in amounts in addition to those
12 included in part 1 for grants to communities - federal oil, gas,
13 and timber payments and that do not require additional state
14 matching funds are appropriated for the purposes intended. By
15 November 30, 2018, the department shall report to the senate and
16 house appropriations subcommittees on natural resources, the senate
17 and house fiscal agencies, and the state budget director on all
18 amounts appropriated under this section during the fiscal year
19 ending September 30, 2018.

20 Sec. 1002. From the funds appropriated in part 1 for off-road
21 vehicle trail improvement grants, \$35,000.00 is designated to
22 reimburse local units of government for costs related to seasonal
23 law enforcement at Silver Lake.

24 **CAPITAL OUTLAY**

25 Sec. 1103. The appropriations in part 1 for capital outlay

1 shall be carried forward at the end of the fiscal year consistent
 2 with section 248 of the management and budget act, 1984 PA 431, MCL
 3 18.1248.

4 **ONE-TIME BASIS ONLY APPROPRIATIONS**

5 Sec. 1202. The funds appropriated in part 1 for the Grand
 6 River dredging project shall be used to conduct a study on the
 7 depth of the Grand River from Lake Michigan to the city of Grand
 8 Rapids and the cost of dredging that section of the river to a
 9 depth sufficient for recreational boat traffic.

10 Sec. 1203. From the funds appropriated in part 1 for local
 11 public recreation development grant, the department shall provide a
 12 grant to a local unit of government for the development of a boat
 13 launch at Long Lake in Alpena County.

14 Sec. 1204. From the funds appropriated in part 1 for local
 15 public recreation planning grant, the department shall provide a
 16 grant to a local unit of government for planning and development
 17 costs at Grindstone Harbor in Huron County.

18 ARTICLE XVI
 19 DEPARTMENT OF STATE POLICE
 20 PART 1
 21 LINE-ITEM APPROPRIATIONS

22 Sec. 101. There is appropriated for the department of state
 23 police for the fiscal year ending September 30, 2019, from the
 24 following funds:

1 **DEPARTMENT OF STATE POLICE**

2 APPROPRIATION SUMMARY

3	Full-time equated unclassified positions	3.0	
4	Full-time equated classified positions	3,490.0	
5	GROSS APPROPRIATION.....		\$ 762,714,500
6	Interdepartmental grant and intradepartmental		
7	transfer revenues:		
8	Total interdepartmental grants and intradepartmental		
9	transfers		24,748,300
10	ADJUSTED GROSS APPROPRIATION.....		\$ 737,966,200
11	Federal revenues:		
12	Total federal revenues.....		78,297,900
13	Special revenue funds:		
14	Total local revenues.....		5,146,800
15	Total private revenues.....		115,000
16	Total other state restricted revenues.....		174,103,700
17	State general fund/general purpose.....		\$ 480,302,800
18	State general fund/general purpose schedule:		
19	Ongoing state general fund/general		
20	purpose	446,709,700	
21	One-time state general fund/general		
22	purpose	33,593,100	
23	Sec. 102. DEPARTMENTAL ADMINISTRATION AND SUPPORT		
24	Full-time equated unclassified positions	3.0	
25	Unclassified salaries--3.0 FTE positions.....		\$ 598,000
26	Full-time equated classified positions	83.0	
27	Accounting service center.....		1,081,200

1	Department services--58.0 FTE positions.....	8,937,500
2	Departmentwide.....	45,351,400
3	Executive direction--25.0 FTE positions.....	<u>4,241,400</u>
4	GROSS APPROPRIATION.....	\$ 60,209,500
5	Appropriated from:	
6	Interdepartmental grant and intradepartmental	
7	transfer revenues:	
8	IDG-MDOC, contract.....	26,000
9	IDG-MDOS.....	1,400
10	IDG-MDOT, state trunkline fund.....	3,900
11	IDG-MDTR, casino gaming fees.....	116,200
12	IDG, training academy charges.....	176,900
13	IDT, auto theft funds.....	1,300
14	IDT, truck safety fund.....	36,900
15	Total interdepartmental grants and intradepartmental	
16	transfers	362,600
17	Federal revenues:	
18	DHS.....	189,300
19	DOJ.....	7,600
20	DOJ, interest bearing.....	11,600
21	DOT.....	339,200
22	Total federal revenues.....	547,700
23	Special revenue funds:	
24	Local - school bus revenue.....	6,200
25	Total local revenues.....	6,200
26	Auto theft prevention fund.....	29,000
27	Criminal justice information center service fees.....	1,260,600

1	Forensic science reimbursement fees.....	43,900
2	Hazardous materials training center fees.....	72,600
3	Highway safety fund.....	204,400
4	Marihuana regulatory fund.....	3,023,100
5	Michigan justice training fund.....	278,100
6	Motor carrier fees.....	264,400
7	Nuclear plant emergency planning reimbursement.....	21,000
8	State forensic laboratory fund.....	37,500
9	State police administrator and coordinator 911 fund...	23,300
10	State services fee fund.....	306,300
11	Tobacco tax revenue.....	102,600
12	Traffic law enforcement and safety fund.....	403,100
13	Other state restricted revenues.....	33,600
14	Total other state restricted revenues.....	6,103,500
15	State general fund/general purpose.....	\$ 53,189,500
16	Sec. 103. LAW ENFORCEMENT SERVICES	
17	Full-time equated classified positions532.0	
18	Biometrics and identification--57.0 FTE positions.....	\$ 9,955,500
19	Criminal justice information center--132.0 FTE	
20	positions	19,876,100
21	Forensic science--269.0 FTE positions.....	45,099,600
22	Grants and community services--19.0 FTE positions.....	16,602,600
23	School safety grants and inspections.....	25,000,000
24	Training--55.0 FTE positions.....	<u>10,576,000</u>
25	GROSS APPROPRIATION.....	\$ 127,109,800
26	Appropriated from:	
27	Interdepartmental grant and intradepartmental	

1	transfer revenues:	
2	IDG-MDOC, contract.....	318,200
3	IDG-MDOS.....	373,300
4	IDG-MDOT, state trunkline fund.....	1,213,200
5	IDG, training academy charges.....	2,412,400
6	IDT, Michigan justice training fund.....	750,000
7	Total interdepartmental grants and intradepartmental	
8	transfers	5,067,100
9	Federal revenues:	
10	DOJ.....	6,200,100
11	DOJ, interest bearing.....	4,163,300
12	DOT.....	2,345,700
13	Total federal revenues.....	12,709,100
14	Special revenue funds:	
15	Local - SRMS fees.....	918,300
16	Total local revenues.....	918,300
17	Total private revenues.....	100,000
18	Auto theft prevention fund.....	8,194,200
19	Criminal justice information center service fees.....	16,270,100
20	Drunk driving prevention and training fund.....	1,068,500
21	Forensic science reimbursement fees.....	1,122,700
22	Marihuana regulatory fund.....	1,167,600
23	Motor carrier fees.....	133,400
24	Precision driving track fees.....	328,200
25	School safety plan fund.....	25,000,000
26	Sex offenders registration fund.....	390,600
27	State forensic laboratory fund.....	1,180,900

1	State police administrator and coordinator 911 fund...	1,082,300
2	State services fee fund.....	7,921,500
3	Traffic crash revenue.....	92,900
4	Total other state restricted revenues.....	63,952,900
5	State general fund/general purpose..... \$	44,362,400
6	Sec. 104. MICHIGAN COMMISSION ON LAW ENFORCEMENT STANDARDS	
7	Full-time equated classified positions18.0	
8	Public safety officers benefit program--1.0 FTE	
9	position	\$ 301,600
10	Standards and training/justice training grants--17.0	
11	FTE positions	11,780,100
12	Training only to local units.....	<u>654,500</u>
13	GROSS APPROPRIATION..... \$	12,736,200
14	Appropriated from:	
15	Federal revenues:	
16	DOJ.....	250,000
17	Total federal revenues.....	250,000
18	Special revenue funds:	
19	Law enforcement officers training fund.....	25,000
20	Marihuana regulatory fund.....	2,500,000
21	Medical marihuana excise fund.....	907,500
22	Michigan justice training fund.....	6,900,000
23	Private security licensing fees.....	5,000
24	Retired law enforcement officer safety fund.....	5,000
25	Secondary road patrol and training fund.....	654,500
26	Total other state restricted revenues.....	10,997,000
27	State general fund/general purpose..... \$	1,489,200

1 **Sec. 105. FIELD SERVICES**

2	Full-time equated classified positions	2,250.0	
3	Investigative services--180.5 FTE positions.....		\$ 35,625,500
4	Post operations--2,039.5 FTE positions.....		314,409,300
5	Secure cities partnership--30.0 FTE positions.....		<u>7,861,300</u>
6	GROSS APPROPRIATION.....		\$ 357,896,100
7	Appropriated from:		
8	Interdepartmental grant and intradepartmental		
9	transfer revenues:		
10	IDG-MDTR, casino gaming fees.....		5,127,300
11	IDT, auto theft funds.....		787,500
12	Total interdepartmental grants and intradepartmental		
13	transfers		5,914,800
14	Federal revenues:		
15	DOJ.....		5,008,700
16	Federal forfeiture revenue.....		544,100
17	Federal investigations - reimbursed services.....		1,143,200
18	Total federal revenues.....		6,696,000
19	Special revenue funds:		
20	Local - reimbursed services.....		1,579,400
21	Total local revenues.....		1,579,400
22	Highway safety fund.....		10,009,000
23	Marihuana regulatory fund.....		6,842,200
24	Medical marihuana excise fund.....		907,500
25	Michigan merit award trust fund.....		822,700
26	Narcotics-related forfeiture revenue.....		773,900
27	Nonnarcotic forfeiture revenue.....		100,600

1	State police service fees.....	2,352,600
2	Tobacco tax revenue.....	4,623,900
3	Traffic law enforcement and safety fund.....	25,724,000
4	Trooper school recruitment fund.....	1,100
5	Total other state restricted revenues.....	52,157,500
6	State general fund/general purpose.....	\$ 291,548,400
7	Sec. 106. SPECIALIZED SERVICES	
8	Full-time equated classified positions607.0	
9	Commercial vehicle enforcement--211.0 FTE positions... \$	28,350,200
10	Commercial vehicle regulation--12.0 FTE positions.....	2,243,100
11	Emergency management and homeland security--64.0 FTE	
12	positions	15,808,700
13	Hazardous materials programs--25.0 FTE positions.....	28,031,500
14	Highway safety planning--26.0 FTE positions.....	18,048,700
15	Intelligence operations--201.0 FTE positions.....	27,771,600
16	Secondary road patrol program--1.0 FTE position.....	11,072,200
17	Special operations--67.0 FTE positions.....	<u>13,261,300</u>
18	GROSS APPROPRIATION.....	\$ 144,587,300
19	Appropriated from:	
20	Interdepartmental grant and intradepartmental	
21	transfer revenues:	
22	IDG-MDOT, state trunkline fund.....	10,324,000
23	IDG-MDTMB.....	655,400
24	IDG-MDTR, public safety answer point training 911 fund	100,000
25	IDT, truck safety fund.....	1,933,900
26	Total interdepartmental grants and intradepartmental	
27	transfers	13,013,300

1	Federal revenues:	
2	DHS.....	35,103,300
3	DOT.....	22,034,700
4	Total federal revenues.....	57,138,000
5	Special revenue funds:	
6	Local - school bus revenue.....	1,724,700
7	Total local revenues.....	1,724,700
8	Total private revenues.....	15,000
9	Hazardous materials training center fees.....	927,400
10	Marihuana regulatory fund.....	1,549,600
11	Motor carrier fees.....	7,687,800
12	Nuclear plant emergency planning reimbursement.....	2,727,300
13	Reimbursed services.....	1,018,700
14	Rental of departmental aircraft.....	59,900
15	Secondary road patrol and training fund.....	11,072,200
16	State police dispatch operator 911 fund.....	681,900
17	Truck driver safety fund.....	3,969,000
18	Total other state restricted revenues.....	29,693,800
19	State general fund/general purpose.....	\$ 43,002,500
20	Sec. 107. INFORMATION TECHNOLOGY	
21	Information technology services and projects.....	\$ <u>26,582,500</u>
22	GROSS APPROPRIATION.....	\$ 26,582,500
23	Appropriated from:	
24	Interdepartmental grant and intradepartmental	
25	transfer revenues:	
26	Total interdepartmental grants and intradepartmental	
27	transfers	390,500

1	Federal revenues:	
2	Total federal revenues.....	957,100
3	Special revenue funds:	
4	Total local revenues.....	918,200
5	Total other state restricted revenues.....	11,199,000
6	State general fund/general purpose.....	\$ 13,117,700
7	Sec. 108. ONE-TIME APPROPRIATIONS	
8	Advanced 9-1-1.....	\$ 200,000
9	Michigan International Speedway traffic control.....	400,000
10	School safety plan fund deposit.....	25,000,000
11	Sexual assault prevention and education initiative....	1,000,000
12	Trooper school.....	<u>6,993,100</u>
13	GROSS APPROPRIATION.....	\$ 33,593,100
14	Appropriated from:	
15	State general fund/general purpose.....	\$ 33,593,100

16 PART 2
17 PROVISIONS CONCERNING APPROPRIATIONS
18 FOR FISCAL YEAR 2018-2019

19 **GENERAL SECTIONS**

20 Sec. 201. Pursuant to section 30 of article IX of the state
21 constitution of 1963, total state spending from state sources under
22 part 1 for fiscal year 2018-2019 is \$654,406,500.00 and state
23 spending from state sources to be paid to local units of government
24 for fiscal year 2018-2019 is \$39,231,300.00. The itemized statement
25 below identifies appropriations from which spending to local units

1 of government will occur:

2 DEPARTMENT OF STATE POLICE

3	Standards and training/justice training grants	\$	2,615,300
4	Training only to local units		654,500
5	School safety grants and inspections		25,000,000
6	Secondary road patrol program		<u>10,961,500</u>
7	TOTAL.....	\$	39,231,300

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) "CJIS" means Criminal Justice Information Systems.

13 (b) "Core service" means that term as defined in section 373
 14 of the management and budget act, 1984 PA 431, MCL 18.1373.

15 (c) "Department" means the department of state police.

16 (d) "Director" means the director of the department.

17 (e) "DNA" means deoxyribonucleic acid.

18 (f) "DTMB" means the department of technology, management, and
 19 budget.

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

21 (h) "IDG" means interdepartmental grant.

22 (i) "MCOLES" means the Michigan commission on law enforcement
 23 standards.

24 (j) "Subcommittees" means the subcommittees of the senate and
 25 house standing committees on appropriations with jurisdiction over
 26 the budget for the department.

27 (k) "Support service" means an activity required to support

1 the ongoing delivery of core services.

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 or 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 senate and house 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 outside services that
18 the 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, the subcommittees, and the senate and
27 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 \$10,000,000.00 for
3 federal contingency funds. These funds are not available for
4 expenditure until they have been transferred to another line item
5 in part 1 under section 393(2) of the management and budget act,
6 1984 PA 431, MCL 18.1393.

7 (2) In addition to the funds appropriated in part 1, there is
8 appropriated an amount not to exceed \$3,500,000.00 for state
9 restricted contingency funds. These funds are not available for
10 expenditure until they have been transferred to another line item
11 in part 1 under section 393(2) of the management and budget act,
12 1984 PA 431, MCL 18.1393.

13 (3) In addition to the funds appropriated in part 1, there is
14 appropriated an amount not to exceed \$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 under section 393(2) of the management and budget act, 1984 PA 431,
18 MCL 18.1393.

19 (4) In addition to the funds appropriated in part 1, there is
20 appropriated an amount not to exceed \$200,000.00 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 under section 393(2) of the management and budget act, 1984 PA 431,
24 MCL 18.1393.

25 Sec. 211. The department shall cooperate with the DTMB to
26 maintain a searchable website accessible by the public at no cost
27 that includes, but is not limited to, all of the following:

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 subcommittees 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, 2018 and September 30, 2019.

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 department'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, 2019 are estimated at \$148,305,500.00. From this amount, total
24 agency appropriations for pension-related legacy costs are
25 estimated at \$77,070,000.00. Total agency appropriations for
26 retiree health care legacy costs are estimated at \$71,235,500.00.

27 Sec. 215. Based on the availability of federal funding and the

1 demonstrated need as indicated by applications submitted to the
2 state court administrative office, the department shall provide
3 \$1,500,000.00 in Byrne justice assistance grant program funding to
4 the judiciary by interdepartmental grant.

5 Sec. 216. A department or state agency shall not take
6 disciplinary action against an employee for communicating with a
7 member of the legislature or his or her staff.

8 Sec. 217. The department shall provide quarterly reports to
9 the subcommittees, the senate and house fiscal agencies, and the
10 state budget office that provide the following data:

11 (a) A list of major work projects, including the status of
12 each project.

13 (b) The department's financial status, featuring a report of
14 budgeted versus actual expenditures by part 1 line item including a
15 year-end projection of budget requirements. If projected department
16 budget requirements exceed the allocated budget, the report shall
17 include a plan to reduce overall expenses while still satisfying
18 specified service level requirements.

19 (c) A report on the performance metrics cited or information
20 required to be reported in this part, reasons for nonachievement of
21 metric targets, and proposed corrective actions.

22 Sec. 218. The appropriations in part 1 are for the core
23 services, support services, and work projects of the department,
24 including, but not limited to, the following core services:

25 (a) State security operations.

26 (b) Training.

27 (c) MCOLES.

- 1 (d) CJIS.
- 2 (e) Forensic analysis and biometric identification.
- 3 (f) Post operations and investigative services.
- 4 (g) Special operations.
- 5 (h) Intelligence operations.
- 6 (i) Commercial vehicle regulation and enforcement.
- 7 (j) Emergency management and homeland security.
- 8 (k) Highway safety planning.
- 9 (l) Secondary road patrol program.

10 Sec. 219. The department shall notify the subcommittees, the
11 chairpersons of the senate and house standing committees on
12 appropriations, and the senate and house fiscal agencies not less
13 than 90 days before recommending to close or consolidate any state
14 police posts. The notification shall include a local and state
15 impact study of the proposed post closure or consolidation.

16 Sec. 220. At least 90 days before beginning any effort to
17 privatize, the department shall submit a complete project plan to
18 the subcommittees and the senate and house fiscal agencies. The
19 plan shall include the criteria under which the privatization
20 initiative will be evaluated. The evaluation shall be completed and
21 submitted to the subcommittees and the senate and house fiscal
22 agencies within 30 months.

23 Sec. 221. (1) When the department provides contractual
24 services to a local unit of government, the department shall be
25 reimbursed for all costs incurred in providing the services,
26 including, but not limited to, retirement and overtime costs.

27 (2) The department shall define service cost models for those

1 services requiring reimbursement.

2 (3) Contractual services provided to an entity other than a
3 local unit of government may be provided by department personnel,
4 but only on an overtime basis outside the normal work schedule of
5 the personnel.

6 (4) This section does not apply to services provided to state
7 agencies.

8 (5) Revenues received for contractual or reimbursed services
9 in excess of the appropriation in part 1 are appropriated and may
10 be received and expended by the department for the purposes for
11 which funds are received.

12 (6) If additional authorization is approved in the statewide
13 integrated governmental management application (SIGMA) by the state
14 budget office under this section, the department shall notify the
15 subcommittees and the senate and house fiscal agencies within 10
16 days after the approval. The notification shall include the amount
17 and funding source of the additional authorization, the date of its
18 approval, and the projected use of funds to be expended.

19 Sec. 222. The department shall serve as an active liaison
20 between the DTMB and state, local, regional, and federal public
21 safety agencies on matters pertaining to the Michigan public safety
22 communications system and shall report user issues to the DTMB.

23 Sec. 223. The department may establish and collect fees for
24 publications, videos, conferences, workshops, and related
25 materials. Collected fees shall be used to offset expenditures for
26 costs of the publications, videos, workshops, conferences, and
27 related materials. The department shall not collect fees under this

1 section that exceed the cost of the expenditures.

2 Sec. 224. Money privately donated to the department is
3 appropriated under part 1 to be used for the purposes designated by
4 the donor of the money, if specified.

5 Sec. 225. (1) Federal revenues authorized by and available
6 from the federal government in excess of the appropriation in part
7 1 are appropriated and may be received and expended by the
8 department for purposes authorized under state law and subject to
9 federal requirements.

10 (2) The department shall notify the subcommittees and the
11 senate and house fiscal agencies before expending federal revenues
12 received and appropriated under subsection (1).

13 (3) If additional authorization is approved in the statewide
14 integrated governmental management application (SIGMA) by the state
15 budget office under this section, the department shall notify the
16 subcommittees and the senate and house fiscal agencies within 10
17 days after the approval. The notification shall include the amount
18 and funding source of the additional authorization, the date of its
19 approval, and the projected use of funds to be expended.

20 DEPARTMENTAL ADMINISTRATION AND SUPPORT

21 Sec. 301. (1) The department shall provide security services
22 at the State Capitol Complex facilities and the State Secondary
23 Complex as provided under section 6c of 1935 PA 59, MCL 28.6c.

24 (2) The department shall maintain the staff and resources
25 necessary to respond to emergencies at the State Capitol Complex,
26 State Secondary Complex, House Office Building, Binsfield Office

1 Building, Capitol parking lot, Townsend Parking Ramp, the Roosevelt
2 Parking Ramp, and other areas as directed.

3 (3) The department may develop a phased approach for improving
4 security at the Capitol Building.

5 (4) The department shall maintain a goal of annually
6 conducting 35,000 property inspections of state owned and leased
7 facilities.

8 **LAW ENFORCEMENT SERVICES**

9 Sec. 401. (1) The department shall develop and deliver
10 professional, innovative, and quality training that supports the
11 enforcement and public safety efforts of the criminal justice
12 community.

13 (2) The department shall provide performance data as provided
14 under section 217 of this part for average classroom occupancy
15 rate, with an annual goal of at least 55%.

16 (3) The department shall submit a report to the subcommittees
17 and the senate and house fiscal agencies within 60 days of the
18 conclusion of any trooper, motor carrier, or state properties
19 security recruit school. The report shall include the following:

20 (a) The number of veterans and the number of MCOLES-certified
21 police officers who were admitted to and the number who graduated
22 from the recruit school.

23 (b) The total number of recruits who were admitted to the
24 school, the number of recruits who graduated from the school, and
25 the location at which each of these recruits is assigned.

26 (4) The department shall distribute and review course

1 evaluations to ensure that quality training is provided.

2 Sec. 402. (1) In accordance with applicable state and federal
3 laws and regulations, the department shall maintain and ensure
4 compliance with CJIS databases and applications in the support of
5 public safety and law enforcement communities.

6 (2) The department shall improve the accuracy, timeliness, and
7 completeness of criminal history information by conducting a
8 minimum of 30 outreach activities targeted to criminal justice
9 agencies.

10 (3) The department shall provide for the compilation of crime
11 statistics consistent with the uniform crime reporting (UCR)
12 program and the national incident-based report system (NIBRS).

13 (4) The department shall provide for the compilation and
14 evaluation of traffic crash reports and the maintenance of the
15 state accident data collection system.

16 (5) The department shall make individual traffic crash reports
17 available for a fee of \$10.00 per incident. The department may also
18 sell an extract of electronic traffic crash data for a fee of \$0.25
19 per incident, provided that the name, address, and any other
20 personal identifying information have been excluded.

21 (6) In accordance with applicable state and federal laws and
22 regulations, the department shall provide for the maintenance and
23 dissemination of criminal history records and juvenile records,
24 including to the extent necessary to exchange criminal history
25 records information with the Federal Bureau of Investigation and
26 other states through the interstate identification index, the
27 National Crime Information Center, and other federal CJIS databases

1 and indices.

2 (7) In accordance with applicable state and federal laws, the
3 department shall provide for the maintenance of records, including
4 criminal history records regarding firearms licensure.

5 (8) The department shall provide to the legislature a report
6 on concealed pistol licensing not later than December 1, 2019 that
7 includes all of the following:

8 (a) The department's actual revenue received from fees paid
9 for concealed pistol license (CPL) applications for fiscal year
10 2018-2019 and the uses of that revenue.

11 (b) The department's fiscal year 2018-2019 costs for
12 administering its concealed pistol licensing responsibilities under
13 1927 PA 372, MCL 28.421 to 28.435, but not including costs related
14 to the administration of other state statutes, or requirements of
15 federal law.

16 (9) The department shall provide information on the number of
17 background checks processed through the internet criminal history
18 access tool (ICHAT) as provided in section 217 of this part.

19 (10) The following unexpended and unencumbered revenues
20 deposited into the criminal justice information center service fees
21 shall not lapse to the general fund, but shall be carried forward
22 into the subsequent fiscal year:

23 (a) Fees for fingerprinting and criminal record checks and
24 name-based criminal record checks under 1935 PA 120, MCL 28.271 to
25 28.274.

26 (b) Fees for application and licensing for initial and renewal
27 concealed pistol licenses under 1927 PA 372, MCL 28.421 to 28.435.

1 (c) Fees for searching, copying, and providing public records
2 under the freedom of information act, 1976 PA 442, MCL 15.231 to
3 15.246.

4 (d) Revenue from other sources, including, but not limited to,
5 investment and interest earnings.

6 (11) Unexpended and unencumbered revenue generated by state
7 records management system fees shall not lapse to the general fund,
8 but shall be carried forward into the subsequent fiscal year.

9 Sec. 403. (1) The department shall provide forensic testing
10 services to aid in criminal investigations.

11 (2) The department shall ensure its ability to maintain
12 accreditation by a federally designated accrediting agency, as
13 provided under 34 USC 12592.

14 (3) The department shall provide forensic science services
15 with an average turnaround time of 55 days, assuming an annual
16 caseload volume commensurate with that received in fiscal year
17 2012-2013, and shall achieve a goal of a 30-day average turnaround
18 time across all forensic science disciplines.

19 (4) The department shall provide the following data as
20 provided in section 217 of this part:

21 (a) The average turnaround time for processing forensic
22 evidence across all disciplines.

23 (b) Forensic laboratory staffing levels, including scientists
24 in training, and vacancies.

25 (c) The number of backlogged cases in each discipline.

26 (5) The department shall provide for the forensic testing and
27 analysis/profiling of DNA evidence to aid criminal investigations

1 by law enforcement agencies in this state.

2 Sec. 404. (1) The biometrics and identification division shall
3 house and manage the automated fingerprint identification system,
4 the statewide network of agency photographs, and combined offender
5 DNA index system biometric databases.

6 (2) The department shall provide data on the number of 10-
7 print and palm-print submissions to the database, with a goal of at
8 least 97% of submissions provided electronically as provided in
9 section 217 of this part.

10 (3) The department shall maintain the staffing and resources
11 necessary to have a 28-day average wait time for scheduling a
12 polygraph examination, assuming an annual caseload received
13 commensurate with fiscal year 2012-2013, with a goal of achieving a
14 15-day average wait time.

15 (4) If changes are made to the department's protocol for
16 retaining and purging DNA analysis samples and records, the
17 department shall post a copy of the protocol changes on the
18 department's website.

19 Sec. 405. Not later than December 1, the department shall
20 submit a report to the subcommittees and senate and house fiscal
21 agencies that includes, but is not limited to, all of the following
22 information:

23 (a) Sexual assault kit analysis backlog at the beginning of
24 the prior fiscal year.

25 (b) The number of sexual assault kits collected or submitted
26 for analysis during the prior fiscal year.

27 (c) The number of sexual assault kits analyzed and the number

1 of associated DNA profiles created and uploaded during the prior
2 fiscal year.

3 (d) Sexual assault kit analysis backlog at the ending of the
4 prior fiscal year.

5 (e) The average turnaround time to analyze sexual assault kits
6 and to create and upload associated DNA profiles for the prior
7 fiscal year.

8 Sec. 406. The department shall provide administrative support
9 for the following grant and community service programs:

10 (a) The operations of the automobile theft prevention
11 authority.

12 (b) Administration of the Edward Byrne memorial justice
13 assistance program and other grant programs as well as the
14 department's community policing efforts.

15 (c) Oversight and administration of 9-1-1 operations
16 statewide.

17 Sec. 407. No later than March 30, the department shall report
18 annually to the legislature and the house and senate fiscal
19 agencies on school safety grants and inspections conducted in the
20 prior calendar year. This report shall include, but is not limited
21 to, the following:

22 (a) Grant amounts awarded to each school district under part 1
23 for school safety grants and inspections, for school safety-related
24 improvements.

25 (b) Each school building that was inspected, the safety grade
26 for that building, and whether the school is engaging in efforts to
27 improve the safety grade for that building.

1 (c) A review of incidents involving school safety that
2 occurred in this state or the United States, and recommendations
3 for best practices from that review.

4 (d) A recommendation on emerging practices related to school
5 threat assessments, and mental and behavioral health interventions.

6 (e) Expenditures incurred by the school safety commission in
7 performing its duties, and the fund sources from which the
8 expenditures were made.

9 (f) Any additional recommended safety measures or threats to
10 school safety identified.

11 **MICHIGAN COMMISSION ON LAW ENFORCEMENT STANDARDS**

12 Sec. 501. (1) MCOLES shall establish standards for the
13 selection, employment, training, education, licensing, and
14 revocation of all law enforcement officers and provide the basic
15 law enforcement training curriculum for law enforcement training
16 academy programs statewide.

17 (2) MCOLES shall maintain staffing and resources necessary to
18 update law enforcement standards within 120 days of the enactment
19 date of any new legislation.

20 **FIELD SERVICES**

21 Sec. 601. (1) Department enlisted personnel who are employed
22 to enforce traffic laws as provided in section 629e of the Michigan
23 vehicle code, 1949 PA 300, MCL 257.629e, are not prohibited from
24 responding to crimes in progress or other emergency situations and
25 are responsible for making every effort to protect all residents of

1 this state.

2 (2) The department shall maintain the staffing and resources
3 necessary to continually work to enhance traffic safety throughout
4 this state and shall dedicate a minimum of 455,200 hours to
5 statewide patrol, of which a minimum of 40,000 shall be committed
6 to distressed cities in this state, and a minimum of 2,000 shall be
7 committed to Belle Isle. The department shall work to improve
8 public safety efforts within distressed cities by enhancing data
9 analysis capabilities and identifying crime trends and areas with
10 high occurrence of crime.

11 (3) The department shall maintain the staffing and resources
12 necessary to perform activities to maintain a 93% compliance rate
13 for reporting by registered sex offenders.

14 (4) The department shall submit a report on or before April 15
15 to the subcommittees and senate and house fiscal agencies regarding
16 the secure cities partnership during the prior calendar year.

17 Sec. 602. (1) The department shall identify and apprehend
18 criminals through criminal investigations in this state.

19 (2) The department shall maintain the staffing and resources
20 necessary to provide a comparable number of hours investigating
21 crimes as those performed in fiscal year 2012-2013.

22 (3) The department shall maintain the staffing and resources
23 necessary to annually meet or exceed a case clearance rate of 62%.

24 (4) The department shall annually provide 4 training
25 opportunities to local law enforcement partners with the goal of
26 increasing their knowledge of gambling laws, trends, legal issues,
27 and opioid-related investigations.

1 (5) The department shall maintain the staffing and resources
2 necessary to increase the number of opioid-related investigations
3 by 20% above the number of those investigations conducted in the
4 2014-2015 fiscal year conducted by multijurisdictional task forces
5 and hometown security teams. The department shall work to enhance
6 investigative and drug interdiction efforts by enhancing data
7 analysis capabilities and linking investigations among
8 multijurisdictional task forces and hometown security teams.

9 Sec. 603. (1) The department shall provide protection to this
10 state, its economy, welfare, and vital state-sponsored programs
11 through the prevention and suppression of organized smuggling of
12 untaxed tobacco products in the state, through enforcement of the
13 tobacco products tax act, 1993 PA 327, MCL 205.421 to 205.436, and
14 other laws pertaining to combating criminal activity in this state,
15 by maintaining a tobacco tax enforcement unit.

16 (2) The department shall submit an annual report on December 1
17 to the subcommittees, the senate and house appropriations
18 subcommittees on general government, the senate and house fiscal
19 agencies, and the state budget office that details expenditures and
20 activities related to tobacco tax enforcement for the prior fiscal
21 year.

22 (3) The tobacco tax enforcement unit shall dedicate a minimum
23 of 16,600 hours to tobacco tax enforcement.

24 Sec. 604. (1) The department shall provide fire investigation
25 services to citizens of this state through training and
26 investigative assistance to public safety agencies in this state.

27 (2) The department shall maintain the staffing and resources

1 necessary to maintain readiness to respond appropriately to at
2 least the number of requests for fire investigation services that
3 occurred in fiscal year 2010-2011 and shall be available for call
4 out statewide 100% of the time.

5 **SPECIALIZED SERVICES**

6 Sec. 701. (1) The department shall operate the Michigan
7 intelligence operation center for homeland security as the state's
8 primary federally designated fusion center to receive, analyze,
9 gather, and disseminate threat-related information among federal,
10 state, local, tribal, and private sector partners.

11 (2) The department shall ensure public safety by providing
12 public and private sector partners with timely and accurate
13 information regarding critical information key resource threats as
14 reported to or discovered by the Michigan intelligence operations
15 center for homeland security and shall increase public awareness on
16 how to report suspicious activity through website or telephone
17 communications.

18 (3) The department shall maintain the staffing and resources
19 necessary to support the cyber section, including the Michigan
20 cyber command center, the computer crimes unit, and the internet
21 crimes against children task force. The department shall maintain
22 the staffing and resources necessary to increase the number of
23 cases completed by the computer crimes unit by 40% above the number
24 of cases completed in the 2014-2015 fiscal year. The unit shall
25 pursue process improvement initiatives to effectively utilize staff
26 resources in providing investigatory assistance and evidentiary

1 analysis for law enforcement and criminal justice agencies
2 statewide. The department shall maintain the staffing and resources
3 necessary to increase the Michigan cyber command center casework by
4 25% above the level of activity in the 2017-2018 fiscal year.

5 (4) The department shall maintain the staffing and resources
6 necessary to provide digital forensic analysis services with a goal
7 of decreasing backlogs of digital forensic analysis cases annually
8 until the department maintains a 60-day turnaround time.

9 Sec. 702. (1) The department shall provide specialized
10 services in support of, and to enhance, local, state, and federal
11 law enforcement operations within this state in accordance with all
12 applicable state and federal laws and regulations.

13 (2) The department shall maintain the staffing and resources
14 necessary to provide training to maintain readiness to respond
15 appropriately to at least the number of requests for specialty
16 services which occurred in fiscal year 2010-2011.

17 (3) The canine unit shall be available for call out statewide
18 100% of the time.

19 (4) The bomb squad unit shall be available for call out
20 statewide 100% of the time.

21 (5) The emergency support teams shall be available for call
22 out statewide 100% of the time.

23 (6) The marine services team shall be available for call out
24 statewide 100% of the time.

25 (7) Aviation services shall be available for call out
26 statewide 100% of the time, unless prohibited by weather or
27 unexpected mechanical breakdowns.

1 (8) The department shall prepare a report to the legislature
2 that evaluates law enforcement issues related to the use of drones,
3 including existing local, state, and federal laws and regulations
4 regarding their use, any input that the department may have to
5 offer as to the efficacy of those laws, and department-recommended
6 drone law/regulation enforcement policies that could be established
7 as Michigan law enforcement best practices. This report shall be
8 transmitted to the chairpersons of the senate and house
9 appropriations subcommittees, and the senate and house fiscal
10 agencies no later than April 2, 2019.

11 Sec. 703. (1) The department shall maintain commercial vehicle
12 regulation, school bus inspections, and enforcement activities,
13 including enforcement of requirements concerning size, weight, and
14 load restrictions; operating authority; registration; fuel taxes;
15 transportation of hazardous materials; operations of new entrants;
16 and commercial driver's licenses.

17 (2) The department shall maintain the staffing and resources
18 necessary to meet inspection goals consistent with the department's
19 federal motor carrier assistance program activities.

20 (3) Revenue collected under the motor carrier act, 1933 PA
21 254, MCL 475.1 to 479.42, shall be expended in accordance with that
22 act. Unexpended and unencumbered revenues shall not lapse to the
23 general fund but shall be carried forward into the subsequent
24 fiscal year.

25 Sec. 704. (1) The department shall coordinate the mitigation,
26 preparation, response, and recovery activities of municipal,
27 county, state, and federal governments, and other governmental

1 entities, for all hazards, disasters, and emergencies.

2 (2) The state director of emergency management may expend
3 money appropriated under part 1 to call upon any agency or
4 department of the state or any resource of the state to protect
5 life or property or to provide for the health or safety of the
6 population in any area of the state in which the governor proclaims
7 a state of emergency or state of disaster under 1945 PA 302, MCL
8 10.31 to 10.33, or under the emergency management act, 1976 PA 390,
9 MCL 30.401 to 30.421. The state director of emergency management
10 may expend the amounts the director considers necessary to
11 accomplish these purposes. The director shall submit to the state
12 budget director as soon as possible a complete report of all
13 actions taken under the authority of this section. The report shall
14 contain, as a separate item, a statement of all money expended that
15 is not reimbursable from federal money. The state budget director
16 shall review the expenditures and submit recommendations to the
17 legislature in regard to any possible need for a supplemental
18 appropriation.

19 (3) In addition to the money appropriated in part 1, the
20 department may receive and expend money from local, private,
21 federal, or state sources for the purpose of providing emergency
22 management training to local or private interests and for the
23 purpose of supporting emergency preparedness, response, recovery,
24 and mitigation activity. If additional expenditure authorization in
25 the statewide integrated governmental management application
26 (SIGMA) is approved by the state budget office under this section,
27 the department and the state budget office shall notify the

1 subcommittees and the senate and house fiscal agencies within 10
2 days after the approval. The notification shall include the amount
3 and source and the additional authorization, the date of its
4 approval, and the projected use of funds to be expended under the
5 authorization.

6 (4) The department shall foster, promote, and maintain
7 partnerships to protect this state and homeland from all hazards.

8 (5) The department shall maintain the staffing and resources
9 necessary to do all of the following:

10 (a) Serve approximately 105 local emergency management
11 preparedness programs and 88 local emergency planning committees in
12 this state.

13 (b) Operate and maintain the state's emergency operations
14 center and provide command and control in support of emergency
15 response services.

16 (c) Maintain readiness, including training and equipment to
17 respond to civil disorders and natural disasters commensurate with
18 the capabilities of fiscal year 2010-2011.

19 (d) Perform hazardous materials response training.

20 (6) The department shall conduct a minimum of 3 training
21 sessions to enhance safe response in the event of natural or
22 manmade incidents, emergencies, or disasters.

23 (7) In addition to the funds appropriated in part 1, there is
24 appropriated from the disaster and emergency contingency fund an
25 amount necessary to cover costs related to any disaster or
26 emergency as defined in the emergency management act, 1976 PA 390,
27 MCL 30.401 to 30.421. Funds shall be expended as provided under

1 sections 18 and 19 of the emergency management act, 1976 PA 390,
2 MCL 30.418 and 30.419, and R 30.51 to R 30.61 of the Michigan
3 Administrative Code.

4 (8) Funds in the disaster and emergency contingency fund shall
5 not be expended unless the state budget director approves the
6 expenditure and the department and the state budget office notify
7 the senate and house appropriations committees. If expenditures are
8 made from the disaster and emergency contingency fund during a
9 month, the department shall submit monthly reports to the senate
10 and house fiscal agencies detailing the purpose of the
11 expenditures. These monthly reports shall be submitted within 30
12 days after the end of the month during which funds from the
13 disaster and emergency contingency fund were expended.

14 (9) Upon the declaration of a state of emergency or disaster
15 by the governor under section 3 of the emergency management act,
16 1976 PA 390, MCL 30.403, approval of the state budget director, and
17 notification of the subcommittees and senate and house fiscal
18 agencies, the director may expend funds appropriated from any
19 source to any line item within part 1 for the purpose of paying the
20 necessary and reasonable expenses incurred by the department in
21 responding to or mitigating the effects of any emergency or
22 disaster as those terms are defined in section 2 of the emergency
23 management act, 1976 PA 390, MCL 30.402.

24 (10) The department shall track and report on a quarterly
25 basis, as provided in section 217 of this part, the status of the
26 department's assessment of critical infrastructure vulnerabilities,
27 including the protection status of critical infrastructure items

1 identified by the assessment.

2 Sec. 705. The department shall provide for the planning,
3 administration, and implementation of highway traffic safety
4 programs to save lives and reduce injuries on roads in this state
5 in partnership with other public and private organizations.

6 Sec. 706. (1) The department shall provide funding to county
7 sheriff departments to patrol secondary roads.

8 (2) The sheriffs' duties under the secondary road patrol
9 program, as outlined in section 76(2) of 1846 RS 14, MCL 51.76, are
10 to patrol and monitor traffic violations; to enforce the criminal
11 laws of this state, violations of which are observed by or brought
12 to the attention of the sheriff's department while patrolling and
13 monitoring secondary roads; to investigate accidents involving
14 motor vehicles; and to provide emergency assistance to persons on
15 or near a highway or road the sheriff is patrolling and monitoring.

16 (3) The department shall provide the following information on
17 secondary road patrol activities supported by appropriations in
18 part 1:

19 (a) The number of funded full-time equivalent county sheriff
20 secondary road patrol deputies.

21 (b) The number of hours dedicated to patrol under the
22 secondary road patrol program, with an annual goal of at least
23 178,000 hours.

24 (4) The information required to be reported under subsection
25 (3) shall be reported on an annual basis.

26 **ONE-TIME APPROPRIATIONS**

1 Sec. 901. (1) Funding provided in part 1 for sexual assault
2 prevention and education initiative shall be used to provide and
3 administer grants to public or nonpublic community colleges,
4 colleges, and universities with a physical presence in this state
5 to address campus sexual assault issues to improve the safety and
6 security of students, faculty, and staff in campus environments in
7 this state.

8 (2) Grant funds awarded shall support sexual assault programs,
9 including education, awareness, prevention, reporting, bystander
10 intervention programs, and peer advocacy groups, which are student-
11 run organizations that are dedicated to safety on campuses and
12 eliminating the silence on campuses related to sexual assault and
13 other actions covered by title IX protections.

14 (3) The department shall issue awards no later than December
15 1, 2018, with a grant period of 1 year.

16 (4) The department shall report on grant activities to the
17 subcommittees, the senate and house appropriations subcommittees on
18 higher education, and the state budget office by February 28, 2020.

19 (5) The unexpended funds appropriated in part 1 for sexual
20 assault prevention and education initiative are designated as work
21 project appropriations. Any unencumbered or unallotted funds shall
22 not lapse at the end of the fiscal year and shall be eligible for
23 expenditure for projects under this section until the projects have
24 been completed. The following is in compliance with section 451a(1)
25 of the management and budget act, 1984 PA 431, MCL 18.1451a:

26 (a) The purpose of the project is to provide grants for sexual
27 assault education, awareness, prevention, reporting, bystander

1 intervention programs, and peer advocacy groups. The student-run
2 organizations shall be provided funds to support and develop these
3 advocacy groups, and act on issues related to prevention of sexual
4 assault, including, but not limited to, student outreach,
5 supporting survivors of sexual assault, and advocating for campus
6 improvements such as additional lighting.

7 (b) The project will be accomplished by grants to eligible
8 community colleges, colleges, and universities.

9 (c) The total estimated cost of the project is \$1,000,000.00.

10 (d) The estimated completion date is September 30, 2020.

11 Sec. 902. Funding appropriated in part 1 for advanced 9-1-1
12 shall be used to support the costs for the administration and
13 initial implementation of a supplemental 9-1-1 database that allows
14 public safety answering points to view voluntarily disclosed
15 information relevant to the 9-1-1 caller, including information on
16 properties and household members, that would assist first
17 responders in providing emergency services to the caller. The
18 implementation of the database among public safety answering points
19 and the funding for this purpose shall be overseen and administered
20 by the office of the state 9-1-1 coordinator. Funds shall be
21 payable by the office to a vendor based upon the number of public
22 safety answering points implementing a supplemental database.
23 Public safety answering points choosing to implement a supplemental
24 database shall begin implementation by not later than October 1,
25 2018 to be eligible for funds provided under this section. Funds
26 appropriated for advanced 9-1-1 shall be considered a work project,
27 and unexpended and unencumbered funds shall be carried forward into

1 appropriations for the fiscal year ending on September 30, 2020 for
 2 the line items listed in part 1. The fiscal year 2019-2020
 3 appropriations are anticipated to be the same as those for fiscal
 4 year 2018-2019, excluding appropriations designated as one-time
 5 appropriations and adjusting for changes in caseload and related
 6 costs, federal fund match rates, economic factors, and available
 7 revenue. These adjustments will be determined after the January
 8 2019 consensus revenue estimating conference.

9 ARTICLE XVII

10 STATE TRANSPORTATION DEPARTMENT

11 PART 1

12 LINE-ITEM APPROPRIATIONS

13 Sec. 101. There is appropriated for the state transportation
 14 department for the fiscal year ending September 30, 2019, from the
 15 following funds:

16 **STATE TRANSPORTATION DEPARTMENT**

17 APPROPRIATION SUMMARY

18	Full-time equated unclassified positions	4.0	
19	Full-time equated classified positions	2,723.3	
20	GROSS APPROPRIATION.....		\$ 4,543,089,900
21	Total interdepartmental grants and intradepartmental		
22	transfers		4,092,500
23	ADJUSTED GROSS APPROPRIATION.....		\$ 4,538,997,400
24	Federal revenues:		
25	Federal aid - transportation programs.....		1,318,271,700

1	Total federal revenues.....	1,318,271,700
2	Special revenue funds:	
3	Local revenues.....	50,532,000
4	Private revenues.....	900,000
5	Total local and private revenues.....	51,432,000
6	Blue Water Bridge fund.....	24,575,400
7	Comprehensive transportation fund.....	352,756,000
8	Economic development fund.....	55,368,000
9	Intercity bus equipment and facility fund.....	100,000
10	Local bridge fund.....	30,716,500
11	Michigan transportation fund.....	1,592,666,600
12	Qualified airport fund.....	5,525,000
13	Rail freight fund.....	6,000,000
14	State aeronautics fund.....	15,924,200
15	State trunkline fund.....	1,085,662,000
16	Total other state restricted revenues.....	3,169,293,700
17	State general fund/general purpose.....	\$ 0
18	Sec. 102. DEBT SERVICE	
19	Airport safety and protection plan.....	\$ 3,437,900
20	Blue Water Bridge fund.....	7,106,300
21	Comprehensive transportation.....	19,401,500
22	Economic development.....	11,595,300
23	Local bridge fund.....	2,315,700
24	State trunkline.....	<u>175,580,400</u>
25	GROSS APPROPRIATION.....	\$ 219,437,100
26	Appropriated from:	
27	Federal revenues:	

1	Federal aid - transportation programs.....		35,863,400
2	Special revenue funds:		
3	Blue Water Bridge fund.....		7,106,300
4	Comprehensive transportation fund.....		19,401,500
5	Economic development fund.....		11,595,300
6	Local bridge fund.....		2,315,700
7	State aeronautics fund.....		3,437,900
8	State trunkline fund.....		139,717,000
9	State general fund/general purpose.....	\$	0
10	Sec. 103. COLLECTION, ENFORCEMENT, AND OTHER AGENCY		
11	SUPPORT SERVICES		
12	CTF grant to civil service commission.....	\$	250,000
13	CTF grant to department of attorney general.....		205,600
14	CTF grant to department of treasury.....		16,300
15	CTF grant to legislative auditor general.....		39,800
16	CTF grant to department of technology, management, and		
17	budget		55,900
18	MTF grant to department of environmental quality.....		1,367,600
19	MTF grant to department of treasury.....		2,744,900
20	MTF grant to legislative auditor general.....		322,100
21	MTF grant to department of state for collection of		
22	revenue and fees		20,000,000
23	SAF grant to civil service commission.....		150,000
24	SAF grant to department of attorney general.....		181,500
25	SAF grant to department of treasury.....		74,000
26	SAF grant to legislative auditor general.....		31,000
27	SAF grant to department of technology, management, and		

1	budget	40,800
2	STF grant to civil service commission.....	6,197,000
3	STF grant to department of attorney general.....	2,476,400
4	STF grant to department of state police.....	11,798,000
5	STF grant to department of treasury.....	156,900
6	STF grant to legislative auditor general.....	748,200
7	STF grant to department of technology, management, and	
8	budget	<u>1,538,600</u>
9	GROSS APPROPRIATION.....	\$ 48,394,600
10	Appropriated from:	
11	Special revenue funds:	
12	Comprehensive transportation fund.....	567,600
13	Michigan transportation fund.....	24,434,600
14	State aeronautics fund.....	477,300
15	State trunkline fund.....	22,915,100
16	State general fund/general purpose.....	\$ 0
17	Sec. 104. DEPARTMENTAL ADMINISTRATION AND SUPPORT	
18	Full-time equated unclassified positions4.0	
19	Full-time equated classified positions247.3	
20	Unclassified salaries--4.0 FTE positions.....	\$ 582,100
21	Asset management council.....	1,876,400
22	Business support services--42.0 FTE positions.....	6,667,100
23	Commission audit--29.3 FTE positions.....	3,423,200
24	Economic development and enhancement programs--10.0	
25	FTE positions	1,669,600
26	Finance, contracts, and support services--166.0 FTE	
27	positions	21,256,700

1	Property management.....	7,192,800
2	Worker's compensation.....	<u>1,639,200</u>
3	GROSS APPROPRIATION.....	\$ 44,307,100
4	Appropriated from:	
5	IDG for accounting service center user charges.....	4,092,500
6	Special revenue funds:	
7	Comprehensive transportation fund.....	1,566,600
8	Economic development fund.....	386,200
9	Michigan transportation fund.....	4,260,600
10	State aeronautics fund.....	710,700
11	State trunkline fund.....	33,290,500
12	State general fund/general purpose.....	\$ 0
13	Sec. 105. INFORMATION TECHNOLOGY	
14	Information technology services and projects.....	\$ <u>35,739,400</u>
15	GROSS APPROPRIATION.....	\$ 35,739,400
16	Appropriated from:	
17	Federal revenues:	
18	Federal aid - transportation programs.....	520,500
19	Special revenue funds:	
20	Blue Water Bridge fund.....	55,800
21	Comprehensive transportation fund.....	227,000
22	Economic development fund.....	37,500
23	Michigan transportation fund.....	296,700
24	State aeronautics fund.....	177,000
25	State trunkline fund.....	34,424,900
26	State general fund/general purpose.....	\$ 0
27	Sec. 106. TRANSPORTATION PLANNING	

1	Full-time equated classified positions	130.0	
2	Planning services--130.0 FTE positions.....		\$ 38,398,100
3	Grants to regional planning councils.....		<u>488,800</u>
4	GROSS APPROPRIATION.....		\$ 38,886,900
5	Appropriated from:		
6	Federal revenues:		
7	Federal aid - transportation programs.....		22,000,000
8	Special revenue funds:		
9	Comprehensive transportation fund.....		612,300
10	Michigan transportation fund.....		9,615,400
11	State aeronautics fund.....		15,200
12	State trunkline fund.....		6,644,000
13	State general fund/general purpose.....		\$ 0
14	Sec. 107. DESIGN AND ENGINEERING SERVICES		
15	Full-time equated classified positions	1,390.3	
16	Program development, delivery, and system operations--		
17	1,390.3 FTE positions		<u>\$ 156,638,700</u>
18	GROSS APPROPRIATION.....		\$ 156,638,700
19	Appropriated from:		
20	Federal revenues:		
21	Federal aid - transportation programs.....		23,529,800
22	Special revenue funds:		
23	Comprehensive transportation fund.....		187,100
24	Michigan transportation fund.....		12,347,500
25	State aeronautics fund.....		160,300
26	State trunkline fund.....		120,414,000
27	State general fund/general purpose.....		\$ 0

1 **Sec. 108. HIGHWAY MAINTENANCE**

2 Full-time equated classified positions793.7

3 State trunkline operations--793.7 FTE positions..... \$ 339,127,800

4 GROSS APPROPRIATION..... \$ 339,127,800

5 Appropriated from:

6 Special revenue funds:

7 State trunkline fund..... 339,127,800

8 State general fund/general purpose..... \$ 0

9 **Sec. 109. ROAD AND BRIDGE PROGRAMS**

10 Cities and villages..... \$ 534,594,700

11 County road commissions..... 958,837,100

12 Grants to local programs..... 33,000,000

13 Local bridge program..... 28,400,800

14 Local federal aid and road and bridge construction.... 278,400,300

15 Local agency wetland mitigation bank fund..... 500,000

16 Movable bridge..... 5,222,400

17 Rail grade crossing..... 3,000,000

18 Rail grade crossing - surface improvements..... 3,000,000

19 State trunkline federal aid and road and bridge

20 construction 1,232,374,500

21 GROSS APPROPRIATION..... \$ 3,077,329,800

22 Appropriated from:

23 Federal revenues:

24 Federal aid - transportation programs..... 1,087,008,000

25 Special revenue funds:

26 Local funds..... 30,003,500

27 Blue Water Bridge fund..... 10,877,600

1	Local bridge fund.....	28,400,800
2	Michigan transportation fund.....	1,538,154,200
3	State trunkline fund.....	382,885,700
4	State general fund/general purpose.....	\$ 0
5	Sec. 110. BLUE WATER BRIDGE	
6	Full-time equated classified positions	41.0
7	Blue Water Bridge operations--41.0 FTE positions.....	\$ <u>6,535,700</u>
8	GROSS APPROPRIATION.....	\$ 6,535,700
9	Appropriated from:	
10	Special revenue funds:	
11	Blue Water Bridge fund.....	6,535,700
12	State general fund/general purpose.....	\$ 0
13	Sec. 111. TRANSPORTATION ECONOMIC DEVELOPMENT	
14	Forest roads.....	\$ 5,000,000
15	Rural county primary.....	8,087,200
16	Rural county urban system.....	2,500,000
17	Target industries/economic redevelopment.....	19,674,600
18	Urban county congestion.....	8,087,200
19	Local grant program.....	<u>1,500,000</u>
20	GROSS APPROPRIATION.....	\$ 44,849,000
21	Appropriated from:	
22	Special revenue funds:	
23	Economic development fund.....	43,349,000
24	Michigan transportation fund.....	1,500,000
25	State general fund/general purpose.....	\$ 0
26	Sec. 112. AERONAUTICS SERVICES	
27	Full-time equated classified positions	46.0

1	Air service program.....	\$	250,000
2	Air fleet operations and maintenance--10.0 FTE		
3	positions		1,774,500
4	Aviation services--36.0 FTE positions.....		<u>5,616,600</u>
5	GROSS APPROPRIATION.....	\$	7,641,100
6	Appropriated from:		
7	Special revenue funds:		
8	State aeronautics fund.....		7,641,100
9	State general fund/general purpose.....	\$	0
10	Sec. 113. PUBLIC TRANSPORTATION SERVICES		
11	Full-time equated classified positions36.0		
12	Passenger transportation services--36.0 FTE positions.	\$	<u>5,874,700</u>
13	GROSS APPROPRIATION.....	\$	5,874,700
14	Appropriated from:		
15	Federal revenues:		
16	Federal aid - transportation programs.....		972,100
17	Special revenue funds:		
18	Comprehensive transportation fund.....		4,902,600
19	State general fund/general purpose.....	\$	0
20	Sec. 114. LOCAL BUS TRANSIT		
21	Local bus operating.....	\$	192,250,000
22	Nonurban operating/capital.....		<u>30,027,900</u>
23	GROSS APPROPRIATION.....	\$	222,277,900
24	Appropriated from:		
25	Federal revenues:		
26	Federal aid - transportation programs.....		28,027,900
27	Special revenue funds:		

1	Local funds.....		2,000,000
2	Comprehensive transportation fund.....		192,250,000
3	State general fund/general purpose.....	\$	0
4	Sec. 115. INTERCITY PASSENGER AND FREIGHT		
5	Full-time equated classified positions	39.0	
6	Detroit/Wayne County Port Authority.....	\$	200,000
7	Freight property management.....		1,000,000
8	Intercity services.....		7,360,000
9	Marine passenger service.....		500,000
10	Office of rail--39.0 FTE positions.....		6,563,500
11	Rail freight economic development.....		8,768,200
12	Rail operations and infrastructure.....		<u>70,608,000</u>
13	GROSS APPROPRIATION.....	\$	94,999,700
14	Appropriated from:		
15	Federal revenues:		
16	Federal aid - transportation programs.....		14,500,000
17	Special revenue funds:		
18	Local funds.....		260,000
19	Private funds.....		900,000
20	Comprehensive transportation fund.....		70,440,600
21	Intercity bus equipment and facility fund.....		100,000
22	Michigan transportation fund.....		2,057,600
23	Rail freight fund.....		6,000,000
24	State trunkline fund.....		741,500
25	State general fund/general purpose.....	\$	0
26	Sec. 116. PUBLIC TRANSPORTATION DEVELOPMENT		
27	Municipal credit program.....	\$	2,000,000

1	Service initiatives.....	4,589,200
2	Specialized services.....	17,938,900
3	Transit capital.....	66,612,600
4	Transportation to work.....	3,875,000
5	Van pooling.....	<u>195,000</u>
6	GROSS APPROPRIATION.....	\$ 95,210,700
7	Appropriated from:	
8	Federal revenues:	
9	Federal aid - transportation programs.....	26,850,000
10	Special revenue funds:	
11	Local funds.....	5,760,000
12	Comprehensive transportation fund.....	62,600,700
13	State general fund/general purpose.....	\$ 0
14	Sec. 117. CAPITAL OUTLAY	
15	(1) BUILDINGS AND FACILITIES	
16	Salt storage buildings and containment control.....	\$ 2,500,000
17	Special maintenance, remodeling, and additions.....	<u>3,001,500</u>
18	GROSS APPROPRIATION.....	\$ 5,501,500
19	Appropriated from:	
20	State trunkline fund.....	5,501,500
21	State general fund/general purpose.....	\$ 0
22	(2) AIRPORT IMPROVEMENT PROGRAMS	
23	Airport safety, protection, and improvement program... \$	94,813,200
24	Detroit Metropolitan Wayne County Airport.....	<u>5,525,000</u>
25	GROSS APPROPRIATION.....	\$ 100,338,200
26	Appropriated from:	
27	Federal revenues:	

1	Federal aid - transportation programs.....	79,000,000
2	Special revenue funds:	
3	Local funds.....	12,508,500
4	Qualified airport fund.....	5,525,000
5	State aeronautics fund.....	3,304,700
6	State general fund/general purpose.....	\$ 0

PART 2

PROVISIONS CONCERNING APPROPRIATIONS
FOR FISCAL YEAR 2018-2019

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state sources under part 1 for fiscal year 2018-2019 is \$3,156,293,700.00 and state spending from state sources to be paid to local units of government for fiscal year 2018-2019 is \$1,852,542,400.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

STATE TRANSPORTATION DEPARTMENT

19	Grants to regional planning councils.....	\$ 488,800
20	Cities and villages.....	534,594,700
21	County road commissions.....	958,837,100
22	Grants to local programs.....	33,000,000
23	Local bridge program.....	28,400,800
24	Local agency wetland mitigation.....	500,000
25	Movable bridge.....	2,611,200

1	Rail grade crossing.....	1,500,000
2	Rail grade surface crossing improvements.....	3,000,000
3	Transportation economic development.....	23,674,400
4	Local grant program.....	1,500,000
5	Air service program.....	250,000
6	Local bus operating.....	192,250,000
7	Detroit/Wayne County Port Authority.....	200,000
8	Marine passenger service.....	500,000
9	Municipal credit program.....	2,000,000
10	Service initiatives.....	2,614,200
11	Specialized services.....	3,853,900
12	Transit capital.....	50,062,600
13	Transportation to work.....	3,875,000
14	Airport safety, protection, and improvement program...	3,304,700
15	Detroit Metropolitan Wayne County Airport.....	<u>5,525,000</u>
16	Total payments to local units of government.....	\$ 1,852,542,400

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

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

- 21 (a) "CTF" means comprehensive transportation fund.
- 22 (b) "Department" means the state transportation department.
- 23 (c) "Director" means the director of the department.
- 24 (d) "DOT" means the United States Department of
25 Transportation.
- 26 (e) "DOT-FHWA" means DOT, Federal Highway Administration.
- 27 (f) "FTE" means full-time equated.

1 (g) "IDG" means interdepartmental grant.

2 (h) "MTF" means Michigan transportation fund.

3 (i) "SAF" means state aeronautics fund.

4 (j) "STF" means state trunkline fund.

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.
24 Each director shall strongly encourage firms with which the
25 department contracts to subcontract with certified businesses in
26 depressed and deprived communities for services, supplies, or both.

27 Sec. 207. The departments and agencies receiving

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

10 (a) The dates of each travel occurrence.

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

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

22 Sec. 209. Not later than November 30, the state budget office
23 shall prepare and transmit a report that provides for estimates of
24 the total general fund/general purpose appropriation lapses at the
25 close of the prior fiscal year. This report shall summarize the
26 projected year-end general fund/general purpose appropriation
27 lapses by major departmental program or program areas. The report

1 shall be transmitted to the chairpersons of the senate and house of
2 representatives standing committees on appropriations and the
3 senate and house fiscal agencies.

4 Sec. 210. (1) In addition to the funds appropriated in part 1,
5 there is appropriated an amount not to exceed \$200,000,000.00 for
6 federal contingency funds. These funds are not available for
7 expenditure until they have been transferred to another line item
8 in part 1 pursuant to section 393(2) of the management and budget
9 act, 1984 PA 431, MCL 18.1393.

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

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

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

1 Sec. 211. The department shall cooperate with the department
2 of technology, management, and budget to maintain a searchable
3 website accessible by the public at no cost that includes, but is
4 not limited to, all of the following:

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

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

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

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

12 (e) Job specifications and wage rates.

13 Sec. 212. Within 14 days after the release of the executive
14 budget recommendation, the department shall cooperate with the
15 state budget office to provide the senate and house appropriations
16 chairs, the senate and house appropriations subcommittees chairs,
17 and the senate and house fiscal agencies with an annual report on
18 estimated state restricted fund balances, state restricted fund
19 projected revenues, and state restricted fund expenditures for the
20 fiscal years ending September 30, 2018 and September 30, 2019.

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 department'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, 2019 are \$67,716,200.00. From this amount, total agency

1 appropriations for pension-related legacy costs are estimated at
2 \$31,218,300.00. Total agency appropriations for retiree health care
3 legacy costs are estimated at \$36,497,900.00.

4 Sec. 215. A 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. 217. The department shall provide notice to the speaker
8 of the house, the house minority leader, the senate majority
9 leader, the senate minority leader, the house and senate standing
10 committees on transportation, the appropriate house and senate
11 appropriations subcommittees on transportation, and the house and
12 senate fiscal agencies on proposed federal rule changes related to
13 the department that would require amendments to the laws of this
14 state. The notice shall be given within 30 business days of the
15 proposed federal rule being posted to the federal register and
16 shall include a description of the proposed federal rule, the
17 publication date, the date when public comment closes, the document
18 citation, and a description of the statutory changes needed when
19 the rule is finalized.

20 Sec. 270. In order to reduce costs and maintain quality, it is
21 the intent of the legislature that, excluding the fleet of motor
22 vehicles for the department of state police, the department will
23 prioritize the utilization of remanufactured parts as the primary
24 means of maintenance and repair for the state of Michigan's fleet
25 of motor vehicles.

26 **DEPARTMENT ADMINISTRATION AND SUPPORT**

1 Sec. 301. (1) The department may establish a fee schedule and
2 collect fees sufficient to cover the costs to issue the permits
3 that the department is authorized by law to issue upon request,
4 unless otherwise stipulated by law. All permit fees are
5 nonrefundable application fees and shall be credited to the
6 appropriate fund to recover the direct and indirect costs of
7 receiving, reviewing, and processing the requests.

8 (2) A bridge authority shall hold 3 public hearings on an
9 increase in any toll charged by the authority at least 30 days
10 before the toll change will become effective. Two of the hearings
11 shall be held within 5 miles of the bridge over which the bridge
12 authority has jurisdiction. One hearing shall be held in Lansing.
13 Public hearings held under this section shall be conducted in
14 accordance with the open meetings act, 1976 PA 267, MCL 15.261 to
15 15.275, and shall be conducted so as to provide a reasonable
16 opportunity for public comment, including both spoken and written
17 comments.

18 Sec. 304. If, as a requirement of bidding on a highway
19 project, the department requires a contractor to submit financial
20 or proprietary documentation as to how the bid was calculated, that
21 bid documentation shall be kept confidential and shall not be
22 disclosed other than to a department representative without the
23 contractor's written consent. The department may disclose the bid
24 documentation if necessary to address or defend a claim by a
25 contractor.

26 Sec. 305. (1) The department may permit space on public
27 passenger transportation properties to be occupied by public or

1 private tenants on a competitive market rate basis. The department
2 shall require that revenue from the tenants be placed in an account
3 to be used to pay the costs to maintain and improve the property.

4 (2) The department shall charge public transit agencies and
5 intercity bus carriers equal rates per square foot for leasing
6 space in state-owned intermodal facilities.

7 Sec. 306. (1) The amounts appropriated in part 1 to support
8 tax and fee collection, law enforcement, and other program services
9 provided to the department and to transportation funds by other
10 state departments shall be expended from transportation funds
11 pursuant to annual contracts between the department and those other
12 state departments. The contracts shall be executed prior to the
13 expenditure or obligation of those funds. The contracts shall
14 provide, but are not limited to, the following data applicable to
15 each state department:

16 (a) Estimated costs to be recovered from transportation funds.

17 (b) Description of services provided to the department and/or
18 transportation funds and financed with transportation funds.

19 (c) Detailed cost allocation methods appropriate to the type
20 of services being provided and the activities financed with
21 transportation funds.

22 (2) Not later than 2 months after publication of the state of
23 Michigan comprehensive annual financial report, each state
24 department receiving funding pursuant to an interdepartment
25 contract with the department shall submit a written report to the
26 department, the state budget director, and the house and senate
27 fiscal agencies stating by spending authorization account the

1 amount of estimated funds contracted with the department, the
2 amount of funds expended, the amount of funds returned to the
3 transportation funds, and any unreimbursed transportation-related
4 costs incurred but not billed to transportation funds. A copy of
5 the report shall be submitted to the auditor general, and the
6 report shall be subject to audit.

7 (3) The auditor general shall use a risk-based approach in
8 developing an audit program for the use of transportation funds.

9 Sec. 307. Before March 1 of each year, the department will
10 provide to the legislature, the state budget director, and the
11 house and senate fiscal agencies its rolling 5-year plan listing by
12 county or by county road commission all highway construction
13 projects for the fiscal year and all expected projects for the
14 ensuing fiscal years.

15 Sec. 310. The department shall provide in a timely manner
16 copies of the agenda and approved minutes of monthly transportation
17 commission meetings to the members of the house and senate
18 appropriations subcommittees on transportation, the house and
19 senate fiscal agencies, and the state budget director.

20 Sec. 313. (1) From funds appropriated in part 1, the
21 department may increase a state infrastructure bank program and
22 grant or loan funds in accordance with regulations of the state
23 infrastructure bank program of the United States Department of
24 Transportation. The state infrastructure bank is to be administered
25 by the department for the purpose of providing a revolving, self-
26 sustaining resource for financing transportation infrastructure
27 projects.

1 (2) In addition to funds provided in subsection (1), money
2 received by the state as federal grants, repayment of state
3 infrastructure bank loans, or other reimbursement or revenue
4 received by the state as a result of projects funded by the program
5 and interest earned on that money shall be deposited in the
6 revolving state infrastructure bank fund and shall be available for
7 transportation infrastructure projects. At the close of the fiscal
8 year, any unencumbered funds remaining in the state infrastructure
9 bank fund shall remain in the fund and be carried forward into the
10 succeeding fiscal year.

11 (3) The department shall submit a report to the state budget
12 director, the house and senate appropriations subcommittees on
13 transportation, and the house and senate fiscal agencies on the
14 status of the state infrastructure bank. The report shall be
15 submitted on or before December 1, 2018. The report shall include
16 all of the following:

17 (a) The balance in the state infrastructure bank at September
18 30, 2018, including a breakdown of the balance by cash and cash
19 equivalents, outstanding loans, and balance available for loan to
20 local agencies.

21 (b) A breakdown of the state infrastructure loan balance by
22 amounts designated as originating from federal sources and the
23 amounts originating from nonfederal sources.

24 (c) A list of outstanding loans by agency, original loan
25 amount, project description, loan term, and amount outstanding.

26 Sec. 319. The department shall post signs at each rest area to
27 identify the agency or contractor responsible for maintenance of

1 the rest area. The signs shall include a department telephone
2 number and shall indicate that unsafe or unclean conditions at the
3 rest area may be reported to that telephone number.

4 Sec. 353. The department shall review its contractor payment
5 process and ensure that all prime contractors are paid promptly.
6 The department shall ensure that prime contractors are in
7 compliance with special provision 109.10 regarding the prompt
8 payment of subcontractors.

9 Sec. 357. When presented with complete local federal aid
10 project submittals, the department shall complete all necessary
11 reviews and inspections required to let local federal aid projects
12 within 120 days of receipt. The department shall implement a system
13 for monitoring the local federal aid project review process.

14 Sec. 375. The department is prohibited from reimbursing
15 contractors or consultants for costs associated with groundbreaking
16 ceremonies, receptions, open houses, or press conferences related
17 to transportation projects funded, in whole or in part, by revenue
18 appropriated in part 1.

19 Sec. 376. The department shall not spend funds appropriated in
20 part 1 for the purpose of examining the potential association
21 between commercial signs, outdoor advertising signs, billboards,
22 digital billboards, or commercial electronic variable message signs
23 and motor vehicle activity or motor vehicle driver behavior.

24 Sec. 381. The department shall require as a condition of each
25 contract or subcontract for construction, maintenance, or
26 engineering services that the prequalified contractor or
27 prequalified subcontractor agree to use the E-Verify system to

1 verify that all persons hired during the contract term by the
2 contractor or subcontractor are legally present and authorized to
3 work in the United States. The department may verify this
4 information directly or may require contractors and subcontractors
5 to verify the information and submit a certification to the
6 department. The department shall report to the house and senate
7 appropriations committees and the house and senate fiscal agencies
8 by March 1 of each year describing the processes it has developed
9 and implemented under provisions of this section. As used in this
10 section, "E-Verify" means an internet-based system operated by the
11 Department of Homeland Security, U.S. Citizenship and Immigration
12 Services in partnership with the Social Security Administration.

13 Sec. 382. In administering a contract with a county road
14 commission, city, or village that allocates costs of construction
15 or reconstruction of highways, roads, and streets as provided in
16 section 18d of 1951 PA 51, MCL 247.668d, the department shall
17 submit the final cost-sharing bill to the county road commission,
18 city, or village not later than 2 years after the date of the final
19 contract payment to the construction contractor.

20 Sec. 383. (1) The department shall prepare a report on use of
21 department-owned aircraft during the fiscal year ending September
22 30, 2018. With respect to each department-owned aircraft, the
23 report shall include all of the following:

24 (a) Total hours of usage.

25 (b) Description of specific flights including dates of travel,
26 names of passengers including state agency, university, or local
27 government affiliation, travel origin and destination, and total

1 estimated costs associated with the air travel.

2 (2) The report shall be submitted to the senate and house
3 appropriations subcommittees on transportation and the house and
4 senate fiscal agencies no later than February 1, 2019.

5 (3) The department shall maintain a system for recovering the
6 cost of operating department-owned aircraft through charges to
7 aircraft users.

8 (4) From the funds appropriated in part 1, the department is
9 prohibited from transporting legislators or legislative staff on
10 state-owned aircraft without prior approval from the senate
11 majority leader or the speaker of the house of representatives and
12 only when the aircraft is already scheduled by state agencies on
13 related official state business.

14 Sec. 384. (1) Except as otherwise provided in subsection (2),
15 the department shall not obligate the state to expend any state
16 transportation revenue for construction planning or construction of
17 the Detroit River International Crossing or a renamed successor. In
18 addition, except as provided in subsection (2), the department
19 shall not commit the state to any new contract related to the
20 construction planning or construction of the Detroit River
21 International Crossing or a renamed successor that would obligate
22 the state to expend any state transportation revenue. An
23 expenditure for staff resources used in connection with project
24 activities, which expenditure is subject to full and prompt
25 reimbursement from Canada, shall not be considered an expenditure
26 of state transportation revenue.

27 (2) If the legislature enacts specific enabling legislation

1 for the construction of the Detroit River International Crossing or
2 a renamed successor, subsection (1) does not apply once the
3 enabling legislation goes into effect.

4 Sec. 385. (1) The department shall submit reports to the state
5 budget director, the speaker of the house, the house minority
6 leader, the senate majority leader, the senate minority leader, the
7 house and senate appropriations subcommittees on transportation,
8 and the house and senate fiscal agencies on department activities
9 related to all nonconstruction or construction planning activities
10 related to the Detroit River International Crossing or a renamed
11 successor. The initial report shall be submitted on or before
12 December 1, 2018 and shall cover the fiscal year ending September
13 30, 2018.

14 (2) The initial report shall include, at a minimum, all of the
15 following:

16 (a) Department costs incurred in the fiscal year ending
17 September 30, 2018, including employee salaries, wages, benefits,
18 travel, and contractual services, and what activities those costs
19 were related to.

20 (b) Costs of other executive branch agencies incurred in the
21 fiscal year ending September 30, 2018, including employee salaries,
22 wages, benefits, travel, and contractual services, and what
23 activities those costs were related to.

24 (c) A breakdown of the source of funds used for the activities
25 described in subdivisions (a) and (b).

26 (d) A breakdown of reimbursements made by Canada under section
27 384(1) to the state for expenditures for staff resources used in

1 connection with project activities.

2 (e) A narrative description of the status of the Detroit River
3 International Crossing or a renamed successor, including efforts
4 undertaken to implement provisions of the crossing agreement
5 executed June 15, 2012 by representatives of the Canadian
6 government and this state.

7 (3) After submission of the initial report, a subsequent
8 report shall be submitted on March 1, 2019, June 1, 2019, and
9 September 1, 2019 and shall include the same information described
10 in subsection (2) for the applicable previous fiscal quarter.

11 Sec. 386. (1) The department shall use available toll credits,
12 as provided by public and private toll facilities in this state and
13 certified by the Federal Highway Administration, to match available
14 federal highway funds.

15 (2) When using toll credits as a method of financing federal-
16 participating projects, the department shall use the toll credits
17 in the following manner:

18 (a) Federal aid projects on roads and streets under the
19 jurisdiction of local road agencies for the match portion of
20 projects with a total cumulative project cost of up to
21 \$10,000,000.00.

22 (b) Other federal aid highway projects on the state trunkline
23 system.

24 (c) Federal aid transit projects up to \$2,000,000.00.

25 (3) In implementing this section, the department shall work
26 with the metropolitan planning organizations and rural task forces
27 in this state.

1 (4) On or before December 1 of each year, the department shall
2 report to the state budget director, the house and senate
3 appropriations subcommittees on transportation, and the house and
4 senate fiscal agencies on toll credits earned in the previous
5 fiscal year and the balance of available toll credits at the end of
6 the previous fiscal year.

7 Sec. 387. (1) Within 30 days of completion of any traffic
8 study, traffic control study, or traffic mitigation study, the
9 department shall post the results of the study on the department's
10 website.

11 (2) As used in this section, the terms "traffic study",
12 "traffic control study", and "traffic mitigation study" include,
13 but are not limited to, investigations into the need for traffic
14 lights, reviews of traffic speeds and related recommendations
15 regarding speed limits, and ways to improve traffic flow during
16 peak travel times.

17 Sec. 388. (1) The department shall perform a review of the
18 performance audit standards mandated under 2012 PA 298 to determine
19 the following:

20 (a) Whether performance audits are generally performed as a
21 separate audit engagement or are included as a part of the
22 financial compliance audits required of local units of government.

23 (b) Whether performance audit procedures could be incorporated
24 into financial compliance audits required of local units of
25 government.

26 (c) The average additional cost of performance audit
27 requirements.

1 (d) The benefits of performance audit requirements.

2 (2) In performing the review required under this section, the
3 department shall consult with the Michigan department of treasury,
4 representatives of the county road commissions, representatives of
5 cities and villages, and representatives of the public accounting
6 profession.

7 (3) The department shall report on the review required under
8 this section and, on or before March 1, 2019, submit the report to
9 the state budget director, the house and senate appropriations
10 subcommittees on transportation, and the house and senate fiscal
11 agencies.

12 Sec. 389. Within 30 days of entering into a long-term
13 agreement with a private contractor, a public agency, or a
14 partnership between 1 or more private contractors or public
15 agencies, the department shall notify the state budget director,
16 the house and senate appropriations subcommittees on
17 transportation, and the house and senate fiscal agencies of the
18 agreement, including the subject of the agreement, the term of the
19 agreement, and financial obligations under the agreement. As used
20 in this section, "long-term agreement" means an agreement that
21 obligates the department for a period of 3 years or more and that
22 actually or contingently obligates the department to make payments
23 over the contract period of \$1,000,000.00 or more.

24 Sec. 390. (1) Within 30 days of the close of the fiscal year,
25 the department shall report on restricted funds and accounts. The
26 report shall include the following:

27 (a) The statutory authority for the restricted fund or

1 account.

2 (b) Revenue credited to the restricted fund or account during
3 the fiscal year.

4 (c) Expenditures made from the restricted fund or account
5 during the fiscal year.

6 (d) Balance of the restricted fund or account at the close of
7 the fiscal year, including a description of obligations or
8 restrictions to the ending balance.

9 (2) As used in this section, "restricted fund or account"
10 includes, but is not limited to, the state infrastructure bank
11 fund, the transportation economic development fund, the rail
12 freight fund, the Michigan rail infrastructure loan fund, the
13 wetland mitigation bank fund, the local bridge fund, the rail grade
14 crossing account, and the movable bridge fund.

15 (3) The reports required under this section shall be
16 transmitted to the state budget director, the house and senate
17 appropriations subcommittees on transportation, and the house and
18 senate fiscal agencies.

19 Sec. 391. The department shall not use any funds from the
20 appropriations in part 1 to perform, or to assist any other state
21 department in performing, inspections or testing of motor fuel
22 quality.

23 Sec. 393. The department shall promote best practices for
24 public transportation services in this state, including, but not
25 limited to, the following:

26 (a) Transit vehicle rehabilitation to reduce life-cycle cost
27 of public transportation through midlife rehabilitation of transit

1 buses.

2 (b) Cooperation between entities using transit, including
3 school districts, cities, townships, and counties with a view to
4 promoting cost savings through joint purchasing of fuel and other
5 procurements.

6 (c) Coordination of transportation dollars among state
7 departments which provide transit-related services, including the
8 department of health and human services. Priority should be given
9 to use of public transportation services where available.

10 (d) Promotion of intelligent transportation services for buses
11 that incorporate computer and navigation technology to make transit
12 systems more efficient, including stoplight coordinating, vehicle
13 tracking, data tracking, and computerized scheduling.

14 Sec. 394. The department and local road agencies shall make
15 the preservation of their existing road networks a funding
16 priority.

17 Sec. 395. From the funds appropriated in part 1 for state
18 trunkline federal aid road and bridge construction, the department
19 may expend up to \$10,000,000.00 on highway maintenance activities
20 to support safety-related, high-priority, and other deferred
21 routine maintenance needs on Michigan's state trunkline network.

22 Sec. 396. In soliciting proposals for contractual services,
23 other than construction contracts, the department shall obtain
24 assurance that the respondents have the financial capability,
25 equipment, work force, and prior work experience sufficient to
26 perform the proposed services.

27 Sec. 397. The department shall report annually to the house

1 and senate appropriations subcommittees and the house and senate
2 fiscal agencies all work project balances and all federal earmarks
3 not expended for the preceding fiscal year. The report shall be
4 submitted on or before February 1, 2019.

5 Sec. 398. The department shall continue to work to eliminate
6 fatalities and serious injuries on Michigan's trunkline and shall
7 maintain the Toward Zero Deaths statewide safety campaign. The
8 department shall prioritize additional median cable guardrail
9 installation when appropriate to address trunkline locations with a
10 history of correctable fatal and serious injury crashes.

11 **FEDERAL**

12 Sec. 402. A portion of the federal DOT-FHWA highway research,
13 planning, and construction funds made available to this state shall
14 be allocated to transportation programs administered by local
15 jurisdictions in accordance with section 10o of 1951 PA 51, MCL
16 247.660o. A local road agency, with respect to a project approved
17 for federal aid funding in a state transportation improvement
18 program, may enter into a voluntary buyout agreement with the
19 department or with another local road agency to exchange the
20 federal aid with state restricted transportation funds as agreed to
21 by the respective parties. The state restricted transportation
22 funds received in exchange for federal aid funds shall be used for
23 the same purpose as the federal aid funds were originally intended.

24 Sec. 403. After meeting the capital needs of existing section
25 5310 subrecipients, the department shall include in its grant
26 application to the Federal Transit Administration replacement buses

1 for rural transit agencies to the maximum extent possible based on
2 the federal regulations that govern the section 5310 program.

3 **MICHIGAN TRANSPORTATION FUND**

4 Sec. 501. The money received under the motor carrier act, 1933
5 PA 254, MCL 475.1 to 479.42, and not appropriated to the department
6 of licensing and regulatory affairs or the department of state
7 police is deposited in the Michigan transportation fund.

8 Sec. 503. (1) The funds appropriated in part 1 for the
9 economic development and local bridge programs shall not lapse at
10 the end of the fiscal year but shall carry forward each fiscal year
11 for the purposes for which appropriated in accordance with 1987 PA
12 231, MCL 247.901 to 247.913, and section 10(5) of 1951 PA 51, MCL
13 247.660.

14 (2) Interest earned in the department of transportation
15 economic development fund and local bridge fund shall remain in the
16 respective funds and shall be allocated to the respective programs
17 based on actual interest earned at the end of each fiscal year.

18 (3) In addition to the funds appropriated in part 1, the
19 department of transportation economic development fund and local
20 bridge fund may receive federal, local, or private funds or
21 restricted source funds such as interest earnings. These funds are
22 appropriated for projects that are consistent with the purposes of
23 the respective funds.

24 (4) None of the funds statutorily dedicated to the
25 transportation economic development fund and local bridge fund
26 shall be diverted to other projects.

1 Sec. 504. Funds from the Michigan transportation fund shall be
2 distributed to the comprehensive transportation fund, the economic
3 development fund, the recreation improvement fund, and the state
4 trunkline fund, in accordance with this part and part 1 and part
5 711 of the natural resources and environmental protection act, 1994
6 PA 451, MCL 324.71101 to 324.71108, and may only be used as
7 specified in this part and part 1, 1951 PA 51, MCL 247.651 to
8 247.675, and part 711 of the natural resources and environmental
9 protection act, 1994 PA 451, MCL 324.71101 to 324.71108.

10 **STATE TRUNKLINE FUND**

11 Sec. 601. The department shall maintain documentation to
12 support initial acceptance of warrantied projects, interim and
13 final inspections, and notifications to contractors that the
14 warranty period had expired. The department also shall review and
15 evaluate consultant evaluation requirements or recommendations and
16 update existing policies and procedures accordingly.

17 Sec. 604. At the close of the fiscal year, any unencumbered
18 and unexpended balance in the state trunkline fund shall remain in
19 the state trunkline fund and shall carry forward and is
20 appropriated for federal aid road and bridge programs for projects
21 contained in the annual state transportation program.

22 Sec. 605. (1) From the funds appropriated in part 1, the
23 department shall support flooding mitigation-related activities on
24 limited access state trunklines in Wayne, Oakland, and Macomb
25 Counties.

26 (2) The department shall report on specific outcomes and

1 performance measures, including, but not limited to, the following:

2 (a) Number of drainage catch basins cleaned on limited-access
3 state trunklines in Wayne, Oakland, and Macomb Counties during the
4 fiscal year ending September 30, 2019.

5 (b) Number of flooding-related closures on limited-access
6 state trunklines in Wayne, Oakland, and Macomb Counties during the
7 fiscal year ending September 30, 2019.

8 Sec. 610. The department shall have as a priority the removal
9 of dead deer and other large animal remains from the traveled
10 portion and shoulder of state highways. The department, and
11 counties that perform state highway maintenance under contract,
12 shall remove animal remains, wherever practicable and when funds
13 are available, away from the traveled portion and shoulder of state
14 highways.

15 Sec. 612. The department shall establish guidelines governing
16 incentives and disincentives provided under contracts for state
17 trunkline projects. The guidelines shall include specific financial
18 information concerning incentives and disincentives. On or before
19 January 1 of each year, the department shall prepare a report for
20 the immediately preceding fiscal year regarding contract incentives
21 and disincentives. This report shall include a list, by project, of
22 the contractors that received contract incentives and/or
23 disincentives, the amount of the incentives and/or disincentives,
24 the fund source of any incentives, and the number of days that each
25 project was completed either ahead or past the contracted
26 completion date. This report shall be provided to the senate and
27 house appropriations subcommittees on transportation, the senate

1 and house standing committees on transportation, and the senate and
2 house fiscal agencies.

3 Sec. 613. (1) On or before February 1 of each year, the
4 department shall prepare a report on all capital federal aid
5 participating construction projects completed in the prior fiscal
6 year. The report shall include the following information:

7 (a) Location of the project.

8 (b) General description of the project.

9 (c) As-bid cost of the project.

10 (d) As-built cost of the project.

11 (e) Estimated completion date.

12 (f) Actual completion date.

13 (g) Whether design engineering was performed by department
14 staff or contract engineering consultants.

15 (h) Design engineering costs.

16 (i) Whether construction engineering was performed by
17 department staff or contract engineering consultants.

18 (j) Construction engineering costs.

19 (k) Design life.

20 (2) The report shall include a discussion of design
21 engineering and construction engineering costs as a proportion of
22 total project costs and in comparison with other state
23 transportation agencies. The report shall also include a discussion
24 of relative efficiency and effectiveness of work performed by
25 department staff and work performed by contract engineering
26 consultants.

27 (3) The report described in this section shall be provided to

1 the senate and house appropriations subcommittees on
2 transportation, the senate and house standing committees on
3 transportation, and the senate and house fiscal agencies.

4 Sec. 660. (1) The legislature encourages the department to
5 examine the use of alternative road surface materials, including
6 recycled materials, and to develop criteria and specifications for
7 their use in both department-managed and contracted projects.

8 (2) The department shall report on efforts taken to implement
9 this section. The report shall include descriptions of specific
10 materials evaluated, evaluation methods, and results of specific
11 field or laboratory tests. The department shall complete and submit
12 the report to the state budget director, the house and senate
13 appropriations subcommittees on transportation, and the house and
14 senate fiscal agencies on or before March 1 of each year.

15 Sec. 670. (1) The department shall investigate, by way of bid
16 solicitation and all other practical means, the complete
17 refurbishment of all department winter maintenance trucks scheduled
18 for sale or retirement in the fiscal year ending September 30,
19 2019.

20 (2) On or before November 1, 2019, the department shall submit
21 to the house of representatives and senate appropriations
22 subcommittees and the house and senate fiscal agencies a final
23 report. The final report must include an analysis illustrating the
24 costs and benefits of the complete refurbishment of winter
25 maintenance trucks compared to the sale and purchase of new
26 equipment.

1 TRANSIT AND RAIL RELATED FUNDS

2 Sec. 701. The department shall establish an intercity bus
3 equipment and facility fund as a subsidiary fund within the
4 comprehensive transportation fund created under section 10b of 1951
5 PA 51, MCL 247.660b. Proceeds received by this state from the sale
6 of state-owned intercity bus equipment shall be credited to the
7 intercity bus equipment and facility fund for the purchase and
8 repair of intercity bus equipment, as appropriated. Security
9 deposits not returned to a lessee of state-owned intercity bus
10 equipment under terms of the lease agreement shall be credited to
11 the intercity bus equipment and facility fund for the repair of
12 intercity bus equipment, as appropriated. Money received by the
13 department from lease payments for state-owned intercity bus
14 equipment, and facility maintenance charges under terms of leases
15 of state-owned intercity facilities, shall be credited to the
16 intercity bus equipment and facility fund for the purchase and
17 repair of intercity bus equipment or for the maintenance and
18 rehabilitation of state-owned intercity facilities, as
19 appropriated. At the close of the fiscal year, any funds remaining
20 in the intercity bus equipment and facility fund shall remain in
21 the fund and be carried forward into the succeeding fiscal year.

22 Sec. 702. Money that is received by this state as repayment
23 for loans made for rail or water freight capital projects, and as a
24 result of the sale of property or equipment used or projected to be
25 used for rail or water freight projects shall be deposited in the
26 rail freight fund created by section 17 of the state transportation
27 preservation act of 1976, 1976 PA 295, MCL 474.67. At the close of

1 the fiscal year, any funds remaining in the rail freight fund shall
2 remain in the fund and be carried forward into the succeeding
3 fiscal year.

4 Sec. 703. After receiving notification from a railroad company
5 pursuant to section 8 of the state transportation preservation act
6 of 1976, 1976 PA 295, MCL 474.58, the department shall immediately
7 notify the house of representatives and senate appropriations
8 subcommittees on transportation and the state budget office that
9 the railroad company has filed with the appropriate governmental
10 agencies for abandonment of a line.

11 Sec. 704. From the funds appropriated in part 1, the
12 department shall prepare and transmit a report that provides detail
13 regarding the department's obligations for programs funded under
14 the appropriation in part 1 for rail operations and infrastructure.
15 The report shall include a breakdown of the appropriation by
16 program, year-to-date obligations under each program itemized by
17 project, and an estimate of future obligations under each program
18 itemized by project for the remainder of the fiscal year. The
19 initial report shall be submitted to the senate and house
20 appropriations subcommittees on transportation, the state budget
21 director, and the senate and house fiscal agencies, on or before
22 February 1, 2019. The department also shall update and resubmit the
23 final report on or before November 1, 2019. The department also
24 shall update and resubmit the final report for the 2017-2018 fiscal
25 year on or before November 1, 2018.

26 Sec. 706. The Detroit/Wayne County Port Authority shall issue
27 a complete operations assessment and a financial disclosure

1 statement. The operations assessment shall include operational
2 goals for the next 5 years and recommendations to improve land
3 acquisition and development efficiency. The report shall be
4 completed and submitted to the house of representatives and senate
5 appropriations subcommittees on transportation, the state budget
6 director, and the house and senate fiscal agencies by June 30 of
7 each fiscal year for the prior fiscal year.

8 Sec. 711. (1) As prescribed in subsection (2), the department
9 shall submit reports to the state budget director, the house and
10 senate appropriations subcommittees on transportation, and the
11 house and senate fiscal agencies on rail passenger service provided
12 by Amtrak under a contractual agreement with the department. The
13 report shall be submitted on or before May 1 of each year.

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

15 (a) Passenger counts for the preceding fiscal year for each
16 Amtrak service route in Michigan.

17 (b) Revenue and operating expenses by Amtrak route.

18 (c) Total state operating payments to Amtrak in the preceding
19 fiscal year by Amtrak route.

20 (d) A discussion of major factors affecting route costs and
21 revenue and net state costs in the preceding fiscal year, and
22 factors affecting route costs and revenue and net state costs
23 anticipated in the current and future fiscal years.

24 (e) Fare revenue by route and fare revenue as a percentage of
25 route operating expense.

26 Sec. 735. For the fiscal year ending September 30, 2019, the
27 appropriation to a street railway pursuant to section 10e(22) of

1 1951 PA 51, MCL 247.660e, is \$0.

2 Sec. 750. From the funds appropriated in part 1 for rail
3 freight economic development, the department must expend at least
4 \$2,500,000.00 of the comprehensive transportation fund on freight
5 economic development.

6 **AERONAUTICS FUND**

7 Sec. 801. Except as otherwise provided in section 903 of this
8 part for capital outlay, at the close of the fiscal year, any
9 unobligated and unexpended balance in the state aeronautics fund
10 created in the aeronautics code of the state of Michigan, 1945 PA
11 327, MCL 259.1 to 259.208, shall lapse to the state aeronautics
12 fund and be appropriated by the legislature in the immediately
13 succeeding fiscal year.

14 Sec. 802. The legislature encourages the department to find
15 private entities or local public agencies to assume ownership and
16 operating responsibility for airports currently owned by the
17 department.

18 Sec. 803. (1) Not later than November 1, 2018, the department,
19 in cooperation with the department of technology, management, and
20 budget, shall release a request for proposal seeking competitive
21 bids for the award of a contract for third party management and
22 sale of the department's aging aircraft. Third party management
23 shall include, but not be limited to: aircraft transportation
24 services, aircraft, aircraft personnel including pilots and
25 technicians, aircraft maintenance, aircraft facilities, and
26 aircraft fuel.

1 (2) The department shall forward a copy of the request for
2 proposal to the chairs of the house of representatives and senate
3 appropriations subcommittees on transportation at least 30 days
4 prior to the release for bidding of the request for proposal.

5 Sec. 804. The department shall not expend funds from the
6 appropriation in part 1, air fleet operations and maintenance, if
7 the department owns 5 or more aircraft. The department shall notify
8 the state budget director, the house and senate appropriations
9 subcommittees on transportation, and the house and senate fiscal
10 agencies when it owns 4 aircraft or fewer.

11 **CAPITAL OUTLAY**

12 Sec. 901. (1) From federal-state-local project appropriations
13 contained in part 1 for the purpose of assisting political entities
14 and subdivisions of this state in the construction and improvement
15 of publicly used airports and landing fields within this state, the
16 state transportation department may permit the award of contracts
17 on behalf of units of local government for the authorized locations
18 not to exceed the indicated amounts, of which the state allocated
19 portion shall not exceed the amount appropriated in part 1.

20 (2) Political entities and subdivisions shall provide not less
21 than 5% of the cost of any project under this section, unless a
22 total nonfederal share greater than 10% is otherwise specified in
23 federal law. State money shall not be allocated until local money
24 is allocated. State money for any 1 project shall not exceed 1/3 of
25 the total appropriation in part 1 from state funds for airport
26 improvement programs.

1 (3) The Michigan aeronautics commission may take those steps
2 necessary to match federal money available for airport construction
3 and improvement within this state and to meet the matching
4 requirements of the federal government. Whether acting alone or
5 jointly with another political subdivision or public agency or with
6 this state, a political subdivision or public agency of this state
7 shall not submit to any agency of the federal government a project
8 application for airport planning or development unless it is
9 authorized in this part and part 1 and the project application is
10 approved by the governing body of each political subdivision or
11 public agency making the application and by the Michigan
12 aeronautics commission.

13 Sec. 903. The appropriations in part 1 for capital outlay
14 shall be carried forward at the end of the fiscal year consistent
15 with the provisions of section 248 of the management and budget
16 act, 1984 PA 431, MCL 18.1248.