

DRAFT 1
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 September 30, 2019, from the following funds:



1 **DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT**

2 APPROPRIATION SUMMARY

3	Full-time equated unclassified positions	6.0	
4	Full-time equated classified positions	502.5	
5	GROSS APPROPRIATION		\$ 102,968,100
6	Interdepartmental grant revenues:		
7	IDG from LARA (LCC), liquor quality testing fees		223,700
8	IDG from MDEQ, biosolids		90,200
9	Total interdepartmental grants and intradepartmental		
10	transfers.....		313,900
11	ADJUSTED GROSS APPROPRIATION		\$ 102,654,200
12	Federal revenues:		
13	Department of interior		238,800
14	EPA, multiple grants		1,277,300
15	HHS, multiple grants		4,140,500
16	USDA, multiple grants		6,118,600
17	Total federal revenues		11,775,200
18	Special revenue funds:		
19	Private - commodity group revenue		80,500
20	Private - slow-the-spread foundation		21,300
21	Total private revenues		101,800
22	Agricultural preservation fund		1,442,500
23	Agriculture equine industry development fund		3,667,200
24	Agriculture licensing and inspection fees		4,110,200
25	Animal welfare fund.....		150,000
26	Commodity inspection fees		650,000
27	Consumer and industry food safety education fund		356,500



1	Dairy and food safety fund	5,978,900
2	Feed control fund	1,305,400
3	Fertilizer control fund	1,095,600
4	Freshwater protection fund	7,940,700
5	Gasoline inspection and testing fund	1,444,400
6	Grain dealers fee fund	589,800
7	Horticulture fund	40,000
8	Industry support funds	486,100
9	Migratory labor housing fund	169,100
10	Nonretail liquor fees	917,200
11	Private forestland enhancement fund	481,500
12	Refined petroleum fund	3,316,800
13	Rural development fund	2,004,600
14	Testing fees	200,000
15	Weights and measures regulation fees	725,500
16	Total other state restricted revenues	37,072,000
17	State general fund/general purpose	\$ 53,705,200
18	Sec. 102. DEPARTMENTWIDE	
19	Full-time equated unclassified positions 6.0	
20	Full-time equated classified positions 24.0	
21	Unclassified positions--6.0 FTE positions	\$ 573,500
22	Accounting service center	1,164,200
23	Commissions and boards	23,800
24	Emergency management--4.0 FTE positions	1,093,300
25	Executive direction--20.0 FTE positions	2,561,900
26	Property management	<u>705,700</u>
27	GROSS APPROPRIATION	\$ 6,122,400



1	Appropriated from:	
2	Federal revenues:	
3	HHS, multiple grants	438,100
4	Special revenue funds:	
5	Agricultural preservation fund	16,600
6	Agriculture licensing and inspection fees	127,500
7	Freshwater protection fund	24,500
8	Industry support funds	54,300
9	Nonretail liquor fees	31,000
10	State general fund/general purpose	\$ 5,430,400
11	Sec. 103. INFORMATION AND TECHNOLOGY	
12	Information technology services and projects	\$ <u>1,794,500</u>
13	GROSS APPROPRIATION	\$ 1,794,500
14	Appropriated from:	
15	Interdepartmental grant revenues:	
16	IDG from LARA (LCC), liquor quality testing fees	3,200
17	Special revenue funds:	
18	Agricultural preservation fund	200
19	Agriculture licensing and inspection fees	93,800
20	Dairy and food safety fund	61,200
21	Freshwater protection fund	100
22	Gasoline inspection and testing fund	31,800
23	Nonretail liquor fees	500
24	State general fund/general purpose	\$ 1,603,700
25	Sec. 104. FOOD AND DAIRY	
26	Full-time equated classified positions	134.0
27	Food safety and quality assurance--96.0 FTE positions	\$ 16,602,900



1	Milk safety and quality assurance--38.0 FTE positions		<u>5,739,900</u>
2	GROSS APPROPRIATION	\$	22,342,800
3	Appropriated from:		
4	Federal revenues:		
5	HHS, multiple grants		2,398,600
6	USDA, multiple grants		137,100
7	Special revenue funds:		
8	Consumer and industry food safety education fund		356,500
9	Dairy and food safety fund		5,421,500
10	State general fund/general purpose	\$	14,029,100
11	Sec. 105. ANIMAL INDUSTRY		
12	Full-time equated classified positions	61.0	
13	Animal agriculture initiative	\$	400,000
14	Animal disease prevention and response--61.0 FTE		
15	positions.....		9,356,900
16	Indemnification - livestock depredation		<u>50,000</u>
17	GROSS APPROPRIATION	\$	9,806,900
18	Appropriated from:		
19	Federal revenues:		
20	Department of interior		40,800
21	HHS, multiple grants		46,600
22	USDA, multiple grants		530,600
23	Special revenue funds:		
24	Private - commodity group revenue		30,500
25	Agriculture licensing and inspection fees		70,300
26	Animal welfare fund		150,000
27	State general fund/general purpose	\$	8,938,100



1	Sec. 106. PESTICIDE AND PLANT PEST MANAGEMENT	
2	Full-time equated classified positions.....	93.0
3	Pesticide and plant pest management--87.0 FTE	
4	positions.....	\$ 13,772,700
5	Producer security/grain dealers--6.0 FTE positions ...	<u>628,200</u>
6	GROSS APPROPRIATION	\$ 14,400,900
7	Appropriated from:	
8	Federal revenues:	
9	Department of interior	101,700
10	EPA, multiple grants	543,000
11	HHS, multiple grants	325,300
12	USDA, multiple grants	716,900
13	Special revenue funds:	
14	Private - slow-the-spread foundation	21,300
15	Agriculture licensing and inspection fees	3,481,900
16	Commodity inspection fees	648,900
17	Feed control fund.....	1,116,200
18	Fertilizer control fund.....	1,071,600
19	Freshwater protection fund.....	156,200
20	Grain dealers fee fund.....	581,800
21	Horticulture fund.....	40,000
22	Industry support funds	251,400
23	State general fund/general purpose	\$ 5,344,700
24	Sec. 107. ENVIRONMENTAL STEWARDSHIP	
25	Full-time equated classified positions.....	65.5
26	Environmental stewardship - MAEAP--25.0 FTE positions	\$ 10,191,200
27	Farmland and open space preservation--10.0 FTE	



1	positions.....	1,545,000
2	Intercounty drain--6.0 FTE positions	811,900
3	Migrant labor housing--9.0 FTE positions	1,231,100
4	Qualified forest program--9.0 FTE positions	2,190,000
5	Right-to-farm--6.5 FTE positions	964,000
6	Watershed phosphorus removal pilot project	120,000
7	Groundwater mapping	100
8	GROSS APPROPRIATION	\$ 17,053,300
9	Appropriated from:	
10	Interdepartmental grant revenues:	
11	IDG from MDEQ, biosolids	90,200
12	Federal revenues:	
13	Department of interior	96,300
14	EPA, multiple grants	560,500
15	USDA, multiple grants	822,300
16	Special revenue funds:	
17	Agricultural preservation fund	1,425,700
18	Freshwater protection fund	7,714,900
19	Migratory labor housing fund	140,100
20	Private forestland enhancement fund	481,500
21	State general fund/general purpose	\$ 5,721,800
22	Sec. 108. LABORATORY PROGRAM	
23	Full-time equated classified positions	108.0
24	Central licensing and customer call center--12.0 FTE	
25	positions.....	\$ 1,338,200
26	Consumer protection program--41.0 FTE positions	6,790,600
27	Laboratory services--42.0 FTE positions	7,141,500



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



1	Grape and wine program--3.0 FTE positions	934,800
2	Rural development fund grant program--1.0 FTE	
3	position.....	2,004,600
4	ACRE agriculture incubator	<u>260,000</u>
5	GROSS APPROPRIATION	\$ 10,452,500
6	Appropriated from:	
7	Federal revenues:	
8	USDA, multiple grants	2,273,200
9	Special revenue funds:	
10	Private - commodity group revenue	50,000
11	Industry support funds	180,400
12	Nonretail liquor fees	885,700
13	Rural development fund	2,004,600
14	State general fund/general purpose	\$ 5,058,600
15	Sec. 110. FAIRS AND EXPOSITIONS	
16	County fairs, shows, and exhibitions	\$ 419,900
17	Michigan festivals	100
18	Fairs and racing	256,600
19	Licensed tracks - light horse racing	40,300
20	Light horse racing - breeders' awards	20,000
21	Purses and supplements - fairs/licensed tracks	708,300
22	Standardbred breeders' awards	345,900
23	Standardbred purses and supplements - licensed tracks	671,800
24	Standardbred sire stakes	275,000
25	Thoroughbred breeders' awards	368,600
26	Thoroughbred sire stakes	378,800
27	Thoroughbred supplements - licensed tracks	<u>601,900</u>



1	GROSS APPROPRIATION	\$	4,087,200
2	Appropriated from:		
3	Special revenue funds:		
4	Agriculture equine industry development fund		3,667,200
5	State general fund/general purpose	\$	420,000

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 fiscal year 2018-2019 is \$110,777,200.00 and state
13 spending from state sources to be paid to local units of government
14 for fiscal year 2018-2019 is \$6,350,000.00. The itemized statement
15 below identifies appropriations from which spending to local units
16 of government will occur:

DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT

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

22 Sec. 202. The appropriations authorized under part 1 and this
23 part are subject to the management and budget act, 1984 PA 431, MCL
24 18.1101 to 18.1594.

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



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

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

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

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

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

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

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

13 (h) "IDG" means interdepartmental grant.

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

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

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

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

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

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

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

26 (p) "TB" means tuberculosis.

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



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

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

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

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



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

7 (a) The dates of each travel occurrence.

8 (b) The 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 of
26 representatives standing committees on appropriations and the
27 senate and house fiscal agencies.



1 Sec. 210. (1) In addition to the funds appropriated in part 1,
2 there is appropriated an amount not to exceed \$5,000,000.00 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 \$6,000,000.00 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 \$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. 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 each department or agency:

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

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

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

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

9 (e) Job specifications and wage rates.

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

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

22 Sec. 214. Total authorized appropriations from all sources
23 under part 1 for legacy costs for the fiscal year ending September
24 30, 2019 is \$12,428,400.00. From this amount, total agency
25 appropriations for pension-related legacy costs are estimated at
26 \$5,729,700.00. Total agency appropriations for retiree health care
27 legacy costs are estimated at \$6,698,700.00.



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

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

10 **DEPARTMENTAL ADMINISTRATION AND SUPPORT**

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

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

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

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

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

22 (2) The department may receive and expend revenue from the
23 fees authorized under subsection (1), subject to appropriation, for
24 the purpose of recovering expenses associated with the work
25 activities and services described in subsection (1). Fee revenue
26 collected by the department under subsection (1) shall not lapse to



1 the state general fund at the end of the fiscal year but shall
2 carry forward for appropriation by the legislature in the
3 subsequent fiscal year.

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

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

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

25 (2) The department shall provide notice of contracts or grants
26 authorized under this section to the subcommittees, the fiscal
27 agencies, and the state budget office not later than 7 days before



1 the department notifies contract or grant recipients.

2 **FOOD AND DAIRY**

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

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

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

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



1 **ANIMAL INDUSTRY**

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

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

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

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

25 (a) The reason for the indemnification.

26 (b) The amount of the indemnification.

27 (3) From the funds appropriated in part 1 for indemnification



1 - livestock depredation, the department shall make indemnification
2 payments for livestock killed by a wolf, coyote, or cougar pursuant
3 to the wildlife depredations indemnification act, 2012 PA 487, MCL
4 285.361 to 285.365.

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

9 (a) The reason for the indemnification.

10 (b) The amount of the indemnification.

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

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

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

20 (2) For each fiscal quarter following the report required in
21 subsection (1), the department shall provide an update to the
22 subcommittees, the fiscal agencies, and the state budget office.
23 The quarterly update reports shall identify significant impacts to
24 the program, including new incidence of bovine TB in this state,
25 department activity associated with specific new incidence of
26 bovine TB, any changes in USDA requirements or movement orders, and
27 information and data on wildlife risk mitigation plan



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

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

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

23 Sec. 462. From the funds appropriated in part 1 for animal
24 disease prevention and response, not to exceed \$20,000.00, the
25 department shall establish a grant program to assist in the
26 construction of protective systems for apiaries. The department may
27 make grants under this program to reimburse apiary owners for costs



1 of projects designed to protect apiaries from damage by wildlife,
2 subject to all of the following:

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

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

7 **PESTICIDE AND PLANT PEST MANAGEMENT**

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

13 **ENVIRONMENTAL STEWARDSHIP**

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

21 Sec. 602. The department shall report on the previous calendar
22 year's activities of the environmental stewardship division. The
23 report shall be transmitted to the subcommittees, the fiscal
24 agencies, and the state budget office and posted to the
25 department's website on or before April 1 of each year.



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

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

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

16 **LABORATORY PROGRAM**

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

22 **AGRICULTURE DEVELOPMENT**

23 Sec. 701. (1) From the funds appropriated in part 1 for the
24 food and agriculture investment program, the department shall
25 establish and administer a food and agriculture investment program.



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

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

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

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

27 (6) The food and agriculture investment program shall be



1 administered by the department and provide support for food and
2 agriculture projects that will enable growth in the industry and
3 this state's economy.

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

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

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

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

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

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

21 (a) Grants.

22 (b) Loans or loan guarantees.

23 (c) Infrastructure development.

24 (d) Other economic assistance.

25 (e) Program administration.

26 (f) Export assistance.

27 (9) The department shall expend no more than 10% from the



1 funds appropriated in part 1 for the food and agriculture
2 investment program for administrative purposes.

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

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

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

16 (a) The name of the grantee.

17 (b) The amount of the grant.

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

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

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

22 Sec. 709. (1) Not later than April 1 of the current fiscal
23 year, the department shall provide a report to the subcommittees,
24 fiscal agencies, and the state budget office describing the
25 activities of the grape and wine industry council established under
26 section 303 of the Michigan liquor control code of 1998, 1998 PA
27 58, MCL 436.1303.



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

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

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

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

10 **FAIRS AND EXPOSITIONS**

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

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

23 Sec. 804. It is the intent of the legislature that the
24 Michigan gaming control board shall use actual expenditure data in
25 determining the actual regulatory costs of conducting racing dates
26 and shall provide that data to the senate and house of



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

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

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

27 (b) Provide financial support, promotion, prizes, and premiums



1 of equine, livestock, and other agricultural commodity expositions
2 in the state.

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

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

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

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

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

27 (7) The unexpended portion of the county fairs, shows, and



1 expositions grants is considered a work project appropriation in
 2 accordance with section 451a of the management and budget act, 1984
 3 PA 431, MCL 18.1451a. The following apply to the project:

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

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

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

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

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

19 ARTICLE V
 20 DEPARTMENT OF CORRECTIONS
 21 PART 1
 22 LINE-ITEM APPROPRIATIONS

23 Sec. 101. There is appropriated for the department of
 24 corrections for the fiscal year ending September 30, 2019, from the
 25 following funds:



1	DEPARTMENT OF CORRECTIONS		
2	APPROPRIATION SUMMARY		
3	Average population	39,342	
4	Full-time equated unclassified positions	16.0	
5	Full-time equated classified positions	13,951.2	
6	GROSS APPROPRIATION		\$ 2,017,125,100
7	Interdepartmental grant revenues:		
8	Total interdepartmental grants and intradepartmental		
9	transfers.....		0
10	ADJUSTED GROSS APPROPRIATION		\$ 2,017,125,100
11	Federal revenues:		
12	Total federal revenues		5,315,200
13	Special revenue funds:		
14	Total local revenues		8,960,100
15	Total private revenues		0
16	Total other state restricted revenues		40,939,600
17	State general fund/general purpose		\$ 1,961,910,200
18	Sec. 102. DEPARTMENTAL ADMINISTRATION AND SUPPORT		
19	Full-time equated unclassified positions	16.0	
20	Full-time equated classified positions	322.0	
21	Unclassified salaries--16.0 FTE positions		\$ 1,884,600
22	Administrative hearings officers		3,266,100
23	Budget and operations administration--240.0 FTE		
24	positions.....		32,971,300
25	Compensatory buyout and union leave bank		100
26	County jail reimbursement program		15,064,600
27	Equipment and special maintenance		1,559,700



1	Executive direction--20.0 FTE positions	4,298,200
2	Judicial data warehouse user fees	50,600
3	New custody staff training	9,527,600
4	Prison industries operations--62.0 FTE positions	9,989,700
5	Property management	2,413,100
6	Prosecutorial and detainer expenses	4,551,000
7	Sheriffs' coordinating and training office	100,000
8	Worker's compensation	<u>10,613,000</u>
9	GROSS APPROPRIATION	\$ 96,289,600
10	Appropriated from:	
11	Federal revenues:	
12	DOJ, prison rape elimination act grant	674,700
13	Special revenue funds:	
14	Correctional industries revolving fund	9,989,700
15	Correctional industries revolving fund 110	616,700
16	Jail reimbursement program fund	5,900,000
17	Local corrections officer training fund	100,000
18	Program and special equipment fund	100
19	State general fund/general purpose	\$ 79,008,400
20	Sec. 103. OFFENDER SUCCESS ADMINISTRATION	
21	Full-time equated classified positions	339.4
22	Community corrections comprehensive plans and services \$	12,058,000
23	Education/skilled trades/career readiness programs--	
24	270.4 FTE positions	40,109,700
25	Felony drunk driver jail reduction and community	
26	treatment program	1,440,100
27	Goodwill Flip the Script	1,500,000



1	Offender success federal grants	751,000
2	Offender success community partners	14,500,000
3	Offender success programming	11,772,800
4	Public safety initiative	4,000,000
5	Offender success services--69.0 FTE positions	15,145,700
6	Residential probation diversions	<u>16,325,500</u>
7	GROSS APPROPRIATION	\$ 117,602,800
8	Appropriated from:	
9	Federal revenues:	
10	DOJ, prisoner reintegration	751,000
11	Federal education funding	1,536,300
12	Special revenue funds:	
13	Program and special equipment fund	10,213,200
14	State general fund/general purpose	\$ 105,102,300
15	Sec. 104. FIELD OPERATIONS ADMINISTRATION	
16	Full-time equated classified positions	2,182.6
17	Criminal justice reinvestment	\$ 5,498,400
18	Detroit Detention Center--66.1 FTE positions	8,685,100
19	Detroit Reentry Center--236.0 FTE positions	29,989,600
20	Field operations--1,849.5 FTE positions	215,083,300
21	Parole board operations--31.0 FTE positions	3,727,300
22	Parole/probation services	940,000
23	Residential alternative to prison program	1,500,000
24	Substance abuse parole certain sanction program	1,440,000
25	Supervising region incentive program	<u>1,000,000</u>
26	GROSS APPROPRIATION	\$ 267,863,700
27	Appropriated from:	



1	Special revenue funds:	
2	Local - community tether program reimbursement	275,000
3	Local revenues	8,685,100
4	Parole and probation oversight fees	4,000,000
5	Parole and probation oversight fees set-aside	940,000
6	Reentry center offender reimbursements	10,000
7	Tether program participant contributions	2,630,500
8	State general fund/general purpose	\$ 251,323,100
9	Sec. 105. CORRECTIONAL FACILITIES ADMINISTRATION	
10	Full-time equated classified positions	654.0
11	Central records--38.0 FTE positions	\$ 4,446,300
12	Correctional facilities administration--24.0 FTE	
13	positions.....	5,010,700
14	Housing inmates in federal institutions	511,000
15	Inmate housing fund.....	100
16	Inmate legal services	490,900
17	Leased beds and alternatives to leased beds	100
18	Prison food service--352.0 FTE positions	70,770,800
19	Prison store operations--33.0 FTE positions	3,282,600
20	Public works programs	1,000,000
21	Transportation--207.0 FTE positions	<u>26,768,000</u>
22	GROSS APPROPRIATION	\$ 112,280,500
23	Appropriated from:	
24	Federal revenues:	
25	DOJ-BOP, federal prisoner reimbursement	411,000
26	SSA-SSI, incentive payment	272,000
27	Special revenue funds:	



1	Correctional industries revolving fund 110	573,900
2	Public works user fees	1,000,000
3	Resident stores	3,282,600
4	State general fund/general purpose	\$ 106,741,000
5	Sec. 106. HEALTH CARE	
6	Full-time equated classified positions	1,461.1
7	Clinical complexes--1,047.1 FTE positions	\$ 147,596,100
8	Health care administration--20.0 FTE positions	3,775,800
9	Healthy Michigan plan administration--12.0 FTE	
10	positions.....	1,124,700
11	Hepatitis C treatment	6,735,500
12	Interdepartmental grant to health and human services,	
13	eligibility specialists.....	119,700
14	Mental health services and support--376.0 FTE	
15	positions.....	46,213,700
16	Prisoner health care services	86,076,400
17	Substance abuse testing and treatment services--6.0	
18	FTE positions.....	20,886,600
19	Vaccination program	<u>691,200</u>
20	GROSS APPROPRIATION	\$ 313,219,700
21	Appropriated from:	
22	Federal revenues:	
23	DOJ, Office of Justice Programs, RSAT	250,200
24	Federal revenues and reimbursements	385,200
25	Special revenue funds:	
26	Prisoner health care copayments	257,200
27	State general fund/general purpose	\$ 312,327,100



1	Sec. 107. CORRECTIONAL FACILITIES	
2	Average population.....	39,342
3	Full-time equated classified positions.....	8,992.1
4	Alger Correctional Facility - Munising--259.0 FTE	
5	positions.....	\$ 31,189,400
6	Baraga Correctional Facility - Baraga--293.8 FTE	
7	positions.....	36,021,600
8	Bellamy Creek Correctional Facility - Ionia--391.2 FTE	
9	positions.....	45,003,600
10	Carson City Correctional Facility - Carson City--424.4	
11	FTE positions.....	49,613,500
12	Central Michigan Correctional Facility - St. Louis--	
13	387.6 FTE positions.....	47,009,300
14	Charles E. Egeler Correctional Facility - Jackson--	
15	387.6 FTE positions.....	46,801,100
16	Chippewa Correctional Facility - Kincheloe--445.6 FTE	
17	positions.....	52,230,000
18	Cooper Street Correctional Facility - Jackson--262.1	
19	FTE positions.....	30,325,000
20	Earnest C. Brooks Correctional Facility - Muskegon--	
21	245.2 FTE positions.....	30,604,700
22	G. Robert Cotton Correctional Facility - Jackson--	
23	393.0 FTE positions.....	45,634,700
24	Gus Harrison Correctional Facility - Adrian--443.6 FTE	
25	positions.....	50,857,600
26	Ionia Correctional Facility - Ionia--287.3 FTE	
27	positions.....	34,886,000



1	Kinross Correctional Facility - Kincheloe--256.6 FTE	
2	positions.....	33,008,100
3	Lakeland Correctional Facility - Coldwater--276.4 FTE	
4	positions.....	33,619,700
5	Macomb Correctional Facility - New Haven--292.8 FTE	
6	positions.....	35,285,600
7	Marquette Branch Prison - Marquette--319.7 FTE	
8	positions.....	38,697,200
9	Michigan Reformatory - Ionia--318.7 FTE positions	36,034,000
10	Muskegon Correctional Facility - Muskegon--206.0 FTE	
11	positions.....	26,109,600
12	Newberry Correctional Facility - Newberry--198.1 FTE	
13	positions.....	24,673,000
14	Oaks Correctional Facility - Eastlake--289.4 FTE	
15	positions.....	34,862,600
16	Ojibway Correctional Facility - Marenisco--201.1 FTE	
17	positions.....	23,747,300
18	Parnall Correctional Facility - Jackson--264.1 FTE	
19	positions.....	29,475,600
20	Richard A. Handlon Correctional Facility - Ionia--	
21	252.7 FTE positions.....	30,762,400
22	Saginaw Correctional Facility - Freeland--275.9 FTE	
23	positions.....	33,835,800
24	Special Alternative Incarceration Program - Cassidy	
25	Lake--120.0 FTE positions.....	14,179,300
26	St. Louis Correctional Facility - St. Louis--302.6 FTE	
27	positions.....	37,907,700



1	Thumb Correctional Facility - Lapeer--283.6 FTE	
2	positions.....	33,809,700
3	Womens Huron Valley Correctional Complex - Ypsilanti--	
4	504.1 FTE positions.....	60,568,400
5	Woodland Correctional Facility - Whitmore Lake--277.9	
6	FTE positions.....	33,169,100
7	Northern region administration and support--43.0 FTE	
8	positions.....	4,336,300
9	Southern region administration and support--89.0 FTE	
10	positions.....	20,430,900
11	Facility closure	<u>(16,031,100)</u>
12	GROSS APPROPRIATION	\$ 1,068,657,700
13	Appropriated from:	
14	Federal revenues:	
15	DOJ, state criminal assistance program	1,034,800
16	Special revenue funds:	
17	State restricted fees, revenues, and reimbursements ..	102,100
18	State general fund/general purpose	\$ 1,067,520,800
19	Sec. 108. INFORMATION TECHNOLOGY	
20	Information technology services and projects	\$ <u>30,583,400</u>
21	GROSS APPROPRIATION	\$ 30,583,400
22	Appropriated from:	
23	Special revenue funds:	
24	Correctional industries revolving fund 110	178,600
25	Parole and probation oversight fees set-aside	701,000
26	Program and special equipment fund	444,000
27	State general fund/general purpose	\$ 29,259,800



1	Prosecutorial and detainer expenses	4,551,000
2	Public safety initiative	4,000,000
3	Residential alternative to prison program	1,500,000
4	Residential probation diversions	<u>16,325,500</u>
5	TOTAL.....	\$ 120,319,600

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

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

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

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

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



1 (xii) Mental health services and support.

2 (xiii) Prisoner health care services.

3 (xiv) Vaccination program.

4 (xv) Correctional facilities.

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

6 (xvii) Higher custody level programming.

7 (c) "Department" or "MDOC" means the Michigan department of
8 corrections.

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

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

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

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

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

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

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

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



1 (l) "MDHHS" means the Michigan department of health and human
2 services.

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

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

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

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

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

25 (r) "Offender target populations" means felons or
26 misdemeanants who would likely be sentenced to imprisonment in a
27 state correctional facility or jail, who would not likely increase



1 the risk to the public safety based on an objective risk and needs
2 assessment that indicates that the offender can be safely treated
3 and supervised in the community.

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

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

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

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

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

20 (ii) Obtained housing.

21 (iii) Obtained a state identification card.

22 (u) "Recidivism" means that term as defined in section 1 of
23 2017 PA 5, MCL 798.31.

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

25 (w) "Serious emotional disturbance" means that term as defined
26 in section 100d(2) of the mental health code, 1974 PA 258, MCL
27 330.1100d.



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

4 (y) "SSA" means the United States Social Security
5 Administration.

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

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

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

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

25 Sec. 207. The department shall prepare a report on out-of-
26 state travel expenses not later than January 1 of each year. The
27 travel report shall be a listing of all travel by classified and



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

7 (a) The dates of each travel occurrence.

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

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

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

26 Sec. 210. (1) In addition to the funds appropriated in part 1,
27 there is appropriated an amount not to exceed \$10,000,000.00 for



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

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

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

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

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



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

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

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

7 (e) Job specifications and wage rates.

8 Sec. 212. Within 14 days after the release of the executive
9 budget recommendation, the department shall cooperate with the
10 state budget office to provide the chairpersons of the senate and
11 house appropriations committees, the chairpersons of the senate and
12 house appropriations subcommittees on corrections, and the senate
13 and house fiscal agencies with an annual report on estimated state
14 restricted fund balances, state restricted fund projected revenues,
15 and state restricted fund expenditures for the prior 2 fiscal
16 years.

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 \$319,141,800.00. From this amount, total
24 department appropriations for pension-related legacy costs are
25 estimated at \$147,129,800.00. Total department appropriations for
26 retiree health care legacy costs are estimated at \$172,012,000.00.

27 Sec. 217. The department shall receive and retain copies of



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

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

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

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

24 (a) A list of all individual projects and purchases financed
25 with program and special equipment funds in the immediately
26 preceding fiscal year, the amounts expended on each project or
27 purchase, and the name of each vendor from which the products or



1 services were purchased.

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

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

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

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

20 **DEPARTMENTAL ADMINISTRATION AND SUPPORT**

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



1 upon determination that the offender was wrongfully convicted and
2 the offender's file is not otherwise required to be maintained on
3 the offender tracking information system.

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

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

20 Sec. 306. Funds included in part 1 for the sheriffs'
21 coordinating and training office are appropriated for and may be
22 expended to defray costs of continuing education, certification,
23 recertification, decertification, and training of local corrections
24 officers, the personnel and administrative costs of the sheriffs'
25 coordinating and training office, the local corrections officers
26 advisory board, and the sheriffs' coordinating and training council
27 under the local corrections officers training act, 2003 PA 125, MCL



1 791.531 to 791.546.

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

8 (a) The original start date and the current expiration date of
9 each contract.

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

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

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

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



1 current unspent balance of any authorized capital outlay projects,
2 including the original authorized amount; and its expected future
3 useful life.

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

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

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

24 **OFFENDER SUCCESS ADMINISTRATION**

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



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

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

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

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

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

27 Sec. 404. From the funds appropriated in part 1 for offender



1 success services, the department, when reasonably possible, shall
2 ensure that inmates have potential employer matches in the
3 communities to which they will return prior to each inmate's
4 initial parole hearing.

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

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



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

6 Sec. 408. The department shall measure the recidivism rates of
7 offenders.

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

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

23 (3) By March 1, the department shall provide a report to the
24 senate and house appropriations subcommittees on corrections, the
25 senate and house fiscal agencies, the legislative corrections
26 ombudsman, and the state budget office detailing the results of the
27 workforce development program.



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

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

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

20 (c) Open jail beds through the increase of pretrial release
21 options.

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

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

26 (f) Contribute to offender success.

27 (2) The award of community corrections comprehensive plans and



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

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

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



1 175, MCL 777.1 to 777.69, and use the county jail reimbursement
2 program under section 414 of this part. The state community
3 corrections board shall encourage local community corrections
4 advisory boards to include in their comprehensive corrections plans
5 strategies to collaborate with local alcohol and drug treatment
6 agencies of the MDHHS for the provision of alcohol and drug
7 screening, assessment, case management planning, and delivery of
8 treatment to alcohol- and drug-involved offenders.

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

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

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

25 (c) Status of the community corrections information system and
26 the jail population information system.

27 (d) Data on residential services, including participant data,



1 participant sentencing guideline scores, program expenditures,
2 average length of stay, and bed utilization data.

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

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

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

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

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

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

27 (b) The felon's minimum sentencing guidelines range minimum is



1 more than 12 months under the sentencing guidelines described in
2 subdivision (a).

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

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

15 (4) As used in this subsection:

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

25 (b) "Group 2 crime" means a crime that is not a group 1 crime,
26 including larceny, fraud, forgery, embezzlement, motor vehicle,
27 malicious destruction of property, controlled substance offense,



1 felony drunk driving, and other nonassaultive offenses.

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

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

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

21 Sec. 416. Allowable uses of felony drunk driver jail reduction
22 and community treatment program funding shall include reimbursing
23 counties for transportation, treatment costs, and housing felony
24 drunk drivers during a period of assessment for treatment and case
25 planning. Reimbursements for housing during the assessment process
26 shall be at the rate of \$43.50 per day per offender, up to a
27 maximum of 5 days per offender.



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

6 (a) The county jail reimbursement program.

7 (b) The felony drunk driver jail reduction and community
8 treatment program.

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

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

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

18 (b) Expenditures by location.

19 (c) The impact on jail utilization.

20 (d) The impact on prison admissions.

21 (e) Other information relevant to an evaluation of the
22 program.

23 Sec. 418. (1) The department shall collaborate with the state
24 court administrative office on facilitating changes to Michigan
25 court rules that would require the court to collect at the time of
26 sentencing the state operator's license, state identification card,
27 or other documentation used to establish the identity of the



1 individual to be admitted to the department. The department shall
2 maintain those documents in the prisoner's personal file.

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

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

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

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



1 (a) Community residential program populations, separated by
2 centers and electronic monitoring.

3 (b) Parole populations.

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

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

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

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

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

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

22 Sec. 421. (1) Funds appropriated in part 1 for the substance
23 abuse parole certain sanction program shall be distributed to an
24 American Correctional Association accredited rehabilitation
25 organization operating in any of the following counties: Berrien,
26 Calhoun, Genesee, Kalamazoo, Kent, Macomb, Muskegon, Oakland,
27 Saginaw, and Wayne for operations and administration of the



1 program. The program may be utilized as a condition of parole for
2 technical parole violators to ensure public safety and justice
3 through a program based on evidence-based tactics and programs.

4 (2) The program or programs selected shall report by March 30
5 to the department, 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 include program performance measurements, the
9 number of individuals who participate in the program, the number of
10 individuals who return to prison after participating, and outcomes
11 of participants who complete the program.

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

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



1 each of the parole guideline scores of low, average, and high.

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

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

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

25 (3) Participants of the programs shall be required to attend
26 substance abuse treatment programming as directed by their agent,
27 including coordination of both direct or indirect services through



1 federally qualified health centers in Wayne, Washtenaw, Genesee,
2 Berrien, Van Buren, and Allegan Counties, but not limited to only
3 those counties, shall be subject to routine drug and alcohol
4 testing, shall not be allowed to consume drugs or alcohol, and
5 shall possess a strong will to overcome addiction.

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

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

22 Sec. 437. (1) Funds appropriated in part 1 for Goodwill Flip
23 the Script shall be distributed to a Michigan-chartered 501(c)(3)
24 nonprofit corporation operating in a county with greater than
25 1,500,000 people for administration and expansion of a program
26 which serves a population of persons aged 16 to 39. The program
27 shall target those who are entering the criminal justice system for



1 the first or second time and shall assist those individuals through
2 the following program types:

3 (a) Alternative sentencing programs in partnership with a
4 local district or circuit court.

5 (b) Educational recovery for special adult populations with
6 high rates of illiteracy.

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

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

15 **FIELD OPERATIONS ADMINISTRATION**

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

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



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

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

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

26 (5) Any county with curfew monitor charges outstanding over 60
27 days shall be considered in violation of the community curfew



1 monitor program agreement and lose access to the program.

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

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

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

20 (b) Monthly participant unsuccessful terminations, including
21 cause.

22 (c) Number of successful terminations.

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

24 (e) Average length of placement.

25 (f) Return to prison statistics.

26 (g) Description of each program location or locations,
27 capacity, and staffing.



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

3 (i) Comparison with prior year statistics.

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

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

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

26 (a) The numbers of parole and probation violators returned to
27 or sent to prison for a new crime with a comparison of original



1 versus new offenses by major offense type: assaultive,
2 nonassaultive, drug, and sex.

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

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

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

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

20 Sec. 615. (1) The department shall submit a report detailing
21 the number of prisoners who have received life imprisonment
22 sentences with the possibility of parole and who are currently
23 eligible for parole 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 April 30.

27 (2) The report shall include the following information on



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

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

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

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

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

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

25 **HEALTH CARE**

26 Sec. 802. (1) As a condition of expenditure of the funds



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

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

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

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

18 (c) Clinical care provided by the department.

19 (d) Clinical care provided as part of integrated health care
20 services.

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

22 (f) Mental health care provided as part of integrated health
23 care services.

24 (g) Pharmacy services provided by the department.

25 (h) Pharmacy services provided as part of integrated health
26 care services.

27 Sec. 803. (1) The department shall assure that all prisoners,



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

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

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

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

20 Sec. 807. The funds appropriated in part 1 for Hepatitis C
21 treatment shall be used only to purchase specialty medication for
22 Hepatitis C treatment in the prison population. In addition to the
23 above appropriation, any rebates received from the medications used
24 shall be used only to purchase specialty medication for Hepatitis C
25 treatment. On a quarterly basis, the department shall issue a
26 report to the senate and house appropriations subcommittees on
27 corrections, the senate and house fiscal agencies, the legislative



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

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

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

24 Sec. 816. By April 1, the department shall provide 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 with a report on pharmaceutical



1 expenditures and prescribing practices. In particular, the report
2 shall provide the following information:

3 (a) A detailed accounting of expenditures on antipsychotic
4 medications.

5 (b) Any changes that have been made to the prescription drug
6 formularies.

7 **CORRECTIONAL FACILITIES ADMINISTRATION**

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

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



1 an agreement.

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

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

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

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

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

26 (e) An explanation of the value and purpose of each program,
27 for example, to improve employability, reduce recidivism, reduce



1 prisoner idleness, or some combination of these and other factors.

2 (f) An identification of program outcomes for each academic
3 and vocational program.

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

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

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

22 Sec. 912. The department shall report monthly to the senate
23 and house appropriations subcommittees on corrections, the senate
24 and house fiscal agencies, the legislative corrections ombudsman,
25 and the state budget office on the ratio of correctional officers
26 to prisoners for each correctional institution, the ratio of shift
27 command staff to line custody staff, and the ratio of noncustody



1 institutional staff to prisoners for each correctional institution.

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

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

19 (3) The department shall submit a quarterly 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 detailing enrollment in sex
23 offender programming, assaultive offender programming, violent
24 offender programming, and thinking for a change programming. At a
25 minimum, the report shall include the following:

26 (a) A full accounting, from the date of entrance to prison, of
27 the number of individuals who are required to complete the



1 programming, but have not yet done so.

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

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

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

22 Sec. 925. By March 1, the department shall report to the
23 senate and house appropriations subcommittees on corrections, the
24 senate and house fiscal agencies, the legislative corrections
25 ombudsman, and the state budget office on the annual number of
26 prisoners in administrative segregation between October 1, 2017 and
27 September 30, 2018, and the annual number of prisoners in



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

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

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

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



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

11 (c) Implement a specialized offender success program that
12 recognizes the needs of prisoners less than 18 years old for
13 supervised offender success.

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

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

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

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

26 Sec. 940. (1) Any lease, rental, contract, or other legal
27 agreement that includes a provision allowing a private person or



1 entity to use state-owned facilities or other property to conduct a
2 for-profit business enterprise shall require the lessee to pay fair
3 market value for the use of the state-owned property.

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

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

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

26 Sec. 944. When the department is planning to close a
27 correctional facility, the department shall fully consider the



1 potential economic impact of the prison closure on the community
2 where the facility is located. The department, when weighing all
3 factors related to the closure of a facility, shall also consider
4 the impact on the local community where the facility to be closed
5 is located.

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

14 (a) Implementation timeline.

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

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

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

20 (e) Number of food service-related vacant positions, by
21 facility.

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

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

26 **MISCELLANEOUS**



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

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

25 Sec. 1013. From the funds appropriated in part 1, priority may
26 be given to funding reentry or rehabilitation programs that have
27 been demonstrated to reduce prison violence and recidivism,



1 including faith-based initiatives.

2 **ONE-TIME APPROPRIATIONS**

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

8 ARTICLE VI

9 DEPARTMENT OF EDUCATION

10 PART 1

11 LINE-ITEM APPROPRIATIONS

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

15 **DEPARTMENT OF EDUCATION**

16 APPROPRIATION SUMMARY

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



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



1	Property management	3,362,100
2	Terminal leave payments	353,300
3	Training and orientation workshops	150,000
4	Worker's compensation	<u>28,200</u>
5	GROSS APPROPRIATION	\$ 10,655,100
6	Appropriated from:	
7	Federal revenues:	
8	Federal revenues	3,688,600
9	Federal indirect funds	2,480,200
10	Special revenue funds:	
11	Private foundations	1,000,000
12	Certification fees	411,500
13	Teacher testing fees	4,200
14	Training and orientation workshop fees	150,000
15	State general fund/general purpose	\$ 2,920,600
16	Sec. 104. INFORMATION TECHNOLOGY	
17	Information technology services and projects	\$ <u>4,287,500</u>
18	GROSS APPROPRIATION	\$ 4,287,500
19	Appropriated from:	
20	Federal revenues:	
21	Federal revenues	630,900
22	Federal indirect funds	1,865,600
23	Special revenue funds:	
24	Certification fees	406,500
25	State general fund/general purpose	\$ 1,384,500
26	Sec. 105. SPECIAL EDUCATION SERVICES	
27	Full-time equated classified positions	47.0



1	Special education operations--47.0 FTE positions	\$	<u>9,263,800</u>
2	GROSS APPROPRIATION	\$	9,263,800
3	Appropriated from:		
4	Federal revenues:		
5	Federal revenues		8,678,800
6	Special revenue funds:		
7	Private foundations		110,100
8	Certification fees		45,300
9	State general fund/general purpose	\$	429,600
10	Sec. 106. MICHIGAN SCHOOLS FOR THE DEAF AND BLIND		
11	Full-time equated classified positions		82.0
12	Camp Tuhsmebeta--1.0 FTE position	\$	297,600
13	Low incidence outreach program		750,000
14	Michigan schools for the deaf and blind operations--		
15	81.0 FTE positions		13,430,700
16	Private gifts - blind		200,000
17	Private gifts - deaf		<u>150,000</u>
18	GROSS APPROPRIATION	\$	14,828,300
19	Appropriated from:		
20	Federal revenues:		
21	Federal revenues		7,484,600
22	Special revenue funds:		
23	Local cost sharing (schools for deaf/blind)		5,852,800
24	Gifts, bequests, and donations		647,600
25	Low incidence outreach fund		750,000
26	Student insurance revenue		93,300
27	State general fund/general purpose	\$	0



1	Sec. 107. PROFESSIONAL PREPARATION SERVICES		
2	Full-time equated classified positions	33.0	
3	Professional preparation operations--33.0 FTE		
4	positions.....		\$ <u>5,569,700</u>
5	GROSS APPROPRIATION		\$ 5,569,700
6	Appropriated from:		
7	Federal revenues:		
8	Federal revenues		1,471,600
9	Special revenue funds:		
10	Certification fees		3,678,000
11	Teacher testing fees		193,300
12	State general fund/general purpose		\$ 226,800
13	Sec. 108. MICHIGAN OFFICE OF GREAT START		
14	Full-time equated classified positions	66.0	
15	Child development and care external support		\$ 28,749,600
16	Child development and care public assistance		162,396,100
17	Head start collaboration office--1.0 FTE position		313,700
18	Office of great start operations--65.0 FTE positions .		<u>25,746,200</u>
19	GROSS APPROPRIATION		\$ 217,205,600
20	Appropriated from:		
21	Federal revenues:		
22	Federal revenues		175,558,400
23	Special revenue funds:		
24	Private foundations		250,000
25	Certification fees		64,600
26	State general fund/general purpose		\$ 41,332,600
27	Sec. 109. STATE AID AND SCHOOL FINANCE SERVICES		



1	Full-time equated classified positions	11.5	
2	State aid and school finance operations--11.5 FTE		
3	positions.....		\$ <u>1,671,500</u>
4	GROSS APPROPRIATION		\$ 1,671,500
5	Appropriated from:		
6	State general fund/general purpose		\$ 1,671,500
7	Sec. 110. AUDIT SERVICES		
8	Full-time equated classified positions	4.5	
9	Audit operations--4.5 FTE positions		\$ <u>624,700</u>
10	GROSS APPROPRIATION		\$ 624,700
11	Appropriated from:		
12	Federal revenues:		
13	Federal indirect funds		496,600
14	Special revenue funds:		
15	Certification fees		62,900
16	State general fund/general purpose		\$ 65,200
17	Sec. 111. ADMINISTRATIVE LAW SERVICES		
18	Full-time equated classified positions	2.0	
19	Administrative law operations--2.0 FTE positions		\$ <u>1,392,900</u>
20	GROSS APPROPRIATION		\$ 1,392,900
21	Appropriated from:		
22	Federal revenues:		
23	Federal revenues		573,800
24	Special revenue funds:		
25	Certification fees		717,400
26	State general fund/general purpose		\$ 101,700
27	Sec. 112. ACCOUNTABILITY SERVICES		



1	Full-time equated classified positions	64.6	
2	Accountability services operations--64.6 FTE positions		\$ <u>14,828,600</u>
3	GROSS APPROPRIATION		\$ 14,828,600
4	Appropriated from:		
5	Federal revenues:		
6	Federal revenues		12,652,400
7	State general fund/general purpose		\$ 2,176,200
8	Sec. 113. SCHOOL SUPPORT SERVICES		
9	Full-time equated classified positions	83.6	
10	School support services operations--83.6 FTE positions		\$ <u>17,238,800</u>
11	GROSS APPROPRIATION		\$ 17,238,800
12	Appropriated from:		
13	Federal revenues:		
14	Federal revenues		14,690,300
15	Special revenue funds:		
16	Certification fees		87,600
17	Commodity distribution fees		71,700
18	State general fund/general purpose		\$ 2,389,200
19	Sec. 114. FIELD SERVICES		
20	Full-time equated classified positions	47.0	
21	Field services operations--47.0 FTE positions		\$ <u>9,494,900</u>
22	GROSS APPROPRIATION		\$ 9,494,900
23	Appropriated from:		
24	Federal revenues:		
25	Federal revenues		8,722,200
26	Special revenue funds:		
27	Certification fees		37,300



1	State general fund/general purpose	\$	735,400
2	Sec. 115. EDUCATIONAL IMPROVEMENT AND INNOVATION		
3	SERVICES		
4	Full-time equated classified positions		44.7
5	Educational improvement and innovation operations--		
6	44.7 FTE positions	\$	<u>9,090,000</u>
7	GROSS APPROPRIATION	\$	9,090,000
8	Appropriated from:		
9	Federal revenues:		
10	Federal revenues		5,942,100
11	Special revenue funds:		
12	Certification fees		565,100
13	State general fund/general purpose	\$	2,582,800
14	Sec. 116. CAREER AND TECHNICAL EDUCATION		
15	Full-time equated classified positions		29.0
16	Career and technical education operations--29.0 FTE		
17	positions	\$	<u>5,312,900</u>
18	GROSS APPROPRIATION	\$	5,312,900
19	Appropriated from:		
20	Federal revenues:		
21	Federal revenues		3,944,400
22	State general fund/general purpose	\$	1,368,500
23	Sec. 117. LIBRARY OF MICHIGAN		
24	Full-time equated classified positions		33.0
25	Library of Michigan operations--31.0 FTE positions ...	\$	4,900,200
26	Library services and technology program--1.0 FTE		
27	position		5,611,400



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



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

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

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



1 MCL 18.1101 to 18.1594.

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

3 (a) "Department" means the Michigan department of education.

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

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

9 (d) "IDG" means interdepartmental grant.

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

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

26 Sec. 206. The state superintendent of public instruction shall
27 take all reasonable steps to ensure businesses in deprived and



1 depressed communities compete for and perform contracts to provide
2 services or supplies, or both. The state superintendent of public
3 instruction 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 must 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 agencies.

9 Sec. 210. (1) In addition to the funds appropriated in part 1,
10 there is appropriated an amount not to exceed \$10,000,000.00 for
11 federal contingency funds. These funds are not available for
12 expenditure until they have been transferred to another line item
13 in part 1 under section 393(2) of the management and budget act,
14 1984 PA 431, MCL 18.1393.

15 (2) In addition to the funds appropriated in part 1, there is
16 appropriated an amount not to exceed \$700,000.00 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 \$250,000.00 for local
23 contingency funds. These funds are not available for expenditure
24 until they have been transferred to another line item in part 1
25 under section 393(2) of the management and budget act, 1984 PA 431,
26 MCL 18.1393.

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



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

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

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

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

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

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

17 (e) Job specifications and wage rates.

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

26 Sec. 213. The department shall maintain, on a publicly
27 accessible website, a department scorecard that identifies, tracks,



1 and regularly updates key metrics that are used to monitor and
2 improve the department'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 \$15,595,300.00. From this amount, total
6 agency appropriations for pension-related legacy costs are
7 estimated at \$7,189,700.00. Total agency appropriations for retiree
8 health care legacy costs are estimated at \$8,405,600.00.

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

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

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

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



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

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

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

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

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

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

27 (b) On October 1, 2018, close the grant application process



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

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

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

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

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



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

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

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

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



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

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

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

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

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

14 CENTRAL SUPPORT

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

22 SPECIAL EDUCATION SERVICES

23 Sec. 350. From the funds in part 1 for special education
24 operations, the department shall use \$100,000.00 to design and
25 distribute to all parents and legal guardians of a student with a



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

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

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

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

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



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

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

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

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

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

25 **PROFESSIONAL PREPARATION SERVICES**

26 Sec. 501. From the funds appropriated in part 1 for



1 professional preparation services, the department shall maintain
2 certificate revocation/felony conviction files of educational
3 personnel.

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

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

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

24 Sec. 507. From the funds appropriated in part 1, the
25 department shall adopt a teacher certification test that ensures
26 that all newly certified elementary teachers have the skills to
27 deliver evidence-based literacy instruction. The department may use



1 teacher certification or teacher testing fee revenue to the extent
2 allowable under law to implement this section, or may pass along
3 increased testing fees to teachers as allowable and appropriate.

4 **SCHOOL SUPPORT SERVICES**

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

10 **FIELD SERVICES**

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

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

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



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

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

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

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

16 **LIBRARY OF MICHIGAN**

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

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



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

5 Sec. 804. (1) The funds appropriated in part 1 for renaissance
6 zone reimbursements shall be used to reimburse public libraries
7 under section 12 of the Michigan renaissance zone act, 1996 PA 376,
8 MCL 125.2692, for taxes levied in 2018. The allocations shall be
9 made not later than 60 days after the department of treasury
10 certifies to the department and to the state budget director that
11 the department of treasury has received all necessary information
12 to properly determine the amounts due to each eligible recipient.

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

17 **MICHIGAN OFFICE OF GREAT START**

18 Sec. 1001. By November 1, 2018, the department shall submit a
19 report to the house and senate appropriations subcommittees on the
20 department of education budget and the house and senate fiscal
21 agencies on the average number of eligible child care providers by
22 type receiving payment for child care services from the department
23 for the fiscal year ending September 30, 2018.

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



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

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

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

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

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

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

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

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

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

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

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

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

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

27 (vi) The reimbursement rate for child care center providers



1 with a 5-star rating is \$4.25 per hour for each child.

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

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

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

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

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

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

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

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

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

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

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

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

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



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

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

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

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

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

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

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

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

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

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

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

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

27 (iv) The reimbursement rate for registered family home



1 providers with a 3-star rating is \$3.40 per hour for each child.

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

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

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

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

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

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

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

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

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

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

27 (a) Total funding appropriated to the Early Childhood



1 Investment Corporation by the state during the previous fiscal
2 year.

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

4 (c) The grant recipients.

5 (d) The activities funded by each grant.

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

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

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

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

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

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

26 (a) Both the on-site and off-site activities that are intended
27 to improve child care provider quality and the number of times



1 those activities are performed by the licensing consultants.

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

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

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

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

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

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

26 Sec. 1009. From the funds appropriated in part 1 for child
27 development and care public assistance, the entrance threshold for



1 the child development and care program is set at 130% of the
2 federal poverty guidelines.

3 **ONE-TIME APPROPRIATIONS**

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

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

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

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

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

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



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

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

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

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

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

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

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

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



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

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

14 ARTICLE VII

15 DEPARTMENT OF ENVIRONMENTAL QUALITY

16 PART 1

17 LINE-ITEM APPROPRIATIONS

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

21 **DEPARTMENT OF ENVIRONMENTAL QUALITY**

22 APPROPRIATION SUMMARY

23	Full-time equated unclassified positions	6.0	
24	Full-time equated classified positions	1,215.0	
25	GROSS APPROPRIATION		\$ 445,702,600



1	Interdepartmental grant revenues:		
2	Total interdepartmental grants and intradepartmental		
3	transfers.....		3,143,700
4	ADJUSTED GROSS APPROPRIATION	\$	442,558,900
5	Federal revenues:		
6	Total federal revenues		160,225,400
7	Special revenue funds:		
8	Total local revenues		0
9	Total private revenues		1,061,700
10	Total other state restricted revenues		209,325,300
11	State general fund/general purpose	\$	71,946,500
12	FUND SOURCE SUMMARY		
13	Full-time equated unclassified positions	6.0	
14	Full-time equated classified positions	1,215.0	
15	GROSS APPROPRIATION	\$	445,702,600
16	Interdepartmental grant revenues:		
17	IDG from department of state police		1,776,100
18	IDG from state transportation department		1,367,600
19	Total interdepartmental grants and intradepartmental		
20	transfers.....		3,143,700
21	ADJUSTED GROSS APPROPRIATION	\$	442,558,900
22	Federal revenues:		
23	Federal funds		160,225,400
24	Total federal revenues		160,225,400
25	Special revenue funds:		
26	Private funds		1,061,700
27	Total private revenues		1,061,700



1	Air emissions fees	12,427,300
2	Aquatic nuisance control fund	931,400
3	Aquifer protection revolving fund	524,000
4	Campground fund	326,000
5	Clean Michigan initiative - clean water fund	3,417,100
6	Clean Michigan initiative - nonpoint source	2,000,000
7	Cleanup and redevelopment fund	19,939,400
8	Community pollution prevention fund	250,000
9	Drinking water declaration of emergency reserve fund .	100
10	Electronic waste recycling fund	334,500
11	Environmental education fund	171,300
12	Environmental pollution prevention fund	6,779,300
13	Environmental protection fund	2,476,700
14	Environmental response fund	3,782,600
15	Fees and collections	393,900
16	Financial instruments	9,489,100
17	Groundwater discharge permit fees	1,779,800
18	Infrastructure construction fund	51,400
19	Laboratory services fees	4,294,900
20	Land and water permit fees	3,306,700
21	Landfill maintenance trust fund	31,000
22	Lawsuit settlement proceeds fund	3,000,000
23	Medical waste emergency response fund	339,700
24	Metallic mining surveillance fee revenue	101,000
25	Mineral well regulatory fee revenue	223,100
26	Native copper mine fund	50,000
27	Nonferrous metallic mineral surveillance	367,300



1	NPDES fees	4,627,700
2	Oil and gas regulatory fund	5,242,400
3	Orphan well fund	2,424,600
4	Public swimming pool fund	662,600
5	Public utility assessments	417,000
6	Public water supply fees	5,012,000
7	Refined petroleum fund	42,085,200
8	Revitalization revolving loan fund	103,100
9	Revolving loan revenue bonds	15,000,000
10	Sand extraction fee revenue	92,900
11	Scrap tire regulatory fund	5,109,900
12	Septage waste contingency fund	3,400
13	Septage waste program fund	530,300
14	Settlement funds	426,100
15	Sewage sludge land application fee	1,006,800
16	Small business pollution prevention revolving loan	
17	fund.....	167,100
18	Soil erosion and sedimentation control training fund .	175,100
19	Solid waste management fund - staff account	5,208,300
20	Stormwater permit fees	3,078,000
21	Strategic water quality initiatives fund	17,211,900
22	Underground storage tank cleanup fund	20,028,700
23	Wastewater operator training fees	601,900
24	Water analysis fees	2,275,200
25	Water pollution control revolving fund	656,100
26	Water quality protection fund	100,000
27	Water use reporting fees	291,400



1	Total other state restricted revenues	209,325,300
2	State general fund/general purpose	\$ 71,946,500
3	Sec. 102. DEPARTMENTAL ADMINISTRATION AND SUPPORT	
4	Full-time equated unclassified positions	6.0
5	Full-time equated classified positions	83.0
6	Unclassified salaries--6.0 FTE positions	\$ 792,200
7	Accounting service center	1,419,700
8	Administrative hearings	388,000
9	Central support services--39.0 FTE positions	8,159,000
10	Communications and community outreach--31.0 FTE	
11	positions.....	3,585,900
12	Environmental support projects	5,000,000
13	Executive direction--13.0 FTE positions	2,142,600
14	Facilities management	1,000,000
15	Property management	<u>7,458,300</u>
16	GROSS APPROPRIATION	\$ 29,945,700
17	Appropriated from:	
18	Interdepartmental grant revenues:	
19	IDG from department of state police	61,100
20	Federal revenues:	
21	Federal funds	29,400
22	Special revenue funds:	
23	Private funds	364,000
24	Air emissions fees	1,508,500
25	Campground fund	15,600
26	Cleanup and redevelopment fund	1,589,500
27	Electronic waste recycling fund	15,300



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



1	fund.....		19,400
2	Soil erosion and sedimentation control training fund .		18,900
3	Solid waste management fund - staff account		331,800
4	Stormwater permit fees		264,700
5	Wastewater operator training fees		34,600
6	Water analysis fees		148,400
7	Water use reporting fees		24,700
8	State general fund/general purpose	\$	6,297,700
9	Sec. 103. GREAT LAKES RESTORATION INITIATIVE		
10	Great Lakes restoration initiative	\$	<u>6,714,100</u>
11	GROSS APPROPRIATION	\$	6,714,100
12	Appropriated from:		
13	Federal revenues:		
14	Federal funds		6,714,100
15	Special revenue funds:		
16	State general fund/general purpose	\$	0
17	Sec. 104. WATER RESOURCES DIVISION		
18	Full-time equated classified positions..... 316.0		
19	Aquatic nuisance control program--6.0 FTE positions ..	\$	931,400
20	Expedited water/wastewater permits--1.0 FTE position .		51,400
21	Federal - Great Lakes remedial action plan grants		583,800
22	Federal - nonpoint source water pollution grants		4,083,300
23	Fish contaminant monitoring		316,100
24	Groundwater discharge permit program--22.0 FTE		
25	positions.....		3,253,500
26	Land and water interface permit programs--82.0 FTE		
27	positions.....		11,848,200



1	Nonpoint source pollution prevention and control	
2	project program.....	2,000,000
3	NPDES nonstormwater program--83.0 FTE positions	13,245,000
4	Program direction and project assistance--27.0 FTE	
5	positions.....	3,113,700
6	Surface water--86.0 FTE positions	16,291,600
7	Technology advancements for water monitoring	500,000
8	Water quality and use initiative/general--5.0 FTE	
9	positions.....	1,498,300
10	Water quality protection grants	100,000
11	Water withdrawal assessment program--4.0 FTE positions	1,438,400
12	Wetland mitigation banking grants and loans	1,000,000
13	Wetlands program	<u>1,000,000</u>
14	GROSS APPROPRIATION	\$ 61,254,700
15	Appropriated from:	
16	Interdepartmental grant revenues:	
17	IDG from state transportation department	1,281,500
18	Federal revenues:	
19	Federal funds	20,490,200
20	Special revenue funds:	
21	Aquatic nuisance control fund	931,400
22	Aquifer protection revolving fund	524,000
23	Clean Michigan initiative fund - clean water fund	3,417,100
24	Clean Michigan initiative fund - nonpoint source	2,000,000
25	Environmental response fund	204,800
26	Groundwater discharge permit fees	1,472,500
27	Infrastructure construction fund	51,400



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



1	Financial instruments	527,500
2	Groundwater discharge permit fees	18,900
3	Laboratory services fees	15,900
4	Land and water permit fees	78,800
5	Medical waste emergency response fund	2,400
6	Metallic mining surveillance fee revenue	700
7	Mineral well regulatory fee revenue	1,200
8	NPDES fees	32,400
9	Oil and gas regulatory fund	88,500
10	Orphan well fund	7,100
11	Public swimming pool fund	3,700
12	Public utility assessments	2,000
13	Public water supply fees	26,600
14	Refined petroleum fund	370,500
15	Sand extraction fee revenue	600
16	Scrap tire regulatory fund	29,500
17	Septage waste program fund	2,700
18	Sewage sludge land application fee	12,300
19	Small business pollution prevention revolving loan	
20	fund.....	2,600
21	Soil erosion and sedimentation control training fund .	2,600
22	Solid waste management fund - staff account	42,100
23	Stormwater permit fees	17,600
24	Wastewater operator training fees	4,600
25	Water analysis fees	18,300
26	Water use reporting fees	3,100
27	State general fund/general purpose	\$ 559,100



1	Sec. 106. AIR QUALITY DIVISION		
2	Full-time equated classified positions	187.0	
3	Air quality programs--187.0 FTE positions		\$ <u>27,493,200</u>
4	GROSS APPROPRIATION		\$ 27,493,200
5	Appropriated from:		
6	Federal revenues:		
7	Federal funds		7,277,800
8	Special revenue funds:		
9	Air emissions fees		10,188,000
10	Fees and collections		205,100
11	Oil and gas regulatory fund		142,100
12	Public utility assessments		150,000
13	Refined petroleum fund		3,625,500
14	State general fund/general purpose		\$ 5,904,700
15	Sec. 107. RESOURCE MANAGEMENT DIVISION		
16	Full-time equated classified positions	319.0	
17	Drinking water and environmental health--115.0 FTE		
18	positions.....		\$ 16,554,400
19	Drinking water program grants		830,000
20	Hazardous waste management program--45.0 FTE positions		6,600,700
21	Low-level radioactive waste authority--2.0 FTE		
22	positions.....		236,700
23	Medical waste program--2.0 FTE positions		309,300
24	Municipal assistance--29.0 FTE positions		4,881,200
25	Noncommunity water grants		1,905,700
26	Oil, gas, and mineral services--57.0 FTE positions ...		6,804,700
27	Pollution prevention--7.0 FTE positions		2,095,700



1	Radiological protection program--12.0 FTE positions ..	2,000,600
2	Recycling initiative--3.0 FTE positions	2,020,300
3	Scrap tire grants	3,500,000
4	Scrap tire regulatory program--10.0 FTE positions	1,357,300
5	Septage waste compliance grants	275,000
6	Solid waste management program--37.0 FTE positions ...	5,159,600
7	Water state revolving funds	<u>120,000,000</u>
8	GROSS APPROPRIATION	\$ 174,531,200
9	Appropriated from:	
10	Interdepartmental grant revenues:	
11	IDG from department of state police	1,689,200
12	Federal revenues:	
13	Federal funds	117,388,600
14	Special revenue funds:	
15	Private funds	506,600
16	Campground fund	299,900
17	Cleanup and redevelopment fund	1,000,000
18	Community pollution prevention fund	250,000
19	Electronic waste recycling fund	311,100
20	Environmental pollution prevention fund	4,343,400
21	Fees and collections	34,500
22	Medical waste emergency response fund	309,300
23	Metallic mining surveillance fee revenue	92,500
24	Mineral well regulatory fee revenue	208,000
25	Native copper mine fund	50,000
26	Nonferrous metallic mineral surveillance	366,200
27	Oil and gas regulatory fund	3,667,100



1	Orphan well fund	2,335,100
2	Public swimming pool fund	616,300
3	Public utility assessments	236,700
4	Public water supply fees	4,231,200
5	Refined petroleum fund	709,900
6	Revolving loan revenue bonds	15,000,000
7	Sand extraction fee revenue	85,800
8	Scrap tire regulatory fund	4,857,300
9	Septage waste contingency fund	3,400
10	Septage waste program fund	496,100
11	Small business pollution prevention revolving loan	
12	fund.....	134,400
13	Solid waste management fund - staff account	4,661,500
14	Strategic water quality initiatives fund	1,211,900
15	Wastewater operator training fees	254,800
16	Water pollution control revolving fund	505,200
17	State general fund/general purpose	\$ 8,675,200
18	Sec. 108. REMEDIATION AND REDEVELOPMENT DIVISION	
19	Full-time equated classified positions	290.0
20	Contaminated site investigations, cleanup, and	
21	revitalization--120.0 FTE positions	\$ 14,674,100
22	Emergency cleanup actions	1,000,000
23	Environmental cleanup and redevelopment program	15,000,000
24	Environmental cleanup support	1,840,000
25	Federal cleanup project management--35.0 FTE positions	6,202,700
26	Laboratory services--39.0 FTE positions	6,406,400
27	Lead remediation grants	3,850,000



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



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



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



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

5 PART 2
6 PROVISIONS CONCERNING APPROPRIATIONS
7 FOR FISCAL YEAR 2018-2019

8 **GENERAL SECTIONS**

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

16 DEPARTMENT OF ENVIRONMENTAL QUALITY

17	Surface water	\$ 160,000
18	Technology advancements for water monitoring.	500,000
19	Drinking water program grants.	600,000
20	Medical waste program.	65,000
21	Noncommunity water grants.	1,800,000
22	Pollution prevention.	250,000
23	Recycling initiative.	1,500,000
24	Scrap tire grants.	500,000
25	Septage waste compliance grants.	100,000



1	Emergency cleanup actions.	<u>106,000</u>
2	TOTAL.....	\$ 5,581,000

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

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

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

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

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

11 (d) "IDG" means interdepartmental grant.

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

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

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



1 businesses owned and operated by veterans, if they are
2 competitively priced and of comparable quality.

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

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

19 (a) The dates of each travel occurrence.

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

25 Sec. 208. Funds appropriated in part 1 shall not be used by a
26 principal executive department, state agency, or authority to hire
27 a person to provide legal services that are the responsibility of



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

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

12 Sec. 210. (1) In addition to the funds appropriated in part 1,
13 there is appropriated an amount not to exceed \$30,000,000.00 for
14 federal contingency funds. These funds are not available for
15 expenditure until they have been transferred to another line item
16 in part 1 under section 393(2) of the management and budget act,
17 1984 PA 431, MCL 18.1393.

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

24 (3) In addition to the funds appropriated in part 1, there is
25 appropriated an amount not to exceed \$100,000.00 for local
26 contingency funds. These funds are not available for expenditure
27 until they have been transferred to another line item in part 1



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

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

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

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

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

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

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

20 (e) Job specifications and wage rates.

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



1 fiscal years ending September 30, 2018 and September 30, 2019.

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 agency's performance.

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

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

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

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

27 (c) A brief description of how the problem will be resolved if



1 the allocation is made for a response activity.

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

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

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

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

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

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

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

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

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

26 Sec. 217. (1) The department may expend amounts remaining from
27 the current and prior fiscal year appropriations to meet funding



1 needs of legislatively approved sites for the environmental cleanup
2 and redevelopment program, the refined petroleum product cleanup
3 program, brownfield grants and loans, waterfront grants, and the
4 environmental bond site reclamation program.

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

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

18 (4) Unexpended and unencumbered amounts remaining from
19 appropriations from the refined petroleum fund activities contained
20 in 2007 PA 121, 2008 PA 247, 2009 PA 118, 2010 PA 189, 2011 PA 63,
21 2012 PA 200, 2013 PA 59, 2014 PA 252, 2015 PA 84, 2016 PA 268, and
22 2017 PA 107 are appropriated for expenditure for any site listed in
23 this part and part 1 and any site listed in the public acts
24 referenced in this section.

25 (5) Unexpended and unencumbered amounts remaining from the
26 appropriations from the strategic water quality initiatives fund
27 contained in 2011 PA 50, 2011 PA 63, 2012 PA 200, 2013 PA 59, 2014



1 PA 252, 2015 PA 84, 2016 PA 268, and 2017 PA 107 are appropriated
2 for expenditure for any site listed in this part and part 1 and any
3 site listed in the public acts referenced in this section.

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

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

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

18 (2) As used in this section:

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

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

24 Sec. 235. The department shall prepare an annual report to the
25 legislature by March 31 that details all of the following for each
26 of the allocations from the clean Michigan initiative bond fund as
27 described in section 19607(1)(a) to (i) of the natural resources



1 and environmental protection act, 1994 PA 451, MCL 324.19607:

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

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

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

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

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

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

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

17 (b) The purpose for each expenditure.

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

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

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

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



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

3 **REMEDICATION DIVISION**

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

7 Sec. 302. The unexpended funds appropriated in part 1 for
8 emergency cleanup actions are designated as a work project
9 appropriation, and any unencumbered or unallotted funds shall not
10 lapse at the end of the fiscal year and shall be available for
11 expenditures for projects under this section until the projects
12 have been completed. The following is in compliance with section
13 451a of the management and budget act, 1984 PA 431, 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 \$3,000,000.00.

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

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

24 Sec. 304. Effective October 1, 2018, surplus funds not to
25 exceed \$1,000,000.00 in the community pollution prevention fund
26 created in section 3f of 1976 IL 1, MCL 445.573f, are appropriated



1 to the environmental protection fund created in section 503a of the
2 natural resources and environmental protection act, 1994 PA 451,
3 MCL 324.503a.

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

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

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

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

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

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

26 Sec. 307. The unexpended funds appropriated in part 1 for the
27 environmental cleanup and redevelopment program are designated as a



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

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

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

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

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

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

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

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

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

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

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



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

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

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

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

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

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

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

27 (2) As used in this section:



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

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

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

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

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



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

9 **WATER RESOURCES DIVISION**

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

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

25 (a) The purpose of the project is to provide support for
26 aquifer disputes and their resolution.



- 1 (b) The project will be accomplished by contract.
- 2 (c) The total estimated cost of the project is \$524,000.00.
- 3 (d) The tentative completion date is September 30, 2023.

4 **RESOURCE MANAGEMENT DIVISION**

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

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



1 policies. The purpose of the program is to ensure that water is in
 2 accordance with the safe drinking water act, 1976 PA 399, MCL
 3 325.1001 to 325.1023.

4 **UNDERGROUND STORAGE TANK AUTHORITY**

5 Sec. 701. The unexpended funds appropriated in part 1 for the
 6 underground storage tank cleanup program are designated as a work
 7 project appropriation, and any unencumbered or unallotted funds
 8 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 provide contaminated site
 14 cleanup.
- 15 (b) The project will be accomplished by contract.
- 16 (c) The total estimated cost of the project is \$20,000,000.00.
- 17 (d) The tentative completion date is September 30, 2023.

18 ARTICLE VIII
 19 GENERAL GOVERNMENT
 20 PART 1
 21 LINE-ITEM APPROPRIATIONS

22 Sec. 101. There is appropriated for the legislature, the
 23 executive, the department of attorney general, the department of
 24 state, the department of treasury, the department of technology,



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

5 **TOTAL GENERAL GOVERNMENT**

6 APPROPRIATION SUMMARY

7	Full-time equated unclassified positions	50.0	
8	Full-time equated classified positions	8,720.7	
9	GROSS APPROPRIATION		\$ 4,928,682,900
10	Interdepartmental grant revenues:		
11	Total interdepartmental grants and intradepartmental		
12	transfers.....		821,066,200
13	ADJUSTED GROSS APPROPRIATION		\$ 4,107,616,700
14	Federal revenues:		
15	Total federal revenues		808,698,700
16	Special revenue funds:		
17	Total local revenues		15,977,300
18	Total private revenues		6,247,400
19	Total other state restricted revenues		2,230,143,600
20	State general fund/general purpose		\$ 1,046,549,700

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

22 **(1) APPROPRIATION SUMMARY**

23	Full-time equated unclassified positions	6.0	
24	Full-time equated classified positions	530.0	
25	GROSS APPROPRIATION		\$ 101,848,900
26	Interdepartmental grant revenues:		
27	Total interdepartmental grants and intradepartmental		



1	transfers.....		30,386,400
2	ADJUSTED GROSS APPROPRIATION	\$	71,462,500
3	Federal revenues:		
4	Total federal revenues		9,628,500
5	Special revenue funds:		
6	Total local revenues		0
7	Total private revenues		0
8	Total other state restricted revenues		21,727,200
9	State general fund/general purpose	\$	40,106,800
10	(2) ATTORNEY GENERAL OPERATIONS		
11	Full-time equated unclassified positions	6.0	
12	Full-time equated classified positions	530.0	
13	Attorney general	\$	112,500
14	Unclassified positions--5.0 FTE positions		792,100
15	Attorney general operations--487.0 FTE positions		90,975,200
16	Child support enforcement--25.0 FTE positions		3,578,300
17	Prosecuting attorneys coordinating council--12.0 FTE		
18	positions.....		2,186,800
19	Public safety initiative--1.0 FTE position		906,200
20	Sexual assault law enforcement--5.0 FTE positions		<u>1,720,200</u>
21	GROSS APPROPRIATION	\$	100,271,300
22	Appropriated from:		
23	Interdepartmental grant revenues:		
24	IDG from MDOC		677,900
25	IDG from MDE		608,900
26	IDG from MDEQ		2,051,400
27	IDG from MDHHS, health policy		211,300



1	IDG from MDHHS, human services	6,069,800
2	IDG from MDHHS, medical services administration	705,000
3	IDG from MDHHS, WIC	156,700
4	IDG from MDIFS, financial and insurance services	1,230,700
5	IDG from MDLARA, fireworks safety fund	85,300
6	IDG from MDLARA, health professions	3,108,500
7	IDG from MDLARA, licensing and regulation fees	344,100
8	IDG from MDLARA, Michigan occupational safety and	
9	health administration.....	107,700
10	IDG from MDLARA, remonumentation fees	108,600
11	IDG from MDLARA, securities fees	193,500
12	IDG from MDLARA, unlicensed builders	1,087,100
13	IDG from MDMVA	169,100
14	IDG from MDOS, children's protection registry	45,000
15	IDG from MDOT, comprehensive transportation fund	205,600
16	IDG from MDOT, state aeronautics fund	181,500
17	IDG from MDOT, state trunkline fund	2,476,400
18	IDG from MDSP	262,900
19	IDG from MDTED, workforce development agency	91,300
20	IDG from MDTMB	474,300
21	IDG from MDTMB, civil service commission	313,100
22	IDG from MDTMB, risk management revolving fund	1,499,700
23	IDG from Michigan state housing development authority	695,000
24	IDG from treasury	7,042,400
25	IDG from TED, Michigan strategic fund	183,600
26	Federal revenues:	
27	DAG, state administrative match grant/food stamps	137,000



1	Federal funds	3,209,700
2	HHS, medical assistance, medigrant	390,700
3	HHS-OS, state Medicaid fraud control units	5,769,900
4	National criminal history improvement program	121,200
5	Special revenue funds:	
6	Antitrust enforcement collections	778,600
7	Attorney general's operations fund	767,000
8	Auto repair facilities fees	335,800
9	Franchise fees	389,900
10	Game and fish protection fund	766,300
11	Human trafficking commission fund	390,000
12	Lawsuit settlement proceeds fund	2,602,700
13	Liquor purchase revolving fund	1,494,700
14	Marihuana regulatory fund	507,200
15	Michigan merit award trust fund	506,700
16	Michigan employment security act - administrative fund	2,298,000
17	Michigan state waterways fund	142,200
18	Mobile home code fund	255,400
19	Prisoner reimbursement	636,500
20	Prosecuting attorneys training fees	414,200
21	Public utility assessments	2,123,400
22	Real estate enforcement fund	100,700
23	Reinstatement fees	263,200
24	Retirement funds	1,073,100
25	Second injury fund	833,800
26	Self-insurers security fund	577,900
27	Silicosis and dust disease fund	228,200



1	State building authority revenue	124,300
2	State casino gaming fund	1,907,700
3	State lottery fund	353,500
4	Student safety fund	470,000
5	Utility consumers fund	1,009,100
6	Worker's compensation administrative revolving fund ..	377,100
7	State general fund/general purpose	\$ 38,529,200
8	(3) INFORMATION TECHNOLOGY	
9	Information technology services and projects	\$ <u>1,577,600</u>
10	GROSS APPROPRIATION	\$ 1,577,600
11	Appropriated from:	
12	State general fund/general purpose	\$ 1,577,600
13	Sec. 103. DEPARTMENT OF CIVIL RIGHTS	
14	(1) APPROPRIATION SUMMARY	
15	Full-time equated unclassified positions	6.0
16	Full-time equated classified positions	110.0
17	GROSS APPROPRIATION	\$ 16,201,100
18	Interdepartmental grant revenues:	
19	Total interdepartmental grants and intradepartmental	
20	transfers	299,100
21	ADJUSTED GROSS APPROPRIATION	\$ 15,902,000
22	Federal revenues:	
23	Total federal revenues	2,802,700
24	Special revenue funds:	
25	Total local revenues	0
26	Total private revenues	18,700
27	Total other state restricted revenues	58,500



1	State general fund/general purpose	\$	13,022,100
2	(2) CIVIL RIGHTS OPERATIONS		
3	Full-time equated unclassified positions	6.0	
4	Full-time equated classified positions	110.0	
5	Unclassified positions--6.0 FTE positions	\$	693,700
6	Civil rights operations--104.0 FTE positions		14,068,600
7	Division on deaf, deafblind, and hard of hearing--6.0		
8	FTE positions.....		<u>715,600</u>
9	GROSS APPROPRIATION	\$	15,477,900
10	Appropriated from:		
11	Interdepartmental grant revenues:		
12	IDG from DTMB		299,100
13	Federal revenues:		
14	EEOC, state and local antidiscrimination agency		
15	contracts.....		1,228,500
16	HUD, grant		1,559,200
17	Special revenue funds:		
18	Private revenues		18,700
19	State restricted indirect funds		58,500
20	State general fund/general purpose	\$	12,313,900
21	(3) INFORMATION TECHNOLOGY		
22	Information technology services and projects	\$	<u>723,200</u>
23	GROSS APPROPRIATION	\$	723,200
24	Appropriated from:		
25	Federal revenues:		
26	EEOC, state and local antidiscrimination agency		
27	contracts.....		15,000



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



1 **Sec. 105. LEGISLATURE**

2 **(1) APPROPRIATION SUMMARY**

3	GROSS APPROPRIATION	\$	182,219,800
4	Interdepartmental grant revenues:		
5	Total interdepartmental grants and intradepartmental		
6	transfers.....		5,823,400
7	ADJUSTED GROSS APPROPRIATION	\$	176,396,400
8	Federal revenues:		
9	Total federal revenues		0
10	Special revenue funds:		
11	Total local revenues		0
12	Total private revenues		400,000
13	Total other state restricted revenues		6,403,100
14	State general fund/general purpose	\$	169,593,300

15 **(2) LEGISLATURE**

16	Senate	\$	36,910,700
17	Senate automated data processing		2,678,000
18	Senate fiscal agency		3,971,000
19	House of representatives		56,766,900
20	House automated data processing		2,678,000
21	House fiscal agency		<u>3,971,000</u>
22	GROSS APPROPRIATION	\$	106,975,600
23	Appropriated from:		
24	State general fund/general purpose	\$	106,975,600

25 **(3) LEGISLATIVE COUNCIL**

26	Legislative corrections ombudsman	\$	987,200
27	Legislative council		12,781,800



1	Legislative service bureau automated data processing .	1,740,700
2	Michigan forensic science commission	100
3	Michigan veterans facility ombudsman	309,000
4	National association dues	224,000
5	Worker's compensation	<u>151,400</u>
6	GROSS APPROPRIATION	\$ 16,194,200
7	Appropriated from:	
8	Special revenue funds:	
9	Private - gifts and bequests revenues	400,000
10	State general fund/general purpose	\$ 15,794,200
11	(4) LEGISLATIVE RETIREMENT SYSTEM	
12	General nonretirement expenses	\$ <u>5,202,200</u>
13	GROSS APPROPRIATION	\$ 5,202,200
14	Appropriated from:	
15	Special revenue funds:	
16	Court fees	1,201,300
17	State general fund/general purpose	\$ 4,000,900
18	(5) PROPERTY MANAGEMENT	
19	Binsfeld Office Building	\$ 8,270,900
20	Cora Anderson Building	<u>12,122,600</u>
21	GROSS APPROPRIATION	\$ 20,393,500
22	Appropriated from:	
23	State general fund/general purpose	\$ 20,393,500
24	(6) STATE CAPITOL HISTORIC SITE	
25	Bond/lease obligations	\$ 100
26	General operations	4,573,200
27	Restoration, renewal, and maintenance	<u>3,193,000</u>



1	GROSS APPROPRIATION	\$	7,766,300
2	Appropriated from:		
3	Special revenue funds:		
4	Capitol historic site fund		3,193,000
5	State general fund/general purpose	\$	4,573,300
6	(7) OFFICE OF THE AUDITOR GENERAL		
7	Unclassified positions	\$	346,000
8	Field operations		<u>24,592,000</u>
9	GROSS APPROPRIATION	\$	24,938,000
10	Appropriated from:		
11	Interdepartmental grant revenues:		
12	IDG from MDHHS, human services		31,200
13	IDG from MDLARA, liquor purchase revolving fund		76,800
14	IDG from MDLARA, self-insurers security fund		81,600
15	IDG from MDMVA, Michigan veterans facility authority .		50,000
16	IDG from MDOT, comprehensive transportation fund		39,800
17	IDG from MDOT, Michigan transportation fund		322,100
18	IDG from MDOT, state aeronautics fund		31,000
19	IDG from MDOT, state trunkline fund		748,200
20	IDG, legislative retirement system		29,800
21	IDG, single audit act		2,781,200
22	IDG, commercial mobile radio system emergency		
23	telephone fund.....		37,500
24	IDG, contract audit administration fees		51,000
25	IDG, deferred compensation funds		61,200
26	IDG, Michigan finance authority		337,400
27	IDG, Michigan economic development corporation		98,200



1	IDG, Michigan education trust fund	72,200
2	IDG, Michigan justice training commission fund	41,700
3	IDG, Michigan strategic fund	172,500
4	IDG, office of retirement services	700,000
5	IDG, other restricted funding sources	60,000
6	Special revenue funds:	
7	21st century jobs trust fund	98,200
8	Brownfield development fund	28,700
9	Clean Michigan initiative implementation bond fund ...	55,600
10	Game and fish protection fund	32,000
11	MDTMB, civil service commission	169,500
12	Michigan state housing development authority fees	115,800
13	Michigan veterans' trust fund	36,200
14	Motor transport revolving fund	7,500
15	Office services revolving fund	10,200
16	State disbursement unit, office of child support	58,500
17	State services fee fund	1,385,100
18	Waterways fund	11,500
19	State general fund/general purpose	\$ 17,105,800
20	(8) ONE-TIME APPROPRIATIONS	
21	Legislative information technology systems design	
22	project.....	\$ <u>750,000</u>
23	GROSS APPROPRIATION	\$ 750,000
24	Appropriated from:	
25	State general fund/general purpose	\$ 750,000
26	Sec. 106. DEPARTMENT OF STATE	
27	(1) APPROPRIATION SUMMARY	



1	Full-time equated unclassified positions	6.0		
2	Full-time equated classified positions	1,586.0		
3	GROSS APPROPRIATION		\$	246,662,800
4	Interdepartmental grant revenues:			
5	Total interdepartmental grants and intradepartmental			
6	transfers.....			20,000,000
7	ADJUSTED GROSS APPROPRIATION		\$	226,662,800
8	Federal revenues:			
9	Total federal revenues			1,460,000
10	Special revenue funds:			
11	Total local revenues			0
12	Total private revenues			50,100
13	Total other state restricted revenues			206,686,400
14	State general fund/general purpose		\$	18,466,300
15	(2) DEPARTMENTAL ADMINISTRATION AND SUPPORT			
16	Full-time equated unclassified positions	6.0		
17	Full-time equated classified positions	140.0		
18	Secretary of state		\$	112,500
19	Unclassified positions--5.0 FTE positions			660,700
20	Executive direction--30.0 FTE positions			4,662,000
21	Operations--110.0 FTE positions			25,651,100
22	Property management			10,028,700
23	Worker's compensation			<u>248,200</u>
24	GROSS APPROPRIATION		\$	41,363,200
25	Appropriated from:			
26	Special revenue funds:			
27	Abandoned vehicle fees			239,800



1	Auto repair facilities fees	133,000
2	Children's protection registry fund	270,700
3	Driver fees	2,497,000
4	Driver improvement course fund	308,200
5	Enhanced driver license and enhanced official state	
6	personal identification card fund	945,000
7	Parking ticket court fines	440,800
8	Personal identification card fees	289,800
9	Reinstatement fees - operator licenses	791,700
10	Scrap tire fund	78,600
11	Transportation administration collection fund	30,674,000
12	State general fund/general purpose	\$ 4,694,600
13	(3) LEGAL SERVICES	
14	Full-time equated classified positions	94.0
15	Operations--94.0 FTE positions	\$ <u>15,132,600</u>
16	GROSS APPROPRIATION	\$ 15,132,600
17	Appropriated from:	
18	Special revenue funds:	
19	Auto repair facilities fees	2,941,100
20	Driver fees	2,145,000
21	Driver responsibility fees	1,000,000
22	Enhanced driver license and enhanced official state	
23	personal identification card fund	544,700
24	Reinstatement fees - operator licenses	959,400
25	Transportation administration collection fund	4,518,700
26	Vehicle theft prevention fees	1,089,200
27	State general fund/general purpose	\$ 1,934,500



1	(4) CUSTOMER DELIVERY SERVICES	
2	Full-time equated classified positions	1,307.0
3	Branch operations--925.0 FTE positions	\$ 89,279,000
4	Central operations--380.0 FTE positions	52,665,800
5	Motorcycle safety education administration--2.0 FTE	
6	positions.....	339,300
7	Motorcycle safety education grants	1,800,000
8	Organ donor program	<u>129,100</u>
9	GROSS APPROPRIATION	\$ 144,213,200
10	Appropriated from:	
11	Interdepartmental grant revenues:	
12	IDG from MDOT, Michigan transportation fund	20,000,000
13	Federal revenues:	
14	DOT	860,000
15	OHSP	600,000
16	Special revenue funds:	
17	Private funds	100
18	Thomas Daley gift of life fund	50,000
19	Abandoned vehicle fees	450,900
20	Auto repair facilities fees	901,900
21	Child support clearance fees	363,600
22	Driver education provider and instructor fund	75,000
23	Driver fees	24,616,300
24	Driver improvement course fund	1,227,600
25	Enhanced driver license and enhanced official state	
26	personal identification card fund.....	9,513,500
27	Expedient service fees	2,943,500



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



1	Information technology services and projects	\$	<u>38,446,900</u>
2	GROSS APPROPRIATION	\$	38,446,900
3	Appropriated from:		
4	Special revenue funds:		
5	Administrative order processing fee		11,700
6	Auto repair facilities fees		129,000
7	Driver fees		785,700
8	Enhanced driver license and enhanced official state		
9	personal identification card fund		344,300
10	Expedient service fees		1,082,800
11	Parking ticket court fines		88,800
12	Personal identification card fees		172,900
13	Reinstatement fees - operator licenses		591,000
14	Transportation administration collection fund		33,460,400
15	Vehicle theft prevention fees		180,600
16	State general fund/general purpose	\$	1,599,700
17	Sec. 107. DEPARTMENT OF TECHNOLOGY, MANAGEMENT, AND		
18	BUDGET		
19	(1) APPROPRIATION SUMMARY		
20	Full-time equated unclassified positions		6.0
21	Full-time equated classified positions		3,105.0
22	GROSS APPROPRIATION	\$	1,328,661,000
23	Interdepartmental grant revenues:		
24	Total interdepartmental grants and intradepartmental		
25	transfers		751,777,000
26	ADJUSTED GROSS APPROPRIATION	\$	576,884,000
27	Federal revenues:		



1	Total federal revenues	5,033,700
2	Special revenue funds:	
3	Total local revenues	2,341,600
4	Total private revenues	129,400
5	Total other state restricted revenues	114,457,400
6	State general fund/general purpose	\$ 454,921,900
7	(2) DEPARTMENTAL ADMINISTRATION AND SUPPORT	
8	Full-time equated unclassified positions	6.0
9	Full-time equated classified positions	846.5
10	Unclassified positions--6.0 FTE positions	\$ 905,100
11	Administrative services--139.5 FTE positions	18,368,400
12	Budget and financial management--203.0 FTE positions .	39,361,600
13	Building operation services--255.0 FTE positions	93,090,500
14	Bureau of labor market information and strategies--	
15	44.0 FTE positions	5,837,500
16	Business support services--104.0 FTE positions	12,759,800
17	Design and construction services--40.0 FTE positions .	6,603,300
18	Executive operations--12.0 FTE positions	2,427,700
19	Motor vehicle fleet--35.0 FTE positions	74,377,800
20	Office of the state employer--14.0 FTE positions	1,725,600
21	Property management	<u>7,991,600</u>
22	GROSS APPROPRIATION	\$ 263,448,900
23	Appropriated from:	
24	Interdepartmental grant revenues:	
25	IDG from accounting service centers user charges	3,969,800
26	IDG from building occupancy and parking charges	95,118,600
27	IDG from MDHHS, community health	494,200



1	IDG from MDHHS, human services	227,000
2	IDG from MDLARA	100,000
3	IDG from motor transport fund	74,377,800
4	IDG from technology user fees	9,999,800
5	IDG from user fees	6,697,300
6	Federal revenues:	
7	Federal funds	5,033,700
8	Special revenue funds:	
9	Local - MPSCS subscriber and maintenance fees	58,600
10	Local funds	35,000
11	Health management funds	412,700
12	MAIN user charges	2,176,000
13	Other agency charges	1,221,200
14	Private funds	129,400
15	Special revenue, internal service, and pension trust	
16	funds.....	16,479,400
17	State restricted indirect funds	2,866,300
18	State general fund/general purpose	\$ 44,052,100
19	(3) TECHNOLOGY SERVICES	
20	Full-time equated classified positions	1,618.5
21	Education services--33.0 FTE positions	\$ 4,207,400
22	General services--354.5 FTE positions	116,405,200
23	Health and human services--656.5 FTE positions	318,723,300
24	Public protection--162.5 FTE positions	59,775,900
25	Resources services--154.5 FTE positions	20,934,300
26	Transportation services--99.5 FTE positions	35,113,500
27	Enterprise identity management--6.0 FTE positions	7,765,000



1	Information technology investment fund	28,810,000
2	Homeland security initiative/cyber security--25.0 FTE	
3	positions.....	14,231,300
4	Michigan public safety communication system--127.0 FTE	
5	positions.....	<u>40,404,100</u>
6	GROSS APPROPRIATION	\$ 646,370,000
7	Appropriated from:	
8	Interdepartmental grant revenues:	
9	IDG from technology user fees	555,159,600
10	Special revenue funds:	
11	Local - MPSCS subscriber and maintenance fees	2,248,000
12	State general fund/general purpose	\$ 88,962,400
13	(4) STATEWIDE APPROPRIATIONS	
14	Professional development fund - NERE	\$ 200,000
15	Professional development fund - UAW	<u>700,000</u>
16	GROSS APPROPRIATION	\$ 900,000
17	Appropriated from:	
18	Interdepartmental grant revenues:	
19	IDG from employer contributions	900,000
20	State general fund/general purpose	\$ 0
21	(5) SPECIAL PROGRAMS	
22	Full-time equated classified positions..... 181.0	
23	Office of children's ombudsman--14.0 FTE positions ...	\$ 1,860,900
24	Property management executive/legislative	1,195,900
25	Public private partnership	1,500,000
26	Regional prosperity grants	2,500,000
27	Retirement services--167.0 FTE positions	<u>29,529,300</u>



1	GROSS APPROPRIATION	\$	36,586,100
2	Appropriated from:		
3	Special revenue funds:		
4	Deferred compensation		2,800,000
5	Pension trust funds		21,412,500
6	Public private partnership investment fund		1,500,000
7	State general fund/general purpose	\$	10,873,600
8	(6) STATE BUILDING AUTHORITY RENT		
9	State building authority rent - state agencies	\$	56,737,700
10	State building authority rent - department of		
11	corrections.....		18,318,800
12	State building authority rent - universities		145,478,500
13	State building authority rent - community colleges ...		<u>33,378,100</u>
14	GROSS APPROPRIATION	\$	253,913,100
15	Appropriated from:		
16	State general fund/general purpose	\$	253,913,100
17	(7) CIVIL SERVICE COMMISSION		
18	Full-time equated classified positions		459.0
19	Agency services--74.0 FTE positions	\$	13,345,100
20	Employee benefits--25.0 FTE positions		7,683,200
21	Executive direction--40.0 FTE positions		9,518,800
22	Human resources operations--320.0 FTE positions		39,013,800
23	Information technology services and projects		<u>3,484,700</u>
24	GROSS APPROPRIATION	\$	73,045,600
25	Appropriated from:		
26	Special revenue funds:		
27	State restricted funds 1%		29,510,400



1	State restricted indirect funds	8,839,600
2	State sponsored group insurance	10,742,800
3	State general fund/general purpose	\$ 23,952,800
4	(8) CAPITAL OUTLAY	
5	Major special maintenance, remodeling, and addition	
6	for state agencies.....	\$ 3,800,000
7	Enterprisewide special maintenance for state	
8	facilities.....	<u>23,396,000</u>
9	GROSS APPROPRIATION	\$ 27,196,000
10	Appropriated from:	
11	Interdepartmental grant revenues:	
12	IDG from building occupancy charges	3,800,000
13	State general fund/general purpose	\$ 23,396,000
14	(9) INFORMATION TECHNOLOGY	
15	Information technology services and projects	\$ <u>26,777,200</u>
16	GROSS APPROPRIATION	\$ 26,777,200
17	Appropriated from:	
18	Interdepartmental grant revenues:	
19	IDG from building occupancy and parking charges	723,200
20	IDG from user fees	209,700
21	Special revenue funds:	
22	Deferred compensation	2,600
23	MAIN user charges	2,516,700
24	Pension trust funds	10,266,700
25	Special revenue, internal service, and pension trust	
26	funds.....	2,706,500
27	State restricted indirect funds	583,900



1	State general fund/general purpose	\$	9,767,900
2	(10) ONE-TIME APPROPRIATIONS		
3	Drinking water declaration of emergency reserve fund .	\$	100
4	Michigan cyber civilian corps		420,000
5	Office of retirement services actuarial analysis		<u>4,000</u>
6	GROSS APPROPRIATION	\$	424,100
7	Appropriated from:		
8	Drinking water declaration of emergency reserve fund .		100
9	Michigan infrastructure fund		420,000
10	State general fund/general purpose	\$	4,000
11	Sec. 108. DEPARTMENT OF TREASURY		
12	(1) APPROPRIATION SUMMARY		
13	Full-time equated unclassified positions		10.0
14	Full-time equated classified positions		1,860.5
15	GROSS APPROPRIATION	\$	1,941,043,500
16	Interdepartmental grant revenues:		
17	Total interdepartmental grants and intradepartmental		
18	transfers.....		12,780,300
19	ADJUSTED GROSS APPROPRIATION	\$	1,928,263,200
20	Federal revenues:		
21	Total federal revenues		27,128,000
22	Special revenue funds:		
23	Total local revenues		13,135,700
24	Total private revenues		27,500
25	Total other state restricted revenues		1,675,478,700
26	State general fund/general purpose	\$	212,493,300
27	(2) DEPARTMENTAL ADMINISTRATION AND SUPPORT		



1	Full-time equated unclassified positions	10.0	
2	Full-time equated classified positions	433.5	
3	Unclassified positions--10.0 FTE positions		\$ 1,045,800
4	Department services--75.0 FTE positions		9,142,500
5	Executive direction and operations--64.5 FTE positions		9,567,000
6	Office of accounting services--29.0 FTE positions		4,116,000
7	Office of collections--197.0 FTE positions		28,019,800
8	Office of financial services--40.0 FTE positions		4,883,200
9	Property management		7,019,700
10	Unclaimed property--28.0 FTE positions		4,898,100
11	Worker's compensation		<u>144,500</u>
12	GROSS APPROPRIATION		\$ 68,836,600
13	Appropriated from:		
14	IDG, data/collection services fees		336,600
15	IDG from accounting service center user charges		537,500
16	IDG from MDHHS, title IV-D		791,400
17	IDG, levy/warrant cost assessment fees		3,663,600
18	IDG, state agency collection fees		4,421,700
19	Federal revenues:		
20	DED-OPSE, federal lenders allowance		21,000
21	DED-OPSE, higher education act of 1965 insured loans .		47,300
22	Special revenue funds:		
23	Delinquent tax collection revenue		35,493,000
24	Escheats revenue		4,898,100
25	Garnishment fees		2,684,400
26	Justice system fund		433,100
27	Marihuana regulatory fund		190,000



1	State lottery fund	298,400
2	State restricted indirect funds	278,600
3	State services fee fund	339,300
4	Treasury fees	47,200
5	State general fund/general purpose	\$ 14,355,400
6	(3) LOCAL GOVERNMENT PROGRAMS	
7	Full-time equated classified positions	101.0
8	Local finance--18.0 FTE positions	\$ 2,658,900
9	Property tax assessor training--1.0 FTE position	1,043,100
10	Supervision of the general property tax law--82.0 FTE	
11	positions.....	<u>18,627,600</u>
12	GROSS APPROPRIATION	\$ 22,329,600
13	Appropriated from:	
14	Special revenue funds:	
15	Local - assessor training fees	1,043,100
16	Local - audit charges	835,500
17	Local - equalization study chargebacks	40,000
18	Local - revenue from local government	100,000
19	Delinquent tax collection revenue	1,548,400
20	Land reutilization fund	2,052,000
21	Municipal finance fees	554,600
22	State general fund/general purpose	\$ 16,156,000
23	(4) TAX PROGRAMS	
24	Full-time equated classified positions	734.0
25	Bottle act implementation	\$ 250,000
26	Health insurance claims fund program--13.0 FTE	
27	positions.....	2,110,500



1	Home heating assistance	3,093,900
2	Office of revenue and tax analysis--9.0 FTE positions	1,818,600
3	Tax and economic policy--43.0 FTE positions	7,948,900
4	Tax compliance--318.0 FTE positions	45,501,600
5	Tax processing--340.0 FTE positions	39,185,700
6	Tobacco tax enforcement--11.0 FTE positions	<u>1,534,700</u>
7	GROSS APPROPRIATION	\$ 101,443,900
8	Appropriated from:	
9	Interdepartmental grant revenues:	
10	IDG from MDOT, Michigan transportation fund	2,344,900
11	IDG from MDOT, state aeronautics fund	72,200
12	Federal revenues:	
13	HHS-SSA, low-income energy assistance	3,093,900
14	Special revenue funds:	
15	Bottle deposit fund	250,000
16	Brownfield development fund	214,300
17	Delinquent tax collection revenue	70,255,000
18	Health insurance claims fund	2,110,500
19	Marihuana regulatory fund	721,400
20	Michigan state waterways fund	107,100
21	Tobacco tax revenue	4,137,800
22	State general fund/general purpose	\$ 18,136,800
23	(5) FINANCIAL PROGRAMS	
24	Full-time equated classified positions	178.0
25	Common cash and debt management--11.0 FTE positions ..	\$ 1,701,600
26	Dual enrollment payments	2,007,600
27	Investments--81.0 FTE positions	20,980,600



1	John R. Justice grant program	288,100
2	Michigan finance authority - bond finance--64.0 FTE	
3	positions.....	26,097,700
4	Student financial assistance programs--22.0 FTE	
5	positions.....	<u>2,742,800</u>
6	GROSS APPROPRIATION	\$ 53,818,400
7	Appropriated from:	
8	Interdepartmental grant revenues:	
9	IDG, fiscal agent service fees	212,400
10	Federal revenues:	
11	DED-OPSE, federal lenders allowance	3,741,800
12	DED-OPSE, higher education act of 1965, insured loans	19,308,100
13	Federal - John R. Justice grant	288,100
14	Special revenue funds:	
15	Defined contribution administrative fee revenue	100,000
16	Michigan finance authority bond and loan program	
17	revenue.....	3,047,800
18	Michigan merit award trust fund	1,187,300
19	Retirement funds	18,644,700
20	School bond fees	872,600
21	Treasury fees	2,457,200
22	State general fund/general purpose	\$ 3,958,400
23	(6) DEBT SERVICE	
24	Clean Michigan initiative	\$ 62,751,000
25	Great Lakes water quality bond	22,865,000
26	Quality of life bond	<u>21,964,000</u>
27	GROSS APPROPRIATION	\$ 107,580,000



1	Appropriated from:		
2	State general fund/general purpose	\$	107,580,000
3	(7) GRANTS		
4	Beat the streets	\$	100,000
5	Convention facility development distribution		90,950,000
6	Courageous cadets		50,000
7	Emergency 911 payments		27,000,000
8	Health and safety fund grants		1,500,000
9	Medical marihuana excise fund grants		10,890,000
10	Senior citizen cooperative housing tax exemption		
11	program.....		10,720,100
12	Financial data analytic tool reimbursement.....		<u>500,000</u>
13	GROSS APPROPRIATION	\$	141,710,100
14	Appropriated from:		
15	Special revenue funds:		
16	Convention facility development fund		90,950,000
17	Emergency 911 fund.....		27,000,000
18	Health and safety fund		1,500,000
19	Medical marihuana excise fund		10,890,000
20	Sales tax.....		500,000
21	State general fund/general purpose	\$	10,870,100
22	(8) BUREAU OF STATE LOTTERY		
23	Full-time equated classified positions		196.0
24	Lottery information technology services and projects .	\$	5,287,000
25	Lottery operations--196.0 FTE positions		<u>26,678,200</u>
26	GROSS APPROPRIATION	\$	31,965,200
27	Appropriated from:		



1	Special revenue funds:		
2	State lottery fund		31,965,200
3	State general fund/general purpose	\$	0
4	(9) CASINO GAMING		
5	Full-time equated classified positions	143.0	
6	Casino gaming control operations--133.0 FTE positions	\$	26,604,600
7	Gaming information technology services and projects ..		2,556,400
8	Horse racing--10.0 FTE positions		2,052,100
9	Michigan gaming control board		<u>50,000</u>
10	GROSS APPROPRIATION	\$	31,263,100
11	Appropriated from:		
12	Special revenue funds:		
13	Casino gambling agreements		963,500
14	Equine development fund		2,176,300
15	Laboratory fees		705,400
16	State services fee fund		27,417,900
17	State general fund/general purpose	\$	0
18	(10) PAYMENTS IN LIEU OF TAXES		
19	Commercial forest reserve	\$	3,368,100
20	Purchased lands		8,677,900
21	Swamp and tax reverted lands		<u>15,305,600</u>
22	GROSS APPROPRIATION	\$	27,351,600
23	Appropriated from:		
24	Special revenue funds:		
25	Private funds		27,500
26	Game and fish protection fund		3,007,400
27	Michigan natural resources trust fund		2,064,700



1	Michigan state waterways fund	260,800
2	State general fund/general purpose	\$ 21,991,200
3	(11) REVENUE SHARING	
4	City, village, and township revenue sharing	\$ 243,040,000
5	Constitutional state general revenue sharing grants ..	832,343,800
6	County incentive program	43,218,800
7	County revenue sharing payments	175,006,700
8	Financially distressed cities, villages, or townships	4,500,000
9	Sheriff patrol assistance for financially distressed	
10	communities.....	<u>100</u>
11	GROSS APPROPRIATION	\$ 1,298,109,400
12	Appropriated from:	
13	Special revenue funds:	
14	Sales tax.....	1,298,109,300
15	State general fund/general purpose	\$ 100
16	(12) STATE BUILDING AUTHORITY	
17	Full-time equated classified positions.....	3.0
18	State building authority--3.0 FTE positions	\$ <u>740,000</u>
19	GROSS APPROPRIATION	\$ 740,000
20	Appropriated from:	
21	Special revenue funds:	
22	State building authority revenue	740,000
23	State general fund/general purpose	\$ 0
24	(13) CITY INCOME TAX ADMINISTRATION PROGRAM	
25	Full-time equated classified positions.....	72.0
26	City income tax administration program--72.0 FTE	
27	positions.....	\$ <u>9,887,900</u>



1	GROSS APPROPRIATION	\$	9,887,900
2	Appropriated from:		
3	Special revenue funds:		
4	Local - city income tax fund		9,887,900
5	State general fund/general purpose	\$	0
6	(14) INFORMATION TECHNOLOGY		
7	Treasury operations information technology services		
8	and projects.....	\$	<u>36,207,600</u>
9	GROSS APPROPRIATION	\$	36,207,600
10	Appropriated from:		
11	Interdepartmental grant revenues:		
12	IDG from MDOT, Michigan transportation fund		400,000
13	Federal revenues:		
14	DED-OPSE, federal lender allowance		627,800
15	Special revenue funds:		
16	Local - city income tax fund		1,229,200
17	Delinquent tax collection revenue		17,588,500
18	Retirement funds		787,400
19	Tobacco tax revenue		129,400
20	State general fund/general purpose	\$	15,445,300
21	(15) ONE-TIME APPROPRIATIONS		
22	City, village, and township revenue sharing	\$	5,800,000
23	Drinking water declaration of emergency		100
24	Supplemental city, village, and township revenue		
25	sharing.....		3,100,000
26	Urban search and rescue		<u>900,000</u>
27	GROSS APPROPRIATION	\$	9,800,100



1	Appropriated from:	
2	Special revenue funds:	
3	Drinking water declaration of emergency reserve fund .	100
4	Sales tax	5,800,000
5	State general fund/general purpose	\$ 4,000,000
6	Sec. 109. DEPARTMENT OF TALENT AND ECONOMIC	
7	DEVELOPMENT	
8	(1) APPROPRIATION SUMMARY	
9	Full-time equated unclassified positions	6.0
10	Full-time equated classified positions	1,450.0
11	GROSS APPROPRIATION	\$ 1,105,065,700
12	Interdepartmental grant revenues:	
13	Total interdepartmental grants and intradepartmental	
14	transfers.....	0
15	ADJUSTED GROSS APPROPRIATION	\$ 1,105,065,700
16	Federal revenues:	
17	Total federal revenues	762,645,800
18	Special revenue funds:	
19	Total local revenues	500,000
20	Total private revenues	5,621,700
21	Total other state restricted revenues	205,332,300
22	State general fund/general purpose	\$ 130,965,900
23	(2) DEPARTMENTAL ADMINISTRATION AND SUPPORT	
24	Full-time equated unclassified positions	6.0
25	Full-time equated classified positions	15.0
26	Unclassified positions--6.0 FTE positions	\$ 1,108,500
27	Executive direction and operations--15.0 FTE positions	<u>3,903,500</u>



1	GROSS APPROPRIATION	\$	5,012,000
2	Appropriated from:		
3	Federal revenues:		
4	DOL-ETA, unemployment insurance		1,448,500
5	DOL, federal funds		369,100
6	Federal funds		2,500,000
7	Special revenue funds:		
8	Michigan state housing development authority fees and		
9	charges.....		495,900
10	State general fund/general purpose	\$	198,500
11	(3) MICHIGAN STRATEGIC FUND		
12	Full-time equated classified positions	157.0	
13	Administrative services--37.0 FTE positions	\$	6,418,300
14	Arts and cultural program		10,150,000
15	Business attraction and community revitalization		100,000,000
16	Community college skilled trades equipment program		
17	debt service.....		4,600,000
18	Community development block grants		47,000,000
19	Entrepreneurship ecosystem		16,400,000
20	Facility for rare isotope beams		7,300,000
21	Job creation services--120.0 FTE positions		22,518,900
22	Pure Michigan		<u>32,500,000</u>
23	GROSS APPROPRIATION	\$	246,887,200
24	Appropriated from:		
25	Federal revenues:		
26	DOL, federal funds		2,825,800
27	DOL-ETA, unemployment insurance		287,000



1	HUD-CPD community development block grant		49,773,300
2	NFAH-NEA, promotion of the arts, partnership		
3	agreements.....		1,050,000
4	Special revenue funds:		
5	Private - special project advances		250,000
6	Private - Michigan council for the arts fund		100,000
7	21st century jobs trust fund		75,000,000
8	Contingent fund, penalty and interest account		4,600,000
9	Land bank fast track fund		150,000
10	Michigan film promotion fund		402,200
11	Michigan state housing development authority fees and		
12	charges.....		4,699,100
13	State general fund/general purpose	\$	107,749,800
14	(4) TALENT INVESTMENT AGENCY		
15	Full-time equated classified positions	979.0	
16	At-risk youth grants	\$	3,000,000
17	Community ventures		3,500,000
18	Executive direction--14.0 FTE positions		3,498,500
19	Information technology services and projects - TIA ...		22,610,700
20	Going pro		27,918,800
21	Unemployment insurance agency--760.0 FTE positions ...		137,836,900
22	Workforce development programs		381,556,600
23	Workforce program administration--205.0 FTE positions		<u>34,645,800</u>
24	GROSS APPROPRIATION	\$	614,567,300
25	Appropriated from:		
26	Federal revenues:		
27	DAG, employment and training		4,000,400



1	DED-OESE, GEAR-UP	4,730,700
2	DED-OVAE, adult education	20,000,000
3	DED-OVAE, basic grants to states	19,000,000
4	DOL, federal funds	108,732,800
5	DOL-ETA, unemployment insurance	138,940,600
6	DOL-ETA, workforce investment act	173,988,600
7	Federal funds	3,440,200
8	Social security act, temporary assistance to needy	
9	families.....	63,698,800
10	Special revenue funds:	
11	Local revenues	500,000
12	Private funds	5,271,700
13	Contingent fund, penalty and interest account	57,069,500
14	Defaulted loan collection fees	153,700
15	State general fund/general purpose	\$ 15,040,300
16	(5) LAND BANK FAST TRACK AUTHORITY	
17	Full-time equated classified positions	9.0
18	Land bank fast track authority--9.0 FTE positions	\$ <u>3,625,700</u>
19	GROSS APPROPRIATION	\$ 3,625,700
20	Appropriated from:	
21	Federal revenues:	
22	Federal revenues	1,000,000
23	Special revenue funds:	
24	Land bank fast track fund	148,400
25	State general fund/general purpose	\$ 2,477,300
26	(6) MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY	
27	Full-time equated classified positions	290.0



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



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 \$3,276,693,300.00 and state spending from state sources to be paid to local units of government for fiscal year 2018-2019 is \$1,508,095,900.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF STATE

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

DEPARTMENT OF TREASURY

Senior citizen cooperative housing tax exemption	\$	10,720,100
Health and safety fund grants		1,500,000
Constitutional state general revenue sharing grants ..		832,343,800
City, village, and township revenue sharing		248,840,000
Medical marihuana excise fund grants		6,534,000
Supplemental city, village, and township revenue sharing.....		3,100,000
Convention facility development fund distribution		90,950,000
Emergency 9-1-1 payments		27,000,000
Financially distressed cities, villages, or townships		4,500,000
Airport parking distribution pursuant to section 909 .		24,601,900



1	County incentive program	43,218,800
2	County revenue sharing payments	175,006,700
3	Payments in lieu of taxes	<u>27,351,600</u>
4	Subtotal	\$ 1,495,666,900
5	DEPARTMENT OF TALENT AND ECONOMIC DEVELOPMENT	
6	Welfare-to-work programs	\$ <u>11,300,000</u>
7	Subtotal	\$ <u>11,300,000</u>
8	TOTAL GENERAL GOVERNMENT	\$ 1,508,095,900

9 (2) Pursuant to section 30 of article IX of the state
10 constitution of 1963, total state spending from state sources for
11 fiscal year 2018-2019 is estimated at \$32,742,310,300.00 in the
12 2018-2019 appropriations acts and total state spending from state
13 sources paid to local units of government for fiscal year 2018-2019
14 is estimated at \$18,584,557,000.00. The state-local proportion is
15 estimated at 56.8% of total state spending from state sources.

16 (3) If payments to local units of government and state
17 spending from state sources for fiscal year 2018-2019 are different
18 than the amounts estimated in subsection (2), the state budget
19 director shall report the payments to local units of government and
20 state spending from state sources that were made for fiscal year
21 2018-2019 to the senate and house of representatives standing
22 committees on appropriations within 30 days after the final book-
23 closing for fiscal year 2018-2019.

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

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



- 1 (a) "COBRA" means the consolidated omnibus budget
2 reconciliation act of 1985, Public Law 99-272, 100 Stat 82.
- 3 (b) "DAG" means the United States Department of Agriculture.
- 4 (c) "DED" means the United States Department of Education.
- 5 (d) "DED-OESE" means the DED Office of Elementary and
6 Secondary Education.
- 7 (e) "DED-OPSE" means the DED Office of Postsecondary
8 Education.
- 9 (f) "DED-OVAE" means the DED Office of Vocational and Adult
10 Education.
- 11 (g) "DOE-OEERE" means the United States Department of Energy,
12 Office of Energy Efficiency and Renewable Energy.
- 13 (h) "DOL" means the United States Department of Labor.
- 14 (i) "DOL-ETA" means the United States Department of Labor,
15 Employment and Training Administration.
- 16 (j) "EEOC" means the United States Equal Employment
17 Opportunity Commission.
- 18 (k) "FTE" means full-time equated.
- 19 (l) "Fund" means the Michigan strategic fund.
- 20 (m) "GEAR-UP" means gaining early awareness and readiness for
21 undergraduate programs.
- 22 (n) "GED" means a general educational development certificate.
- 23 (o) "GF/GP" means general fund/general purpose.
- 24 (p) "HHS" means the United States Department of Health and
25 Human Services.
- 26 (q) "HHS-OS" means the HHS Office of the Secretary.
- 27 (r) "HHS-SSA" means the HHS Social Security Administration.



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

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

5 (u) "IDG" means interdepartmental grant.

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

7 (w) "MAIN" means the Michigan administrative information
8 network.

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

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

11 (z) "MDLARA" means the Michigan department of licensing and
12 regulatory affairs.

13 (aa) "MDEQ" means the Michigan department of environmental
14 quality.

15 (bb) "MDHHS" means the Michigan department of health and human
16 services.

17 (cc) "MDMVA" means the Michigan department of military and
18 veterans affairs.

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

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

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

23 (gg) "MEDC" means the Michigan economic development
24 corporation, which is the public body corporate created under
25 section 28 of article VII of the state constitution of 1963 and the
26 urban cooperation act of 1967, 1967 (Ex Sess) PA 7, MCL 124.501 to
27 124.512, by contractual interlocal agreement effective April 5,



1 1999, between local participating economic development corporations
2 formed under the economic development corporations act, 1974 PA
3 338, MCL 125.1601 to 125.1636, and the Michigan strategic fund.

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

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

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

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

8 (ll) "MSHDA" means the Michigan state housing development
9 authority.

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

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

13 (oo) "PA" means public act.

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

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

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

17 (ss) "SIGMA" means statewide integrated governmental
18 management applications.

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

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

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

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



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

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

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



1 information:

2 (a) The dates of each travel occurrence.

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

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

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

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



1	<u>2017</u>	<u>2018</u>	<u>2019</u>
2 Michigan personal income (millions).	\$452,542	\$472,001	\$492,769
3 less: transfer payments.....	<u>95,699</u>	<u>100,254</u>	<u>105,578</u>
4 Subtotal	\$356,843	\$371,747	\$387,191
5 Divided by: Detroit consumer price			
6 index for 12 months ending June 30	2.249	2.280	2.321
7 Equals: real adjusted Michigan			
8 personal income.....	\$158,701	\$163,047	\$166,851
9 Percentage change.....	N/A	2.7%	2.3%
10 Growth rate in excess of 2%?.....	N/A	0.7%	0.3%
11 Equals: countercyclical budget and			
12 economic stabilization fund pay-in			
13 calculation for the fiscal year ending			
14 September 30, 2019 (millions).....	N/A	\$72.2	\$31.0
15 Growth rate less than 0%?.....	N/A	NO	NO
16 Equals: countercyclical budget and			
17 economic stabilization fund pay-out			
18 calculation for the fiscal year ending			
19 September 30, 2019 (millions).....	N/A	N/A	\$0.0

20 (2) Notwithstanding subsection (1), there is appropriated for
 21 the fiscal year ending September 30, 2019, from GF/GP revenue for
 22 deposit into the countercyclical budget and economic stabilization
 23 fund the sum of \$0.00.

24 Sec. 211. The departments and agencies receiving
 25 appropriations in part 1 shall cooperate with the department of
 26 technology, management, and budget to maintain a searchable website
 27 that is updated at least quarterly and that is accessible by the



1 public at no cost that includes, but is not limited to, all of the
2 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 departments and agencies receiving
13 appropriations in part 1 shall cooperate with the state budget
14 office to provide the chairs of the senate and house of
15 representatives standing committees on appropriations, the chairs
16 of the senate and house of representatives standing committees on
17 appropriations subcommittees, and the senate and house fiscal
18 agencies with an annual report on estimated state restricted fund
19 balances, state restricted fund projected revenues, and state
20 restricted fund expenditures for the fiscal years ending September
21 30, 2018 and September 30, 2019.

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

27 Sec. 215. Funds appropriated in part 1 shall not be used by



1 this state, a department, an agency, or an authority of this state
2 to purchase an ownership interest in a casino enterprise or a
3 gambling operation as those terms are defined in the Michigan
4 gaming control and revenue act, 1996 IL 1, MCL 432.201 to 432.226.

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

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

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

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

24 Sec. 229. (1) If the office of the auditor general has
25 identified an initiative or made a recommendation that is related
26 to savings and efficiencies in an audit report for an executive
27 branch department or agency, the department or agency shall report



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

9 (2) If the office of the auditor general does not receive the
10 required report regarding initiatives related to savings and
11 efficiencies within the 6-month time frame, the office of the
12 auditor general may charge noncompliant executive branch
13 departments and agencies for the cost of performing a subsequent
14 audit to ensure that the initiatives related to savings and
15 efficiencies have been implemented.

16 Sec. 235. By April 1, the state budget director shall submit a
17 report to the senate and house appropriations committees, the
18 chairpersons of the relevant appropriations subcommittees, and the
19 senate and house fiscal agencies. The report shall recommend a
20 contingency plan for each federal funding source included in the
21 state budget of \$10,000,000.00 or more in the event that the
22 federal government reduces funding to the state through that source
23 by 10% or greater.

24 Sec. 240. (1) Concurrently with the submission of the fiscal
25 year 2019-2020 executive budget recommendations, the state budget
26 office shall provide the senate and house appropriations
27 committees, the chairpersons of the relevant appropriations



1 subcommittees, the senate and house fiscal agencies, and the policy
2 offices a report that lists each new program or program enhancement
3 for which funds in excess of \$500,000.00 are appropriated in part 1
4 of each departmental appropriation act.

5 (2) By July 15, 2019, the state budget director and the chairs
6 of the senate and house appropriations committees shall identify
7 new programs or program enhancements identified under subsection
8 (1) for measurement using program-specific metrics, in addition to
9 the metrics required under section 447 of the management and budget
10 act, 1984 PA 431, MCL 18.1447.

11 (3) By September 30, 2020, the state budget office shall
12 provide a report on the specific metrics and the progress in
13 meeting the estimated performance for each program identified under
14 subsection (2) to the senate and house appropriations committees,
15 the senate and house appropriations subcommittees on each state
16 department, and the senate and house fiscal agencies and policy
17 offices.

18 **DEPARTMENT OF ATTORNEY GENERAL**

19 Sec. 301. (1) In addition to the funds appropriated in part 1,
20 there is appropriated an amount not to exceed \$1,500,000.00 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 \$1,500,000.00 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 \$100,000.00 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. 301a. (1) From the funds appropriated in part 1 for
18 attorney general operations, the attorney general must maintain a
19 minimum of 24 drug investigations and may prosecute when sufficient
20 evidence is obtained. The purpose of this investment is to
21 establish a specialized drug investigation and prosecution unit.

22 (2) The attorney general's office must submit a report to the
23 house and senate appropriations subcommittees on general
24 government, the senate and house fiscal agencies, and the state
25 budget director by March 1 detailing the activities and the results
26 of the investigations and prosecutions of the unit established in
27 subsection (1).



1 Sec. 302. (1) The attorney general shall perform all legal
2 services, including representation before courts and administrative
3 agencies rendering legal opinions and providing legal advice to a
4 principal executive department or state agency. A principal
5 executive department or state agency shall not employ or enter into
6 a contract with any other person for services described in this
7 section.

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

13 (3) The attorney general shall perform the duties specified in
14 1846 RS 12, MCL 14.28 to 14.35, and 1919 PA 232, MCL 14.101 to
15 14.102, and as otherwise provided by law.

16 Sec. 303. The attorney general may sell copies of the biennial
17 report in excess of the 350 copies that the attorney general may
18 distribute on a gratis basis. Gratis copies shall not be provided
19 to members of the legislature. Electronic copies of biennial
20 reports shall be made available on the department of attorney
21 general's website. The attorney general shall sell copies of the
22 report at not less than the actual cost of the report and shall
23 deposit the money received into the general fund.

24 Sec. 304. The department of attorney general is responsible
25 for the legal representation for state of Michigan state employee
26 worker's disability compensation cases. The risk management
27 revolving fund revenue appropriation in part 1 is to be satisfied



1 by billings from the department of attorney general for the actual
2 costs of legal representation, including salaries and support
3 costs.

4 Sec. 305. In addition to the funds appropriated in part 1, not
5 more than \$400,000.00 shall be reimbursed per fiscal year for food
6 stamp fraud cases heard by the third circuit court of Wayne County
7 that were initiated by the department of attorney general pursuant
8 to the existing contract between the department of health and human
9 services, the Prosecuting Attorneys Association of Michigan, and
10 the department of attorney general. The source of this funding is
11 money earned by the department of attorney general under the
12 agreement after the allowance for reimbursement to the department
13 of attorney general for costs associated with the prosecution of
14 food stamp fraud cases. It is recognized that the federal funds are
15 earned by the department of attorney general for its documented
16 progress on the prosecution of food stamp fraud cases according to
17 the United States Department of Agriculture regulations and that,
18 once earned by this state, the funds become state funds.

19 Sec. 306. Any proceeds from a lawsuit initiated by or
20 settlement agreement entered into on behalf of this state against a
21 manufacturer of tobacco products by the attorney general are state
22 funds and are subject to appropriation as provided by law.

23 Sec. 307. (1) In addition to the antitrust revenues in part 1,
24 antitrust, securities fraud, consumer protection or class action
25 enforcement revenues, or attorney fees recovered by the department,
26 not to exceed \$250,000.00, are appropriated to the department for
27 antitrust, securities fraud, and consumer protection or class



1 action enforcement cases.

2 (2) Any unexpended funds from antitrust, securities fraud, or
3 consumer protection or class action enforcement revenues at the end
4 of the fiscal year, including antitrust funds in part 1, may be
5 carried forward for expenditure in the following fiscal year up to
6 the maximum authorization of \$250,000.00.

7 (3) The attorney general's office shall make available upon
8 request information detailing the amount of revenue from subsection
9 (1) recovered by the attorney general, including a description of
10 the source of the revenue and the carryforward amount.

11 Sec. 308. (1) In addition to the funds appropriated in part 1,
12 there is appropriated up to \$1,000,000.00 from litigation expense
13 reimbursements awarded to the state.

14 (2) The funds may be expended for the payment of court
15 judgments, settlements, arbitration awards or other administrative
16 and litigation decisions, attorney fees, and litigation costs,
17 assessed against the office of the governor, the department of the
18 attorney general, the governor, or the attorney general when acting
19 in an official capacity as the named party in litigation against
20 the state. The funds may also be expended for the payment of state
21 costs incurred under section 16 of chapter X of the code of
22 criminal procedure, 1927 PA 175, MCL 770.16.

23 (3) Unexpended funds at the end of the fiscal year may be
24 carried forward for expenditure in the following year, up to a
25 maximum authorization of \$250,000.00.

26 Sec. 309. (1) From the prisoner reimbursement funds
27 appropriated in part 1, the department may spend up to \$636,500.00



1 on activities related to the state correctional facility
2 reimbursement act, 1935 PA 253, MCL 800.401 to 800.406. In addition
3 to the funds appropriated in part 1, if the department collects in
4 excess of \$1,131,000.00 in gross annual prisoner reimbursement
5 receipts provided to the general fund, the excess, up to a maximum
6 of \$1,000,000.00, is appropriated to the department of attorney
7 general and may be spent on the representation of the department of
8 corrections and its officers, employees, and agents, including, but
9 not limited to, the defense of litigation against the state, its
10 departments, officers, employees, or agents in civil actions filed
11 by prisoners.

12 (2) The attorney general's office shall make available upon
13 request information on the dollar amount of prisoner reimbursements
14 collected from subsection (1) as well as descriptions of all
15 expenditures made from the reimbursements, including what
16 activities related to the state correctional facility reimbursement
17 act, 1935 PA 253, MCL 800.401 to 800.406, funds were spent on.

18 Sec. 310. (1) For the purposes of providing title IV-D child
19 support enforcement funding, the attorney general shall maintain a
20 cooperative agreement with the department of health and human
21 services, as the state IV-D agency, for federal IV-D funding to
22 support the child support enforcement activities within the office
23 of the attorney general.

24 (2) The attorney general or his or her designee shall, to the
25 extent allowable under federal law, have access to any information
26 used by the state to locate parents who fail to pay court-ordered
27 child support.



1 Sec. 312. The department of attorney general shall not receive
2 and expend funds in addition to those authorized in part 1 for
3 legal services provided specifically to other state departments or
4 agencies except for costs for expert witnesses, court costs, or
5 other nonsalary litigation expenses associated with a pending legal
6 action.

7 Sec. 314. (1) From the lawsuit settlement proceeds fund
8 appropriated in part 1, the department may spend the funds for the
9 costs of all associated expenses related to the declaration of
10 emergency due to drinking water contamination up to \$2,602,700.00.

11 (2) The attorney general's office must submit a quarterly
12 report to the house and senate standing committees on
13 appropriations, the house and senate appropriations subcommittees
14 on general government, the senate and house fiscal agencies, and
15 the state budget director, detailing how funds in subsection (1)
16 and all other currently and previously budgeted funds associated
17 with legal costs pertaining to the Flint water declaration of
18 emergency were expended. The report must itemize expenditures by
19 case, purpose, hourly rate of retained attorney, and department
20 involved.

21 (3) As a condition of receiving funds appropriated in part 1,
22 the attorney general must not retain the services of an outside
23 counsel associated with the declaration of emergency due to
24 drinking water contamination at an hourly rate of more than \$250.00
25 unless all reporting requirements under subsection (2) are
26 satisfied.

27 Sec. 314a. (1) From funds available to the attorney general



1 for investigations, crime victim rights, prosecutions, and appeals
2 for retroactive juvenile life without parole cases, the department
3 of attorney general shall not expend more than \$700,000.00 for
4 these purposes.

5 (2) The attorney general's office shall submit a detailed
6 expenditure report to the house and senate appropriations
7 subcommittees on general government and the judiciary, the senate
8 and house fiscal agencies, and the state budget director by
9 September 30 detailing how the funds provided in subsection (1)
10 were expended.

11 Sec. 315. Total authorized appropriations from all sources
12 under part 1 for legacy costs for the fiscal year ending September
13 30, 2019 are estimated at \$18,049,500.00. From this amount, total
14 agency appropriations for pension-related legacy costs are
15 estimated at \$8,321,100.00. Total agency appropriations for retiree
16 health care legacy costs are estimated at \$9,728,400.00.

17 Sec. 316. (1) From the funds appropriated in part 1 for sexual
18 assault law enforcement efforts, the department shall use the funds
19 for testing of backlogged sexual assault kits across this state.
20 The funding provided in part 1 shall be distributed in the
21 following order of priority:

22 (a) To eliminate all county sexual assault kit backlogs across
23 this state.

24 (b) To assist local prosecutors with investigations and
25 prosecutions of viable cases.

26 (c) To provide victim services.

27 (2) The department of the attorney general shall provide a



1 report by February 1. The report shall include the following
2 information:

3 (a) The number of sexual assault kits across this state that
4 remain untested as of January 31.

5 (b) A detailed work plan outlining the department's action
6 plan to eliminate all outstanding sexual assault kits and the time
7 frame for completion of testing of all untested sexual assault
8 kits.

9 (c) A detailed work and spending plan outlining anticipated
10 litigation action and expenditures resulting from findings of the
11 sexual assault kit testing. The report shall be submitted to the
12 state budget office, the senate and house fiscal agencies, and the
13 senate and house of representatives standing committees on
14 appropriations subcommittees on general government.

15 (3) Any funds remaining after the department has met the
16 obligations required under subsection (1) may be used for the
17 purpose of retesting any previously tested sexual assault kits
18 across this state using currently available DNA testing. Funds only
19 may be used for DNA testing on previously tested kits that were not
20 tested for DNA. If there are remaining untested sexual assault kits
21 on January 31, 2019, funds appropriated in part 1 shall only be
22 used for the testing of those kits.

23 Sec. 317. (1) The department of attorney general shall report
24 all legal costs and associated expenses related to the declaration
25 of emergency due to drinking water contamination, and the
26 investigations and any resulting prosecutions, for publication in
27 the Flint water emergency-financial and activities tracking and



1 reporting document that is posted by the state budget director on
2 the public website, michigan.gov/flintwater. The tracking and
3 reporting documents shall include the budget line item source for
4 each expenditure.

5 (2) At the conclusion of all attorney general investigations
6 related to the declaration of emergency due to drinking water
7 contamination, all materials related to any investigations shall be
8 preserved pursuant to applicable document retention policies.

9 **DEPARTMENT OF CIVIL RIGHTS**

10 Sec. 401. (1) In addition to the funds appropriated in part 1,
11 there is appropriated an amount not to exceed \$2,000,000.00 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 \$750,000.00 for private
18 contingency funds. These funds are not available for expenditure
19 until they have been transferred to another line item in part 1
20 under section 393(2) of the management and budget act, 1984 PA 431,
21 MCL 18.1393.

22 Sec. 402. (1) In addition to the appropriations contained in
23 part 1, the department of civil rights may receive and expend funds
24 from local or private sources for all of the following purposes:

25 (a) Developing and presenting training for employers on equal
26 employment opportunity law and procedures.



1 (b) The publication and sale of civil rights related
2 informational material.

3 (c) The provision of copy material made available under
4 freedom of information requests.

5 (d) Other copy fees, subpoena fees, and witness fees.

6 (e) Developing, presenting, and participating in mediation
7 processes for certain civil rights cases.

8 (f) Workshops, seminars, and recognition or award programs
9 consistent with the programmatic mission of the individual unit
10 sponsoring or coordinating the programs.

11 (g) Staffing costs for all activities included in this
12 subsection.

13 (2) The department of civil rights shall annually report to
14 the state budget director, the senate and house of representatives
15 standing committees on appropriations, the chairpersons of the
16 relevant appropriations subcommittees, and the senate and house
17 fiscal agencies the amount of funds received and expended for
18 purposes authorized under this section.

19 Sec. 403. The department of civil rights may contract with
20 local units of government to review equal employment opportunity
21 compliance of potential contractors and may charge for and expend
22 amounts received from local units of government for the purpose of
23 developing and providing these contractual services.

24 Sec. 404. (1) The department of civil rights shall prepare and
25 transmit a detailed report that includes, but is not limited to,
26 the following information for the most recent fiscal year:

27 (a) A detailed description of the department operations.



1 (b) A detailed description of all subunits within the
2 department, including FTE positions associated with each subunit,
3 responsibilities of each subunit, and all revenues and expenditures
4 for each subunit.

5 (c) The number of complaints by type of complaint.

6 (d) The average cost of, and time expended, investigating
7 complaints.

8 (e) The percentage of complaints that are meritorious and
9 worthy of investigation or settlement and the percentage of
10 complaints that have no merit.

11 (f) A listing of amounts awarded to claimants.

12 (g) Expenditures associated with complaint investigation and
13 enforcement.

14 (h) A listing of complaint investigations closed per FTE
15 position for each of the past 5 years.

16 (i) A listing of complaint evaluations completed per FTE
17 position for each of the past 5 years.

18 (j) Productivity projections for the current fiscal year,
19 including investigations closed per FTE, complaint evaluations
20 completed per FTE, and average time expended investigating
21 complaints.

22 (k) Revenues and expenditures associated with section 403 of
23 this part by local unit.

24 (2) The report required under subsection (1) shall be posted
25 online and transmitted electronically not later than November 30 to
26 the state budget director, the chairpersons of the senate and house
27 of representatives standing committees on appropriations, the



1 senate and house appropriations subcommittees on general
2 government, and the senate and house fiscal agencies.

3 Sec. 405. The department of civil rights shall notify the
4 office of the state budget, senate and house of representatives
5 standing committees on appropriations, the chairpersons of the
6 appropriations subcommittees on general government, and senate and
7 house fiscal agencies prior to submitting a report or complaint to
8 the United States Commission on Civil Rights or other federal
9 departments.

10 Sec. 410. Total authorized appropriations from all sources
11 under part 1 for legacy costs for the fiscal year ending September
12 30, 2019 are estimated at \$2,558,000.00. From this amount, total
13 agency appropriations for pension-related legacy costs are
14 estimated at \$1,179,300.00. Total agency appropriations for retiree
15 health care legacy costs are estimated at \$1,379,700.00.

16 **LEGISLATURE**

17 Sec. 600. The senate, the house of representatives, or an
18 agency within the legislative branch may receive, expend, and
19 transfer funds in addition to those authorized in part 1.

20 Sec. 601. (1) Funds appropriated in part 1 to an entity within
21 the legislative branch shall not be expended or transferred to
22 another account without written approval of the authorized agent of
23 the legislative entity. If the authorized agent of the legislative
24 entity notifies the state budget director of its approval of an
25 expenditure or transfer before the year-end book-closing date for
26 that legislative entity, the state budget director shall



1 immediately make the expenditure or transfer. The authorized
2 legislative entity agency shall be designated by the speaker of the
3 house of representatives for house entities, the senate majority
4 leader for senate entities, and the legislative council for
5 legislative council entities.

6 (2) Funds appropriated within the legislative branch, to a
7 legislative council component, shall not be expended by any agency
8 or other subgroup included in that component without the approval
9 of the legislative council.

10 Sec. 602. The senate may charge rent and assess charges for
11 utility costs. The amounts received for rent charges and utility
12 assessments are appropriated to the senate for the renovation,
13 operation, and maintenance of the Senate Office Building and other
14 properties.

15 Sec. 603. (1) From the appropriation contained in part 1 for
16 national association dues, the first \$34,800.00 shall be paid to
17 the National Conference of Commissioners of Uniform State Laws. The
18 remaining funds shall be distributed accordingly by the legislative
19 council.

20 (2) If any funds remain after all required dues payments have
21 been made as specified in subsection (1), the legislative council
22 may approve the use of up to \$10,000.00 to pay for the registration
23 fees of any state employees who serve as board members to any of
24 the national associations receiving state funds for annual dues to
25 attend that national association's annual conference. If any of the
26 \$10,000.00 remains after national board member's registration fees
27 are paid, the remaining funds may be used to pay for the



1 registration fees for any other state employees to attend the
2 annual conference of any of the national associations receiving
3 state funds for annual dues as prescribed in subsection (1).

4 Sec. 604. (1) The appropriation in part 1 to the Michigan
5 state capitol historic site includes funds to operate the
6 legislative parking facilities in the capitol area. The Michigan
7 state capitol commission shall establish rules regarding the
8 operation of the legislative parking facilities.

9 (2) The Michigan state capitol commission shall collect a fee
10 from state employees and the general public using certain
11 legislative parking facilities. The revenues received from the
12 parking fees are appropriated upon receipt and shall be allocated
13 by the Michigan state capitol commission.

14 Sec. 605. The unexpended funds appropriated in part 1 for the
15 legislative council are designated as a work project appropriation,
16 and any unencumbered or unallotted funds shall not lapse at the end
17 of the fiscal year and shall be available for expenditures for
18 projects under this section until the projects have been completed.
19 The following is in compliance with section 451a of the management
20 and budget act, 1984 PA 431, MCL 18.1451a:

21 (a) The purpose of the project is publication of the Michigan
22 manual.

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

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

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

27 Sec. 606. The unexpended funds appropriated in part 1 for



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

7 (a) The purpose of the project is to purchase equipment and
8 services for building maintenance in order to ensure a safe and
9 productive work environment.

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

12 (c) The total estimated cost of the project is \$2,000,000.00.

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

14 Sec. 607. The unexpended funds appropriated in part 1 for
15 automated data processing are designated as a work project
16 appropriation, and any unencumbered or unallotted funds shall not
17 lapse at the end of the fiscal year and shall be available for
18 expenditures for projects under this section until the projects
19 have been completed. The following is in compliance with section
20 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

21 (a) The purpose of the project is to purchase equipment,
22 software, and services in order to support and implement data
23 processing requirements and technology improvements.

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

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

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



1 Sec. 608. In addition to funds appropriated in part 1, the
2 Michigan capitol committee publications save the flags fund account
3 may accept contributions, gifts, bequests, devises, grants, and
4 donations. Those funds that are not expended in the fiscal year
5 ending September 30 shall not lapse at the close of the fiscal
6 year, and shall be carried forward for expenditure in the following
7 fiscal years.

8 Sec. 616. The unexpended funds appropriated in part 1 for the
9 legislative IT design special project are designated as a work
10 project appropriation, and any unencumbered or unallotted funds
11 shall not lapse at the end of the fiscal year and shall be
12 available for expenditures for projects under this section until
13 the projects have been completed. The following is in compliance
14 with section 451a of the management and budget act, 1984 PA 431,
15 MCL 18.1451a:

16 (a) The purpose of the project is for the continued design,
17 development, implementation, operation, and administration of the
18 legislative computer system.

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

21 (c) The total estimated cost of the project is \$12,750,000.00.

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

23 (e) Funds described in this section shall not be expended
24 without written approval of the senate majority leader or his or
25 her designee, the speaker of the house of representatives or his or
26 her designee, and the legislative council administrator or his or
27 her designee.



1 **LEGISLATIVE AUDITOR GENERAL**

2 Sec. 620. Pursuant to section 53 of article IV of the state
3 constitution of 1963, the auditor general shall conduct audits of
4 the judicial branch. The audits may include the supreme court and
5 its administrative units, the court of appeals, and trial courts.

6 Sec. 621. (1) The auditor general shall take all reasonable
7 steps to ensure that certified minority- and women-owned and
8 operated accounting firms, and accounting firms owned and operated
9 by persons with disabilities participate in the audits of the
10 books, accounts, and financial affairs of each principal executive
11 department, branch, institution, agency, and office of this state.

12 (2) The auditor general shall strongly encourage firms with
13 which the auditor general contracts to perform audits of the
14 principal executive departments and state agencies to subcontract
15 with certified minority- and women-owned and operated accounting
16 firms, and accounting firms owned and operated by persons with
17 disabilities.

18 (3) The auditor general shall compile an annual report
19 regarding the number of contracts entered into with certified
20 minority- and women-owned and operated accounting firms, and
21 accounting firms owned and operated by persons with disabilities.
22 The auditor general shall deliver the report to the state budget
23 director and the senate and house of representatives standing
24 committees on appropriations subcommittees on general government by
25 November 1 of each year.

26 Sec. 622. From the funds appropriated in part 1 to the
27 legislative auditor general, the auditor general's salary and the



1 salaries of the remaining 2.0 FTE unclassified positions shall be
2 set by the speaker of the house of representatives, the senate
3 majority leader, the house of representatives minority leader, and
4 the senate minority leader.

5 Sec. 623. Any audits, reviews, or investigations requested of
6 the auditor general by the legislature or by legislative
7 leadership, legislative committees, or individual legislators shall
8 include an estimate of the additional costs involved and, when
9 those costs exceed \$50,000.00, should provide supplemental funding.
10 The auditor general shall determine whether to perform those
11 activities in keeping with Audit Directive No. 29, which describes
12 the office of the auditor general's policy on responding to
13 legislative requests.

14 Sec. 624. If the auditor general conducts a subsequent audit
15 pursuant to section 229 of this part, the auditor general may
16 charge fees and collect revenues in excess of appropriations in
17 part 1 not to exceed the cost of any audit conducted pursuant to
18 section 229 of this part. Any revenues and fees collected pursuant
19 to this section are appropriated for expenditure for all expenses
20 associated with an audit conducted pursuant to section 229 of this
21 part.

22 Sec. 625. From the funds appropriated in part 1, the auditor
23 general shall conduct a biannual audit beginning in this fiscal
24 year on the title IX operations of each public college or
25 university that receives operations funding from the state.

26 **DEPARTMENT OF STATE**



1 Sec. 701. (1) In addition to the funds appropriated in part 1,
2 there is appropriated an amount not to exceed \$2,000,000.00 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 \$7,500,000.00 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 \$50,000.00 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. 703. From the funds appropriated in part 1, the
26 department of state shall sell copies of records including, but not
27 limited to, records of motor vehicles, off-road vehicles,



1 snowmobiles, watercraft, mobile homes, personal identification
2 cardholders, drivers, and boat operators and shall charge \$11.00
3 per record sold only as authorized in section 208b of the Michigan
4 vehicle code, 1949 PA 300, MCL 257.208b, section 7 of 1972 PA 222,
5 MCL 28.297, and sections 80130, 80315, 81114, and 82156 of the
6 natural resources and environmental protection act, 1994 PA 451,
7 MCL 324.80130, 324.80315, 324.81114, and 324.82156. The revenue
8 received from the sale of records shall be credited to the
9 transportation administration collection fund created under section
10 810b of the Michigan vehicle code, 1949 PA 300, MCL 257.810b. The
11 department of state shall provide quarterly reports to the
12 legislature, the chairpersons of the relevant appropriations
13 subcommittees, and the senate and house fiscal agencies. The report
14 shall be provided within 15 days of the close of the quarter and
15 shall include the number of records sold and the revenues
16 collected.

17 Sec. 704. From the funds appropriated in part 1, the secretary
18 of state may enter into agreements with the department of
19 corrections for the manufacture of vehicle registration plates 15
20 months before the registration year in which the registration
21 plates will be used.

22 Sec. 705. (1) The department of state may accept gifts,
23 donations, contributions, and grants of money and other property
24 from any private or public source to underwrite, in whole or in
25 part, the cost of a departmental publication that is prepared and
26 disseminated under the Michigan vehicle code, 1949 PA 300, MCL
27 257.1 to 257.923. A private or public funding source may receive



1 written recognition in the publication and may furnish a traffic
2 safety message, subject to departmental approval, for inclusion in
3 the publication. The department may reject a gift, donation,
4 contribution, or grant. The department may furnish copies of a
5 publication underwritten, in whole or in part, by a private source
6 to the underwriter at no charge.

7 (2) The department of state may sell and accept paid
8 advertising for placement in a departmental publication that is
9 prepared and disseminated under the Michigan vehicle code, 1949 PA
10 300, MCL 257.1 to 257.923. The department may charge and receive a
11 fee for any advertisement appearing in a departmental publication
12 and shall review and approve the content of each advertisement. The
13 department may refuse to accept advertising from any person or
14 organization. The department may furnish a reasonable number of
15 copies of a publication to an advertiser at no charge.

16 (3) Pending expenditure, the funds received under this section
17 shall be deposited in the Michigan department of state publications
18 fund created by section 211 of the Michigan vehicle code, 1949 PA
19 300, MCL 257.211. Funds given, donated, or contributed to the
20 department from a private source are appropriated and allocated for
21 the purpose for which the revenue is furnished. Funds granted to
22 the department from a public source are allocated and may be
23 expended upon receipt. The department shall not accept a gift,
24 donation, contribution, or grant if receipt is conditioned upon a
25 commitment of state funding at a future date. Revenue received from
26 the sale of advertising is appropriated and may be expended upon
27 receipt.



1 (4) Any unexpended revenues received under this section shall
2 be carried over into subsequent fiscal years and shall be available
3 for appropriation for the purposes described in this section.

4 (5) On March 1 of each year, the department of state shall
5 file a report with the senate and house of representatives standing
6 committees on appropriations, the chairpersons of the relevant
7 appropriations subcommittees, the senate and house fiscal agencies,
8 and the state budget director. The report shall include all of the
9 following information:

10 (a) The amount of gifts, contributions, donations, and grants
11 of money received by the department under this section for the
12 prior fiscal year.

13 (b) A listing of the expenditures made from the amounts
14 received by the department as reported in subdivision (a).

15 (c) A listing of any gift, donation, contribution, or grant of
16 property other than funding received by the department under this
17 section for the prior year.

18 (d) The total revenue received from the sale of paid
19 advertising accepted under this section and a statement of the
20 total number of advertising transactions.

21 (6) In addition to copies delivered without charge as the
22 secretary of state considers necessary, the department of state may
23 sell copies of manuals and other publications regarding the sale,
24 ownership, or operation or regulation of motor vehicles, with
25 amendments, at prices to be established by the secretary of state.
26 As used in this subsection, the term "manuals and other
27 publications" includes videos and proprietary electronic



1 publications. All funds received from sales of these manuals and
2 other publications shall be credited to the Michigan department of
3 state publications fund.

4 Sec. 707. Funds collected by the department of state under
5 section 211 of the Michigan vehicle code, 1949 PA 300, MCL 257.211,
6 are appropriated for all expenses necessary to provide for the
7 costs of the publication. Funds are allotted for expenditure when
8 they are received by the department of treasury and shall not lapse
9 to the general fund at the end of the fiscal year.

10 Sec. 708. From the funds appropriated in part 1, the
11 department of state shall use available balances at the end of the
12 state fiscal year to provide payment to the department of state
13 police in the amount of \$332,000.00 for the services provided by
14 the traffic accident records program as first appropriated in 1990
15 PA 196 and 1990 PA 208.

16 Sec. 709. From the funds appropriated in part 1, the
17 department of state may restrict funds from miscellaneous revenue
18 to cover cash shortages created from normal branch office
19 operations. This amount shall not exceed \$50,000.00 of the total
20 funds available in miscellaneous revenue.

21 Sec. 711. Collector plate and fund-raising registration plate
22 revenues collected by the department of state are appropriated and
23 allotted for distribution to the recipient university or public or
24 private agency overseeing a state-sponsored goal when received.
25 Distributions shall occur on a quarterly basis or as otherwise
26 authorized by law. Any revenues remaining at the end of the fiscal
27 year shall not lapse to the general fund but shall remain available



1 for distribution to the university or agency in the next fiscal
2 year.

3 Sec. 712. The department of state may produce and sell copies
4 of a training video designed to inform registered automotive repair
5 facilities of their obligations under Michigan law. The price shall
6 not exceed the cost of production and distribution. The money
7 received from the sale of training videos shall revert to the
8 department of state and be placed in the auto repair facility
9 account.

10 Sec. 713. (1) The department of state, in collaboration with
11 the gift of life transplantation society or its successor federally
12 designated organ procurement organization, may develop and
13 administer a public information campaign concerning the Michigan
14 organ donor program.

15 (2) The department of state may solicit funds from any private
16 or public source to underwrite, in whole or in part, the public
17 information campaign authorized by this section. The department may
18 accept gifts, donations, contributions, and grants of money and
19 other property from private and public sources for this purpose. A
20 private or public funding source underwriting the public
21 information campaign, in whole or in substantial part, shall
22 receive sponsorship credit for its financial backing.

23 (3) Funds received under this section, including grants from
24 state and federal agencies, shall not lapse to the general fund at
25 the end of the fiscal year but shall remain available for
26 expenditure for the purposes described in this section.

27 (4) Funding appropriated in part 1 for the organ donor program



1 shall be used for producing a pamphlet to be distributed with
2 driver licenses and personal identification cards regarding organ
3 donations. The funds shall be used to update and print a pamphlet
4 that will explain the organ donor program and encourage people to
5 become donors by marking a checkoff on driver license and personal
6 identification card applications.

7 (5) The pamphlet shall include a return reply form addressed
8 to the gift of life organization. Funding appropriated in part 1
9 for the organ donor program shall be used to pay for return postage
10 costs.

11 (6) In addition to the appropriations in part 1, the
12 department of state may receive and expend funds from the organ and
13 tissue donation education fund for administrative expenses.

14 (7) The department must submit a report to the house and
15 senate appropriations subcommittees on general government, the
16 senate and house fiscal agencies, and the state budget director by
17 March 1 that provides the amount of revenue collected by the
18 department of state authorized under this section, the purpose of
19 each expenditure, and the amount of revenue carried forward.

20 Sec. 714. (1) Except as otherwise provided under subsection
21 (2), at least 180 days before closing a branch office or
22 consolidating a branch office and at least 60 days before
23 relocating a branch office, the department of state shall inform
24 members of the senate and house of representatives standing
25 committees on appropriations and legislators who represent affected
26 areas regarding the details of the proposal. The information
27 provided shall be in written form and include all analyses done



1 regarding criteria for changes in the location of branch offices,
2 including, but not limited to, branch transactions, revenue, and
3 the impact on citizens of the affected area. The impact on citizens
4 shall include information regarding additional distance to branch
5 office locations resulting from the plan. The written notice
6 provided by the department of state shall also include detailed
7 estimates of costs and savings that will result from the overall
8 changes made to the branch office structure and the same level of
9 detail regarding costs for new leased facilities and expansions of
10 current leased space.

11 (2) If the consolidation of a branch office is with another
12 branch office that is located within the same local unit of
13 government or the relocation of a branch office is to another
14 location that is located within the same local unit of government,
15 the department of state is not required to provide the notification
16 or written information described in subsection (1).

17 (3) As used in this section, "local unit of government" means
18 a city, village, township, or county.

19 Sec. 715. (1) Any service assessment collected by the
20 department of state from the user of a credit or debit card under
21 section 3 of 1995 PA 144, MCL 11.23, may be used by the department
22 for necessary expenses related to that service and may be remitted
23 to a credit or debit card company, bank, or other financial
24 institution.

25 (2) The service assessment imposed by the department of state
26 for credit and debit card services may be based either on a
27 percentage of each individual credit or debit card transaction, or



1 on a flat rate per transaction, or both, scaled to the amount of
2 the transaction. However, the department shall not charge any
3 amount for a service assessment which exceeds the costs billable to
4 the department for service assessments.

5 (3) If there is a balance of service assessments received from
6 credit and debit card services remaining on September 30, the
7 balance may be carried forward to the following fiscal year and
8 appropriated for the same purpose.

9 (4) As used in this section, "service assessment" means and
10 includes costs associated with service fees imposed by credit and
11 debit card companies and processing fees imposed by banks and other
12 financial institutions.

13 Sec. 717. (1) The department of state may accept nonmonetary
14 gifts, donations, or contributions of property from any private or
15 public source to support, in whole or in part, the operation of a
16 departmental function relating to licensing, regulation, or safety.
17 The department may recognize a private or public contributor for
18 making the contribution. The department may reject a gift,
19 donation, or contribution.

20 (2) The department of state shall not accept a gift, donation,
21 or contribution under subsection (1) if receipt of the gift,
22 donation, or contribution is conditioned upon a commitment of
23 future state funding.

24 (3) On March 1 of each year, the department of state shall
25 file a report with the senate and house of representatives standing
26 committees on appropriations, the chairpersons of the relevant
27 appropriations subcommittees, the senate and house fiscal agencies,



1 and the state budget director. The report shall list any gift,
2 donation, or contribution received by the department under
3 subsection (1) for the prior calendar year.

4 Sec. 718. From the funds appropriated in part 1 to the
5 department of state, branch operations, the department shall
6 maintain a full service secretary of state branch office in Buena
7 Vista Township.

8 Sec. 719. From the funds appropriated in part 1, the office of
9 investigative services may use available funds to conduct
10 investigations of any reported irregularities in a local, state, or
11 national election.

12 Sec. 720. (1) The department of state must develop a plan to
13 implement enhanced postelection audit procedures to ensure accurate
14 reporting processes and accurate counting of cast election ballots.
15 The plan shall recommend best practices for the conduct of
16 postelection audits by the bureau of elections and county election
17 offices. The recommendations shall include instructions for manual
18 audits of paper ballots to verify tabulated results.

19 (2) The plan must be completed by July 1 and distributed to
20 the house and senate appropriations subcommittees on general
21 government, and to the house and senate fiscal agencies.

22 Sec. 722. (1) From the funds appropriated in part 1 for
23 information technology services and projects, the department of
24 state shall continue implementation of a legacy modernization
25 project. The purpose of this project is modernization of the entire
26 system and removal of existing programs from the legacy mainframes.

27 (2) The department of state shall provide a report on the



1 status of the legacy modernization project that includes, but is
2 not limited to, itemization of all expenditures made on behalf of
3 the project, anticipated completion date of the project, time frame
4 of each phase of the project, the cost of the project, the number
5 of employees assigned to implement each phase of the project, the
6 contracts entered into for the project, anticipated overall cost of
7 the project, and any other information the department considers
8 necessary. The plan shall be distributed to the senate and house of
9 representatives standing committees on appropriations subcommittees
10 on general government, as well as the senate and house fiscal
11 agencies, and the state budget director by January 1.

12 Sec. 725. Total authorized appropriations from all sources
13 under part 1 for legacy costs for the fiscal year ending September
14 30, 2019 are estimated at \$30,655,900.00. From this amount, total
15 agency appropriations for pension-related legacy costs are
16 estimated at \$14,132,900.00. Total agency appropriations for
17 retiree health care legacy costs are estimated at \$16,523,000.00.

18 **DEPARTMENT OF TECHNOLOGY, MANAGEMENT, AND BUDGET**

19 Sec. 801. (1) In addition to the funds appropriated in part 1,
20 there is appropriated an amount not to exceed \$4,000,000.00 for
21 federal contingency funds. These funds are not available for
22 expenditure until they have been transferred to another line item
23 in part 1 under section 393(2) of the management and budget act,
24 1984 PA 431, MCL 18.1393.

25 (2) In addition to the funds appropriated in part 1, there is
26 appropriated an amount not to exceed \$8,000,000.00 for state



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

5 (3) In addition to the funds appropriated in part 1, there is
6 appropriated an amount not to exceed \$150,000.00 for local
7 contingency funds. These funds are not available for expenditure
8 until they have been transferred to another line item in part 1
9 under section 393(2) of the management and budget act, 1984 PA 431,
10 MCL 18.1393.

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

17 Sec. 802. Proceeds in excess of necessary costs incurred in
18 the conduct of transfers or auctions of state surplus, salvage, or
19 scrap property made pursuant to section 267 of the management and
20 budget act, 1984 PA 431, MCL 18.1267, are appropriated to the MDTMB
21 to offset costs incurred in the acquisition and distribution of
22 federal surplus property. The MDTMB shall provide consolidated
23 internet auction services through the state's contractors for all
24 local units of government.

25 Sec. 803. (1) The MDTMB may receive and expend funds in
26 addition to those authorized by part 1 for maintenance and
27 operation services provided specifically to other principal



1 executive departments or state agencies, the legislative branch,
2 the judicial branch, or private tenants, or provided in connection
3 with facilities transferred to the operational jurisdiction of the
4 department.

5 (2) The MDTMB may receive and expend funds in addition to
6 those authorized by part 1 for real estate, architectural, design,
7 and engineering services provided specifically to other principal
8 executive departments or state agencies, the legislative branch,
9 the judicial branch, or private tenants.

10 (3) The MDTMB may receive and expend funds in addition to
11 those authorized in part 1 for mail pickup and delivery services
12 provided specifically to other principal executive departments and
13 state agencies, the legislative branch, or the judicial branch.

14 (4) The MDTMB may receive and expend funds in addition to
15 those authorized in part 1 for purchasing services provided
16 specifically to other principal executive departments and state
17 agencies, the legislative branch, or the judicial branch.

18 Sec. 804. (1) Financing in part 1 for statewide appropriations
19 shall be funded by assessments against longevity and insurance
20 appropriations throughout state government in a manner prescribed
21 by the MDTMB. Funds shall be used as specified in joint
22 labor/management agreements or through the coordinated compensation
23 hearings process. Any deposits made under this subsection and any
24 unencumbered funds are restricted revenues, may be carried over
25 into the succeeding fiscal years, and are appropriated.

26 (2) In addition to the funds appropriated in part 1 for
27 statewide appropriations, the MDTMB may receive and expend funds in



1 such additional amounts as may be specified in joint
2 labor/management agreements or through the coordinated compensation
3 hearings process in the same manner and subject to the same
4 conditions as prescribed in subsection (1).

5 Sec. 805. To the extent a specific appropriation is required
6 for a detailed source of financing included in part 1 for the MDTMB
7 appropriations financed from special revenue and internal service
8 and pension trust funds, or SIGMA user charges, the specific
9 amounts are appropriated within the special revenue internal
10 service and pension trust funds in portions not to exceed the
11 aggregate amount appropriated in part 1.

12 Sec. 806. In addition to the funds appropriated in part 1 to
13 the MDTMB, the MDTMB may receive and expend funds from other
14 principal executive departments and state agencies to implement
15 administrative leave bank transfer provisions as may be specified
16 in joint labor/management agreements. The amounts may also be
17 transferred to other principal executive departments and state
18 agencies under the joint agreement and any amounts transferred
19 under the joint agreement are authorized for receipt and
20 expenditure by the receiving principal executive department or
21 state agency. Any amounts received by the MDTMB under this section
22 and intended, under the joint labor/management agreements, to be
23 available for use beyond the close of the fiscal year and any
24 unencumbered funds may be carried over into the succeeding fiscal
25 year.

26 Sec. 807. Financing in part 1 for SIGMA shall be funded by
27 proportionate charges assessed against the respective state funds



1 benefiting from this project in the amounts determined by the
2 department.

3 Sec. 808. (1) Deposits against the interdepartmental grant
4 from building occupancy and parking charges appropriated in part 1
5 shall be collected, in part, from state agencies, the legislative
6 branch, and the judicial branch based on estimated costs associated
7 with maintenance and operation of buildings managed by the MDTMB.
8 To the extent excess revenues are collected due to estimates of
9 building occupancy charges exceeding actual costs, the excess
10 revenues may be carried forward into succeeding fiscal years for
11 the purpose of returning funds to state agencies.

12 (2) Appropriations in part 1 to the MDTMB, for management and
13 budget services from building occupancy charges and parking
14 charges, may be increased to return excess revenue collected to
15 state agencies.

16 Sec. 809. On a quarterly basis, the MDTMB shall notify the
17 chairpersons of the senate and house of representatives standing
18 committees on appropriations, the chairpersons of the senate and
19 house of representatives standing committees on appropriations
20 subcommittees on general government, the house and senate fiscal
21 agencies, and the state budget director on any revisions either
22 individually or in the aggregate that increase or decrease current
23 contracts by more than \$500,000.00 for computer software
24 development, hardware acquisition, or quality assurance.

25 Sec. 810. The MDTMB shall maintain an internet website that
26 contains notice of all invitations for bids and requests for
27 proposals over \$50,000.00 issued by the MDTMB or by any state



1 agency operating under delegated authority. This information must
2 appear on the first page of each department or state agency
3 dashboard. The MDTMB shall not accept an invitation for bid or
4 request for proposal in less than 14 days after the notice is made
5 available on the internet website, except in situations where it
6 would be in the best interest of the state and documented by the
7 MDTMB. In addition to the requirements of this section, the MDTMB
8 may advertise the invitations for bids and requests for proposals
9 in any manner the MDTMB determines appropriate, in order to give
10 the greatest number of individuals and businesses the opportunity
11 to make bids or requests for proposals.

12 Sec. 811. The MDTMB may receive and expend funds from the
13 Vietnam veterans memorial monument fund as provided in the Michigan
14 Vietnam veterans memorial act, 1988 PA 234, MCL 35.1051 to 35.1057.
15 Funds are appropriated and allocated when received and may be
16 expended upon receipt.

17 Sec. 812. The Michigan veterans' memorial park commission may
18 receive and expend money from any source, public or private,
19 including, but not limited to, gifts, grants, donations of money,
20 and government appropriations, for the purposes described in
21 Executive Order No. 2001-10. Funds are appropriated and allocated
22 when received and may be expended upon receipt. Any deposits made
23 under this section and unencumbered funds are restricted revenues
24 and may be carried over into succeeding fiscal years.

25 Sec. 813. (1) Funds in part 1 for motor vehicle fleet are
26 appropriated to the MDTMB for administration and for the
27 acquisition, lease, operation, maintenance, repair, replacement,



1 and disposal of state motor vehicles.

2 (2) The appropriation in part 1 for motor vehicle fleet shall
3 be funded by revenue from rates charged to principal executive
4 departments and agencies for utilizing vehicle travel services
5 provided by the MDTMB. Revenue in excess of the amount appropriated
6 in part 1 from the motor transport fund and any unencumbered funds
7 are restricted revenues and may be carried over into the succeeding
8 fiscal year.

9 (3) Pursuant to the MDTMB's authority under sections 213 and
10 215 of the management and budget act, 1984 PA 431, MCL 18.1213 and
11 18.1215, the MDTMB shall maintain a plan regarding the operation of
12 the motor vehicle fleet. The plan shall include the number of
13 vehicles assigned to, or authorized for use by, state departments
14 and agencies, efforts to reduce travel expenditures, the number of
15 cars in the motor vehicle fleet, the number of miles driven by
16 fleet vehicles, and the number of gallons of fuel consumed by fleet
17 vehicles. The plan shall include a calculation of the amount of
18 state motor vehicle fuel taxes that would have been incurred by
19 fleet vehicles if fleet vehicles were required by law to pay motor
20 fuel taxes. The plan shall include a description of fleet garage
21 operations, the goods sold and services provided by the fleet
22 garage, the cost to operate the fleet garage, the number of fleet
23 garage locations, and the number of employees assigned to each
24 fleet garage. The plan may be adjusted during the fiscal year based
25 on needs and cost savings to achieve the maximum value and
26 efficiency from the state motor fleet. Within 60 days after the
27 close of the fiscal year, the MDTMB shall provide a report to the



1 senate and house of representatives standing committees on
2 appropriations, the chairpersons of the relevant appropriations
3 subcommittees, the senate and house fiscal agencies, and the state
4 budget director detailing the current plan and changes made to the
5 plan during the fiscal year. The plan shall also be posted on the
6 department website.

7 (4) The MDTMB may charge state agencies for fuel cost
8 increases that exceed \$3.04 per gallon of unleaded gasoline. The
9 MDTMB shall notify state agencies, in writing or by electronic
10 mail, at least 30 days before implementing additional charges for
11 fuel cost increases. Revenues received from these charges are
12 appropriated upon receipt.

13 (5) The state budget director, upon notification to the senate
14 and house of representatives standing committees on appropriations,
15 may adjust spending authorization and the IDG from motor transport
16 fund in the MDTMB in order to ensure that the appropriations for
17 motor vehicle fleet in the MDTMB budget equal the expenditures for
18 motor vehicle fleet in the budgets for all executive branch
19 agencies.

20 Sec. 814. The MDTMB shall develop a plan regarding the use of
21 the funds appropriated in part 1 for the information technology
22 investment fund. The plan shall include, but not be limited to, a
23 description of proposed information technology investment projects,
24 the time frame for completion of the information technology
25 investment projects, the proposed cost of the information
26 technology investment projects, the number of employees assigned to
27 implement each information technology investment project, the



1 contracts entered into for each information technology investment
2 project, and any other information the MDTMB deems necessary. The
3 plan shall be distributed to the senate and house of
4 representatives standing committees on appropriations subcommittees
5 on general government, as well as the senate and house fiscal
6 agencies, and the state budget director on a quarterly basis. The
7 submitted plan shall also include anticipated spending reductions
8 or overages for each of the proposed information technology
9 investment projects. The MDTMB shall notify the senate and house of
10 representatives standing committees on appropriations subcommittees
11 on general government, the senate and house fiscal agencies, and
12 the state budget director when a project funded under an
13 information technology investment project line item in part 1 is
14 expected to require a transfer of dollars from another project in
15 excess of \$500,000.00.

16 Sec. 814a. The funds appropriated in part 1 for information
17 technology investment fund shall be used for the modernization of
18 state information technology systems, improvement of the state's
19 cyber security framework, and to achieve efficiencies.

20 Sec. 816. An RFP issued for the purpose of privatization shall
21 include all factors used in evaluating and determining price.

22 Sec. 818. In addition to the funds appropriated in part 1, the
23 MDTMB may receive and expend money from the Michigan law
24 enforcement officers memorial monument fund as provided in the
25 Michigan law enforcement officers memorial act, 2004 PA 177, MCL
26 28.781 to 28.787.

27 Sec. 820. The MDTMB shall make available to the public a list



1 of all parcels of real property owned by the state that are
2 available for purchase. The list shall be posted on the internet
3 through the department's website.

4 Sec. 822. The MDTMB shall compile a report by January 1
5 pertaining to the salaries of unclassified employees, as well as
6 gubernatorial appointees, within all state departments and
7 agencies. The report shall enumerate each unclassified employee and
8 gubernatorial appointee and his or her annual salary individually.
9 The report shall be distributed to the chairs of the senate and
10 house of representatives standing committees on appropriations
11 subcommittees on general government, as well as the senate and
12 house fiscal agencies and be made available electronically.

13 Sec. 822b. (1) A public-private partnership investment fund is
14 created in the MDTMB. Subject to subsections (2) and (3), public-
15 private partnership investments shall include, but are not limited
16 to, all of the following:

17 (a) Capital asset improvements including buildings, land, or
18 structures.

19 (b) Energy resource exploration, extraction, generation, and
20 sales.

21 (c) Financial and investment incentive opportunities.

22 (d) Infrastructure construction, maintenance, and operation.

23 (e) Public-private sector joint ventures that provide economic
24 benefit to an area or to the state.

25 (2) Public-private investments shall not include projects,
26 consultant expenses, staff effort, or any other activity related to
27 the development, financing, construction, operation, or



1 implementation of the Detroit River International Crossing or any
2 successor project unless the project is approved by the legislature
3 and signed into law.

4 (3) The state budget director shall determine whether or not a
5 specific public-private partnership investment opportunity
6 qualifies for funding under subsection (1).

7 (4) Investment development revenue, including a portion of the
8 proceeds from the sale of any public-private partnership investment
9 designated in subsection (1), shall be deposited into the fund
10 created in subsection (1) and shall be available for
11 administration, development, financing, marketing, and operating
12 expenditures associated with public-private partnerships, unless
13 otherwise provided by law. Public-private partnership investments
14 authorized in subsection (1) are authorized for public or private
15 operation or sale consistent with state law. Expenditures from the
16 fund are authorized for investment purposes as designated in
17 subsection (1) to enhance the marketable value of each investment.
18 The unencumbered balance remaining in the fund at the end of the
19 fiscal year may be carried forward for appropriation in future
20 years.

21 (5) An annual report shall be transmitted to the senate and
22 house of representatives standing committees on appropriations, the
23 chairpersons of the relevant appropriations subcommittees, the
24 senate and house fiscal agencies, and the state budget office not
25 later than December 31 of each year. This report shall detail both
26 of the following:

27 (a) The revenue and expenditure activity in the fund for the



1 preceding fiscal year.

2 (b) Public-private partnership investments as identified under
3 subsection (1).

4 (6) The MDTMB shall monitor the revenue deposited in the
5 public-private partnership investment fund created in subsection
6 (1). If the revenue in the fund is insufficient to pay the amount
7 appropriated in part 1 for public-private partnership investment,
8 then the MDTMB shall propose a legislative transfer to fund the
9 line from the appropriations in part 1.

10 Sec. 822c. The funds appropriated in part 1 shall not be used
11 to support any staff effort, projects, consultant expenses, or any
12 other activity related to the development, financing, construction,
13 operation, or implementation of the Detroit River International
14 Crossing or any successor project unless the project is approved by
15 the legislature and signed into law.

16 Sec. 822d. By December 31, the MDTMB shall provide a report to
17 the senate and house appropriations subcommittees on general
18 government and the senate and house fiscal agencies that identifies
19 fee and rate schedules to be used by state departments and agencies
20 for services, including information technology, provided by the
21 MDTMB during fiscal year 2018-2019. The report shall also identify
22 changes from fees and rates charged in fiscal year 2017-2018 and
23 include an explanation of the factors that justify each fee and
24 rate increase.

25 Sec. 822e. Total authorized appropriations from all sources
26 under part 1 for legacy costs for the fiscal year ending September
27 30, 2019 are estimated at \$85,199,900.00. From this amount, total



1 agency appropriations for pension-related legacy costs are
2 estimated at \$39,278,600.00. Total agency appropriations for
3 retiree health care legacy costs are estimated at \$45,921,300.00.

4 Sec. 822f. (1) The funds appropriated in part 1 for the
5 regional prosperity initiative are to be used as competitive grants
6 to eligible regional planning organizations qualifying for funding
7 as a regional prosperity collaborative, a regional prosperity
8 council, or a regional prosperity board. A regional planning
9 organization may not qualify for funding under more than 1 category
10 in the same state fiscal year. As used in this section:

11 (a) "Eligible regional planning organization" means any of the
12 following:

13 (i) An existing regional planning commission created pursuant
14 to 1945 PA 281, MCL 125.11 to 125.25.

15 (ii) An existing regional economic development commission
16 created pursuant to 1966 PA 46, MCL 125.1231 to 125.1237.

17 (iii) An existing metropolitan area council formed pursuant to
18 the metropolitan councils act, 1989 PA 292, MCL 124.651 to 124.729.

19 (iv) A Michigan metropolitan planning organization established
20 pursuant to the moving ahead for progress in the 21st century act,
21 Public Law 112-141.

22 (b) "Freedom of information act" means the freedom of
23 information act, 5 USC 552.

24 (c) "Open meetings act" means the open meetings act, 1976 PA
25 267, MCL 15.261 to 15.275.

26 (d) "Regional prosperity board" means a regional body that has
27 a singular governing board with representation from private,



1 public, and nonprofit entities engaged in joint decision-making
2 practices for the purpose of creating or maintaining a phase three:
3 regional prosperity plan.

4 (e) "Regional prosperity collaborative" means any committee
5 developed by a regional planning organization or a metropolitan
6 planning organization that serves to bring organizational
7 representation together from private, public, and nonprofit
8 entities within a region for the purpose of creating or maintaining
9 a phase one: regional prosperity plan.

10 (f) "Regional prosperity council" means a regional body with
11 representation from private, public, and nonprofit entities with
12 shared administrative services and an executive governing entity,
13 as demonstrated by a formal local agreement or agreements for the
14 purpose of creating or maintaining a phase two: regional prosperity
15 plan.

16 (2) Regional planning organizations may qualify to receive not
17 more than \$250,000.00 of incentive-based funding as a regional
18 prosperity collaborative subject to meeting all of the following
19 requirements:

20 (a) The regional prosperity collaborative has created a phase
21 one: regional prosperity plan, as follows:

22 (i) The regional prosperity collaborative must include
23 regional representatives from adult education, workforce
24 development, community development, economic development,
25 transportation, and higher education organizations.

26 (ii) The plan is required, at a minimum, to include a 5-year
27 plan focused on economic growth and vitality for the region, as



1 well as a performance dashboard and measurable annual goals to
2 support the 5-year plan.

3 (iii) The 5-year plan shall address regional strategies
4 related to adult education, workforce development, economic
5 development, transportation, higher education, and business
6 development.

7 (iv) The regional prosperity collaborative shall adopt the
8 plan by a minimum 2/3 majority vote of its members.

9 (b) The regional prosperity collaborative adheres to
10 accountability and transparency measures required in the open
11 meetings act and the freedom of information act.

12 (c) The regional prosperity collaborative convenes monthly
13 meetings, open to the public, to consider and discuss issues
14 leading to a common vision of economic prosperity for the region,
15 including, but not limited to, community development, economic
16 development, talent, and infrastructure opportunities.

17 (d) The regional prosperity collaborative makes available on
18 the 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 (e) The regional prosperity collaborative keeps a status
23 report detailing the spending associated with previous regional
24 prosperity initiative grants. Organizations that have successfully
25 received grant awards in previous fiscal years shall be required to
26 make available to the department and on a publicly accessible
27 internet site information regarding the use of those grant dollars.



1 (3) Regional planning organizations eligible to receive a
2 payment as a regional prosperity collaborative under subsection (2)
3 may qualify to receive a 1-time grant of not more than \$75,000.00
4 to produce a plan to transform the regional prosperity
5 collaborative into a regional prosperity council or regional
6 prosperity board, including necessary local formal agreements, to
7 make recommendations that eliminate duplicative efforts and
8 administrative functions, and to leverage resources through
9 cooperation, collaboration, and consolidations of organizations or
10 programs throughout the region. Plans produced to transform the
11 regional prosperity collaborative into a regional prosperity
12 council or regional prosperity board shall be made available on the
13 grant recipient's publicly accessible internet site. The regional
14 prosperity collaborative may apply instead to use up to \$70,000.00
15 of the 1-time grant for integrated asset management under guidance
16 from the Michigan infrastructure council in the department of
17 treasury. The regional prosperity collaborative may not apply for
18 funds under both the transformation grant and the integrated asset
19 management grant.

20 (4) Regional planning organizations may qualify to receive not
21 more than \$375,000.00 of incentive-based funding as a regional
22 prosperity council subject to meeting all of the following
23 requirements:

24 (a) A regional prosperity council has been formed and includes
25 regional representatives from adult education, workforce
26 development, community development, economic development,
27 transportation, and higher education organizations.



1 (b) An eligible regional prosperity council will demonstrate
2 shared administrative services between 2 public regional entities
3 included in subdivision (a). In addition, the council must have and
4 maintain an executive governing entity, as demonstrated by a formal
5 local agreement or agreements.

6 (c) The regional prosperity council has created a phase two:
7 regional prosperity plan, as follows:

8 (i) The regional prosperity council shall identify
9 opportunities for shared administrative services and decision-
10 making among the private, public, and nonprofit entities within the
11 region and shall continue collaboration with regional prosperity
12 council members, including, but not limited to, representatives
13 from adult education providers, workforce development agencies,
14 community development agencies, economic development agencies,
15 transportation service providers, and higher education
16 institutions.

17 (ii) The plan is required to include, but is not limited to,
18 all of the following:

19 (A) A status report of the approved 5-year plan.

20 (B) The addition of a 10-year plan for the region which builds
21 upon prior work and is focused on economic growth and vitality in
22 the region.

23 (C) A prioritized list of regional projects.

24 (D) A performance dashboard with measurable annual goals.

25 (iii) The regional prosperity council shall adopt the plan by
26 a minimum 2/3 vote of its members.

27 (d) The regional prosperity council adheres to accountability



1 and transparency measures required in the open meetings act and the
2 freedom of information act.

3 (e) The regional prosperity council convenes monthly meetings,
4 open to the public, to consider and discuss issues leading to a
5 common vision of economic prosperity for the region, including, but
6 not limited to, community development, economic development,
7 talent, and infrastructure opportunities.

8 (f) The regional prosperity council makes available on the
9 grant recipient's publicly accessible internet site pertinent
10 documents, including, but not limited to, monthly meeting agendas,
11 minutes of monthly meetings, voting records, and the regional
12 prosperity plan and performance dashboard.

13 (g) The regional prosperity council keeps a status report
14 detailing the spending associated with previous regional prosperity
15 initiative grants. Organizations that have successfully received
16 grant awards in previous fiscal years shall be required to make
17 available to the MDTMB and on a publicly accessible internet site
18 information regarding the use of those grant dollars.

19 (5) Regional planning organizations eligible to receive a
20 payment as a regional prosperity council under subsection (4) may
21 qualify to receive a 1-time grant of not more than \$75,000.00 to
22 produce a plan to transform the regional prosperity council into a
23 regional prosperity board, including a singular private/public
24 governance structure that comports with federal guidelines for
25 governance under the workforce investment act, Public Law 105-220,
26 the moving ahead for progress in the 21st century act, Public Law
27 112-141, the economic development administration and Appalachian



1 regional development reform act of 1998, Public Law 105-393, and
2 recommendations to eliminate duplicative efforts, administrative
3 functions, and leverage resources through cooperation,
4 collaboration, and consolidations of organizations or programs
5 throughout the region. The regional prosperity council may apply
6 instead to use up to \$70,000.00 of the 1-time grant for integrated
7 asset management under guidance from the Michigan infrastructure
8 council in the department of treasury. The regional prosperity
9 council may not apply for funds under both the transformation grant
10 and the integrated asset management grant.

11 (6) Regional planning organizations may qualify to receive not
12 more than \$500,000.00 of incentive-based funding as a regional
13 prosperity board subject to meeting all of the following
14 requirements:

15 (a) The regional prosperity board has been formed and, at a
16 minimum, must demonstrate the consolidation of a regional
17 metropolitan planning organization, where one exists, state
18 designated regional planning agency boards, workforce development
19 boards, and federally designated regional economic development
20 districts within a region.

21 (b) The regional prosperity board has created a phase three:
22 regional prosperity plan, as follows:

23 (i) The regional prosperity board shall create a regional
24 services recommendations report prioritizing the list of state-
25 funded services and programs provided to the region, and
26 recommendations for state-regional partnerships to support the
27 adopted regional prosperity plan.



1 (ii) The plan is required to include a status report of the
2 approved 10-year plan for the creation of an updated regional
3 prosperity plan.

4 (iii) The regional prosperity board shall adopt the plan by a
5 minimum 2/3 vote of its members.

6 (c) The regional prosperity board adheres to accountability
7 and transparency measures required in the open meetings act and the
8 freedom of information act.

9 (d) The regional prosperity board convenes monthly meetings,
10 open to the public, to consider and discuss issues leading to a
11 common vision of economic prosperity for the region, including, but
12 not limited to, community development, economic development,
13 talent, and infrastructure opportunities.

14 (e) The regional prosperity board makes available on the grant
15 recipient's publicly accessible internet site pertinent documents,
16 including, but not limited to, monthly meeting agendas, minutes of
17 monthly meetings, voting records, and the regional prosperity plan
18 and performance dashboard. The regional prosperity board may apply
19 instead to use up to \$70,000.00 of the 1-time grant for integrated
20 asset management under guidance from the Michigan infrastructure
21 council in the department of treasury. The regional prosperity
22 board may not apply for funds under both the transformation grant
23 and the integrated asset management grant.

24 (7) Regional planning organizations eligible to receive a
25 payment as a regional prosperity board under subsection (6) may
26 qualify to receive not more than \$125,000.00, to implement the
27 prioritized regional prosperity plan projects.



1 (8) Regional planning organizations eligible to receive a
2 payment as a regional prosperity collaborative, board, or council
3 may partner with other eligible regional planning organizations to
4 submit joint applications. In the instance of a joint application,
5 1 regional planning organization shall be utilized as the overall
6 applicant. The MDTMB may award a joint application award of no
7 greater than the sum of potential application dollars which would
8 have otherwise been available through individual applications.

9 (9) The MDTMB shall develop an application process and method
10 of grant distribution for the regional prosperity initiative.
11 Funding applications from regional planning organizations shall be
12 due to the MDTMB by November 26, 2018. The MDTMB shall notify
13 regional planning organizations of grant application status by
14 December 31, 2018. The MDTMB shall ensure that processes are
15 established to verify that qualifying regional planning
16 organizations meet the requirements under subsections (2), (3),
17 (4), (5), (6), and (7), as applicable.

18 (10) Unexpended funds appropriated in part 1 for the regional
19 prosperity initiative are designated as work project
20 appropriations, and any unencumbered or unallotted funds shall not
21 lapse at the end of the fiscal year and shall be available for
22 expenditure for regional prosperity initiative projects under this
23 section until the projects have been completed. The following is in
24 compliance with section 451a of the management and budget act, 1984
25 PA 431, MCL 18.1451a:

26 (a) The purpose of the projects is to provide incentive-based
27 grants to recipients under this section.



1 (b) The projects will be accomplished by grants to qualified
2 regional planning organizations.

3 (c) The total estimated cost of all projects is \$2,500,000.00.

4 (d) The estimated completion date is September 30, 2022.

5 (11) The MDTMB may dedicate 0.3 FTEs up to \$30,000.00 to
6 manage the evaluation of the regional prosperity initiative,
7 departmental implementation of the regional prosperity initiative,
8 and grant management.

9 Sec. 822g. The MDTMB shall report quarterly to the senate and
10 house of representatives standing committees on appropriations, the
11 senate and house appropriations subcommittees on general
12 government, and the senate and house fiscal agencies on legal
13 service fund expenditures. The report shall itemize expenditures by
14 case, purpose, and department involved and shall include
15 expenditures related to all previously appropriated funds.

16 Sec. 822m. From the funds appropriated in part 1, the MDTMB
17 shall establish a system that collaborates with other departments
18 to keep track of the performance of vendors in fulfilling contract
19 obligations. The performance of these vendors shall be recorded and
20 used as a factor to determine future contracts awarded in the
21 procurement process.

22 Sec. 822n. From the funds appropriated in part 1, beginning on
23 October 1, the MDTMB shall ensure that all new requests for
24 proposals that are publicly displayed on the webpage include the
25 proposal's corresponding department and agency for the purpose of
26 searching for requests for proposals by department and agency.



1 INFORMATION TECHNOLOGY

2 Sec. 823. (1) The MDTMB may sell and accept paid advertising
3 for placement on any state website under its jurisdiction. The
4 MDTMB shall review and approve the content of each advertisement.
5 The MDTMB may refuse to accept advertising from any person or
6 organization or require modification to advertisements based upon
7 criteria determined by the MDTMB. Revenue received under this
8 subsection shall be used for operating costs of the MDTMB and for
9 future technology enhancements to state of Michigan e-government
10 initiatives. Funds received under this subsection shall be limited
11 to \$250,000.00. Any funds in excess of \$250,000.00 shall be
12 deposited in the state general fund.

13 (2) The MDTMB may accept gifts, donations, contributions,
14 bequests, and grants of money from any public or private source to
15 assist with the underwriting or sponsorship of state webpages or
16 services offered on those webpages. A private or public funding
17 source may receive recognition in the webpage. The MDTMB may reject
18 any gift, donation, contribution, bequest, or grant.

19 (3) Funds accepted by the MDTMB under subsection (1) or (2)
20 are appropriated and allotted when received and may be expended
21 upon approval of the state budget director. The state budget office
22 shall notify the senate and house of representatives standing
23 committees on appropriations subcommittees on general government
24 and the senate and house fiscal agencies within 10 days after the
25 approval is given. The MDTMB shall provide a report to the senate
26 and house of representatives appropriations subcommittees on
27 general government and senate and house fiscal agencies that



1 details the funds accepted for the prior fiscal year by November 1.

2 Sec. 824. The MDTMB may enter into agreements to supply
3 spatial information and technical services to other principal
4 executive departments, state agencies, local units of government,
5 and other organizations. The MDTMB may receive and expend funds in
6 addition to those authorized in part 1 for providing information
7 and technical services, publications, maps, and other products. The
8 MDTMB may expend amounts received for salaries, supplies, and
9 equipment necessary to provide informational products and technical
10 services. Prior to December 1 of each year, the MDTMB shall provide
11 a report to the senate and house of representatives standing
12 committees on appropriations subcommittees on general government
13 and the state budget director detailing the sources of funding and
14 expenditures made under this section.

15 Sec. 825. The legislature shall have access to all historical
16 and current data contained within SIGMA, or its predecessor,
17 pertaining to state departments. State departments shall have
18 access to all historical and current data contained within SIGMA,
19 or its predecessor.

20 Sec. 826. When used in this part and part 1, "information
21 technology services" means services involving all aspects of
22 managing and processing information, including, but not limited to,
23 all of the following:

- 24 (a) Application and mobile development and maintenance.
- 25 (b) Desktop computer support and management.
- 26 (c) Cyber security.
- 27 (d) Social media.



1 (e) Mainframe computer support and management.

2 (f) Server support and management.

3 (g) Local area network support and management, including, but
4 not limited to, wired and wireless network build-out, support, and
5 management.

6 (h) Information technology project management.

7 (i) Information technology planning and budget management.

8 (j) Telecommunication services, infrastructure, and support.

9 Sec. 827. (1) Funds appropriated in part 1 for the Michigan
10 public safety communications system shall be expended upon approval
11 of an expenditure plan by the state budget director.

12 (2) The MDTMB shall assess all subscribers of the Michigan
13 public safety communications system reasonable access and
14 maintenance fees and shall deposit the fees in the Michigan public
15 safety communications systems fees fund.

16 (3) All money received by the MDTMB under this section shall
17 be expended for the support and maintenance of the Michigan public
18 safety communications system.

19 Sec. 828. The MDTMB shall submit a report for the immediately
20 preceding fiscal year ending September 30 to the senate and house
21 of representatives standing committees on appropriations
22 subcommittees on general government and the senate and house fiscal
23 agencies by March 1. The report shall include the following:

24 (a) The total amount of funding appropriated for information
25 technology services and projects, by funding source, for all
26 principal executive departments and agencies.

27 (b) A listing of the expenditures made from the amounts



1 received by the MDTMB as reported in subdivision (a).

2 Sec. 829. The MDTMB shall provide a report that analyzes and
3 makes recommendations on the life-cycle of information technology
4 hardware and software. The report shall be submitted to the senate
5 and house of representatives standing committees on appropriations
6 subcommittees on general government and the senate and house fiscal
7 agencies by March 1.

8 Sec. 830. (1) The MDTMB, enterprise portfolio management
9 office, must provide a report on a quarterly basis providing key
10 information on all executive branch department and enterprisewide
11 information technology projects. The report must be submitted to
12 the senate and house appropriations subcommittees on general
13 government, the senate and house fiscal agencies, and the state
14 budget director as well as being posted online.

15 (2) The report must contain the following information, as it
16 exists for or applies to each active information technology project
17 and each completed information technology project closed within the
18 2-year period immediately preceding the quarterly due date of the
19 report:

20 (a) The client department, agency, or organization for which
21 the project is being undertaken.

22 (b) The active or completed status.

23 (c) The red, yellow, green status as determined by enterprise
24 project performance criteria using initially set schedules and
25 budgets.

26 (d) The number of projects by color status and each number's
27 corresponding percentage of all active or completed projects.



1 (e) The project name.

2 (f) The purpose and high-level description.

3 (g) Whether the project is managed by the enterprise portfolio
4 management office.

5 (h) The initial planned budget.

6 (i) The revised budget if there is any increase or decrease to
7 the project's initial budget.

8 (j) The actual cost to date.

9 (k) The planned start date.

10 (l) The actual start date.

11 (m) The initial planned completion date.

12 (n) The revised planned completion date if there is a change
13 from the initial planned completion date.

14 (o) The actual completion date.

15 (p) A brief description of the benefit or justification of
16 changes by project change request that impact a project's schedule
17 or budget.

18 (q) Whether quality assurance services are assigned to the
19 project.

20 (r) The project success score after project closure.

21 (s) The customer satisfaction rating after project closure.

22 Sec. 831. The funds appropriated in part 1 for the office of
23 retirement services actuarial analysis shall be used to conduct an
24 actuarial analysis to determine the costs incurred by the state
25 employees retirement system as a result of implementing the
26 provisions of House Bill No. 5411 of the 99th Legislature. The
27 appropriations in part 1 for the office of retirement services



1 actuarial analysis and the requirements of this section do not take
2 effect unless House Bill No. 5411 of the 99th Legislature is
3 enacted into law.

4 Sec. 832. (1) The MDTMB shall inform the senate and house
5 appropriations subcommittees on general government and the senate
6 and house fiscal agencies within 30 days of any potential or actual
7 penalties assessed by the federal government for failure of the
8 Michigan child support enforcement system to achieve certification
9 by the federal government.

10 (2) If potential penalties are assessed by the federal
11 government, the MDTMB shall submit a report to the senate and house
12 appropriations subcommittees on general government and the senate
13 and house fiscal agencies within 90 days specifying the MDTMB's
14 plans to avoid actual penalties and ensure federal certification of
15 the Michigan child support enforcement system.

16 Sec. 833. (1) The state budget director, upon notification to
17 the senate and house of representatives standing committees on
18 appropriations, may adjust spending authorization and user fees in
19 the MDTMB in order to ensure that the appropriations for
20 information technology in the department equal the appropriations
21 for information technology in the budgets for all executive branch
22 agencies.

23 (2) If during the course of the fiscal year a transfer or
24 supplemental to or from the information technology line item within
25 an agency budget is made under section 393 of the management and
26 budget act, 1984 PA 431, MCL 18.1393, there is appropriated an
27 equal amount of user fees in the MDTMB budget to accommodate an



1 increase or decrease in spending authorization.

2 Sec. 834. (1) Revenue collected from licenses issued under the
3 antenna site management project shall be deposited into the antenna
4 site management revolving fund created for this purpose in the
5 department. The MDTMB may receive and expend money from the fund
6 for costs associated with the antenna site management project,
7 including the cost of a third-party site manager. Any excess
8 revenue remaining in the fund at the close of the fiscal year shall
9 be proportionately transferred to the appropriate state restricted
10 funds as designated in statute or by constitution.

11 (2) An antenna shall not be placed on any site pursuant to
12 this section without complying with the respective local zoning
13 codes and local unit of government processes.

14 Sec. 835. (1) In addition to the funds appropriated in part 1,
15 the funds collected by the MDTMB for supplying census-related
16 information and technical services, publications, statistical
17 studies, population projections and estimates, and other
18 demographic products are appropriated for all expenses necessary to
19 provide the required services. These funds are available for
20 expenditure when they are received and may be carried forward into
21 the next succeeding fiscal year.

22 (2) The MDTMB must submit a report to the house and senate
23 appropriations subcommittees on general government, the senate and
24 house fiscal agencies, and the state budget director by March 1
25 that provides the amount of revenue collected by the department
26 from the authorization in subsection (1) and the amount of revenue
27 carried forward.



1 Sec. 836. From the increased funds appropriated in part 1 for
2 the information technology investment fund, the MDTMB shall provide
3 for the modernization of state information technology systems, and
4 integrate state system interfaces to improve customer service.

5 Sec. 836a. (1) The MDTMB must utilize specific outcomes and
6 performance measures for cyber security staffing, hardware, and
7 support costs, including, but not limited to, the following:

8 (a) Reduce the number of cyber threats based on the daily
9 attacks to prevent data breaches during the fiscal year ending
10 September 30, 2019.

11 (b) Reduce the risk of cyber vulnerabilities for application,
12 data, and network during the fiscal year ending September 30, 2019.

13 (c) Increase awareness of cyber threats and the preventative
14 steps for citizens, businesses, and employees during the fiscal
15 year 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 for the prior fiscal year if related
22 information is available for the prior fiscal year.

23 Sec. 837. (1) The MDTMB must utilize specific outcomes and
24 performance measures for citizen centric government information
25 technology initiatives, including, but not limited to, the
26 following:

27 (a) Implement integration of MiLogin with at least 10 high-



1 value systems to provide seamless access to those systems with 1
2 set of credentials during the fiscal year ending September 30,
3 2019.

4 (b) Increase the number of high-value systems that citizens
5 and businesses can log into with 1 login during the fiscal year
6 ending September 30, 2019.

7 (2) The MDTMB must submit a report to the house and senate
8 appropriations subcommittees on general government, the senate and
9 house fiscal agencies, and the state budget director by March 15.
10 The report must describe the specific outcomes and measures
11 required in subsection (1) and provide the results and data related
12 to these outcomes and measures.

13 **STATE BUILDING AUTHORITY RENT**

14 Sec. 842. (1) The state building authority rent appropriations
15 in part 1 may also be expended for the payment of required premiums
16 for insurance on facilities owned by the state building authority
17 or payment of costs that may be incurred as the result of any
18 deductible provisions in such insurance policies.

19 (2) If the amount appropriated in part 1 for state building
20 authority rent is not sufficient to pay the rent obligations and
21 insurance premiums and deductibles identified in subsection (1) for
22 state building authority projects, there is appropriated from the
23 general fund of the state the amount necessary to pay such
24 obligations.

25 **CIVIL SERVICE COMMISSION**



1 Sec. 850. (1) In accordance with section 5 of article XI of
2 the state constitution of 1963, all restricted funds shall be
3 assessed a sum not less than 1% of the total aggregate payroll paid
4 from those funds for financing the civil service commission on the
5 basis of actual 1% restricted sources total aggregate payroll of
6 the classified service for the preceding fiscal year. This
7 includes, but is not limited to, restricted funds appropriated in
8 part 1 of any appropriations act. Unexpended 1% appropriated funds
9 shall be returned to each 1% fund source at the end of the fiscal
10 year.

11 (2) The appropriations in part 1 are estimates of actual
12 charges based on payroll appropriations. With the approval of the
13 state budget director, the commission is authorized to adjust
14 financing sources for civil service charges based on actual payroll
15 expenditures, provided that such adjustments do not increase the
16 total appropriation for the civil service commission.

17 (3) The financing from restricted sources shall be credited to
18 the civil service commission by the end of the second fiscal
19 quarter.

20 Sec. 851. Except where specifically appropriated for this
21 purpose, financing from restricted sources shall be credited to the
22 civil service commission. For restricted sources of funding within
23 the general fund that have the legislative authority for carryover,
24 if current spending authorization or revenues are insufficient to
25 accept the charge, the shortage shall be taken from carryforward
26 balances of that funding source. Restricted revenue sources that do
27 not have carryforward authority shall be utilized to satisfy



1 commission operating deducts first and civil service obligations
2 second. General fund dollars are appropriated for any shortfall,
3 pursuant to approval by the state budget director.

4 Sec. 852. The appropriation in part 1 to the civil service
5 commission, for state-sponsored group insurance, flexible spending
6 accounts, and COBRA, represents amounts, in part, included within
7 the various appropriations throughout state government for the
8 current fiscal year to fund the flexible spending account program
9 included within the civil service commission. Deposits against
10 state-sponsored group insurance, flexible spending accounts, and
11 COBRA for the flexible spending account program shall be made from
12 assessments levied during the current fiscal year in a manner
13 prescribed by the civil service commission. Unspent employee
14 contributions to the flexible spending accounts may be used to
15 offset administrative costs for the flexible spending account
16 program, with any remaining balance of unspent employee
17 contributions to be lapsed to the general fund.

18 **CAPITAL OUTLAY**

19 Sec. 860. As used in sections 861 through 867 of this part:

20 (a) "Board" means the state administrative board.

21 (b) "Community college" means a community college organized
22 under the community college act of 1966, 1966 PA 331, MCL 389.1 to
23 389.195, or under part 25 of the revised school code, 1976 PA 451,
24 MCL 380.1601 to 380.1607, and does not include a state agency or
25 university.

26 (c) "Department" means the department of technology,



1 management, and budget.

2 (d) "Director" means the director of the department of
3 technology, management, and budget.

4 (e) "Fiscal agencies" means the senate fiscal agency and the
5 house fiscal agency.

6 (f) "State agency" means an agency of state government. State
7 agency does not include a community college or university.

8 (g) "State building authority" means the authority created
9 under 1964 PA 183, MCL 830.411 to 830.425.

10 (h) "University" means a 4-year university supported by the
11 state. University does not include a community college or a state
12 agency.

13 Sec. 861. Each capital outlay project authorized in this part
14 and part 1 or any previous capital outlay act shall comply with the
15 procedures required by the management and budget act, 1984 PA 431,
16 MCL 18.1101 to 18.1594.

17 Sec. 862. (1) The department shall provide the JCOS, state
18 budget director, and the senate and house fiscal agencies with
19 reports as considered necessary relative to the status of each
20 planning or construction project financed by the state building
21 authority, by this part and part 1, or by previous acts.

22 (2) Before the end of each fiscal year, the department shall
23 report to the JCOS, state budget director, and the senate and house
24 fiscal agencies for each capital outlay project other than lump
25 sums all of the following:

26 (a) The account number and name of each construction project.

27 (b) The balance remaining in each account.



- 1 (c) The date of the last expenditure from the account.
- 2 (d) The anticipated date of occupancy if the project is under
3 construction.
- 4 (e) The appropriations history for the project.
- 5 (f) The professional service contractor.
- 6 (g) The amount of the project financed with federal funds.
- 7 (h) The amount of the project financed through the state
8 building authority.
- 9 (i) The total authorized cost for the project and the state
10 authorized share if different than the total.

11 (3) Before the end of each fiscal year, the MDTMB shall report
12 the following for each project by a state agency, university, or
13 community college that is authorized for planning but is not yet
14 authorized for construction:

- 15 (a) The name of the project and account number.
- 16 (b) Whether a program statement is approved.
- 17 (c) Whether schematics are approved by the department.
- 18 (d) Whether preliminary plans are approved by the department.
- 19 (e) The name of the professional service contractor.
- 20 (4) As used in this section, "project" includes appropriation
21 line items made for purchase of real estate.

22 Sec. 864. The appropriations in part 1 for capital outlay
23 shall be carried forward at the end of the fiscal year consistent
24 with the provisions of section 248 of the management and budget
25 act, 1984 PA 431, MCL 18.1248.

26 Sec. 865. (1) A site preparation economic development fund is
27 created in the MDTMB. As used in this section, "economic



1 development sites" means those state-owned sites declared as
2 surplus property pursuant to section 251 of the management and
3 budget act, 1984 PA 431, MCL 18.1251, that would provide economic
4 benefit to the area or to the state. The MEDC board and the state
5 budget director shall determine whether or not a specific state-
6 owned site qualifies for inclusion in the fund created under this
7 subsection.

8 (2) Proceeds from the sale of any sites designated in
9 subsection (1) shall be deposited into the fund created in
10 subsection (1) and shall be available for site preparation
11 expenditures, unless otherwise provided by law. The economic
12 development sites authorized in subsection (1) are authorized for
13 sale consistent with state law. Expenditures from the fund are
14 authorized for site preparation activities that enhance the
15 marketable sale value of the sites. Site preparation activities
16 include, but are not limited to, demolition, environmental studies
17 and abatement, utility enhancement, and site excavation.

18 (3) A cash advance in an amount of not more than
19 \$25,000,000.00 is authorized from the general fund to the site
20 preparation economic development fund.

21 (4) An annual report shall be transmitted to the senate and
22 house of representatives standing committees on appropriations not
23 later than December 31 of each year. This report shall detail both
24 of the following:

25 (a) The revenue and expenditure activity in the fund for the
26 preceding fiscal year.

27 (b) The sites identified as economic development sites under



1 subsection (1).

2 Sec. 867. Proceeds from the sale of the Farnum Building shall
3 be subsequently appropriated to the MDTMB in accordance with any
4 legislation enacted that authorizes the sale of that property. If
5 the net proceeds from the sale of the Farnum Building are less than
6 the \$7,000,000.00 authorized for senate relocation costs in section
7 896 of article VIII of 2014 PA 252, an amount equal to the
8 difference between the net sale proceeds and \$7,000,000.00 shall be
9 appropriated by the legislature to the department.

10 **CAPITAL OUTLAY - UNIVERSITIES AND COMMUNITY COLLEGES**

11 Sec. 873. (1) This section applies only to projects for
12 community colleges.

13 (2) State support is directed towards the remodeling and
14 additions, special maintenance, or construction of certain
15 community college buildings. The community college shall obtain or
16 provide for site acquisition and initial main utility installation
17 to operate the facility. Funding shall be composed of local and
18 state shares and not more than 50% of a capital outlay project, not
19 including a lump-sum special maintenance project or remodeling and
20 addition project, for a community college shall be appropriated
21 from state and federal funds, unless otherwise appropriated by the
22 legislature.

23 (3) An expenditure under this part and part 1 is authorized
24 when the release of the appropriation is approved by the board upon
25 the recommendation of the director. The director may recommend to
26 the board the release of any appropriation in part 1 only after the



1 director is assured that the legal entity operating the community
2 college to which the appropriation is made has complied with this
3 part and part 1 and has matched the amounts appropriated as
4 required by this part and part 1. A release of funds in part 1
5 shall not exceed 50% of the total cost of planning and construction
6 of any project, not including lump-sum remodeling and additions and
7 special maintenance, unless otherwise appropriated by the
8 legislature. Further planning and construction of a project
9 authorized by this part and part 1 or applicable sections of the
10 management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594,
11 shall be in accordance with the purpose and scope as defined and
12 delineated in the approved program statements and planning
13 documents. This part and part 1 are applicable to all projects for
14 which planning appropriations were made in previous acts.

15 (4) The community college shall take the steps necessary to
16 secure available federal construction and equipment money for
17 projects funded for construction in this part and part 1 if an
18 application was not previously made. If there is a reasonable
19 expectation that a prior year unfunded application may receive
20 federal money in a subsequent year, the college shall take whatever
21 action necessary to keep the application active.

22 Sec. 874. If university and community college matching
23 revenues are received in an amount less than the appropriations for
24 capital projects contained in this part and part 1, the state funds
25 shall be reduced in proportion to the amount of matching revenue
26 received.

27 Sec. 875. (1) The director may require that community colleges



1 and universities that have an authorized project listed in part 1
2 submit documentation regarding the project match and governing
3 board approval of the authorized project not more than 60 days
4 after the beginning of the fiscal year.

5 (2) If the documentation required by the director under
6 subsection (1) is not submitted, or does not adequately
7 authenticate the availability of the project match or board
8 approval of the authorized project, the authorization may
9 terminate. The authorization terminates 30 days after the director
10 notifies the JCOS of the intent to terminate the project unless the
11 JCOS convenes to extend the authorization.

12 **DEPARTMENT OF TREASURY**

13 **OPERATIONS**

14 Sec. 901. (1) In addition to the funds appropriated in part 1,
15 there is appropriated an amount not to exceed \$1,000,000.00 for
16 federal contingency funds. These funds are not available for
17 expenditure until they have been transferred to another line item
18 in part 1 under section 393(2) of the management and budget act,
19 1984 PA 431, MCL 18.1393.

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

26 (3) In addition to the funds appropriated in part 1, there is



1 appropriated an amount not to exceed \$200,000.00 for local
2 contingency funds. These funds are not available for expenditure
3 until they have been transferred to another line item in part 1
4 under section 393(2) of the management and budget act, 1984 PA 431,
5 MCL 18.1393.

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

12 Sec. 902. (1) Amounts needed to pay for interest, fees,
13 principal, mandatory and optional redemptions, arbitrage rebates as
14 required by federal law, and costs associated with the payment,
15 registration, trustee services, credit enhancements, and issuing
16 costs in excess of the amount appropriated to the department of
17 treasury in part 1 for debt service on notes and bonds that are
18 issued by the state under sections 14, 15, and 16 of article IX of
19 the state constitution of 1963 as implemented by 1967 PA 266, MCL
20 17.451 to 17.455, are appropriated.

21 (2) In addition to the amount appropriated to the department
22 of treasury for debt service in part 1, there is appropriated an
23 amount for fiscal year cash-flow borrowing costs to pay for
24 interest on interfund borrowing made under 1967 PA 55, MCL 12.51 to
25 12.53.

26 (3) In addition to the amount appropriated to the department
27 of treasury for debt service in part 1, there is appropriated all



1 repayments received by the state on loans made from the school bond
2 loan fund not required to be deposited in the school loan revolving
3 fund by or pursuant to section 4 of 1961 PA 112, MCL 388.984, to
4 the extent determined by the state treasurer, for the payment of
5 debt service, including, without limitation, optional and mandatory
6 redemptions, on bonds, notes or commercial paper issued by the
7 state pursuant to 1961 PA 112, MCL 388.981 to 388.985.

8 Sec. 902a. The department of treasury shall notify the senate
9 and house of representatives standing committees on appropriations,
10 the chairpersons of the relevant appropriations subcommittees, the
11 senate and house fiscal agencies, and the state budget office not
12 more than 30 days after a refunding or restructuring bond issue is
13 sold. The notification shall compare the annual debt service prior
14 to the refinancing or restructuring, the annual debt service after
15 the refinancing or restructuring, the change in the principal and
16 interest over the duration of the debt, and the projected change in
17 the present value of the debt service due to the refinancing and
18 restructuring.

19 Sec. 903. (1) From the funds appropriated in part 1, the
20 department of treasury may contract with private collection
21 agencies and law firms to collect taxes and other accounts due this
22 state. In addition to the amounts appropriated in part 1 to the
23 department of treasury, there are appropriated amounts necessary to
24 fund collection costs and fees not to exceed 25% of the collections
25 or 2.5% plus operating costs, whichever amount is prescribed by
26 each contract. The appropriation to fund collection costs and fees
27 for the collection of taxes or other accounts due this state are



1 from the fund or account to which the revenues being collected are
2 recorded or dedicated. However, if the taxes collected are
3 constitutionally dedicated for a specific purpose, the
4 appropriation of collection costs and fees are from the general
5 purpose account of the general fund.

6 (2) From the funds appropriated in part 1, the department of
7 treasury may contract with private collections agencies and law
8 firms to collect defaulted student loans and other accounts due the
9 Michigan guaranty agency. In addition to the amounts appropriated
10 in part 1 to the department of treasury, there are appropriated
11 amounts necessary to fund collection costs and fees not to exceed
12 24.34% of the collection or a lesser amount as prescribed by the
13 contract. The appropriation to fund collection costs and fees for
14 the auditing and collection of defaulted student loans due the
15 Michigan guaranty agency is from the fund or account to which the
16 revenues being collected are recorded or dedicated.

17 (3) The department of treasury shall submit a report for the
18 immediately preceding fiscal year ending September 30 to the state
19 budget director, the senate and house of representatives standing
20 committees on appropriations, and the chairpersons of the relevant
21 appropriations subcommittees, not later than November 30 stating
22 the agencies or law firms employed, the amount of collections for
23 each, the costs of collection, and other pertinent information
24 relating to determining whether this authority should be continued.

25 Sec. 904. (1) The department of treasury, through its bureau
26 of investments, may charge an investment service fee against the
27 applicable retirement funds. The fees may be expended for necessary



1 salaries, wages, contractual services, supplies, materials,
2 equipment, travel, worker's compensation insurance premiums, and
3 grants to the civil service commission and state employees'
4 retirement funds. Service fees shall not exceed the aggregate
5 amount appropriated in part 1. The department of treasury shall
6 maintain accounting records in sufficient detail to enable the
7 retirement funds to be reimbursed periodically for fee revenue that
8 is determined by the department of treasury to be surplus.

9 (2) In addition to the funds appropriated in part 1 from the
10 retirement funds to the department of treasury, there is
11 appropriated from retirement funds an amount sufficient to pay for
12 the services of money managers, investment advisors, investment
13 consultants, custodians, and other outside professionals, the state
14 treasurer considers necessary to prudently manage the retirement
15 funds' investment portfolios. The state treasurer shall report
16 annually to the senate and house of representatives standing
17 committees on appropriations, the chairpersons of the relevant
18 appropriations subcommittees, and the state budget office
19 concerning the performance of each portfolio by investment advisor.

20 Sec. 904a. (1) There is appropriated an amount sufficient to
21 recognize and pay expenditures for financial services provided by
22 financial institutions or equivalent vendors that perform these
23 services including treasury as provided under section 1 of 1861 PA
24 111, MCL 21.181.

25 (2) The appropriations under subsection (1) shall be funded by
26 restricting revenues from common cash interest earnings and
27 investment earnings in an amount sufficient to record these



1 expenditures. If the amounts of common cash interest earnings are
2 insufficient to cover these costs, then miscellaneous revenues
3 shall be used to fund the remaining balance of these expenditures.

4 Sec. 905. A revolving fund known as the municipal finance fee
5 fund is created in the department of treasury. Fees are established
6 under the revised municipal finance act, 2001 PA 34, MCL 141.2101
7 to 141.2821, and the fees collected shall be credited to the
8 municipal finance fee fund and may be carried forward for future
9 appropriation.

10 Sec. 906. (1) The department of treasury shall charge for
11 audits as permitted by state or federal law or under contractual
12 arrangements with local units of government, other principal
13 executive departments, or state agencies. However, the charge shall
14 not be more than the actual cost for performing the audit. A report
15 detailing audits performed and audit charges for the immediately
16 preceding fiscal year shall be submitted to the state budget
17 director, the chairpersons of the relevant appropriations
18 subcommittees, and the senate and house fiscal agencies not later
19 than November 30.

20 (2) A revolving fund known as the audit charges fund is
21 created in the department of treasury. The contractual charges
22 collected shall be credited to the audit charges fund and may be
23 carried forward for future appropriation.

24 Sec. 907. A revolving fund known as the assessor certification
25 and training fund is created in the department of treasury. The
26 assessor certification and training fund shall be used to organize
27 and operate a property assessor certification and training program.



1 Each participant certified and trained shall pay to the department
2 of treasury examination fees not to exceed \$50.00 per examination
3 and certification fees not to exceed \$175.00. Training courses
4 shall be offered in assessment administration. Each participant
5 shall pay a fee to cover the expenses incurred in offering the
6 optional programs to certified assessing personnel and other
7 individuals interested in an assessment career opportunity. The
8 fees collected shall be credited to the assessor certification and
9 training fund.

10 Sec. 908. The amount appropriated in part 1 to the department
11 of treasury, home heating assistance program, is to cover the
12 costs, including data processing, of administering federal home
13 heating credits to eligible claimants and to administer the
14 supplemental fuel cost payment program for eligible tax credit and
15 welfare recipients.

16 Sec. 909. Revenue from the airport parking tax act, 1987 PA
17 248, MCL 207.371 to 207.383, is appropriated and shall be
18 distributed under section 7a of the airport parking tax act, 1987
19 PA 248, MCL 207.377a.

20 Sec. 910. The disbursement by the department of treasury from
21 the bottle deposit fund to dealers as required by section 3c(2) of
22 1976 IL 1, MCL 445.573c, is appropriated.

23 Sec. 911. There is appropriated an amount sufficient to
24 recognize and pay refundable income tax credits as provided by law.

25 Sec. 912. A plaintiff in a garnishment action involving this
26 state shall pay to the state treasurer 1 of the following:

27 (a) A fee of \$6.00 at the time a writ of garnishment of



1 periodic payments is served upon the state treasurer, as provided
2 in section 4012 of the revised judicature act of 1961, 1961 PA 236,
3 MCL 600.4012.

4 (b) A fee of \$6.00 at the time any other writ of garnishment
5 is served upon the state treasurer, except that the fee shall be
6 reduced to \$5.00 for each writ of garnishment for individual income
7 tax refunds or credits filed by magnetic media.

8 Sec. 913. (1) The department of treasury may contract with
9 private firms to appraise and, if necessary, appeal the assessments
10 of senior citizen cooperative housing units. Payment for this
11 service shall be from savings resulting from the appraisal or
12 appeal process.

13 (2) Of the funds appropriated in part 1 to the department of
14 treasury for the senior citizens' cooperative housing tax exemption
15 program, a portion may be utilized for a program audit of the
16 program. The department of treasury shall forward copies of any
17 audit report completed to the senate and house of representatives
18 standing committees on appropriations subcommittees on general
19 government and to the state budget office. The department of
20 treasury may utilize up to 1% of the funds for program
21 administration and auditing.

22 Sec. 914. The department of treasury may provide a \$200.00
23 annual prize from the Ehlers internship award account in the gifts,
24 bequests, and deposit fund to the runner-up of the Rosenthal prize
25 for interns. The Ehlers internship award account is interest
26 bearing.

27 Sec. 915. Pursuant to section 61 of the Michigan campaign



1 finance act, 1976 PA 388, MCL 169.261, there is appropriated from
2 the general fund to the state campaign fund an amount equal to the
3 amounts designated for tax year 2016. Except as otherwise provided
4 in this section, the amount appropriated shall not revert to the
5 general fund and shall remain in the state campaign fund. Any
6 amounts remaining in the state campaign fund in excess of
7 \$10,000,000.00 on December 31 shall revert to the general fund.

8 Sec. 916. The department of treasury may make available to
9 interested entities otherwise unavailable customized unclaimed
10 property listings of nonconfidential information in its possession.
11 The charge for this information is as follows: 1 to 100,000 records
12 at 2.5 cents per record and 100,001 or more records at .5 cents per
13 record. The revenue received from this service shall be deposited
14 to the appropriate revenue account or fund. The department shall
15 submit an annual report on or before June 1 to the state budget
16 director and the senate and house of representatives standing
17 committees on appropriations that states the amount of revenue
18 received from the sale of information.

19 Sec. 917. (1) There is appropriated for write-offs and
20 advances an amount equal to total write-offs and advances for
21 departmental programs, but not to exceed current year
22 authorizations that would otherwise lapse to the general fund.

23 (2) The department of treasury shall submit a report for the
24 immediately preceding fiscal year to the state budget director, the
25 chairpersons of the relevant appropriations subcommittees, and the
26 senate and house fiscal agencies not later than November 30 stating
27 the amounts appropriated for write-offs and advances under



1 subsection (1).

2 Sec. 919. (1) From funds appropriated in part 1, the
3 department of treasury may contract with private auditing firms to
4 audit for and collect unclaimed property due this state in
5 accordance with the uniform unclaimed property act, 1995 PA 29, MCL
6 567.221 to 567.265. In addition to the amounts appropriated in part
7 1 to the department of treasury, there are appropriated amounts
8 necessary to fund auditing and collection costs and fees not to
9 exceed 12% of the collections, or a lesser amount as prescribed by
10 the contract. The appropriation to fund collection costs and fees
11 for the auditing and collection of unclaimed property due this
12 state is from the fund or account to which the revenues being
13 collected are recorded or dedicated.

14 (2) The department of treasury shall submit a report for the
15 immediately preceding fiscal year ending September 30 to the state
16 budget director, the senate and house of representatives standing
17 committees on appropriations, and the chairpersons of the relevant
18 appropriations subcommittees not later than November 30 stating the
19 auditing firms employed, the amount of collections for each, the
20 costs of collection, and other pertinent information relating to
21 determining whether this authority should be continued.

22 Sec. 920. (1) The department of treasury shall produce a
23 listing of all personal property tax reimbursement payments to be
24 distributed by the local community stabilization authority related
25 to property taxes levied in the current calendar year and shall
26 post the list of payments on the department website by September
27 30.



1 (2) The department of treasury shall prepare a written notice
2 that describes the potential for adjustments in personal property
3 tax reimbursement payments that will affect the subsequent payment.
4 The department shall provide the notice to the local community
5 stabilization authority by March 31.

6 (3) The local community stabilization authority shall
7 distribute the notice prepared under subsection (2) to all
8 municipalities by April 30. The notice may be distributed
9 electronically.

10 Sec. 924. (1) In addition to the funds appropriated in part 1,
11 the department of treasury may receive and expend principal
12 residence audit fund revenue for administration of principal
13 residence audits under the general property tax act, 1893 PA 206,
14 MCL 211.1 to 211.155.

15 (2) The department of treasury shall submit a report for the
16 immediately preceding fiscal year to the state budget director, the
17 chairpersons of the relevant appropriations subcommittees, and the
18 senate and house fiscal agencies not later than December 31 stating
19 the amount of exemptions denied and the revenue received under the
20 program.

21 Sec. 926. Unexpended appropriations of the John R. Justice
22 grant program are designated as work project appropriations and
23 shall not lapse at the end of the fiscal year and shall continue to
24 be available for expenditure until the project has been completed.
25 The following is in compliance with section 451a of the management
26 and budget act, 1984 PA 431, MCL 18.1451a:

27 (a) The purpose of the project is to provide student loan



1 forgiveness to qualified public defenders and prosecutors.

2 (b) The project will be accomplished by utilizing state
3 employees or contracts with private vendors, or both.

4 (c) The total estimated cost of the project is \$288,100.00.

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

6 Sec. 927. The department of treasury shall submit annual
7 progress reports to the senate and house of representatives
8 standing committees on appropriations subcommittees on general
9 government and the senate and house fiscal agencies, regarding
10 personal property tax audits. The report shall include the number
11 of audits, revenue generated, and number of complaints received by
12 the department related to the audits.

13 Sec. 928. The department of treasury may provide receipt,
14 warrant and cash processing, data, collection, investment, fiscal
15 agent, levy and warrant cost assessment, writ of garnishment, and
16 other user services on a contractual basis for other principal
17 executive departments and state agencies. Funds for the services
18 provided are appropriated and shall be expended for salaries and
19 wages, fees, supplies, and equipment necessary to provide the
20 services. Any unobligated balance of the funds received shall
21 revert to the general fund of this state as of September 30.

22 Sec. 930. (1) The department of treasury shall provide
23 accounts receivable collections services to other principal
24 executive departments and state agencies under 1927 PA 375, MCL
25 14.131 to 14.134. The department of treasury shall deduct a fee
26 equal to the cost of collections from all receipts except
27 unrestricted general fund collections. Fees shall be credited to a



1 restricted revenue account and appropriated to the department of
2 treasury to pay for the cost of collections. The department of
3 treasury shall maintain accounting records in sufficient detail to
4 enable the respective accounts to be reimbursed periodically for
5 fees deducted that are determined by the department of treasury to
6 be surplus to the actual cost of collections.

7 (2) The department of treasury shall submit a report for the
8 immediately preceding fiscal year to the state budget director, the
9 chairpersons of the relevant appropriations subcommittees, and the
10 senate and house fiscal agencies not later than November 30 stating
11 the principal executive departments and state agencies served,
12 funds collected, and costs of collection under subsection (1).

13 Sec. 931. (1) The appropriation in part 1 to the department of
14 treasury for treasury fees shall be assessed against all restricted
15 funds that receive common cash earnings or other investment income.
16 Treasury fees include all costs, including administrative overhead,
17 relating to the investment of each restricted fund. The fee
18 assessed against each restricted fund will be based on the size of
19 the restricted fund (the absolute value of the average daily cash
20 balance plus the market value of investments in the prior fiscal
21 year) and the level of effort necessary to maintain the restricted
22 fund as required by each department. The department of treasury
23 shall provide a report to the state budget director, the senate and
24 house of representatives standing committees on appropriations
25 subcommittees on general government, and the senate and house
26 fiscal agencies by November 30 of each year identifying the fees
27 assessed against each restricted fund and the methodology used for



1 assessment.

2 (2) In addition to the funds appropriated in part 1, the
3 department of treasury may receive and expend investment fees
4 relating to new restricted funding sources that participate in
5 common cash earnings or other investment income during the current
6 fiscal year. When a new restricted fund is created starting on or
7 after October 1, that restricted fund shall be assessed a fee using
8 the same criteria identified in subsection (1).

9 Sec. 932. Revenue received under the Michigan education trust
10 act, 1986 PA 316, MCL 390.1421 to 390.1442, may be expended by the
11 board of directors of the Michigan education trust for necessary
12 salaries, wages, supplies, contractual services, equipment,
13 worker's compensation insurance premiums, and grants to the civil
14 service commission and state employees' retirement fund.

15 Sec. 934. (1) The department of treasury may expend revenues
16 received under the hospital finance authority act, 1969 PA 38, MCL
17 331.31 to 331.84, the shared credit rating act, 1985 PA 227, MCL
18 141.1051 to 141.1076, the higher education facilities authority
19 act, 1969 PA 295, MCL 390.921 to 390.934, the Michigan public
20 educational facilities authority, Executive Reorganization Order
21 No. 2002-3, MCL 12.192, the Michigan tobacco settlement finance
22 authority act, 2005 PA 226, MCL 129.261 to 129.279, the land bank
23 fast track act, 2003 PA 258, MCL 124.751 to 124.774, part 505 of
24 the natural resources and environmental protection act, 1994 PA
25 451, MCL 324.50501 to 324.50522, the state housing development
26 authority act of 1966, 1966 PA 346, MCL 125.1401 to 125.1499c, and
27 the Michigan finance authority, Executive Reorganization Order No.



1 2010-2, MCL 12.194, for necessary salaries, wages, supplies,
2 contractual services, equipment, worker's compensation insurance
3 premiums, grants to the civil service commission and state
4 employees' retirement fund, and other expenses as allowed under
5 those acts.

6 (2) The department of treasury shall report by January 31 to
7 the senate and house appropriations subcommittees on general
8 government, the senate and house fiscal agencies, and the state
9 budget director on the amount and purpose of expenditures made
10 under subsection (1) from funds received in addition to those
11 appropriated in part 1. The report shall also include a listing of
12 reimbursement of revenue, if any. The report shall cover the
13 previous fiscal year.

14 Sec. 935. The funds appropriated in part 1 for dual enrollment
15 payments for an eligible student enrolled in a state-approved
16 nonpublic school shall be distributed as provided under the
17 postsecondary enrollment options act, 1996 PA 160, MCL 388.511 to
18 388.524, and the career and technical preparation act, 2000 PA 258,
19 MCL 388.1901 to 388.1913, in a form and manner as determined by the
20 department of treasury.

21 Sec. 936. (1) From the funds appropriated in part 1 for
22 financial data analytic tool reimbursement, there is allocated an
23 amount not to exceed \$500,000.00 for reimbursements to cities,
24 villages, townships, and counties for the licensing of data
25 analytic tools as described under this section. Reimbursements are
26 for cities, villages, townships, and counties that choose to use a
27 data analytic tool with 1 of the vendors approved by the MDTMB



1 under subsection (2). Funds allocated under this section are
2 intended to provide cities, villages, townships, and counties with
3 financial forecasting and transparency reporting tools to improve
4 the financial health of cities, villages, townships, and counties
5 and to improve communication with the public.

6 (2) Not later than October 15, the MDTMB shall review vendors
7 for data analytic tools and provide cities, villages, townships,
8 and counties with a list of up to 2 approved vendors that cities,
9 villages, townships, and counties may use to qualify for a
10 reimbursement under this section. An approved data analytic tool
11 supplied by the vendor must do all of the following:

- 12 (a) Analyze financial data.
- 13 (b) Analyze pension and other postemployment benefit trends.
- 14 (c) Provide early warning indicators of financial stress.
- 15 (d) Provide peer community comparisons of financial data.
- 16 (e) Provide financial projections for at least 3 subsequent
17 fiscal years.

18 (3) Funds allocated under this section shall be paid to
19 cities, villages, townships, and counties as a reimbursement for
20 already having a licensing agreement or for entering into a
21 licensing agreement not later than December 1, with a vendor
22 approved under subsection (2) to implement a data analytic
23 agreement. Reimbursement under this section shall be made as
24 follows:

- 25 (a) All cities, villages, townships, and counties seeking
26 reimbursement shall submit requests not later than December 1,
27 indicating the cost paid for the financial data analytic tool.



1 (b) The department shall determine the sum of the funding
2 requested by all cities, villages, townships, and counties under
3 subdivision (a) and, if there are sufficient funds, shall reimburse
4 1/2 of the costs submitted by each city, village, township, and
5 county under subdivision (a). If there are insufficient funds to
6 pay 1/2 of the costs submitted under subdivision (a), the
7 reimbursement shall be made on an equal percentage basis.

8 (c) Any funds remaining after the calculation and payment of
9 reimbursements under this subsection shall be available for
10 expenditure under the program for financially distressed cities,
11 villages, or townships after the approval of transfers by the
12 legislature pursuant to section 393(2) of the management and budget
13 act, 1984 PA 431, MCL 18.1393.

14 (d) The reimbursement to a city, village, township, or county
15 shall not be greater than the amount paid for a data analytic
16 application.

17 (e) A city, village, township, or county shall not be
18 reimbursed for the purchase of more than 1 software application.

19 (4) Payments under this section shall be made on a schedule
20 determined by the department.

21 (5) Within 30 days after the department has made all payments
22 under subsection (3), the department shall report the following to
23 the senate and house of representatives standing committees on
24 appropriations subcommittees on general government, the state
25 budget director, and the fiscal agencies:

26 (a) The total amount of payments made.

27 (b) If the payments were prorated, the amount of proration.



1 (c) A list of each payment made to cities, villages,
2 townships, and counties.

3 Sec. 937. From the funds appropriated in part 1, the
4 department of treasury shall submit a report to the state budget
5 director, the senate and house standing committees on
6 appropriations, the chairpersons of the relevant appropriations
7 subcommittees, and the senate and house fiscal agencies not later
8 than March 31 regarding the performance of the Michigan accounts
9 receivable collections system. The report shall include, but is not
10 limited to:

11 (a) Information regarding the effectiveness of the
12 department's current collection strategies, including use of
13 vendors or contractors.

14 (b) The amount of delinquent accounts and collection referrals
15 to vendors and contractors.

16 (c) The liquidation rates for declining delinquent accounts.

17 (d) The profile of uncollected delinquent accounts, including
18 specific uncollected amounts by category.

19 (e) The department's strategy to manage delinquent accounts
20 once those accounts exceed the vendor's or contractor's contracted
21 collectible period.

22 (f) A summary of the strategies used in other states,
23 including, but not limited to, secondary placement services, and
24 assessing the benefits of those strategies.

25 Sec. 940. The department of treasury shall study the
26 feasibility of requiring homeowners to file principal residence
27 exemption documents directly with the department of treasury. The



1 feasibility study shall include information regarding additional
2 staffing and administrative resources necessary to implement the
3 change. The department of treasury shall provide a report of their
4 findings to the chairpersons of the senate and house of
5 representatives standing committees on appropriations, the
6 chairpersons of the senate and house of representatives standing
7 committees on appropriations subcommittees on general government,
8 the senate and house fiscal agencies, and the state budget director
9 by January 1.

10 Sec. 941. (1) The department of treasury, in conjunction with
11 the MSF, shall report to the senate and house of representatives
12 standing committees on appropriations, the senate and house of
13 representatives appropriations subcommittees on general government,
14 the senate and house fiscal agencies, and the state budget director
15 by November 1 on the annual cost of the MEGA tax credits. The
16 report shall include for each year the board-approved credit
17 amount, adjusted for credit amendments where applicable, and the
18 actual and projected value of tax credits for each year from 1995
19 to the expiration of the credit program. For years for which credit
20 claims are complete, the report shall include the total of actual
21 certificated credit amounts. For years for which claims are still
22 pending or not yet submitted, the report shall include a
23 combination of actual credits where available and projected
24 credits. Credit projections shall be based on updated estimates of
25 employees, wages, and benefits for eligible companies.

26 (2) In addition to the report under subsection (1), the
27 department of treasury, in conjunction with the MSF, shall report



1 to the senate and house of representatives standing committees on
2 appropriations, the senate and house of representatives
3 appropriations subcommittees on general government, the senate and
4 house fiscal agencies, and the state budget director by November 1
5 on the annual cost of all other certificated credits by program,
6 for each year until the credits expire or can no longer be
7 collected. The report shall include estimates on the brownfield
8 redevelopment credit, film credits, MEGA photovoltaic technology
9 credit, MEGA polycrystalline silicon manufacturing credit, MEGA
10 vehicle battery credit, and other certificated credits.

11 Sec. 942. As a condition of receiving funds appropriated in
12 part 1 for supervision of the general property tax law, the
13 department of treasury shall prioritize maintaining existing
14 contracts related to the property services division.

15 Sec. 943. From the funds appropriated in part 1, the
16 department of treasury may establish a closed-loop payment
17 processing and digital patient identification delivery and
18 authentication system under which the department creates accounts
19 to be used only by registered patients and caregivers at licenses
20 dispensaries as well as by all license holders and licensed
21 marihuana businesses, vendors, and other approved participants in
22 the state program.

23 Sec. 944. If the department of treasury hires a pension plan
24 consultant using any of the funds appropriated in part 1, the
25 department shall retain any report provided to the department by
26 that consultant, notify the senate and house of representatives
27 appropriations subcommittees on general government, the senate and



1 house fiscal agencies, and the state budget director, and shall
2 make that report available upon request to the senate and house of
3 representatives standing committees on appropriations subcommittees
4 on general government, the senate and house fiscal agencies, and
5 the state budget director. A rationale for retention of a pension
6 plan consultant shall be included in the notification of retention.

7 Sec. 945. Reviews of local unit assessment administration
8 practices, procedures, and records, also known as the audit of
9 minimal assessing requirements, shall be conducted in each
10 assessment jurisdiction a minimum of once every 5 years.

11 Sec. 946. Revenue collected in the convention facility
12 development fund is appropriated and shall be distributed under
13 sections 8 and 9 of the state convention facility development act,
14 1985 PA 106, MCL 207.628 and 207.629.

15 Sec. 947. Financial independence teams shall cooperate with
16 the financial responsibility section to coordinate and streamline
17 efforts in identifying and addressing fiscal emergencies in school
18 districts and intermediate school districts.

19 Sec. 948. Total authorized appropriations from all department
20 of treasury sources under part 1 for legacy costs for the fiscal
21 year ending September 30, 2019 are estimated at \$44,037,800.00.
22 From this amount, total agency appropriations for pension-related
23 legacy costs are estimated at \$20,302,200.00. Total agency
24 appropriations for retiree health care legacy costs are estimated
25 at \$23,735,600.00.

26 Sec. 949. (1) From the funds appropriated in part 1, the
27 department of treasury may contract with private agencies to



1 prevent the disbursement of fraudulent tax refunds. In addition to
2 the amounts appropriated in part 1 to the department of treasury,
3 there are appropriated amounts necessary to pay contract costs or
4 fund operations designed to reduce fraudulent income tax refund
5 payments not to exceed \$1,200,000.00 of the refunds identified as
6 potentially fraudulent and for which payment of the refund is
7 denied. The appropriation to fund fraud prevention efforts is from
8 the fund or account to which the revenues being collected are
9 recorded or dedicated.

10 (2) The department of treasury shall submit a report for the
11 immediately preceding fiscal year ending September 30 to the state
12 budget director, the senate and house of representatives standing
13 committees on appropriations, and the chairpersons of the relevant
14 appropriations subcommittees not later than November 30 stating the
15 number of refund claims denied due to the fraud prevention
16 operations, the amount of refunds denied, the costs of the fraud
17 prevention operations, and other pertinent information relating to
18 determining whether this authority should be continued.

19 Sec. 949a. From the funds appropriated in part 1 for
20 additional staff in city income tax administration, the department
21 shall expand individual income tax return administration to 1
22 additional city to leverage the department's capabilities to assist
23 cities with their taxation efforts.

24 Sec. 949d. (1) From the funds appropriated in part 1 for
25 financial review commission, the department shall continue
26 financial review commission efforts in the current fiscal year. The
27 purpose of the funding is to cover ongoing costs associated with



1 the operation of the commission.

2 (2) The department shall identify specific outcomes and
3 performance measures for this initiative, including, but not
4 limited to, the department's ability to perform a critical fiscal
5 review to ensure the city of Detroit does not reenter distress
6 following its exit from bankruptcy and to ensure that the community
7 district does not enter distress and maintains a balanced budget.

8 (3) The department must submit a report to the house and
9 senate appropriations subcommittees on general government, the
10 senate and house fiscal agencies, and the state budget director by
11 March 15. The report must describe the specific outcomes and
12 measures required in subsection (1) and provide the results and
13 data related to these outcomes and measures.

14 Sec. 949e. From the funds appropriated in part 1 for the state
15 essential services assessment program, the department of treasury
16 shall administer the state essential services assessment program.
17 The program will provide the department the ability to collect the
18 state essential services assessment which is a phased-in
19 replacement of locally collected personal property taxes on
20 eligible manufacturing personal property.

21 Sec. 949f. Revenue from the tobacco products tax act, 1993 PA
22 327, MCL 205.421 to 205.436, related to counties with a 2000
23 population of more than 2,000,000 is appropriated and shall be
24 distributed under section 12(4)(d) of the tobacco products tax act,
25 1993 PA 327, MCL 205.432.

26 Sec. 949g. From the one-time funds appropriated in part 1 for
27 urban search and rescue task force, \$900,000.00 shall be expended



1 to support the urban search and rescue task force. In distributing
2 funds under this section, the department of treasury shall require
3 the task force to provide to the department the following
4 information:

5 (a) A final year-end report providing information on all
6 revenue received by source and expenditures by categories, with the
7 funds distributed to the task force under section 949g of article
8 VIII of 2017 PA 107 discretely presented.

9 (b) Detail on the proposed expenditure of the funds
10 distributed under this section.

11 (c) A final year-end report providing information on all
12 revenue received by source and expenditures by categories, with the
13 funds distributed under this section discretely presented.

14 Sec. 949h. Revenue from part 6 of the medical marihuana
15 facilities licensing act, 2016 PA 281, MCL 333.27601 to 333.27605,
16 is appropriated and distributed pursuant to part 6 of the medical
17 marihuana facilities licensing act, 2016 PA 281, MCL 333.27601 to
18 333.27605.

19 Sec. 949j. All funds in the wrongful imprisonment compensation
20 fund created in the wrongful imprisonment compensation act, 2016 PA
21 343, MCL 691.1751 to 691.1757, are appropriated and available for
22 expenditure. Expenditures are limited to support wrongful
23 imprisonment compensation payments pursuant to section 6 of the
24 wrongful imprisonment compensation act, 2016 PA 343, MCL 691.1756.

25 Sec. 949k. There is appropriated an amount equal to the tax
26 capture revenues due under approved transformational brownfield
27 plans created in the brownfield redevelopment financing act, 1996



1 PA 381, MCL 125.2651 to 125.2670.

2 **REVENUE SHARING**

3 Sec. 950. The funds appropriated in part 1 for constitutional
4 revenue sharing shall be distributed by the department of treasury
5 to cities, villages, and townships, as required under section 10 of
6 article IX of the state constitution of 1963. Revenue collected in
7 accordance with section 10 of article IX of the state constitution
8 of 1963 in excess of the amount appropriated in part 1 for
9 constitutional revenue sharing is appropriated for distribution to
10 cities, villages, and townships, on a population basis as required
11 under section 10 of article IX of the state constitution of 1963.

12 Sec. 952. (1) The funds appropriated in part 1 for city,
13 village, and township revenue sharing are for grants to cities,
14 villages, and townships such that, subject to fulfilling the
15 requirements under subsection (3), each city, village, or township
16 is eligible to receive 100% of its eligible payment under section
17 952 of article VIII of 2017 PA 107. For purposes of this
18 subsection, any city, village, or township that completely merges
19 with another city, village, or township will be treated as a single
20 entity, such that when determining the eligible payment under
21 section 952 of article VIII of 2017 PA 107 for the combined single
22 entity, the amount each of the merging local units was eligible to
23 receive under section 952 of article VIII of 2017 PA 107 is summed.
24 For purposes of this subsection, population is determined in the
25 same manner as under section 3 of the Glenn Steil state revenue
26 sharing act of 1971, 1971 PA 140, MCL 141.903. In addition, any
27 city or village that according to the 2010 federal decennial census



1 is determined to have population in more than 1 county shall be
2 treated as a single entity when determining the eligible payment
3 under section 952 of article VIII of 2017 PA 107.

4 (2) The funds appropriated in part 1 for the county incentive
5 program are to be used for grants to counties such that each county
6 is eligible to receive an amount equal to 20% of the amount by
7 which the balance in its revenue sharing reserve fund under section
8 44a of the general property tax act, 1893 PA 206, MCL 211.44a, for
9 the county's most recent fiscal year that ends prior to the January
10 1 of the state's fiscal year is less than the amount calculated
11 under section 44a(14) of the general property tax act, 1893 PA 206,
12 MCL 211.44a, for the county fiscal year that begins in the state's
13 fiscal year. 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. Except as otherwise provided under this
17 subsection, payments under this subsection will be distributed to
18 an eligible county subject to the county's fulfilling the
19 requirements under subsection (3).

20 (3) For purposes of accountability and transparency, each
21 eligible city, village, township, or county shall certify by
22 December 1, or the first day of a payment month, that it has
23 produced a citizen's guide of its most recent local finances,
24 including a recognition of its unfunded liabilities; a performance
25 dashboard; a debt service report containing a detailed listing of
26 its debt service requirements, including, at a minimum, the
27 issuance date, issuance amount, type of debt instrument, a listing



1 of all revenues pledged to finance debt service by debt instrument,
2 and a listing of the annual payment amounts until maturity; and a
3 projected budget report, including, at a minimum, the current
4 fiscal year and a projection for the immediately following fiscal
5 year. The projected budget report shall include revenues and
6 expenditures and an explanation of the assumptions used for the
7 projections. Each eligible city, village, township, or county shall
8 include in any mailing of general information to its citizens the
9 internet website address location for its citizen's guide,
10 performance dashboard, debt service report, and projected budget
11 report or the physical location where these documents are available
12 for public viewing in the city, village, township, or county
13 clerk's office. Each city, village, township, and county applying
14 for a payment under this subsection shall submit a copy of the
15 performance dashboard, a copy of the debt service report, and a
16 copy of the projected budget report to the department of treasury.
17 In addition, each eligible city, village, township, or county
18 applying for a payment under this subsection shall either submit a
19 copy of the citizen's guide or certify that the city, village,
20 township, or county will be utilizing treasury's online citizen's
21 guide. The department of treasury shall develop detailed guidance
22 for a city, village, township, or county to follow to meet the
23 requirements of this subsection. The detailed guidance shall be
24 posted on the department of treasury website and distributed to
25 cities, villages, townships, and counties by October 1.

26 (4) City, village, and township revenue sharing payments and
27 county incentive program payments are subject to the following



1 conditions:

2 (a) The city, village, township, or county shall certify to
3 the department that it has met the required criteria for subsection
4 (3) and submitted the required citizen's guide, performance
5 dashboard, debt service report, and projected budget report as
6 required by subsection (3). A department of treasury review of the
7 citizen's guide, dashboard, or reports is not required in order for
8 a city, village, township, or county to receive a payment under
9 subsection (1) or (2). The department shall develop a certification
10 process and method for cities, villages, townships, and counties to
11 follow.

12 (b) Subject to subdivisions (c), (d), and (e), if a city,
13 village, township, or county meets the requirements of subsection
14 (3), the city, village, township, or county shall receive its full
15 potential payment under this section.

16 (c) Cities, villages, and townships eligible to receive a
17 payment under subsection (1) shall receive 1/6 of their eligible
18 payment on the last business day of October, December, February,
19 April, June, and August. Payments under subsection (1) shall be
20 issued to cities, villages, and townships until the specified due
21 date for subsection (3). After the specified due date for
22 subsection (3), payments shall be made to a city, village, or
23 township only if that city, village, or township has complied with
24 subdivision (a).

25 (d) Payments under subsection (2) shall be issued to counties
26 until the specified due date for subsection (3). After the
27 specified due date for subsection (3), payments shall be made to a



1 county only if that county has complied with subdivision (a).

2 (e) If a city, village, township, or county does not submit
3 the required certification, citizen's guide, performance dashboard,
4 debt service report, and projected budget report by the first day
5 of a payment month, the city, village, township, or county shall
6 forfeit the payment in that payment month.

7 (f) Any city, village, township, or county that falsifies
8 certification documents shall forfeit any future city, village, and
9 township revenue sharing payments or county incentive program
10 payments and shall repay to this state all payments it has received
11 under this section.

12 (g) City, village, and township revenue sharing payments and
13 county incentive program payments under this section shall be
14 distributed on the last business day of October, December,
15 February, April, June, and August.

16 (h) Payments distributed under this section may be withheld
17 pursuant to sections 17a and 21 of the Glenn Steil state revenue
18 sharing act of 1971, 1971 PA 140, MCL 141.917a and 141.921.

19 (5) The unexpended funds appropriated in part 1 for city,
20 village, and township revenue sharing and the county incentive
21 program shall be available for expenditure under the program for
22 financially distressed cities, villages, or townships after the
23 approval of transfers by the legislature pursuant to section 393(2)
24 of the management and budget act, 1984 PA 431, MCL 18.1393.

25 Sec. 955. (1) The funds appropriated in part 1 for county
26 revenue sharing shall be distributed by the department of treasury
27 so that each eligible county receives a payment equal to 100.986%



1 of the amount determined pursuant to the Glenn Steil state revenue
2 sharing act of 1971, 1971 PA 140, MCL 141.901 to 141.921, less the
3 amount for which the county is eligible under section 952(2) of
4 this part. The amount calculated under this subsection shall be
5 adjusted as necessary to reflect partial county fiscal years and
6 prorated based on the total amount appropriated for distribution to
7 all eligible counties.

8 (2) The department of treasury shall annually certify to the
9 state budget director the amount each county is authorized to
10 expend from its revenue sharing reserve fund.

11 Sec. 956. (1) The funds appropriated in part 1 for financially
12 distressed cities, villages, or townships shall be granted by the
13 department of treasury to cities, villages, and townships that have
14 1 or more conditions that indicate probable financial distress, as
15 determined by the department of treasury. A city, village, or
16 township with 1 or more conditions that indicate probable financial
17 distress may apply in a manner determined by the department of
18 treasury for a grant to pay for specific projects or services that
19 move the city, village, or township toward financial stability.
20 Grants are to be used for specific projects or services that move
21 the city, village, or township toward financial stability. The
22 city, village, or township must use the grants under this section
23 to make payments to reduce unfunded accrued liability; to repair or
24 replace critical infrastructure and equipment owned or maintained
25 by the city, village, or township; to reduce debt obligations; for
26 costs associated with a transition to shared services with another
27 jurisdiction; or to administer other projects that move the city,



1 village, or township toward financial stability. The department of
2 treasury shall award no more than \$2,000,000.00 to any city,
3 village, or township under this section.

4 (2) The department of treasury shall provide a report to the
5 senate and house of representatives appropriations subcommittees on
6 general government, the senate and house fiscal agencies, and the
7 state budget office by March 31. The report shall include a list by
8 grant recipient of the date each grant was approved, the amount of
9 the grant, and a description of the project or projects that will
10 be paid by the grant.

11 (3) The unexpended funds appropriated in part 1 for
12 financially distressed cities, villages, or townships are
13 designated as a work project appropriation, and any unencumbered or
14 unallotted funds shall not lapse at the end of the fiscal year and
15 shall be available for expenditure for projects under this section
16 until the projects have been completed. The following is in
17 compliance with section 451a of the management and budget act, 1984
18 PA 431, MCL 18.1451a:

19 (a) The purpose of the project is to provide assistance to
20 financially distressed cities, villages, and townships under this
21 section.

22 (b) The projects will be accomplished by grants to cities,
23 villages, and townships approved by the department of treasury.

24 (c) The total estimated cost of all projects is \$4,500,000.00.

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

26 Sec. 957. (1) From the 1-time funds appropriated in part 1 for
27 supplemental revenue sharing, a city, village, or township eligible



1 for a payment under section 952 of this part shall receive a
2 payment equal to the population of the city, village, or township
3 multiplied by \$0.40599, rounded to the nearest dollar. For purposes
4 of this section, population is determined in the same manner as
5 under section 3 of the Glenn Steil state revenue sharing act of
6 1971, 1971 PA 140, MCL 141.903. In addition, any city or village
7 that according to the 2010 federal decennial census is determined
8 to have population in more than 1 county shall be treated as a
9 single entity when determining the payment received under this
10 section.

11 (2) Cities, villages, and townships eligible to receive a
12 payment under subsection (1) shall receive 1/6 of their eligible
13 payment on the last business day of October, December, February,
14 April, June, and August.

15 **BUREAU OF STATE LOTTERY**

16 Sec. 960. In addition to the funds appropriated in part 1 to
17 the bureau of state lottery, there is appropriated from state
18 lottery fund revenues the amount necessary for, and directly
19 related to, implementing and operating lottery games under the
20 McCauley-Traxler-Law-Bowman-McNeely lottery act, 1972 PA 239, MCL
21 432.1 to 432.47, and activities under the Traxler-McCauley-Law-
22 Bowman bingo act, 1972 PA 382, MCL 432.101 to 432.120, including
23 expenditures for contractually mandated payments for vendor
24 commissions, contractually mandated payments for instant tickets
25 intended for resale, the contractual costs of providing and
26 maintaining the online system communications network, and incentive
27 and bonus payments to lottery retailers.



1 Sec. 964. For the bureau of state lottery, there is
2 appropriated 1% of the lottery's prior fiscal year's gross sales or
3 \$30,000,000.00, whichever is less, for promotion and advertising.

4 **CASINO GAMING**

5 Sec. 971. From the revenue collected by the Michigan gaming
6 control board regarding the total annual assessment of each casino
7 licensee, \$2,000,000.00 is appropriated and shall be deposited in
8 the compulsive gaming prevention fund as described in section
9 12a(5) of the Michigan gaming control and revenue act, 1996 IL 1,
10 MCL 432.212a.

11 Sec. 973. (1) Funds appropriated in part 1 for local
12 government programs may be used to provide assistance to a local
13 revenue sharing board referenced in an agreement authorized by the
14 Indian gaming regulatory act, Public Law 100-497.

15 (2) A local revenue sharing board described in subsection (1)
16 shall comply with the open meetings act, 1976 PA 267, MCL 15.261 to
17 15.275, and the freedom of information act, 1976 PA 442, MCL 15.231
18 to 15.246.

19 (3) A county treasurer is authorized to receive and administer
20 funds received for and on behalf of a local revenue sharing board.
21 Funds appropriated in part 1 for local government programs may be
22 used to audit local revenue sharing board funds held by a county
23 treasurer. This section does not limit the ability of local units
24 of government to enter into agreements with federally recognized
25 Indian tribes to provide financial assistance to local units of
26 government or to jointly provide public services.

27 (4) A local revenue sharing board described in subsection (1)



1 shall comply with all applicable provisions of any agreement
2 authorized by the Indian gaming regulatory act, Public Law 100-497,
3 in which the local revenue sharing board is referenced, including,
4 but not limited to, the disbursement of tribal casino payments
5 received under applicable provisions of the tribal-state class III
6 gaming compact in which those funds are received.

7 (5) The director of the department of state police and the
8 executive director of the Michigan gaming control board are
9 authorized to assist the local revenue sharing boards in
10 determining allocations to be made to local public safety
11 organizations.

12 (6) The Michigan gaming control board shall submit a report by
13 September 30 to the senate and house of representatives standing
14 committees on appropriations and the state budget director on the
15 receipts and distribution of revenues by local revenue sharing
16 boards.

17 Sec. 974. If revenues collected in the state services fee fund
18 are less than the amounts appropriated from the fund, available
19 revenues shall be used to fully fund the appropriation in part 1
20 for casino gaming regulation activities before distributions are
21 made to other state departments and agencies. If the remaining
22 revenue in the fund is insufficient to fully fund appropriations to
23 other state departments or agencies, the shortfall shall be
24 distributed proportionally among those departments and agencies.

25 Sec. 976. The executive director of the Michigan gaming
26 control board may pay rewards of not more than \$5,000.00 to a
27 person who provides information that results in the arrest and



1 conviction on a felony or misdemeanor charge for a crime that
2 involves the horse racing industry. A reward paid pursuant to this
3 section shall be paid out of the appropriation in part 1 for the
4 racing commission.

5 Sec. 977. All appropriations from the Michigan agriculture
6 equine industry development fund, except for the racing commission
7 appropriations, shall be reduced proportionately if revenues to the
8 Michigan agriculture equine industry development fund decline
9 during the current fiscal year to a level lower than the amount
10 appropriated in part 1.

11 Sec. 978. The Michigan gaming control board shall use actual
12 expenditure data in determining the actual regulatory costs of
13 conducting racing dates and shall provide that data to the senate
14 and house appropriations subcommittees on agriculture and general
15 government, the state budget office, and the senate and house
16 fiscal agencies. The Michigan gaming control board shall not be
17 reimbursed for more than the actual regulatory cost of conducting
18 race dates. If a certified horsemen's organization funds more than
19 the actual regulatory cost, the balance shall remain in the
20 agriculture equine industry development fund to be used to fund
21 subsequent race dates conducted by race meeting licensees with
22 which the certified horsemen's organization has contracts. If a
23 certified horsemen's organization funds less than the actual
24 regulatory costs of the additional horse racing dates, the Michigan
25 gaming control board shall reduce the number of future race dates
26 conducted by race meeting licensees with which the certified
27 horsemen's organization has contracts. Prior to the reduction in



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

8 Sec. 979. In addition to the funds appropriated in part 1, the
9 Michigan gaming control board may receive and expend state lottery
10 fund revenue in an amount not to exceed \$3,000,000.00 for necessary
11 expenses incurred in the licensing and regulation of millionaire
12 parties pursuant to Executive Order No. 2012-4. In accordance with
13 section 8 of the Traxler-McCauley-Law-Bowman bingo act, 1972 PA
14 382, MCL 432.108, the amount of necessary expenses shall not exceed
15 the amount of revenue received under that act. The Michigan gaming
16 control board shall provide a report to the senate and house of
17 representatives appropriations subcommittees on general government,
18 the senate and house fiscal agencies, and the state budget office
19 by April 15. The report shall include, but not be limited to, total
20 expenditures related to the licensing and regulating of millionaire
21 parties, steps taken to ensure charities are receiving revenue due
22 to them, progress on promulgating rules to ensure compliance with
23 the Traxler-McCauley-Law-Bowman bingo act, 1972 PA 382, MCL 432.101
24 to 432.120, and any enforcement actions taken.

25 **DEPARTMENT OF TALENT AND ECONOMIC DEVELOPMENT**

26 Sec. 980. (1) In addition to the funds appropriated in part 1,



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

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

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

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

24 Sec. 981. Total authorized appropriations from all sources
25 under part 1 for legacy costs for the fiscal year ending September
26 30, 2019 are estimated at \$32,493,000.00. From this amount, total
27 agency appropriations for pension-related legacy costs are



1 estimated at \$14,979,800.00. Total agency appropriations for
2 retiree health care legacy costs are estimated at \$17,513,200.00.

3 Sec. 982. Federal pass-through funds to local institutions and
4 governments that are received in amounts in addition to those
5 included in part 1 and that do not require additional state
6 matching funds are appropriated for the purposes intended. The
7 department may carry forward into the succeeding fiscal year
8 unexpended federal pass-through funds to local institutions and
9 governments that do not require additional state matching funds.
10 The department shall report the amount and source of the funds to
11 the senate and house appropriation subcommittees on general
12 government, the senate and house fiscal agencies, and the state
13 budget office within 10 business days after receiving any
14 additional pass-through funds.

15 **MICHIGAN STRATEGIC FUND - HOUSING AND COMMUNITY DEVELOPMENT**

16 Sec. 990. MSHDA shall annually present a report to the state
17 budget office and the subcommittees on the status of the
18 authority's housing production goals under all financing programs
19 established or administered by the authority. The report shall give
20 special attention to efforts to raise affordable multifamily
21 housing production goals.

22 Sec. 994. In addition to the funds appropriated in part 1, the
23 funds collected by state historic preservation programs for
24 document reproduction and services and application fees are
25 appropriated for all expenses necessary to provide the required
26 services. These funds are available for expenditure when they are
27 received and may be carried forward into the succeeding fiscal



1 year.

2 Sec. 995. In addition to the amounts appropriated in part 1,
3 the land bank fast track authority may expend revenues received
4 under the land bank fast track act, 2003 PA 258, MCL 124.751 to
5 124.774, for the purposes authorized by the act, including, but not
6 limited to, the acquisition, lease, management, demolition,
7 maintenance, or rehabilitation of real or personal property,
8 payment of debt service for notes or bonds issued by the authority,
9 and other expenses to clear or quiet title property held by the
10 authority.

11 **MICHIGAN STRATEGIC FUND**

12 Sec. 1004. As a condition of receiving funds appropriated in
13 part 1, the MSF shall provide all information required to be
14 transmitted in the activities report required under section 9 of
15 the Michigan strategic fund act, 1984 PA 270, MCL 125.2009, to the
16 chairpersons of the senate and house of representatives standing
17 committees on appropriations, the chairpersons of the senate and
18 house of representatives standing committees on appropriations
19 subcommittees on general government, the senate and house fiscal
20 agencies, and the state budget director by March 15.

21 Sec. 1005. In addition to the appropriations in part 1, Travel
22 Michigan may receive and expend private revenue related to the use
23 of "Pure Michigan" and all other copyrighted slogans and images.
24 This revenue may come from the direct licensing of the name and
25 image or from the royalty payments from various merchandise sales.
26 Revenue collected is appropriated for the marketing of the state as
27 a travel destination. The funds are available for expenditure when



1 they are received by the department of treasury. The fund shall
2 provide a report that lists the revenues by source received from
3 the use of "Pure Michigan" and all other copyrighted slogans and
4 images. The report shall provide a detailed list of expenditures of
5 revenues received under this section. The report shall be provided
6 to the appropriations subcommittees on general government, the
7 fiscal agencies, and the state budget office by March 15.

8 Sec. 1006. (1) As a condition of receiving funds appropriated
9 in part 1, the fund shall provide a report of all approved
10 amendments to projects for the immediately preceding year under
11 sections 88r and 90b of the Michigan strategic fund act, 1984 PA
12 270, MCL 125.2088r and 125.2090b. The report shall provide a
13 description of each amendment, by award, which shall include, but
14 is not limited to, the following:

15 (a) The amended award amount relative to the prior award
16 amount.

17 (b) The amended number of committed jobs relative to the prior
18 number of committed jobs.

19 (c) The amended amount of qualified investment committed
20 relative to the prior amount of qualified investment committed.

21 (d) A description of any change in scope of the project.

22 (e) A description of any change in project benchmarks,
23 deadlines, or completion dates.

24 (f) The reason or justification for the amendment approval.

25 (2) In addition to being posted online, the report shall be
26 distributed to the chairpersons of the senate and house of
27 representatives standing committees on appropriations, the



1 chairpersons of the senate and house of representatives standing
2 committees on appropriations subcommittees on general government,
3 the senate and house fiscal agencies, and the state budget director
4 by March 15.

5 Sec. 1007. (1) As a condition of receiving funds appropriated
6 in part 1, the fund and the MEDC shall provide an activities report
7 on the programs and activities administered and approved by the
8 MEDC executive committee for the preceding fiscal year. Programs
9 and activities include, but are not limited to, programs and
10 activities funded with corporate or other investment revenues,
11 programs and activities supported with a combination of corporate
12 funds and state appropriated funds, and any other program
13 administered and approved by the MEDC executive committee. The MEDC
14 executive committee activities report shall provide expenditures
15 allocated by program and a listing of individual grants, loans, and
16 investments and shall include the recipient; the amount granted,
17 loaned, or invested; and the purpose of the grant, loan, or
18 investment. The activities report shall also include the following:

19 (a) The number of corporate employees of the MSF and the MEDC
20 by division.

21 (b) The preceding fiscal year year-end corporate fund balance,
22 projected corporate fund expenditures for the current fiscal year,
23 and the projected year-end corporate fund balance for the current
24 fiscal year.

25 (c) A projected budget report for the current fiscal year that
26 provides projected expenditures by specific program or activity.

27 (2) The report shall be posted online and shall be distributed



1 to the chairpersons of the senate and house of representatives
2 standing committees on appropriations, the chairpersons of the
3 senate and house of representatives standing committees on
4 appropriations subcommittees on general government, the senate and
5 house fiscal agencies, and the state budget director by March 15.

6 Sec. 1008. As a condition of receiving funds under part 1, any
7 interlocal agreement entered into by the fund shall include
8 language which states that if a local unit of government has a
9 contract or memorandum of understanding with a private economic
10 development agency, the MEDC will work cooperatively with that
11 private organization in that local area.

12 Sec. 1009. (1) Of the funds appropriated to the fund or
13 through grants to the MEDC, no funds shall be expended for the
14 purchase of options on land or the purchase of land unless at least
15 1 of the following conditions applies:

16 (a) The land is located in an economically distressed area.

17 (b) The land is obtained through a purchase or exercise of an
18 option at the invitation of the local unit of government and local
19 economic development agency.

20 (2) Consideration may be given to purchases where the proposed
21 use of the land is consistent with a regional land use plan, will
22 result in the redevelopment of an economically distressed area, can
23 be supported by existing infrastructure, and will not cause shifts
24 in population away from the area's population centers.

25 (3) As used in this section, "economically distressed area"
26 means an area in a city, village, or township that has been
27 designated as blighted; a city, village, or township that shows



1 negative population change from 1970 and a poverty rate and
2 unemployment rate greater than the statewide average; or an area
3 certified as a neighborhood enterprise zone under the neighborhood
4 enterprise zone act, 1992 PA 147, MCL 207.771 to 207.786.

5 (4) If land or options on land are purchased under subsection
6 (1), the fund shall provide a report to the senate and house of
7 representatives appropriations subcommittees on general government,
8 the senate and house fiscal agencies, and the state budget director
9 that provides a list of all properties purchased, all options on
10 land purchased, the location of the land purchased, and the
11 purchase price. The report must be submitted before March 15.

12 Sec. 1010. As a condition for receiving funds in part 1, not
13 later than March 15, the fund shall provide a report for the
14 immediately preceding fiscal year on the jobs for Michigan
15 investment fund, created in section 88h of the Michigan strategic
16 fund act, 1984 PA 270, MCL 125.2088h. The report shall be submitted
17 to the chairpersons of the senate and house of representatives
18 standing committees on appropriations, the chairpersons of the
19 senate and house of representatives standing committees on
20 appropriations subcommittees on general government, the senate and
21 house fiscal agencies, and the state budget office. The report
22 shall include, but is not limited to, all of the following:

23 (a) A detailed listing of revenues, by fund source, to the
24 jobs for Michigan investment fund. The listing shall include the
25 manner and reason for which the funds were appropriated to the jobs
26 for Michigan investment fund.

27 (b) A detailed listing of expenditures, by project, from the



1 jobs for Michigan investment fund.

2 (c) A fiscal year-end balance of the jobs for Michigan
3 investment fund.

4 Sec. 1011. (1) From the appropriations in part 1 to the fund
5 or granted or transferred to the MEDC, any unexpended or
6 unencumbered balance shall be disposed of in accordance with the
7 requirements in the management and budget act, 1984 PA 431, MCL
8 18.1101 to 18.1594, unless carryforward authorization has been
9 otherwise provided for.

10 (2) Any encumbered funds, including encumbered funds
11 subsequently unobligated, shall be used for the same purposes for
12 which funding was originally appropriated in this part and part 1.

13 (3) For funds appropriated in part 1 to the fund, any
14 carryforward authorization subsequently created through a work
15 project shall be preserved until a cash or accrued expenditure has
16 been executed or the allowable work project time period has
17 expired.

18 Sec. 1012. (1) As a condition of receiving funds under part 1,
19 the fund shall ensure that the MEDC and the fund comply with all of
20 the following:

21 (a) The freedom of information act, 1976 PA 442, MCL 15.231 to
22 15.246.

23 (b) The open meetings act, 1976 PA 267, MCL 15.261 to 15.275.

24 (c) Annual audits of all financial records by the auditor
25 general or his or her designee.

26 (d) All reports required by law to be submitted to the
27 legislature.



1 (2) If the MEDC is unable for any reason to perform duties
2 under this part, the fund may exercise those duties.

3 Sec. 1013. As a condition for receiving the appropriations in
4 part 1, any staff of the MEDC involved in private fund-raising
5 activities shall not be party to any decisions regarding the
6 awarding of grants, incentives, or tax abatements from the fund,
7 the MEDC, or the Michigan economic growth authority.

8 Sec. 1024. From the funds appropriated in part 1 for business
9 attraction and community revitalization, not less than
10 \$20,000,000.00 shall be granted by the fund board for brownfield
11 redevelopment and historic preservation projects under the
12 community revitalization program authorized by chapter 8C of the
13 Michigan strategic fund act, 1984 PA 270, MCL 125.2090 to
14 125.2090d.

15 Sec. 1032. (1) The department of talent and economic
16 development shall report to the house and senate subcommittees on
17 general government, the state budget director, and the fiscal
18 agencies on the status of the film incentives at the same time as
19 it submits the annual report required under section 455 of the
20 Michigan business tax act, 2007 PA 36, MCL 208.1455. The department
21 of treasury shall provide the department of talent and economic
22 development with the data necessary to prepare the report.
23 Incentives included in the report shall include all of the
24 following:

25 (a) The tax credit provided under section 455 of the Michigan
26 business tax act, 2007 PA 36, MCL 208.1455.

27 (b) The tax credit provided under section 457 of the Michigan



1 business tax act, 2007 PA 36, MCL 208.1457.

2 (c) The tax credit provided under section 459 of the Michigan
3 business tax act, 2007 PA 36, MCL 208.1459.

4 (d) The amount of any tax credit claimed under former section
5 367 of the income tax act of 1967, 1967 PA 281.

6 (e) Any tax credits provided for film and digital media
7 production under the Michigan economic growth authority act, 1995
8 PA 24, MCL 207.801 to 207.810.

9 (f) Loans to an eligible production company or film and
10 digital media private equity fund authorized under section 88d(3),
11 (4), and (5) of the Michigan strategic fund act, 1984 PA 270, MCL
12 125.2088d.

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

14 (a) For each tax credit, the number of contracts signed, the
15 projected expenditures qualifying for the credit, and the estimated
16 value of the credits. For loans, the number of loans made under
17 each section, the interest rate of those loans, the loan amount,
18 the percent of the projected budget of each production financed by
19 those loans, and the estimated interest earnings from the loan.

20 (b) For credits authorized under section 455 of the Michigan
21 business tax act, 2007 PA 36, MCL 208.1455, for productions
22 completed by December 31, the expenditures of each production
23 eligible for the credit that has filed a request for certificate of
24 completion with the film office, broken down into expenditures for
25 goods, services, or salaries and wages and showing separately
26 expenditures in each local unit of government, including
27 expenditures for personnel, whether or not they were made to a



1 Michigan entity, and whether or not they were taxable under the
2 laws of this state. For loans, the report shall include the number
3 of loans that have been fully repaid, with principal and interest
4 shown separately, and the number of loans that are delinquent or in
5 default, and the amount of principal that is delinquent or is in
6 default.

7 (c) For each of the tax credit incentives and loan incentives
8 listed in subsection (1), a breakdown for each project or
9 production showing each of the following:

10 (i) The number of temporary jobs created.

11 (ii) The number of permanent jobs created.

12 (iii) The number of persons employed in Michigan as a result
13 of the incentive, on a full-time equated basis.

14 (3) For any information not included in the report due to the
15 provisions of section 455(6), 457(6), or 459(6) of the Michigan
16 business tax act, 2007 PA 36, MCL 208.1455, 208.1457, and 208.1459,
17 the report shall do all of the following:

18 (a) Indicate how the information would describe the commercial
19 and financial operations or intellectual property of the company.

20 (b) Attest that the information has not been publicly
21 disseminated at any time.

22 (c) Describe how disclosure of the information may put the
23 company at a competitive disadvantage.

24 (4) Any information not disclosed due to the provisions of
25 section 455(6), 457(6), or 459(6) of the Michigan business tax act,
26 2007 PA 36, MCL 208.1455, 208.1457, and 208.1459, shall be
27 presented at the lowest level of aggregation that would no longer



1 describe the commercial and financial operations or intellectual
2 property of the company.

3 Sec. 1033. As a condition of receiving funds in part 1, not
4 later than March 15, the department of talent and economic
5 development shall provide a report on the activities of the
6 Michigan film and digital media office for the immediately
7 preceding fiscal year. The report shall be submitted to the
8 chairpersons of the senate and house of representatives
9 subcommittees on general government, the senate and house fiscal
10 agencies, and the state budget office. The report shall include,
11 but not be limited to, a listing of all projects the Michigan film
12 and digital media office provided assistance on, a listing of the
13 services provided for each project, and an estimate of investment
14 leveraged.

15 Sec. 1034. Each business incubator or accelerator that
16 received an award from the fund shall maintain and update a
17 dashboard of indicators to measure the effectiveness of the
18 business incubator and accelerator programs. Indicators shall
19 include the direct jobs created, new companies launched as a direct
20 result of business incubator or accelerator involvement, businesses
21 expanded as a direct result of business incubator or accelerator
22 involvement, direct investment in client companies, private equity
23 financing obtained by client companies, grant funding obtained by
24 client companies, and other measures developed by the recipient
25 business incubators and accelerators in conjunction with the MEDC.
26 Dashboard indicators shall be reported for the prior fiscal year
27 and cumulatively, if available. Each recipient shall submit a copy



1 of their dashboard indicators to the fund by March 1. The fund
2 shall transmit the local reports to the senate and house of
3 representatives appropriations subcommittees on general government,
4 the senate and house fiscal agencies, and the state budget director
5 by March 15.

6 Sec. 1035. (1) From the appropriation in part 1, the Michigan
7 council for arts and cultural affairs shall administer an arts and
8 cultural grant program that maintains an equitable geographic
9 distribution of funding and utilizes past arts and cultural grant
10 programs as a guideline for administering this program. The council
11 shall do all of the following:

12 (a) On or before October 1, the fund shall publish proposed
13 application criteria, instructions, and forms for use by eligible
14 applicants. The fund shall provide at least a 2-week period for
15 public comment before finalizing the application criteria,
16 instructions, and forms.

17 (b) A nonrefundable application fee may be assessed for each
18 application. Application fees shall be deposited in the council for
19 the arts fund and are appropriated for expenses necessary to
20 administer the programs. These funds are available for expenditure
21 when they are received and may be carried forward to the following
22 fiscal year.

23 (c) Grants are to be made to public and private arts and
24 cultural entities.

25 (d) Within 1 business day after the award announcements, the
26 council shall provide to each member of the legislature and the
27 fiscal agencies a list of all grant recipients and the total award



1 given to each recipient, sorted by county.

2 (e) In addition to the information in subdivision (d), the
3 council shall report on the number of applications received, number
4 of grants awarded, total amount requested from applications
5 received, and total amount of grants awarded.

6 (2) The appropriation in part 1 for arts and cultural program
7 shall not be used for the administration of the grant program.

8 Sec. 1036. (1) The GF/GP funds appropriated in part 1 to the
9 fund for business attraction and community revitalization shall be
10 transferred to the 21st century jobs trust fund per section 90b(3)
11 of the Michigan strategic fund act, 1984 PA 270, MCL 125.2090b.

12 (2) Funds transferred to the 21st century jobs trust fund
13 under subsection (1) are appropriated and available for allocation
14 as authorized in the Michigan strategic fund act, 1984 PA 270, MCL
15 125.2001 to 125.2094.

16 Sec. 1038. (1) From the funds appropriated in part 1, the
17 department shall work with Michigan State University to gather
18 information and create an annual progress report on the
19 construction of the Facility for Rare Isotope Beams. The report
20 shall include, but is not limited to, the following information:

21 (a) If construction is ahead of the scheduled timeline made
22 with the United States Department of Energy at the end of the
23 previous fiscal year and the number of weeks.

24 (b) If the cost of construction is under or over the amount
25 projected for the previous fiscal year and the amount.

26 (c) The number of Michigan companies that have been contracted
27 for the project, the total amount of those contracts, and number of



1 permanent and temporary employees employed in the previous fiscal
2 year.

3 (2) The department shall report to the state budget director,
4 senate and house standing committees on appropriations, senate and
5 house appropriation subcommittees on general government, and senate
6 and house fiscal agencies by March 15. If information is not
7 provided by Michigan State University by March 15, the department
8 shall provide notice of steps taken to get the required information
9 and when it will be available.

10 Sec. 1040. As a condition of receiving funds in part 1, the
11 department of talent and economic development shall utilize SIGMA,
12 or a successor MDTMB-administered administrative information system
13 used across state government, as an appropriation and expenditure
14 reporting system to track all financial transactions with
15 individual vendors, contractual partners, grantees, recipients of
16 business incentives, and recipients of other economic assistance.
17 Encumbrances and expenditures shall be reported in a timely manner.

18 Sec. 1041. From the funds appropriated in part 1 for business
19 attraction and community revitalization, the fund shall request the
20 transfer by the state treasurer of not more than 60% of the funds
21 prior to April 1.

22 Sec. 1042. For the funds appropriated in part 1 for business
23 attraction and community revitalization, the fund shall report
24 quarterly on the amount of funds considered appropriated, pre-
25 encumbered, encumbered, and expended. The report shall also include
26 a listing of all previous appropriations for business attraction
27 and community revitalization, or a predecessor, that were



1 considered appropriated, pre-encumbered, encumbered, or expended
2 that have lapsed back to the fund for any purpose. The report shall
3 be submitted to the chairpersons of the senate and house of
4 representatives standing committees on appropriations, the
5 chairpersons of the senate and house of representatives standing
6 committees on appropriations subcommittees on general government,
7 the senate and house fiscal agencies, and the state budget
8 director.

9 Sec. 1043. (1) The fund, in conjunction with the department of
10 treasury, shall report to the senate and house of representatives
11 appropriations subcommittees on general government, the senate and
12 house fiscal agencies, and the state budget director by November 1
13 on the annual cost of the MEGA tax credits. The report shall
14 include for each year the board-approved credit amount, adjusted
15 for credit amendments where applicable, and the actual and
16 projected value of tax credits for each year from 1995 to the
17 expiration of the credit program. For years for which credit claims
18 are complete, the report shall include the total of actual
19 certificated credit amounts. For years for which claims are still
20 pending or not yet submitted, the report shall include a
21 combination of actual credits where available and projected
22 credits. Credit projections shall be based on updated estimates of
23 employees, wages, and benefits for eligible companies.

24 (2) In addition to the report under subsection (1), the fund,
25 in conjunction with the department of treasury, shall report to the
26 senate and house of representatives appropriations subcommittees on
27 general government, the senate and house fiscal agencies, and the



1 state budget director by November 1 on the annual cost of all other
2 certificated credits by program, for each year until the credits
3 expire or can no longer be collected. The report shall include
4 estimates on the brownfield redevelopment credit, film credits,
5 MEGA photovoltaic technology credit, MEGA polycrystalline silicon
6 manufacturing credit, MEGA vehicle battery credit, and other
7 certificated credits.

8 Sec. 1044. As a condition of receiving appropriations in part
9 1, prior to authorizing the transfer of any previously authorized
10 tax credit that would increase the liability to this state, the
11 department of talent and economic development, on behalf of the MSF
12 board, shall notify the chairpersons of the senate and house of
13 representatives standing committees on appropriations, the
14 chairpersons of the relevant appropriations subcommittees, the
15 senate and house fiscal agencies, and the state budget director not
16 fewer than 30 days prior to the authorization of the tax credit
17 transfer.

18 Sec. 1047. (1) From the funds appropriated in part 1 for
19 business attraction and community revitalization, \$500,000.00 shall
20 be allocated to a career and technology education center that
21 serves both students and adults and has joint cooperation and
22 funding from a local school district, intermediate school district,
23 Michigan Works!, and Michigan manufacturing companies located in a
24 county with a population of between 99,000 and 100,000 according to
25 the most recent federal decennial census. The funds shall be used
26 to support a pilot program that provides 50% of training funds up
27 front for eligible participants and works with local employers to



1 ensure that the pilot program is reimbursed for the training funds
2 used to train a participant who completes 90 days of employment
3 with the employer. Funds appropriated under part 1 for this program
4 shall be sufficient to support the first 3 years of program
5 funding.

6 (2) The pilot program funded under subsection (1) shall
7 require the adult training staff to work with individuals and local
8 employers to identify a cohort of participants who meet the
9 eligibility requirements for this program. To be eligible for this
10 program, participants shall meet all of the requirements for either
11 of the following options:

12 (a) Option 1 requires the participant to meet all of the
13 following:

14 (i) The participant must be currently employed.

15 (ii) The participant must be working in a job that is
16 determined to be below his or her level of education or experience.

17 (iii) The participant must demonstrate an ability to maintain
18 a job once training is complete.

19 (b) Option 2 requires the participant to meet all of the
20 following:

21 (i) The participant must be currently employed.

22 (ii) The participant must be identified by his or her employer
23 as a person who can master higher level skills.

24 (iii) The participant must demonstrate an ability to maintain
25 a job once training is complete.

26 (3) A pilot program funded under subsection (1) must be
27 required to have on staff at least 1 adult training navigator who



1 will serve as a caseworker for each participant identified under
2 subsection (2). The navigator must work with adult training staff
3 and potential employers to design an educational program best
4 suited to the personal and employment needs of the participant.

5 (4) Not later than December 1, the pilot program funded under
6 subsection (1) must provide a report detailing the number of
7 participants, the number of certificates obtained, and the number
8 of participants transitioned to enhanced employment to the senate
9 and house appropriations subcommittees on general government, the
10 senate and house fiscal agencies, and the state budget director.

11 (5) It is the intent of the legislature that upon completion
12 of the 3-year pilot program, industry partners shall be required to
13 provide 50% of employment enhancement training funds up front to
14 the training facility for eligible training participants. In
15 addition, the training facility shall provide 50% of training funds
16 up front for eligible training participants. Once a training
17 participant completes 90 days of employment with an industry
18 partner, the industry partner shall reimburse the training facility
19 for funds used to train the training participant.

20 Sec. 1050. (1) From the funds appropriated in part 1 for
21 business attraction and community revitalization, the department of
22 talent and economic development shall identify specific outcomes
23 and performance measures, including, but not limited to, the
24 following:

25 (a) Total verified jobs created during the fiscal year ending
26 September 30, 2019.

27 (b) Total private investment obtained during the fiscal year



1 ending September 30, 2019.

2 (c) Amount of private and public square footage created and
3 reactivated during the fiscal year ending September 30, 2019.

4 (2) The department of talent and economic development must
5 submit a report to the house and senate appropriations
6 subcommittees on general government, the senate and house fiscal
7 agencies, and the state budget director by March 15. The report
8 must describe the specific outcomes and measures required in
9 subsection (1) and provide the results and data related to these
10 outcomes and measures for the prior fiscal year if related
11 information is available for the prior fiscal year.

12 Sec. 1052. From the one-time funds appropriated in part 1 for
13 project rising tide, the department of talent and economic
14 development shall identify specific outcomes and performance
15 measures, including, but not limited to, the following:

16 (a) Number of communities participating in and completing the
17 redevelopment ready communities best practices evaluation during
18 the fiscal year ending September 30, 2019.

19 (b) Number of technical assistance projects completed during
20 the fiscal year ending September 30, 2019.

21 Sec. 1053. As a condition of receiving funds appropriated in
22 part 1 for the arts and cultural program, the department of talent
23 and economic development shall identify specific outcomes and
24 performance measures, including, but not limited to, the following:

25 (a) Number of applications received during the fiscal year
26 ending September 30, 2019.

27 (b) Number of grants awarded during the fiscal year ending



1 September 30, 2019.

2 (c) Number of FTEs supported by grants during the fiscal year
3 ending September 30, 2019.

4 **TALENT INVESTMENT AGENCY**

5 Sec. 1060. The talent investment agency shall administer the
6 PATH training program in accordance with the requirements of
7 section 407(d) of title IV of the social security act, 42 USC 607,
8 the state social welfare act, 1939 PA 280, MCL 400.1 to 400.119b,
9 and all other applicable laws and regulations.

10 Sec. 1061. From the funds appropriated in part 1 for workforce
11 programs subgrantees, the talent investment agency may allocate
12 funding for grants to nonprofit organizations that offer programs
13 pursuant to the workforce investment act of 1998, Public Law 105-
14 220, or the workforce innovation and opportunity act, 29 USC 3101
15 to 3361, eligible youth focusing on apprenticeship readiness, pre-
16 apprenticeship and apprenticeship activities, entrepreneurship,
17 work-readiness skills, job shadowing, and financial literacy.
18 Organizations eligible for funding under this section must have the
19 capacity to provide similar programs in urban areas, as determined
20 by the United States Bureau of the Census according to the most
21 recent federal decennial census. Additionally, programs eligible
22 for funding under this section must include the participation of
23 local business partners. The talent investment agency shall develop
24 other appropriate eligibility requirements to ensure compliance
25 with applicable federal rules and regulations.

26 Sec. 1062. The talent investment agency shall make available,
27 in person or by telephone, 1 disabled veterans outreach program



1 specialist or local veterans employment representative to Michigan
2 Works! service centers, as resources permit, during hours of
3 operation, and shall continue to make the appropriate placement of
4 veterans and disabled veterans a priority.

5 Sec. 1063. (1) In addition to the funds appropriated in part
6 1, any unencumbered and unrestricted federal workforce investment
7 act of 1998, Public Law 105-220, workforce innovation and
8 opportunity act, 29 USC 3101 to 3361, or trade adjustment
9 assistance funds available from prior fiscal years are appropriated
10 for the purposes originally intended.

11 (2) The talent investment agency shall report by February 15
12 to the senate and house subcommittees on general government, the
13 fiscal agencies, and the state budget director on the amount, by
14 fiscal year, of federal workforce investment act of 1998, Public
15 Law 105-220, and workforce innovation and opportunity act, 29 USC
16 3101 to 3361, funds appropriated under this section.

17 Sec. 1064. As a condition of receiving funds appropriated in
18 part 1 for Going pro, the talent investment agency shall provide a
19 report on Going pro expenditures, by program or grant type, for the
20 prior fiscal year. In addition, the report shall include projected
21 expenditures, by program or grant type, for the current fiscal
22 year. The report shall be posted online and distributed to the
23 chairpersons of the senate and house of representatives standing
24 committees on appropriations, the chairpersons of the senate and
25 house of representatives standing committees on appropriations
26 subcommittees on general government, the senate and house fiscal
27 agencies, and the state budget director by March 15.



1 Sec. 1065. The talent investment agency shall publish data and
2 reports on March 15 and September 30 on the agency website
3 concerning the status of career technology and Going pro funded in
4 part 1. The report shall include the following:

5 (a) The number of awardees participating in the program and
6 the names of those awardees organized by major industry group.

7 (b) The amount of funding received by each awardee under the
8 program.

9 (c) Amount of funding leveraged from each awardee.

10 (d) Training models established by each awardee.

11 (e) The number of individuals enrolled in classroom training,
12 on-the-job training, and new USDOL registered apprenticeships.

13 (f) The number of individuals who completed the program and
14 were hired by awardee.

15 (g) The number of applications received and the number of
16 applications approved for each region.

17 (h) The talent investment agency shall expand workforce
18 training and reemployment services to better connect workers to in-
19 demand jobs and identify specific outcomes with performance metrics
20 for this initiative, including, but not limited to, new
21 apprenticeships, individuals to be hired and trained, current
22 employees trained, training completed, and employment retention
23 rate at 6 months, and hourly wage at 6 months.

24 Sec. 1066. As a condition of receiving funds in part 1 for
25 Going pro, the talent investment agency shall administer the
26 program as follows:

27 (a) The talent investment agency shall work cooperatively with



1 grantees to maximize the amount of funds from part 1 that are
2 available for direct training.

3 (b) The talent investment agency, workforce development
4 partners, including regional Michigan Works! agencies, and
5 employers shall collaborate and work cooperatively to prioritize
6 and streamline the expenditure of the funds appropriated in part 1.
7 The talent investment agency shall ensure that Going pro provides a
8 collaborative statewide network of workforce and employee skill
9 development partners that addresses the employee talent needs
10 throughout the state.

11 (c) The talent investment agency shall ensure that grants are
12 utilized for individual skill enhancement and to address in-demand
13 talent needs in Michigan.

14 (d) The talent investment agency shall develop program goals
15 and detailed guidance for prospective participants to follow to
16 qualify under the program. The program goals and detailed guidance
17 shall be posted on the talent investment agency website and
18 distributed to workforce development partners, including local
19 Michigan Works! agencies, by October 1. Periodic assessments of
20 employer and employee needs shall be evaluated on a regional basis,
21 and the talent investment agency shall identify solutions and goals
22 to be implemented to satisfy those needs. The talent investment
23 agency shall notify the senate and house of representatives
24 standing committees on appropriations, the senate and house of
25 representatives standing committees on appropriations subcommittees
26 on general government, the senate and house fiscal agencies, and
27 the state budget director on any program goal, solution, or



1 guidance changes not fewer than 14 days prior to the finalization
2 and publication of the changes. Revenue received by the talent
3 investment agency for Going pro may be expended for the purpose of
4 those programs.

5 (e) Up to \$5,000,000.00 of the funds may be expended to match
6 federal funds. The intent of these funds will involve improving and
7 increasing the skill level of employees in skilled trades in the
8 automotive industry and the manufacturing processes within the
9 changing manufacturing environment.

10 Sec. 1068. (1) Of the funds appropriated in part 1 for the
11 workforce training programs, the talent investment agency shall
12 provide a report by March 15 to the senate and house of
13 representatives standing committees on appropriations subcommittees
14 on general government, the state budget director, and the fiscal
15 agencies on the status of the workforce training programs. The
16 report shall include the following:

17 (a) The amount of funding allocated to each Michigan Works!
18 agency and the total funding allocated to the workforce training
19 programs statewide by fund source.

20 (b) The number of participants enrolled in education or
21 training programs by each Michigan Works! agency.

22 (c) The average duration of training for training program
23 participants by each Michigan Works! agency.

24 (d) The number of participants enrolled in remedial education
25 programs and the number of participants enrolled in literacy
26 programs.

27 (e) The number of participants enrolled in programs at 2-year



1 institutions.

2 (f) The number of participants enrolled in programs at 4-year
3 institutions.

4 (g) The number of participants enrolled in proprietary schools
5 or other technical training programs.

6 (h) The number of participants that have completed education
7 or training programs.

8 (i) The number of participants who secured employment in
9 Michigan within 1 year of completing a training program.

10 (j) The number of participants who completed a training
11 program and secured employment in a field related to their
12 training.

13 (k) The average wage earned by participants who completed a
14 training program and secured employment within 1 year.

15 (l) The actual revenues received by the fund source and fund
16 appropriated for each discrete workforce development program area.

17 (2) Data collection for the report shall be for the prior
18 state fiscal year.

19 Sec. 1070. (1) From the one-time funds appropriated in part 1
20 for Going pro, \$1,500,000.00 must be awarded for a program to
21 assist adults over the age of 23 in obtaining high school diplomas
22 and placement in career training programs.

23 (2) For purposes of this section, an eligible program provider
24 may be a public, nonprofit, or private accredited diploma-granting
25 institution, but must have at least 2 years of experience providing
26 dropout recovery services in the state of Michigan.

27 (3) The department of talent and economic development shall



1 issue a request for qualifications for eligible program providers
2 to participate in the pilot program. To be considered a qualified
3 program provider, the institution must possess all of the
4 following:

5 (a) Experience providing dropout reengagement services.

6 (b) Ability to provide academic intake assessments.

7 (c) Capacity to provide an integrated learning plan.

8 (d) Course catalog that includes access to all graduation
9 requirements.

10 (e) Capability to provide remediation coursework.

11 (f) Means to provide academic resilience assessment and
12 intervention.

13 (g) Capacity to provide employability skills development.

14 (h) Ability to provide WorkKeys preparation.

15 (i) Ability to provide industry credentials.

16 (j) Capability to provide credit for on-the-job training.

17 (k) Access to a robust support framework, including
18 technology, social support, and academic support accredited by a
19 recognized accrediting body.

20 (4) The department shall announce qualified program providers
21 no later than January 1, 2018. Qualified program providers must
22 start providing programming by February 1, 2018.

23 (5) The department of talent and economic development shall
24 reimburse qualified program providers for each month of
25 satisfactory monthly progress as described in section 23a of the
26 state school aid act, 1979 PA 94, MCL 388.1623a, at a rate of
27 \$500.00 per month. A payment shall be made to a qualified program



1 provider for the completion of the following by a pupil:

2 (a) \$500.00 for the completion of an employability skills
3 certification program equal to at least 1 Carnegie unit.

4 (b) \$250.00 for the attainment of an industry-recognized
5 credential requiring up to 50 hours of training.

6 (c) \$500.00 for the attainment of an industry-recognized
7 credential requiring 50 to 100 hours of training.

8 (d) \$750.00 for the attainment of an industry-recognized
9 credential requiring more than 100 hours of training.

10 (e) \$1,000.00 for attainment of a high school diploma.

11 (f) \$2,500.00 for placement in a job in an in-demand career
12 pathway.

13 (6) The department of talent and economic development shall
14 develop policies and guidelines to implement this section.

15 Sec. 1071. From the funds appropriated in part 1 for at-risk
16 youth grants, \$3,000,000.00 must be awarded to the Michigan
17 franchise holder of the national Jobs for America's Graduates
18 program.

19 Sec. 1076. The department of talent and economic development
20 shall provide a quarterly report to the members of the senate and
21 house committees on appropriations, the senate and house fiscal
22 agencies, and the state budget director that includes, but is not
23 limited to, the following:

24 (a) The number of new fraudulent cases that have been
25 identified or issued by the unemployment insurance agency,
26 classified by employer or claimant, during the quarter.

27 (b) The total amount of penalties and interest issued on



1 fraudulent cases during the quarter.

2 (c) The total amount of penalties and interest dollars
3 received during the quarter.

4 (d) The total amount of penalties and interest still owed to
5 the state.

6 (e) The number of fraudulent cases that have been appealed by
7 an employer or claimant during the quarter.

8 Sec. 1078. (1) From the funds appropriated in part 1 for the
9 unemployment insurance agency, the talent investment agency shall
10 maintain customer service standards for employers and claimants
11 making use of the various means by which they can access the
12 system.

13 (2) The talent investment agency shall identify specific
14 outcomes and performance metrics for this initiative, including,
15 but not limited to, the following:

16 (a) Unemployment benefit fund balance.

17 (b) Process improvement - fiscal integrity.

18 (c) Process improvement - determination timeliness.

19 (d) Process improvement - determination quality.

20 Sec. 1079. (1) The talent investment agency shall extend the
21 interagency agreement with the department of health and human
22 services for the duration of the current fiscal year, which
23 concerns TANF funding to provide job readiness and welfare-to-work
24 programming. The interagency agreement shall include specific
25 outcome and performance reporting requirements as described in this
26 section. TANF funding provided to the talent investment agency in
27 the current fiscal year is contingent on compliance with the data



1 and reporting requirements described in this section. The
2 interagency agreement shall require the talent investment agency to
3 provide all of the following items for the previous year to the
4 senate and house appropriations committees by January 1 of the
5 current fiscal year:

6 (a) An itemized spending report on TANF funding, including all
7 of the following:

8 (i) Direct services to clients.

9 (ii) Administrative expenditures.

10 (b) The number of family independence program clients served
11 through the TANF funding, including all of the following:

12 (i) The number and percentage who obtained employment through
13 Michigan Works!.

14 (ii) The number and percentage who fulfilled their TANF work
15 requirement through other job readiness programming.

16 (iii) Average TANF spending per client.

17 (iv) The number and percentage of clients who were referred to
18 Michigan Works! but did not receive a job or job readiness
19 placement and the reasons why.

20 (2) Not later than March 15 of the current fiscal year, the
21 department shall provide to the senate and house appropriations
22 subcommittees on the department budget, the senate and house fiscal
23 agencies, and the senate and house policy offices an annual report
24 on the following matters itemized by Michigan Works! agency: the
25 number of referrals to Michigan Works! job readiness programs, the
26 number of referrals to Michigan Works! job readiness programs who
27 became a participant in the Michigan Works! job readiness programs,



1 the number of participants who obtained employment, and the cost
2 per participant case.

3 Sec. 1080. (1) From the funds appropriated in part 1 for
4 community ventures, the department of talent and economic
5 development may expend not more than \$2,000,000.00 of the funds as
6 matching funds upon the commitment of matching dollars from private
7 sources. For every \$1.00 the department of talent and economic
8 development elects to receive from a private source for the
9 purposes of a community ventures program match, the department of
10 talent and economic development shall expend \$1.00 from the
11 appropriation in part 1 up to \$2,000,000.00. Funds received from
12 private sources for a community ventures program match are
13 appropriated upon receipt and shall be expended for the purposes of
14 the community ventures program.

15 (2) The department of talent and economic development shall
16 identify specific outcomes and performance measures for this
17 initiative, including, but not limited to, the following:

18 (a) The number of commitments from private sources, including
19 the dollar amount committed and source.

20 (b) Additional participants served with challenge funds.

21 (c) Jobs created and the average wage.

22 Sec. 1081. (1) The department of talent and economic
23 development shall provide a status update on the statewide system
24 for data integration that established new information technology
25 systems to integrate data for talent and pipeline development to
26 track and report workforce development activities and provide for
27 sustained and expanded longitudinal data analysis between state



1 departments.

2 (2) The department of talent and economic development shall
3 provide a report by March 15 for the current and prior fiscal years
4 on specific outcomes and performance metrics for this initiative,
5 including, but not limited to, the following:

6 (a) Job placements and retention at 6 months.

7 (b) Apprenticeships completed.

8 (c) Average wage.

9 Sec. 1082. As a condition of receiving funds in part 1, the
10 department of talent and economic development shall provide a
11 status update by March 15 on the usage of the funds appropriated
12 for the sustainable employment pilot program in 2016 PA 268 and
13 2016 PA 340. The status update shall include, but not be limited
14 to, all of the following:

15 (a) A description of the sustainable employment initiatives
16 supported with the funds appropriated, including the location of
17 the initiatives.

18 (b) Number of individuals participating in the program
19 supported with the funds appropriated.

20 (c) A listing of performance measures the department uses to
21 measure program effectiveness.

22 (d) Specific outcomes related to the performance measures
23 developed by the department.

24 Sec. 1084. As a condition of receiving funds appropriated in
25 part 1 for Going pro, the department of talent and economic
26 development shall identify specific outcomes and performance
27 measures, including, but not limited to, all of the following:



1 (a) Number of job training grants awarded to employers during
2 the fiscal year ending September 30, 2019.

3 (b) Number of individuals enrolled in and completing training
4 during the fiscal year ending September 30, 2019.

5 (c) Number of new jobs and apprenticeships created during the
6 fiscal year ending September 30, 2019.

7 **STATE BUILDING AUTHORITY**

8 Sec. 1100. (1) Subject to section 242 of the management and
9 budget act, 1984 PA 431, MCL 18.1242, and upon the approval of the
10 state building authority, the department of treasury may expend
11 from the general fund of the state during the fiscal year an amount
12 to meet the cash flow requirements of those state building
13 authority projects solely for lease to a state agency identified in
14 both part 1 and this section, and for which state building
15 authority bonds or notes have not been issued, and for the sole
16 acquisition by the state building authority of equipment and
17 furnishings for lease to a state agency as permitted by 1964 PA
18 183, MCL 830.411 to 830.425, for which the issuance of bonds or
19 notes is authorized by a legislative appropriation act that is
20 effective for the immediately preceding fiscal year. Any general
21 fund advances for which state building authority bonds have not
22 been issued shall bear an interest cost to the state building
23 authority at a rate not to exceed that earned by the state
24 treasurer's common cash fund during the period in which the
25 advances are outstanding and are repaid to the general fund of the
26 state.



1 (2) Upon sale of bonds or notes for the projects identified in
2 part 1 or for equipment as authorized by a legislative
3 appropriation act and in this section, the state building authority
4 shall credit the general fund of the state an amount equal to that
5 expended from the general fund plus interest, if any, as defined in
6 this section.

7 (3) For state building authority projects for which bonds or
8 notes have been issued and upon the request of the state building
9 authority, the state treasurer shall make advances without interest
10 from the general fund as necessary to meet cash flow requirements
11 for the projects, which advances shall be reimbursed by the state
12 building authority when the investments earmarked for the financing
13 of the projects mature.

14 (4) In the event that a project identified in part 1 is
15 terminated after final design is complete, advances made on behalf
16 of the state building authority for the costs of final design shall
17 be repaid to the general fund in a manner recommended by the
18 director.

19 Sec. 1102. (1) State building authority funding to finance
20 construction or renovation of a facility that collects revenue in
21 excess of money required for the operation of that facility shall
22 not be released to a university or community college unless the
23 institution agrees to reimburse that excess revenue to the state
24 building authority. The excess revenue shall be credited to the
25 general fund to offset rent obligations associated with the
26 retirement of bonds issued for that facility. The auditor general
27 shall annually identify and present an audit of those facilities



1 that are subject to this section. Costs associated with the
2 administration of the audit shall be charged against money
3 recovered pursuant to this section.

4 (2) As used in this section, "revenue" includes state
5 appropriations, facility opening money, other state aid, indirect
6 cost reimbursement, and other revenue generated by the activities
7 of the facility.

8 Sec. 1103. The state building authority shall provide to the
9 JCOS and senate and house fiscal agencies a report relative to the
10 status of construction projects associated with state building
11 authority bonds as of September 30 of each year, on or before
12 October 15, or not more than 30 days after a refinancing or
13 restructuring bond issue is sold. The report shall include, but is
14 not limited to, the following:

15 (a) A list of all completed construction projects for which
16 state building authority bonds have been sold, and which bonds are
17 currently active.

18 (b) A list of all projects under construction for which sale
19 of state building authority bonds is pending.

20 (c) A list of all projects authorized for construction or
21 identified in an appropriations act for which approval of
22 schematic/preliminary plans or total authorized cost is pending
23 that have state building authority bonds identified as a source of
24 financing.

25 **REVENUE STATEMENT**

26 Sec. 1201. Pursuant to section 18 of article V of the state



1 constitution of 1963, fund balances and estimates are presented in
2 the following statement:

3 BUDGET RECOMMENDATIONS BY OPERATING FUNDS

4 (Amounts in millions)

5 Fiscal Year 2018-2019

6	Beginning	Estimated	Ending
7	<u>Balance</u>	<u>Revenue</u>	<u>Balance</u>
8 OPERATING FUNDS			
9 General fund/general purpose	191.8	9,864.8	7.3
10 School aid fund	97.1	15,335.6	6.1
11 Federal aid	0.0	20,650.0	0.0
12 Transportation funds	0.0	5,971.7	0.0
13 Special revenue funds	0.0	7,075.1	0.0
14 Countercyclical economic and			
15 budget stabilization fund	889.1	33.1	922.2
16 TOTALS	\$1,178.0	\$58,930.3	\$935.6

17 ARTICLE X

18 DEPARTMENT OF HEALTH AND HUMAN SERVICES

19 PART 1

20 LINE-ITEM APPROPRIATIONS

21 Sec. 101. There is appropriated for the department of health
22 and human services for the fiscal year ending September 30, 2019,
23 from the following funds:

24 **DEPARTMENT OF HEALTH AND HUMAN SERVICES**



1	APPROPRIATION SUMMARY	
2	Full-time equated unclassified positions	6.0
3	Full-time equated classified positions	15,612.7
4	Average population.....	770.0
5	GROSS APPROPRIATION	\$ 25,137,624,400
6	Interdepartmental grant revenues:	
7	Total interdepartmental grants and intradepartmental	
8	transfers.....	13,813,700
9	ADJUSTED GROSS APPROPRIATION	\$ 25,123,810,700
10	Federal revenues:	
11	Social security act, temporary assistance for needy	
12	families.....	552,359,500
13	Capped federal revenues	592,047,600
14	Total other federal revenues	16,737,130,700
15	Special revenue funds:	
16	Total local revenues	123,112,900
17	Total private revenues	148,409,900
18	Michigan merit award trust fund	52,268,700
19	Total other state restricted revenues	2,409,579,500
20	State general fund/general purpose	\$ 4,508,901,900
21	Sec. 102. DEPARTMENTAL ADMINISTRATION AND SUPPORT	
22	Full-time equated unclassified positions	6.0
23	Full-time equated classified positions	797.6
24	Unclassified salaries--6.0 FTE positions	\$ 1,176,100
25	Administrative hearings officers	11,340,000
26	Demonstration projects--7.0 FTE positions	7,358,400
27	Departmental administration and management--603.6 FTE	



1	positions.....	113,659,000
2	Developmental disabilities council and projects--10.0	
3	FTE positions.....	3,090,000
4	Office of inspector general--177.0 FTE positions	22,204,500
5	Property management	65,966,100
6	Terminal leave payments	7,250,000
7	Worker's compensation	<u>7,523,100</u>
8	GROSS APPROPRIATION	\$ 239,567,200
9	Appropriated from:	
10	Interdepartmental grant revenues:	
11	IDG from department of education	1,943,300
12	Federal revenues:	
13	Social security act, temporary assistance for needy	
14	families.....	23,489,700
15	Capped federal revenues	20,421,100
16	Total other federal revenues	90,125,000
17	Special revenue funds:	
18	Total local revenues	86,000
19	Total private revenues	3,843,200
20	Total other state restricted revenues	851,400
21	State general fund/general purpose	\$ 98,807,500
22	Sec. 103. CHILD SUPPORT ENFORCEMENT	
23	Full-time equated classified positions..... 185.7	
24	Child support enforcement operations--179.7 FTE	
25	positions.....	\$ 22,940,500
26	Child support incentive payments	24,409,600
27	Legal support contracts	113,607,100



1	State disbursement unit--6.0 FTE positions	<u>8,127,500</u>
2	GROSS APPROPRIATION	\$ 169,084,700
3	Appropriated from:	
4	Federal revenues:	
5	Capped federal revenues	1,735,000
6	Total other federal revenues	143,074,600
7	State general fund/general purpose	\$ 24,275,100
8	Sec. 104. COMMUNITY SERVICES AND OUTREACH	
9	Full-time equated classified positions	75.6
10	Bureau of community services and outreach--20.0 FTE	
11	positions.....	\$ 2,571,400
12	Child advocacy centers--0.5 FTE position	1,407,000
13	Community services and outreach administration--11.0	
14	FTE positions.....	1,492,000
15	Community services block grant	25,840,000
16	Crime victim grants administration services--13.0 FTE	
17	positions.....	2,206,500
18	Crime victim justice assistance grants	59,279,300
19	Crime victim rights services grants	18,870,000
20	Domestic violence prevention and treatment--15.6 FTE	
21	positions.....	16,010,100
22	Homeless programs	20,642,700
23	Housing and support services	13,031,000
24	Housing first program	100
25	Michigan community service commission--15.0 FTE	
26	positions.....	11,650,300
27	Rape prevention and services--0.5 FTE position	5,097,300



1	School success partnership program	525,000
2	Uniform statewide sexual assault evidence kit tracking	
3	system.....	800,000
4	Weatherization assistance	<u>16,340,000</u>
5	GROSS APPROPRIATION	\$ 195,762,700
6	Appropriated from:	
7	Federal revenues:	
8	Social security act, temporary assistance for needy	
9	families.....	13,189,800
10	Capped federal revenues	67,894,400
11	Total other federal revenues	75,852,300
12	Special revenue funds:	
13	Private - collections	44,100
14	Compulsive gambling prevention fund	1,040,500
15	Sexual assault victims' prevention and treatment fund	3,000,000
16	Child advocacy centers fund	1,407,000
17	Crime victim's rights fund	15,356,600
18	Sexual assault evidence tracking fund	800,000
19	State general fund/general purpose	\$ 17,178,000
20	Sec. 105. CHILDREN'S SERVICES AGENCY - CHILD	
21	WELFARE	
22	Full-time equated classified positions	3,844.2
23	Adoption subsidies	\$ 204,711,800
24	Adoption support services--10.0 FTE positions	27,417,100
25	Attorney general contract	4,455,800
26	Child abuse and neglect - children's justice act--1.0	
27	FTE position.....	624,700



1	Child care fund	194,562,300
2	Child protection	800,300
3	Child welfare administration travel	375,000
4	Child welfare field staff - caseload compliance--	
5	2,461.0 FTE positions	234,317,000
6	Child welfare field staff - noncaseload compliance--	
7	330.0 FTE positions	35,199,800
8	Child welfare first line supervisors--578.0 FTE	
9	positions	74,179,200
10	Child welfare institute--45.0 FTE positions	8,328,600
11	Child welfare licensing--59.0 FTE positions	7,025,400
12	Child welfare medical/psychiatric evaluations	10,435,500
13	Children's services administration--172.2 FTE	
14	positions	20,430,800
15	Children's trust fund--12.0 FTE positions	4,345,200
16	Contractual services, supplies, and materials	9,300,000
17	Education planners--15.0 FTE positions	1,558,600
18	Family preservation and prevention services	
19	administration--9.0 FTE positions	1,322,100
20	Family preservation programs--13.0 FTE positions	38,900,900
21	Family support subsidy	15,236,100
22	Foster care payments	234,843,400
23	Guardianship assistance program	12,675,500
24	Interstate compact	179,600
25	Peer coaches--45.5 FTE positions	5,838,600
26	Performance-based funding implementation--3.0 FTE	
27	positions	1,450,200



1	Permanency resource managers--28.0 FTE positions	3,254,600
2	Prosecuting attorney contracts	3,879,500
3	Second line supervisors and technical staff--54.0 FTE	
4	positions.....	9,078,000
5	Settlement monitor	1,885,800
6	Strong families/safe children	12,350,100
7	Title IV-E compliance and accountability office--4.0	
8	FTE positions.....	432,200
9	Youth in transition--4.5 FTE positions	<u>15,787,300</u>
10	GROSS APPROPRIATION	\$ 1,195,181,000
11	Appropriated from:	
12	Interdepartmental grant revenues:	
13	IDG from department of education	90,300
14	Federal revenues:	
15	Social security act, temporary assistance for needy	
16	families.....	352,753,000
17	Capped federal revenues	108,403,600
18	Total other federal revenues	256,456,400
19	Special revenue funds:	
20	Private - collections	1,770,700
21	Local funds - county chargeback	18,728,400
22	Children's trust fund.....	2,895,300
23	State general fund/general purpose	\$ 454,083,300
24	Sec. 106. CHILDREN'S SERVICES AGENCY - JUVENILE	
25	JUSTICE	
26	Full-time equated classified positions.....	120.5
27	Bay Pines Center--47.0 FTE positions	\$ 5,623,600



1	Committee on juvenile justice administration--2.5 FTE	
2	positions.....	354,500
3	Committee on juvenile justice grants	3,000,000
4	Community support services--3.0 FTE positions	2,122,700
5	County juvenile officers	3,904,300
6	Juvenile justice, administration and maintenance--21.0	
7	FTE positions.....	3,790,000
8	Juvenile justice data sharing project	100
9	Shawono Center--47.0 FTE positions	5,651,700
10	W.J. Maxey Training School	<u>250,000</u>
11	GROSS APPROPRIATION	\$ 24,696,900
12	Appropriated from:	
13	Federal revenues:	
14	Capped federal revenues	8,411,800
15	Special revenue funds:	
16	Local funds - state share education funds	1,355,700
17	Local funds - county chargeback	5,117,400
18	State general fund/general purpose	\$ 9,812,000
19	Sec. 107. PUBLIC ASSISTANCE	
20	Full-time equated classified positions..... 8.0	
21	Emergency services local office allocations	\$ 9,357,500
22	Family independence program	80,150,000
23	Food assistance program benefits	1,931,717,000
24	Food Bank Council of Michigan	2,045,000
25	Indigent burial	4,375,000
26	Low-income home energy assistance program	174,951,600
27	Michigan energy assistance program--1.0 FTE position .	50,000,000



1	Multicultural integration funding	15,303,800
2	Refugee assistance program--7.0 FTE positions	28,011,500
3	State disability assistance payments	8,739,900
4	State supplementation	60,353,200
5	State supplementation administration	<u>1,904,900</u>
6	GROSS APPROPRIATION	\$ 2,366,909,400
7	Appropriated from:	
8	Federal revenues:	
9	Social security act, temporary assistance for needy	
10	families.....	68,943,400
11	Capped federal revenues	203,147,600
12	Total other federal revenues	1,927,517,000
13	Special revenue funds:	
14	Child support collections	11,081,900
15	Supplemental security income recoveries	4,142,700
16	Public assistance recoupment revenue	5,000,000
17	Low-income energy assistance fund	50,000,000
18	State general fund/general purpose	\$ 97,076,800
19	Sec. 108. FIELD OPERATIONS AND SUPPORT SERVICES	
20	Full-time equated classified positions	6,337.5
21	Administrative support workers--221.0 FTE positions ..	\$ 13,110,500
22	Adult services field staff--520.0 FTE positions	57,183,700
23	Contractual services, supplies, and materials	16,731,400
24	Donated funds positions--238.0 FTE positions	27,273,300
25	Elder Law of Michigan MiCAFE contract	350,000
26	Electronic benefit transfer (EBT)	8,509,000
27	Employment and training support services	4,219,100



1	Field policy and administration--63.0 FTE positions ..	10,900,900
2	Field staff travel	8,103,900
3	Independent living	12,031,600
4	Medical/psychiatric evaluations	1,420,100
5	Michigan rehabilitation services--526.0 FTE positions	129,881,000
6	Nutrition education--2.0 FTE positions	33,047,400
7	Public assistance field staff--4,747.5 FTE positions .	491,734,700
8	Training and program support--20.0 FTE positions	2,472,200
9	Volunteer services and reimbursement	<u>942,400</u>
10	GROSS APPROPRIATION	\$ 817,911,200
11	Appropriated from:	
12	Interdepartmental grant revenues:	
13	IDG from department of corrections	119,700
14	IDG from department of education	7,851,700
15	IDG from department of licensing and regulatory	
16	affairs.....	38,300
17	Federal revenues:	
18	Social security act, temporary assistance for needy	
19	families.....	68,288,200
20	Capped federal revenues	158,672,500
21	Federal supplemental security income	8,588,600
22	Total other federal revenues	262,664,700
23	Special revenue funds:	
24	Local funds - donated funds	4,071,400
25	Local vocational rehabilitation match	5,300,000
26	Private funds - donated funds	9,285,700
27	Private funds - gifts, bequests, and donations	531,500



1	Rehabilitation service fees	150,000
2	State general fund/general purpose	\$ 292,348,900
3	Sec. 109. DISABILITY DETERMINATION SERVICES	
4	Full-time equated classified positions	587.4
5	Disability determination operations--583.3 FTE	
6	positions.....	\$ 113,054,600
7	Retirement disability determination--4.1 FTE positions	<u>616,500</u>
8	GROSS APPROPRIATION	\$ 113,671,100
9	Appropriated from:	
10	Interdepartmental grant revenues:	
11	IDG from DTMB - office of retirement services	793,600
12	Federal revenues:	
13	Total other federal revenues	108,563,700
14	State general fund/general purpose	\$ 4,313,800
15	Sec. 110. BEHAVIORAL HEALTH PROGRAM ADMINISTRATION	
16	AND SPECIAL PROJECTS	
17	Full-time equated classified positions	102.0
18	Behavioral health program administration--80.0 FTE	
19	positions.....	\$ 47,989,300
20	Federal and other special projects	2,535,600
21	Gambling addiction--1.0 FTE position	3,009,200
22	Office of recipient rights--21.0 FTE positions	2,763,000
23	Protection and advocacy services support	<u>194,400</u>
24	GROSS APPROPRIATION	\$ 56,491,500
25	Appropriated from:	
26	Federal revenues:	
27	Total other federal revenues	31,049,200



1	Special revenue funds:	
2	Total private revenues	1,004,700
3	Total other state restricted revenues	3,009,200
4	State general fund/general purpose	\$ 21,428,400
5	Sec. 111. BEHAVIORAL HEALTH SERVICES	
6	Full-time equated classified positions	9.5
7	Autism services	\$ 159,873,100
8	Children with serious emotional disturbance waiver ...	10,000,000
9	Children's waiver home care program	20,241,100
10	Civil service charges	399,300
11	Community mental health non-Medicaid services	125,578,200
12	Community substance use disorder prevention,	
13	education, and treatment	76,956,200
14	Court-appointed guardian and conservator	
15	reimbursements	2,490,000
16	Federal mental health block grant--2.5 FTE positions .	17,465,400
17	Health homes	3,369,000
18	Healthy Michigan plan - behavioral health	292,962,900
19	Medicaid mental health services	2,364,039,500
20	Medicaid substance use disorder services	68,441,000
21	Nursing home PAS/ARR-OBRA--7.0 FTE positions	12,282,200
22	State disability assistance program substance use	
23	disorder services	<u>2,018,800</u>
24	GROSS APPROPRIATION	\$ 3,156,116,700
25	Appropriated from:	
26	Federal revenues:	
27	Total other federal revenues	2,066,679,900



1	Special revenue funds:	
2	Total local revenues	25,475,800
3	Total other state restricted revenues	24,212,100
4	State general fund/general purpose	\$ 1,039,748,900
5	Sec. 112. STATE PSYCHIATRIC HOSPITALS AND FORENSIC	
6	MENTAL HEALTH SERVICES	
7	Total average population.....	770.0
8	Full-time equated classified positions.....	2,290.6
9	Caro Regional Mental Health Center - psychiatric	
10	hospital - adult--474.3 FTE positions	\$ 53,491,300
11	Average population.....	145.0
12	Center for forensic psychiatry--601.1 FTE positions ..	94,729,400
13	Average population.....	240.0
14	Gifts and bequests for patient living and treatment	
15	environment.....	1,000,000
16	Hawthorn Center - psychiatric hospital - children and	
17	adolescents--276.0 FTE positions	32,179,800
18	Average population.....	55.0
19	IDEA, federal special education	120,000
20	Kalamazoo Psychiatric Hospital - adult--533.8 FTE	
21	positions.....	69,457,400
22	Average population.....	170.0
23	Purchase of medical services for residents of	
24	hospitals and centers.....	445,600
25	Revenue recapture	750,000
26	Special maintenance	924,600
27	Walter P. Reuther Psychiatric Hospital - adult--405.4	



1	FTE positions.....	57,673,400
2	Average population..... 160.0	<hr/>
3	GROSS APPROPRIATION	\$ 310,771,500
4	Appropriated from:	
5	Federal revenues:	
6	Total other federal revenues	40,231,600
7	Special revenue funds:	
8	Total local revenues	23,029,900
9	Total private revenues	1,000,000
10	Total other state restricted revenues	14,937,000
11	State general fund/general purpose	\$ 231,573,000
12	Sec. 113. HEALTH POLICY	
13	Full-time equated classified positions..... 50.9	
14	Certificate of need program administration--11.8 FTE	
15	positions.....	\$ 2,741,600
16	Health policy administration--33.9 FTE positions	14,391,600
17	Human trafficking intervention services	200,000
18	Michigan essential health provider	3,591,300
19	Minority health grants and contracts	612,700
20	Nurse education and research program--3.0 FTE	
21	positions.....	791,300
22	Primary care services--1.2 FTE positions	5,244,200
23	Rural health services--1.0 FTE position	<hr/> 1,555,500
24	GROSS APPROPRIATION	\$ 29,128,200
25	Appropriated from:	
26	Interdepartmental grant revenues:	
27	IDG from the department of education	2,400



1	IDG from the department of licensing and regulatory	
2	affairs.....	791,300
3	IDG from the department of treasury, Michigan state	
4	hospital finance authority.....	117,700
5	Federal revenues:	
6	Social security act, temporary assistance for needy	
7	families.....	190,900
8	Capped federal revenues	63,400
9	Total other federal revenues	15,608,100
10	Special revenue funds:	
11	Total private revenues	865,000
12	Total other state restricted revenues	2,737,500
13	State general fund/general purpose	\$ 8,751,900
14	Sec. 114. LABORATORY SERVICES	
15	Full-time equated classified positions..... 100.0	
16	Laboratory services--100.0 FTE positions	\$ <u>23,580,200</u>
17	GROSS APPROPRIATION	\$ 23,580,200
18	Appropriated from:	
19	Interdepartmental grant revenues:	
20	IDG from the department of environmental quality	998,400
21	Federal revenues:	
22	Total other federal revenues	3,838,600
23	Special revenue funds:	
24	Total other state restricted revenues	10,799,700
25	State general fund/general purpose	\$ 7,943,500
26	Sec. 115. DISEASE CONTROL, PREVENTION, AND	
27	EPIDEMIOLOGY	



1	Full-time equated classified positions	137.9	
2	Childhood lead program--4.5 FTE positions		\$ 2,055,300
3	Epidemiology administration--75.1 FTE positions		21,179,800
4	Healthy homes program--12.0 FTE positions		27,754,200
5	Immunization program--12.8 FTE positions		16,838,100
6	Newborn screening follow-up and treatment services--		
7	10.5 FTE positions.....		7,535,600
8	PFAS and environmental contamination response--23.0		
9	FTE positions.....		<u>8,025,300</u>
10	GROSS APPROPRIATION		\$ 83,388,300
11	Appropriated from:		
12	Federal revenues:		
13	Total other federal revenues		53,784,300
14	Special revenue funds:		
15	Total private revenues		342,700
16	Total other state restricted revenues		9,721,500
17	State general fund/general purpose		\$ 19,539,800
18	Sec. 116. LOCAL HEALTH AND ADMINISTRATIVE SERVICES		
19	Full-time equated classified positions	230.2	
20	AIDS prevention, testing, and care programs--37.7 FTE		
21	positions.....		\$ 70,682,000
22	Cancer prevention and control program--15.0 FTE		
23	positions.....		15,101,500
24	Chronic disease control and health promotion		
25	administration--23.4 FTE positions		8,506,800
26	Dental programs--3.8 FTE positions		2,209,100
27	Diabetes and kidney program--8.0 FTE positions		3,062,400



1	Essential local public health services	40,886,100
2	Health and wellness initiatives--11.7 FTE positions ..	9,047,600
3	Implementation of 1993 PA 133, MCL 333.17015	20,000
4	Local health services--3.3 FTE positions	6,707,500
5	Medicaid outreach cost reimbursement to local health	
6	departments.....	12,500,000
7	Public health administration--9.0 FTE positions	1,968,800
8	Sexually transmitted disease control program--20.0 FTE	
9	positions.....	6,333,400
10	Smoking prevention program--12.0 FTE positions	2,168,600
11	Violence prevention--4.9 FTE positions	3,310,400
12	Vital records and health statistics--81.4 FTE	
13	positions.....	<u>10,167,700</u>
14	GROSS APPROPRIATION	\$ 192,671,900
15	Appropriated from:	
16	Federal revenues:	
17	Capped federal revenues	81,100
18	Total other federal revenues	80,208,700
19	Special revenue funds:	
20	Total local revenues	5,150,000
21	Total private revenues	39,282,400
22	Total other state restricted revenues	18,478,000
23	State general fund/general purpose	\$ 49,471,700
24	Sec. 117. FAMILY, MATERNAL, AND CHILD HEALTH	
25	Full-time equated classified positions.....	112.3
26	Family, maternal, and child health administration--	
27	53.3 FTE positions.....	\$ 9,221,700



1	Family planning local agreements	8,310,700
2	Local MCH services	7,018,100
3	Pregnancy prevention program	602,100
4	Prenatal care outreach and service delivery support--	
5	14.0 FTE positions.....	19,597,000
6	Special projects	6,289,100
7	Sudden and unexpected infant death and suffocation	
8	prevention program.....	321,300
9	Women, infants, and children program administration	
10	and special projects--45.0 FTE positions	18,125,400
11	Women, infants, and children program local agreements	
12	and food costs.....	<u>256,285,000</u>
13	GROSS APPROPRIATION	\$ 325,770,400
14	Appropriated from:	
15	Federal revenues:	
16	Social security act, temporary assistance for needy	
17	families.....	650,000
18	Total other federal revenues	253,070,500
19	Special revenue funds:	
20	Total local revenues	75,000
21	Total private revenues	61,702,400
22	State general fund/general purpose	\$ 10,272,500
23	Sec. 118. EMERGENCY MEDICAL SERVICES, TRAUMA, AND	
24	PREPAREDNESS	
25	Full-time equated classified positions..... 76.0	
26	Bioterrorism preparedness--53.0 FTE positions	\$ 30,491,300
27	Emergency medical services program--23.0 FTE positions	<u>6,559,200</u>



1	GROSS APPROPRIATION	\$	37,050,500
2	Appropriated from:		
3	Federal revenues:		
4	Total other federal revenues		31,435,300
5	Special revenue funds:		
6	Total other state restricted revenues		4,004,900
7	State general fund/general purpose	\$	1,610,300
8	Sec. 119. CHILDREN'S SPECIAL HEALTH CARE SERVICES		
9	Full-time equated classified positions		46.8
10	Requests for care and services--2.8 FTE positions	\$	1,837,800
11	Children's special health care services		
12	administration--44.0 FTE positions		6,101,400
13	Medical care and treatment		220,640,800
14	Nonemergency medical transportation		905,900
15	Outreach and advocacy		<u>5,510,000</u>
16	GROSS APPROPRIATION	\$	234,995,900
17	Appropriated from:		
18	Federal revenues:		
19	Total other federal revenues		126,143,700
20	Special revenue funds:		
21	Total private revenues		1,016,200
22	Total other state restricted revenues		3,682,900
23	State general fund/general purpose	\$	104,153,100
24	Sec. 120. AGING AND ADULT SERVICES AGENCY		
25	Full-time equated classified positions		47.0
26	Aging and adult services administration--47.0 FTE		
27	positions.....	\$	8,828,300



1	Community services	43,567,400
2	Employment assistance	3,500,000
3	Nutrition services	42,254,200
4	Respite care program	6,468,700
5	Senior volunteer service programs	<u>4,765,300</u>
6	GROSS APPROPRIATION	\$ 109,383,900
7	Appropriated from:	
8	Federal revenues:	
9	Capped federal revenues	371,500
10	Total other federal revenues	59,094,200
11	Special revenue funds:	
12	Total private revenues	520,000
13	Michigan merit award trust fund	4,068,700
14	Total other state restricted revenues	2,000,000
15	State general fund/general purpose	\$ 43,329,500
16	Sec. 121. MEDICAL SERVICES ADMINISTRATION	
17	Full-time equated classified positions	453.0
18	Electronic health record incentive program--23.0 FTE	
19	positions.....	\$ 96,087,400
20	Healthy Michigan plan administration--30.0 FTE	
21	positions.....	47,578,400
22	Medical services administration--357.0 FTE positions .	82,369,800
23	Technology supporting integrated service--43.0 FTE	
24	positions.....	<u>52,299,500</u>
25	GROSS APPROPRIATION	\$ 278,335,100
26	Appropriated from:	
27	Federal revenues:	



1	Social security act, temporary assistance for needy	
2	families.....	749,600
3	Capped federal revenues	910,700
4	Total other federal revenues	233,830,500
5	Special revenue funds:	
6	Total local revenues	37,700
7	Total private revenues	101,300
8	Total other state restricted revenues	336,300
9	State general fund/general purpose	\$ 42,369,000
10	Sec. 122. MEDICAL SERVICES	
11	Adult home help services	\$ 318,424,000
12	Ambulance services	20,922,500
13	Auxiliary medical services	6,139,600
14	Dental clinic program	1,000,000
15	Dental services	307,869,400
16	Federal Medicare pharmaceutical program	286,072,800
17	Health plan services	5,029,343,700
18	Healthy Michigan plan	3,825,430,000
19	Home health services	5,498,000
20	Hospice services	110,207,800
21	Hospital disproportionate share payments	45,000,000
22	Hospital services and therapy	749,940,600
23	Integrated care organizations	201,080,800
24	Long-term care services	1,813,423,300
25	Maternal and child health	26,279,500
26	Medicaid home- and community-based services waiver ...	355,062,600
27	Medicare premium payments	601,305,100



1	Personal care services	9,678,800
2	Pharmaceutical services	322,846,400
3	Physician services	263,526,100
4	Program of all-inclusive care for the elderly	149,774,500
5	School-based services	109,937,200
6	Special Medicaid reimbursement	309,532,500
7	Transportation	<u>19,683,700</u>
8	GROSS APPROPRIATION	\$ 14,887,978,900
9	Appropriated from:	
10	Federal revenues:	
11	Total other federal revenues	10,739,100,300
12	Special revenue funds:	
13	Total local revenues	34,685,600
14	Total private revenues	2,100,000
15	Michigan merit award trust fund	48,200,000
16	Total other state restricted revenues	2,217,935,100
17	State general fund/general purpose	\$ 1,845,957,900
18	Sec. 123. INFORMATION TECHNOLOGY	
19	Child support automation	\$ 44,425,600
20	Information technology services and projects	157,656,000
21	Michigan Medicaid information system	<u>75,634,400</u>
22	GROSS APPROPRIATION	\$ 277,716,000
23	Appropriated from:	
24	Interdepartmental grant revenues:	
25	IDG from department of education	1,067,000
26	Federal revenues:	
27	Social security act, temporary assistance for needy	



1	families.....	24,104,900
2	Capped federal revenues	21,934,900
3	Total other federal revenues	130,213,500
4	Special revenue funds:	
5	Total private revenues	25,000,000
6	Total other state restricted revenues	1,999,800
7	State general fund/general purpose	\$ 73,395,900
8	Sec. 124. ONE-TIME APPROPRIATIONS	
9	Autism navigator	\$ 1,025,000
10	Child lead poisoning elimination board	625,000
11	Dental clinic program	1,000,000
12	Drinking water declaration of emergency	1,680,100
13	Employment first	500,000
14	Michigan medical resident loan repayment program	5,000,000
15	Multicultural integration	1,381,100
16	University autism programs	<u>250,000</u>
17	GROSS APPROPRIATION	\$ 11,461,200
18	Appropriated from:	
19	Special revenue funds:	
20	Total other state restricted revenues	100
21	State general fund/general purpose	\$ 11,461,100

22 PART 2
 23 PROVISIONS CONCERNING APPROPRIATIONS
 24 FOR FISCAL YEAR 2018-2019

25 **GENERAL SECTIONS**



1 Sec. 201. Pursuant to section 30 of article IX of the state
 2 constitution of 1963, total state spending from state sources under
 3 part 1 for fiscal year 2018-2019 is \$6,970,750,100.00 and state
 4 spending from state sources to be paid to local units of government
 5 for fiscal year 2018-2019 is \$1,459,338,700.00. The itemized
 6 statement below identifies appropriations from which spending to
 7 local units of government will occur:

8 DEPARTMENT OF HEALTH AND HUMAN SERVICES

9 COMMUNITY SERVICES AND OUTREACH

10	Crime victim rights services grants	\$	9,474,800
11	Housing and support services		550,700
12	CHILDREN'S SERVICES AGENCY - CHILD WELFARE		
13	Child care fund	\$	158,787,200
14	PUBLIC ASSISTANCE		
15	Family independence program	\$	4,200
16	Multicultural integration funding		1,193,300
17	State disability assistance payments		621,300
18	BEHAVIORAL HEALTH PROGRAM ADMINISTRATION AND SPECIAL PROJECTS		
19	Behavioral health program administration	\$	2,388,700
20	BEHAVIORAL HEALTH SERVICES		
21	Autism services	\$	55,546,900
22	Children with serious emotional disturbance waiver ...		3,555,000
23	Children's waiver home care program		7,195,700
24	Community mental health non-Medicaid services		125,578,200
25	Community substance use disorder prevention,		
26	education, and treatment.....		16,208,500
27	Court-appointed guardian and conservator		



1	reimbursements.....		2,490,000
2	Health homes		70,700
3	Healthy Michigan plan - behavioral health		19,775,100
4	Medicaid mental health services		803,544,200
5	Medicaid substance use disorder services		23,988,800
6	Nursing home PAS/ARR-OBRA		3,070,500
7	State disability assistance program substance use		
8	disorder services.....		2,018,400
9	STATE PSYCHIATRIC HOSPITALS AND FORENSIC MENTAL		
10	HEALTH SERVICES		
11	Caro Regional Mental Health Center - psychiatric		
12	hospital - adult.....	\$	1,200
13	Center for forensic psychiatry		1,400
14	HEALTH POLICY		
15	Primary care services	\$	88,900
16	DISEASE CONTROL, PREVENTION, AND EPIDEMIOLOGY		
17	Childhood lead program	\$	72,700
18	Epidemiology administration		291,400
19	Healthy homes program		10,000
20	Immunization program		1,138,900
21	LOCAL HEALTH AND ADMINISTRATIVE SERVICES		
22	AIDS prevention, testing, and care programs	\$	2,038,400
23	Cancer prevention and control program		121,400
24	Essential local public health services		35,736,100
25	Health and wellness initiatives		2,363,300
26	Local health services		4,500,000
27	Public health administration		19,800



1	Sexually transmitted disease control program		438,400
2	FAMILY, MATERNAL, AND CHILD HEALTH		
3	Family planning local agreements	\$	225,400
4	Prenatal care outreach and service delivery support ..		3,941,500
5	EMERGENCY MEDICAL SERVICES, TRAUMA, AND PREPAREDNESS		
6	Emergency medical services program	\$	71,000
7	CHILDREN'S SPECIAL HEALTH CARE SERVICES		
8	Medical care and treatment	\$	797,200
9	Outreach and advocacy		2,598,100
10	AGING AND ADULT SERVICES AGENCY		
11	Aging and adult services administration	\$	594,100
12	Community services		19,226,700
13	Nutrition services		11,086,900
14	Respite care program		5,224,500
15	Senior volunteer service programs		946,300
16	MEDICAL SERVICES ADMINISTRATION		
17	Medical services administration	\$	282,000
18	MEDICAL SERVICES		
19	Adult home help services	\$	486,300
20	Ambulance services		475,900
21	Auxiliary medical services		1,300
22	Dental services		1,265,400
23	Healthy Michigan plan		4,353,000
24	Home health services		8,200
25	Hospice services		38,100
26	Hospital services and therapy		1,313,400
27	Long-term care services		104,351,600



1	Medicaid home- and community-based services waiver ...	10,995,100
2	Personal care services	23,800
3	Pharmaceutical services	20,300
4	Physician services	4,690,100
5	Special Medicaid reimbursement	5,415,200
6	Transportation	<u>23,200</u>
7	TOTAL OF PAYMENTS TO LOCAL UNITS OF GOVERNMENT	\$ 1,459,338,700

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) "AIDS" means acquired immunodeficiency syndrome.

13 (b) "CMHSP" means a community mental health services program
14 as that term is defined in section 100a of the mental health code,
15 1974 PA 258, MCL 330.1100a.

16 (c) "CMS" means the Centers for Medicare and Medicaid
17 Services.

18 (d) "Current fiscal year" means the fiscal year ending
19 September 30, 2019.

20 (e) "Department" means the department of health and human
21 services.

22 (f) "Director" means the director of the department.

23 (g) "DSH" means disproportionate share hospital.

24 (h) "EPSDT" means early and periodic screening, diagnosis, and
25 treatment.

26 (i) "Federal poverty level" means the poverty guidelines
27 published annually in the Federal Register by the United States



1 Department of Health and Human Services under its authority to
2 revise the poverty line under 42 USC 9902.

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

4 (k) "GME" means graduate medical education.

5 (l) "Health plan" means, at a minimum, an organization that
6 meets the criteria for delivering the comprehensive package of
7 services under the department's comprehensive health plan.

8 (m) "HEDIS" means healthcare effectiveness data and
9 information set.

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

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

13 (p) "IDG" means interdepartmental grant.

14 (q) "MCH" means maternal and child health.

15 (r) "Medicaid" means subchapter XIX of the social security
16 act, 42 USC 1396 to 1396w-5.

17 (s) "Medicare" means subchapter XVIII of the social security
18 act, 42 USC 1395 to 1395III.

19 (t) "MiCAFE" means Michigan's coordinated access to food for
20 the elderly.

21 (u) "MIChild" means the program described in section 1670 of
22 this part.

23 (v) "MiSACWIS" means Michigan statewide automated child
24 welfare information system.

25 (w) "PAS/ARR-OBRA" means the preadmission screening and annual
26 resident review required under the omnibus budget reconciliation
27 act of 1987, section 1919(e)(7) of the social security act, 42 USC



1 1396r.

2 (x) "PFAS" means perfluoroalkyl and polyfluoroalkyl
3 substances.

4 (y) "PIHP" means an entity designated by the department as a
5 regional entity or a specialty prepaid inpatient health plan for
6 Medicaid mental health services, services to individuals with
7 developmental disabilities, and substance use disorder services.
8 Regional entities are described in section 204b of the mental
9 health code, 1974 PA 258, MCL 330.1204b. Specialty prepaid
10 inpatient health plans are described in section 232b of the mental
11 health code, 1974 PA 258, MCL 330.1232b.

12 (z) "Previous fiscal year" means the fiscal year ending
13 September 30, 2018.

14 (aa) "Settlement" means the settlement agreement entered in
15 the case of *Dwayne B. v Snyder*, docket no. 2:06-cv-13548 in the
16 United States District Court for the Eastern District of Michigan.

17 (bb) "SSI" means supplemental security income.

18 (cc) "Temporary assistance for needy families" or "TANF" or
19 "title IV-A" means part A of subchapter IV of the social security
20 act, 42 USC 601 to 619.

21 (dd) "Title IV-B" means part B of title IV of the social
22 security act, 42 USC 620 to 629m.

23 (ee) "Title IV-D" means part D of title IV of the social
24 security act, 42 USC 651 to 669b.

25 (ff) "Title IV-E" means part E of title IV of the social
26 security act, 42 USC 670 to 679c.

27 (gg) "Title X" means subchapter VIII of the public health



1 service act, 42 USC 300 to 300a-8, which establishes grants to
2 states for family planning services.

3 Sec. 204. Unless otherwise specified, the departments and
4 agencies receiving appropriations in part 1 shall use the internet
5 to fulfill the reporting requirements of this part and part 1. This
6 requirement shall include transmission of reports via electronic
7 mail to the recipients identified for each reporting requirement,
8 and it shall include placement of reports on the internet.

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

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

25 Sec. 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 senate and house 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
27 appropriations committees, and the senate and house fiscal



1 agencies.

2 Sec. 210. (1) In addition to the funds appropriated in part 1,
3 there is appropriated an amount not to exceed \$400,000,000.00 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. These funds shall not be made available
8 to increase TANF authorization.

9 (2) In addition to the funds appropriated in part 1, there is
10 appropriated an amount not to exceed \$45,000,000.00 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 \$40,000,000.00 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 \$60,000,000.00 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 on
16 the department budget, and the senate and house fiscal agencies
17 with an annual report on estimated state restricted fund balances,
18 state restricted fund projected revenues, and state restricted fund
19 expenditures for the previous fiscal year and the current fiscal
20 year.

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 current fiscal year are
27 estimated at \$365,234,500.00. From this amount, total agency



1 appropriations for pension-related legacy costs are estimated at
2 \$168,379,300.00. Total agency appropriations for retiree health
3 care legacy costs are estimated at \$196,855,200.00.

4 Sec. 215. If either of the following events occur, within 30
5 days the department shall notify the state budget director, the
6 chairs of the house and senate appropriations subcommittees on the
7 department budget, and the house and senate fiscal agencies and
8 policy offices of that fact:

9 (a) A legislative objective of this part or of a bill or
10 amendment to a bill to amend the social welfare act, 1939 PA 280,
11 MCL 400.1 to 400.119b, cannot be implemented because implementation
12 would conflict with or violate federal regulations.

13 (b) A federal grant, for which a notice of an award has been
14 received, cannot be used, or will not be used.

15 Sec. 216. (1) In addition to funds appropriated in part 1 for
16 all programs and services, there is appropriated for write-offs of
17 accounts receivable, deferrals, and for prior year obligations in
18 excess of applicable prior year appropriations, an amount equal to
19 total write-offs and prior year obligations, but not to exceed
20 amounts available in prior year revenues.

21 (2) The department's ability to satisfy appropriation fund
22 sources in part 1 shall not be limited to collections and accruals
23 pertaining to services provided in the current fiscal year, but
24 shall also include reimbursements, refunds, adjustments, and
25 settlements from prior years.

26 Sec. 217. (1) By February 1 of the current fiscal year, the
27 department shall report to the house and senate appropriations



1 subcommittees on the department budget, the house and senate fiscal
2 agencies, and the state budget director on the detailed name and
3 amounts of estimated federal, restricted, private, and local
4 sources of revenue that support the appropriations in each of the
5 line items in part 1.

6 (2) Upon the release of the next fiscal year executive budget
7 recommendation, the department shall report to the same parties in
8 subsection (1) on the amounts and detailed sources of federal,
9 restricted, private, and local revenue proposed to support the
10 total funds appropriated in each of the line items in part 1 of the
11 next fiscal year executive budget proposal.

12 Sec. 218. The department shall include, but not be limited to,
13 the following in its annual list of proposed basic health services
14 as required in part 23 of the public health code, 1978 PA 368, MCL
15 333.2301 to 333.2321:

16 (a) Immunizations.

17 (b) Communicable disease control.

18 (c) Sexually transmitted disease control.

19 (d) Tuberculosis control.

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

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

26 (g) Health and human services annex of the Michigan emergency
27 management plan.



1 (h) Prenatal care.

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

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

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

17 (c) The expected project duration.

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

21 (2) On or before December 30 of the current fiscal year, the
22 department shall provide to the same parties listed in subsection
23 (1) a copy of all reports, studies, and publications produced by
24 the Michigan Public Health Institute, its subcontractors, or the
25 department with the funds appropriated in the department's budget
26 in the previous fiscal year and allocated to the Michigan Public
27 Health Institute.



1 Sec. 220. The department shall ensure that faith-based
2 organizations are able to apply and compete for services, programs,
3 or contracts that they are qualified and suitable to fulfill. The
4 department shall not disqualify faith-based organizations solely on
5 the basis of the religious nature of their organization or their
6 guiding principles or statements of faith.

7 Sec. 221. According to section 1b of the social welfare act,
8 1939 PA 280, MCL 400.1b, the department shall treat part 1 and this
9 part as a time-limited addendum to the social welfare act, 1939 PA
10 280, MCL 400.1 to 400.119b.

11 Sec. 222. (1) The department shall make the entire policy and
12 procedures manual available and accessible to the public via the
13 department website.

14 (2) The department shall report by April 1 of the current
15 fiscal year on each specific policy change made to implement a
16 public act affecting the department that took effect during the
17 prior calendar year to the house and senate appropriations
18 subcommittees on the budget for the department, the joint committee
19 on administrative rules, the senate and house fiscal agencies, and
20 policy offices. The department shall attach each policy bulletin
21 issued during the prior calendar year to this report.

22 Sec. 223. The department may establish and collect fees for
23 publications, videos and related materials, conferences, and
24 workshops. Collected fees are appropriated when received and shall
25 be used to offset expenditures to pay for printing and mailing
26 costs of the publications, videos and related materials, and costs
27 of the workshops and conferences. The department shall not collect



1 fees under this section that exceed the cost of the expenditures.
2 When collected fees are appropriated under this section in an
3 amount that exceeds the current fiscal year appropriation, within
4 30 days the department shall notify the chairs of the house and
5 senate appropriations subcommittees on the department budget, the
6 house and senate fiscal agencies and policy offices, and the state
7 budget director of that fact.

8 Sec. 224. The department may retain all of the state's share
9 of food assistance overissuance collections as an offset to general
10 fund/general purpose costs. Retained collections shall be applied
11 against federal funds deductions in all appropriation units where
12 department costs related to the investigation and recoupment of
13 food assistance overissuances are incurred. Retained collections in
14 excess of such costs shall be applied against the federal funds
15 deducted in the departmental administration and support
16 appropriation unit.

17 Sec. 225. (1) Sanctions, suspensions, conditions for
18 provisional license status, and other penalties shall not be more
19 stringent for private service providers than for public entities
20 performing equivalent or similar services.

21 (2) Neither the department nor private service providers or
22 licensees shall be granted preferential treatment or considered
23 automatically to be in compliance with administrative rules based
24 on whether they have collective bargaining agreements with direct
25 care workers. Private service providers or licensees without
26 collective bargaining agreements shall not be subjected to
27 additional requirements or conditions of licensure based on their



1 lack of collective bargaining agreements.

2 Sec. 226. If the revenue collected by the department from fees
3 and collections exceeds the amount appropriated in part 1, the
4 revenue may be carried forward with the approval of the state
5 budget director into the subsequent fiscal year. The revenue
6 carried forward under this section shall be used as the first
7 source of funds in the subsequent fiscal year.

8 Sec. 227. The state departments, agencies, and commissions
9 receiving tobacco tax funds and Healthy Michigan fund revenue from
10 part 1 shall report by April 1 of the current fiscal year to the
11 senate and house appropriations committees, the senate and house
12 fiscal agencies, and the state budget director on the following:

13 (a) Detailed spending plan by appropriation line item
14 including description of programs and a summary of organizations
15 receiving these funds.

16 (b) Description of allocations or bid processes including need
17 or demand indicators used to determine allocations.

18 (c) Eligibility criteria for program participation and maximum
19 benefit levels where applicable.

20 (d) Outcome measures used to evaluate programs, including
21 measures of the effectiveness of these programs in improving the
22 health of Michigan residents.

23 Sec. 228. If a quality assurance assessment payment that the
24 department has the legal right to collect and that resulted from an
25 overpayment by the department to a provider, excluding those caused
26 by department error, is not received by the required due date, the
27 department may assess a penalty of 1% per month until the



1 overpayment is paid back in full. The penalty shall be calculated
2 each month on the unpaid balance of the overpayment as of the first
3 day of the month. This section does not apply to overpayments for
4 which the department has other legal authority to assess a penalty.
5 The state share of any funds collected under this section shall be
6 deposited in the state general fund.

7 Sec. 229. (1) The department shall extend the interagency
8 agreement with the Michigan talent investment agency for the
9 duration of the current fiscal year, which concerns TANF funding to
10 provide job readiness and welfare-to-work programming. The
11 interagency agreement shall include specific outcome and
12 performance reporting requirements as described in this section.
13 TANF funding provided to the Michigan talent investment agency in
14 the current fiscal year is contingent on compliance with the data
15 and reporting requirements described in this section. The
16 interagency agreement must require the Michigan talent investment
17 agency to provide all of the following items by January 1 of the
18 current fiscal year for the previous fiscal year to the senate and
19 house appropriations subcommittees on the department budget and the
20 state budget office:

21 (a) An itemized spending report on TANF funding, including all
22 of the following:

23 (i) Direct services to recipients.

24 (ii) Administrative expenditures.

25 (b) The number of family independence program (FIP) recipients
26 served through the TANF funding, including all of the following:

27 (i) The number and percentage who obtained employment through



1 Michigan Works!

2 (ii) The number and percentage who fulfilled their TANF work
3 requirement through other job readiness programming.

4 (iii) Average TANF spending per recipient.

5 (iv) The number and percentage of recipients who were referred
6 to Michigan Works! but did not receive a job or job readiness
7 placement and the reasons why.

8 (2) By March 1 of the current fiscal year, the department
9 shall provide to the senate and house appropriations subcommittees
10 on the department budget, the senate and house fiscal agencies, the
11 senate and house policy offices, and the state budget office an
12 annual report on the following matters itemized by Michigan Works!
13 agency: the number of referrals to Michigan Works! job readiness
14 programs, the number of referrals to Michigan Works! job readiness
15 programs who became a participant in the Michigan Works! job
16 readiness programs, the number of participants who obtained
17 employment, and the cost per participant case.

18 Sec. 231. From the funds appropriated in part 1 for travel
19 reimbursements to employees, the department shall allocate up to
20 \$100,000.00 toward reimbursing counties for the out-of-pocket
21 travel costs of the local county department board members and
22 county department directors to attend 1 meeting per year of the
23 Michigan County Social Services Association.

24 Sec. 232. (1) The department shall provide the approved
25 spending plan for each line item receiving an appropriation in the
26 current fiscal year to the senate and house appropriations
27 subcommittees on the department budget and the senate and house



1 fiscal agencies within 60 days of approval by the department but
2 not later than January 15 of the current fiscal year. The spending
3 plan shall include the following information regarding planned
4 expenditures for each category: allocation in the previous period,
5 change in the allocation, and new allocation. The spending plan
6 shall include the following information regarding each revenue
7 source for the line item: category of the fund source indicated by
8 general fund/general purpose, state restricted, local, private or
9 federal. Figures included in the approved spending plan shall not
10 be assumed to constitute the actual final expenditures, as line
11 items may be updated on an as-needed basis to reflect changes in
12 projected expenditures and projected revenue. The department shall
13 supplement the spending plan information by providing a list of all
14 active contracts and grants in the department's contract systems.

15 (2) Notwithstanding any other appropriation authority granted
16 in part 1, the department shall not appropriate any additional
17 general fund/general purpose funds or any related federal and state
18 restricted funds without providing a written 30-day notice to the
19 senate and house appropriations subcommittees on the department
20 budget, the senate and house fiscal agencies, and the senate and
21 house policy offices.

22 Sec. 252. The appropriations in part 1 for Healthy Michigan
23 plan - behavioral health, Healthy Michigan plan administration, and
24 Healthy Michigan plan are contingent on the provisions of the
25 social welfare act, 1939 PA 280, MCL 400.1 to 400.119b, that were
26 contained in 2013 PA 107 not being amended, repealed, or otherwise
27 altered to eliminate the Healthy Michigan plan. If that occurs,



1 then, upon the effective date of the amendatory act that amends,
2 repeals, or otherwise alters those provisions, the remaining funds
3 in the Healthy Michigan plan - behavioral health, Healthy Michigan
4 plan administration, and Healthy Michigan plan line items shall
5 only be used to pay previously incurred costs and any remaining
6 appropriations shall not be allotted to support those line items.

7 Sec. 263. (1) Except as otherwise provided in this subsection,
8 before submission of a waiver, a state plan amendment, or a similar
9 proposal to CMS or other federal agency, the department shall
10 provide written notification of the planned submission to the house
11 and senate appropriations subcommittees on the department budget,
12 the house and senate fiscal agencies and policy offices, and the
13 state budget office. This subsection does not apply to the
14 submission of a waiver, a state plan amendment, or similar proposal
15 that does not propose a material change or is outside of the
16 ordinary course of waiver, state plan amendment, or similar
17 proposed submissions.

18 (2) The department shall provide written biannual reports to
19 the senate and house appropriations subcommittees on the department
20 budget, the senate and house fiscal agencies, and the state budget
21 office summarizing the status of any new or ongoing discussions
22 with CMS or the United States Department of Health and Human
23 Services or other federal agency regarding potential or future
24 waiver applications as well as the status of submitted waivers that
25 have not yet received federal approval. If, at the time a biannual
26 report is due, there are no reportable items, then no report is
27 required to be provided.



1 Sec. 264. The department shall not take disciplinary action
2 against an employee for communicating with a member of the
3 legislature or his or her staff.

4 Sec. 270. The department shall advise the legislature of the
5 receipt of a notification from the attorney general's office of a
6 legal action in which expenses had been recovered pursuant to
7 section 106(4) of the social welfare act, 1939 PA 280, MCL 400.106.
8 By February 1 of the current fiscal year, the department shall
9 submit a written report to the house and senate appropriations
10 subcommittees on the department budget, the house and senate fiscal
11 agencies, and the state budget office that includes, at a minimum,
12 all of the following:

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

14 (b) The program or service for which the money was originally
15 expended.

16 (c) Details on the disposition of the funds recovered such as
17 the appropriation or revenue account in which the money was
18 deposited.

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

20 Sec. 274. (1) The department, in collaboration with the state
21 budget office, shall submit to the house and senate appropriations
22 subcommittees on the department budget, the house and senate fiscal
23 agencies, and the house and senate policy offices 1 week after the
24 day the governor submits to the legislature the budget for the
25 ensuing fiscal year a report on spending and revenue projections
26 for each of the capped federal funds listed below. The report shall
27 contain actual spending and revenue in the previous fiscal year,



1 spending and revenue projections for the current fiscal year as
2 enacted, and spending and revenue projections within the executive
3 budget proposal for the fiscal year beginning October 1, 2019 for
4 each individual line item for the department budget. The report
5 shall also include federal funds transferred to other departments.
6 The capped federal funds shall include, but not be limited to, all
7 of the following:

8 (a) TANF.

9 (b) Title XX social services block grant.

10 (c) Title IV-B part I child welfare services block grant.

11 (d) Title IV-B part II promoting safe and stable families
12 funds.

13 (e) Low-income home energy assistance program.

14 (2) It is the intent of the legislature that the department,
15 in collaboration with the state budget office, not utilize capped
16 federal funding for economics adjustments for FTEs or other
17 economics costs that are included as part of the budget submitted
18 to the legislature by the governor for the ensuing fiscal year,
19 unless there is a reasonable expectation for increased federal
20 funding to be available to the department from that capped revenue
21 source in the ensuing fiscal year.

22 Sec. 275. (1) As part of the year-end closing process, the
23 department, with the approval of the state budget director, is
24 authorized to realign sources between other federal, TANF, and
25 capped federal financing authorizations in order to maximize
26 federal revenues. This realignment of financing shall not produce a
27 gross increase or decrease in the department's total individual



1 line item authorizations, nor will it produce a net increase or
2 decrease in total federal revenues, or a net increase in TANF
3 authorization.

4 (2) Not later than November 30, the department shall submit to
5 the house and senate appropriations subcommittees on the department
6 budget, the house and senate fiscal agencies, and the house and
7 senate policy offices a report on the realignment of federal fund
8 sources that took place as part of the year-end closing process for
9 the previous fiscal year.

10 Sec. 279. (1) All master contracts relating to foster care and
11 adoption services as funded by the appropriations in section 105 of
12 part 1 shall be performance-based contracts that employ a client-
13 centered results-oriented process that is based on measurable
14 performance indicators and desired outcomes and includes the annual
15 assessment of the quality of services provided.

16 (2) By February 1 of the current fiscal year, the department
17 shall provide the senate and house appropriations subcommittees on
18 the department budget, the senate and house fiscal agencies and
19 policy offices, and the state budget office a report detailing
20 measurable performance indicators, desired outcomes, and an
21 assessment of the quality of services provided by the department
22 during the previous fiscal year.

23 Sec. 280. By March 1 of the current fiscal year, the
24 department shall provide a report to the house and senate
25 appropriations committees, the house and senate fiscal agencies,
26 the house and senate policy offices, and the state budget director
27 that provides all of the following for each line item in part 1



1 containing personnel-related costs, including the specific
2 individual amounts for salaries and wages, payroll taxes, and
3 fringe benefits:

4 (a) FTE authorization.

5 (b) Spending authorization for personnel-related costs, by
6 fund source, under the spending plan.

7 (c) Actual year-to-date expenditures for personnel-related
8 costs, by fund source, through the end of the prior month.

9 (d) The projected year-end balance or shortfall for personnel-
10 related costs, by fund source, based on actual monthly spending
11 levels through the end of the prior month.

12 (e) A specific plan for addressing any projected shortfall for
13 personnel-related costs at either the gross or fund source level.

14 Sec. 288. (1) Beginning October 1 of the current fiscal year,
15 no less than 90% of a new department contract supported solely from
16 state restricted funds or general fund/general purpose funds and
17 designated in this part or part 1 for a specific entity for the
18 purpose of providing services to individuals shall be expended for
19 such services after the first year of the contract.

20 (2) The department may allow a contract to exceed the
21 limitation on administrative and services costs if it can be
22 demonstrated that an exception should be made to the provision in
23 subsection (1).

24 (3) By September 30 of the current fiscal year, the department
25 shall report to the house and senate appropriations subcommittees
26 on the department budget, house and senate fiscal agencies, and
27 state budget office on the rationale for all exceptions made to the



1 provision in subsection (1) and the number of contracts terminated
2 due to violations of subsection (1).

3 Sec. 289. By March 1 of the current fiscal year, the
4 department shall provide to the senate and house appropriations
5 subcommittees on the department budget, the senate and house fiscal
6 agencies, and the senate and house policy offices an annual report
7 on the supervisor-to-staff ratio by department divisions and
8 subdivisions.

9 Sec. 290. Any public advertisement for public assistance shall
10 also inform the public of the welfare fraud hotline operated by the
11 department.

12 Sec. 295. (1) From the funds appropriated in part 1 to
13 agencies providing physical and behavioral health services to
14 multicultural populations, the department shall award grants in
15 accordance with the requirements of subsection (2). The state is
16 not liable for any spending above the contract amount. Funds shall
17 not be released until reporting requirements under section 295 of
18 article X of 2017 PA 107 are satisfied.

19 (2) The department shall require each contractor described in
20 subsection (1) that receives greater than \$1,000,000.00 in state
21 grant funding to comply with performance-related metrics to
22 maintain their eligibility for funding. The organizational metrics
23 shall include, but not be limited to, all of the following:

24 (a) Each contractor or subcontractor shall have accreditations
25 that attest to their competency and effectiveness as behavioral
26 health and social service agencies.

27 (b) Each contractor or subcontractor shall have a mission that



1 is consistent with the purpose of the multicultural agency.

2 (c) Each contractor shall validate that any subcontractors
3 utilized within these appropriations share the same mission as the
4 lead agency receiving funding.

5 (d) Each contractor or subcontractor shall demonstrate cost-
6 effectiveness.

7 (e) Each contractor or subcontractor shall ensure their
8 ability to leverage private dollars to strengthen and maximize
9 service provision.

10 (f) Each contractor or subcontractor shall provide timely and
11 accurate reports regarding the number of clients served, units of
12 service provision, and ability to meet their stated goals.

13 (3) The department shall require an annual report from the
14 contractors described in subsection (2). The annual report, due 60
15 days following the end of the contract period, shall include
16 specific information on services and programs provided, the client
17 base to which the services and programs were provided, information
18 on any wraparound services provided, and the expenditures for those
19 services. The department shall provide the annual reports to the
20 senate and house appropriations subcommittees on health and human
21 services, the senate and house fiscal agencies, and the state
22 budget office.

23 Sec. 296. From the funds appropriated in part 1, the
24 department shall be responsible for the necessary and reasonable
25 attorney fees and costs incurred by private and independent legal
26 counsel chosen by current and former classified and unclassified
27 department employees in the defense of those employees in any state



1 or federal lawsuit or investigation related to the water system in
2 a city in which a declaration of emergency was issued because of
3 drinking water contamination.

4 Sec. 297. By April 1 of the current fiscal year, the
5 department shall report on the number of FTEs in pay status by type
6 of staff. The report shall include a comparison by line item of the
7 number of FTEs authorized from funds appropriated in part 1 to the
8 actual number of FTEs employed by the department at the end of the
9 reporting period.

10 Sec. 298. (1) The department shall continue to pursue the
11 implementation of the demonstration model as specified under
12 section 298(2) of article X of 2017 PA 107. The department shall
13 ensure that the demonstration model described in this subsection is
14 implemented in a manner that ensures at least all of the following:

15 (a) That any changes made to a Medicaid waiver or Medicaid
16 state plan to implement the demonstration model described in this
17 subsection must only be in effect for the duration of the
18 demonstration model described in this subsection.

19 (b) That the demonstration model described in this subsection
20 is consistent with the stated core values as identified in the
21 final report of the workgroup established in section 298 of article
22 X of 2016 PA 268.

23 (c) That updates are provided to the medical care advisory
24 council, behavioral health advisory council, and developmental
25 disabilities council.

26 (2) The department shall continue to pursue the implementation
27 of up to 3 pilot projects as specified under section 298(3) of



1 article X of 2017 PA 107. The department shall ensure that the
2 pilot projects described in this subsection are implemented in a
3 manner that ensures at least all of the following:

4 (a) That allows the CMHSP in the geographic area of the pilot
5 project to be a provider of behavioral health supports and
6 services.

7 (b) That any changes made to a Medicaid waiver or Medicaid
8 state plan to implement the pilot projects described in this
9 subsection must only be in effect for the duration of the pilot
10 projects described in this subsection.

11 (c) That the project is consistent with the stated core values
12 as identified in the final report of the workgroup established in
13 section 298 of article X of 2016 PA 268.

14 (d) That updates are provided to the medical care advisory
15 council, behavioral health advisory council, and developmental
16 disabilities council.

17 (3) The department shall ensure that the pilot projects and
18 demonstration model described in subsections (1) and (2) are
19 operational for the entire current fiscal year. Each pilot project
20 shall be designed to last at least 2 years.

21 (4) For the duration of any pilot projects and demonstration
22 model, the department shall require that contracts between CMHSPs
23 and the Medicaid health plans within their pilot region mandate
24 that any and all realized benefits and cost savings of integrating
25 the physical health and behavioral health systems shall be
26 reinvested in services and supports for individuals having or at
27 risk of having a mental illness, an intellectual or developmental



1 disability, or a substance use disorder. Any and all realized
2 benefits and cost savings shall be specifically reinvested in the
3 counties where the savings occurred in accordance with the Medicaid
4 state plan and any applicable Medicaid waiver.

5 (5) It is the intent of the legislature that the primary
6 purpose of the pilot projects and demonstration model is to test
7 how the state may better integrate behavioral and physical health
8 delivery systems in order to improve behavioral and physical health
9 outcomes, maximize efficiencies, minimize unnecessary costs, and
10 achieve material increases in behavioral health services without
11 increases in overall Medicaid spending.

12 (6) The department shall continue to partner with 1 of the
13 state's research universities to evaluate any pilot project and
14 demonstration model that is authorized under this section. The
15 evaluation shall comply with all of the following:

16 (a) Include information on the pilot project's or
17 demonstration model's success in meeting the performance metrics
18 developed in this subsection and information on whether the pilot
19 project could be replicated into other geographic areas with
20 similar performance metric outcomes.

21 (b) Include the performance metrics, at a minimum, from each
22 of the following categories:

23 (i) Improvement of the coordination between behavioral health
24 and physical health.

25 (ii) Improvement of services available to individuals with
26 mental illness, intellectual or developmental disabilities, or
27 substance use disorders.



1 (iii) Benefits associated with full access to community-based
2 services and supports.

3 (iv) Customer health status.

4 (v) Customer satisfaction.

5 (vi) Provider network stability.

6 (vii) Treatment and service efficacies before and after the
7 pilot projects and demonstration model.

8 (viii) Use of best practices.

9 (ix) Financial efficiencies.

10 (x) Barriers to clinical data sharing with Medicaid health
11 plans.

12 (xi) Any other relevant categories.

13 (c) Be completed within 6 months of the end of the pilot
14 project or demonstration model and be provided to the department,
15 the house and senate appropriations subcommittees on the department
16 budget, the house and senate fiscal agencies, the house and senate
17 policy offices, and the state budget office.

18 (7) Upon completion of any pilot project or demonstration
19 model advanced under this section, the managing entity of the pilot
20 project or demonstration model shall submit a report to the senate
21 and house appropriations subcommittees on the department budget,
22 the senate and house fiscal agencies, the senate and house policy
23 offices, and the state budget office within 30 days of completion
24 of that pilot project or demonstration model detailing their
25 experience, lessons learned, efficiencies and savings revealed,
26 increases in investment on behavioral health services, and
27 recommendations for extending pilot projects to full implementation

1 or discontinuation.

2 Sec. 299. (1) No state department or agency shall issue a
3 request for proposal (RFP) for a contract in excess of
4 \$5,000,000.00, unless the department or agency has first considered
5 issuing a request for information (RFI) or a request for
6 qualification (RFQ) relative to that contract to better enable the
7 department or agency to learn more about the market for the
8 products or services that are the subject of the RFP. The
9 department or agency shall notify the department of technology,
10 management, and budget of the evaluation process used to determine
11 if an RFI or RFQ was not necessary prior to issuing the RFP.

12 (2) From funds appropriated in part 1, for all RFPs issued
13 during the current fiscal year where an existing service received
14 proposals by multiple vendors, the department shall notify all
15 vendors within 30 days of the RFP decision. The notification to
16 vendors shall include details on the RFP process, including the
17 respective RFP scores and the respective cost for each vendor. If
18 the highest scored RFP or lowest cost RFP does not receive the
19 contract for an existing service offered by the department, the
20 notification shall issue an explanation for the reasons that the
21 highest scored RFP or lowest cost RFP did not receive the contract
22 and detail the incremental cost target amount or service level
23 required that was required to migrate the service to a new vendor.
24 Additionally, the department shall include in the notification
25 details as to why a cost or service difference is justifiable if
26 the highest scored or lowest cost vendor does not receive the
27 contract.



1 (3) The department shall submit to the senate and house
2 appropriations subcommittees on the department budget, the senate
3 and house fiscal agencies, the senate and house policy offices, and
4 the state budget office by September 30 of the current fiscal year
5 a report that summarizes all RFPs during the current fiscal year
6 where an existing service received proposals by multiple vendors.
7 The report shall list all finalized RFPs where there was a
8 divergence from awarding the contract to the lowest cost or highest
9 scoring vendor. The report shall also include the cost or service
10 threshold required by department policy that must be satisfied in
11 order for an existing contract to be received by a new vendor.

12 **DEPARTMENTAL ADMINISTRATION AND SUPPORT**

13 Sec. 307. (1) From the funds appropriated in part 1 for
14 demonstration projects, \$950,000.00 shall be distributed as
15 provided in subsection (2). The amount distributed under this
16 subsection shall not exceed 50% of the total operating expenses of
17 the program described in subsection (2), with the remaining 50%
18 paid by local United Way organizations and other nonprofit
19 organizations and foundations.

20 (2) Funds distributed under subsection (1) shall be
21 distributed to Michigan 2-1-1, a nonprofit corporation organized
22 under the laws of this state that is exempt from federal income tax
23 under section 501(c)(3) of the internal revenue code of 1986, 26
24 USC 501, and whose mission is to coordinate and support a statewide
25 2-1-1 system. Michigan 2-1-1 shall use the funds only to fulfill
26 the Michigan 2-1-1 business plan adopted by Michigan 2-1-1 in



1 January 2005.

2 (3) Michigan 2-1-1 shall refer to the department any calls
3 received reporting fraud, waste, or abuse of state-administered
4 public assistance.

5 (4) Michigan 2-1-1 shall report annually to the department and
6 the house and senate standing committees with primary jurisdiction
7 over matters relating to human services and telecommunications on
8 2-1-1 system performance, the senate and house appropriations
9 subcommittees on the department budget, and the senate and house
10 fiscal agencies, including, but not limited to, call volume by
11 health and human service needs and unmet needs identified through
12 caller data and customer satisfaction metrics.

13 Sec. 316. From the funds appropriated in part 1 for terminal
14 leave payments, the department shall not spend in excess of its
15 annual gross appropriation unless it identifies and requests a
16 legislative transfer from another budgetary line item supporting
17 administrative costs, as provided by section 393(2) of the
18 management and budget act, 1984 PA 431, MCL 18.1393.

19 **CHILD SUPPORT ENFORCEMENT**

20 Sec. 401. (1) The appropriations in part 1 assume a total
21 federal child support incentive payment of \$26,500,000.00.

22 (2) From the federal money received for child support
23 incentive payments, \$12,000,000.00 shall be retained by the state
24 and expended for child support program expenses.

25 (3) From the federal money received for child support
26 incentive payments, \$14,500,000.00 shall be paid to the counties



1 based on each county's performance level for each of the federal
2 performance measures as established in 45 CFR 305.2.

3 (4) If the child support incentive payment to the state from
4 the federal government is greater than \$26,500,000.00, then 100% of
5 the excess shall be retained by the state and is appropriated until
6 the total retained by the state reaches \$15,397,400.00.

7 (5) If the child support incentive payment to the state from
8 the federal government is greater than the amount needed to satisfy
9 the provisions identified in subsections (1), (2), (3), and (4),
10 the additional funds shall be subject to appropriation by the
11 legislature.

12 (6) If the child support incentive payment to the state from
13 the federal government is less than \$26,500,000.00, then the state
14 and county share shall each be reduced by 50% of the shortfall.

15 Sec. 409. (1) If statewide retained child support collections
16 exceed \$38,300,000.00, 75% of the amount in excess of
17 \$38,300,000.00 is appropriated to legal support contracts. This
18 excess appropriation may be distributed to eligible counties to
19 supplement and not supplant county title IV-D funding.

20 (2) Each county whose retained child support collections in
21 the current fiscal year exceed its fiscal year 2004-2005 retained
22 child support collections, excluding tax offset and financial
23 institution data match collections in both the current fiscal year
24 and fiscal year 2004-2005, shall receive its proportional share of
25 the 75% excess.

26 Sec. 410. (1) If title IV-D-related child support collections
27 are escheated, the state budget director is authorized to adjust



1 the sources of financing for the funds appropriated in part 1 for
2 legal support contracts to reduce federal authorization by 66% of
3 the escheated amount and increase general fund/general purpose
4 authorization by the same amount. This budget adjustment is
5 required to offset the loss of federal revenue due to the escheated
6 amount being counted as title IV-D program income in accordance
7 with federal regulations at 45 CFR 304.50.

8 (2) The department shall notify the chairs of the house and
9 senate appropriations subcommittees on the department budget and
10 the house and senate fiscal agencies within 15 days of the
11 authorization adjustment in subsection (1).

12 **COMMUNITY SERVICES AND OUTREACH**

13 Sec. 450. (1) From the funds appropriated in part 1 for school
14 success partnership program, the department shall allocate
15 \$525,000.00 by December 1 of the current fiscal year to support the
16 Northeast Michigan Community Service Agency programming, which will
17 take place in each county in the Governor's Prosperity Region 3.
18 The department shall require the following performance objectives
19 be measured and reported for the duration of the state funding for
20 the school success partnership program:

21 (a) Increasing school attendance and decreasing chronic
22 absenteeism.

23 (b) Increasing academic performance based on grades with
24 emphasis on math and reading.

25 (c) Identifying barriers to attendance and success and
26 connecting families with resources to reduce these barriers.



1 (d) Increasing parent involvement with the parent's child's
2 school and community.

3 (2) The Northeast Michigan Community Service Agency shall
4 provide reports to the department on January 31 and June 30 of the
5 current fiscal year on the number of children and families served
6 and the services that were provided to families to meet the
7 performance objectives identified in this section. The department
8 shall distribute the reports within 1 week after receipt to the
9 senate and house appropriations subcommittees on the department
10 budget, the senate and house fiscal agencies, the senate and house
11 policy offices, and the state budget office.

12 Sec. 452. From the funds appropriated in part 1 for crime
13 victim justice assistance grants, the department shall continue to
14 support forensic nurse examiner programs to facilitate training for
15 improved evidence collection for the prosecution of sexual assault.
16 The funds shall be used for program coordination and training.

17 Sec. 453. From the funds appropriated in part 1 for homeless
18 programs, the department shall maintain emergency shelter program
19 per diem rates at \$16.00 per bed night to support efforts of
20 shelter providers to move homeless individuals and households into
21 permanent housing as quickly as possible. Expected outcomes are
22 increased shelter discharges to stable housing destinations,
23 decreased recidivism rates for shelter clients, and a reduction in
24 the average length of stay in emergency shelters.

25 Sec. 454. The department shall allocate the full amount of
26 funds appropriated in part 1 for homeless programs to provide
27 services for homeless individuals and families, including, but not



1 limited to, third-party contracts for emergency shelter services.

2 Sec. 455. As a condition of receipt of federal TANF funds,
3 homeless shelters and human services agencies shall collaborate
4 with the department to obtain necessary TANF eligibility
5 information on families as soon as possible after admitting a
6 family to the homeless shelter. From the funds appropriated in part
7 1 for homeless programs, the department is authorized to make
8 allocations of TANF funds only to the homeless shelters and human
9 services agencies that report necessary data to the department for
10 the purpose of meeting TANF eligibility reporting requirements.
11 Homeless shelters or human services agencies that do not report
12 necessary data to the department for the purpose of meeting TANF
13 eligibility reporting requirements will not receive reimbursements
14 that exceed the per diem amount they received in fiscal year 2000.
15 The use of TANF funds under this section is not an ongoing
16 commitment of funding.

17 Sec. 457. (1) From the funds appropriated in part 1 for the
18 uniform statewide sexual assault evidence kit tracking system, in
19 accordance with the final report of the Michigan sexual assault
20 evidence kit tracking and reporting commission, \$800,000.00 is
21 allocated from the sexual assault evidence tracking fund to
22 contract for development and implementation of a uniform statewide
23 sexual assault evidence kit tracking system. The system shall
24 include the following:

25 (a) A uniform statewide system to track the submission and
26 status of sexual assault evidence kits.

27 (b) A uniform statewide system to audit untested kits that



1 were collected on or before March 1, 2015 and were released by
2 victims to law enforcement.

3 (c) Secure electronic access for victims.

4 (d) The ability to accommodate concurrent data entry with kit
5 collection through various mechanisms, including web entry through
6 computer or smartphone, and through scanning devices.

7 (2) By March 30 of the current fiscal year, the department
8 shall submit to the senate and house appropriations subcommittees
9 on the department budget, the senate and house fiscal agencies, the
10 senate and house policy offices, and the state budget office a
11 status report on implementation and operation of the uniform
12 statewide sexual assault evidence kit tracking system, including
13 operational status and any known issues regarding implementation.

14 (3) The sexual assault evidence tracking fund established in
15 section 1451 of 2017 PA 158 shall continue to be maintained in the
16 department of treasury. Money in the sexual assault evidence
17 tracking fund at the close of a fiscal year shall remain in the
18 sexual assault evidence tracking fund and shall not revert to the
19 general fund and shall be appropriated as provided by law for the
20 development and implementation of a uniform statewide sexual
21 assault evidence kit tracking system as described in subsection
22 (1).

23 (4) By September 30 of the current fiscal year, the department
24 shall submit to the senate and house appropriations subcommittees
25 on the department budget, the senate and house fiscal agencies, the
26 senate and house policy offices, and the state budget office a
27 report on the findings of the annual audit of the proper submission



1 of sexual assault evidence kits as required by the sexual assault
2 kit evidence submission act, 2014 PA 227, MCL 752.931 to 752.935.
3 The report must include, but is not limited to, a detailed county-
4 by-county compilation of the number of sexual assault evidence kits
5 that were properly submitted and the number that met or did not
6 meet deadlines established in the sexual assault kit evidence
7 submission act, 2014 PA 227, MCL 752.931 to 752.935, the number of
8 kits retrieved by law enforcement after analysis, and the physical
9 location of all released kits collected by health care providers in
10 that year, as of the date of the annual draft report for each
11 reporting agency.

12 Sec. 458. From the funds appropriated in part 1 for crime
13 victim rights services grants, the department shall allocate
14 \$2,000,000.00 state general fund/general purpose to increase grant
15 funding to support the further use of crime victim advocates in the
16 criminal justice system. The purpose of the additional funding is
17 to increase available grant funding for crime victim advocates to
18 ensure that the advocates have the resources, training, and funding
19 needed to respond to the physical and emotional needs of crime
20 victims, provide victims with the necessary services, information,
21 and assistance in order to help them understand and participate in
22 the criminal justice system and experience a measure of safety and
23 security throughout the legal process.

24 **CHILDREN'S SERVICES AGENCY - CHILD WELFARE**

25 Sec. 501. (1) A goal is established that not more than 25% of
26 all children in foster care at any given time during the current



1 fiscal year, if in the best interest of the child, will have been
2 in foster care for 24 months or more.

3 (2) By March 1 of the current fiscal year, the department
4 shall provide to the senate and house appropriations subcommittees
5 on the department budget, the senate and house fiscal agencies, the
6 senate and house policy offices, and the state budget office a
7 report describing the steps that will be taken to achieve the
8 specific goal established in this section and on the percentage of
9 children who currently are in foster care and who have been in
10 foster care a total of 24 or more months.

11 Sec. 502. From the funds appropriated in part 1 for foster
12 care, the department shall provide 50% reimbursement to Indian
13 tribal governments for foster care expenditures for children who
14 are under the jurisdiction of Indian tribal courts and who are not
15 otherwise eligible for federal foster care cost sharing.

16 Sec. 503. (1) In accordance with the final report of the
17 Michigan child welfare performance-based funding task force issued
18 in response to section 503 of article X of 2013 PA 59, the
19 department shall periodically review actuarially sound case rates
20 for necessary out-of-home child welfare services that achieve
21 permanency by the department and private child placing agencies in
22 a prospective payment system under a performance-based funding
23 model.

24 (2) The department shall continue to pilot a prospective rate
25 payment system for private agencies that includes funding for
26 adoption incentive payments. The full cost prospective rate payment
27 system will identify and cover contractual costs paid through the



1 case rate developed by an independent actuary.

2 (3) By March 1 of the current fiscal year, the department
3 shall provide to the senate and house appropriations committees on
4 the department budget, the senate and house fiscal agencies and
5 policy offices, and the state budget office a report on the full
6 cost analysis of the performance-based funding model. The report
7 shall include background information on the project and give
8 details about the contractual costs covered through the case rate.

9 (4) In accordance with the final report of the Michigan child
10 welfare performance-based funding task force issued in response to
11 section 503 of article X of 2013 PA 59, the department shall
12 continue an independent, third-party evaluation of the performance-
13 based funding model.

14 (5) The department shall only implement the performance-based
15 funding model into additional counties where the department,
16 private child welfare agencies, the county, and the court operating
17 within that county have signed a memorandum of understanding that
18 incorporates the intentions of the concerned parties in order to
19 implement the performance-based funding model.

20 (6) The department, in conjunction with members from both the
21 house of representatives and senate, private child placing
22 agencies, the courts, and counties shall continue to implement the
23 recommendations that are described in the workgroup report that was
24 provided in section 503 of article X of 2013 PA 59 to establish a
25 performance-based funding for public and private child welfare
26 services providers. The department shall provide a quarterly report
27 on the status of the performance-based contracting model to the



1 senate and house appropriations subcommittees on the department
2 budget, the senate and house standing committees on families and
3 human services, and the senate and house fiscal agencies and policy
4 offices.

5 (7) From the funds appropriated in part 1 for the performance-
6 based funding model pilot, the department shall continue to work
7 with the West Michigan Partnership for Children Consortium on the
8 implementation of the performance-based funding model pilot. The
9 consortium shall accept and comprehensively assess referred youth,
10 assign cases to members of its continuum or leverage services from
11 other entities, and make appropriate case management decisions
12 during the duration of a case. The consortium shall operate an
13 integrated continuum of care structure, with services provided by
14 both private and public agencies, based on individual case needs.
15 The consortium shall demonstrate significant organizational
16 capacity and competencies, including experience with managing risk-
17 based contracts, financial strength, experienced staff and
18 leadership, and appropriate governance structure.

19 Sec. 504. (1) The department may continue a master agreement
20 with the West Michigan Partnership for Children Consortium for a
21 performance-based child welfare contracting pilot program. The
22 consortium shall consist of a network of affiliated child welfare
23 service providers that will accept and comprehensively assess
24 referred youth, assign cases to members of its continuum or
25 leverage services from other entities, and make appropriate case
26 management decisions during the duration of a case.

27 (2) The consortium shall operate an integrated continuum of



1 care structure, with services provided by private or public
2 agencies, based on individual case needs.

3 (3) By March 1 of the current fiscal year, the consortium
4 shall provide to the department and the house and senate
5 appropriations subcommittees on the department budget a report on
6 the consortium, including, but not limited to, actual expenditures,
7 number of children placed by agencies in the consortium, fund
8 balance of the consortium, and the status of the consortium
9 evaluation.

10 Sec. 505. By March 1 of the current fiscal year, the
11 department shall provide to the senate and house appropriations
12 subcommittees on the department budget, the senate and house fiscal
13 agencies and policy offices, and the state budget office a report
14 for youth referred or committed to the department for care or
15 supervision in the previous fiscal year and in the first quarter of
16 the current fiscal year outlining the number of youth served by the
17 department within the juvenile justice system, the type of setting
18 for each youth, performance outcomes, and financial costs or
19 savings.

20 Sec. 507. The department's ability to satisfy appropriation
21 deducts in part 1 for foster care private collections shall not be
22 limited to collections and accruals pertaining to services provided
23 only in the current fiscal year but may include revenues collected
24 during the current fiscal year for services provided in prior
25 fiscal years.

26 Sec. 508. (1) In addition to the amount appropriated in part 1
27 for children's trust fund grants, money granted or money received



1 as gifts or donations to the children's trust fund created by 1982
2 PA 249, MCL 21.171 to 21.172, is appropriated for expenditure.

3 (2) The department and the child abuse and neglect prevention
4 board shall collaborate to ensure that administrative delays are
5 avoided and the local grant recipients and direct service providers
6 receive money in an expeditious manner. The department and board
7 shall make available the children's trust fund contract funds to
8 grantees within 31 days of the start date of the funded project.

9 (3) From the funds appropriated in part 1 for the children's
10 trust fund, \$500,000.00 shall be allocated to provide additional
11 funding to children's trust fund designated local councils for
12 increased substance use disorder programs. The \$500,000.00
13 additional allocation shall be funded by \$300,000.00 children's
14 trust fund cash reserve balance and \$200,000.00 state general
15 fund/general purpose. The purpose of this additional funding is to
16 increase the amount of services for substance use disorders that is
17 provided by local councils over the amount provided in the previous
18 fiscal year.

19 Sec. 511. The department shall provide semi-annual reports to
20 the senate and house appropriations subcommittees on the department
21 budget, the senate and house standing committees on families and
22 human services, and the senate and house fiscal agencies and policy
23 offices on the number and percentage of children who received
24 timely physical and mental health examinations after entry into
25 foster care. The goal of the program is that at least 85% of
26 children receive timely physical and mental health examinations
27 after entry into foster care.



1 Sec. 512. (1) As required by the settlement, by March 1 of the
2 current fiscal year, the department shall report to the senate and
3 house appropriations subcommittees on the department budget, the
4 senate and house fiscal agencies, the senate and house policy
5 offices, and the state budget office on the following information
6 for cases of child abuse or child neglect from the previous fiscal
7 year:

8 (a) The total number of relative care placements.

9 (b) The total number of relatives with a placement who became
10 licensed.

11 (c) The number of waivers of foster care licensure granted to
12 relative care providers.

13 (d) The number of waivers of foster care denied to relative
14 care providers.

15 (e) A list of the reasons from a sample of cases the
16 department denied granting a waiver of foster care licensure for a
17 relative care provider.

18 (f) A list of the reasons from a sample of cases where
19 relatives were declined foster care licensure as documented by the
20 department.

21 (2) The caseworker shall request a waiver of foster care
22 licensure if both of the following apply:

23 (a) The caseworker has fully informed the relative of the
24 benefits of licensure and the option of a licensure waiver.

25 (b) The caseworker has assessed the relative and the
26 relative's home using the department's initial relative safety
27 screen and the department's relative home assessment and has



1 determined that the relative's home is safe and placement there is
2 in the child's best interest.

3 Sec. 513. (1) The department shall not expend funds
4 appropriated in part 1 to pay for the direct placement by the
5 department of a child in an out-of-state facility unless all of the
6 following conditions are met:

7 (a) There is no appropriate placement available in this state
8 as determined by the department interstate compact office.

9 (b) An out-of-state placement exists that is nearer to the
10 child's home than the closest appropriate in-state placement as
11 determined by the department interstate compact office.

12 (c) The out-of-state facility meets all of the licensing
13 standards of this state for a comparable facility.

14 (d) The out-of-state facility meets all of the applicable
15 licensing standards of the state in which it is located.

16 (e) The department has done an on-site visit to the out-of-
17 state facility, reviewed the facility records, reviewed licensing
18 records and reports on the facility, and believes that the facility
19 is an appropriate placement for the child.

20 (2) The department shall not expend money for a child placed
21 in an out-of-state facility without approval of the executive
22 director of the children's services agency.

23 (3) The department shall submit an annual report to the state
24 court administrative office, the house and senate appropriations
25 subcommittees on the department budget, the house and senate fiscal
26 agencies, the house and senate policy offices, and the state budget
27 office on the number of Michigan children residing in out-of-state



1 facilities at the time of the report, the total cost and average
2 per diem cost of these out-of-state placements to this state, and a
3 list of each such placement arranged by the Michigan county of
4 residence for each child.

5 Sec. 514. The department shall make a comprehensive report
6 concerning children's protective services (CPS) to the legislature,
7 including the senate and house policy offices and the state budget
8 director, by March 1 of the current fiscal year, that shall include
9 all of the following:

10 (a) Statistical information including, but not limited to, all
11 of the following:

12 (i) The total number of reports of child abuse or child
13 neglect investigated under the child protection law, 1975 PA 238,
14 MCL 722.621 to 722.638, and the number of cases classified under
15 category I or category II and the number of cases classified under
16 category III, category IV, or category V.

17 (ii) Characteristics of perpetrators of child abuse or child
18 neglect and the child victims, such as age, relationship, race, and
19 ethnicity and whether the perpetrator exposed the child victim to
20 drug activity, including the manufacture of illicit drugs, that
21 exposed the child victim to substance abuse, a drug house, or
22 methamphetamine.

23 (iii) The mandatory reporter category in which the individual
24 who made the report fits, or other categorization if the individual
25 is not within a group required to report under the child protection
26 law, 1975 PA 238, MCL 722.621 to 722.638.

27 (iv) The number of cases that resulted in the separation of



1 the child from the parent or guardian and the period of time of
2 that separation, up to and including termination of parental
3 rights.

4 (v) For the reported complaints of child abuse or child
5 neglect by teachers, school administrators, and school counselors,
6 the number of cases classified under category I or category II and
7 the number of cases classified under category III, category IV, or
8 category V.

9 (vi) For the reported complaints of child abuse or child
10 neglect by teachers, school administrators, and school counselors,
11 the number of cases that resulted in separation of the child from
12 the parent or guardian and the period of time of that separation,
13 up to and including termination of parental rights.

14 (b) New policies related to children's protective services
15 including, but not limited to, major policy changes and court
16 decisions affecting the children's protective services system
17 during the immediately preceding 12-month period.

18 (c) Statistical information regarding families that were
19 classified in category III, including, but not limited to, all of
20 the following:

21 (i) The total number of cases classified in category III.

22 (ii) The number of cases in category III referred to voluntary
23 community services and closed with no additional monitoring.

24 (iii) The number of cases in category III referred to
25 voluntary community services and monitored for up to 90 days.

26 (iv) The number of cases in category III for which the
27 department entered more than 1 determination that there was



1 evidence of child abuse or child neglect.

2 (v) The number of cases in category III that the department
3 reclassified from category III to category II.

4 (vi) The number of cases in category III that the department
5 reclassified from category III to category I.

6 (vii) The number of cases in category III that the department
7 reclassified from category III to category I that resulted in a
8 removal.

9 (d) The department policy, or changes to the department
10 policy, regarding children who have been exposed to the production
11 or manufacture of methamphetamines.

12 Sec. 519. The department shall permit any private agency that
13 has an existing contract with this state to provide foster care
14 services to be also eligible to provide treatment foster care
15 services.

16 Sec. 520. To the extent that the data are available, the
17 department shall submit a report to the house and senate
18 appropriations subcommittees on the department budget, the house
19 and senate fiscal agencies, the house and senate policy offices,
20 and the state budget office by February 15 of the current fiscal
21 year on the number of days of care and expenditures by funding
22 source for the previous year for out-of-home placements by specific
23 placement programs for child abuse or child neglect, including, but
24 not limited to, paid relative placement, department direct family
25 foster care, private agency supervised foster care, private child
26 caring institutions, county-supervised facilities, court-supervised
27 facilities, and independent living. The report shall also identify



1 days of care for department-operated residential juvenile justice
2 facilities by security classification.

3 Sec. 522. (1) From the funds appropriated in part 1 for youth
4 in transition, the department shall allocate \$750,000.00 for
5 scholarships through the fostering futures scholarship program in
6 the Michigan education trust to youths who were in foster care
7 because of child abuse or child neglect and are attending a college
8 or a career technical educational institution located in this
9 state. Of the funds appropriated, 100% shall be used to fund
10 scholarships for the youths described in this section.

11 (2) By March 1 of the current fiscal year, the department
12 shall provide a report to the senate and house appropriations
13 subcommittees on the department budget, the senate and house fiscal
14 agencies, the senate and house policy offices, and the state budget
15 office that includes the number of youths who received scholarships
16 and the amount of each scholarship, and the total amount of funds
17 spent or encumbered in the current fiscal year.

18 Sec. 523. (1) By February 15 of the current fiscal year, the
19 department shall submit to the senate and house appropriations
20 subcommittees on the department budget, the senate and house fiscal
21 agencies, the senate and house policy offices, and the state budget
22 office a report on the families first, family reunification, and
23 families together building solutions family preservation programs.
24 The report shall provide population and outcome data based on
25 contractually required follow-up evaluations for families who
26 received family preservation services and shall include information
27 for each program on any innovations that may increase child safety



1 and risk reduction.

2 (2) From the funds appropriated in part 1 for youth in
3 transition and domestic violence prevention and treatment, the
4 department is authorized to make allocations of TANF funds only to
5 agencies that report necessary data to the department for the
6 purpose of meeting TANF eligibility reporting requirements.

7 Sec. 524. As a condition of receiving funds appropriated in
8 part 1 for strong families/safe children, counties must submit the
9 service spending plan to the department by October 1 of the current
10 fiscal year for approval. The department shall approve the service
11 spending plan within 30 calendar days after receipt of a properly
12 completed service spending plan.

13 Sec. 525. The department shall implement the same on-site
14 evaluation processes for privately operated child welfare and
15 juvenile justice residential facilities as is used to evaluate
16 state-operated facilities. Penalties for noncompliance shall be the
17 same for privately operated child welfare and juvenile justice
18 residential facilities and state-operated facilities.

19 Sec. 531. The department shall notify the house and senate
20 appropriations subcommittees on the department budget, the house
21 and senate fiscal agencies, and the house and senate policy offices
22 of any changes to a child welfare master contract template,
23 including the adoption master contract template, the independent
24 living plus master contract template, the child placing agency
25 foster care master contract template, and the residential foster
26 care juvenile justice master contract template, not less than 30
27 days before the change takes effect.



1 Sec. 533. The department shall make payments to child placing
2 facilities for in-home and out-of-home care services and adoption
3 services within 30 days of receiving all necessary documentation
4 from those agencies. It is the intent of the legislature that the
5 burden of ensuring that these payments are made in a timely manner
6 and no payments are in arrears is upon the department.

7 Sec. 540. If a physician or psychiatrist who is providing
8 services to state or court wards placed in a residential facility
9 submits a formal request to the department to change the
10 psychotropic medication of a ward, the department shall, if the
11 ward is a state ward, make a determination on the proposed change
12 within 7 business days after the request or, if the ward is a
13 temporary court ward, seek parental consent within 7 business days
14 after the request. If parental consent is not provided within 7
15 business days, the department shall petition the court on the
16 eighth business day.

17 Sec. 546. (1) From the funds appropriated in part 1 for foster
18 care payments and from child care fund, the department shall pay
19 providers of general foster care, independent living, and trial
20 reunification services not less than a \$46.20 administrative rate.

21 (2) From the funds appropriated in part 1, the department
22 shall pay providers of independent living plus services statewide
23 per diem rates for staff-supported housing and host-home housing
24 based on proposals submitted in response to a solicitation for
25 pricing. The independent living plus program provides staff-
26 supported housing and services for foster youth ages 16 through 19
27 who, because of their individual needs and assessments, are not



1 initially appropriate for general independent living foster care.

2 (3) If required by the federal government to meet title IV-E
3 requirements, providers of foster care services shall submit
4 quarterly expenditure reports to the department to identify actual
5 costs of providing foster care services.

6 Sec. 547. (1) From the funds appropriated in part 1 for the
7 guardianship assistance program, the department shall pay a minimum
8 rate that is not less than the approved age-appropriate payment
9 rates for youth placed in family foster care.

10 (2) The department shall report quarterly to the state budget
11 office, the senate and house appropriations subcommittees on the
12 department budget, the senate and house fiscal agencies, and the
13 senate and house policy offices on the number of children enrolled
14 in the guardianship assistance and foster care children with
15 serious emotional disturbance waiver programs.

16 Sec. 550. (1) The department shall not offset against
17 reimbursement payments to counties or seek reimbursement from
18 counties for charges that were received by the department more than
19 12 months before the department seeks to offset against
20 reimbursement. A county shall not request reimbursement for and
21 reimbursement payments shall not be paid for a charge that is more
22 than 12 months after the date of service or original status
23 determination when initially submitted by the county.

24 (2) All service providers shall submit a request for payment
25 within 12 months after the date of service. Any request for payment
26 submitted 12 months or more after the date of service requires the
27 provider to submit an exception request to the county or the



1 department for approval or denial.

2 (3) The county shall not be subject to any offset, chargeback,
3 or reimbursement liability for prior expenditures resulting from an
4 error in foster care fund source determinations.

5 Sec. 551. The department shall respond to counties within 30
6 days regarding any request for a clarification requested through
7 the department's child care fund management unit electronic mail
8 address.

9 Sec. 552. Sixty days after a county's child care fund on-site
10 review is completed, the department shall provide the results of
11 the review to the county.

12 Sec. 558. By January 1 of the current fiscal year, the
13 department shall provide to the senate and house appropriations
14 subcommittees on the department budget, the senate and house fiscal
15 agencies, the senate and house policy offices, and the state budget
16 office a report that identifies the policies, procedures, and other
17 relevant issues related to the modernization of the child welfare
18 training program.

19 Sec. 559. (1) From the funds appropriated in part 1 for
20 adoption support services, the department shall allocate up to
21 \$250,000.00 to the Adoptive Family Support Network by December 1 of
22 the current fiscal year to operate and expand its adoptive parent
23 mentor program to provide a listening ear, knowledgeable guidance,
24 and community connections to adoptive parents and children who were
25 adopted in this state or another state.

26 (2) The Adoptive Family Support Network shall submit to the
27 senate and house appropriations subcommittees on the department



1 budget, the senate and house fiscal agencies, the senate and house
2 policy offices, and the state budget office by March 1 of the
3 current fiscal year a report on the program described in subsection
4 (1), including, but not limited to, the number of cases served and
5 the number of cases in which the program prevented an out-of-home
6 placement.

7 Sec. 562. The department shall provide time and travel
8 reimbursements for foster parents who transport a foster child to
9 parent-child visitations. As part of the foster care parent
10 contract, the department shall provide written confirmation to
11 foster parents that states that the foster parents have the right
12 to request these reimbursements for all parent-child visitations.
13 The department shall provide these reimbursements within 60 days of
14 receiving a request for eligible reimbursements from a foster
15 parent.

16 Sec. 564. (1) The department shall develop a clear policy for
17 parent-child visitations. The local county offices, caseworkers,
18 and supervisors shall meet an 85% success rate, after accounting
19 for factors outside of the caseworkers' control.

20 (2) Per the court-ordered number of required meetings between
21 caseworkers and a parent, the caseworkers shall achieve a success
22 rate of 85%, after accounting for factors outside of the
23 caseworkers' control.

24 (3) By March 1 of the current fiscal year, the department
25 shall provide to the senate and house appropriations subcommittees
26 on the department budget, the senate and house fiscal agencies, the
27 senate and house policy offices, and the state budget office a



1 report on the following:

2 (a) The percentage of success rate for parent-child
3 visitations and court-ordered required meetings between caseworkers
4 referenced in subsections (1) and (2) for the previous year.

5 (b) The barriers to achieve the success rates in subsections
6 (1) and (2) and how this information is tracked.

7 Sec. 567. The department shall submit to the senate and house
8 appropriations subcommittees on the department budget, the senate
9 and house fiscal agencies, the senate and house policy offices, and
10 the state budget office by March 1 of the current fiscal year a
11 report on transfer of medical passports for children in foster
12 care, including the following:

13 (a) From the total medical passports transferred, the
14 percentage that transferred within 2 weeks from the date of
15 placement or return to the home.

16 (b) From the total school records, the percentage that
17 transferred within 2 weeks from the date of placement or return to
18 the home.

19 (c) The implementation steps that have been taken to improve
20 the outcomes for the measures in subdivision (a).

21 Sec. 569. The department shall reimburse private child placing
22 agencies that complete adoptions at the rate according to the date
23 on which the petition for adoption and required support
24 documentation was accepted by the court and not according to the
25 date the court's order placing for adoption was entered.

26 Sec. 573. The department may pay providers of foster care
27 services a per diem daily administrative rate for every case on a



1 caseworker's caseload for the duration of a case from referral
2 acceptance to the discharge of wardship.

3 Sec. 574. (1) From the funds appropriated in part 1 for foster
4 care payments, \$2,000,000.00 is allocated to support performance-
5 based contracts with child placing agencies to facilitate the
6 licensure of relative caregivers as foster parents. Agencies shall
7 receive \$2,300.00 for each facilitated licensure if completed
8 within 180 days after case acceptance, or, if a waiver was
9 previously approved, 180 days from the referral date. If the
10 facilitated licensure, or approved waiver, is completed after 180
11 days, the agency shall receive up to \$2,300.00. The agency
12 facilitating the licensure would retain the placement and continue
13 to provide case management services for the newly licensed cases
14 for which the placement was appropriate to the agency.

15 (2) From the funds appropriated for foster care payments,
16 \$375,000.00 is allocated to support family incentive grants to
17 private and community-based foster care service providers to assist
18 with home improvements or payment for physical exams for applicants
19 needed by foster families to accommodate foster children.

20 Sec. 583. By March 1 of the current fiscal year, the
21 department shall provide to the senate and house appropriations
22 subcommittees on the department budget, the senate and house
23 standing committees on families and human services, the senate and
24 house fiscal agencies and policy offices, and the state budget
25 office a report that includes:

26 (a) The number and percentage of foster parents that dropped
27 out of the program in the previous fiscal year and the reasons the



1 foster parents left the program and how those figures compare to
2 prior fiscal years.

3 (b) The number and percentage of foster parents successfully
4 retained in the previous fiscal year and how those figures compare
5 to prior fiscal years.

6 Sec. 585. The department shall make available at least 1 pre-
7 service training class each month in which new caseworkers for
8 private foster care and adoption agencies can enroll.

9 Sec. 588. Concurrently with public release, the department
10 shall transmit all reports from the court-appointed settlement
11 monitor, including, but not limited to, the needs assessment and
12 period outcome reporting, to the state budget office, the senate
13 and house appropriations subcommittees on the department budget,
14 and the senate and house fiscal agencies and policy offices,
15 without revision.

16 Sec. 589. On a quarterly basis, the department shall report on
17 the number of all foster care cases administered by the department
18 and all foster care cases administered by private providers.

19 Sec. 593. The department may allow residential service
20 providers for child abuse and child neglect cases to implement a
21 staff ratio during working hours of 1 staff to 5 children.

22 Sec. 594. From the funds appropriated in part 1 for foster
23 care payments, the department shall support regional resource teams
24 to provide for the recruitment, retention, and training of foster
25 and adoptive parents and shall expand the Michigan youth
26 opportunities initiative to all Michigan counties. The purpose of
27 this funding is to increase the number of annual inquiries from



1 prospective foster parents, increase the number of nonrelative
2 foster homes that achieve licensure each year, increase the annual
3 retention rate of nonrelative foster homes, reduce the number of
4 older foster youth placed outside of family settings, and provide
5 older youth with enhanced support in transitioning to adulthood.

6 Sec. 595. Partial child care fund reimbursements to counties
7 for undisputed charges shall be made within 45 business days after
8 the receipt of the required forms and documentation. The department
9 shall notify a county within 15 business days after a disputed
10 reimbursement request. The department shall reimburse for corrected
11 charges within 45 business days after a properly corrected
12 submission by the county.

13 Sec. 596. From the funds appropriated in part 1 for youth in
14 transition, the department shall allocate \$750,000.00 state general
15 fund/general purpose revenue to increase funding to support the
16 runaway and homeless youth services program. The purpose of the
17 additional funding is to increase funding to contracted providers
18 that provide emergency shelter and services to homeless and runaway
19 youth.

20 **PUBLIC ASSISTANCE**

21 Sec. 601. Whenever a client agrees to the release of his or
22 her name and address to the local housing authority, the department
23 shall request from the local housing authority information
24 regarding whether the housing unit for which vrending has been
25 requested meets applicable local housing codes. Vrending shall be
26 terminated for those units that the local authority indicates in



1 writing do not meet local housing codes until such time as the
2 local authority indicates in writing that local housing codes have
3 been met.

4 Sec. 602. The department shall conduct a full evaluation of an
5 individual's assistance needs if the individual has applied for
6 disability more than 1 time within a 1-year period.

7 Sec. 604. (1) The department shall operate a state disability
8 assistance program. Except as provided in subsection (3), persons
9 eligible for this program shall include needy citizens of the
10 United States or aliens exempted from the supplemental security
11 income citizenship requirement who are at least 18 years of age or
12 emancipated minors meeting 1 or more of the following requirements:

13 (a) A recipient of supplemental security income, social
14 security, or medical assistance due to disability or 65 years of
15 age or older.

16 (b) A person with a physical or mental impairment that meets
17 federal supplemental security income disability standards, except
18 that the minimum duration of the disability shall be 90 days.
19 Substance use disorder alone is not defined as a basis for
20 eligibility.

21 (c) A resident of an adult foster care facility, a home for
22 the aged, a county infirmary, or a substance use disorder treatment
23 center.

24 (d) A person receiving 30-day postresidential substance use
25 disorder treatment.

26 (e) A person diagnosed as having acquired immunodeficiency
27 syndrome.



1 (f) A person receiving special education services through the
2 local intermediate school district.

3 (g) A caretaker of a disabled person who meets the
4 requirements specified in subdivision (a), (b), (e), or (f).

5 (2) Applicants for and recipients of the state disability
6 assistance program shall be considered needy if they:

7 (a) Meet the same asset test as is applied for the family
8 independence program.

9 (b) Have a monthly budgetable income that is less than the
10 payment standards.

11 (3) Except for a person described in subsection (1)(c) or (d),
12 a person is not disabled for purposes of this section if his or her
13 drug addiction or alcoholism is a contributing factor material to
14 the determination of disability. "Material to the determination of
15 disability" means that, if the person stopped using drugs or
16 alcohol, his or her remaining physical or mental limitations would
17 not be disabling. If his or her remaining physical or mental
18 limitations would be disabling, then the drug addiction or
19 alcoholism is not material to the determination of disability and
20 the person may receive state disability assistance. Such a person
21 must actively participate in a substance abuse treatment program,
22 and the assistance must be paid to a third party or through vendor
23 payments. For purposes of this section, substance abuse treatment
24 includes receipt of inpatient or outpatient services or
25 participation in alcoholics anonymous or a similar program.

26 Sec. 605. The level of reimbursement provided to state
27 disability assistance recipients in licensed adult foster care



1 facilities shall be the same as the prevailing supplemental
2 security income rate under the personal care category.

3 Sec. 606. County department offices shall require each
4 recipient of family independence program and state disability
5 assistance who has applied with the social security administration
6 for supplemental security income to sign a contract to repay any
7 assistance rendered through the family independence program or
8 state disability assistance program upon receipt of retroactive
9 supplemental security income benefits.

10 Sec. 607. (1) The department's ability to satisfy
11 appropriation deductions in part 1 for state disability
12 assistance/supplemental security income recoveries and public
13 assistance recoupment revenues shall not be limited to recoveries
14 and accruals pertaining to state disability assistance, or family
15 independence assistance grant payments provided only in the current
16 fiscal year, but may include revenues collected during the current
17 year that are prior year related and not a part of the department's
18 accrued entries.

19 (2) The department may use supplemental security income
20 recoveries to satisfy the deduct in any line in which the revenues
21 are appropriated, regardless of the source from which the revenue
22 is recovered.

23 Sec. 608. Adult foster care facilities providing domiciliary
24 care or personal care to residents receiving supplemental security
25 income or homes for the aged serving residents receiving
26 supplemental security income shall not require those residents to
27 reimburse the home or facility for care at rates in excess of those



1 legislatively authorized. To the extent permitted by federal law,
2 adult foster care facilities and homes for the aged serving
3 residents receiving supplemental security income shall not be
4 prohibited from accepting third-party payments in addition to
5 supplemental security income if the payments are not for food,
6 clothing, shelter, or result in a reduction in the recipient's
7 supplemental security income payment.

8 Sec. 609. The state supplementation level under the
9 supplemental security income program for the personal care/adult
10 foster care and home for the aged categories shall not be reduced
11 during the current fiscal year. The legislature shall be notified
12 not less than 30 days before any proposed reduction in the state
13 supplementation level.

14 Sec. 610. (1) In developing good cause criteria for the state
15 emergency relief program, the department shall grant exemptions if
16 the emergency resulted from unexpected expenses related to
17 maintaining or securing employment.

18 (2) For purposes of determining housing affordability
19 eligibility for state emergency relief, a group is considered to
20 have sufficient income to meet ongoing housing expenses if their
21 total housing obligation does not exceed 75% of their total net
22 income.

23 (3) State emergency relief payments shall not be made to
24 individuals who have been found guilty of fraud in regard to
25 obtaining public assistance.

26 (4) State emergency relief payments shall not be made
27 available to persons who are out-of-state residents or illegal



1 immigrants.

2 (5) State emergency relief payments for rent assistance shall
3 be distributed directly to landlords and shall not be added to
4 Michigan bridge cards.

5 Sec. 611. The state supplementation level under the
6 supplemental security income program for the living independently
7 or living in the household of another categories shall not exceed
8 the minimum state supplementation level as required under federal
9 law or regulations.

10 Sec. 613. (1) The department shall provide reimbursements for
11 the final disposition of indigent persons. The reimbursements shall
12 include the following:

13 (a) The maximum allowable reimbursement for the final
14 disposition is \$800.00.

15 (b) The adult burial with services allowance is \$725.00.

16 (c) The adult burial without services allowance is \$490.00.

17 (d) The infant burial allowance is \$170.00.

18 (2) Reimbursement for a cremation permit fee of up to \$75.00
19 and for mileage at the standard rate will be made available for an
20 eligible cremation. The reimbursements under this section shall
21 take into consideration religious preferences that prohibit
22 cremation.

23 Sec. 614. The department shall report to the senate and house
24 of representatives appropriations subcommittees on the department
25 budget, the senate and house fiscal agencies, and the senate and
26 house policy offices by January 15 of the current fiscal year on
27 the number and percentage of state disability assistance recipients



1 who were determined to be eligible for federal supplemental
2 security income benefits in the previous fiscal year.

3 Sec. 615. Except as required by federal law or regulations,
4 funds appropriated in part 1 shall not be used to provide public
5 assistance to a person who is an illegal alien. This section shall
6 not prohibit the department from entering into contracts with food
7 banks, emergency shelter providers, or other human services
8 agencies who may, as a normal part of doing business, provide food
9 or emergency shelter.

10 Sec. 616. The department shall require retailers that
11 participate in the electronic benefits transfer program to charge
12 no more than \$2.50 in fees for cash back as a condition of
13 participation.

14 Sec. 618. By March 1 of the current fiscal year, the
15 department shall report to the senate and house appropriations
16 subcommittees on the department budget, the senate and house fiscal
17 agencies, the senate and house policy offices, and the state budget
18 office the quarterly numbers of supervised individuals who have
19 absconded from supervision and whom a law enforcement agency or the
20 department is actively seeking according to section 84 of the
21 corrections code of 1953, 1953 PA 232, MCL 791.284.

22 Sec. 619. (1) Subject to subsection (2), the department shall
23 not deny title IV-A assistance and food assistance benefits under
24 21 USC 862a to any individual who has been convicted of a single
25 felony that included the possession, use, or distribution of a
26 controlled substance, for which the act that resulted in the
27 conviction occurred after August 22, 1996, if the individual is not



1 in violation of his or her probation or parole requirements.
2 Benefits shall be provided to those individuals, if the individual
3 is the grantee (head of household), as follows:

4 (a) Family independence program benefits must be paid in the
5 form of restricted payments when the grantee has been convicted,
6 for conduct occurring after August 22, 1996, of a felony for the
7 use, possession, or distribution of controlled substances. A
8 protective payee shall be used, if possible. If a protective payee
9 cannot be found, vendor payments for shelter shall be used to the
10 extent possible.

11 (b) An authorized representative shall be required for food
12 assistance receipt. If the individual with the conviction was not
13 the grantee, the food assistance shall go to the grantee.

14 (2) Subject to federal approval, an individual is not entitled
15 to the exemption in this section if the individual was convicted in
16 2 or more separate felony acts that included the possession, use,
17 or distribution of a controlled substance and both acts occurred
18 after August 22, 1996.

19 Sec. 620. (1) The department shall make a determination of
20 Medicaid eligibility not later than 90 days if disability is an
21 eligibility factor. For all other Medicaid applicants, including
22 patients of a nursing home, the department shall make a
23 determination of Medicaid eligibility within 45 days of
24 application.

25 (2) The department shall report on a quarterly basis to the
26 senate and house appropriations subcommittees on the department
27 budget, the senate and house standing committees on families and



1 human services, the senate and house fiscal agencies, the senate
2 and house policy offices, and the state budget office on the
3 average Medicaid eligibility standard of promptness for each of the
4 required standards of promptness under subsection (1) and for
5 medical review team reviews achieved statewide and at each local
6 office.

7 Sec. 645. An individual or family is considered homeless, for
8 purposes of eligibility for state emergency relief, if living
9 temporarily with others in order to escape domestic violence. For
10 purposes of this section, domestic violence is defined and verified
11 in the same manner as in the department's policies on good cause
12 for not cooperating with child support and paternity requirements.

13 Sec. 650. An individual who is an able-bodied adult without
14 dependents must be subject to the time-limited food assistance and
15 work requirement provisions of 7 CFR 273.24(a) to (d) regardless of
16 the individual's county of residence, redetermination date, or
17 federal waiver status effective October 1, 2018.

18 Sec. 653. From the funds appropriated in part 1 for food
19 assistance, an individual who is the victim of domestic violence
20 and does not qualify for any other exemption may be exempt from the
21 3-month in 36-month limit on receiving food assistance under 7 USC
22 2015. This exemption can be extended an additional 3 months upon
23 demonstration of continuing need.

24 Sec. 654. The department shall notify recipients of food
25 assistance program benefits that their benefits can be spent with
26 their bridge cards at many farmers' markets in the state. The
27 department shall also notify recipients about the Double Up Food



1 Bucks program that is administered by the Fair Food Network.
2 Recipients shall receive information about the Double Up Food Bucks
3 program, including information that when the recipient spends
4 \$20.00 at participating farmers' markets through the program, the
5 recipient can receive an additional \$20.00 to buy Michigan produce.

6 Sec. 655. Within 14 days after the spending plan for low-
7 income home energy assistance program is approved by the state
8 budget office, the department shall provide the spending plan,
9 including itemized projected expenditures, to the chairpersons of
10 the senate and house appropriations subcommittees on the department
11 budget, the senate and house fiscal agencies, the senate and house
12 policy offices, and the state budget office.

13 Sec. 660. From the funds appropriated in part 1 for Food Bank
14 Council of Michigan, the department is authorized to make
15 allocations of TANF funds only to the agencies that report
16 necessary data to the department for the purpose of meeting TANF
17 eligibility reporting requirements. The agencies that do not report
18 necessary data to the department for the purpose of meeting TANF
19 eligibility reporting requirements will not receive allocations in
20 excess of those received in fiscal year 2000. The use of TANF funds
21 under this section is not an ongoing commitment of funding.

22 Sec. 669. The department shall allocate \$6,270,000.00 for the
23 annual clothing allowance. The allowance shall be granted to all
24 eligible children in a family independence program group.

25 Sec. 672. (1) The department's office of inspector general
26 shall report to the senate and house of representatives
27 appropriations subcommittees on the department budget, the senate



1 and house fiscal agencies, and the senate and house policy offices
2 by February 15 of the current fiscal year on department efforts to
3 reduce inappropriate use of Michigan bridge cards. The department
4 shall provide information on the number of recipients of services
5 who used their electronic benefit transfer card inappropriately and
6 the current status of each case, the number of recipients whose
7 benefits were revoked, whether permanently or temporarily, as a
8 result of inappropriate use, and the number of retailers that were
9 fined or removed from the electronic benefit transfer program for
10 permitting inappropriate use of the cards. The report shall
11 distinguish between savings and cost avoidance. Savings include
12 receivables established from instances of fraud committed. Cost
13 avoidance includes expenditures avoided due to front-end
14 eligibility investigations and other preemptive actions undertaken
15 in the prevention of fraud.

16 (2) It shall be the policy of the department that the
17 department shall require an explanation from a recipient if a
18 bridge card is replaced more than 2 times over any 3-month period.

19 (3) As used in this section, "inappropriate use" means not
20 used to meet a family's ongoing basic needs, including food,
21 clothing, shelter, utilities, household goods, personal care items,
22 and general incidentals.

23 Sec. 677. (1) The department shall establish a state goal for
24 the percentage of family independence program cases involved in
25 employment activities. The percentage established shall not be less
26 than 50%. The goal for long-term employment shall be 15% of cases
27 for 6 months or more.



1 (2) On a quarterly basis, the department shall report to the
2 senate and house appropriations subcommittees on the department
3 budget, the senate and house fiscal agencies and policy offices,
4 and the state budget director on the number of cases referred to
5 Partnership. Accountability. Training. Hope. (PATH), the current
6 percentage of family independence program cases involved in PATH
7 employment activities, an estimate of the current percentage of
8 family independence program cases that meet federal work
9 participation requirements on the whole, and an estimate of the
10 current percentage of the family independence program cases that
11 meet federal work participation requirements for those cases
12 referred to PATH.

13 (3) The department shall submit to the senate and house
14 appropriations subcommittees on the department budget, the senate
15 and house fiscal agencies, the senate and house policy offices, and
16 the state budget office a quarterly report that includes all of the
17 following:

18 (a) The number and percentage of nonexempt family independence
19 program recipients who are employed.

20 (b) The average and range of wages of employed family
21 independence program recipients.

22 (c) The number and percentage of employed family independence
23 program recipients who remain employed for 6 months or more.

24 Sec. 686. (1) The department shall ensure that program policy
25 requires caseworkers to confirm that individuals presenting
26 personal identification issued by another state seeking assistance
27 through the family independence program, food assistance program,



1 state disability assistance program, or medical assistance program
2 are not receiving benefits from any other state.

3 (2) The department shall require caseworkers to confirm the
4 address provided by any individual seeking family independence
5 program benefits or state disability assistance benefits.

6 (3) The department shall prohibit individuals with property
7 assets assessed at a value higher than \$200,000.00 from accessing
8 assistance through department-administered programs, unless such a
9 prohibition would violate federal rules and guidelines.

10 (4) The department shall require caseworkers to obtain an up-
11 to-date telephone number during the eligibility determination or
12 redetermination process for individuals seeking medical assistance
13 benefits.

14 Sec. 687. (1) The department shall, on a quarterly basis by
15 February 1, May 1, August 1, and November 1, compile and make
16 available on its website all of the following information about the
17 family independence program, state disability assistance, the food
18 assistance program, Medicaid, and state emergency relief:

19 (a) The number of applications received.

20 (b) The number of applications approved.

21 (c) The number of applications denied.

22 (d) The number of applications pending and neither approved
23 nor denied.

24 (e) The number of cases opened.

25 (f) The number of cases closed.

26 (g) The number of cases at the beginning of the quarter and
27 the number of cases at the end of the quarter.



1 (2) The information provided under subsection (1) shall be
2 compiled and made available for the state as a whole and for each
3 county and reported separately for each program listed in
4 subsection (1).

5 (3) For cases that are closed in the family independence
6 program and the food assistance program for which the recipient
7 achieved employment, the department shall compile and make
8 available on its website the type of job category of the
9 employment. This information shall be reported on a semi-annual
10 basis by May 1 and November 1 for the state as a whole.

11 (4) The department shall, on a quarterly basis by February 1,
12 May 1, August 1, and November 1, compile and make available on its
13 website the family independence program information listed as
14 follows:

15 (a) The number of new applicants who successfully met the
16 requirements of the 21-day assessment period for PATH.

17 (b) The number of new applicants who did not meet the
18 requirements of the 21-day assessment period for PATH.

19 (c) The number of cases sanctioned because of the school
20 truancy policy.

21 (d) The number of cases closed because of the 48-month and 60-
22 month lifetime limits and whether the recipient gained employment.

23 (e) The number of first-, second-, and third-time sanctions.

24 (f) The number of children ages 0-5 living in FIP-sanctioned
25 households.

26 Sec. 688. From the funds appropriated in part 1 for the low-
27 income home energy assistance program, an additional \$20.01 payment



1 shall be made to food assistance program cases that are not
2 currently eligible for the standard utility allowance to enable
3 these cases to receive expanded food assistance benefits through
4 the program commonly known as the heat and eat program.

5 **CHILDREN'S SERVICES AGENCY - JUVENILE JUSTICE**

6 Sec. 701. Unless required from changes to federal or state law
7 or at the request of a provider, the department shall not alter the
8 terms of any signed contract with a private residential facility
9 serving children under state or court supervision without written
10 consent from a representative of the private residential facility.

11 Sec. 706. Counties shall be subject to 50% chargeback for the
12 use of alternative regional detention services, if those detention
13 services do not fall under the basic provision of section 117e of
14 the social welfare act, 1939 PA 280, MCL 400.117e, or if a county
15 operates those detention services programs primarily with
16 professional rather than volunteer staff.

17 Sec. 707. In order to be reimbursed for child care fund
18 expenditures, counties are required to submit department-developed
19 reports to enable the department to document potential federally
20 claimable expenditures. This requirement is in accordance with the
21 reporting requirements specified in section 117a(7) of the social
22 welfare act, 1939 PA 280, MCL 400.117a.

23 Sec. 708. (1) As a condition of receiving funds appropriated
24 in part 1 for the child care fund line item, by October 15 of the
25 current fiscal year, counties shall have an approved service
26 spending plan for the current fiscal year. Counties must submit the



1 service spending plan for the following fiscal year to the
2 department by August 15 of the current fiscal year for approval.
3 Upon submission of the county service spending plan, the department
4 shall approve within 30 calendar days after receipt of a properly
5 completed service plan that complies with the requirements of the
6 social welfare act, 1939 PA 280, MCL 400.1 to 400.119b. The
7 department shall notify and submit county service spending plan
8 revisions to any county whose county service spending plan is not
9 accepted upon initial submission. The department shall notify a
10 county within 30 days after approval that its service plan was
11 approved.

12 (2) Counties must submit amendments to current fiscal year
13 county service plans no later than August 30. Counties must submit
14 current fiscal year payable estimates to the department no later
15 than September 15.

16 (3) The department shall submit a report to the house and
17 senate appropriations subcommittees on the department budget, the
18 house and senate fiscal agencies, the house and senate policy
19 offices, and the state budget office by February 15 of the current
20 fiscal year on the number of counties that fail to submit a service
21 spending plan by August 15 and the number of service spending plans
22 not approved by October 15. The report shall include the number of
23 county service spending plans that were not approved as first
24 submitted by the counties, as well as the number of plans that were
25 not approved by the department after being resubmitted by the
26 county with the first revisions that were requested by the
27 department.



1 Sec. 709. The department's master contract for juvenile
2 justice residential foster care services shall prohibit contractors
3 from denying a referral for placement of a youth, or terminating a
4 youth's placement, if the youth's assessed treatment needs are in
5 alignment with the facility's residential program type, as
6 identified by the court or the department. In addition, the master
7 contract shall require that youth placed in juvenile justice
8 residential foster care facilities must have regularly scheduled
9 treatment sessions with a licensed psychologist or psychiatrist, or
10 both, and access to the licensed psychologist or psychiatrist as
11 needed.

12 **FIELD OPERATIONS AND SUPPORT SERVICES**

13 Sec. 801. (1) Funds appropriated in part 1 for independent
14 living shall be used to support the general operations of centers
15 for independent living in delivering mandated independent living
16 services in compliance with federal rules and regulations for the
17 centers, by existing centers for independent living to serve
18 underserved areas, and for projects to build the capacity of
19 centers for independent living to deliver independent living
20 services. Applications for the funds shall be reviewed in
21 accordance with criteria and procedures established by the
22 department. The funds appropriated in part 1 may be used to
23 leverage federal vocational rehabilitation innovation and expansion
24 funds consistent with 34 CFR 361.35 up to \$5,543,000.00, if
25 available. If the possibility of matching federal funds exists, the
26 centers for independent living network will negotiate a mutually



1 beneficial contractual arrangement with Michigan rehabilitation
2 services. Funds shall be used in a manner consistent with the state
3 plan for independent living. Services provided should assist people
4 with disabilities to move toward self-sufficiency, including
5 support for accessing transportation and health care, obtaining
6 employment, community living, nursing home transition, information
7 and referral services, education, youth transition services,
8 veterans, and stigma reduction activities and community education.
9 This includes the independent living guide project that
10 specifically focuses on economic self-sufficiency.

11 (2) The Michigan centers for independent living shall provide
12 a report by March 1 of the current fiscal year to the house and
13 senate appropriations subcommittees on the department budget, the
14 house and senate fiscal agencies, the house and senate policy
15 offices, and the state budget office on direct customer and system
16 outcomes and performance measures.

17 Sec. 802. The Michigan rehabilitation services shall work
18 collaboratively with the bureau of services for blind persons,
19 service organizations, and government entities to identify
20 qualified match dollars to maximize use of available federal
21 vocational rehabilitation funds.

22 Sec. 803. The department shall provide an annual report by
23 February 1 to the house and senate appropriations subcommittees on
24 the department budget, the house and senate fiscal agencies, the
25 house and senate policy offices, and the state budget office on
26 efforts taken to improve the Michigan rehabilitation services. The
27 report shall include all of the following items:



1 (a) Reductions and changes in administration costs and
2 staffing.

3 (b) Service delivery plans and implementation steps achieved.

4 (c) Reorganization plans and implementation steps achieved.

5 (d) Plans to integrate Michigan rehabilitative services
6 programs into other services provided by the department.

7 (e) Quarterly expenditures by major spending category.

8 (f) Employment and job retention rates from both Michigan
9 rehabilitation services and its nonprofit partners.

10 (g) Success rate of each district in achieving the program
11 goals.

12 Sec. 804. (1) From the funds appropriated in part 1 for
13 Michigan rehabilitation services, the department shall allocate
14 \$50,000.00 along with available federal match to support the
15 provision of vocational rehabilitation services to eligible
16 agricultural workers with disabilities. Authorized services shall
17 assist agricultural workers with disabilities in acquiring or
18 maintaining quality employment and independence.

19 (2) By March 1 of the current fiscal year, the department
20 shall report to the senate and house appropriations subcommittees
21 on the department budget, the senate and house fiscal agencies, the
22 senate and house policy offices, and the state budget office on the
23 total number of clients served and the total amount of federal
24 matching funds obtained throughout the duration of the program.

25 Sec. 806. From the funds appropriated in part 1 for Michigan
26 rehabilitation services, the department shall allocate
27 \$6,100,300.00, including federal matching funds, to service



1 authorizations with community-based rehabilitation organizations
2 for an array of needed services throughout the rehabilitation
3 process.

4 Sec. 807. From the funds appropriated in part 1 for Elder Law
5 of Michigan MiCAFE contract, the department shall allocate not less
6 than \$350,000.00 to the Elder Law of Michigan MiCAFE to assist this
7 state's elderly population in participating in the food assistance
8 program. Of the \$350,000.00 allocated under this section, the
9 department shall use \$175,000.00, which are general fund/general
10 purpose funds, as state matching funds for not less than
11 \$175,000.00 in United States Department of Agriculture funding to
12 provide outreach program activities, such as eligibility screening
13 and information services, as part of a statewide food assistance
14 hotline.

15 Sec. 808. 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 the nutrition education program. The
20 report shall include planned allocation and actual expenditures for
21 the supplemental nutrition assistance program education funding,
22 planned and actual grant amounts for the supplemental nutrition
23 assistance program education funding, the total amount of expected
24 carryforward balance at the end of the current fiscal year for the
25 supplemental nutrition assistance program education funding, a list
26 of all supplemental nutrition assistance program education funding
27 programs by implementing agency, and the stated purpose of each



1 program.

2 Sec. 809. The purpose of the pathways to potential program is
3 to reduce chronic absenteeism by 10%, decrease the number of
4 students who repeat grades, decrease the rate of dropouts, and
5 increase graduation for schools that are current participants in
6 the pathways to potential program. The funding priority for the
7 pathways to potential program shall be based on schools requiring
8 assistance in meeting these performance outcomes.

9 Sec. 825. From the funds appropriated in part 1, the
10 department shall provide individuals not more than \$500.00 for
11 vehicle repairs, including any repairs done in the previous 12
12 months. However, the department may in its discretion pay for
13 repairs up to \$900.00. Payments under this section shall include
14 the combined total of payments made by the department and work
15 participation program.

16 Sec. 850. (1) The department shall maintain out-stationed
17 eligibility specialists in community-based organizations, community
18 mental health agencies, nursing homes, adult placement and
19 independent living settings, federally qualified health centers,
20 and hospitals unless a community-based organization, community
21 mental health agency, nursing home, adult placement and independent
22 living setting, federally qualified health centers, or hospital
23 requests that the program be discontinued at its facility.

24 (2) From the funds appropriated in part 1 for donated funds
25 positions, the department shall enter into contracts with agencies
26 that are able and eligible under federal law to provide the
27 required matching funds for federal funding, as determined by



1 federal statute and regulations.

2 (3) A contract for an assistance payments donated funds
3 position must include, but not be limited to, the following
4 performance metrics:

5 (a) Meeting a standard of promptness for processing
6 applications for Medicaid and other public assistance programs
7 under state law.

8 (b) Meeting required standards for error rates in determining
9 programmatic eligibility as determined by the department.

10 (4) The department shall only fill additional donated funds
11 positions after a new contract has been signed. That position shall
12 also be abolished when the contract expires or is terminated.

13 (5) The department shall classify as limited-term FTEs any new
14 employees who are hired to fulfill the donated funds position
15 contracts or are hired to fill any vacancies from employees who
16 transferred to a donated funds position.

17 (6) By March 1 of the current fiscal year, the department
18 shall submit a report to the senate and house appropriations
19 subcommittees on the department budget, the senate and house fiscal
20 agencies and policy offices, and the state budget office detailing
21 information on the donated funds positions, including the total
22 number of occupied positions, the total private contribution of the
23 positions, and the total cost to the state for any nonsalary
24 expenditure for the donated funds position employees.

25 Sec. 851. A staffing enhancement for adult services field
26 staff was included in 2017 PA 107. The goal of the investment is to
27 reduce the number of older adults who are victims of crime and



1 fraud by increasing the standard of promptness in every county, as
2 measured by commencing an investigation within 24 hours,
3 establishing face-to-face contact with the client within 72 hours,
4 and completing the investigation within 30 days.

5 **BEHAVIORAL HEALTH SERVICES**

6 Sec. 901. Except for the pilot projects and demonstration
7 models described in section 298 of this part, the funds
8 appropriated in part 1 are intended to support a system of
9 comprehensive community mental health services under the full
10 authority and responsibility of local CMHSPs or PIHPs in accordance
11 with the mental health code, 1974 PA 258, MCL 330.1001 to 330.2106,
12 the Medicaid provider manual, federal Medicaid waivers, and all
13 other applicable federal and state laws.

14 Sec. 902. (1) Except for the pilot projects and demonstration
15 models described in section 298 of this part, from the funds
16 appropriated in part 1, final authorizations to CMHSPs or PIHPs
17 shall be made upon the execution of contracts between the
18 department and CMHSPs or PIHPs. The contracts shall contain an
19 approved plan and budget as well as policies and procedures
20 governing the obligations and responsibilities of both parties to
21 the contracts. Each contract with a CMHSP or PIHP that the
22 department is authorized to enter into under this subsection shall
23 include a provision that the contract is not valid unless the total
24 dollar obligation for all of the contracts between the department
25 and the CMHSPs or PIHPs entered into under this subsection for the
26 current fiscal year does not exceed the amount of money



1 appropriated in part 1 for the contracts authorized under this
2 subsection.

3 (2) The department shall immediately report to the senate and
4 house appropriations subcommittees on the department budget, the
5 senate and house fiscal agencies, and the state budget director if
6 either of the following occurs:

7 (a) Any new contracts the department has entered into with
8 CMHSPs or PIHPs that would affect rates or expenditures.

9 (b) Any amendments to contracts the department has entered
10 into with CMHSPs or PIHPs that would affect rates or expenditures.

11 (3) The report required by subsection (2) shall include
12 information about the changes and their effects on rates and
13 expenditures.

14 Sec. 904. (1) By May 31 of the current fiscal year, the
15 department shall provide a report on the CMHSPs, PIHPs, and
16 designated regional entities for substance use disorder prevention
17 and treatment to the members of the house and senate appropriations
18 subcommittees on the department budget, the house and senate fiscal
19 agencies, and the state budget director that includes the
20 information required by this section.

21 (2) The report shall contain information for each CMHSP, PIHP,
22 and designated regional entity for substance use disorder
23 prevention and treatment, and a statewide summary, each of which
24 shall include at least the following information:

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



1 (b) Per capita expenditures in total and by client population
2 group and cultural and ethnic groups of the services area,
3 including the deaf and hard of hearing population.

4 (c) Financial information that, minimally, includes a
5 description of funding authorized; expenditures by diagnosis group,
6 service category, and reimbursement eligibility; and cost
7 information by Medicaid, Healthy Michigan plan, state appropriated
8 non-Medicaid mental health services, local funding, and other fund
9 sources, including administration and funds specified for all
10 outside contracts for services and products. Financial information
11 must include the amount of funding, from each fund source, used to
12 cover clinical services and supports. Service category includes all
13 department-approved services.

14 (d) Data describing service outcomes that include, but are not
15 limited to, an evaluation of consumer satisfaction, consumer
16 choice, and quality of life concerns including, but not limited to,
17 housing and employment.

18 (e) Information about access to CMHSPs and designated regional
19 entities for substance use disorder prevention and treatment that
20 includes, but is not limited to, the following:

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

22 (ii) The number of people who requested services but did not
23 receive services.

24 (f) The number of second opinions requested under the mental
25 health code, 1974 PA 258, MCL 330.1001 to 330.2106, and the
26 determination of any appeals.

27 (g) Lapses and carryforwards during the previous fiscal year



1 for CMHSPs, PIHPs, and designated regional entities for substance
2 use disorder prevention and treatment.

3 (h) Performance indicator information required to be submitted
4 to the department in the contracts with CMHSPs, PIHPs, and
5 designated regional entities for substance use disorder prevention
6 and treatment.

7 (i) Administrative expenditures of each CMHSP, PIHP, and
8 designated regional entity for substance use disorder prevention
9 and treatment that include a breakout of the salary, benefits, and
10 pension of each executive-level staff and shall include the
11 director, chief executive, and chief operating officers and other
12 members identified as executive staff.

13 (3) The report shall contain the following information from
14 the previous fiscal year on substance use disorder prevention,
15 education, and treatment programs:

16 (a) Expenditures stratified by department-designated community
17 mental health entity, by central diagnosis and referral agency, by
18 fund source, by subcontractor, by population served, and by service
19 type.

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

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

26 (d) Collections from other first- or third-party payers,
27 private donations, or other state or local programs, by department-



1 designated community mental health entity, by subcontractor, by
2 population served, and by service type.

3 (4) The department shall include data reporting requirements
4 listed in subsections (2) and (3) in the annual contract with each
5 individual CMHSP, PIHP, and designated regional entity for
6 substance use disorder treatment and prevention.

7 (5) The department shall take all reasonable actions to ensure
8 that the data required are complete and consistent among all
9 CMHSPs, PIHPs, and designated regional entities for substance use
10 disorder prevention and treatment.

11 Sec. 905. (1) From the funds appropriated in part 1 for
12 behavioral health program administration, the department shall
13 maintain a psychiatric transitional unit and children's behavioral
14 action team. These services will augment the continuum of
15 behavioral health services for high-need youth and provide
16 additional continuity of care and transition into supportive
17 community-based services.

18 (2) Outcomes and performance measures for this initiative
19 include, but are not limited to, the following:

20 (a) The rate of rehospitalization for youth served through the
21 program at 30 and 180 days.

22 (b) Measured change in the Child and Adolescent Functional
23 Assessment Scale for children served through the program.

24 Sec. 906. (1) The funds appropriated in part 1 for the state
25 disability assistance substance use disorder services program shall
26 be used to support per diem room and board payments in substance
27 use disorder residential facilities. Eligibility of clients for the



1 state disability assistance substance use disorder services program
2 shall include needy persons 18 years of age or older, or
3 emancipated minors, who reside in a substance use disorder
4 treatment center.

5 (2) The department shall reimburse all licensed substance use
6 disorder programs eligible to participate in the program at a rate
7 equivalent to that paid by the department to adult foster care
8 providers. Programs accredited by department-approved accrediting
9 organizations shall be reimbursed at the personal care rate, while
10 all other eligible programs shall be reimbursed at the domiciliary
11 care rate.

12 Sec. 907. (1) The amount appropriated in part 1 for community
13 substance use disorder prevention, education, and treatment shall
14 be expended to coordinate care and services provided to individuals
15 with severe and persistent mental illness and substance use
16 disorder diagnoses.

17 (2) The department shall approve managing entity fee schedules
18 for providing substance use disorder services and charge
19 participants in accordance with their ability to pay.

20 (3) The managing entity shall continue current efforts to
21 collaborate on the delivery of services to those clients with
22 mental illness and substance use disorder diagnoses with the goal
23 of providing services in an administratively efficient manner.

24 Sec. 909. From the funds appropriated in part 1 for community
25 substance use disorder prevention, education, and treatment, the
26 department shall use available revenue from the marihuana
27 regulatory fund established in section 604 of the medical marihuana



1 facilities licensing act, 2016 PA 281, MCL 333.27604, to improve
2 physical health; expand access to substance use disorder prevention
3 and treatment services; and strengthen the existing prevention,
4 treatment, and recovery systems.

5 Sec. 910. The department shall ensure that substance use
6 disorder treatment is provided to applicants and recipients of
7 public assistance through the department who are required to obtain
8 substance use disorder treatment as a condition of eligibility for
9 public assistance.

10 Sec. 911. (1) The department shall ensure that each contract
11 with a CMHSP or PIHP requires the CMHSP or PIHP to implement
12 programs to encourage diversion of individuals with serious mental
13 illness, serious emotional disturbance, or developmental disability
14 from possible jail incarceration when appropriate.

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

25 Sec. 912. The department shall contract directly with the
26 Salvation Army Harbor Light program to provide non-Medicaid
27 substance use disorder services if the local coordinating agency or



1 the department confirms the Salvation Army Harbor Light program
2 meets the standard of care. The standard of care shall include, but
3 is not limited to, utilization of the medication assisted treatment
4 option.

5 Sec. 915. (1) By March 1 of the current fiscal year, the
6 department shall report the following information on the mental
7 health and wellness commission to the house and senate
8 appropriations subcommittees on the department budget, the house
9 and senate fiscal agencies, the house and senate policy offices,
10 and the state budget office:

11 (a) Previous fiscal year expenditures by actionable
12 recommendation of the mental health and wellness commission.

13 (b) Programs utilized during the previous fiscal year to
14 address each actionable recommendation of the mental health and
15 wellness commission.

16 (c) Outcomes and performance measures achieved during the
17 previous fiscal year by actionable recommendation of the mental
18 health and wellness commission.

19 (d) Current fiscal year funding by actionable recommendation
20 of the mental health and wellness commission.

21 (e) Current fiscal year funding by program utilized to address
22 each actionable recommendation of the mental health and wellness
23 commission.

24 (2) By April 1 of the current fiscal year, the department
25 shall report on funding within the executive budget proposal for
26 the fiscal year ending September 30, 2020, by actionable
27 recommendation of the mental health and wellness commission to the



1 same report recipients listed in subsection (1).

2 Sec. 918. On or before the twenty-fifth of each month, the
3 department shall report to the senate and house appropriations
4 subcommittees on the department budget, the senate and house fiscal
5 agencies, and the state budget director on the amount of funding
6 paid to PIHPs to support the Medicaid managed mental health care
7 program in the preceding month. The information shall include the
8 total paid to each PIHP, per capita rate paid for each eligibility
9 group for each PIHP, and number of cases in each eligibility group
10 for each PIHP, and year-to-date summary of eligibles and
11 expenditures for the Medicaid managed mental health care program.

12 Sec. 920. (1) As part of the Medicaid rate-setting process for
13 behavioral health services, the department shall work with PIHP
14 network providers and actuaries to include any state and federal
15 wage and compensation increases that directly impact staff who
16 provide Medicaid-funded community living supports, personal care
17 services, respite services, skill-building services, and other
18 similar supports and services as part of the Medicaid rate.

19 (2) It is the intent of the legislature that any increased
20 Medicaid rate related to state minimum wage increases shall also be
21 distributed to direct care employees.

22 Sec. 924. From the funds appropriated in part 1 for autism
23 services, autism services reimbursement rates shall not exceed 75%
24 of the rates paid by the TRICARE health care program of the United
25 States Department of Defense Military Health System for autism
26 services provided in this state.

27 Sec. 925. From the funds appropriated in part 1 for community



1 mental health non-Medicaid services, each CMHSP is allocated not
2 less than the amount allocated to that CMHSP during the previous
3 fiscal year.

4 Sec. 926. From the funds appropriated in part 1 for community
5 substance use disorder prevention, education, and treatment,
6 \$500,000.00 is allocated for a specialized substance use disorder
7 detoxification pilot project created at a hospital in a city with a
8 population between 95,000 and 97,000 within a county with a
9 population of at least 1,500,000. The hospital must have a wing
10 with at least 10 beds dedicated to stabilizing patients suffering
11 from addiction by providing a specialized trauma therapist as well
12 as a peer support specialist to assist with treatment and
13 counseling. The hospital shall collect data on the outcomes of the
14 pilot project throughout the duration of the pilot project and
15 shall provide a report on the pilot project's outcomes to the house
16 and senate appropriations subcommittees on the department budget,
17 the house and senate fiscal agencies, and the state budget office.

18 Sec. 928. (1) Each PIHP shall provide, from internal
19 resources, local funds to be used as a part of the state match
20 required under the Medicaid program in order to increase capitation
21 rates for PIHPs. These funds shall not include either state funds
22 received by a CMHSP for services provided to non-Medicaid
23 recipients or the state matching portion of the Medicaid capitation
24 payments made to a PIHP.

25 (2) It is the intent of the legislature that any funds that
26 lapse from the funds appropriated in part 1 for Medicaid mental
27 health services shall be redistributed to individual CMHSPs as a



1 reimbursement of local funds on a proportional basis to those
2 CMHSPs whose local funds were used as state Medicaid match. By
3 April 1 of the current fiscal year, the department shall report to
4 the senate and house appropriations subcommittees on the department
5 budget, the senate and house fiscal agencies, the senate and house
6 policy offices, and the state budget office on the lapse by PIHP
7 from the previous fiscal year and the projected lapse by PIHP in
8 the current fiscal year.

9 Sec. 935. A county required under the provisions of the mental
10 health code, 1974 PA 258, MCL 330.1001 to 330.2106, to provide
11 matching funds to a CMHSP for mental health services rendered to
12 residents in its jurisdiction shall pay the matching funds in equal
13 installments on not less than a quarterly basis throughout the
14 fiscal year, with the first payment being made by October 1 of the
15 current fiscal year.

16 Sec. 940. (1) According to section 236 of the mental health
17 code, 1974 PA 258, MCL 330.1236, the department shall do both of
18 the following:

19 (a) Review expenditures for each CMHSP to identify CMHSPs with
20 projected allocation surpluses and to identify CMHSPs with
21 projected allocation shortfalls. The department shall encourage the
22 board of a CMHSP with a projected allocation surplus to concur with
23 the department's recommendation to reallocate those funds to CMHSPs
24 with projected allocation shortfalls.

25 (b) Withdraw unspent funds that have been allocated to a CMHSP
26 if other reallocated funds were expended in a manner not provided
27 for in the approved contract, including expending funds on services



1 and programs provided to individuals residing outside of the
2 CMHSP's geographic region.

3 (2) A CMHSP that has its funding allocation transferred out or
4 withdrawn during the current fiscal year as described in subsection
5 (1) is not eligible for any additional funding reallocations during
6 the remainder of the current fiscal year, unless that CMHSP is
7 responding to a public health emergency as determined by the
8 department.

9 (3) CMHSPs shall report to the department on any proposed
10 reallocations described in this section at least 30 days before any
11 reallocations take effect.

12 (4) The department shall notify the chairs of the
13 appropriation subcommittees on the department budget when a request
14 is made and when the department grants approval for reallocation or
15 withdraw as described in subsection (1). By September 30 of the
16 current fiscal year, the department shall provide a report on the
17 amount of funding reallocated or withdrawn to the senate and house
18 appropriation subcommittees on the department budget, the senate
19 and house fiscal agencies, the senate and house policy offices, and
20 the state budget office.

21 Sec. 942. A CMHSP shall provide at least 30 days' notice
22 before reducing, terminating, or suspending services provided by a
23 CMHSP to CMHSP clients, with the exception of services authorized
24 by a physician that no longer meet established criteria for medical
25 necessity.

26 Sec. 950. From the funds appropriated in part 1 for court-
27 appointed guardian and conservator reimbursements, the department



1 shall allocate \$2,490,000.00 to reimburse counties for 50% of the
2 cost incurred by the county to reimburse court-appointed public
3 guardians and conservators for recipients who also receive CMHSP
4 services. The department shall only reimburse counties for 50% of
5 costs for reimbursements up to \$83.00 per month per court-appointed
6 public guardian and conservator.

7 Sec. 995. From the funds appropriated in part 1 for behavioral
8 health program administration, \$4,350,000.00 is intended to address
9 the recommendations of the mental health diversion council.

10 Sec. 997. The population data used in determining the
11 distribution of substance use disorder block grant funds shall be
12 from the most recent federal census.

13 Sec. 998. For distribution of state general funds to CMHSPs,
14 if the department decides to use census data, the department shall
15 use the most recent federal census data available.

16 Sec. 1003. The department shall notify the Community Mental
17 Health Association of Michigan when developing policies and
18 procedures that will impact PIHPs or CMHSPs.

19 Sec. 1004. The department shall provide the senate and house
20 appropriations subcommittee on the department budget, the senate
21 and house fiscal agencies, and the state budget office any rebased
22 formula changes to either Medicaid behavioral health services or
23 non-Medicaid mental health services 90 days before implementation.
24 The notification shall include a table showing the changes in
25 funding allocation by PIHP for Medicaid behavioral health services
26 or by CMHSP for non-Medicaid mental health services.

27 Sec. 1005. For the purposes of special projects involving



1 high-need children or adults, including the not guilty by reason of
2 insanity population, the department may contract directly with
3 providers of services to these identified populations.

4 Sec. 1008. PIHPs and CMHSPs shall do all of the following:

5 (a) Work to reduce administration costs by ensuring that PIHP
6 responsible functions are efficient in allowing optimal transition
7 of dollars to those direct services considered most effective in
8 assisting individuals served. Any consolidation of administrative
9 functions must be demonstrated by independent analysis, a reduction
10 in dollars spent on administration resulting in greater dollars
11 spent on direct services. Savings resulting from increased
12 efficiencies shall not be applied to PIHP net assets, internal
13 service fund increases, building costs, increases in the number of
14 PIHP personnel, or other areas not directly related to the delivery
15 of improved services.

16 (b) Take an active role in managing mental health care by
17 ensuring consistent and high-quality service delivery throughout
18 its network and promote a conflict-free care management
19 environment.

20 (c) Ensure that direct service rate variances are related to
21 the level of need or other quantifiable measures to ensure that the
22 most money possible reaches direct services.

23 (d) Whenever possible, promote fair and adequate direct care
24 reimbursement, including fair wages for direct service workers.

25 Sec. 1009. (1) Each PIHP shall report to the department by
26 February 1 of the current fiscal year the range of wages paid to
27 direct care workers, including information on the number of direct



1 care workers at each wage level.

2 (2) The department shall report the information required to be
3 reported according to subsection (1) to the senate and house
4 appropriations subcommittees on the department budget, the senate
5 and house fiscal agencies, the senate and house policy offices, and
6 the state budget office by March 1 of the current fiscal year.

7 Sec. 1010. From the funds appropriated in part 1 for
8 behavioral health program administration, up to \$2,000,000.00 shall
9 be allocated to address the implementation of court-ordered
10 assisted outpatient treatment as provided under chapter 4 of the
11 mental health code, 1974 PA 258, MCL 330.1400 to 330.1490.

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

13 Sec. 1051. The department shall continue a revenue recapture
14 project to generate additional revenues from third parties related
15 to cases that have been closed or are inactive. A portion of
16 revenues collected through project efforts may be used for
17 departmental costs and contractual fees associated with these
18 retroactive collections and to improve ongoing departmental
19 reimbursement management functions.

20 Sec. 1052. The purpose of gifts and bequests for patient
21 living and treatment environments is to use additional private
22 funds to provide specific enhancements for individuals residing at
23 state-operated facilities. Use of the gifts and bequests shall be
24 consistent with the stipulation of the donor. The expected
25 completion date for the use of gifts and bequests donations is
26 within 3 years unless otherwise stipulated by the donor.



1 Sec. 1055. (1) The department shall not implement any closures
2 or consolidations of state hospitals, centers, or agencies until
3 CMHSPs or PIHPs have programs and services in place for those
4 individuals currently in those facilities and a plan for service
5 provision for those individuals who would have been admitted to
6 those facilities.

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

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

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

23 Sec. 1056. The department may collect revenue for patient
24 reimbursement from first- and third-party payers, including
25 Medicaid and local county CMHSP payers, to cover the cost of
26 placement in state hospitals and centers. The department is
27 authorized to adjust financing sources for patient reimbursement



1 based on actual revenues earned. If the revenue collected exceeds
2 current year expenditures, the revenue may be carried forward with
3 approval of the state budget director. The revenue carried forward
4 shall be used as a first source of funds in the subsequent year.

5 Sec. 1058. Effective October 1 of the current fiscal year, the
6 department, in consultation with the department of technology,
7 management, and budget, may maintain a bid process to identify 1 or
8 more private contractors to provide food service and custodial
9 services for the administrative areas at any state hospital
10 identified by the department as capable of generating savings
11 through the outsourcing of such services.

12 Sec. 1059. The department shall identify specific outcomes and
13 performance measures for the center for forensic psychiatry,
14 including, but not limited to, the following:

15 (a) The average wait time for persons determined incompetent
16 to stand trial before admission to the center for forensic
17 psychiatry.

18 (b) The average wait time for persons determined incompetent
19 to stand trial before admission to other state-operated psychiatric
20 facilities.

21 (c) The number of persons waiting to receive services at the
22 center for forensic psychiatry.

23 (d) The number of persons waiting to receive services at other
24 state-operated hospitals and centers.

25 Sec. 1060. (1) The department shall continue to convene a
26 workgroup that meets at least quarterly in collaboration with the
27 chairs of the house and senate appropriations subcommittees on the



1 department budget or their designees, labor union representation,
2 civil service, and any other appropriate parties to recommend
3 solutions to address mandatory overtime, staff turnover, and staff
4 retention at the state psychiatric hospitals and centers,
5 including, but not limited to, permitting retired workers to return
6 and permitting hiring of part-time workers.

7 (2) By March 1 of the current fiscal year, the department
8 shall provide the workgroup's recommendations to the senate and
9 house appropriations subcommittees on the department budget, the
10 senate and house fiscal agencies, and the state budget office.

11 Sec. 1061. The funds appropriated in part 1 for Caro Regional
12 Mental Health Center shall only be utilized to support a
13 psychiatric hospital located at its current location. It is the
14 intent of the legislature that the Caro Regional Mental Health
15 Center shall remain open and operational at its current location on
16 an ongoing basis, and that any capital outlay funding shall be
17 utilized for planning and construction at the current location
18 instead of at a new location.

19 **HEALTH POLICY**

20 Sec. 1140. From the funds appropriated in part 1 for primary
21 care services, \$250,000.00 shall be allocated to free health
22 clinics operating in the state. The department shall distribute the
23 funds equally to each free health clinic. For the purpose of this
24 appropriation, "free health clinics" means nonprofit organizations
25 that use volunteer health professionals to provide care to
26 uninsured individuals.



1 Sec. 1142. The department shall continue to seek means to
2 increase retention of Michigan medical school students for
3 completion of their primary care residency requirements within this
4 state and ultimately, for some period of time, to remain in this
5 state and serve as primary care physicians. The department is
6 encouraged to work with Michigan institutions of higher education.

7 Sec. 1144. (1) From the funds appropriated in part 1 for
8 health policy administration, the department shall allocate the
9 federal state innovation model grant funding that supports
10 implementation of the health delivery system innovations detailed
11 in this state's "Reinventing Michigan's Health Care System:
12 Blueprint for Health Innovation" document. This initiative will
13 test new payment methodologies, support improved population health
14 outcomes, and support improved infrastructure for technology and
15 data sharing and reporting. The funds will be used to provide
16 financial support directly to regions participating in the model
17 test and to support statewide stakeholder guidance and technical
18 support.

19 (2) Outcomes and performance measures for the initiative under
20 subsection (1) include, but are not limited to, the following:

21 (a) Increasing the number of physician practices fulfilling
22 patient-centered medical home functions.

23 (b) Reducing inappropriate health utilization, specifically
24 reducing preventable emergency department visits, reducing the
25 proportion of hospitalizations for ambulatory sensitive conditions,
26 and reducing this state's 30-day hospital readmission rate.

27 (3) By March 1 and September 1 of the current fiscal year, the



1 department shall submit a written report to the house and senate
2 appropriations subcommittees on the department budget, the house
3 and senate fiscal agencies, and the state budget office on the
4 status of the program and progress made since the prior report.

5 (4) From the funds appropriated in part 1 for health policy
6 administration, any data aggregator created as part of the
7 allocation of the federal state innovation model grant funds must
8 meet the following standards:

9 (a) The primary purpose of the data aggregator must be to
10 increase the quality of health care delivered in this state, while
11 reducing costs.

12 (b) The data aggregator must be governed by a nonprofit
13 entity.

14 (c) All decisions regarding the establishment, administration,
15 and modification of the database must be made by an advisory board.
16 The membership of the advisory board must include the director of
17 the department or a designee of the director and representatives of
18 health carriers, consumers, and purchasers.

19 (d) The Michigan Data Collaborative shall be the data
20 aggregator to receive health care claims information from, without
21 limitation, commercial health carriers, nonprofit health care
22 corporations, health maintenance organizations, and third party
23 administrators that process claims under a service contract.

24 (e) The data aggregator must use existing data sources and
25 technological infrastructure, to the extent possible.

26 Sec. 1145. The department will take steps necessary to work
27 with Indian Health Service, tribal health program facilities, or



1 Urban Indian Health Program facilities that provide services under
2 a contract with a Medicaid managed care entity to ensure that those
3 facilities receive the maximum amount allowable under federal law
4 for Medicaid services.

5 Sec. 1147. (1) From the funds appropriated in part 1 for
6 primary care services, \$1,000,000.00 shall be appropriated for the
7 second year of a 6-year early primary care incentive program to
8 facilitate the placement of physicians in medically underserved
9 areas of this state. The early primary care incentive program
10 format includes all of the following:

11 (a) Recruitment of interested physicians before completion of
12 first year of residency.

13 (b) To participate in the pilot program, a physician must do
14 all of the following:

15 (i) Complete at least 1 year of postgraduate education.

16 (ii) Complete and pass all 3 parts of a national licensing
17 board examination.

18 (iii) Obtain an unrestricted license to engage in the practice
19 of osteopathic medicine and surgery or an unrestricted license to
20 engage in the practice of medicine in this state.

21 (c) A participating physician shall enter into a contract to
22 work with an employer for no less than 2 years in a federally
23 underserved rural or urban area in this state, beginning the year
24 following completion of at least 1 year of postgraduate education.

25 (d) The employer shall employ the physician at a competitive
26 salary. A contractual employer may include, but is not limited to,
27 a private practice physician or physician group, a hospital or



1 hospital system, a community clinic, or a federally qualified
2 health center.

3 (e) Assistance with repayment of medical education loans of
4 the participating physician shall be provided through local, state,
5 federal, or other sources during the employment period, with a
6 target assistance amount of \$50,000.00 over 2 years.

7 (f) Upon completion of the 2-year employment period,
8 participating physicians may reenter and complete a postgraduate
9 residency program.

10 (2) The department shall seek philanthropic support for the
11 early primary care incentive program to achieve increased
12 participation and may use state funds to match philanthropic
13 contributions.

14 (3) The department shall contract with the Michigan Health
15 Council for the purpose of administering the early primary care
16 incentive program. Funds shall be disbursed by the department to
17 the Michigan Health Council by December 1 of the current fiscal
18 year for this purpose.

19 (4) Use of funds for administration of the early primary care
20 incentive program is limited to no more than \$150,000.00.

21 (5) The department shall prepare a report on the status of the
22 early primary care incentive program that shall include, but is not
23 limited to, the number of physicians placed, location of placement,
24 type of employer, average student loan burden of the participating
25 physicians, and average loan relief provided under the program. By
26 April 1 of the current fiscal year, the department shall provide
27 the report described in this subsection to the house and senate



1 appropriations subcommittees on the department budget, the house
2 and senate fiscal agencies and policy offices, and the state budget
3 office.

4 (6) Unexpended and unencumbered funds up to a maximum of
5 \$1,000,000.00 general fund/general purpose revenue in part 1 for
6 primary care services are designated as work project
7 appropriations, and any unencumbered or unallotted funds shall not
8 lapse at the end of the fiscal year and shall be available for
9 expenditures for the early primary care incentive program under
10 this section until the project has been completed. All of the
11 following are in compliance with section 451a of the management and
12 budget act, 1984 PA 431, MCL 18.1451a:

13 (a) The purpose of the work project is to fund the cost of an
14 early primary care incentive program as provided by this section.

15 (b) The work project will be accomplished by administering the
16 partnering of participating physicians with qualifying employers
17 and coordinating the negotiation of medical school loan repayment
18 assistance for the participating physician.

19 (c) The total estimated cost of the work project is
20 \$1,000,000.00 of general fund/general purpose revenue.

21 (d) The tentative completion date of the work project is
22 September 30, 2023.

23 Sec. 1150. The department shall coordinate with the department
24 of licensing and regulatory affairs, the department of the attorney
25 general, all appropriate law enforcement agencies, and the Medicaid
26 health plans to reduce fraud related to opioid prescribing within
27 Medicaid, and to address other appropriate recommendations of the



1 prescription drug and opioid abuse task force outlined in its
2 report of October 2015. By October 1 of the current fiscal year,
3 the department shall submit a report to the senate and house
4 appropriations subcommittees on the department budget, the senate
5 and house fiscal agencies, the senate and house policy offices, and
6 the state budget office on steps the department has taken to
7 coordinate with the entities listed in this section and other
8 stakeholders to reduce fraud related to opioid prescribing, and to
9 address other appropriate recommendations of the task force.

10 Sec. 1151. The department shall coordinate with the department
11 of licensing and regulatory affairs, the department of the attorney
12 general, all appropriate law enforcement agencies, and the Medicaid
13 health plans to work with local substance use disorder agencies and
14 addiction treatment providers to help inform Medicaid beneficiaries
15 of all medically appropriate treatment options for opioid addiction
16 when their treating physician stops prescribing prescription opioid
17 medication for pain, and to address other appropriate
18 recommendations of the prescription drug and opioid abuse task
19 force outlined in its report of October 2015. By October 1 of the
20 current fiscal year, the department shall submit a report to the
21 senate and house appropriations subcommittees on the department
22 budget, the senate and house fiscal agencies, the senate and house
23 policy offices, and the state budget office on how the department
24 is working with local substance use disorder agencies and addiction
25 treatment providers to ensure that Medicaid beneficiaries are
26 informed of all available and medically appropriate treatment
27 options for opioid addiction when their treating physician stops



1 prescribing prescription opioid medication for pain, and to address
2 other appropriate recommendations of the task force. The report
3 shall include any potential barriers to medication-assisted
4 treatment, as recommended by the Michigan medication-assisted
5 treatment guidelines, for Medicaid beneficiaries in both office-
6 based opioid treatment and opioid treatment program facility
7 settings.

8 **LABORATORY SERVICES**

9 Sec. 1170. From the funds appropriated in part 1 for
10 laboratory services, the department shall allocate \$1,000,000.00
11 for enhanced laboratory testing of opioids in cases of drug
12 overdose deaths in order to accurately identify all prescription
13 and nonprescription substances that may have impacted a drug
14 poisoning death. The following provisions apply:

15 (a) The funds shall be used to support state laboratory and
16 county medical examiner costs for collection of biological
17 specimens for all cases of suspected or confirmed overdose death,
18 toxicology screening of specimens for opioids including fentanyl
19 analogues, shipment of specimens as needed, and information systems
20 for reporting of results to the department when a toxicology
21 screening is positive for opioids including fentanyl analogues.

22 (b) The department shall establish standards to specify type
23 of toxicology screening and proper utilization measures that are
24 consistent with standards set by the Centers for Disease Control
25 and Prevention, the College of American Pathologists, and other
26 accrediting organizations.



1 **DISEASE CONTROL, PREVENTION, AND EPIDEMIOLOGY**

2 Sec. 1180. From the funds appropriated in part 1 for
3 epidemiology administration and for childhood lead program, the
4 department shall maintain a public health drinking water unit and
5 maintain enhanced efforts to monitor child blood lead levels. The
6 public health drinking water unit shall ensure that appropriate
7 investigations of potential health hazards occur for all community
8 and noncommunity drinking water supplies where chemical exceedances
9 of action levels, health advisory levels, or maximum contaminant
10 limits are identified. The goals of the childhood lead program
11 shall include improving the identification of affected children,
12 the timeliness of case follow-up, and attainment of nurse case
13 management for children with lead exposure, and to achieve a long-
14 term reduction in the percentage of children in this state with
15 elevated blood lead levels.

16 Sec. 1181. From the funds appropriated in part 1 for
17 epidemiology administration, the department shall maintain a vapor
18 intrusion response unit. The vapor intrusion response unit shall
19 assess risks to public health at vapor intrusion sites and respond
20 to vapor intrusion risks where appropriate. The goals of the vapor
21 intrusion response unit shall include reducing the number of
22 residents of this state exposed to toxic substances through vapor
23 intrusion and improving health outcomes for individuals that are
24 identified as having been exposed to vapor intrusion.

25 Sec. 1182. (1) From the funds appropriated in part 1 for the
26 healthy homes program, no less than \$1,750,000.00 of general
27 fund/general purpose funds and \$23,480,000.00 of federal funds



1 shall be allocated for lead abatement of homes.

2 (2) By January 1 of the current fiscal year, the department
3 shall provide a report to the house and senate appropriations
4 subcommittees on the department budget, the house and senate fiscal
5 agencies, and the state budget office on the expenditures and
6 activities undertaken by the lead abatement program in the previous
7 fiscal year from the funds appropriated in part 1 for the healthy
8 homes program. The report shall include, but is not limited to, a
9 funding allocation schedule, expenditures by category of
10 expenditure and by subcontractor, revenues received, description of
11 program elements, and description of program accomplishments and
12 progress.

13 **LOCAL HEALTH AND ADMINISTRATIVE SERVICES**

14 Sec. 1220. The amount appropriated in part 1 for
15 implementation of the 1993 additions of or amendments to sections
16 9161, 16221, 16226, 17014, 17015, and 17515 of the public health
17 code, 1978 PA 368, MCL 333.9161, 333.16221, 333.16226, 333.17014,
18 333.17015, and 333.17515, shall be used to reimburse local health
19 departments for costs incurred related to implementation of section
20 17015(18) of the public health code, 1978 PA 368, MCL 333.17015.

21 Sec. 1221. If a county that has participated in a district
22 health department or an associated arrangement with other local
23 health departments takes action to cease to participate in such an
24 arrangement after October 1 of the current fiscal year, the
25 department shall have the authority to assess a penalty from the
26 local health department's operational accounts in an amount equal



1 to no more than 6.25% of the local health department's essential
2 local public health services funding. This penalty shall only be
3 assessed to the local county that requests the dissolution of the
4 health department.

5 Sec. 1222. (1) Funds appropriated in part 1 for essential
6 local public health services shall be prospectively allocated to
7 local health departments to support immunizations, infectious
8 disease control, sexually transmitted disease control and
9 prevention, hearing screening, vision services, food protection,
10 public water supply, private groundwater supply, and on-site sewage
11 management. Food protection shall be provided in consultation with
12 the department of agriculture and rural development. Public water
13 supply, private groundwater supply, and on-site sewage management
14 shall be provided in consultation with the department of
15 environmental quality.

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

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

22 (4) By December 1 of the current fiscal year, the department
23 shall provide a report to the house and senate appropriations
24 subcommittees on the department budget, the house and senate fiscal
25 agencies, and the state budget director on the planned allocation
26 of the funds appropriated for essential local public health
27 services.



1 Sec. 1223. (1) From the funds appropriated in part 1 for
2 dental programs, \$150,000.00 shall be allocated to the Michigan
3 Dental Association for the administration of a volunteer dental
4 program that provides dental services to the uninsured.

5 (2) By December 1 of the current fiscal year, the department
6 shall report to the senate and house appropriations subcommittees
7 on the department budget, the senate and house standing committees
8 on health policy, the senate and house fiscal agencies, and the
9 state budget office the number of individual patients treated,
10 number of procedures performed, and approximate total market value
11 of those procedures from the previous fiscal year.

12 Sec. 1224. The department shall use revenue from mobile
13 dentistry facility permit fees received under section 21605 of the
14 public health code, 1978 PA 368, MCL 333.21605, to offset the cost
15 of the permit program.

16 Sec. 1225. The department shall work with the Michigan health
17 endowment fund corporation established under section 653 of the
18 nonprofit health care corporation reform act, 1980 PA 350, MCL
19 550.1653, to explore ways to fund and evaluate current and future
20 policies and programs. It is the intent of the legislature that, by
21 March 1 of the current fiscal year, the senate and house
22 appropriations subcommittees on the department budget shall hold a
23 joint hearing for the purpose of a presentation by the Michigan
24 health endowment fund corporation and the department, detailing the
25 steps taken to work together, and to report on initiatives
26 supported by the Michigan health endowment fund.

27 Sec. 1226. From the funds appropriated in part 1 for health



1 and wellness initiatives, \$1,000,000.00 shall be allocated for a
2 school children's healthy exercise program to promote and advance
3 physical health for school children in kindergarten through grade
4 8. The department shall recommend model programs for sites to
5 implement that incorporate evidence-based best practices. The
6 department shall grant no less than 1/2 of the funds appropriated
7 in part 1 for before- and after-school programs. The department
8 shall establish guidelines for program sites, which may include
9 schools, community-based organizations, private facilities,
10 recreation centers, or other similar sites. The program format
11 shall encourage local determination of site activities and shall
12 encourage local inclusion of youth in the decision-making regarding
13 site activities. Program goals shall include children experiencing
14 improved physical health and access to physical activity
15 opportunities, the reduction of obesity, providing a safe place to
16 play and exercise, and nutrition education. To be eligible to
17 participate, program sites shall provide a 20% match to the state
18 funding, which may be provided in full, or in part, by a
19 corporation, foundation, or private partner. The department shall
20 seek financial support from corporate, foundation, or other private
21 partners for the program or for individual program sites.

22 Sec. 1227. The department shall establish criteria for all
23 funds allocated under part 1 for health and wellness initiatives.
24 The criteria must include a requirement that all programs funded be
25 evidence-based and supported by research, include interventions
26 that have been shown to demonstrate outcomes that lower cost and
27 improve quality, and be designed for statewide impact. Preference



1 must be given to programs that utilize the funding as match for
2 additional resources including, but not limited to, federal
3 sources.

4 Sec. 1230. By October 1 of the current fiscal year, the
5 department shall provide a report to the house and senate
6 appropriations subcommittees on the department budget, the house
7 and senate fiscal agencies, and the state budget office on
8 estimated costs and timeline to implement a school-based pilot
9 program for children up to grade 7 that may include, but is not
10 limited to, oral health assessments, primary dental services, and
11 referrals. The school-based pilot program shall track the number of
12 children offered and receiving services at the school sites.
13 Program goals shall include improving oral and physical health
14 outcomes for children, improving rates of children receiving dental
15 sealants, and reduction of rates of childhood tooth decay.

16 Sec. 1231. From the funds appropriated for local health
17 services, up to \$4,750,000.00 shall be allocated for grants to
18 local public health departments to support PFAS response and
19 emerging public health threat activities. A portion of the funding
20 shall be allocated by the department in a collaborative fashion
21 with local public health departments in jurisdictions experiencing
22 PFAS contamination. The remainder of the funding shall be allocated
23 to address infectious and vector-borne disease threats, and other
24 environmental contamination issues such as vapor intrusion,
25 drinking water contamination, and lead exposure. The funding shall
26 be allocated to address issues including, but not limited to,
27 staffing, planning and response, and creation and dissemination of



1 materials related to PFAS contamination issues and other emerging
2 public health issues and threats.

3 Sec. 1232. It is the intent of the legislature that the United
4 States Department of Defense shall reimburse the state for costs
5 associated with PFAS and environmental contamination response at
6 military training sites and support facilities.

7 Sec. 1233. General fund and state restricted fund
8 appropriations in part 1 shall not be expended for PFAS and
9 environmental contamination response where federal funding or
10 private grant funding is available for the same expenditures.

11 **FAMILY, MATERNAL, AND CHILD HEALTH**

12 Sec. 1301. (1) Before April 1 of the current fiscal year, the
13 department shall submit a report to the house and senate fiscal
14 agencies and the state budget director on planned allocations from
15 the amounts appropriated in part 1 for local MCH services, prenatal
16 care outreach and service delivery support, family planning local
17 agreements, and pregnancy prevention programs. Using applicable
18 federal definitions, the report shall include information on all of
19 the following:

20 (a) Funding allocations.

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

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

26 (2) The department shall ensure that the distribution of funds



1 through the programs described in subsection (1) takes into account
2 the needs of rural communities.

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

7 Sec. 1302. Each family planning program receiving federal
8 title X family planning funds under 42 USC 300 to 300a-8 shall be
9 in compliance with all performance and quality assurance indicators
10 that the office of population affairs within the United States
11 Department of Health and Human Services specifies in the program
12 guidelines for project grants for family planning services. An
13 agency not in compliance with the indicators shall not receive
14 supplemental or reallocated funds.

15 Sec. 1303. The department shall not contract with an
16 organization that provides elective abortions, abortion counseling,
17 or abortion referrals, for services that are to be funded with
18 state restricted or state general fund/general purpose funds
19 appropriated in part 1 for family planning local agreements. An
20 organization under contract with the department shall not
21 subcontract with an organization that provides elective abortions,
22 abortion counseling, or abortion referrals, for services that are
23 to be funded with state restricted or state general fund/general
24 purpose funds appropriated in part 1 for family planning local
25 agreements.

26 Sec. 1304. The department shall not use state restricted funds
27 or state general funds appropriated in part 1 in the pregnancy



1 prevention program or family planning local agreements
2 appropriation line items for abortion counseling, referrals, or
3 services.

4 Sec. 1307. From the funds appropriated in part 1 for prenatal
5 care outreach and service delivery support, \$650,000.00 of TANF
6 revenue shall be allocated for a pregnancy and parenting support
7 services program, which program must promote childbirth,
8 alternatives to abortion, and grief counseling. The department
9 shall establish a program with a qualified contractor that will
10 contract with qualified service providers to provide free
11 counseling, support, and referral services to eligible women during
12 pregnancy through 12 months after birth. As appropriate, the goals
13 for client outcomes shall include an increase in client support, an
14 increase in childbirth choice, an increase in adoption knowledge,
15 an improvement in parenting skills, and improved reproductive
16 health through abstinence education. The contractor of the program
17 shall provide for program training, client educational material,
18 program marketing, and annual service provider site monitoring. The
19 department shall submit a report to the house and senate
20 appropriations subcommittees on the department budget and the house
21 and senate fiscal agencies by April 1 of the current fiscal year on
22 the number of clients served.

23 Sec. 1308. From the funds appropriated in part 1 for prenatal
24 care outreach and service delivery support, not less than
25 \$500,000.00 of funding shall be allocated for evidence-based
26 programs to reduce infant mortality including nurse family
27 partnership programs. The funds shall be used for enhanced support



1 and education to nursing teams or other teams of qualified health
2 professionals, client recruitment in areas designated as
3 underserved for obstetrical and gynecological services and other
4 high-need communities, strategic planning to expand and sustain
5 programs, and marketing and communications of programs to raise
6 awareness, engage stakeholders, and recruit nurses.

7 Sec. 1309. The department shall allocate funds appropriated in
8 section 117 of part 1 for family, maternal, and child health
9 according to section 1 of 2002 PA 360, MCL 333.1091.

10 Sec. 1310. The department shall continue to work jointly with
11 the Michigan state housing development authority and the joint task
12 force established under article IV of 2014 PA 252 to review housing
13 rehabilitation, energy and weatherization, and hazard abatement
14 program policies and to make recommendations for integrating and
15 coordinating project delivery with the goals of serving more
16 families and achieving better outcomes by maximizing state and
17 federal resources. The joint task force may provide recommendations
18 to the department. Recommendations of the joint task force must
19 give consideration to best practices and cost effectiveness.

20 Sec. 1311. From the funds appropriated in part 1 for prenatal
21 care outreach and service delivery support, equal consideration
22 shall be given to all eligible evidence-based providers in all
23 regions in contracting for rural home visitation services.

24 Sec. 1313. (1) The department shall continue developing an
25 outreach program on fetal alcohol syndrome services, targeting
26 health promotion, prevention, and intervention as described in the
27 Michigan fetal alcohol spectrum disorders 5-year plan 2015-2020.



1 (2) The department shall explore federal grant funding to
2 address prevention services for fetal alcohol syndrome and reduce
3 alcohol consumption among pregnant women.

4 Sec. 1314. The department shall seek to enhance education and
5 outreach efforts that encourage women of childbearing age to seek
6 confirmation at the earliest indication of possible pregnancy and
7 initiate continuous and routine prenatal care upon confirmation of
8 pregnancy. The department shall seek to ensure that department
9 programs, policies, and practices promote prenatal and obstetrical
10 care by doing the following:

11 (a) Supporting access to care.

12 (b) Reducing and eliminating barriers to care.

13 (c) Supporting recommendations for best practices.

14 (d) Encouraging optimal prenatal habits such as prenatal
15 medical visits, use of prenatal vitamins, and cessation of use of
16 tobacco, alcohol, or drugs.

17 (e) Tracking of birth outcomes to study improvements in
18 prevalence of fetal drug addiction, fetal alcohol syndrome, and
19 other preventable neonatal disease.

20 (f) Tracking of maternal increase in healthy behaviors
21 following childbirth.

22 Sec. 1340. The department shall include national brand peanut
23 butter on the list of approved women, infants, and children special
24 supplemental nutrition program basket items.

25 Sec. 1341. The department and county offices shall utilize
26 income eligibility and verification guidelines established by the
27 Food and Nutrition Service agency of the United States Department



1 of Agriculture in determining eligibility of individuals for the
2 special supplemental nutrition program for women, infants, and
3 children (WIC) as stated in WIC policy memorandum 2013-3.

4 **CHILDREN'S SPECIAL HEALTH CARE SERVICES**

5 Sec. 1360. The department may do 1 or more of the following:

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

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

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

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

14 Sec. 1361. From the funds appropriated in part 1 for medical
15 care and treatment, the department is authorized to spend those
16 funds for the continued development and expansion of telemedicine
17 capacity to allow families with children in the children's special
18 health care services program to access specialty providers more
19 readily and in a more timely manner.

20 **AGING AND ADULT SERVICES AGENCY**

21 Sec. 1402. The department may encourage the Food Bank Council
22 of Michigan to collaborate directly with each area agency on aging
23 and any other organizations that provide senior nutrition services
24 to secure the food access of vulnerable seniors.

25 Sec. 1403. (1) By February 1 of the current fiscal year, the



1 aging and adult services agency shall require each region to report
2 to the aging and adult services agency and to the legislature home-
3 delivered meals waiting lists based upon standard criteria.

4 Determining criteria shall include all of the following:

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

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

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

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

11 (2) Data required in subsection (1) shall be recorded only for
12 individuals who have applied for participation in the home-
13 delivered meals program and who are initially determined as likely
14 to be eligible for home-delivered meals.

15 Sec. 1417. The department shall provide to the senate and
16 house appropriations subcommittees on the department budget, senate
17 and house fiscal agencies, and state budget director a report by
18 March 30 of the current fiscal year that contains all of the
19 following:

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

22 (b) Detail expenditure by each area agency on aging by
23 individual program and administration including both state-funded
24 resources and locally funded resources.

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



1 Sec. 1422. (1) From the funds appropriated in part 1 for aging
2 and adult services administration, not less than \$300,000.00 shall
3 be allocated for the department to contract with the Prosecuting
4 Attorneys Association of Michigan to provide the support and
5 services necessary to increase the capability of the state's
6 prosecutors, adult protective service system, and criminal justice
7 system to effectively identify, investigate, and prosecute elder
8 abuse and financial exploitation.

9 (2) By March 1 of the current fiscal year, the Prosecuting
10 Attorneys Association of Michigan shall provide a report on the
11 efficacy of the contract to the state budget office, the house and
12 senate appropriations subcommittees on the department budget, the
13 house and senate fiscal agencies, and the house and senate policy
14 offices.

15 Sec. 1425. The department shall coordinate with the department
16 of licensing and regulatory affairs to ensure that, upon receipt of
17 the order of suspension of a licensed adult foster care home, home
18 for the aged, or nursing home, the department of licensing and
19 regulatory affairs shall provide notice to the department, to the
20 house and senate appropriations subcommittees on the department
21 budget, and to the members of the house and senate that represent
22 the legislative districts of the county in which the facility lies.

23 **MEDICAL SERVICES ADMINISTRATION**

24 Sec. 1501. The unexpended funds appropriated in part 1 for the
25 electronic health records incentive program are designated as a
26 work project appropriation, and any unencumbered or unallotted



1 funds shall not lapse at the end of the fiscal year and shall be
2 available for expenditures for projects under this section until
3 the projects have been completed. The following is in compliance
4 with section 451a of the management and budget act, 1984 PA 431,
5 MCL 18.1451a:

6 (a) The purpose of the project is to implement the Medicaid
7 electronic health record program that provides financial incentive
8 payments to Medicaid health care providers to encourage the
9 adoption and meaningful use of electronic health records to improve
10 quality, increase efficiency, and promote safety.

11 (b) The projects will be accomplished by utilizing state
12 employees or contracts with service providers, or both, and
13 according to the approved federal advanced planning document.

14 (c) The total estimated cost of the project is \$96,087,400.00.

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

16 Sec. 1503. From the funds appropriated in part 1 for Healthy
17 Michigan plan administration, the department shall maintain an
18 accounting structure within the statewide integrated governmental
19 management applications that will allow expenditures associated
20 with the administration of the Healthy Michigan plan to be
21 identified.

22 Sec. 1505. By March 1 and September 1 of the current fiscal
23 year, the department shall submit a report to the senate and house
24 appropriations subcommittees on the department budget, the senate
25 and house fiscal agencies, and the state budget office including
26 both of the following:

27 (a) The department's projected annual increase in



1 reimbursement savings and cost offsets that will result from the
2 funds appropriated in part 1 for the office of inspector general
3 and third party liability efforts.

4 (b) The actual increase in reimbursement savings and cost
5 offsets that have resulted from the funds appropriated in part 1
6 for the office of inspector general and third party liability
7 efforts.

8 Sec. 1506. The department shall submit to the senate and house
9 appropriations subcommittees on the department budget, the senate
10 and house fiscal agencies, the senate and house policy offices, and
11 the state budget office a quarterly report on the implementation
12 status of the public assistance call center that includes all of
13 the following information:

14 (a) Call volume during the prior quarter.

15 (b) Percentage of calls resolved through the public assistance
16 call center.

17 (c) Percentage of calls transferred to a local department
18 office or other office for resolution.

19 Sec. 1507. (1) From the funds appropriated for integrated
20 service delivery in part 1 in the technology supporting integrated
21 service and departmental administration and management line items,
22 the department shall maintain new information technology tools and
23 enhance existing systems to improve the eligibility and enrollment
24 process for citizens accessing department administered programs.
25 This information technology system will consolidate beneficiary
26 information, support department caseworker efforts in building a
27 success plan for beneficiaries, and better support department staff



1 in supporting enrollees in assistance programs.

2 (2) Outcomes and performance measures for the initiative under
3 subsection (1) include, but are not limited to, the following:

4 (a) Successful consolidation of data warehouses maintained by
5 the department.

6 (b) The amount of time a department caseworker devotes to data
7 entry when initiating an enrollee application.

8 (c) A reduction in wait times for persons enrolled in
9 assistance programs to speak with department staff and get
10 necessary changes made.

11 (d) A reduction in department caseworker workload.

12 Sec. 1509. (1) The department shall contract for an
13 independent feasibility study and actuarial model of public,
14 private, and public-private hybrid options to help individuals
15 prepare for, access, and afford long-term services and supports.
16 The department shall match 100% of any private funds, up to
17 \$200,000.00, with state general fund/general purpose revenues. The
18 study must include models for all of the following:

19 (a) An affordable annual long-term care benefit available to
20 all individuals who meet the minimum eligibility of needing
21 assistance with 2 activities of daily living, with the maximum
22 benefit amount to be determined by actuarial analysis.

23 (b) A public-private reinsurance or risk-sharing model, with
24 the purpose of providing a stable and ongoing source of
25 reimbursement to insurers for a portion of their catastrophic long-
26 term care services and supports losses in order to provide
27 additional insurance capacity for the state. The entity would



1 operate as a public-private partnership supporting the private
2 sector's role as the primary risk bearer.

3 (c) A long-term care benefit paid for and open to those that
4 are not currently eligible for the state Medicaid program.

5 (2) The awarded contractor shall provide a report to the
6 department on the independent feasibility study and actuarial model
7 that includes all of the following:

8 (a) An analysis of public and private long-term care programs
9 that exist in the state, the participation rates for those
10 programs, and any clear gaps that exist, including, but not limited
11 to, gaps in coverage, affordability, and participation.

12 (b) The expected costs and benefits for participants in a new
13 long-term care benefit program, when accounting for a living wage
14 rate for home care workers and compliance with the fair labor
15 standards act of 1938, 29 USC 201 to 219, the federal regulations
16 in 29 CFR 552 relating to that act, and state labor laws.

17 (c) The total anticipated number of participants.

18 (d) The impact on the current workforce.

19 (e) A recruitment and retention plan to meet anticipated
20 shortage in the workforce due to the increasing aging population.

21 (f) The impact of current services, access to a paid
22 workforce, and affordability of care on family caregivers,
23 including how many family members are providing care to the
24 individual, the impact that providing care has on a family
25 caregiver's job, family caregivers' access to training programs,
26 how many hours of care a family caregiver is providing, the types
27 of services a family caregiver is performing, if the primary



1 caregiver is also caring for a child, and if there are children
2 present in the home who also assist with caring for the aging adult
3 in the home.

4 (g) The projected savings to the state Medicaid program, if
5 any.

6 (h) Legal and financial risks to the state.

7 (3) The department shall provide oversight and direction for
8 the analysis described in subsection (2) and shall convene meetings
9 for interested stakeholders, including consumer and worker
10 representatives, to provide ongoing input on the feasibility study
11 design. The department shall hold not fewer than 3 meetings for
12 stakeholders to comply with the provisions of this subsection, as
13 follows: a meeting before the study begins, a meeting during the
14 study's implementation, and a meeting after the study is completed.

15 (4) The feasibility study and the actuarial analysis that is
16 included in the feasibility study must be completed and submitted
17 to the department no later than 270 days after the start date of
18 the feasibility study. The department shall hold a public hearing
19 presenting its findings. The department shall submit a report,
20 including the director's findings and recommendations based on the
21 feasibility study and actuarial analysis, to the legislature no
22 later than 60 days after the completion of the feasibility study.

23 MEDICAL SERVICES

24 Sec. 1601. The cost of remedial services incurred by residents
25 of licensed adult foster care homes and licensed homes for the aged
26 shall be used in determining financial eligibility for the



1 medically needy. Remedial services include basic self-care and
2 rehabilitation training for a resident.

3 Sec. 1603. (1) The department may establish a program for
4 individuals to purchase medical coverage at a rate determined by
5 the department.

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

9 (3) The premiums described in this section shall be classified
10 as private funds.

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

15 Sec. 1606. For the purpose of guardian and conservator
16 charges, the department may deduct up to \$83.00 per month as an
17 allowable expense against a recipient's income when determining
18 medical services eligibility and patient pay amounts.

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

26 (2) All qualifying applicants shall be entitled to receive all
27 medically necessary obstetrical and prenatal care without



1 preauthorization from a health plan. All claims submitted for
2 payment for obstetrical and prenatal care shall be paid at the
3 Medicaid fee-for-service rate in the event a contract does not
4 exist between the Medicaid participating obstetrical or prenatal
5 care provider and the managed care plan. The applicant shall
6 receive a listing of Medicaid physicians and managed care plans in
7 the immediate vicinity of the applicant's residence.

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

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

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

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

26 (7) The department shall encourage physicians to provide
27 women, whose qualifying condition for Medicaid is pregnancy, with a



1 referral to a Medicaid participating dentist at the first
2 pregnancy-related appointment.

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

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

22 Sec. 1620. (1) For fee-for-service Medicaid recipients, the
23 professional dispensing fee for drugs indicated as specialty
24 medications on the Michigan pharmaceutical products list is \$20.02
25 or the pharmacy's usual or customary cash charge, whichever is
26 less.

27 (2) For fee-for-service Medicaid recipients, for drugs not



1 indicated as specialty drugs on the Michigan pharmaceutical
2 products list, the professional dispensing fee for medications is
3 as follows:

4 (a) For medications on the department's preferred drug list,
5 \$10.80 or the pharmacy's usual or customary cash charge, whichever
6 is less.

7 (b) For medications not on the department's preferred drug
8 list, \$10.64 or the pharmacy's usual or customary cash charge,
9 whichever is less.

10 (c) For nonpreferred medications on the department's preferred
11 drug list, \$9.00 or the pharmacy's usual or customary cash charge,
12 whichever is less.

13 (3) For fee-for-service Medicaid recipients, if the prescriber
14 mandates the use of a specific medication by indicating "Dispense
15 as Written" for nonspecialty medications, the professional
16 dispensing fee is \$10.64 or the pharmacy's usual or customary cash
17 charge, whichever is less.

18 (4) The department shall require a prescription co-payment for
19 Medicaid recipients not enrolled in the Healthy Michigan plan or
20 with an income less than 100% of the federal poverty level of \$1.00
21 for a generic drug and \$3.00 for a brand-name drug, except as
22 prohibited by federal or state law or regulation.

23 (5) The department shall require a prescription co-payment for
24 Medicaid recipients enrolled in the Healthy Michigan plan with an
25 income of at least 100% of the federal poverty level of \$4.00 for a
26 generic drug and \$8.00 for a brand-name drug, except as prohibited
27 by federal or state law or regulation.



1 Sec. 1621. The department shall report to the house and senate
2 appropriations subcommittees on the department budget, the house
3 and senate fiscal agencies, and the state budget office on
4 strategies the department is using to minimize the state cost of
5 specialty drugs. Also, the department may take additional measures
6 in order to further reduce state costs, while also ensuring that
7 appropriate clinical care is being utilized. The report shall also
8 include information on savings generated as a result of these
9 additional measures that may include additional cost sharing, step
10 therapy, and prior authorization.

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

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

19 (2) Except as otherwise prohibited by federal or state law or
20 regulation, the department shall require Medicaid recipients not
21 enrolled in the Healthy Michigan plan or with an income less than
22 100% of the federal poverty level to pay not less than the
23 following co-payments:

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

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

26 (c) Fifty dollars for the first day of an inpatient hospital
27 stay.



1 (d) Two dollars for an outpatient hospital visit.

2 (3) Except as otherwise prohibited by federal or state law or
3 regulation, the department shall require Medicaid recipients
4 enrolled in the Healthy Michigan plan with an income of at least
5 100% of the federal poverty level to pay the following co-payments:

6 (a) Four dollars for a physician office visit.

7 (b) Eight dollars for a hospital emergency room visit.

8 (c) One hundred dollars for the first day of an inpatient
9 hospital stay.

10 (d) Four dollars for an outpatient hospital visit or any other
11 medical provider visit to the extent allowed by federal or state
12 law or regulation.

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

17 Sec. 1646. (1) From the funds appropriated in part 1 for long-
18 term care services, the department shall administer a nursing
19 facility quality measure initiative program. The initiative shall
20 be financed through an increase of the quality assurance assessment
21 for nursing homes and hospital long-term care units, and the funds
22 shall be distributed according to the following criteria:

23 (a) The department shall award more dollars to nursing
24 facilities that have a higher CMS 5-star quality measure domain
25 rating, then adjusted to account for both positive and negative
26 aspects of a patient satisfaction survey.

27 (b) A nursing facility with a CMS 5-star quality measure



1 domain star rating of 1 or 2 must file an action plan with the
2 department describing how it intends to use funds appropriated
3 under this section to increase quality outcomes before funding
4 shall be released.

5 (c) The total incentive dollars must reflect the following
6 Medicaid utilization scale:

7 (i) For nursing facilities with a Medicaid participation rate
8 of above 63%, the facility shall receive 100% of the incentive
9 payment.

10 (ii) For nursing facilities with a Medicaid participation rate
11 between 50% and 63%, the facility shall receive 75% of the
12 incentive payment.

13 (iii) For nursing facilities with a Medicaid participation
14 rate of less than 50%, the facility shall receive 50% of the
15 incentive payment.

16 (iv) For nursing facilities not enrolled in Medicaid, the
17 facility shall not receive an incentive payment.

18 (d) Facilities designated as special focus facilities are not
19 eligible for any payment under this section.

20 (e) Number of licensed beds.

21 (2) It is the intent of the legislature that, beginning in the
22 fiscal year ending September 30, 2019, the department and nursing
23 facility representatives shall evaluate the program's effectiveness
24 on quality, measured by the change in the CMS 5-star quality
25 measure domain rating since the implementation of this section.

26 Sec. 1657. (1) Reimbursement for medical services to screen
27 and stabilize a Medicaid recipient, including stabilization of a



1 psychiatric crisis, in a hospital emergency room shall not be made
2 contingent on obtaining prior authorization from the recipient's
3 HMO. If the recipient is discharged from the emergency room, the
4 hospital shall notify the recipient's HMO within 24 hours of the
5 diagnosis and treatment received.

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

10 (3) Subsections (1) and (2) do not require an alteration to an
11 existing agreement between an HMO and its contracting hospitals and
12 do not require an HMO to reimburse for services that are not
13 considered to be medically necessary.

14 Sec. 1659. The following sections of this part are the only
15 ones that shall apply to the following Medicaid managed care
16 programs, including the comprehensive plan, MIChoice long-term care
17 plan, and the mental health, substance use disorder, and
18 developmentally disabled services program: 904, 911, 918, 920, 924,
19 928, 942, 1008, 1009, 1607, 1657, 1662, 1699, 1700, 1702, 1764,
20 1791, 1806, 1809, 1810, 1820, 1850, 1871, 1875, and 1888.

21 Sec. 1662. (1) The department shall ensure that an external
22 quality review of each contracting HMO is performed that results in
23 an analysis and evaluation of aggregated information on quality,
24 timeliness, and access to health care services that the HMO or its
25 contractors furnish to Medicaid beneficiaries.

26 (2) The department shall require Medicaid HMOs to provide
27 EPSDT utilization data through the encounter data system, and HEDIS



1 well child health measures in accordance with the National
2 Committee for Quality Assurance prescribed methodology.

3 (3) The department shall provide a copy of the analysis of the
4 Medicaid HMO annual audited HEDIS reports and the annual external
5 quality review report to the senate and house of representatives
6 appropriations subcommittees on the department budget, the senate
7 and house fiscal agencies, and the state budget director, within 30
8 days of the department's receipt of the final reports from the
9 contractors.

10 Sec. 1670. (1) The appropriation in part 1 for the MIChild
11 program is to be used to provide comprehensive health care to all
12 children under age 19 who reside in families with income at or
13 below 212% of the federal poverty level, who are uninsured and have
14 not had coverage by other comprehensive health insurance within 6
15 months of making application for MIChild benefits, and who are
16 residents of this state. The department shall develop detailed
17 eligibility criteria through the medical services administration
18 public concurrence process, consistent with the provisions of this
19 part and part 1.

20 (2) The department may provide up to 1 year of continuous
21 eligibility to children eligible for the MIChild program unless the
22 family fails to pay the monthly premium, a child reaches age 19, or
23 the status of the children's family changes and its members no
24 longer meet the eligibility criteria as specified in the state
25 plan.

26 (3) The department may make payments on behalf of children
27 enrolled in the MIChild program as described in the MIChild state



1 plan approved by the United States Department of Health and Human
2 Services, or from other medical services.

3 Sec. 1673. The department may establish premiums for MICHild
4 eligible individuals in families with income at or below 212% of
5 the federal poverty level. The monthly premiums shall be \$10.00 per
6 month.

7 Sec. 1677. The MICHild program shall provide, at a minimum,
8 all benefits available under the Michigan benchmark plan that are
9 delivered through contracted providers and consistent with federal
10 law, including, but not limited to, the following medically
11 necessary services:

12 (a) Inpatient mental health services, other than substance use
13 disorder treatment services, including services furnished in a
14 state-operated mental hospital and residential or other 24-hour
15 therapeutically planned structured services.

16 (b) Outpatient mental health services, other than substance
17 use disorder services, including services furnished in a state-
18 operated mental hospital and community-based services.

19 (c) Durable medical equipment and prosthetic and orthotic
20 devices.

21 (d) Dental services as outlined in the approved MICHild state
22 plan.

23 (e) Substance use disorder treatment services that may include
24 inpatient, outpatient, and residential substance use disorder
25 treatment services.

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

27 (g) Physical therapy, occupational therapy, and services for



1 individuals with speech, hearing, and language disorders.

2 (h) Emergency ambulance services.

3 Sec. 1682. (1) In addition to the appropriations in part 1,
4 the department is authorized to receive and spend penalty money
5 received as the result of noncompliance with medical services
6 certification regulations. Penalty money, characterized as private
7 funds, received by the department shall increase authorizations and
8 allotments in the long-term care accounts.

9 (2) Any unexpended penalty money, at the end of the year,
10 shall carry forward to the following year.

11 Sec. 1692. (1) The department is authorized to pursue
12 reimbursement for eligible services provided in Michigan schools
13 from the federal Medicaid program. The department and the state
14 budget director are authorized to negotiate and enter into
15 agreements, together with the department of education, with local
16 and intermediate school districts regarding the sharing of federal
17 Medicaid services funds received for these services. The department
18 is authorized to receive and disburse funds to participating school
19 districts pursuant to such agreements and state and federal law.

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

23 (a) Finance activities within the medical services
24 administration related to this project.

25 (b) Reimburse participating school districts pursuant to the
26 fund-sharing ratios negotiated in the state-local agreements
27 authorized in subsection (1).



1 (c) Offset general fund costs associated with the medical
2 services program.

3 Sec. 1693. The special Medicaid reimbursement appropriation in
4 part 1 may be increased if the department submits a medical
5 services state plan amendment pertaining to this line item at a
6 level higher than the appropriation. The department is authorized
7 to appropriately adjust financing sources in accordance with the
8 increased appropriation.

9 Sec. 1694. From the funds appropriated in part 1 for special
10 Medicaid reimbursement, \$386,700.00 of general fund/general purpose
11 revenue and any associated federal match shall be distributed for
12 poison control services to an academic health care system that
13 includes a children's hospital that has a high indigent care
14 volume.

15 Sec. 1699. (1) The department may make separate payments in
16 the amount of \$45,000,000.00 directly to qualifying hospitals
17 serving a disproportionate share of indigent patients and to
18 hospitals providing GME training programs. If direct payment for
19 GME and DSH is made to qualifying hospitals for services to
20 Medicaid recipients, hospitals shall not include GME costs or DSH
21 payments in their contracts with HMOs.

22 (2) The department shall allocate \$45,000,000.00 in DSH
23 funding using the distribution methodology used in fiscal year
24 2003-2004.

25 Sec. 1700. By December 1 of the current fiscal year, the
26 department shall report to the senate and house appropriations
27 subcommittees on the department budget, the senate and house fiscal



1 agencies, and the state budget office on the distribution of
2 funding provided, and the net benefit if the special hospital
3 payment is not financed with general fund/general purpose revenue,
4 to each eligible hospital during the previous fiscal year from the
5 following special hospital payments:

6 (a) DSH, separated out by unique DSH pool.

7 (b) GME.

8 (c) Special rural hospital payments provided under section
9 1866 of this part.

10 (d) Lump-sum payments to rural hospitals for obstetrical care
11 provided under section 1802 of this part.

12 Sec. 1702. From the funds appropriated in part 1, the
13 department shall maintain the 15% rate increase provided during the
14 fiscal year ending September 30, 2017 for private duty nursing
15 services for Medicaid beneficiaries under the age of 21. These
16 additional funds must be used to attract and retain highly
17 qualified registered nurses and licensed practical nurses to
18 provide private duty nursing services so that medically frail
19 children can be cared for in the most homelike setting possible.

20 Sec. 1704. (1) From the funds appropriated in part 1 for
21 dental services, the department shall allocate \$2,697,300.00 to
22 support the enhancement of the Medicaid adult dental benefit for
23 pregnant women enrolled in a Medicaid program.

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, and the state budget office by October 1
27 of the current fiscal year on the steps taken by the department to



1 implement subsection (1).

2 (3) Outcomes and performance measures for the program change
3 under this section include, but are not limited to, the following:

4 (a) The number of pregnant women enrolled in Medicaid who
5 visited a dentist over the prior year.

6 (b) The number of dentists statewide who participate in
7 providing dental services to pregnant women enrolled in Medicaid.

8 Sec. 1730. The department shall continue to maintain enhanced
9 assessment tools established in collaboration with the department
10 of education that promote literacy development of pregnant women
11 and new mothers in the maternal infant health program. When
12 possible, the department shall include new fathers of the infants
13 in the literacy promotion efforts that are included in the
14 assessment tools and in the subsequent services provided. The
15 assessment tools shall expand the assessment of maternal and
16 parental literacy and provide support and referrals to resources to
17 enable program participants to achieve an increase in literacy that
18 may contribute to improvements in family health, economic, and life
19 outcomes.

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

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



1 Medicaid health plans and specialty PIHPs within 5 business days
2 after certification or approval to the senate and house
3 appropriations subcommittees on the department budget, the senate
4 and house fiscal agencies, and the state budget office. Following
5 the rate certification, the department shall ensure that no new or
6 revised state Medicaid policy bulletin that is promulgated
7 materially impacts the capitation rates that have been certified in
8 a negative manner.

9 Sec. 1775. (1) By March 1 of the current fiscal year, 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 office on progress in implementing
13 the waiver to implement managed care for individuals who are
14 eligible for both Medicare and Medicaid, known as MI Health Link,
15 including, but not limited to, a description of how the department
16 intends to ensure that service delivery is integrated, how key
17 components of the proposal are implemented effectively, and any
18 problems and potential solutions as identified by the ombudsman
19 described in subsection (2).

20 (2) The department shall ensure the existence of an ombudsman
21 program that is not associated with any project service manager or
22 provider to assist MI Health Link beneficiaries with navigating
23 complaint and dispute resolution mechanisms and to identify
24 problems in the demonstrations and in the complaint and dispute
25 resolution mechanisms.

26 Sec. 1782. Subject to federal approval, from the funds
27 appropriated in part 1 for health plan services, the department



1 shall allocate \$740,000.00 general fund/general purpose plus any
2 available work project funds and federal match through an
3 administered contract with oversight from medical services
4 administration and population health. The funds shall be used to
5 support a statewide media campaign for improving this state's
6 immunization rates.

7 Sec. 1791. From the funds appropriated in part 1 for health
8 plan services and physician services, the department shall provide
9 Medicaid reimbursement rates for neonatal services at 75% of the
10 Medicare rate received for those services in effect on the date the
11 services are provided to eligible Medicaid recipients. The current
12 procedural terminology (CPT) codes that are eligible for this
13 reimbursement rate increase are 99468, 99469, 99471, 99472, 99475,
14 99476, 99477, 99478, 99479, and 99480.

15 Sec. 1800. For the distribution of each of the pools within
16 the \$85,000,000.00 outpatient disproportionate share hospital
17 payment, the department shall maintain a formula for the
18 distribution of each pool based on the quality of care, cost,
19 traditional disproportionate share hospital factors such as
20 Medicaid utilization and uncompensated care, and any other factor
21 that the department determines should be considered.

22 Sec. 1801. (1) From the funds appropriated in part 1 for
23 physician services and health plan services, the department shall
24 continue the increase to Medicaid rates for primary care services
25 provided only by primary care providers. For the purpose of this
26 section, a primary care provider is a physician, or a practitioner
27 working under the personal supervision of a physician, who is



1 either licensed under part 170 or part 175 of the public health
2 code, 1978 PA 368, MCL 333.17001 to 333.17084 and 333.17501 to
3 333.17556, and working as a primary care provider in general
4 practice or board-eligible or certified with a specialty
5 designation of family medicine, general internal medicine, or
6 pediatric medicine, or a provider who provides the department with
7 documentation of equivalency. Providers performing a service and
8 whose primary practice is as a non-primary-care subspecialty is not
9 eligible for the increase. The department shall establish policies
10 that most effectively limit the increase to primary care providers
11 for primary care services only.

12 (2) By March 1 of the current fiscal year, the department
13 shall provide to the senate and house appropriations subcommittees
14 on the department budget, the senate and house fiscal agencies, the
15 senate and house policy offices, and the state budget office a list
16 of medical specialties and licensed providers that were paid
17 enhanced primary care rates in the fiscal year ending September 30,
18 2017.

19 Sec. 1802. From the funds appropriated in part 1 for hospital
20 services and therapy, \$11,978,300.00 in general fund/general
21 purpose revenue shall be provided as lump-sum payments to hospitals
22 that qualified for rural hospital access payments in fiscal year
23 2013-2014 and that provide obstetrical care in the current fiscal
24 year. Payment amounts shall be based on the volume of obstetrical
25 care cases and newborn care cases for all such cases billed by each
26 qualified hospital in the most recent fiscal year for which data
27 are available. Payments shall be made by January 1 of the current



1 fiscal year.

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

7 Sec. 1805. Hospitals receiving medical services payments for
8 graduate medical education shall submit fully completed quality
9 data to a nonprofit organization with extensive experience in
10 collecting and reporting hospital quality data on a public website.
11 The reporting must utilize consensus-based nationally endorsed
12 standards that meet National Quality Forum-endorsed safe practices.
13 The organization collecting the data must be an organization that
14 uses severity-adjusted risk models and measures that will help
15 patients and payers identify hospital campuses likely to have
16 superior outcomes. The public website shall provide information to
17 allow consumers to compare safe practices by hospital campus,
18 including, but not limited to, perinatal care, hospital-acquired
19 infection, and serious reportable events. Hospitals receiving
20 medical services payments for graduate medical education shall also
21 make their fully completed quality data available on the hospital's
22 website. The department shall withhold 25% of a hospital's graduate
23 medical education payment if the hospital does not submit the data
24 to a qualifying nonprofit organization described in this section by
25 January 1 of the current fiscal year.

26 Sec. 1806. (1) The department shall contractually require the
27 Medicaid health plans to monitor the progress of implementing the



1 Medicaid health plan common formulary. As part of the monitoring
2 process, by February 1 of the current fiscal year, the Medicaid
3 health plans shall provide a report to the department on the
4 following:

5 (a) The progress of implementing the Medicaid health plan
6 common formulary.

7 (b) The participation by the Medicaid health plans in the
8 Medicaid health plan common formulary.

9 (c) The timeliness of prior authorization approvals or
10 disapprovals.

11 (2) By March 1 of the current fiscal year, the department
12 shall provide the Medicaid health plan report provided in
13 subsection (1) and identify any areas of inconsistency across the
14 Medicaid health plans' implementation and utilization of the
15 Medicaid health plan common formulary to the house and senate
16 appropriations subcommittees on the department budget, the house
17 and senate fiscal agencies, and the state budget office.

18 (3) The department shall maintain policies and procedures to
19 govern the operations of the Michigan Medicaid health plan common
20 formulary so that the department is able to receive fair and full
21 public participation.

22 Sec. 1809. The department shall establish separate contract
23 performance standards for Medicaid health plans that adhere to the
24 requirements of section 105d of the social welfare act, 1939 PA
25 280, MCL 400.105d, associated with the 0.75% and 0.25% capitation
26 withhold. The determination of the performance of the 0.75%
27 capitation withhold is at the discretion of the department but must



1 include recognized concepts such as 1-year continuous enrollment
2 and the HEDIS audited data. The determination of the performance of
3 the 0.25% capitation withhold is at the discretion of the
4 department but must include the utilization of high-value services
5 and discouraging the utilization of low-value services.

6 Sec. 1810. The department shall enhance encounter data
7 reporting processes and develop rules that would make each health
8 plan's encounter data as complete as possible, provide a fair
9 measure of acuity for each health plan's enrolled population for
10 risk adjustment purposes, capitation rate setting, diagnosis-
11 related group rate setting, and research and analysis of program
12 efficiencies while minimizing health plan administrative expense.
13 The department shall notify each contracting Medicaid health plan
14 of any encounter data that have not been accepted for the purposes
15 of rate setting.

16 Sec. 1812. By June 1 of the current fiscal year, and using the
17 most recent available cost reports, the department shall complete a
18 report of all direct and indirect costs associated with residency
19 training programs for each hospital that receives funds
20 appropriated in part 1 for graduate medical education. The report
21 shall be submitted to the house and senate appropriations
22 subcommittees on the department budget, the house and senate fiscal
23 agencies, and the state budget office.

24 Sec. 1820. (1) In order to avoid duplication of efforts, the
25 department shall utilize applicable national accreditation review
26 criteria to determine compliance with corresponding state
27 requirements for Medicaid health plans that have been reviewed and



1 accredited by a national accrediting entity for health care
2 services.

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

6 (3) As used in this section, "national accrediting entity"
7 means the National Committee for Quality Assurance, the URAC,
8 formerly known as the Utilization Review Accreditation Commission,
9 or other appropriate entity, as approved by the department.

10 Sec. 1837. The department shall continue, and expand where
11 appropriate, utilization of telemedicine and telepsychiatry as
12 strategies to increase access to services for Medicaid recipients
13 in medically underserved areas.

14 Sec. 1846. From the funds appropriated in part 1 for graduate
15 medical education, the department shall distribute the funds with
16 an emphasis on the following health care workforce goals:

17 (a) The encouragement of the training of physicians in
18 specialties, including primary care, that are necessary to meet the
19 future needs of residents of this state.

20 (b) The training of physicians in settings that include
21 ambulatory sites and rural locations.

22 Sec. 1850. The department may allow Medicaid health plans to
23 assist with the redetermination process through outreach activities
24 to ensure continuation of Medicaid eligibility and enrollment in
25 managed care. This may include mailings, telephone contact, or
26 face-to-face contact with beneficiaries enrolled in the individual
27 Medicaid health plan. Health plans may offer assistance in



1 completing paperwork for beneficiaries enrolled in their plan.

2 Sec. 1851. From the funds appropriated in part 1 for adult
3 home help services, the department shall allocate up to \$150,000.00
4 state general fund/general purpose revenue plus any associated
5 federal match to develop and deploy a mobile electronic visit
6 verification solution that shall include biometric identity
7 verification to create administrative efficiencies, reduce error,
8 and minimize fraud. The development of the solution shall be
9 predicated on input from the results of the 2017 stakeholder
10 survey.

11 Sec. 1855. From the funds appropriated in part 1 for program
12 of all-inclusive care for the elderly (PACE), to the extent that
13 funding is available in the PACE line item and unused program slots
14 are available, the department may do the following:

15 (a) Increase the number of slots for an already-established
16 local PACE program if the local PACE program has provided
17 appropriate documentation to the department indicating its ability
18 to expand capacity to provide services to additional PACE clients.

19 (b) Suspend the 10 member per month individual PACE program
20 enrollment increase cap in order to allow unused and unobligated
21 slots to be allocated to address unmet demand for PACE services.

22 Sec. 1856. (1) From the funds appropriated in part 1 for
23 hospice services, \$3,318,000.00 shall be expended to provide room
24 and board for Medicaid recipients who meet hospice eligibility
25 requirements and receive services at Medicaid-enrolled hospices
26 with residences in this state. The department shall distribute
27 funds through grants based on the total beds located in all



1 eligible residences that have been providing these services as of
2 October 1, 2017. Any eligible grant applicant may inform the
3 department of their request to reduce the grant amount allocated
4 for their residence and the funds shall be distributed
5 proportionally to increase the total grant amount of the remaining
6 grant-eligible residences. Grant amounts shall be paid out monthly
7 with 1/12 of the total grant amount distributed each month to the
8 grantees.

9 (2) By September 15 of the current fiscal year, each Medicaid-
10 enrolled hospice with a residence that receives funds under this
11 section shall provide a report to the department on the utilization
12 of the grant funding provided in subsection (1). The report shall
13 be provided in a format prescribed by the department and shall
14 include the following:

15 (a) The number of patients served.

16 (b) The number of days served.

17 (c) The daily room and board rates for the patients served.

18 (d) If there is not sufficient funding to cover the total room
19 and board need, the number of patients who did not receive care due
20 to insufficient grant funding.

21 (3) If there is funding remaining at the end of the current
22 fiscal year, the Medicaid-enrolled hospice with a residence shall
23 return the funding to the state.

24 Sec. 1857. By July 1 of the current fiscal year, the
25 department shall explore the implementation of a managed care long-
26 term support service.

27 Sec. 1858. By April 1 of the current fiscal year, the



1 department shall report to the senate and house appropriations
2 subcommittees on the department budget and the senate and house
3 fiscal agencies on all of the following elements related to the
4 current Medicaid pharmacy carve-out of pharmaceutical products as
5 provided for in section 109h of the social welfare act, 1939 PA
6 280, MCL 400.109h:

7 (a) The number of prescriptions paid by the department during
8 the previous fiscal year and for the fiscal year ending September
9 30, 2017.

10 (b) The total amount of expenditures for prescriptions paid by
11 the department during the previous fiscal year and for the fiscal
12 year ending September 30, 2017.

13 (c) The number of and total expenditures for prescriptions
14 paid for by the department for generic equivalents during the
15 previous fiscal year and for the fiscal year ending September 30,
16 2017.

17 Sec. 1859. The department shall partner with the Michigan
18 Association of Health Plans (MAHP) and Medicaid health plans to
19 develop and implement strategies for the use of information
20 technology services for Medicaid research activities. The
21 department shall make available state medical assistance program
22 data, including Medicaid behavioral data, to MAHP and Medicaid
23 health plans or any vendor considered qualified by the department
24 for the purpose of research activities consistent with this state's
25 goals of improving health; increasing the quality, reliability,
26 availability, and continuity of care; and reducing the cost of care
27 for the eligible population of Medicaid recipients.



1 Sec. 1861. From the funds appropriated in part 1 for
2 transportation, the department shall maintain the previous fiscal
3 year increase in the number of counties in which a local public
4 transportation entity is the primary administrator of the Medicaid
5 nonemergency transportation benefit. The department shall use a
6 nonprofit transportation brokerage already operating in the state
7 to carry out the requirements of this section. The purpose of this
8 expansion is to improve Medicaid beneficiary access to care, reduce
9 the number of missed physician appointments by Medicaid
10 beneficiaries, and reduce time spent by caseworkers facilitating
11 nonemergency transportation for Medicaid beneficiaries. Performance
12 goals include an increase in utilization of local public
13 transportation, a reduction in the rate of trips reported as missed
14 to no more than 0.5%, and the successful collection of data on
15 program utilization, access, and beneficiary satisfaction.

16 Sec. 1862. From the funds appropriated in part 1, the
17 department shall maintain payment rates for Medicaid obstetrical
18 services at 95% of Medicare levels effective October 1, 2014.

19 Sec. 1866. (1) From the funds appropriated in part 1 for
20 hospital services and therapy and Healthy Michigan plan,
21 \$12,000,000.00 in general fund/general purpose revenue and any
22 associated federal match shall be awarded as rural access payments
23 to hospitals that meet criteria established by the department for
24 services to low-income rural residents. One of the reimbursement
25 components of the distribution formula shall be assistance with
26 labor and delivery services.

27 (2) No hospital or hospital system shall receive more than



1 10.0% of the total funding referenced in subsection (1).

2 (3) To allow hospitals to understand their rural payment
3 amounts under this section, the department shall provide hospitals
4 with the methodology for distribution under this section and
5 provide each hospital with its applicable data that are used to
6 determine the payment amounts by August 1 of the current fiscal
7 year. The department shall publish the distribution of payments for
8 the current fiscal year and the immediately preceding fiscal year.

9 Sec. 1867. (1) The department shall continue a workgroup that
10 includes psychiatrists, other relevant prescribers, and pharmacists
11 to identify best practices and to develop a protocol for
12 psychotropic medications. Any changes proposed by the workgroup
13 shall protect a Medicaid beneficiary's current psychotropic
14 pharmaceutical treatment regimen by not requiring a physician
15 currently prescribing any treatment to alter or adjust that
16 treatment.

17 (2) By March 1 of the current fiscal year, the department
18 shall provide the workgroup's recommendations to the senate and
19 house appropriations subcommittees on the department budget, the
20 senate and house fiscal agencies, and the state budget office.

21 Sec. 1870. (1) From the funds appropriated in part 1 for
22 MiDocs, \$5,000,000.00 general fund/general purpose revenues,
23 \$5,000,000.00 in restricted revenues from the MiDocs consortium,
24 and any associated federal match is provided to the MiDocs
25 consortium. The department shall seek the necessary approvals from
26 the United States Department of Health and Human Services to
27 implement this section. The purpose of MiDocs is to significantly



1 increase the state's ability to recruit, train, and retain primary
2 care physicians and other select specialty physicians in
3 underserved communities. MiDocs shall maximize training
4 opportunities with community health centers, rural critical access
5 hospitals, solo or group private practice physician practices, and
6 other community-based clinics, in addition to required rotations at
7 inpatient hospitals. MiDocs shall create new residency slots only
8 in the following specialties: family medicine, general internal
9 medicine, general pediatrics, general OB-GYN, psychiatry, and
10 general surgery. Students in the program must agree to forego any
11 subspecialty fellowship training for at least 2 years
12 postresidency. Any loan repayment, loan interest payment, or
13 scholarships provided to MiDocs trainees shall include a minimum 2-
14 year commitment to practice in an underserved community in this
15 state postresidency. In collaboration with the Michigan Health
16 Council, MiDocs shall reserve at least 3 residency slots per class
17 to be used for the Michigan early primary care incentive program.

18 (2) MiDocs shall submit an annual report to the house and
19 senate appropriations subcommittees on the department budget, the
20 house and senate fiscal agencies, and the state budget office that
21 includes the following:

- 22 (a) Audited financial statement of per resident costs.
- 23 (b) Education and clinical quality data.
- 24 (c) Roster of trainees including areas of specialty and
25 locations of training.
- 26 (d) Medicaid revenue for training sites.

27 (3) The department shall create a MiDocs initiative advisory



1 council to help support implementation and oversight. The advisory
2 council shall include the MiDocs consortium, the Michigan Area
3 Health Education Centers, the Michigan Primary Care Association,
4 the Michigan Center for Rural Health, and the Michigan Academy of
5 Family Physicians, and any other appointees by the department.

6 Sec. 1871. The funds appropriated in part 1 for the Healthy
7 Michigan plan healthy behaviors incentives program shall only
8 provide reductions in cost-sharing responsibilities and shall not
9 include other financial rewards such as gift cards.

10 Sec. 1872. From the funds appropriated in part 1 for personal
11 care services, beginning October 1, 2018, the department shall
12 increase the monthly Medicaid personal care supplement paid to
13 adult foster care facilities and homes for the aged that provide
14 personal care services to Medicaid recipients by \$32.00.

15 Sec. 1873. From the funds appropriated in part 1 for long-term
16 care services, the department may allocate up to \$3,700,000.00 for
17 the purpose of outreach and education to nursing home residents and
18 the coordination of housing in order to move out of the facility.
19 In addition, any funds appropriated shall be used for other quality
20 improvement activities of the program. The department shall
21 consider working with all relevant stakeholders to develop a plan
22 for the ongoing sustainability of the nursing facility transition
23 initiative.

24 Sec. 1874. The department shall ensure, in counties where
25 program of all-inclusive care for the elderly or PACE services are
26 available, that the program of all-inclusive care for the elderly
27 (PACE) is included as an option in all options counseling and



1 enrollment brokering for aging services and managed care programs,
2 including, but not limited to, Area Agencies on Aging, centers for
3 independent living, and the MiChoice home and community-based
4 waiver. Such options counseling must include approved marketing and
5 discussion materials.

6 Sec. 1875. (1) The department and its contractual agents may
7 not subject Medicaid prescriptions to prior authorization
8 procedures during the current fiscal year if that drug is carved
9 out or is not subject to prior authorization procedures as of May
10 9, 2016, and is generally recognized in a standard medical
11 reference or the American Psychiatric Association's Diagnostic and
12 Statistical Manual for the Treatment of a Psychiatric Disorder.

13 (2) The department and its contractual agents may not subject
14 Medicaid prescriptions to prior authorization procedures during the
15 current fiscal year if that drug is carved out or is not subject to
16 prior authorization procedures as of May 9, 2016 and is a
17 prescription drug that is generally recognized in a standard
18 medical reference for the treatment of epilepsy or seizure disorder
19 or organ replacement therapy.

20 (3) As used in this section, "prior authorization" means a
21 process implemented by the department or its contractual agents
22 that conditions, delays, or denies delivery or particular pharmacy
23 services to Medicaid beneficiaries upon application of
24 predetermined criteria by the department or its contractual agents
25 to those pharmacy services. The process of prior authorization
26 often requires that a prescriber do 1 or both of the following:

27 (a) Obtain preapproval from the department or its contractual



1 agents before prescribing a given drug.

2 (b) Verify to the department or its contractual agents that
3 the use of a drug prescribed for an individual meets predetermined
4 criteria from the department or its contractual agents for a
5 prescription drug that is otherwise available under the Medicaid
6 program in this state.

7 Sec. 1878. By March 1 of the current fiscal year, the
8 department shall provide a report to the senate and house
9 appropriations subcommittees on the department budget, the senate
10 and house fiscal agencies, the senate and house policy offices, and
11 the state budget office on hepatitis C tracking data. At a minimum,
12 the report shall include information on the following for
13 individuals treated with Harvoni or any other treatment used to
14 cure hepatitis C during the current fiscal year or a previous
15 fiscal year:

16 (a) The total number of people treated broken down by those
17 treated through traditional Medicaid and those treated through the
18 Healthy Michigan plan.

19 (b) The total cost of treatment.

20 (c) The total cost of treatment broken down by those treated
21 through traditional Medicaid and those treated through the Healthy
22 Michigan plan.

23 (d) The cure rate broken down by Metavir Score, genotype,
24 Medicaid match rate, and drug used during treatment.

25 (e) The reinfection rate broken down by Metavir Score,
26 genotype, Medicaid match rate, and drug used during treatment.

27 Sec. 1888. The department shall establish contract performance



1 standards associated with the capitation withhold provisions for
2 Medicaid health plans at least 3 months in advance of the
3 implementation of those standards. The determination of whether
4 performance standards have been met shall be based primarily on
5 recognized concepts such as 1-year continuous enrollment and the
6 healthcare effectiveness data and information set, HEDIS, audited
7 data.

8 Sec. 1894. (1) By July 1 of the current fiscal year, the
9 department shall provide a report to the senate and house
10 appropriations subcommittees on the department budget, the senate
11 and house fiscal agencies, and the state budget office on outcomes
12 and performance measures of the Healthy Kids Dental program.

13 (2) Outcomes and performance measures for the Healthy Kids
14 Dental program include, but are not limited to, the following:

15 (a) The number of children enrolled in the Healthy Kids Dental
16 program who visited the dentist during the previous fiscal year.

17 (b) The number of dentists who will accept payment from the
18 Healthy Kids Dental program.

19 (c) The annual change in dental utilization of children
20 enrolled in the Healthy Kids Dental program.

21 **INFORMATION TECHNOLOGY**

22 Sec. 1901. (1) By December 1 of the current fiscal year, the
23 department shall report to the senate and house appropriations
24 subcommittees on the department budget, the senate and house fiscal
25 agencies, the senate and house policy offices, and the state budget
26 office all of the following information:



1 (a) The process used to define requests for proposals for each
2 expansion of information technology projects, including timelines,
3 project milestones, and intended outcomes.

4 (b) If the department decides not to contract the services out
5 to design and implement each element of the information technology
6 expansion, the department shall submit its own project plan that
7 includes, at a minimum, the requirements in subdivision (a).

8 (c) A recommended project management plan with milestones and
9 time frames.

10 (d) The proposed benefits from implementing the information
11 technology expansion, including customer service improvement, form
12 reductions, potential time savings, caseload reduction, and return
13 on investment.

14 (e) Details on the implementation of the integrated service
15 delivery project.

16 (2) Once an award for an expansion of information technology
17 is made, the department shall report to the senate and house
18 appropriations subcommittees on the department budget, the senate
19 and house fiscal agencies, the senate and house policy offices, and
20 the state budget office a projected cost of the expansion broken
21 down by use and type of expense.

22 Sec. 1902. From the funds appropriated in part 1 for the
23 Michigan Medicaid information system (MMIS) line item, private
24 revenue may be received from and allocated for other states
25 interested in participating as part of the broader MMIS initiative.
26 By March 1 of the current fiscal year, the department shall provide
27 a report on the use of MMIS by other states for the previous fiscal



1 year, including a list of states, type of use, and revenue and
2 expenditures related to the agreements with the other states to use
3 the MMIS. The report shall be provided to the house and senate
4 appropriations subcommittees on the department budget, the house
5 and senate fiscal agencies, and the state budget office.

6 Sec. 1903. (1) The department shall report to the senate and
7 house appropriations subcommittees on the department budget, the
8 senate and house fiscal agencies, the senate and house policy
9 offices, and the state budget office by November 1 of the current
10 fiscal year on the status of an implementation plan regarding the
11 appropriation in part 1 to modernize the MiSACWIS. The report shall
12 include, but not be limited to, efforts to bring the system in
13 compliance with the settlement and other federal guidelines set
14 forth by the United States Department of Health and Human Services
15 Administration for Children and Families.

16 (2) The department shall 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 by November 1 of the current fiscal year a
20 status report on the planning, implementation, and operation,
21 regardless of the current operational status, regarding the
22 appropriation in part 1 to implement the MiSACWIS. The report shall
23 provide details on the planning, implementation, and operation of
24 the system, including, but not limited to, all of the following:

- 25 (a) Areas where implementation went as planned.
26 (b) The number of known issues.
27 (c) The average number of help tickets submitted per day.



1 (d) Any additional overtime or other staffing costs to address
2 known issues and volume of help tickets.

3 (e) Any contract revisions to address known issues and volume
4 of help tickets.

5 (f) Other strategies undertaken to improve implementation.

6 (g) Progress developing cross-system trusted data exchange
7 with MiSACWIS.

8 (h) Progress in moving away from a statewide automated child
9 welfare information system (SACWIS) to a comprehensive child
10 welfare information system (CCWIS).

11 (i) Progress developing and implementing a program to monitor
12 data quality.

13 (j) Progress developing and implementing custom integrated
14 systems for private agencies.

15 **ONE-TIME APPROPRIATIONS**

16 Sec. 1905. From the funds appropriated in part 1 for the
17 drinking water declaration of emergency, the department shall
18 allocate funds to address needs in a city in which a declaration of
19 emergency was issued because of drinking water contamination. These
20 funds may support, but are not limited to, the following
21 activities:

22 (a) Nutrition assistance, nutritional and community education,
23 food bank resources, and food inspections.

24 (b) Epidemiological analysis and case management of
25 individuals at risk of elevated blood lead levels.

26 (c) Support for child and adolescent health centers,



1 children's healthcare access program, and pathways to potential
2 programming.

3 (d) Nursing services, breastfeeding education, evidence-based
4 home visiting programs, intensive services, and outreach for
5 children exposed to lead coordinated through local community mental
6 health organizations.

7 (e) Department field operations costs.

8 (f) Lead poisoning surveillance, treatment, and abatement.

9 (g) Nutritional incentives provided to local residents through
10 the Double Up Food Bucks Expansion Program.

11 (h) Genesee County health department food inspectors to
12 perform water testing at local food service establishments.

13 Sec. 1906. (1) From the funds appropriated in part 1 for
14 university autism programs, the department shall continue a grant
15 process for autism programs. These grants are intended to increase
16 the number of applied behavioral analysts, increase the number of
17 autism diagnostic services provided, or increase employment of
18 individuals who are diagnosed with autism spectrum disorder.

19 (2) As a condition of accepting the grants described in
20 subsection (1), each university shall track and report back to the
21 department where the individuals who have completed the applied
22 behavioral analysis training are initially employed and the
23 location of the initial employment.

24 (3) Outcomes and performance measures related to this
25 initiative include, but are not limited to, the following:

26 (a) An increase in applied behavioral analysts certified from
27 university autism programs.



- 1 (b) The number of autism diagnostic services provided.
2 (c) The employment rate of employment program participants.
3 (d) The employment rate of applied behavioral analysts trained
4 through the university autism programs.

5 Sec. 1907. From the funds appropriated in part 1 for child
6 lead poisoning elimination board, the department shall implement
7 recommendations of the board offered in the board's report of
8 November 2016. The recommendations implemented by the department
9 under this section shall be based in science and best practices,
10 and the department shall give priority to the implementation of the
11 recommendations that are most in agreement with recommendations of
12 nationally recognized organizations and authorities.

13 Sec. 1909. (1) The funds appropriated in part 1 for employment
14 first shall be allocated to support the objectives stated in
15 Executive Order No. 2015-15.

16 (2) The department shall use the funds to provide consultation
17 and technical assistance regarding best practices to increase
18 competitive integrated employment for people with disabilities in
19 the following areas:

20 (a) Statewide capacity building of professionals providing job
21 preparation, placement, and retention supports and services.

22 (b) Provider transformation among community rehabilitation
23 organizations.

24 (c) Rate restructuring of employment supports and services.

25 (d) Blending and braiding of resources.

26 (e) Seamless transition outcomes from education to employment.

27 (f) Employer engagement.



1 (g) Education and outreach to clients and their families,
2 including information on benefits coordination and planning.

3 (h) Other systemic change activities leading to competitive
4 integrated employment.

5 Sec. 1913. (1) The department shall spend available work
6 project revenue and any associated federal match to continue the
7 implementation and operation of the direct primary care pilot
8 program as specified in section 1407 of 2017 PA 158.

9 (2) On a quarterly basis, the department shall report to the
10 senate and house appropriations subcommittees on the department
11 budget, the senate and house fiscal agencies, the senate and house
12 policy offices, and the state budget office on the status and
13 implementation of the direct primary care pilot program for both
14 managed care Medicaid enrollees and fee-for-service Medicaid
15 recipients. The report shall include, but is not limited to, the
16 following performance metrics:

17 (a) The number of enrollees in the direct primary care pilot
18 program by eligibility category.

19 (b) The per-member-per-month rate paid in the previous fiscal
20 year per eligibility category.

21 (c) The number of claims paid in the previous fiscal year per
22 eligibility category.

23 (d) The number of claims per category weighted to reflect 400
24 enrollees.

25 (e) The dollar value of all claims per eligibility category.

26 (f) The per-member-per-month actual cost. As used in this
27 subdivision, "per-member-per-month actual cost" means the direct



1 primary care plan costs and any managed care costs not covered
2 through the direct primary care plan, including managed care
3 provider overhead costs.

4 (g) The average direct primary care cost per enrollee per
5 eligibility category.

6 (h) The average number of actual claims per eligibility
7 category.

8 (i) The average actual dollar value of claims per eligibility
9 category.

10 (j) The number of enrollees in the direct primary care pilot
11 program during the previous quarter who are no longer eligible for
12 Medicaid in the current quarter, broken down by eligibility
13 category.

14 (k) The category savings subtotal. As used in this
15 subdivision, "category savings subtotal" means the per-member-per-
16 month rate paid in fiscal year 2016-2017 minus the per-member-per-
17 month actual cost, times the number of enrollees in the eligibility
18 category.

19 (l) The total savings. As used in this subdivision, "total
20 savings" means the per-member-per-month rate paid in the previous
21 fiscal year minus the per-member-per-month actual cost, times the
22 total number of enrollees in the program.

23 Sec. 1917. (1) From the funds appropriated in part 1 for
24 Michigan medical resident loan repayment program, \$5,000,000.00 is
25 allocated for a 5-year Michigan medical resident loan repayment
26 program to incentivize placement of primary care physicians and
27 other select specialty physicians in rural and urban medically



1 underserved areas of this state following medical residency and
2 provide financial assistance for medical education loan repayment
3 of up to \$50,000.00 to the participating physician before the
4 service period. The Michigan medical resident loan repayment
5 program shall include the following provisions:

6 (a) The program shall incentivize medical residents only in
7 the following specialties: family medicine, general internal
8 medicine, general pediatrics, general OB-GYN, psychiatry, and
9 general surgery.

10 (b) Upon signing an initial agreement to participate in the
11 program, an amount of up to \$50,000.00 shall be provided to the
12 participating physician for the repayment of medical education
13 loans or interest, or both, according to a payment schedule as
14 prescribed and agreed upon by the department and the participant.

15 (c) Beginning the year following completion of a medical
16 residency, a physician participating in the program shall enter
17 into a contract to work with an employer for no less than 2 years
18 in a federally designated rural or urban medically underserved area
19 in this state.

20 (d) A physician participating in the program shall agree to
21 forego any subspecialty fellowship training for at least 2 years
22 postresidency.

23 (2) The department shall contract with the Michigan Health
24 Council for the purpose of administering the Michigan medical
25 resident loan repayment program. Funds shall be disbursed by the
26 department to the Michigan Health Council by December 1 of the
27 current fiscal year for this purpose.



1 (3) The department shall prepare a report on the status of the
2 Michigan medical resident loan repayment program that shall
3 include, but is not limited to, the number of physicians placed,
4 location of placement, type of employer, average medical education
5 loan burden of the participating physicians, and average loan
6 relief provided under the program. By April 1 of the current fiscal
7 year, the department shall provide the report described in this
8 subsection to the house and senate appropriations subcommittees on
9 the department budget, the house and senate fiscal agencies and
10 policy offices, and the state budget office.

11 (4) Unexpended and unencumbered funds up to a maximum of
12 \$5,000,000.00 general fund/general purpose revenue in part 1 for
13 Michigan medical resident loan repayment program are designated as
14 work project appropriations, and any unencumbered or unallotted
15 funds shall not lapse at the end of the fiscal year and shall be
16 available for expenditures for the Michigan medical resident loan
17 repayment program under this section until the project has been
18 completed. All of the following are in compliance with section 451a
19 of the management and budget act, 1984 PA 431, MCL 18.1451a:

20 (a) The purpose of the work project is to fund the cost of a
21 Michigan medical resident loan repayment program as provided by
22 this section.

23 (b) The work project shall be accomplished by administering
24 the placement of participating physicians with qualifying employers
25 and providing medical education loan repayment assistance to
26 participating physicians.

27 (c) The total estimated cost of the work project is



1 \$5,000,000.00 of general fund/general purpose revenue.
 2 (d) The tentative completion date of the work project is
 3 September 30, 2023.

4 ARTICLE XI
 5 DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES
 6 PART 1
 7 LINE-ITEM APPROPRIATIONS

8 Sec. 101. There is appropriated for the department of
 9 insurance and financial services for the fiscal year ending
 10 September 30, 2019, from the following funds:

11 **DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES**

12 APPROPRIATION SUMMARY

13	Full-time equated unclassified positions	6.0	
14	Full-time equated classified positions	336.5	
15	GROSS APPROPRIATION		\$ 67,971,900
16	Interdepartmental grant revenues:		
17	Total interdepartmental grants and intradepartmental		
18	transfers.....		713,800
19	ADJUSTED GROSS APPROPRIATION		\$ 67,258,100
20	Federal revenues:		
21	Total federal revenues		2,017,300
22	Special revenue funds:		
23	Total local revenues		0
24	Total private revenues		0
25	Total state restricted revenues		65,090,800



1	State general fund/general purpose	\$	150,000
2	State general fund/general purpose schedule:		
3	Ongoing state general fund/general		
4	purpose		150,000
5	One-time state general fund/general		
6	purpose		0
7	Sec. 102. DEPARTMENTAL ADMINISTRATION AND SUPPORT		
8	Full-time equated unclassified positions		6.0
9	Full-time equated classified positions		22.5
10	Unclassified salaries--6.0 FTE positions	\$	784,500
11	Administrative hearings		182,500
12	Department services--19.0 FTE positions		3,801,200
13	Executive director programs--3.5 FTE positions		1,075,900
14	Property management		1,245,400
15	Worker's compensation		<u>4,200</u>
16	GROSS APPROPRIATION	\$	7,093,700
17	Appropriated from:		
18	Special revenue funds:		
19	Bank fees		512,300
20	Captive insurance regulatory and supervision fund		2,900
21	Consumer finance fees		201,100
22	Credit union fees		862,200
23	Deferred presentment service transaction fees		272,000
24	Insurance bureau fund		2,451,800
25	Insurance continuing education fees		64,200
26	Insurance licensing and regulation fees		1,915,600
27	MBLSLA fund		660,300



1	Multiple employer welfare arrangement	1,300
2	State general fund/general purpose	\$ 150,000
3	Sec. 103. INSURANCE AND FINANCIAL SERVICES REGULATION	
4	Full-time equated classified positions	314.0
5	Consumer services and protection--64.0 FTE positions .	\$ 8,803,600
6	Financial institutions evaluation--132.0 FTE positions	24,633,100
7	Insurance evaluation--118.0 FTE positions	<u>24,789,600</u>
8	GROSS APPROPRIATION	\$ 58,226,300
9	Appropriated from:	
10	Interdepartmental grant revenues:	
11	IDG-LARA, for debt management	713,800
12	Federal revenues:	
13	Federal funds	2,017,300
14	Special revenue funds:	
15	Bank fees	5,737,100
16	Captive insurance regulatory and supervision fund	289,200
17	Consumer finance fees	2,997,200
18	Credit union fees	8,141,100
19	Deferred presentment service transaction fees	3,315,400
20	Insurance bureau fund	21,406,800
21	Insurance continuing education fees	957,000
22	Insurance licensing and regulation fees	6,421,100
23	MBLSLA fund	5,946,800
24	Multiple employer welfare arrangement	283,500
25	State general fund/general purpose	\$ 0
26	Sec. 104. INFORMATION TECHNOLOGY	
27	Information technology services and projects	<u>\$ 2,251,900</u>



1	GROSS APPROPRIATION	\$	2,251,900
2	Appropriated from:		
3	Special revenue funds:		
4	Bank fees		225,500
5	Consumer finance fees		93,000
6	Credit union fees		369,100
7	Deferred presentment service transaction fees		113,300
8	Insurance bureau fund		440,700
9	Insurance continuing education fees		22,800
10	Insurance licensing and regulation fees		727,600
11	MBLSLA fund		259,900
12	State general fund/general purpose	\$	0
13	Sec. 105. ONE-TIME APPROPRIATIONS		
14	Insurance evaluation enhancement	\$	<u>400,000</u>
15	GROSS APPROPRIATION	\$	400,000
16	Appropriated from:		
17	Special revenue funds:		
18	Insurance bureau fund		400,000
19	State general fund/general purpose	\$	0

20 PART 2
21 PROVISIONS CONCERNING APPROPRIATIONS
22 FOR FISCAL YEAR 2018-2019

23 **GENERAL SECTIONS**

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



1 part 1 for fiscal year 2018-2019 is \$65,240,800.00 and state
2 spending from state sources to be paid to local units of government
3 for fiscal year 2018-2019 is \$0.

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 insurance and
9 financial services.

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

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

12 (d) "IDG" means interdepartmental grant.

13 (e) "LARA" means the department of licensing and regulatory
14 affairs.

15 (f) "MBLSLA fund" means the restricted account established
16 under section 8 of the mortgage brokers, lenders, and servicers
17 licensing act, 1987 PA 173, MCL 445.1658.

18 (g) "Subcommittees" means the subcommittees of the house of
19 representatives and senate appropriations committees with
20 jurisdiction over the budget for the department.

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 must 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 should be given to goods or
7 services, or both, that are manufactured or provided by Michigan
8 businesses owned and operated by veterans, if they are
9 competitively priced and of comparable quality.

10 Sec. 206. The 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, supplies, or both.

16 Sec. 207. (1) Out-of-state travel shall be limited to
17 situations where the travel is approved by a departmental
18 employee's immediate supervisor and in which 1 or more of the
19 following conditions apply:

20 (a) The travel is required by legal mandate or court order or
21 for law enforcement purposes.

22 (b) The travel is necessary to protect the health or safety of
23 Michigan citizens or visitors or to assist other states in similar
24 circumstances.

25 (c) The travel is necessary to produce budgetary savings or to
26 increase state revenues, including protecting existing federal
27 funds or securing additional federal funds.



1 (d) The travel is necessary to comply with federal
2 requirements.

3 (e) The travel is necessary to secure specialized training for
4 staff that is not available within this state.

5 (f) The travel is financed entirely by federal or nonstate
6 funds.

7 (2) The department shall not approve the travel of more than 1
8 departmental employee to a specific professional development
9 conference or training seminar that is located outside of this
10 state unless a professional development conference or training
11 seminar is funded by a federal or private funding source and
12 requires more than 1 individual from a department to attend, or the
13 conference or training seminar includes multiple issues in which 1
14 employee from the department does not have expertise.

15 (3) Not later than January 1, the department shall prepare a
16 travel report listing all travel by classified and unclassified
17 employees outside this state in the immediately preceding fiscal
18 year that was funded in whole or in part with funds appropriated in
19 the department's budget. The department shall submit the report to
20 the senate and house of representatives standing committees on
21 appropriations, the senate and house fiscal agencies, and the state
22 budget director. The report must include the following information:

23 (a) The name of each person receiving reimbursement for travel
24 outside this state or whose travel costs were paid by this state.

25 (b) The destination of each travel occurrence.

26 (c) The dates of each travel occurrence.

27 (d) A brief statement of the reason for each travel



1 occurrence.

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

7 (f) A total of all out-of-state travel funded for the
8 immediately preceding fiscal year.

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

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

24 Sec. 210. (1) In addition to the funds appropriated in part 1,
25 there is appropriated an amount not to exceed \$1,000,000.00 for
26 federal contingency funds. These funds are not available for
27 expenditure until they have been transferred to another line item



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

3 (2) In addition to the funds appropriated in part 1, there is
4 appropriated an amount not to exceed \$5,000,000.00 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 Sec. 211. The department shall cooperate with the department
10 of technology, management, and budget to maintain a searchable
11 website accessible by the public at no cost that includes, but is
12 not limited to, all of the following for each department or agency:

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

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

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

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

20 (e) Job specifications and wage rates.

21 Sec. 212. Within 14 days after the release of the executive
22 budget recommendation, the department shall cooperate with the
23 state budget office to provide the senate and house of
24 representatives appropriations committee chairs, the senate and
25 house appropriations subcommittees chairs, and the senate and house
26 fiscal agencies with an annual report on estimated state restricted
27 fund 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 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 department'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 estimated at \$9,513,100.00. From this amount, total
10 agency appropriations for pension-related legacy costs are
11 estimated at \$4,385,700.00. Total agency appropriations for retiree
12 health care legacy costs are estimated at \$5,127,400.00.

13 Sec. 215. Unless prohibited by law, the department may accept
14 credit card or other electronic means of payment for licenses,
15 fees, or permits.

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

19 Sec. 219. The department shall not develop or produce any
20 television or radio productions.

21 Sec. 220. The department, in conjunction with the department
22 of health and human services, shall maintain an accounting
23 structure within this state's accounting system that will allow
24 expenditures associated with the administration of the Healthy
25 Michigan plan to be identified.

26 Sec. 221. The amount appropriated from the general fund in
27 part 1 for executive director programs may only be expended to



1 comply with reporting requirements regarding the Healthy Michigan
2 plan under section 105d(9) of the social welfare act, 1939 PA 280,
3 MCL 400.105d.

4 **INSURANCE AND FINANCIAL SERVICES REGULATION**

5 Sec. 301. The department shall provide a report to the
6 subcommittees, the senate and house fiscal agencies, and the state
7 budget director by September 30 based on the annual rate filings
8 from health insurance issuers that includes all of the following:

9 (a) The number that are approved by the department.

10 (b) The number that are denied by the department.

11 (c) The percentage of rate filings processed within the
12 applicable statutory time frames.

13 (d) The average number of calendar days to process rate
14 filings.

15 Sec. 302. In addition to the funds appropriated in part 1, the
16 funds collected by the department in connection with a
17 conservatorship under section 32 of the mortgage brokers, lenders,
18 and servicers licensing act, 1987 PA 173, MCL 445.1682, and funds
19 collected by the department from corporations being liquidated
20 under the insurance code of 1956, 1956 PA 218, MCL 500.100 to
21 500.8302, must be appropriated for all expenses necessary to
22 provide for the required services. Funds are available for
23 expenditure when they are received by the department of treasury
24 and must not lapse to the general fund at the end of the fiscal
25 year.

26 Sec. 303. The department may make available to interested



1 entities customized listings of nonconfidential information in its
2 possession. The department may establish and collect a reasonable
3 charge to provide this service. The revenue from this service is
4 appropriated when received and must be used to offset expenses to
5 provide the service. Any balance of this revenue collected and
6 unexpended at the end of the fiscal year must lapse to the
7 appropriate restricted fund.

8 **ONE-TIME APPROPRIATIONS**

9 Sec. 401. (1) From the funds appropriated in part 1 for
10 insurance evaluation enhancement, by January 31, 2019, the
11 department must complete a study led by an actuarial firm capable
12 of supporting this state's pursuit of a state innovation waiver
13 under section 1332 of the patient protection and affordable care
14 act. The study must meet all criteria for a section 1332 state
15 innovation waiver found at 45 CFR Part 155. The study must include
16 analyses, actuarial certifications data, assumptions, targets, and
17 other information sufficient to provide the secretary of the United
18 States Department of Health and Human Services and the secretary of
19 the United States Department of Treasury with the necessary data to
20 determine whether this state's proposed waiver would do all of the
21 following:

22 (a) Provide coverage that is at least as comprehensive as the
23 coverage defined in section 1203(b) of the patient protection and
24 affordable care act.

25 (b) Provide coverage and cost sharing protections against
26 excessive out-of-pocket spending that are at least as affordable as



1 the provisions of title I of the patient protection and affordable
2 care act.

3 (c) Provide coverage to a comparable number of its residents
4 as the provisions of title I of the patient protection and
5 affordable care act would provide.

6 (d) Not increase the federal deficit.

7 (2) The study under subsection (1) must create any actuarial
8 analyses and certifications necessary to determine whether the
9 estimates will comply with the above requirements. The study must
10 produce an economic analysis to provide a detailed 10 year budget
11 plan that is deficit neutral to the federal government and detailed
12 analyses regarding the estimated impact of the waiver on health
13 insurance coverage in this state.

14 ARTICLE XII

15 JUDICIARY

16 PART 1

17 LINE-ITEM APPROPRIATIONS

18 Sec. 101. There is appropriated for the judiciary for the
19 fiscal year ending September 30, 2019, from the following funds:

20 **JUDICIARY**

21 APPROPRIATION SUMMARY

22	Full-time equated exempted positions	502.0	
23	GROSS APPROPRIATION		\$ 303,983,300
24	Interdepartmental grant revenues:		
25	Total interdepartmental grants and intradepartmental		



1	transfers.....		1,551,300
2	ADJUSTED GROSS APPROPRIATION	\$	302,432,000
3	Federal revenues:		
4	Total federal revenues		5,987,400
5	Special revenue funds:		
6	Total local revenues		6,499,800
7	Total private revenues		981,600
8	Total other state restricted revenues		92,979,500
9	State general fund/general purpose	\$	195,983,700
10	Sec. 102. SUPREME COURT		
11	Full-time equated exempted positions	248.0	
12	Community dispute resolution--3.0 FTE positions		\$ 2,890,700
13	Direct trial court automation support--44.0 FTE		
14	positions.....		6,499,800
15	Drug treatment courts		11,833,000
16	Foster care review board--10.0 FTE positions		1,331,900
17	Judicial information systems--22.0 FTE positions		4,431,800
18	Judicial institute--13.0 FTE positions		1,848,000
19	Mental health courts and diversion services--1.0 FTE		
20	position.....		5,466,800
21	Next generation Michigan court system		4,116,000
22	Other federal grants		275,100
23	State court administrative office--63.0 FTE positions		11,416,100
24	Supreme court administration--92.0 FTE positions		14,059,100
25	Swift and sure sanctions program		3,654,200
26	Veterans courts		936,400
27	Youthful sex offender treatment pilot program		<u>100</u>



1	GROSS APPROPRIATION	\$	68,759,000
2	Appropriated from:		
3	Interdepartmental grant revenues:		
4	IDG from department of corrections		51,300
5	IDG from department of state police		1,500,000
6	Federal revenues:		
7	DOJ, drug court training and evaluation		300,000
8	DOT, National Highway Traffic Safety Administration ..		2,219,000
9	HHS, access and visitation grant		482,500
10	HHS, children's justice grant		238,900
11	HHS, court improvement project		915,700
12	HHS, title IV-D child support program		812,300
13	HHS, title IV-E foster care program		400,400
14	Other federal grant revenues		275,100
15	Special revenue funds:		
16	Local - user fees		6,499,800
17	Private		195,600
18	Private - interest on lawyers trust accounts		269,500
19	Private - state justice institute		430,600
20	Community dispute resolution fund		2,390,800
21	Court of appeals filing/motion fees		1,450,000
22	Drug court fund		1,920,500
23	Justice system fund		587,900
24	Law exam fees		730,600
25	Miscellaneous revenue		243,400
26	State court fund		392,700
27	State general fund/general purpose	\$	46,452,400



1	Sec. 103. COURT OF APPEALS		
2	Full-time equated exempted positions	175.0	
3	Court of appeals operations--175.0 FTE positions		\$ <u>24,360,500</u>
4	GROSS APPROPRIATION		\$ 24,360,500
5	Appropriated from:		
6	State general fund/general purpose		\$ 24,360,500
7	Sec. 104. BRANCHWIDE APPROPRIATIONS		
8	Full-time equated exempted positions	4.0	
9	Branchwide appropriations--4.0 FTE positions		\$ <u>9,128,300</u>
10	GROSS APPROPRIATION		\$ 9,128,300
11	Appropriated from:		
12	State general fund/general purpose		\$ 9,128,300
13	Sec. 105. JUSTICES' AND JUDGES' COMPENSATION		
14	Full-time judges positions	590.0	
15	Supreme court justices' salaries--7.0 justices		\$ 1,152,300
16	Circuit court judges' state base salaries--216.0		
17	judges.....		22,140,600
18	Circuit court judicial salary standardization		9,854,900
19	Court of appeals judges' salaries--27.0 judges		4,337,700
20	District court judges' state base salaries--237.0		
21	judges.....		23,936,400
22	District court judicial salary standardization		10,836,700
23	Probate court judges' state base salaries--103.0		
24	judges.....		10,500,400
25	Probate court judicial salary standardization		4,669,600
26	Judges' retirement system defined contributions		4,858,100
27	OASI, Social Security		<u>6,210,700</u>



1	GROSS APPROPRIATION	\$	98,497,400
2	Appropriated from:		
3	Special revenue funds:		
4	Court fee fund		3,315,200
5	State general fund/general purpose	\$	95,182,200
6	Sec. 106. JUDICIAL AGENCIES		
7	Full-time equated exempted positions	7.0	
8	Judicial tenure commission--7.0 FTE positions	\$	<u>1,162,900</u>
9	GROSS APPROPRIATION	\$	1,162,900
10	Appropriated from:		
11	State general fund/general purpose	\$	1,162,900
12	Sec. 107. INDIGENT DEFENSE - CRIMINAL		
13	Full-time equated exempted positions	51.0	
14	Appellate public defender program--51.0 FTE positions	\$	<u>8,143,400</u>
15	GROSS APPROPRIATION	\$	8,143,400
16	Appropriated from:		
17	Federal revenues:		
18	Other federal grant revenues		343,500
19	Special revenue funds:		
20	Private - interest on lawyers trust accounts		85,900
21	Miscellaneous revenue		92,300
22	State general fund/general purpose	\$	7,621,700
23	Sec. 108. INDIGENT CIVIL LEGAL ASSISTANCE		
24	Indigent civil legal assistance	\$	<u>7,937,000</u>
25	GROSS APPROPRIATION	\$	7,937,000
26	Appropriated from:		
27	Special revenue funds:		



1	State court fund		7,937,000
2	State general fund/general purpose	\$	0
3	Sec. 109. TRIAL COURT OPERATIONS		
4	Full-time equated exempted positions	6.0	
5	Court equity fund reimbursements	\$	60,815,700
6	Drug case-flow program		250,000
7	Drunk driving case-flow program		3,300,000
8	Judicial technology improvement fund		4,815,000
9	Juror compensation reimbursement--1.0 FTE position ...		6,602,400
10	Statewide e-file system--5.0 FTE positions		<u>8,511,700</u>
11	GROSS APPROPRIATION	\$	84,294,800
12	Appropriated from:		
13	Special revenue funds:		
14	Court equity fund		50,440,000
15	Drug fund		250,000
16	Drunk driving fund		3,300,000
17	Electronic filing fee fund		8,511,700
18	Judicial technology improvement fund		4,815,000
19	Juror compensation fund		6,602,400
20	State general fund/general purpose	\$	10,375,700
21	Sec. 110. ONE-TIME APPROPRIATIONS		
22	Full-time equated exempted positions	11.0	
23	Compliance with <i>Montgomery v Louisiana</i> --11.0 FTE		
24	positions	\$	700,000
25	Expansion of problem solving courts		<u>1,000,000</u>
26	GROSS APPROPRIATION	\$	1,700,000
27	Appropriated from:		



1 State general fund/general purpose \$ 1,700,000

2 PART 2
 3 PROVISIONS CONCERNING APPROPRIATIONS
 4 FOR FISCAL YEAR 2018-2019

5 **GENERAL SECTIONS**

6 Sec. 201. Pursuant to section 30 of article IX of the state
 7 constitution of 1963, total state spending from state sources under
 8 part 1 for fiscal year 2018-2019 is \$288,963,200.00 and state
 9 spending from state sources to be paid to local units of government
 10 for fiscal year 2018-2019 is \$148,443,800.00. The itemized
 11 statement below identifies appropriations from which spending to
 12 local units of government will occur:

13 **JUDICIARY**

14 SUPREME COURT

15	Drug treatment courts	\$	11,833,000
16	Mental health courts and diversion services		5,466,800
17	Next generation Michigan court system		4,116,000
18	State court administrative office		200,000
19	Swift and sure sanctions program		3,654,200
20	Veterans courts		936,400
21	Youthful sex offender treatment pilot program		100

22 JUSTICES' AND JUDGES' COMPENSATION

23	Circuit court judicial salary standardization	\$	9,854,900
24	District court judicial salary standardization		10,836,700
25	Probate court judges' state base salaries		10,500,400



1	Probate court judicial salary standardization	4,669,600
2	Grant to OASI contribution fund, employer's share,	
3	Social Security.....	1,080,900
4	TRIAL COURT OPERATIONS	
5	Court equity fund reimbursements	\$ 60,815,700
6	Drug case-flow program	250,000
7	Drunk driving case-flow program	3,300,000
8	Judicial technology improvement fund	4,815,000
9	Juror compensation reimbursement	6,602,400
10	Statewide e-file system	8,511,700
11	ONE-TIME APPROPRIATIONS	
12	Expansion of problem solving courts	\$ <u>1,000,000</u>
13	TOTAL	\$ 148,443,800

14 Sec. 202. (1) The appropriations authorized under this part
15 and part 1 are subject to the management and budget act, 1984 PA
16 431, MCL 18.1101 to 18.1594.

17 (2) Funds appropriated in part 1 to an entity within the
18 judicial branch shall not be expended or transferred to another
19 account without written approval of the authorized agent of the
20 judicial entity. If the authorized agent of the judicial entity
21 notifies the state budget director of its approval of an
22 expenditure or transfer, the state budget director shall
23 immediately make the expenditure or transfer. The authorized
24 judicial entity agent shall be designated by the chief justice of
25 the supreme court.

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

27 (a) "DOJ" means the United States Department of Justice.



1 (b) "DOT" means the United States Department of
2 Transportation.

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

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

6 (e) "IDG" means interdepartmental grant.

7 (f) "OASI" means old age survivor's insurance.

8 (g) "SADO" means the state appellate defender office created
9 under the appellate defender act, 1978 PA 620, MCL 780.711 to
10 780.719.

11 (h) "Title IV-D" means the part of the federal social security
12 act, 42 USC 301 to 1397mm, pertaining to the child support
13 enforcement program.

14 (i) "Title IV-E" means the part of the federal social security
15 act, 42 USC 301 to 1397mm, pertaining to the foster care program.

16 Sec. 204. The reporting requirements of this part shall be
17 completed with the approval of, and at the direction of, the
18 supreme court, except as otherwise provided in this part. The
19 judicial branch shall use the internet to fulfill the reporting
20 requirements of this part. This may include transmission of reports
21 via electronic mail to the recipients identified for each reporting
22 requirement, or it may include placement of reports on an internet
23 or intranet site.

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



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

7 Sec. 207. Not later than January 1 of each year, the state
8 court administrative office shall prepare a report on out-of-state
9 travel listing all travel by judicial branch employees outside this
10 state in the immediately preceding fiscal year that was funded in
11 whole or in part with funds appropriated in the budget for the
12 judicial branch. The report shall be submitted to the senate and
13 house appropriations committees, the senate and house fiscal
14 agencies, and the state budget office. The report shall include the
15 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. 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 program or program areas. The report shall be



1 transmitted to the chairpersons of the senate and house
2 appropriations committees and the senate and house fiscal agencies.

3 Sec. 211. From the funds appropriated in part 1, the judicial
4 branch shall maintain a searchable website accessible by the public
5 at no cost that includes all expenditures made by the judicial
6 branch within a fiscal year. The posting shall include the purpose
7 for which each expenditure is made. The judicial branch shall not
8 provide financial information on its website under this section if
9 doing so would violate a federal or state law, rule, regulation, or
10 guideline that establishes privacy or security standards applicable
11 to that financial information.

12 Sec. 212. Within 14 days after the release of the executive
13 budget recommendation, the judicial branch shall cooperate with the
14 state budget office to provide the senate and house appropriations
15 committee chairs, the senate and house appropriations subcommittee
16 chairs, and the senate and house fiscal agencies with an annual
17 report on estimated state restricted fund balances, state
18 restricted fund projected revenues, and state restricted fund
19 expenditures for the prior 2 fiscal years.

20 Sec. 213. The judiciary shall maintain, on a publicly
21 accessible website, a scorecard that identifies, tracks, and
22 regularly updates key metrics that are used to monitor and improve
23 the judiciary'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 estimated at \$14,127,500.00. From this amount, total
27 judiciary appropriations for pension-related legacy costs are



1 estimated at \$6,513,000.00. Total judiciary appropriations for
2 retiree health care legacy costs are estimated at \$7,614,500.00.

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

6 Sec. 216. It is the intent of the legislature that judges who
7 are presiding over a hearing on a foster care case shall publicly
8 acknowledge and request the input of the foster parent or foster
9 parents during the hearing.

10 Sec. 217. If the judicial branch makes any changes to a foster
11 care family service plan before its finalization, it is the intent
12 of the legislature that the presiding judge provide an explanation
13 for any changes to that plan in the court record.

14 Sec. 219. The judicial branch shall receive and retain copies
15 of all reports funded from appropriations in part 1. Federal and
16 state guidelines for short-term and long-term retention of records
17 shall be followed. The judicial branch may electronically retain
18 copies of reports unless otherwise required by federal and state
19 guidelines.

20 **JUDICIAL BRANCH**

21 Sec. 301. From the funds appropriated in part 1, the direct
22 trial court automation support program of the state court
23 administrative office shall recover direct and overhead costs from
24 trial courts by charging for services rendered. The fee shall cover
25 the actual costs incurred to the direct trial court automation
26 support program in providing the service, including development of



1 future versions of case management systems.

2 Sec. 302. Funds appropriated within the judicial branch shall
3 not be expended by any component within the judicial branch without
4 the approval of the supreme court.

5 Sec. 303. Of the amount appropriated in part 1 for the
6 judicial branch, \$711,900.00 is allocated for circuit court
7 reimbursement under section 3 of 1978 PA 16, MCL 800.453, and for
8 costs associated with the court of claims.

9 Sec. 304. A member of the legislature may request a report or
10 data from the data collected in the judicial data warehouse. The
11 report shall be made available to the public upon request, unless
12 disclosure is prohibited by court order or state or federal law.
13 Any data provided under this section shall be public and non-
14 identifying information.

15 Sec. 305. From the funds appropriated in part 1 for community
16 dispute resolution, community dispute resolution centers shall
17 provide restorative justice programs to schools to help reduce
18 suspensions and truancy, and to improve school climate. Funding may
19 be used for community dispute resolution centers, in cooperation
20 with local prosecutors, to expand existing restorative justice
21 programming that targets juvenile offenders who have been charged
22 with assault and battery, malicious destruction of property, or a
23 larceny offense, including retail fraud. Participation shall be
24 completely voluntary for the person charged and any person harmed
25 by the crime.

26 Sec. 307. From the funds appropriated in part 1 for mental
27 health courts and diversion services, \$1,730,000.00 is intended to



1 address the recommendations of the mental health diversion council.

2 Sec. 308. If sufficient funds are not available from the court
3 fee fund to pay judges' compensation, the difference between the
4 appropriated amount from that fund for judges' compensation and the
5 actual amount available after the amount appropriated for trial
6 court reimbursement is made shall be appropriated from the state
7 general fund for judges' compensation. If an appropriation is made
8 under this section, the state court administrative office shall
9 notify, within 14 days of the appropriation, the senate and house
10 standing committees on appropriations, the senate and house
11 appropriations subcommittees on judiciary, the senate and house
12 fiscal agencies, and the state budget office.

13 Sec. 309. By April 1, the state court administrative office
14 shall provide a report on drug treatment, mental health, and
15 veterans court programs in this state. The report shall include
16 information on the number of each type of program that has been
17 established, the number of program participants in each
18 jurisdiction, and the impact of the programs on offender criminal
19 involvement and recidivism. The report shall be submitted to the
20 senate and house appropriations subcommittees on judiciary, the
21 senate and house fiscal agencies, and the state budget office.

22 Sec. 311. (1) The funds appropriated in part 1 for drug
23 treatment courts as that term is defined in section 1060 of the
24 revised judicature act of 1961, 1961 PA 236, MCL 600.1060, shall be
25 administered by the state court administrative office to operate
26 drug treatment court programs. A drug treatment court shall be
27 responsible for handling cases involving substance abusing



1 nonviolent offenders through comprehensive supervision, testing,
2 treatment services, and immediate sanctions and incentives. A drug
3 treatment court shall use all available county and state personnel
4 involved in the disposition of cases including, but not limited to,
5 parole and probation agents, prosecuting attorneys, defense
6 attorneys, and community corrections providers. The funds may be
7 used in connection with other federal, state, and local funding
8 sources.

9 (2) From the funds appropriated in part 1, the chief justice
10 shall allocate sufficient funds for the Michigan judicial institute
11 to provide in-state training for those identified in subsection
12 (1), including training for new drug treatment court judges.

13 (3) For drug treatment court grants, consideration for
14 priority may be given to those courts where higher instances of
15 substance abuse cases are filed.

16 (4) The judiciary shall receive \$1,500,000.00 in Byrne formula
17 grant funding as an interdepartmental grant from the department of
18 state police to be used for expansion of drug treatment courts, to
19 assist in avoiding prison bed space growth for nonviolent offenders
20 in collaboration with the department of corrections.

21 Sec. 312. From the funds appropriated in part 1, the state
22 court administrator shall produce a statistical report regarding
23 the implementation of the parental rights restoration act, 1990 PA
24 211, MCL 722.901 to 722.908, as it pertains to minors seeking
25 court-issued waivers of parental consent. The state court
26 administrative office shall report the total number of petitions
27 filed and the total number of petitions granted under that act.



1 Sec. 316. (1) From the funds appropriated in part 1 for
2 pretrial risk assessment, the state court administrative office
3 shall pilot a pretrial risk assessment tool in an effort to provide
4 relevant information to judges so they can make evidence-based bond
5 decisions that will increase public safety and reduce costs
6 associated with unnecessary pretrial detention.

7 (2) The state court administrative office shall submit a
8 report by March 1 to the senate and house appropriations
9 subcommittees on judiciary, the senate and house fiscal agencies,
10 and the state budget office on progress made toward implementing
11 the pretrial risk assessment tool and associated costs.

12 Sec. 317. Funds appropriated in part 1 shall not be used for
13 the permanent assignment of state-owned vehicles to justices or
14 judges or any other judicial branch employee. This section does not
15 preclude the use of state-owned motor pool vehicles for state
16 business in accordance with approved guidelines.

17 Sec. 320. (1) From the funds appropriated in part 1 for the
18 swift and sure sanctions program, created under section 3 of
19 chapter XIA of the code of criminal procedure, 1927 PA 175, MCL
20 771A.3, the state court administrative office shall administer a
21 program to distribute grants to qualifying courts in accordance
22 with the objectives and requirements of the probation swift and
23 sure sanctions act, chapter XIA of the code of criminal procedure,
24 1927 PA 175, MCL 771A.1 to 771A.8. Of the funds designated for the
25 program, not more than \$100,000.00 shall be available to the state
26 court administrative office to pay for employee costs associated
27 with the administration of the program funds. Of the funds



1 designated for the program, \$500,000.00 is reserved for programs in
2 counties that had more than 325 individuals sentenced to prison in
3 the previous calendar year. Courts interested in participating in
4 the swift and sure sanctions program may apply to the state court
5 administrative office for a portion of the funds appropriated in
6 part 1 under this section.

7 (2) By April 1, the state court administrative office, in
8 cooperation with the department of corrections, shall provide a
9 report on the courts that receive funding under the swift and sure
10 sanctions program described in subsection (1) to the senate and
11 house appropriations subcommittees on judiciary, the senate and
12 house fiscal agencies, and the state budget office. The report
13 shall include all of the following:

14 (a) The number of offenders who participate in the program.

15 (b) The criminal history of offenders who participate in the
16 program.

17 (c) The recidivism rate of offenders who participate in the
18 program, including the rate of return to jail, prison, or both.

19 (d) A detailed description of the establishment and parameters
20 of the program.

21 (3) As used in this section, "program" means a swift and sure
22 sanctions program described in subsection (1).

23 Sec. 321. From the funds appropriated in part 1, the judicial
24 branch shall support a statewide legal self-help internet website
25 and local nonprofit self-help centers that use the statewide
26 website to provide assistance to individuals representing
27 themselves in civil legal proceedings. The state court



1 administrative office shall summarize the costs of maintaining the
2 website, provide statistics on the number of people visiting the
3 website, and provide information on content usage, form completion,
4 and user feedback. By March 1, the state court administrative
5 office shall report this information for the preceding fiscal year
6 to the senate and house appropriations subcommittees on judiciary,
7 the senate and house fiscal agencies, and the state budget office.

8 Sec. 322. If Byrne formula grant funding is awarded to the
9 state appellate defender, the state appellate defender office may
10 receive and expend Byrne formula grant funds in an amount not to
11 exceed \$250,000.00 as an interdepartmental grant from the
12 department of state police. If the appellate defender appointed
13 under section 3 of the appellate defender act, 1978 PA 620, MCL
14 780.713, receives federal grant funding from the United States
15 Department of Justice in excess of the amount appropriated in part
16 1, the office of appellate defender may receive and expend grant
17 funds in an amount not to exceed \$300,000.00 as other federal
18 grants.

19 Sec. 324. From the funds appropriated in part 1, the judiciary
20 shall maintain a medication-assisted treatment program to provide
21 treatment for opioid-addicted and alcohol-addicted individuals who
22 are referred to and voluntarily participate in the medication-
23 assisted treatment program.

24 **ONE-TIME APPROPRIATIONS**

25 Sec. 402. (1) The state appellate defender office attorneys
26 and support staff shall ensure Michigan compliance with *Montgomery*



1 *v Louisiana*, 577 US _____ (2016). The purpose of the program
2 expansion is to ensure competent, resourced, and supervised counsel
3 in cases involving the resentencing of juvenile lifers. The
4 representation by SADO counsel will create opportunities for
5 release, saving prison costs for the state.

6 (2) From the funds appropriated in part 1, the state appellate
7 defender office shall submit a report by September 30 to the senate
8 and house appropriations subcommittees on judiciary, the senate and
9 house fiscal agencies, and the state budget office on the number of
10 juvenile lifer cases investigated and prepared by the state
11 appellate defender office. The report shall include a calculation
12 of hours spent and focus on incremental costs associated with
13 investigating and conducting a robust examination of each case,
14 with particular emphasis on those costs that may be avoided after
15 the cases have been disposed.

16 PART 2A

17 PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS
18 FOR FISCAL YEAR 2019-2020

19 **GENERAL SECTIONS**

20 Sec. 1201. It is the intent of the legislature to provide
21 appropriations for the fiscal year ending on September 30, 2020 for
22 the line items listed in part 1. Fiscal year 2019-2020
23 appropriations are anticipated to be the same as those for fiscal
24 year 2018-2019, except that the line items will be adjusted for
25 changes in caseload and related costs, federal fund match rates,



1 economic factors, and available revenue. These adjustments will be
 2 determined after the January 2019 consensus revenue estimating
 3 conference.

4 ARTICLE XIII

5 DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS

6 PART 1

7 LINE-ITEM APPROPRIATIONS

8 Sec. 101. There is appropriated for the department of
 9 licensing and regulatory affairs for the fiscal year ending
 10 September 30, 2019, from the following funds:

11 **DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS**

12 APPROPRIATION SUMMARY

13	Full-time equated unclassified positions	57.5	
14	Full-time equated classified positions	2,322.3	
15	GROSS APPROPRIATION		\$ 491,962,100
16	Interdepartmental grant revenues:		
17	Total interdepartmental grants and intradepartmental		
18	transfers.....		48,414,300
19	ADJUSTED GROSS APPROPRIATION		\$ 443,547,800
20	Federal revenues:		
21	Total federal revenues		65,744,400
22	Special revenue funds:		
23	Total local revenues		100,000
24	Total private revenues		111,800
25	Total state restricted revenues		288,771,300



1	State general fund/general purpose	\$	88,820,300
2	State general fund/general purpose schedule:		
3	Ongoing state general fund/general		
4	purpose		88,820,300
5	One-time state general fund/general purpose		0
6	Sec. 102. DEPARTMENTAL ADMINISTRATION AND SUPPORT		
7	Full-time equated unclassified positions		57.5
8	Full-time equated classified positions		108.0
9	Unclassified salaries--57.5 FTE positions	\$	5,107,700
10	Administrative services--77.0 FTE positions		8,810,100
11	Executive director programs--24.0 FTE positions		3,256,500
12	FOIA coordination--3.0 FTE positions		314,900
13	Office for new Americans--4.0 FTE positions		480,200
14	Property management		11,488,900
15	Worker's compensation		<u>318,500</u>
16	GROSS APPROPRIATION	\$	29,776,800
17	Appropriated from:		
18	Interdepartmental grant revenues:		
19	IDG - MDIFS, accounting services		150,000
20	IDG - MDTED, unemployment hearings		601,100
21	Federal revenues:		
22	DED - vocational rehabilitation and independent living		897,400
23	DOE - heating oil and propane		25,000
24	DOL - occupational safety and health		712,200
25	EPA - underground storage tanks		29,100
26	HHS - Medicaid, certification of health care providers		
27	and suppliers.....		405,200



1	HHS - Medicare, certification of health care providers	
2	and suppliers.....	589,000
3	Special revenue funds:	
4	Aboveground storage tank fees	92,400
5	Accountancy enforcement fund	46,100
6	Asbestos abatement fund	150,100
7	Boiler inspection fund	278,300
8	Builder enforcement fund	100,400
9	Construction code fund	760,000
10	Corporation fees	5,644,500
11	Elevator fees	302,100
12	Fire alarm fees	7,100
13	Fire safety standard and enforcement fund	2,100
14	Fire service fees	483,400
15	Fireworks safety fund	51,000
16	Health professions regulatory fund	1,569,800
17	Health systems fees	246,400
18	Licensing and regulation fund	783,000
19	Liquor license revenue	300,000
20	Liquor purchase revolving fund	3,807,100
21	Marihuana registry fund	670,500
22	Michigan unarmed combat fund	5,900
23	Mobile home code fund	317,100
24	Nurse professional fund	37,500
25	PMECSEMA fund	45,000
26	Private occupational school license fees	55,200
27	Property development fees	7,400



1	Public utility assessments	2,779,400
2	Radiological health fees	223,500
3	Real estate appraiser education fund	2,600
4	Real estate education fund	11,000
5	Real estate enforcement fund	11,300
6	Refined petroleum fund	185,800
7	Restructuring mechanism assessments	31,600
8	Retired engineers technical assistance program fund ..	7,000
9	Safety education and training fund	850,800
10	Second injury fund	236,700
11	Securities fees	3,678,200
12	Securities investor education and training fund	9,200
13	Security business fund	7,000
14	Self-insurers security fund	120,300
15	Silicosis and dust disease fund	102,300
16	Survey and remonumentation fund	97,000
17	Tax tribunal fund	885,300
18	Utility consumer representation fund	54,000
19	Worker's compensation administrative revolving fund ..	103,800
20	State general fund/general purpose	\$ 1,208,600
21	Sec. 103. ENERGY AND UTILITY PROGRAMS	
22	Full-time equated classified positions	208.0
23	Michigan agency for energy--26.0 FTE positions	\$ 7,132,800
24	Public service commission--182.0 FTE positions	<u>31,879,000</u>
25	GROSS APPROPRIATION	\$ 39,011,800
26	Appropriated from:	
27	Federal revenues:	



1	DOE - heating oil and propane		3,795,000
2	DOT - gas pipeline safety		2,212,800
3	Special revenue funds:		
4	Public utility assessments		31,332,300
5	Restructuring mechanism assessments		620,900
6	Retired engineers technical assistance program fund ..		491,200
7	State general fund/general purpose	\$	559,600
8	Sec. 104. LIQUOR CONTROL COMMISSION		
9	Full-time equated classified positions	143.0	
10	Liquor licensing and enforcement--115.0 FTE positions	\$	16,006,400
11	Management support services--28.0 FTE positions		<u>4,518,400</u>
12	GROSS APPROPRIATION	\$	20,524,800
13	Appropriated from:		
14	Special revenue funds:		
15	Direct shipper enforcement revolving fund		300,700
16	Liquor control enforcement and license investigation		
17	revolving fund.....		175,000
18	Liquor license fee enhancement fund		76,400
19	Liquor license revenue		7,580,700
20	Liquor purchase revolving fund		12,392,000
21	State general fund/general purpose	\$	0
22	Sec. 105. OCCUPATIONAL REGULATION		
23	Full-time equated classified positions	1,143.9	
24	Bureau of community and health systems--426.9 FTE		
25	positions.....	\$	63,085,000
26	Bureau of construction codes--182.0 FTE positions		23,839,300
27	Bureau of fire services--78.0 FTE positions		11,175,500



1	Bureau of professional licensing--206.0 FTE positions	39,834,200
2	Corporations, securities, and commercial licensing	
3	bureau--118.0 FTE positions	15,431,400
4	Medical marihuana facilities licensing and tracking--	
5	108.0 FTE positions	10,000,000
6	Medical marihuana program--25.0 FTE positions	<u>5,001,300</u>
7	GROSS APPROPRIATION	\$ 168,366,700
8	Appropriated from:	
9	Interdepartmental grant revenues:	
10	IDG - MDE, child care licensing	17,794,900
11	Federal revenues:	
12	DHS - fire training systems	28,000
13	DOT - hazardous materials training and planning	60,000
14	EPA - underground storage tanks	804,400
15	HHS - Medicaid, certification of health care providers	
16	and suppliers	8,379,900
17	HHS - Medicare, certification of health care providers	
18	and suppliers	13,638,100
19	Special revenue funds:	
20	Aboveground storage tank fees	206,800
21	Accountancy enforcement fund	689,600
22	Boiler inspection fund	3,399,700
23	Builder enforcement fund	644,000
24	Construction code fund	7,910,200
25	Corporation fees	7,143,500
26	Distance education fund	355,500
27	Division on deafness fund	93,400



1	Elevator fees	4,356,300
2	Fire alarm fees	130,100
3	Fire safety standard and enforcement fund	40,400
4	Fire service fees	2,553,300
5	Fireworks safety fund	703,900
6	Health professions regulatory fund	24,158,800
7	Health systems fees	3,792,200
8	Licensing and regulation fund	11,851,200
9	Liquor purchase revolving fund	143,200
10	Marihuana registry fund	5,001,300
11	Marihuana regulatory fund	10,500,000
12	Michigan unarmed combat fund	76,900
13	Mobile home code fund	3,045,200
14	Nurse aide registration fund	600,000
15	Nurse professional fund	1,964,900
16	Nursing home administrative penalties	100,000
17	PMECSEMA fund	1,855,600
18	Private occupational school license fees	478,600
19	Property development fees	318,100
20	Real estate appraiser education fund	65,400
21	Real estate education fund	345,400
22	Real estate enforcement fund	704,400
23	Refined petroleum fund	2,643,400
24	Securities fees	4,779,800
25	Securities investor education and training fund	502,300
26	Security business fund	233,600
27	Survey and remonumentation fund	864,900



1	State general fund/general purpose	\$	25,409,500
2	Sec. 106. EMPLOYMENT SERVICES		
3	Full-time equated classified positions		464.4
4	Bureau of employment relations--22.0 FTE positions ...	\$	4,289,800
5	Bureau of services for blind persons--113.0 FTE		
6	positions.....		24,931,000
7	Compensation supplement fund		1,820,000
8	First responder presumed coverage fund claims		5,245,000
9	Insurance funds administration--23.0 FTE positions ...		5,031,200
10	Michigan occupational safety and health		
11	administration--197.0 FTE positions		29,418,000
12	Radiation safety section--21.4 FTE positions		3,299,300
13	Wage and hour program--32.0 FTE positions		3,826,100
14	Workers' compensation agency--56.0 FTE positions		<u>8,177,000</u>
15	GROSS APPROPRIATION	\$	86,037,400
16	Appropriated from:		
17	Federal revenues:		
18	DED - vocational rehabilitation and independent living		18,725,100
19	DOL - occupational safety and health		12,047,700
20	HHS - mammography quality standards		513,300
21	Special revenue funds:		
22	Local revenues - blind services		100,000
23	Private revenues - blind services		111,800
24	Asbestos abatement fund		817,300
25	Corporation fees		9,619,100
26	First responder presumed coverage fund		5,445,000
27	Michigan business enterprise program fund		327,800



1	Radiological health fees	2,786,000
2	Safety education and training fund	9,922,200
3	Second injury fund	2,627,000
4	Securities fees	8,807,300
5	Self-insurers security fund	1,587,000
6	Silicosis and dust disease fund	817,200
7	Worker's compensation administrative revolving fund ..	1,682,500
8	State general fund/general purpose	\$ 10,101,100
9	Sec. 107. MICHIGAN ADMINISTRATIVE HEARING SYSTEM	
10	Full-time equated classified positions	236.0
11	Michigan administrative hearing system--218.0 FTE	
12	positions.....	\$ 38,607,100
13	Michigan compensation appellate commission--18.0 FTE	
14	positions.....	<u>4,649,000</u>
15	GROSS APPROPRIATION	\$ 43,256,100
16	Appropriated from:	
17	Interdepartmental grant revenues:	
18	IDG revenues - administrative hearings and rules	25,561,600
19	IDG - MDTED, unemployment hearings	4,306,700
20	Federal revenues:	
21	DOL - occupational safety and health	153,900
22	Special revenue funds:	
23	Construction code fund	26,000
24	Corporation fees	4,026,000
25	Health professions regulatory fund	392,800
26	Health systems fees	156,600
27	Licensing and regulation fund	849,200



1	Liquor purchase revolving fund		967,000
2	Public utility assessments		2,547,600
3	Safety education and training fund		62,600
4	Securities fees		2,418,900
5	Tax tribunal fund		954,000
6	Worker's compensation administrative revolving fund ..		137,400
7	State general fund/general purpose	\$	695,800
8	Sec. 108. COMMISSIONS		
9	Full-time equated classified positions	19.0	
10	Asian Pacific American affairs commission--1.0 FTE		
11	position.....	\$	137,400
12	Commission on Middle Eastern American affairs--1.0 FTE		
13	position.....		125,000
14	Hispanic/Latino commission of Michigan--1.0 FTE		
15	position.....		288,300
16	Michigan indigent defense commission--16.0 FTE		
17	positions.....		<u>2,420,700</u>
18	GROSS APPROPRIATION	\$	2,971,400
19	Appropriated from:		
20	State general fund/general purpose	\$	2,971,400
21	Sec. 109. DEPARTMENT GRANTS		
22	Firefighter training grants	\$	2,000,000
23	Liquor law enforcement grants		8,400,000
24	Michigan indigent defense commission grants		61,300,000
25	Remonumentation grants		7,300,000
26	Subregional libraries state aid		451,800
27	Utility consumer representation		<u>750,000</u>



1	GROSS APPROPRIATION	\$	80,201,800
2	Appropriated from:		
3	Special revenue funds:		
4	Fireworks safety fund		2,000,000
5	Liquor license revenue		8,400,000
6	Local indigent defense reimbursement		15,300,000
7	Survey and remonumentation fund		7,300,000
8	Utility consumer representation fund		750,000
9	State general fund/general purpose	\$	46,451,800
10	Sec. 110. INFORMATION TECHNOLOGY		
11	Information technology services and projects	\$	<u>21,815,300</u>
12	GROSS APPROPRIATION	\$	21,815,300
13	Appropriated from:		
14	Federal revenues:		
15	DED - vocational rehabilitation and independent living		1,229,800
16	DOE - heating oil and propane		24,000
17	DOL - occupational safety and health		367,300
18	DOT - gas pipeline safety		45,000
19	EPA - underground storage tanks		100,200
20	HHS - Medicaid, certification of health care providers		
21	and suppliers.....		331,600
22	HHS - Medicare, certification of health care providers		
23	and suppliers.....		630,400
24	Special revenue funds:		
25	Aboveground storage tank fees		54,600
26	Accountancy enforcement fund		1,100
27	Asbestos abatement fund		55,400



1	Boiler inspection fund	388,800
2	Construction code fund	1,064,400
3	Corporation fees	3,676,100
4	Distance education fund	11,600
5	Elevator fees	431,100
6	Fire safety standard and enforcement fund	3,000
7	Fire service fees	199,200
8	Fireworks safety fund	35,200
9	Health professions regulatory fund	1,258,900
10	Health systems fees	233,800
11	Licensing and regulation fund	1,858,700
12	Liquor purchase revolving fund	2,934,000
13	Marihuana registry fund	301,700
14	Michigan unarmed combat fund	6,800
15	Mobile home code fund	311,400
16	PMECSEMA fund	178,600
17	Private occupational school license fees	21,900
18	Public utility assessments	1,506,200
19	Radiological health fees	143,300
20	Real estate appraiser education fund	1,000
21	Real estate education fund	4,900
22	Refined petroleum fund	170,800
23	Restructuring mechanism assessments	40,100
24	Retired engineers technical assistance program fund ..	5,000
25	Safety education and training fund	398,400
26	Second injury fund	474,100
27	Securities fees	1,108,700



1	Securities investor education and training fund	1,000
2	Self-insurers security fund	348,700
3	Silicosis and dust disease fund	138,400
4	Survey and remonumentation fund	74,100
5	Tax tribunal fund	223,500
6	State general fund/general purpose	\$ 1,422,500

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 \$377,591,600.00 and state spending from state sources to be paid to local units of government for fiscal year 2018-2019 is \$79,451,800.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS

19	Firefighter training grants.....	\$ 2,000,000
20	Liquor law enforcement grants	8,400,000
21	Michigan indigent defense commission grants	61,300,000
22	Remonumentation grants	7,300,000
23	Subregional libraries state aid	<u>451,800</u>
24	Total department of licensing and regulatory	
25	affairs.....	\$ 79,451,800



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

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

5 (a) "DED" means the United States Department of Education.

6 (b) "Department" means the department of licensing and
7 regulatory affairs.

8 (c) "DHHS" means the Michigan department of health and human
9 services.

10 (d) "DHS" means the United States Department of Homeland
11 Security.

12 (e) "DIFS" means the department of insurance and financial
13 services.

14 (f) "Director" means the director of the department.

15 (g) "DOE" means the United States Department of Energy.

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

17 (i) "DOT" means the United States Department of
18 Transportation.

19 (j) "EPA" means the United States Environmental Protection
20 Agency.

21 (k) "Fiscal agencies" means Michigan house fiscal agency and
22 Michigan senate fiscal agency.

23 (l) "FOIA" means the freedom of information act, 1976 PA 442,
24 MCL 15.231 to 15.246.

25 (m) "FTE" means full-time equated.

26 (n) "HHS" means the United States Department of Health and
27 Human Services.



1 (o) "IDG" means interdepartmental grant.

2 (p) "IT" means information technology.

3 (q) "MDE" means the Michigan department of education.

4 (r) "PMECSEMA" means pain management education and controlled
5 substances electronic monitoring and antidiversion.

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

9 (t) "TED" means the Michigan department of talent and economic
10 development.

11 Sec. 204. The department and agencies receiving appropriations
12 in this part and 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 this part and part 1 shall not
18 be used for 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 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. The
3 director shall strongly encourage firms with which the department
4 contracts to subcontract with certified businesses in depressed and
5 deprived communities for services, supplies, or both.

6 Sec. 207. (1) Out-of-state travel shall be limited to
7 situations when travel is approved by a departmental employee's
8 immediate supervisor and in which 1 or more of the following
9 conditions apply:

10 (a) The travel is required by legal mandate or court order or
11 for law enforcement purposes.

12 (b) The travel is necessary to protect the health or safety of
13 Michigan citizens or visitors or to assist other states in similar
14 circumstances.

15 (c) The travel is necessary to produce budgetary savings or to
16 increase state revenues, including protecting existing federal
17 funds or securing additional federal funds.

18 (d) The travel is necessary to comply with federal
19 requirements.

20 (e) The travel is necessary to secure specialized training for
21 staff that is not available within this state.

22 (f) The travel is financed entirely by federal or nonstate
23 funds.

24 (2) The department shall not approve the travel of more than 1
25 departmental employee to a specific professional development
26 conference or training seminar that is located outside of this
27 state unless a professional development conference or training



1 seminar is funded by a federal or private funding source and
2 requires more than 1 individual from a department to attend, or the
3 conference or training seminar includes multiple issues in which 1
4 employee from the department does not have expertise.

5 (3) Not later than January 1, the department shall prepare a
6 travel report listing all travel by classified and unclassified
7 employees outside this state in the immediately preceding fiscal
8 year that was funded in whole or in part with funds appropriated in
9 the department's budget. The report shall be submitted to the house
10 and senate appropriations committees, the fiscal agencies, and the
11 state budget director. The report shall include all of the
12 following information:

13 (a) The name of each person receiving reimbursement for travel
14 outside this state or whose travel costs were paid by this state.

15 (b) The destination of each travel occurrence.

16 (c) The dates of each travel occurrence.

17 (d) A brief statement of the reason for each travel
18 occurrence.

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

24 (f) A total of all out-of-state travel funded for the
25 immediately preceding fiscal year.

26 Sec. 208. Funds appropriated in this part and part 1 shall not
27 be used by a principal executive department, state agency, or



1 authority to hire a person to provide legal services that are the
2 responsibility of the attorney general. This prohibition does not
3 apply to legal services for bonding activities and for those
4 outside services that the attorney general authorizes.

5 Sec. 209. Not later than November 30, the state budget office
6 shall prepare and transmit a report that provides for estimates of
7 the total general fund/general purpose appropriation lapses at the
8 close of the prior fiscal year. This report must summarize the
9 projected year-end general fund/general purpose appropriation
10 lapses by major departmental program or program areas. The report
11 must 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 \$10,000,000.00 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 \$25,000,000.00 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 \$1,000,000.00 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 subcommittees 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 department'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 estimated at \$57,167,300.00. From this amount, total
10 agency appropriations for pension-related legacy costs are
11 estimated at \$26,355,100.00. Total agency appropriations for
12 retiree health care legacy costs are estimated at \$30,812,200.00.

13 Sec. 215. Unless prohibited by law, the department may accept
14 credit card or other electronic means of payment for licenses,
15 fees, or permits.

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

19 Sec. 219. The department shall not develop or produce any
20 television or radio productions.

21 Sec. 220. The department, in conjunction with the department
22 of health and human services, shall maintain an accounting
23 structure within this state's accounting system that will allow
24 expenditures associated with the administration of the Healthy
25 Michigan plan to be identified.

26 Sec. 221. The department may carry into the succeeding fiscal
27 year unexpended federal pass-through funds to local institutions



1 and governments that do not require additional state matching
2 funds. Federal pass-through funds to local institutions and
3 governments that are received in amounts in addition to those
4 included in part 1 and that do not require additional state
5 matching funds are appropriated for the purposes intended. Within
6 14 days after the receipt of federal pass-through funds, the
7 department shall notify the house and senate chairpersons of the
8 subcommittees, the fiscal agencies, and the state budget director
9 of pass-through funds appropriated under this section.

10 Sec. 222. (1) Grants supported with private revenues received
11 by the department are appropriated upon receipt and are available
12 for expenditure by the department, subject to subsection (3), for
13 purposes specified within the grant agreement and as permitted
14 under state and federal law.

15 (2) Within 10 days after the receipt of a private grant
16 appropriated in subsection (1), the department shall notify the
17 house and senate chairpersons of the subcommittees, the fiscal
18 agencies, and the state budget director of the receipt of the
19 grant, including the fund source, purpose, and amount of the grant.

20 (3) The amount appropriated under subsection (1) shall not
21 exceed \$1,500,000.00.

22 Sec. 223. (1) The department may charge registration fees to
23 attendees of informational, training, or special events sponsored
24 by the department, and related to activities that are under the
25 department's preview.

26 (2) These fees shall reflect the costs for the department to
27 sponsor the informational, training, or special events.



1 (3) Revenue generated by the registration fees is appropriated
2 upon receipt and available for expenditure to cover the
3 department's costs of sponsoring informational, training, or
4 special events.

5 (4) Revenue generated by registration fees in excess of the
6 department's costs of sponsoring informational, training, or
7 special events shall carry forward to the subsequent fiscal year
8 and not lapse to the general fund.

9 (5) The amount appropriated under subsection (3) shall not
10 exceed \$500,000.00.

11 Sec. 224. The department may make available to interested
12 entities otherwise unavailable customized listings of
13 nonconfidential information in its possession, such as names and
14 addresses of licensees. The department may establish and collect a
15 reasonable charge to provide this service. The revenue received
16 from this service is appropriated when received and shall be used
17 to offset expenses to provide the service. Any balance of this
18 revenue collected and unexpended at the end of the fiscal year
19 shall lapse to the appropriate restricted fund.

20 Sec. 225. (1) The department shall sell documents at a price
21 not to exceed the cost of production and distribution. Money
22 received from the sale of these documents shall revert to the
23 department. In addition to the funds appropriated in part 1, these
24 funds are available for expenditure when they are received by the
25 department of treasury. This subsection applies only for the
26 following documents:

27 (a) Corporation and securities division documents, reports,



1 and papers required or permitted by law pursuant to section 1060(5)
2 of the business corporation act, 1972 PA 284, MCL 450.2060.

3 (b) The Michigan liquor control code of 1998, 1998 PA 58, MCL
4 436.1101 to 436.2303.

5 (c) The mobile home commission act, 1987 PA 96, MCL 125.2301
6 to 125.2350; the business corporation act, 1972 PA 284, MCL
7 450.1101 to 450.2098; the nonprofit corporation act, 1982 PA 162,
8 MCL 450.2101 to 450.3192; and the uniform securities act (2002),
9 2008 PA 551, MCL 451.2101 to 451.2703.

10 (d) Worker's compensation health care services rules.

11 (e) Construction code manuals.

12 (f) Copies of transcripts from administrative law hearings.

13 (2) In addition to the funds appropriated in part 1, funds
14 appropriated for the department under sections 57, 58, and 59 of
15 the administrative procedures act of 1969, 1969 PA 306, MCL 24.257,
16 24.258, and 24.259, and section 203 of the legislative council act,
17 1986 PA 268, MCL 4.1203, are appropriated for all expenses
18 necessary to provide for the cost of publication and distribution.

19 (3) Unexpended funds at the end of the fiscal year shall carry
20 forward to the subsequent fiscal year and not lapse to the general
21 fund.

22 Sec. 226. (1) No later than March 1, the department shall
23 submit a report to the subcommittees and fiscal agencies pertaining
24 to licensing and regulatory programs during the previous fiscal
25 year for the following agencies:

26 (a) Public service commission.

27 (b) Liquor control commission.



1 (c) Bureau of fire services.

2 (d) Bureau of construction codes.

3 (e) Corporations, securities, and commercial licensing bureau.

4 (f) Bureau of professional licensing.

5 (g) Bureau of community and health systems.

6 (h) Michigan occupational safety and health administration.

7 (2) The report shall be in a format that is consistent between
8 the agencies listed in subsection (1) and shall provide, but is not
9 limited to, the following information, as applicable, for each
10 agency in subsection (1):

11 (a) Revenue generated by and expenditures disbursed for each
12 regulatory product.

13 (b) Number of applications, both initial and renewal, for each
14 regulatory product.

15 (c) Number of applications, both initial and renewal, approved
16 for each regulatory product.

17 (d) Number of applications, both initial and renewal, denied
18 for each regulatory product.

19 (e) Average amount of time, both tolled and untolled, to
20 approve or deny applications, both initial and renewal, for each
21 regulatory product.

22 (f) Number of examinations proctored for initial applications
23 for each regulatory product.

24 (g) Number of complaints received pertaining to each regulated
25 activity.

26 (h) Number of investigations opened pertaining to each
27 regulated activity.



1 (i) Number of investigations closed pertaining to each
2 regulated activity.

3 (j) Average amount of time to close investigations pertaining
4 to each regulated activity.

5 (k) Number of enforcement actions pertaining to each regulated
6 activity.

7 (l) Number of administrative hearings pertaining to each
8 regulated activity.

9 (m) Number of administrative hearing adjudications pertaining
10 to each regulated activity.

11 (n) The type and amount of each fee charged to support each
12 regulated activity.

13 (3) As used in subsection (2), "regulatory product" means
14 licensure, certification, registration, inspection, review,
15 permitting, approval, or any other regulatory service provided by
16 the agencies specified in subsection (1) for each regulated
17 activity. As used in this subsection and subsection (2), "regulated
18 activity" means the particular activities, entities, facilities,
19 and industries regulated by the agencies specified in subsection
20 (1).

21 Sec. 227. It is the intent of the legislature that the
22 department establish an employee performance monitoring process
23 that is consistent throughout the department in addition to current
24 civil service commission evaluations. By April 1, the department
25 shall submit a report to the state budget office, the
26 subcommittees, and the fiscal agencies on changes to the employee
27 performance monitoring process that are planned or implemented, as



1 well as the number of employee evaluations performed.

2 **ENERGY AND UTILITY PROGRAMS**

3 Sec. 301. The public service commission administers the low-
4 income energy assistance grant program on behalf of the Michigan
5 department of health and human services via an interagency
6 agreement. Funds supporting the grant program are appropriated in
7 the department upon awarding of grants and may be expended for
8 grant payments and administrative related expenses incurred in the
9 operation of the program.

10 **LIQUOR CONTROL COMMISSION**

11 Sec. 401. (1) From the appropriations in part 1 from the
12 direct shipper enforcement fund, the liquor control commission
13 shall expend these funds as required under section 203(11) of the
14 Michigan liquor control code of 1998, 1998 PA 58, MCL 436.1203, to
15 investigate and audit unlawful direct shipments of wine by
16 unlicensed wineries and retailers, with priority directed toward
17 unlicensed out-of-state retailers and third-party marketers. The
18 commission shall use shipping records available to it under section
19 203(21) of the Michigan liquor control code of 1998, 1998 PA 58,
20 MCL 436.1203, to assist with this effort. The liquor control
21 commission must refer all unlicensed out-of-state retailers and
22 third-party marketers identified with the shipping records to the
23 attorney general.

24 (2) By February 1, the liquor control commission shall provide
25 a report to the legislature and the subcommittees detailing the



1 commission's activities to investigate and audit the illegal
2 shipping of wine and the results of these activities. The report
3 must include the following:

4 (a) Work hours spent, specific actions undertaken, and the
5 number of FTEs dedicated to identify and stop unlicensed out-of-
6 state retailers, third-party marketers, and wineries that ship
7 illegally in Michigan.

8 (b) General overview of expenditures associated with efforts
9 to identify and stop unlicensed out-of-state retailers, third-party
10 marketers, and wineries that ship illegally in Michigan.

11 (c) Number of out-of-state entities found to have illegally
12 shipped wine into Michigan and total number of bottles (750 ml),
13 number of cases with 750 ml bottles, number of liters, or number of
14 gallons of illegally shipped wine. These items must be broken down
15 by total number of retailers and total number of wineries.

16 (d) Suggested areas of focus on how to address direct shipper
17 enforcement and illegal importation in the future.

18 (e) Number of unlicensed out-of-state entities found to have
19 illegally shipped wine into Michigan identified with the shipping
20 records under subsection (1).

21 (f) Number of notices sent under subsection (3).

22 (3) From the appropriations in part 1 from the direct shipper
23 enforcement fund, the liquor control commission shall send a notice
24 to each unlicensed out-of-state entity found to have illegally
25 shipped wine into Michigan that has been identified via the
26 shipping records under subsection (1). The notice must include all
27 of the following:



1 (a) Notification that shipping wine into Michigan by retailers
 2 and third-party marketers is illegal, and wineries shipping into
 3 Michigan must obtain a direct shipper license.

4 (b) Under section 909 of the Michigan liquor control code of
 5 1998, 1998 PA 58, MCL 436.1909, making unlawful shipments of wine
 6 into Michigan may be a felony punishable by imprisonment for not
 7 more than 4 years or a fine of not more than \$5,000.00, or both.

8 (c) Notice that the matter has been referred to the attorney
 9 general.

10 **OCCUPATIONAL REGULATION**

11 Sec. 501. Money appropriated under this part and part 1 for
 12 the bureau of fire services shall not be expended unless, in
 13 accordance with section 2c of the fire prevention code, 1941 PA
 14 207, MCL 29.2c, inspection and plan review fees will be charged
 15 according to the following schedule:

16 Operation and maintenance inspection fee

17 <u>Facility type</u>	<u>Facility size</u>	<u>Fee</u>
18 Hospitals	Any	\$8.00 per bed

19 Plan review and construction inspection fees for 20 hospitals and schools

21 <u>Project cost range</u>	<u>Fee</u>
22 \$101,000.00 or less	minimum fee of \$155.00
23 \$101,001.00 to \$1,500,000.00	\$1.60 per \$1,000.00
24 \$1,500,001.00 to \$10,000,000.00	\$1.30 per \$1,000.00
25 \$10,000,001.00 or more	\$1.10 per \$1,000.00
26	or a maximum fee of \$60,000.00.



1 Sec. 502. The funds collected by the department for licenses,
2 permits, and other elevator regulation fees set forth in the
3 Michigan Administrative Code and as determined under section 8 of
4 1976 PA 333, MCL 338.2158, and section 16 of 1967 PA 227, MCL
5 408.816, that are unexpended at the end of the fiscal year shall
6 carry forward to the subsequent fiscal year.

7 Sec. 503. No later than February 15, the department shall
8 submit a report to the subcommittees, fiscal agencies, and state
9 budget director providing the following information:

10 (a) The number of veterans who were separated from service in
11 the Armed Forces of the United States with an honorable character
12 of service or under honorable conditions (general) character of
13 service, individually or if a majority interest of a corporation or
14 limited liability company, that were exempted from paying
15 licensure, registration, filing, or any other fees collected under
16 each licensure or regulatory program administered by the bureau of
17 construction codes and the corporations, securities, and commercial
18 licensing bureau during the preceding fiscal year.

19 (b) The specific fees and total amount of revenue exempted
20 under each licensure or regulatory program administered by the
21 bureau of construction codes and the corporations, securities, and
22 commercial licensing bureau during the preceding fiscal year.

23 (c) The actual costs of providing licensing and other
24 regulatory services to veterans exempted from paying licensure,
25 registration, filing, or any other fees during the preceding fiscal
26 year and a description of how these costs were calculated.

27 (d) The estimated amount of revenue that will be exempted



1 under each licensure or regulatory program administered by the
2 bureau of construction codes and the corporations, securities, and
3 commercial licensing bureau in both the current and subsequent
4 fiscal years and a description of how the exempted revenue was
5 estimated.

6 Sec. 504. Funds remaining in the homeowner construction lien
7 recovery fund are appropriated to the department for payment of
8 court-ordered homeowner construction lien recovery fund judgments
9 entered prior to August 23, 2010. Pursuant to available funds, the
10 payment of final judgments shall be made in the order in which the
11 final judgments were entered and began accruing interest.

12 Sec. 505. The department shall submit a report by January 31
13 to the standing committees on appropriations of the senate and
14 house of representatives, the fiscal agencies, and the state budget
15 director that includes all of the following information for the
16 prior fiscal year regarding the medical marihuana program under the
17 Michigan medical marihuana act, 2008 IL 1, MCL 333.26421 to
18 333.26430:

19 (a) The number of initial applications received.

20 (b) The number of initial applications approved and the number
21 of initial applications denied.

22 (c) The average amount of time, from receipt to approval or
23 denial, to process an initial application.

24 (d) The number of renewal applications received.

25 (e) The number of renewal applications approved and the number
26 of renewal applications denied.

27 (f) The average amount of time, from receipt to approval or



1 denial, to process a renewal application.

2 (g) The percentage of initial applications not approved or
3 denied within the time requirements established in section 6 of the
4 Michigan medical marihuana act, 2008 IL 1, MCL 333.26426.

5 (h) The percentage of renewal applications not approved or
6 denied within the time requirements established in section 6 of the
7 Michigan medical marihuana act, 2008 IL 1, MCL 333.26426.

8 (i) The percentage of registry identification cards for
9 approved initial applications not issued within the time
10 requirements established in section 6 of the Michigan medical
11 marihuana act, 2008 IL 1, MCL 333.26426.

12 (j) The percentage of registry identification cards for
13 approved renewal applications not issued within the time
14 requirements established in section 6 of the Michigan medical
15 marihuana act, 2008 IL 1, MCL 333.26426.

16 (k) The number of registry identification cards issued to or
17 renewed for patients residing in each county as of September 30 of
18 the preceding fiscal year under the Michigan medical marihuana act,
19 2008 IL 1, MCL 333.26421 to 333.26430.

20 (l) The amount collected from the medical marihuana program
21 application and renewal fees authorized in section 5 of the
22 Michigan medical marihuana act, 2008 IL 1, MCL 333.26425.

23 (m) The costs of administering the medical marihuana program
24 under the Michigan medical marihuana act, 2008 IL 1, MCL 333.26421
25 to 333.26430.

26 Sec. 506. If the revenue collected by the department for
27 health systems administration or radiological health administration



1 and projects from fees and collections exceeds the amount
2 appropriated in part 1, the revenue may be carried forward into the
3 subsequent fiscal year. The revenue carried forward under this
4 section shall be used as the first source of funds in the
5 subsequent fiscal year.

6 Sec. 507. No later than February 1, the department shall
7 submit a report to the subcommittees, fiscal agencies, and state
8 budget director providing the following information:

9 (a) The total amount of reimbursements made to local units of
10 government for delegated inspections of fireworks retail locations
11 pursuant to section 11 of the Michigan fireworks safety act, 2011
12 PA 256, MCL 28.461, from the funds appropriated in part 1 for the
13 bureau of fire services during the preceding fiscal year.

14 (b) The amount of reimbursement for delegated inspections of
15 fireworks retail locations for each local unit of government that
16 received reimbursement from the funds appropriated in part 1 for
17 the bureau of fire services during the preceding fiscal year.

18 Sec. 508. (1) Beginning October 1, for the purpose of
19 defraying the costs associated with responding to false final
20 inspection appointments and to discourage the practice of calling
21 for final inspections when the project is incomplete or
22 noncompliant with a plan of correction previously provided by the
23 bureau of fire services, the bureau of fire services may assess a
24 fee not to exceed \$200.00 for responding to a second or subsequent
25 confirmed false inspection appointment. Fees collected under this
26 section shall be deposited into the restricted account referenced
27 by section 2c(2) of the fire prevention code, 1941 PA 207, MCL



1 29.2c, and explicitly identified within the statewide integrated
2 governmental management applications system.

3 (2) Not later than September 30, the department shall prepare
4 a report that provides the amount of the fee assessed under
5 subsection (1), the number of fees assessed and issued per region,
6 the cost allocation for the work performed and reduced as a result
7 of this section, and any recommendations for consideration by the
8 legislature. The department shall submit this information to the
9 state budget director, the subcommittees, and the fiscal agencies.

10 Sec. 509. (1) The department shall assess and collect fees in
11 the licensing and regulation of child care organizations, as
12 described in 1973 PA 116, MCL 722.111 to 722.128, and adult foster
13 care facilities, as described in the adult foster care facility
14 licensing act, 1979 PA 218, MCL 400.701 to 400.737.

15 (2) The department shall report the total amount of fees
16 assessed and collected under subsection (1) during the preceding
17 fiscal year to the fiscal agencies no later than December 1 and
18 shall provide information requested by the fiscal agencies as they
19 consider necessary to shift authorization equivalent to that amount
20 from the general fund/general purpose to a state restricted fund
21 within the department's budget for fiscal year 2019-2020.

22 Sec. 510. The department shall submit a report on the Michigan
23 automated prescription system to the senate and house
24 appropriations committees and the senate and house fiscal agencies
25 by November 30. The report shall include, but is not limited to,
26 the following:

27 (a) Total number of licensed health professionals registered



1 to the Michigan automated prescription system.

2 (b) Total number of dispensers registered to the Michigan
3 automated prescription system.

4 (c) Total number of prescribers using the Michigan automated
5 prescription system.

6 (d) Total number of dispensers using the Michigan automated
7 prescription system.

8 (e) Number of cases related to overprescribing,
9 overdispensing, and drug diversion where the department took
10 administrative action as a result of information and data generated
11 from the Michigan automated prescription system.

12 (f) The number of hospitals, doctor's offices, pharmacies, and
13 other health facilities that have integrated the Michigan automated
14 prescription system into their electronic health records systems.

15 (g) Total number of delegate users registered to the Michigan
16 automated prescription system.

17 Sec. 511. From the amount appropriated in part 1 for the
18 bureau of community and health systems, upon receipt of the order
19 of suspension of a licensed adult foster care home, home for the
20 aged, or nursing home, the department shall serve the facility and
21 provide contemporaneous notice to the offices of legislators
22 representing a district where the licensed facility is situated.

23 Sec. 512. The department shall submit a report regarding the
24 medical marihuana facilities licensing and tracking program to the
25 standing committees on appropriations of the senate and house, the
26 senate and house fiscal agencies, and the state budget director by
27 March 1. The report shall include, but is not limited to, the



1 following:

2 (a) The number of initial license applications received for
3 each license category.

4 (b) The number of initial applications approved and the number
5 of initial license applications denied.

6 (c) The average amount of time, from receipt to approval or
7 denial, to process an initial application.

8 (d) The total number of license applications approved by
9 license category and by county.

10 (e) The total amount collected from application fees.

11 (f) The total amount collected from any established regulatory
12 assessment.

13 (g) The costs of administering the medical marihuana
14 facilities licensing and tracking program.

15 **EMPLOYMENT SERVICES**

16 Sec. 701. (1) The appropriation in part 1 for the bureau of
17 services for blind persons includes funds for case services. These
18 funds may be used for tuition payments for blind clients.

19 (2) Revenue collected by the bureau of services for blind
20 persons and from private and local sources that is unexpended at
21 the end of the fiscal year may carry forward to the subsequent
22 fiscal year.

23 Sec. 702. The bureau of services for blind persons shall work
24 collaboratively with service organizations and government entities
25 to identify qualified match dollars to maximize use of available
26 federal vocational rehabilitation funds.



1 Sec. 703. The bureau of services for blind persons may provide
2 and enter into agreements to provide general services, training,
3 meetings, information, special equipment, software, facility use,
4 and technical consulting services to other principal executive
5 departments, state agencies, local units of government, the
6 judicial branch of government, other organizations, and patrons of
7 department facilities. The department may charge fees for these
8 services that are reasonably related to the cost of providing the
9 services. In addition to the funds appropriated in part 1, funds
10 collected by the department for these services are appropriated for
11 all expenses necessary. The funds appropriated under this section
12 are allotted for expenditure when they are received by the
13 department of treasury.

14 Sec. 704. Funds received in excess of the appropriation in
15 part 1 for first responder presumed coverage claims from the first
16 responder presumed coverage fund are appropriated in an amount
17 sufficient to pay approved claims due in the current fiscal year
18 pursuant to section 405 of the worker's disability compensation act
19 of 1969, 1969 PA 317, MCL 418.405.

20 **COMMISSIONS**

21 Sec. 801. If Byrne Formula Grant Program funding is awarded to
22 the Michigan indigent defense commission, the Michigan indigent
23 defense commission may receive and expend Byrne Formula Grant
24 Program funds in an amount not to exceed \$250,000.00 as an
25 interdepartmental grant from the department of state police. The
26 Michigan indigent defense commission, created under section 5 of



1 the Michigan indigent defense commission act, 2013 PA 93, MCL
2 780.985, may receive and expend federal grant funding from the
3 United States Department of Justice in an amount not to exceed
4 \$300,000.00 as other federal grants.

5 Sec. 802. From the funds appropriated in part 1, the Michigan
6 indigent defense commission shall submit a report by September 30
7 to the senate and house appropriations subcommittees on licensing
8 and regulatory affairs, the senate and house fiscal agencies, and
9 the state budget director on the incremental costs associated with
10 the standard development process, the compliance plan process, and
11 the collection of data from all indigent defense systems and
12 attorneys providing indigent defense. Particular emphasis shall be
13 placed on those costs that may be avoided after standards are
14 developed and compliance plans are in place.

15 Sec. 803. The Michigan indigent defense commission shall
16 identify and implement a system of performance metrics to assess
17 the provision of indigent defense services in Michigan relative to
18 national standards and benchmarks. The Michigan indigent defense
19 commission shall prepare an annual report to the governor, the
20 legislature, the Michigan supreme court, and the state budget
21 director on the performance metrics no later than September 30.

22 Sec. 804. The Michigan office for new Americans is to
23 coordinate with the Asian Pacific American affairs commission, the
24 Commission on Middle Eastern American affairs, and the
25 Hispanic/Latino commission of Michigan to produce a report by
26 January 31 that is to be transmitted to the senate and house
27 subcommittee chairpersons, the senate and house fiscal agencies,



1 and the state budget director. The report shall include, but is not
2 limited to, the following:

3 (a) Total number of people with whom each commission directly
4 interacts through programming.

5 (b) Total number of public events that each commission
6 conducted.

7 (c) Description of the activities that the commissions
8 initiated to promote cooperation between the commissions.

9 (d) Total number of meetings that each commission held with
10 foreign diplomats.

11 (e) Programmatic costs of each commission.

12 Sec. 805. An expenditure of funds appropriated in part 1 by
13 the Asian Pacific American affairs commission, the Commission on
14 Middle Eastern American affairs, or the Hispanic/Latino commission
15 of Michigan for a commission event must directly relate to the
16 mission statement of that commission.

17 **DEPARTMENT GRANTS**

18 Sec. 901. (1) The amount appropriated in part 1 for
19 firefighter training grants shall only be expended for payments to
20 counties to reimburse organized fire departments for firefighter
21 training and other activities required under the firefighters
22 training council act, 1966 PA 291, MCL 29.361 to 29.377.

23 (2) If the amount appropriated in part 1 for firefighter
24 training grants is expended by the firefighter training council,
25 established in section 3 of the firefighters training council act,
26 1966 PA 291, MCL 29.363, for payments to counties under section 14



1 of the firefighters training council act, 1966 PA 291, MCL 29.374,
2 it is the intent of the legislature that:

3 (a) The amount appropriated in part 1 for firefighter training
4 grants shall be allocated pursuant to section 14(2) of the
5 firefighters training council act, 1966 PA 291, MCL 29.374.

6 (b) If the amount allocated to any county under subdivision
7 (a) is less than \$5,000.00, the amounts disbursed to each county
8 under subdivision (a) shall be adjusted to provide for a minimum
9 payment of \$5,000.00 to each county.

10 (3) No later than February 1, the department shall submit a
11 financial report to the subcommittees, the fiscal agencies, and the
12 state budget director identifying the following information for the
13 preceding fiscal year:

14 (a) The amount of the payments that would be made to each
15 county if the distribution formula described by the first sentence
16 of section 14(2) of the firefighters training council act, 1966 PA
17 291, MCL 29.374, would have been utilized to allocate the total
18 amount appropriated in part 1 for firefighter training grants.

19 (b) The amount of the payments approved by the firefighter
20 training council for allocation to each county.

21 (c) The amount of the payments actually expended or encumbered
22 within each county.

23 (d) A description of any other payments or expenditures made
24 under the authority of the firefighter training council.

25 (e) The amount of payments approved for allocations to
26 counties that was not expended or encumbered and lapsed back to the
27 fireworks safety fund.



1 Sec. 902. (1) The funds appropriated in part 1 for a regional
2 or subregional library shall not be released until a budget for
3 that regional or subregional library has been approved by the
4 department for expenditures for library services directly serving
5 the blind and persons with disabilities.

6 (2) In order to receive subregional state aid as appropriated
7 in part 1, a regional or subregional library's fiscal agency shall
8 agree to maintain local funding support at the same level in the
9 current fiscal year as in the fiscal agency's preceding fiscal
10 year. If a reduction in expenditures equally affects all agencies
11 in a local unit of government that is the regional or subregional
12 library's fiscal agency, that reduction shall not be interpreted as
13 a reduction in local support and shall not disqualify a regional or
14 subregional library from receiving state aid under part 1. If a
15 reduction in income affects a library cooperative or district
16 library that is a regional or subregional library's fiscal agency
17 or a reduction in expenditures for the regional or subregional
18 library's fiscal agency, a reduction in expenditures for the
19 regional or subregional library shall not be interpreted as a
20 reduction in local support and shall not disqualify a regional or
21 subregional library from receiving state aid under part 1.

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ARTICLE XIV

DEPARTMENT OF MILITARY AND VETERANS AFFAIRS

PART 1

LINE-ITEM APPROPRIATIONS



1 Sec. 101. There is appropriated for the department of military
 2 and veterans affairs for the fiscal year ending September 30, 2019,
 3 from the following funds:

4 **DEPARTMENT OF MILITARY AND VETERANS AFFAIRS**

5 APPROPRIATION SUMMARY

6	Full-time equated unclassified positions	9.0	
7	Full-time equated classified positions	912.5	
8	GROSS APPROPRIATION		\$ 187,477,600
9	Interdepartmental grant and intradepartmental		
10	transfer revenues:		
11	Total interdepartmental grants and intradepartmental		
12	transfers.....		101,800
13	ADJUSTED GROSS APPROPRIATION		\$ 187,375,800
14	Federal revenues:		
15	Total federal revenues		98,170,200
16	Special revenue funds:		
17	Total local revenues		1,545,400
18	Total private revenues		630,000
19	Total other state restricted revenues		23,279,500
20	State general fund/general purpose		\$ 63,750,700
21	State general fund/general purpose schedule:		
22	Ongoing state general fund/general		
23	purpose	63,750,700	
24	One-time state general fund/general		
25	purpose	0	
26	Sec. 102. MILITARY		
27	Full-time equated unclassified positions	9.0	



1	Full-time equated classified positions	341.0	
2	Unclassified salaries--9.0 FTE positions		\$ 1,497,700
3	Departmentwide		1,876,300
4	Headquarters and armories--86.0 FTE positions		17,452,100
5	Michigan youth challenge academy--50.0 FTE positions .		5,323,000
6	Military family relief fund		600,000
7	Military training sites and support facilities--203.0		
8	FTE positions		34,911,300
9	National Guard operations		398,200
10	National Guard tuition assistance fund--2.0 FTE		
11	positions		6,506,700
12	Starbase grant		<u>2,322,000</u>
13	GROSS APPROPRIATION		\$ 70,887,300
14	Appropriated from:		
15	Interdepartmental grant and intradepartmental		
16	transfer revenues:		
17	IDG - state police		101,800
18	Total interdepartmental grants and intradepartmental		
19	transfers		101,800
20	Federal revenues:		
21	DOD-DOA-NGB		47,561,000
22	Federal counternarcotic revenues		100,000
23	Total federal revenues		47,661,000
24	Special revenue funds:		
25	Local school aid fund		1,545,400
26	Total local revenues		1,545,400
27	Total private revenues		90,000



1	Military family relief fund		600,000
2	Billeting fund		1,517,800
3	Rental fees		165,400
4	Test project fees		50,000
5	Mackinac Bridge Authority		100,000
6	Total other state restricted revenues		2,433,200
7	State general fund/general purpose	\$	19,055,900
8	Sec. 103. MICHIGAN VETERANS AFFAIRS AGENCY		
9	Full-time equated classified positions	224.5	
10	Board of managers (veterans homes)	\$	940,000
11	County veteran service fund		100
12	D.J. Jacobetti home for veterans--179.5 FTE positions		20,455,500
13	D.J. Jacobetti home for veterans Centers for Medicare		
14	and Medicaid Services certification		2,120,000
15	Michigan veterans affairs agency administration--39.0		
16	FTE positions		7,136,500
17	Michigan veterans facility authority		1,000,000
18	Targeted grants		200,000
19	Veterans service grants		3,835,400
20	Veterans trust fund administration--6.0 FTE positions		1,480,100
21	Veterans trust fund grants		<u>3,746,500</u>
22	GROSS APPROPRIATION	\$	40,914,100
23	Appropriated from:		
24	Federal revenues:		
25	DVA-VHA		7,921,300
26	HHS-HCFA title XVIII, Medicare		582,500
27	HHS-HCFA title XIX, Medicaid		12,500



1	Total federal revenues		8,516,300
2	Special revenue funds:		
3	Total private revenues		540,000
4	Military family relief fund		400,000
5	Michigan veterans trust fund		5,226,600
6	Michigan veterans engagement fund		50,000
7	Income and assessments		5,157,300
8	Total other state restricted revenues		10,833,900
9	State general fund/general purpose	\$	21,023,900
10	Sec. 104. GRAND RAPIDS HOME FOR VETERANS		
11	Full-time equated classified positions	347.0	
12	Veterans home operations	\$	8,989,700
13	Purchased services		10,342,700
14	Salaries, wages, and fringe benefits--347.0 FTE		
15	positions		<u>31,536,800</u>
16	GROSS APPROPRIATION	\$	50,869,200
17	Appropriated from:		
18	Federal revenues:		
19	DVA-VHA		20,116,600
20	HHS-HCFA title XVIII, Medicare		1,220,100
21	HHS-HCFA title XIX, Medicaid		77,200
22	Total federal revenues		21,413,900
23	Special revenue funds:		
24	Income and assessments		6,680,800
25	Lease revenue		12,200
26	Total other state restricted revenues		6,693,000
27	State general fund/general purpose	\$	22,762,300



1	Sec. 105. CAPITAL OUTLAY	
2	Land and acquisitions	\$ 2,900,000
3	Special maintenance - National Guard	20,000,000
4	Special maintenance - veterans homes	<u>500,000</u>
5	GROSS APPROPRIATION	\$ 23,400,000
6	Appropriated from:	
7	Federal revenues:	
8	DOD-DOA-NGB	20,000,000
9	Total federal revenues	20,000,000
10	Special revenue funds:	
11	Michigan National Guard construction fund	2,900,000
12	Total other state restricted revenues	2,900,000
13	State general fund/general purpose	\$ 500,000
14	Sec. 106. INFORMATION TECHNOLOGY	
15	Information technology services and projects	\$ <u>1,407,000</u>
16	GROSS APPROPRIATION	\$ 1,407,000
17	Appropriated from:	
18	Federal revenues:	
19	Total federal revenues	579,000
20	Special revenue funds:	
21	Total other state restricted revenues	419,400
22	State general fund/general purpose	\$ 408,600

23 PART 2
24 PROVISIONS CONCERNING APPROPRIATIONS
25 FOR FISCAL YEAR 2018-2019



1 **GENERAL SECTIONS**

2 Sec. 201. Pursuant to section 30 of article IX of the state
3 constitution of 1963, total state spending from state sources under
4 part 1 for fiscal year 2018-2019 is \$87,030,200.00 and state
5 spending from state sources to be paid to local units of government
6 for fiscal year 2018-2019 is \$142,400.00. The itemized statement
7 below identifies appropriations from which spending to local units
8 of government will occur:

9 DEPARTMENT OF MILITARY AND VETERANS AFFAIRS

10	Michigan veterans affairs agency administration	\$	90,000
11	Military training sites and support facilities	\$	<u>52,400</u>
12	TOTAL	\$	142,400

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

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

17 (a) "Core services" means that term as defined in section 373
18 of the management and budget act, 1984 PA 431, MCL 18.1373.

19 (b) "Department" means the department of military and veterans
20 affairs.

21 (c) "Director" means the director of the department.

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

23 (e) "HVAC" means heating, ventilation, and air conditioning.

24 (f) "IDG" means interdepartmental grant.

25 (g) "Michigan veterans' facility authority" means the
26 authority created under section 3 of the Michigan veterans'
27 facility authority act, 2016 PA 560, MCL 36.103.



1 (h) "MVAA" means the Michigan veterans affairs agency.

2 (i) "Subcommittees" means the subcommittees of the senate and
3 house appropriations committees with jurisdiction over the budget
4 of the department.

5 (j) "Support services" means an activity, such as information
6 technology, accounting, human resources, legal, and other support
7 functions that are required to support the ongoing delivery of core
8 services.

9 (k) "USDVA" means the United States Department of Veterans
10 Affairs.

11 (l) "USDVA-VHA" means the USDVA Veterans Health
12 Administration.

13 (m) "VSO" means veterans service organization.

14 (n) "Work project" means that term as defined in section 404
15 of the management and budget act, 1984 PA 431, MCL 18.1404, and
16 that meets the criteria in section 451a(1) of the management and
17 budget act, 1984 PA 431, MCL 18.1451a.

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

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



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

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

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

23 (a) The dates of each travel occurrence.

24 (b) The transportation and related costs of each travel
25 occurrence, including the proportion funded with state general
26 fund/general purpose revenues, the proportion funded with state
27 restricted revenues, the proportion funded with federal revenues,



1 and the proportion funded with other revenues.

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

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

17 Sec. 210. (1) In addition to the funds appropriated in part 1,
18 there is appropriated an amount not to exceed \$12,000,000.00 for
19 federal contingency funds. These funds are not available for
20 expenditure until they have been transferred to another line item
21 in part 1 under section 393(2) of the management and budget act,
22 1984 PA 431, MCL 18.1393.

23 (2) In addition to the funds appropriated in part 1, there is
24 appropriated an amount not to exceed \$3,000,000.00 for state
25 restricted contingency funds. These funds are not available for
26 expenditure until they have been transferred to another line item
27 in part 1 under section 393(2) of the management and budget act,



1 1984 PA 431, MCL 18.1393.

2 (3) In addition to the funds appropriated in part 1, there is
3 appropriated an amount not to exceed \$500,000.00 for local
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 (4) In addition to the funds appropriated in part 1, there is
9 appropriated an amount not to exceed \$100,000.00 for private
10 contingency funds. These funds are not available for expenditure
11 until they have been transferred to another line item in part 1
12 under section 393(2) of the management and budget act, 1984 PA 431,
13 MCL 18.1393.

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

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

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

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

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

25 (e) Job specifications and wage rates.

26 Sec. 212. Within 14 days after the release of the executive
27 budget recommendation, the department shall cooperate with the



1 state budget office to provide the senate and house appropriations
2 chairs, the senate and house appropriations subcommittees chairs,
3 and the senate and house fiscal agencies with an annual report on
4 estimated state restricted fund balances, state restricted fund
5 projected revenues, and state restricted fund expenditures for the
6 fiscal years ending September 30, 2018 and September 30, 2019.

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

11 Sec. 214. Total authorized appropriations from all sources
12 under part 1 for legacy costs for the fiscal year ending September
13 30, 2019 are estimated at \$17,509,500.00. From this amount, total
14 agency appropriations for pension-related legacy costs are
15 estimated at \$8,072,200.00. Total agency appropriations for retiree
16 health care legacy costs are estimated at \$9,437,300.00.

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

20 Sec. 216. The department shall provide quarterly reports to
21 the subcommittees on military and veterans affairs, the senate and
22 house fiscal agencies, and the state budget office, which shall
23 provide the following data:

24 (a) A list of all major work projects, including a status
25 report of each project.

26 (b) The department's financial status, featuring a report of
27 budgeted versus actual expenditures by part 1 line item including a



1 year-end projection of budget requirements. If projected department
2 budget requirements exceed the allocated budget, the report shall
3 include a plan to reduce overall expenses while still satisfying
4 specified service level requirements.

5 (c) A report on the status of performance metrics cited in
6 this part and information required to be reported in this part.

7 (d) The number of active employees at the close of the fiscal
8 quarter by job classification and program.

9 (e) Evidence of efficiencies and management of funds within
10 established appropriations.

11 Sec. 217. The appropriations in part 1 are for the core
12 services, support services, and work projects of the department,
13 including, but not limited to, the following core services:

14 (a) Armories and joint force readiness.

15 (b) National Guard training facilities and air bases.

16 (c) Michigan youth challenge academy.

17 (d) Military family relief fund.

18 (e) Starbase grant.

19 (f) National Guard tuition assistance program.

20 (g) Michigan veterans affairs agency administration.

21 (h) Veterans service grants.

22 (i) Veterans' trust fund administration.

23 (j) Veterans' trust fund grants.

24 (k) Board of managers (veterans homes).

25 (l) Grand Rapids home for veterans.

26 (m) D.J. Jacobetti home for veterans.

27 (n) Michigan veterans' facility authority.



1 Sec. 218. The appropriations in part 1 for capital outlay
2 shall be carried forward at the end of the fiscal year consistent
3 with section 248 of the management and budget act, 1984 PA 431, MCL
4 18.1248.

5 Sec. 219. Sixty days prior to the public announcement of the
6 intention to sell any department real property, the department
7 shall submit notification of that intent to the subcommittees on
8 military and veterans affairs and the senate and house fiscal
9 agencies.

10 **MILITARY**

11 Sec. 301. (1) From the funds appropriated in part 1, there is
12 funding to support unclassified employee positions as authorized by
13 section 5 of article XI of the state constitution of 1963. These
14 positions include the following: department director - the adjutant
15 general for Michigan; assistant adjutant general - army; assistant
16 adjutant general - installations; assistant adjutant general - air;
17 senior policy executive - Michigan veterans affairs agency; senior
18 deputy director - state operations; director - strategy and policy;
19 chief executive officer for the Michigan veteran health system; and
20 director - Michigan veterans affairs agency.

21 (2) Not less than 30 days prior to the department submitting a
22 request for an additional unclassified employee position from the
23 civil service commission, or for any substantive change to the
24 duties of an existing unclassified employee position, the
25 department shall notify the subcommittees on military and veterans
26 affairs and the senate and house fiscal agencies.



1 Sec. 302. (1) From the funds appropriated in part 1 for
2 military operations, effective and efficient executive direction
3 and administrative leadership shall be provided to the department.

4 (2) The department shall operate and maintain National Guard
5 armories.

6 (3) The department shall evaluate armories and submit a
7 quarterly report on the status of the armories.

8 (4) The department shall maintain a system to measure the
9 condition and adequacy of the armories.

10 (5) The Michigan Army National Guard and Air National Guard
11 shall work to provide a culture that is free of sexual assault,
12 through an environment of prevention, education and training,
13 response capability, victim support, reporting procedures, and
14 appropriate accountability that enhances the safety and well-being
15 of all guard members.

16 (6) By December 1, the department shall report the following
17 information to the subcommittees on military and veterans affairs,
18 the senate and house fiscal agencies, and the state budget office:

19 (a) An assessment of the grounds and facilities of each armory
20 to objectively measure and determine the current facility condition
21 and capability to support authorized manpower, unit training, and
22 operations.

23 (b) Recommendations for the placement of new armories, the
24 relocation or consolidation of existing armories, or a change in
25 the mission of units assigned to armories to ideally position the
26 National Guard in current or projected population centers.

27 (c) Recommendations for the enhanced use of armories to



1 facilitate family support programs during deployments.

2 (d) An analysis of the feasibility, potential costs, and
3 benefits of use of armories shared with other local, state, or
4 federal agencies to improve responses to local emergencies as well
5 as the community support provided to armories.

6 (e) An investment strategy and proposed funding amounts in a
7 prioritized project list to correct the most critical facility
8 shortfalls across the inventory of armories in this state.

9 Sec. 303. (1) The department shall maintain the Michigan youth
10 challenge academy to provide values, skills, education, and self-
11 discipline instruction for at-risk youth as provided under 32 USC
12 509.

13 (2) The department shall take steps to recruit candidates to
14 the challenge academy from economically disadvantaged areas,
15 including those with low-income and high-unemployment backgrounds.

16 (3) The department shall partner with the department of health
17 and human services to identify youth who may be eligible for the
18 challenge academy from those youth served by department of health
19 and human services programs. These eligible youth shall be given
20 priority for enrollment in the academy.

21 (4) The department shall maintain the staffing and resources
22 necessary to train and graduate at least 144 students per cohort
23 (228 annually).

24 (5) The department shall ensure individual academic success as
25 measured by the number of individuals who have received a general
26 equivalency diploma, high school diploma, or high school credit
27 recovery or by the improvement of tests of adult basic education



1 scores, or both.

2 (6) Any unexpended private donations to support the Michigan
3 youth challenge academy at the close of this fiscal year shall not
4 lapse to the general fund but shall be carried forward to the
5 subsequent fiscal year.

6 Sec. 304. (1) The department shall provide grants for
7 disbursement from the military family relief fund, as provided
8 under the military family relief fund act, 2004 PA 363, MCL 35.1211
9 to 35.1216, and R 200.5 to R 200.95 of the Michigan Administrative
10 Code.

11 (2) The department shall provide information on the revenues,
12 expenditures for advertising and assistance grants, and fund
13 balance of the Michigan military family relief fund, as provided
14 under section 216 of this part.

15 (3) The department shall provide sufficient staffing and other
16 resources to provide outreach to the Michigan families of members
17 of the reserve component of the Armed Forces of the United States
18 called into active duty and to support the processing and approval
19 of grant applications for this fiscal year under the Michigan
20 military relief fund and report those applications as provided in
21 section 216 of this part.

22 Sec. 305. (1) The department shall provide Army and Air
23 National Guard forces, when directed, for state and local
24 emergencies and in support of national military requirements.

25 (2) The department shall operate and maintain Army National
26 Guard training facilities, including Fort Custer and Camp Grayling.

27 (3) The department shall maintain a system that measures the



1 condition and adequacy of air facilities using both quality and
2 functionality criteria.

3 (4) The department shall operate and maintain Air National
4 Guard air bases, including Selfridge Air National Guard base,
5 Battle Creek Air National Guard base, and Alpena combat readiness
6 training center.

7 (5) The department shall provide the following information as
8 provided under section 216 of this part:

9 (a) The apportioned and assigned strength of the Michigan Army
10 National Guard.

11 (b) The apportioned and assigned strength of the Michigan Air
12 National Guard.

13 (c) Recruiting, retention, and attrition data, including
14 measurement against stated performance goals, for the Michigan Army
15 National Guard.

16 (d) Recruiting, retention, and attrition data, including
17 measurement against stated performance goals, for the Michigan Air
18 National Guard.

19 Sec. 306. There is created and established under the
20 jurisdiction and control of the department a revolving account to
21 be known as the billeting fund account. All of the fees and other
22 revenues generated from the operation of the chargeable transient
23 quarters program shall be deposited in the billeting fund account.
24 Appropriations will be made from the account for the support of
25 program operations and the maintenance and operations of the
26 chargeable transient quarters program and will not exceed the
27 estimated revenues for the fiscal year in which they are made,



1 together with unexpended balances from prior years. The department
2 shall submit an annual report of operations and expenditures
3 regarding the billeting fund account to the appropriations
4 committees of the senate and house of representatives, the senate
5 and house fiscal agencies, and the state budget office at the end
6 of the fiscal year.

7 Sec. 307. (1) The department shall maintain a National Guard
8 tuition assistance program for members of the Michigan Army and Air
9 National Guard.

10 (2) The objective of the National Guard tuition assistance
11 program is to bolster military readiness by increasing recruitment
12 and retention of Michigan Army and Air National Guard service
13 members, to fill federally authorized strength levels for the
14 state, to improve the Michigan Army and Air National Guard's
15 competitive draw from other military enlistment options in the
16 state, to enhance the ability of the Michigan Army and Air National
17 Guard to compete for members and federal dollars with surrounding
18 states, and to increase the pool of eligible candidates within the
19 Michigan Army and Air National Guard to become commissioned
20 officers.

21 (3) The department shall make efforts to increase the number
22 of Michigan Army and Air National Guard members participating in
23 the program to 1,100 during the fifth year of the program's
24 existence. To evaluate the effectiveness of the program, the
25 department shall monitor the number of new recruits and new
26 reenlistments and the percentage of those who become participants
27 in the program to determine whether the percentage of authorized



1 Michigan Army and Air National Guard strength obtained and retained
2 is competitive in comparison with the neighboring army and air
3 national guards from Illinois, Indiana, Ohio, and Wisconsin.

4 (4) The general fund/general purpose funds appropriated in
5 part 1 for the National Guard tuition assistance fund shall be
6 deposited to the restricted Michigan National Guard tuition
7 assistance fund created in section 4 of the Michigan National Guard
8 tuition assistance act, 2014 PA 259, MCL 32.434. All funds in the
9 restricted Michigan National Guard tuition assistance fund are
10 appropriated and available for expenditure to support the Michigan
11 National Guard tuition assistance program.

12 Sec. 308. The department shall maintain the starbase program
13 at Air National Guard facilities, as provided under 10 USC 2193b,
14 to improve the knowledge, skills, and interest of students,
15 primarily in the fifth grade, in math, science, and technology. The
16 starbase program is to specifically target minority and at-risk
17 students for participation.

18 **MICHIGAN VETERANS AFFAIRS AGENCY**

19 Sec. 401. The board of managers and Michigan veterans'
20 facility authority shall exercise certain regulatory and governance
21 authority regarding admission and member affairs at the Grand
22 Rapids and D.J. Jacobetti homes for veterans. The board of managers
23 shall also work to represent the interest of the veterans'
24 community in both advisory and advocacy roles.

25 Sec. 402. (1) The MVAA, the board of managers, and the
26 Michigan veterans' facility authority shall provide compassionate



1 and quality nursing and domiciliary care services at the Grand
2 Rapids and D.J. Jacobetti homes for veterans so that members can
3 achieve their highest potential of wellness, independence, self-
4 worth, and dignity.

5 (2) The department shall provide resources necessary to
6 provide nursing care services to veterans in accordance with
7 federal standards and provide the results of the annual USDVA
8 survey and certification as proof of compliance.

9 (3) Appropriations in part 1 for the Grand Rapids and the D.J.
10 Jacobetti homes for veterans shall not be used for any purpose
11 other than for veterans and veterans' families.

12 (4) Any contractor providing mental health services to the
13 Grand Rapids and D.J. Jacobetti homes for veterans shall utilize
14 mental health interventions that have been shown to be effective
15 with the conditions they are treating, in accordance with evidence-
16 based best practices supported by the USDVA-VHA, United States
17 Department of Defense, the Substance Abuse and Mental Health
18 Services Administration, the American Psychological Association,
19 and the National Association of Social Workers.

20 (5) Any contractor providing competency evaluated nursing
21 assistants (CENA) to the Grand Rapids home for veterans shall
22 ensure that each CENA has at least 8 hours of training on
23 information provided by the home.

24 (6) Any contractor providing competency evaluated nursing
25 assistants to the Grand Rapids home for veterans shall ensure that
26 each CENA has at least 1 eight-hour shift of shadowing at the
27 veterans' home.



1 (7) Any contractor providing competency evaluated nursing
2 assistants to the Grand Rapids home for veterans shall ensure that
3 each CENA is competent in the basic skills needed to perform his or
4 her assigned duties at the home.

5 (8) The Grand Rapids home for veterans shall provide each CENA
6 at least 12 hours of in-service training once that individual has
7 been assigned to the home.

8 (9) All complaints of abusive or neglectful care at the Grand
9 Rapids and the D.J. Jacobetti homes for veterans by a resident
10 member, a resident member's family or legal guardian, or staff of
11 the veterans' homes received by a supervisor shall be referred to
12 the director of nursing or his or her designee upon receipt of the
13 complaint. The director of nursing or his or her designee shall
14 report on not less than a monthly basis, except that the board of
15 managers may specify a more frequent reporting period to the home
16 administrator, board of managers, agency, subcommittees, senate and
17 house fiscal agencies, and state budget office the following
18 information:

19 (a) A description of the process by which resident members and
20 others may file complaints of alleged abuse or neglect at the Grand
21 Rapids and the D.J. Jacobetti homes for veterans.

22 (b) Summary statistics on the number and general nature of
23 complaints of abuse or neglect.

24 (c) Summary statistics on the final disposition of complaints
25 of abuse or neglect received.

26 (10) The Grand Rapids and D.J. Jacobetti homes for veterans
27 shall provide an on-site, board-certified psychiatrist for all



1 resident members with mental health disorders in order to ensure
2 that those resident members receive needed services in a
3 professional and timely manner. The Grand Rapids and D.J. Jacobetti
4 homes for veterans shall provide all members and staff a safe and
5 secure environment.

6 (11) The Grand Rapids and D.J. Jacobetti homes for veterans
7 shall ensure that they effectively develop, execute, and monitor
8 all comprehensive care plans in accordance with federal regulations
9 and their internal policies, with a goal that a comprehensive care
10 plan is fully developed for all resident members.

11 (12) The Grand Rapids and D.J. Jacobetti homes for veterans
12 shall implement controls over their food, maintenance supplies,
13 pharmaceuticals, and medical supplies inventories.

14 (13) The Grand Rapids and D.J. Jacobetti homes for veterans
15 shall establish sufficient controls for calculating resident member
16 maintenance assessments in order to accurately calculate resident
17 member maintenance assessments for each billing cycle. The Grand
18 Rapids and D.J. Jacobetti homes for veterans shall establish
19 sufficient controls to ensure that all past due resident member
20 maintenance assessments are addressed within 30 days.

21 (14) The Grand Rapids and D.J. Jacobetti homes for veterans
22 shall establish sufficient controls over monetary donations and
23 donated goods.

24 (15) The Grand Rapids and D.J. Jacobetti homes for veterans
25 shall implement sufficient controls over the handling of resident
26 member funds to ensure the release of funds within 3 business days
27 upon the resident member leaving the home and to ensure that a



1 representative of a resident member is provided a full accounting
2 of that resident member's funds within 10 business days of the
3 death of that resident member.

4 (16) The MVAA shall post on its website all policies adopted
5 by the board of managers, the Michigan veterans' facility
6 authority, and the veterans' homes related to the administrative
7 operations of the veterans' homes.

8 (17) The process by which visitors, residents, and employees
9 of the Grand Rapids and D.J. Jacobetti homes for veterans may
10 register complaints shall be displayed in high-traffic areas
11 throughout the home.

12 (18) The MVAA shall report its findings regarding the state
13 veterans' homes' compliance with the requirements and standards
14 under this section in a quarterly report to the legislature and the
15 state budget office. The quarterly reports shall include, but are
16 not limited to, all of the following information:

17 (a) Quality of care metrics, including:

18 (i) The number of patient care hours and staffing levels
19 measured against USDVA-VHA standards.

20 (ii) Sentinel events reported to the USDVA.

21 (iii) Fall and wound reports.

22 (iv) Complaint reports, including abuse and neglect complaints
23 and outcomes of complaint investigations.

24 (v) Additional minimum data set quality of care indicators
25 used to measure quality of care in long-term care facilities.

26 (b) Quarterly budget update.

27 (c) An accounting of resident member populations at the Grand



1 Rapids and D.J. Jacobetti homes for veterans as follows:

2 (i) By demographics, including period of service, gender, and
3 age.

4 (ii) By care setting, payment source, and associated revenue
5 projections.

6 (d) Updates related to the modernization of the Grand Rapids
7 and D.J. Jacobetti homes for veterans, including information
8 related to the following:

9 (i) Infrastructure/capital outlay improvements.

10 (ii) Information technology updates.

11 (iii) Financial management.

12 (e) Updates on corrective action status related to any audit
13 and survey findings until those findings have been fully addressed.

14 (19) The Grand Rapids and D.J. Jacobetti homes for veterans
15 shall provide to the subcommittees on military and veterans
16 affairs, the senate and house fiscal agencies, and the state budget
17 office the results of any annual or for-cause survey conducted by
18 the USDVA-VHA and any corresponding corrective action plan. This
19 information shall also be made available publicly through the
20 department's or MVAA's website.

21 (20) The MVAA shall provide to the legislature and the state
22 budget office quarterly reports regarding the status of Medicaid
23 certification efforts, including, but not limited to, descriptions
24 of incremental milestones, associated expenditures, and the
25 percentage of plan completed.

26 Sec. 403. (1) From the increased funds appropriated in part 1
27 for D.J. Jacobetti home for veterans and D.J. Jacobetti home for



1 veterans centers for Medicare and Medicaid services certification,
2 the department shall pursue compliance with current Centers for
3 Medicare and Medicaid Services certification standards. The purpose
4 of this expansion is to obtain Centers for Medicare and Medicaid
5 Services certification by October 1, 2018, to increase the ability
6 to fully utilize all federal funding available to cover the cost of
7 care of eligible veterans living at the D.J. Jacobetti home for
8 veterans, and to improve overall quality of care for all veterans
9 living at the D.J. Jacobetti home for veterans.

10 (2) If the department fails to achieve Centers for Medicare
11 and Medicaid Services certification by October 1, 2018, the
12 director shall submit a written report by October 12, 2018 to the
13 speaker of the house, the house minority leader, the senate
14 majority leader, the senate minority leader, the chairs of the
15 senate and house of representatives standing committees on
16 appropriations, and the chairs of the senate and house of
17 representatives appropriations subcommittees on the department of
18 military and veterans affairs. This report must provide detailed
19 information, which includes, but is not limited to, all of the
20 following:

21 (a) Reasons why the department failed to achieve Centers for
22 Medicare and Medicaid Services certification by the date provided
23 in subsection (1).

24 (b) A corrective action plan, which must include, but is not
25 limited to, the following:

26 (i) A new date, proposed by the director, for anticipated
27 Centers for Medicare and Medicaid Services certification.



1 (ii) All outstanding facility upgrades and personnel
2 requirements, with associated cost projections, necessary to
3 achieve Centers for Medicare and Medicaid Services certification by
4 the date proposed by the director in subparagraph (i).

5 (3) The department shall identify specific outcomes and
6 performance measures for this initiative, including, but not
7 limited to, the following:

8 (a) The quality of care to members of the D.J. Jacobetti home
9 for veterans shall increase as a result of increased direct care
10 staffing ratios.

11 (b) The quality of the care environment at the D.J. Jacobetti
12 home for veterans shall increase as a result of facility updates
13 made according to Medicaid specifications to increase members'
14 access to private and semi-private accommodations.

15 (c) The quality of care for members of the D.J. Jacobetti home
16 for veterans shall increase as a result of increased ability
17 efforts to implement long-term care, evidence-based best practices
18 at the D.J. Jacobetti home for veterans.

19 (d) The collection of available federal Medicaid revenue shall
20 increase as a result of Medicaid certification.

21 (e) The fiscal stability of the D.J. Jacobetti home for
22 veterans shall improve due to increased efforts to collect
23 available federal revenue.

24 Sec. 404. The department shall ensure that the quality of care
25 for members of the Grand Rapids and D.J. Jacobetti homes for
26 veterans shall exceed the current quality of care for the full
27 spectrum of health care services as a result of the upgrades made



1 to the homes to meet the Centers for Medicare and Medicaid Services
2 certification standards. The department shall provide a quarterly
3 report to the subcommittees, which contains evidence that the
4 quality of care for the full spectrum of health care services has
5 improved due to those upgrades.

6 Sec. 405. (1) The MVAA shall provide a report, as provided
7 under section 216 of this part, on the financial status of the
8 Michigan veterans' trust fund, including the number and amount of
9 emergency grants, state administrative expenses, and county
10 administrative expenses.

11 (2) The Michigan veterans' trust fund board together with the
12 agency shall maintain the staffing and resources necessary to
13 process a minimum of 2,000 applications for veterans' trust fund
14 emergency grants.

15 Sec. 406. (1) The MVAA shall provide outreach services to
16 Michigan veterans to advise them on the benefits to which they are
17 entitled, as provided under Executive Reorganization Order No.
18 2013-2, MCL 32.92. The MVAA shall also do the following:

19 (a) Maintain the staffing partnerships and other resources
20 necessary to develop and operate an outreach program that
21 communicates benefit eligibility information to at least 50% of
22 Michigan's population of veterans, as assessed by annual census
23 estimates, with a goal of reaching 100% and enabling 100% to access
24 benefit information online.

25 (b) Communicate veteran benefit information pertaining to the
26 Michigan military family relief fund, Michigan veterans' trust
27 fund, and USDVA health, financial, and memorial benefits to which



1 veterans are entitled.

2 (c) Provide sufficient staffing and other resources to approve
3 requests for military discharge certificates (DD-214) annually.

4 (d) Continue the process to digitize all medical records,
5 military discharge documents, and burial records that are currently
6 on paper and microfilm.

7 (e) Provide a report, as provided under section 216 of this
8 part, on the MVAA's performance on the performance measures,
9 outcomes, and initiatives developed by the agency in the strategic
10 plan required by section 501 of 2013 PA 9.

11 (f) Provide a report to the subcommittees on military and
12 veterans affairs, the senate and house fiscal agencies, and the
13 state budget office no later than April 1 providing, to the extent
14 known, data on the estimated number of homeless veterans, by
15 county, in this state.

16 (2) From the funds appropriated in part 1, the MVAA shall
17 provide for the regional coordination of services, as follows:

18 (a) Regional coordinators shall be selected by the MVAA
19 through a grant agreement with VSOs or by other means.

20 (b) Regional coordinators shall provide the following
21 services:

22 (i) Coordinate veteran benefit counselors' efforts throughout
23 a specified region.

24 (ii) Coordinate services with the department of health and
25 human services and the department of corrections.

26 (iii) Coordinate with regional workforce and economic
27 development agencies.



1 (iv) Coordinate activities among local foundations, nonprofit
2 organizations, and community groups to improve accessibility,
3 enrollment, and utilization of the array of health care, education,
4 employment assistance, and quality of life services provided at the
5 local level.

6 (c) The MVAA may work with MVAA service officers, regional
7 coordinators, county veteran counselors, VSO service officers, and
8 other service providers to incorporate the provision of information
9 relating to mental health care resources into their daily
10 operations to aid veterans in understanding the mental health care
11 support services they may be eligible to receive.

12 (d) The MVAA shall coordinate with the department of health
13 and human services to identify Medicaid recipients who are veterans
14 and who may be eligible for federal veterans health care benefits
15 or other benefits, to the extent that the identification does not
16 violate applicable confidentiality requirements.

17 (e) The MVAA shall collaborate with the department of
18 corrections to create and maintain a process by which prisoners can
19 obtain a copy of their DD-214 form or other military discharge
20 documentation if necessary.

21 (f) The MVAA shall ensure that all MVAA service officers, VSO
22 service officers, and regional coordinators receive appropriate
23 training in processing applications for benefits payable to
24 veterans due to military sexual trauma, post-traumatic stress
25 disorder, depression, anxiety, substance abuse, or other mental
26 health issues.

27 (3) The MVAA shall provide claims processing services to



1 Michigan veterans in support of benefit claims submitted to the
2 USDVA for the health, financial, and memorial benefits for which
3 they are eligible, and shall do all of the following:

4 (a) Report the following information as provided in section
5 216 of this part:

6 (i) The number of benefit claims, by type, submitted to the
7 USDVA by MVAA and coalition partner veteran service officers.

8 (ii) The number of fully developed claims submitted to the
9 USDVA, with an overall goal of 40% of benefit claims submitted that
10 are considered fully developed by the USDVA.

11 (b) Maintain the staffing and resources necessary to process a
12 minimum of 500 claims per year.

13 (4) The MVAA shall maintain staffing and resources necessary
14 to develop and implement a process to ensure that all county
15 counselors receive the training and accreditation necessary to
16 provide quality services to veterans. The MVAA shall report
17 information as provided in section 216 of this part on the number
18 and percentage of county veterans counselors requesting training by
19 the MVAA, with an overall goal of 100% of county veterans
20 counselors trained.

21 (5) From the funds appropriated in part 1 for MVAA operations,
22 the MVAA shall provide grant assistance to enhance the capacity and
23 capabilities of counties in providing benefit claims assistance.
24 These funds must be used to continue the implementation of an
25 internet-based data system, to increase the number of county
26 veterans counselors, and to increase the number of counties that
27 provide service to veterans through county veterans counselors. The



1 MVAA shall provide a report, as provided in section 216 of this
2 part, on the expenditures and activities of the grant funds
3 directed by this subsection.

4 (6) From the funds appropriated in part 1 for MVAA, the MVAA
5 is authorized to expend up to \$50,000.00 to hire legal services to
6 represent veterans benefit cases before federal court to maintain
7 accreditation under 38 CFR 14.628(d) (1) (iv).

8 Sec. 407. (1) The MVAA shall disburse VSO grants to achieve
9 agency goals and performance objectives in partnership with the
10 VSOs. Grants to VSOs will be disbursed to fund programs and
11 projects which are determined by the agency to meet agency
12 performance objectives and ensure that VSOs communicate the
13 availability of emergency grants through the Michigan veterans'
14 trust fund. In disbursing veterans service organization grants, the
15 MVAA shall do the following:

16 (a) Ensure that each VSO that receives grants is issued
17 performance standards.

18 (b) Ensure that each VSO that receives grant funds uses those
19 funds for veterans advocacy and outreach.

20 (c) Monitor the performance of each VSO that receives grants.

21 (d) Ensure that each VSO that receives grant funds report
22 annually on services provided to veterans and accounts for all
23 grant fund expenditures.

24 (e) Require that each VSO that receives grant funds report
25 annually on the number of claims processed. Of the total number of
26 claims processed by each VSO that receives grant funds, a VSO must
27 include in the annual report the number of VSO initiated claims and



1 the number of claims initiated by local units of government and
2 which local unit of government initiated each claim.

3 (f) Promulgate monthly benchmark requirements that each VSO
4 that receives grant funds must meet, based upon appropriations and
5 service region, and require each VSO that receives grant funds to
6 report this data monthly to the MVAA, in order to ensure that each
7 VSO that receives grant funds meet MVAA veteran service goals.

8 (g) Validate the accuracy of claims activity reported by each
9 VSO that receives grant funds, and report, as provided in section
10 216 of this part, all inaccurate claims activity reported by each
11 VSO that receives grant funds.

12 (h) Ensure that each VSO that receives grant funds adhere to
13 the MVAA approved schedule of operations, and report, as provided
14 in section 216 of this part, all schedule discrepancies as well as
15 VSO reported explanations for each discrepancy and any corrective
16 action necessary to ensure adherence to the approved schedule of
17 operations.

18 (2) Veterans service organization grants awarded by the MVAA
19 shall provide for the following, as developed by the MVAA:

20 (a) The provision of service to veterans statewide, using a
21 regional service delivery model, with services provided at
22 specified locations and times, including service provided in state
23 correctional facilities.

24 (b) The payment of a fixed hourly service rate of \$34.00 per
25 hour.

26 (c) A specified number of service hours within each geographic
27 region of this state, with a statewide goal based on both



1 appropriations for the fiscal year ending September 30, 2019 for
2 the VSO grant program and the fixed hourly service rate under
3 subsection (2)(b). The statewide goal will include service hours
4 provided to eligible incarcerated veterans within 1 year of their
5 earliest release date.

6 (d) Use of an MVAA-designated internet-based claims data
7 system.

8 (3) The MVAA shall report the following information as
9 provided in section 216 of this part:

10 (a) A summary of activities supported through the
11 appropriation in part 1 for VSO grants, including, separately for
12 each service region, the amount of expenditures to date, number of
13 service hours, number of claims for benefits submitted by type of
14 claim, and other information deemed appropriate by the MVAA.

15 (b) The number of fully developed claims, by type, submitted
16 to the USDVA by VSOs, with an overall goal of 40% of benefit claims
17 submitted that are considered fully developed by the USDVA.

18 Sec. 408. (1) The Michigan veterans' trust fund board together
19 with the MVAA shall provide emergency grants for disbursement from
20 the Michigan veterans' trust fund, as provided under the following
21 program authorities:

22 (a) Sections 37, 38, and 39 of article IX of the state
23 constitution of 1963.

24 (b) 1946 (1st Ex Sess) PA 9, MCL 35.602 to 35.610.

25 (c) R 35.1 to R 35.7 of the Michigan Administrative Code.

26 (d) R 35.621 to R 35.623 of the Michigan Administrative Code.

27 (2) No later than December 1, the MVAA shall provide a



1 detailed report of the Michigan veterans' trust fund that includes,
2 for the immediately preceding fiscal year, information on grants
3 provided from the emergency grant program, including details
4 concerning the methodology of allocations, the selection of
5 emergency grant program authorized agents, a description of how the
6 emergency grant program is administered in each county, and a
7 detailed breakdown of trust fund expenditures for that year,
8 including the amount distributed to each county for administrative
9 costs and emergency grants. The report shall also include the
10 number of approved applications, by category of assistance, and the
11 number of denied applications, by reason of denial. The report
12 shall also provide an update on the department's efforts to reduce
13 program administrative costs and maintain the Michigan veterans'
14 trust fund corpus to its original amount of at least
15 \$50,000,000.00.

16 (3) Any funds not expended or encumbered at the end of the
17 current fiscal year shall be deposited into the Michigan veterans'
18 trust fund corpus.

19 **CAPITAL OUTLAY**

20 Sec. 501. (1) The department shall provide for the acquisition
21 and disposition of National Guard armories, facilities, and lands
22 as provided under sections 368, 382, and 382a of the Michigan
23 military act, 1967 PA 150, MCL 32.768, 32.782, and 32.782a.

24 (2) The department shall provide a listing of property sales
25 and acquisitions as provided under section 216 of this part.

26 Sec. 502. (1) The appropriations in part 1 for special



1 maintenance - National Guard shall be carried forward at the end of
2 the fiscal year consistent with section 248 of the management and
3 budget act, 1984 PA 431, MCL 18.1248.

4 (2) The appropriations for special maintenance - National
5 Guard shall be expended in accordance with the requirements of
6 sections 302 and 305 of this part and shall be expended according
7 to the maintenance priorities of the department to repair and
8 modernize military training sites and support facilities, including
9 armories, which may include projects such as roof, HVAC, or boiler
10 replacement, interior renovations, facility expansion, improvements
11 to parking facilities, and other projects.

12 (3) The department shall provide a quarterly report as
13 provided under section 216 of this part providing information on
14 the status, projected costs, and projected completion date of
15 current and planned special maintenance projects at the armories
16 and other National Guard facilities funded from capital outlay
17 appropriations made in part 1 and in prior appropriations years.

18 Sec. 503. (1) The appropriations in part 1 for special
19 maintenance - veterans homes shall be carried forward at the end of
20 the fiscal year consistent with section 248 of the management and
21 budget act, 1984 PA 431, MCL 18.1248.

22 (2) The appropriations for special maintenance - veterans
23 homes shall be expended in accordance with the requirements of
24 section 402 of this part and shall be expended according to the
25 maintenance priorities of the department to repair and modernize
26 the state's veterans' homes, which may include projects such as
27 roof, HVAC, or boiler replacement, interior renovations, facility



1 expansion, improvements to parking facilities, and other projects
2 designed to enhance the quality of life and medical care of
3 members.

4 (3) The MVAA shall provide a quarterly report as provided
5 under section 216 of this part providing information on the status,
6 projected costs, and projected completion date of current and
7 planned special maintenance projects at the Grand Rapids home for
8 veterans and D.J. Jacobetti home for veterans funded from capital
9 outlay appropriations made in part 1 and in prior appropriations
10 years.

11 PART 2A

12 PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS

13 FOR FISCAL YEAR 2019-2020

14 **GENERAL SECTIONS**

15 Sec. 601. It is the intent of the legislature to provide
16 appropriations for the fiscal year ending on September 30, 2020 for
17 the line items listed in part 1. The fiscal year 2019-2020
18 appropriations are anticipated to be the same as those for fiscal
19 year 2018-2019, excluding appropriations designated as one-time
20 appropriations and adjusting for changes in caseload and related
21 costs, federal fund match rates, economic factors, and available
22 revenue. These adjustments will be determined after the January
23 2019 consensus revenue estimating conference.

24 Sec. 602. The veterans affairs agency shall provide the
25 percentage of Michigan veterans contacted, with a goal of 100%, and



1 report upon those outreach findings to the subcommittees on
 2 military and veterans affairs at quarterly legislative hearings.

3 Sec. 603. The veterans affairs agency shall maintain a minimum
 4 50% fully developed claims as determined by the USDVA.

5 ARTICLE XV

6 DEPARTMENT OF NATURAL RESOURCES

7 PART 1

8 LINE-ITEM APPROPRIATIONS

9 Sec. 101. There is appropriated for the department of natural
 10 resources for the fiscal year ending September 30, 2019, from the
 11 following funds:

12 **DEPARTMENT OF NATURAL RESOURCES**

13 APPROPRIATION SUMMARY

14	Full-time equated unclassified positions	6.0	
15	Full-time equated classified positions	2,322.3	
16	GROSS APPROPRIATION		\$ 436,105,300
17	Interdepartmental grant revenues:		
18	Total interdepartmental grants and intradepartmental		
19	transfers.....		232,200
20	ADJUSTED GROSS APPROPRIATION		\$ 435,873,100
21	Federal revenues:		
22	Total federal revenues		81,731,600
23	Special revenue funds:		
24	Total local revenues		0
25	Total private revenues		7,431,400



1	Total other state restricted revenues	299,965,800
2	State general fund/general purpose	\$ 46,744,300
3	FUND SOURCE SUMMARY	
4	Full-time equated unclassified positions	6.0
5	Full-time equated classified positions	2,322.3
6	GROSS APPROPRIATION	\$ 436,105,300
7	Interdepartmental grant revenues:	
8	IDG, land acquisition services-to-work orders	232,200
9	Total interdepartmental grants and intradepartmental	
10	transfers.....	232,200
11	ADJUSTED GROSS APPROPRIATION	\$ 435,873,100
12	Federal revenues:	
13	Federal funds	78,038,100
14	Federal national forest timber fund	900,000
15	Michigan state waterways fund, federal	2,473,500
16	State park improvement, federal	320,000
17	Total federal revenues	81,731,600
18	Special revenue funds:	
19	Private funds	7,431,400
20	Total private revenues	7,431,400
21	Cervidae licensing and inspection fees	138,800
22	Commercial forest fund.....	26,600
23	Deer habitat reserve	2,153,300
24	Fire equipment fund.....	668,700
25	Fisheries settlement	629,200
26	Forest development fund.....	41,571,200
27	Forest land user charges	257,700



1	Forest recreation account	1,976,200
2	Game and fish protection fund	75,210,400
3	Great Lakes protection fund	529,500
4	Invasive species fund	100
5	Land exchange facilitation fund	5,021,400
6	Local public recreation facilities fund	1,876,100
7	Mackinac Island State Park fund	1,605,600
8	Mackinac Island State Park operation fund	128,500
9	MacMullan Conference Center account	1,169,800
10	Marine safety fund	3,752,400
11	Michigan heritage publications fund	22,300
12	Michigan historical center operations fund	807,300
13	Michigan natural resources trust fund	1,329,100
14	Michigan state parks endowment fund	26,856,800
15	Michigan state waterways fund	28,447,800
16	Michigan trailways fund	200
17	Nongame wildlife fund	486,200
18	Off-road vehicle safety education fund	203,700
19	Off-road vehicle trail improvement fund	8,397,300
20	Park improvement fund	64,356,300
21	Park improvement fund - Belle Isle subaccount	800,200
22	Permanent snowmobile trail easement fund	700,000
23	Public use and replacement deed fees	28,200
24	Recreation improvement account	1,538,200
25	Recreation passport fees	12,348,600
26	Snowmobile registration fee revenue	1,198,500
27	Snowmobile trail improvement fund	10,146,500



1	Sportsmen against hunger fund	77,500
2	Turkey permit fees	1,026,900
3	Waterfowl fees	120,800
4	Waterfowl hunt stamp	1,000,000
5	Wildlife management public education fund	2,100,000
6	Wildlife resource protection fund	1,159,200
7	Youth hunting and fishing education and outreach fund	98,700
8	Total other state restricted revenues	299,965,800
9	State general fund/general purpose	\$ 46,744,300
10	Sec. 102. DEPARTMENTAL ADMINISTRATION AND SUPPORT	
11	Full-time equated unclassified positions	6.0
12	Full-time equated classified positions	121.1
13	Unclassified salaries--6.0 FTE positions	\$ 792,200
14	Accounting service center	1,508,600
15	Executive direction--11.6 FTE positions	2,187,600
16	Finance and operations--105.5 FTE positions	16,802,500
17	Gifts and pass-through transactions	5,000,000
18	Legal services--4.0 FTE positions	560,700
19	Natural resources commission	77,100
20	Property management	<u>3,875,300</u>
21	GROSS APPROPRIATION	\$ 30,804,000
22	Appropriated from:	
23	Interdepartmental grant revenues:	
24	IDG, land acquisition services-to-work orders	232,200
25	Federal revenues:	
26	Federal funds	346,100
27	Special revenue funds:	



1	Private funds	5,000,000
2	Deer habitat reserve	159,500
3	Forest development fund	2,870,400
4	Forest land user charges	7,700
5	Forest recreation account	53,600
6	Game and fish protection fund	7,196,400
7	Land exchange facilitation fund	4,944,000
8	Local public recreation facilities fund	201,100
9	Marine safety fund	801,300
10	Michigan natural resources trust fund	1,306,800
11	Michigan state parks endowment fund	1,324,100
12	Michigan state waterways fund	789,400
13	Nongame wildlife fund	13,900
14	Off-road vehicle safety education fund	700
15	Off-road vehicle trail improvement fund	207,600
16	Park improvement fund	1,797,100
17	Public use and replacement deed fees	28,200
18	Recreation improvement account	84,700
19	Snowmobile registration fee revenue	50,000
20	Snowmobile trail improvement fund	126,500
21	Sportsmen against hunger fund	500
22	Turkey permit fees	79,400
23	Waterfowl fees	3,400
24	Wildlife resource protection fund	42,600
25	State general fund/general purpose	\$ 3,136,800
26	Sec. 103. DEPARTMENT INITIATIVES	
27	Full-time equated classified positions	37.0



1	Great Lakes restoration initiative--11.0 FTE positions	\$	11,339,900
2	Invasive species prevention and control--14.0 FTE		
3	positions.....		5,048,000
4	Michigan conservation corps		1,000,000
5	Office of the Great Lakes--12.0 FTE positions		<u>2,237,800</u>
6	GROSS APPROPRIATION	\$	19,625,700
7	Appropriated from:		
8	Special revenue funds:		
9	Federal funds		12,143,600
10	Special revenue funds:		
11	Great Lakes protection fund		504,500
12	State general fund/general purpose	\$	6,977,600
13	Sec. 104. COMMUNICATION AND CUSTOMER SERVICES		
14	Full-time equated classified positions.....		135.3
15	Marketing and outreach--80.8 FTE positions	\$	13,978,700
16	Michigan historical center--54.5 FTE positions		6,134,900
17	Michigan wildlife council		<u>2,100,000</u>
18	GROSS APPROPRIATION	\$	22,213,600
19	Appropriated from:		
20	Federal revenues:		
21	Federal funds		1,337,100
22	State park improvement, federal		320,000
23	Special revenue funds:		
24	Private funds		396,200
25	Forest development fund		134,100
26	Forest recreation account		16,400
27	Game and fish protection fund		8,400,800



1	Land exchange facilitation fund		46,800
2	Marine safety fund		36,000
3	Michigan heritage publications fund		22,300
4	Michigan historical center operations fund		807,300
5	Michigan state parks endowment fund		90,400
6	Michigan state waterways fund		150,000
7	Nongame wildlife fund		10,800
8	Off-road vehicle trail improvement fund		38,400
9	Park improvement fund		2,857,600
10	Recreation passport fees		28,200
11	Snowmobile registration fee revenue		19,400
12	Snowmobile trail improvement fund		45,600
13	Sportsmen against hunger fund		76,400
14	Wildlife management public education fund		2,100,000
15	Youth hunting and fishing education and outreach fund		96,700
16	State general fund/general purpose	\$	5,183,100
17	Sec. 105. WILDLIFE DIVISION		
18	Full-time equated classified positions	230.5	
19	Natural resources heritage--9.0 FTE positions		\$ 634,900
20	Wildlife and fisheries health study		114,900
21	Wildlife management--221.5 FTE positions		<u>44,917,900</u>
22	GROSS APPROPRIATION		\$ 45,667,700
23	Appropriated from:		
24	Federal revenues:		
25	Federal funds		25,368,800
26	Special revenue funds:		
27	Private funds		315,700



1	Cervidae licensing and inspection fees		85,400
2	Deer habitat reserve		1,732,200
3	Forest development fund		77,600
4	Game and fish protection fund		12,063,600
5	Nongame wildlife fund		431,000
6	Turkey permit fees		913,700
7	Waterfowl fees		114,100
8	State general fund/general purpose	\$	4,565,600
9	Sec. 106. FISHERIES DIVISION		
10	Full-time equated classified positions	223.5	
11	Aquatic resource mitigation--2.0 FTE positions		\$ 629,300
12	Cormorant population mitigation program		150,000
13	Fish production--63.0 FTE positions		10,328,900
14	Fisheries resource management--158.5 FTE positions ...		<u>21,063,600</u>
15	GROSS APPROPRIATION		\$ 32,171,800
16	Appropriated from:		
17	Federal revenues:		
18	Federal funds		11,402,200
19	Special revenue funds:		
20	Private funds		136,700
21	Fisheries settlement		629,200
22	Game and fish protection fund		19,330,400
23	Invasive species fund		100
24	State general fund/general purpose		\$ 673,200
25	Sec. 107. LAW ENFORCEMENT		
26	Full-time equated classified positions	291.0	
27	General law enforcement--291.0 FTE positions		\$ <u>43,984,200</u>



1	GROSS APPROPRIATION	\$	43,984,200
2	Appropriated from:		
3	Federal revenues:		
4	Federal funds		6,588,300
5	Special revenue funds:		
6	Cervidae licensing and inspection fees		53,400
7	Forest development fund		45,400
8	Forest recreation account		72,800
9	Game and fish protection fund		19,722,800
10	Marine safety fund		1,345,700
11	Michigan state parks endowment fund		71,400
12	Michigan state waterways fund		21,700
13	Off-road vehicle safety education fund		156,200
14	Off-road vehicle trail improvement fund		2,004,000
15	Park improvement fund		72,800
16	Snowmobile registration fee revenue		721,600
17	Wildlife resource protection fund		1,074,500
18	State general fund/general purpose	\$	12,033,600
19	Sec. 108. PARKS AND RECREATION DIVISION		
20	Full-time equated classified positions		938.4
21	Forest recreation and trails--56.6 FTE positions	\$	6,346,900
22	MacMullan Conference Center--15.0 FTE positions		1,169,800
23	Recreational boating--173.0 FTE positions		19,599,500
24	State parks--693.8 FTE positions		72,086,600
25	State park improvement revenue bonds - debt service ..		<u>1,195,700</u>
26	GROSS APPROPRIATION	\$	100,398,500
27	Appropriated from:		



1	Federal revenues:		
2	Federal funds		141,300
3	Michigan state waterways fund, federal		1,630,500
4	Special revenue funds:		
5	Private funds		427,900
6	Forest recreation account		1,791,400
7	MacMullan Conference Center account		1,169,800
8	Michigan state parks endowment fund		21,307,600
9	Michigan state waterways fund		18,445,900
10	Michigan trailways fund		100
11	Off-road vehicle safety education fund		7,200
12	Off-road vehicle trail improvement fund		1,468,700
13	Park improvement fund		48,255,500
14	Park improvement fund - Belle Isle subaccount		800,200
15	Recreation improvement account		497,500
16	Recreation passport fees		320,400
17	Snowmobile registration fee revenue		15,800
18	Snowmobile trail improvement fund		1,609,600
19	State general fund/general purpose	\$	2,509,100
20	Sec. 109. MACKINAC ISLAND STATE PARK COMMISSION		
21	Full-time equated classified positions	17.0	
22	Historical facilities system--13.0 FTE positions		\$ 1,705,600
23	Mackinac Island State Park operations--4.0 FTE		
24	positions.....		<u>334,400</u>
25	GROSS APPROPRIATION	\$	2,040,000
26	Appropriated from:		
27	Special revenue funds:		



1	Mackinac Island State Park fund	1,605,600
2	Mackinac Island State Park operation fund	128,500
3	State general fund/general purpose	\$ 305,900
4	Sec. 110. FOREST RESOURCES DIVISION	
5	Full-time equated classified positions	328.5
6	Adopt-a-forest program	\$ 25,000
7	Cooperative resource programs--11.0 FTE positions	1,567,900
8	Forest fire equipment	931,500
9	Forest management and timber market development--176.0	
10	FTE positions.....	31,721,400
11	Forest management initiatives--8.5 FTE positions	874,900
12	Minerals management--19.0 FTE positions	2,881,000
13	Wildfire protection--114.0 FTE positions	<u>14,028,600</u>
14	GROSS APPROPRIATION	\$ 52,030,300
15	Appropriated from:	
16	Federal revenues:	
17	Federal funds	3,401,400
18	Federal national forest timber fund	900,000
19	Special revenue funds:	
20	Private funds	1,054,900
21	Commercial forest fund	24,500
22	Fire equipment fund	668,700
23	Forest development fund	33,314,700
24	Forest land user charges	226,100
25	Game and fish protection fund	1,966,500
26	Michigan state parks endowment fund	2,708,500
27	Michigan state waterways fund	51,600



1	State general fund/general purpose	\$	7,713,400
2	Sec. 111. GRANTS		
3	Coastal management grants	\$	1,250,000
4	Dam management grant program		350,000
5	Deer habitat improvement partnership initiative		200,000
6	Federal - clean vessel act grants		400,000
7	Federal - forest stewardship grants		2,000,000
8	Federal - land and water conservation fund payments ..		2,566,900
9	Federal - rural community fire protection		400,000
10	Federal - urban forestry grants		900,000
11	Fisheries habitat improvement grants		1,250,000
12	Grants to communities - federal oil, gas, and timber		
13	payments.....		3,450,000
14	Grants to counties - marine safety		3,074,700
15	National recreational trails		3,900,000
16	Nonmotorized trail development and maintenance grants		350,000
17	Off-road vehicle safety training grants		29,200
18	Off-road vehicle trail improvement grants		4,656,800
19	Recreation improvement fund grants		907,100
20	Recreation passport local grants		1,675,000
21	Snowmobile law enforcement grants		380,100
22	Snowmobile local grants program		8,090,400
23	Trail easements		700,000
24	Wildlife habitat improvement grants		<u>1,500,000</u>
25	GROSS APPROPRIATION	\$	38,030,200
26	Appropriated from:		
27	Federal revenues:		



1	Federal funds	16,434,300
2	Special revenue funds:	
3	Private funds	100,000
4	Deer habitat reserve	200,000
5	Game and fish protection fund	2,750,000
6	Local public recreation facilities fund	1,675,000
7	Marine safety fund	1,407,300
8	Off-road vehicle safety education fund	29,200
9	Off-road vehicle trail improvement fund	4,656,800
10	Permanent snowmobile trail easement fund	700,000
11	Recreation improvement account	907,100
12	Snowmobile registration fee revenue	380,100
13	Snowmobile trail improvement fund	8,090,400
14	State general fund/general purpose	\$ 700,000
15	Sec. 112. INFORMATION TECHNOLOGY	
16	Information technology services and projects	\$ <u>10,458,700</u>
17	GROSS APPROPRIATION	\$ 10,458,700
18	Appropriated from:	
19	Special revenue funds:	
20	Commercial forest fund	2,100
21	Deer habitat reserve	61,600
22	Forest development fund	1,629,000
23	Forest land user charges	23,900
24	Forest recreation account	42,000
25	Game and fish protection fund	3,779,900
26	Great Lakes protection fund	25,000
27	Land exchange facilitation fund	30,600

1	Marine safety fund	162,100
2	Michigan natural resources trust fund	22,300
3	Michigan state parks endowment fund	1,354,800
4	Michigan state waterways fund	489,200
5	Michigan trailways fund	100
6	Nongame wildlife fund	30,500
7	Off-road vehicle safety education fund	10,400
8	Off-road vehicle trail improvement fund	21,800
9	Park improvement fund	1,373,300
10	Recreation improvement account	48,900
11	Snowmobile registration fee revenue	11,600
12	Snowmobile trail improvement fund	74,400
13	Sportsmen against hunger fund	600
14	Turkey permit fees	33,800
15	Waterfowl fees	3,300
16	Wildlife resource protection fund	42,100
17	Youth hunting and fishing education and outreach	2,000
18	State general fund/general purpose	\$ 1,183,400
19	Sec. 113. CAPITAL OUTLAY	
20	(a) RECREATIONAL LANDS AND INFRASTRUCTURE	
21	Forest development infrastructure	\$ 3,500,000
22	State parks repair and maintenance	23,500,000
23	Wetlands restoration, enhancement, and acquisition ...	<u>1,000,000</u>
24	GROSS APPROPRIATION	\$ 28,000,000
25	Appropriated from:	
26	Special revenue funds:	
27	Forest development fund	3,500,000



1	Park improvement fund	10,000,000
2	Recreation passport fees	12,000,000
3	Waterfowl hunt stamp	1,000,000
4	State general fund/general purpose	\$ 1,500,000
5	(b) WATERWAYS BOATING PROGRAM	
6	State harbors and boating access sites:	
7	East Tawas state harbor, Iosco County, harbormaster	
8	building and site improvements, phase III (total	
9	authorized cost is increased from \$5,920,000 to	
10	\$6,670,000; federal share is \$1,650,000; state share	
11	is increased from \$4,270,000 to \$5,020,000)	\$ 750,000
12	Elmwood Township Marina, Leelanau County, marina	
13	improvements (total authorized cost is \$1,202,200;	
14	state share is \$601,100; local share is \$601,100) ...	601,100
15	Local boating infrastructure maintenance and	
16	improvements	1,729,500
17	Ottawa Beach Marina, Ottawa County, marina	
18	improvements (total authorized cost is \$1,314,800;	
19	federal share is \$643,000; local share is \$671,800) .	643,000
20	Presque Isle Marina, Marquette County, marina	
21	improvements (total authorized cost is \$1,123,800;	
22	state share is \$541,900; local share is \$581,900) ...	541,900
23	State boating infrastructure maintenance	<u>5,952,500</u>
24	GROSS APPROPRIATION	\$ 10,218,000
25	Appropriated from:	
26	Federal revenues:	
27	Federal funds	875,000



1	Michigan state waterways fund, federal	843,000
2	Special revenue funds:	
3	Michigan state waterways fund	8,500,000
4	State general fund/general purpose	0
5	Sec. 114. ONE-TIME APPROPRIATIONS	
6	Grand River dredging project	\$ 100
7	Local public recreation development grant	142,500
8	Local public recreation planning grant	120,000
9	Snowmobile trail groomer pilot	<u>200,000</u>
10	GROSS APPROPRIATION	\$ 462,600
11	Appropriated from:	
12	Special revenue funds:	
13	Snowmobile trail improvement fund	200,000
14	State general fund/general purpose	\$ 262,600

15 PART 2
16 PROVISIONS CONCERNING APPROPRIATIONS
17 FOR FISCAL YEAR 2018-2019

18 **GENERAL SECTIONS**

19 Sec. 201. Pursuant to section 30 of article IX of the state
20 constitution of 1963, total state spending from state sources under
21 part 1 for fiscal year 2018-2019 is \$346,710,100.00 and state
22 spending from state sources to be paid to local units of government
23 for fiscal year 2018-2019 is \$7,975,200.00. The itemized statement
24 below identifies appropriations from which spending to local units
25 of government will occur:



1 DEPARTMENT OF NATURAL RESOURCES

2 GRANTS

3	Dam management grant program	\$	175,000
4	Fisheries habitat improvement grants		125,000
5	Grants to counties - marine safety		1,407,300
6	Nonmotorized trail development and maintenance grants		175,000
7	Off-road vehicle safety training grants		29,200
8	Off-road vehicle trail improvement grants		632,900
9	Recreation improvement fund grants		90,700
10	Recreation passport local grants		1,675,000
11	Snowmobile law enforcement grants		380,100
12	Wildlife habitat improvement grants		150,000
13	Elmwood Township Marina, Leelanau County		601,100
14	Local boating infrastructure maintenance and		
15	improvements.....		1,729,500
16	Presque Isle Marina, Marquette County		541,900
17	Local public recreation development grant		142,500
18	Local public recreation planning grant		<u>120,000</u>
19	TOTAL.....	\$	7,975,200

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

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

24 (a) "Department" means the department of natural resources.

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

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

27 (d) "IDG" means interdepartmental grant.



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

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

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

23 Sec. 207. The departments and agencies receiving
24 appropriations in part 1 shall prepare a report on out-of-state
25 travel expenses not later than January 1 of each year. The travel
26 report shall be a listing of all travel by classified and
27 unclassified employees outside this state in the immediately



1 preceding fiscal year that was funded in whole or in part with
2 funds appropriated in the department's budget. The report shall be
3 submitted to the senate and house appropriations committees, the
4 house and senate fiscal agencies, and the state budget director.
5 The report shall include the following information:

6 (a) The dates of each travel occurrence.

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

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

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

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



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

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

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

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

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



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

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

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

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

8 (e) Job specifications and wage rates.

9 Sec. 212. Within 14 days after the release of the executive
10 budget recommendation, the department shall cooperate with the
11 state budget office to provide the senate and house appropriations
12 chairs, the senate and house appropriations 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 agency's performance.

21 Sec. 214. Total authorized appropriations from all sources
22 under part 1 for legacy costs for the fiscal year ending September
23 30, 2019 are \$47,662,000.00. From this amount, total agency
24 appropriations for pension-related legacy costs are estimated at
25 \$21,973,000.00. Total agency appropriations for retiree health care
26 legacy costs are estimated at \$25,689,000.00.

27 Sec. 215. Appropriations of state restricted game and fish



1 protection funds have been made in the following amounts to the
 2 following departments and agencies:

3	Legislative auditor general	\$	32,000
4	Attorney general		766,300
5	Department of technology, management, and budget		482,100
6	Department of treasury		3,016,200

7 Sec. 216. Pursuant to section 43703(3) of the natural
 8 resources and environmental protection act, 1994 PA 451, MCL
 9 324.43703, there is appropriated from the game and fish protection
 10 trust fund to the game and fish protection account of the Michigan
 11 conservation and recreation legacy fund, \$6,000,000.00 for the
 12 fiscal year ending September 30, 2019.

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

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

22 Sec. 221. From the funds appropriated in part 1 for finance
 23 and operations, \$35,000.00 is designated to reimburse qualifying
 24 costs related to lake level assessments.

25 **DEPARTMENT INITIATIVES**

26 Sec. 251. From the amounts appropriated in part 1 for invasive



1 species prevention and control, the department shall allocate not
2 less than \$3,600,000.00 for grants for the prevention, detection,
3 eradication, and control of invasive species.

4 **DEPARTMENT SUPPORT SERVICES**

5 Sec. 302. The department may charge land acquisition projects
6 appropriated for the fiscal year ending September 30, 2019, and for
7 prior fiscal years, a standard percentage fee to recover actual
8 costs, and may use the revenue derived to support the land
9 acquisition service charges provided for in part 1.

10 Sec. 303. As appropriated in part 1, the department may charge
11 both application fees and transaction fees related to the exchange
12 or sale of state-owned land or rights in land authorized by part 21
13 of the natural resources and environmental protection act, 1994 PA
14 451, MCL 324.2101 to 324.2162. The fees shall be set by the
15 director at a rate that allows the department to recover its costs
16 for providing these services.

17 **COMMUNICATION AND CUSTOMER SERVICES**

18 Sec. 405. As appropriated in part 1, proceeds in excess of
19 costs incurred in the conduct of auctions, sales, or transfers of
20 artifacts no longer considered suitable for the collections of the
21 state historical museum may be expended upon receipt for additional
22 material for the collection. The department shall notify the
23 chairpersons, vice chairpersons, and minority vice chairpersons of
24 the senate and house appropriations subcommittees on natural
25 resources 1 week prior to any auctions or sales. Any unexpended



1 funds may be carried forward into the next succeeding fiscal year.

2 Sec. 406. As appropriated in part 1, funds collected by the
3 department for historical markers; document reproduction and
4 services; conferences, admissions, workshops, and training classes;
5 and the use of specialized equipment, facilities, exhibits,
6 collections, and software shall be used for expenses necessary to
7 provide the required services. The department may charge fees for
8 the aforementioned services, including admission fees. Any
9 unexpended funds may be carried forward into the next succeeding
10 fiscal year.

11 Sec. 408. By October 21, 2018, the department shall submit to
12 the senate and house appropriations subcommittees on natural
13 resources a report on all land transactions approved by the natural
14 resources commission in the fiscal year ending September 30, 2018.
15 For each land transaction, the report shall include the size of the
16 parcel, the county and municipality in which the parcel is located,
17 the dollar amount of the transaction, the fund source affected by
18 the transaction, and whether the transaction is by purchase, public
19 auction, transfer, exchange, or conveyance.

20 **WILDLIFE DIVISION**

21 Sec. 503. From the funds appropriated in part 1, the
22 department shall produce a report detailing any efforts undertaken
23 to enforce the invasive species order on swine raised under the
24 husbandry of residents of this state. The report shall include fund
25 sources used and the amount of expenditures and shall be submitted
26 to the legislature by December 31, 2018.



1 Sec. 504. From the funds appropriated in part 1, the
2 department shall provide a report to the legislature on the use of
3 registration fees collected from privately owned cervid operations.
4 Appropriations in part 1 from cervidae licensing and inspection
5 fees shall not be used for anything other than work directly
6 related to the regulation of privately owned cervid operations in
7 this state.

8 Sec. 505. (1) From the funds appropriated in part 1 for
9 wildlife and fisheries health study, the department shall
10 investigate the effect of PFAS contamination on Michigan's wildlife
11 and fisheries populations.

12 (2) As used in this section, "PFAS" means perfluoroalkyl and
13 polyfluoroalkyl substances.

14 **FISHERIES DIVISION**

15 Sec. 601. (1) From the appropriation in part 1 for aquatic
16 resource mitigation, not more than \$758,000.00 shall be allocated
17 for grants to watershed councils, resource development councils,
18 soil conservation districts, local governmental units, and other
19 nonprofit organizations for stream habitat stabilization and soil
20 erosion control.

21 (2) The fisheries division in the department shall develop
22 priority and cost estimates for all projects recommended for grants
23 under subsection (1).

24 Sec. 602. As a condition of expenditure of fisheries
25 management appropriations under part 1, the department of natural
26 resources shall not impede the certification process for water



1 control structures on Michigan waterways. The department of natural
2 resources shall fund from funds appropriated in part 1 all non-
3 water-quality studies or requirements that the department requests
4 of either of the following:

5 (a) The department of environmental quality as a condition for
6 issuance of a certification under section 401 of the federal water
7 pollution control act, 33 USC 1341.

8 (b) The Federal Energy Regulatory Commission as a condition of
9 licensing under the federal power act, 16 USC 791a to 825r.

10 Sec. 603. The department shall provide an annual report to the
11 legislature on use of funding provided for cormorant management.
12 The department shall use general fund/general purpose revenue for
13 this purpose and submit revenue appropriated in part 1 for
14 cormorant management to the United States Department of Agriculture
15 Animal and Plant Health Inspection Service to allow for increased
16 taking of cormorants and their nests. If any funds appropriated for
17 cormorant management are retained by the department, or other funds
18 become available for this purpose, the department shall use those
19 funds to harass cormorants with the goal of reducing foraging
20 attempts on fish populations.

21 **FOREST RESOURCES DIVISION**

22 Sec. 802. From the funds appropriated in part 1, the
23 department shall provide quarterly reports on the number of acres
24 of state forestland marked or treated for timber harvest to the
25 senate and house appropriations subcommittees on natural resources
26 and the standing committees of the senate and house of



1 representatives with primary responsibility for natural resources
2 issues. The department shall complete and deliver these reports by
3 45 days after the end of the fiscal quarter.

4 Sec. 803. In addition to the money appropriated in part 1, the
5 department may receive and expend money from federal sources to
6 provide response to wildfires as required by a compact with the
7 federal government. If additional expenditure authorization is
8 required, the department shall notify the state budget office that
9 expenditure under this section is required. The department shall
10 notify the house and senate appropriations subcommittees on natural
11 resources and the house and senate fiscal agencies by November 1,
12 2018, of the expenditures under this section during the fiscal year
13 ending September 30, 2018.

14 Sec. 807. (1) In addition to the funds appropriated in part 1,
15 there is appropriated from the disaster and emergency contingency
16 fund up to \$800,000.00 to cover costs related to any disaster as
17 defined in section 2 of the emergency management act, 1976 PA 390,
18 MCL 30.402.

19 (2) Funds appropriated under subsection (1) shall not be
20 expended unless the state budget director recommends the
21 expenditure and the department notifies the house and senate
22 committees on appropriations. By December 1 each year, the
23 department shall provide a report to the senate and house fiscal
24 agencies and the state budget office on the use of the disaster and
25 emergency contingency fund during the prior fiscal year.

26 (3) If Federal Emergency Management Agency (FEMA)
27 reimbursement is approved for costs paid from the disaster and



1 emergency contingency fund, the federal revenue shall be deposited
2 into the disaster and emergency contingency fund.

3 (4) Unexpended and unencumbered funds remaining in the
4 disaster and emergency contingency fund at the close of the fiscal
5 year shall not lapse to the general fund and shall be carried
6 forward and be available for expenditures in subsequent fiscal
7 years.

8 Sec. 808. (1) From the increased funds appropriated in part 1
9 for forest management and timber market development, the department
10 shall increase the harvest of timber on state forestlands. The
11 purpose of this program expansion is to expand the forest products
12 economy.

13 (2) The department shall identify specific outcomes and
14 performance metrics for this initiative, such as increasing the
15 number of acres prepared for timber sale.

16 Sec. 809. From the funds appropriated in part 1 for
17 cooperative resource programs, \$25,000.00 is designated for the
18 Wayne County soil mapping program.

19 **LAW ENFORCEMENT**

20 Sec. 902. The department shall provide a report on the marine
21 safety grant program to the senate and house appropriations
22 subcommittees on natural resources and the senate and house fiscal
23 agencies by December 1, 2018. The report shall include the
24 following information for the preceding year: the total amount of
25 revenue received for watercraft registrations, the amount deposited
26 into the marine safety fund, and the expenditures made from the



1 marine safety fund, including the amounts expended for department
2 administration, other state agencies, the law enforcement division,
3 and grants to counties. The report shall also include the
4 distribution methodology used by the department to distribute the
5 marine safety grants and a list of the grants and the amounts
6 awarded by county.

7 **GRANTS**

8 Sec. 1001. Federal pass-through funds to local institutions
9 and governments that are received in amounts in addition to those
10 included in part 1 for grants to communities - federal oil, gas,
11 and timber payments and that do not require additional state
12 matching funds are appropriated for the purposes intended. By
13 November 30, 2018, the department shall report to the senate and
14 house appropriations subcommittees on natural resources, the senate
15 and house fiscal agencies, and the state budget director on all
16 amounts appropriated under this section during the fiscal year
17 ending September 30, 2018.

18 Sec. 1002. From the funds appropriated in part 1 for off-road
19 vehicle trail improvement grants, \$35,000.00 is designated to
20 reimburse local units of government for costs related to seasonal
21 law enforcement at Silver Lake.

22 **CAPITAL OUTLAY**

23 Sec. 1103. The appropriations in part 1 for capital outlay
24 shall be carried forward at the end of the fiscal year consistent
25 with section 248 of the management and budget act, 1984 PA 431, MCL



1 18.1248.

2 **ONE-TIME BASIS ONLY APPROPRIATIONS**

3 Sec. 1202. The funds appropriated in part 1 for the Grand
4 River dredging project shall be used to conduct a study on the
5 depth of the Grand River from Lake Michigan to the city of Grand
6 Rapids and the cost of dredging that section of the river to a
7 depth sufficient for recreational boat traffic.

8 Sec. 1203. From the funds appropriated in part 1 for local
9 public recreation development grant, the department shall provide a
10 grant to a local unit of government for the development of a boat
11 launch at Long Lake in Alpena County.

12 Sec. 1204. From the funds appropriated in part 1 for local
13 public recreation planning grant, the department shall provide a
14 grant to a local unit of government for planning costs at
15 Grindstone Harbor in Huron County.

16 ARTICLE XVI

17 DEPARTMENT OF STATE POLICE

18 PART 1

19 LINE-ITEM APPROPRIATIONS

20 Sec. 101. There is appropriated for the department of state
21 police for the fiscal year ending September 30, 2019, from the
22 following funds:

23 **DEPARTMENT OF STATE POLICE**

24 APPROPRIATION SUMMARY



1	Full-time equated unclassified positions	3.0	
2	Full-time equated classified positions	3,490.0	
3	GROSS APPROPRIATION		\$ 712,714,500
4	Interdepartmental grant and intradepartmental		
5	transfer revenues:		
6	Total interdepartmental grants and intradepartmental		
7	transfers.....		24,748,300
8	ADJUSTED GROSS APPROPRIATION		\$ 687,966,200
9	Federal revenues:		
10	Total federal revenues		78,297,900
11	Special revenue funds:		
12	Total local revenues		5,146,800
13	Total private revenues		115,000
14	Total other state restricted revenues		149,103,700
15	State general fund/general purpose		\$ 455,302,800
16	State general fund/general purpose schedule:		
17	Ongoing state general fund/general		
18	purpose	446,709,700	
19	One-time state general fund/general		
20	purpose	8,593,100	
21	Sec. 102. DEPARTMENTAL ADMINISTRATION AND SUPPORT		
22	Full-time equated unclassified positions	3.0	
23	Unclassified salaries--3.0 FTE positions		\$ 598,000
24	Full-time equated classified positions	83.0	
25	Accounting service center		1,081,200
26	Department services--58.0 FTE positions		8,937,500
27	Departmentwide		45,351,400



1	Executive direction--25.0 FTE positions	<u>4,241,400</u>
2	GROSS APPROPRIATION	\$ 60,209,500
3	Appropriated from:	
4	Interdepartmental grant and intradepartmental	
5	transfer revenues:	
6	IDG-MDOC, contract	26,000
7	IDG-MDOS	1,400
8	IDG-MDOT, state trunkline fund	3,900
9	IDG-MDTR, casino gaming fees	116,200
10	IDG, training academy charges	176,900
11	IDT, auto theft funds	1,300
12	IDT, truck safety fund	36,900
13	Total interdepartmental grants and intradepartmental	
14	transfers.....	362,600
15	Federal revenues:	
16	DHS	189,300
17	DOJ	7,600
18	DOJ, interest bearing	11,600
19	DOT	339,200
20	Total federal revenues	547,700
21	Special revenue funds:	
22	Local - school bus revenue	6,200
23	Total local revenues	6,200
24	Auto theft prevention fund	29,000
25	Criminal justice information center service fees	1,260,600
26	Forensic science reimbursement fees	43,900
27	Hazardous materials training center fees	72,600



1	Highway safety fund	204,400
2	Marihuana regulatory fund	3,023,100
3	Michigan justice training fund	278,100
4	Motor carrier fees	264,400
5	Nuclear plant emergency planning reimbursement	21,000
6	State forensic laboratory fund	37,500
7	State police administrator and coordinator 911 fund ..	23,300
8	State services fee fund	306,300
9	Tobacco tax revenue	102,600
10	Traffic law enforcement and safety fund	403,100
11	Other state restricted revenues	33,600
12	Total other state restricted revenues	6,103,500
13	State general fund/general purpose	\$ 53,189,500
14	Sec. 103. LAW ENFORCEMENT SERVICES	
15	Full-time equated classified positions	532.0
16	Biometrics and identification--57.0 FTE positions	\$ 9,955,500
17	Criminal justice information center--132.0 FTE	
18	positions.....	19,876,100
19	Forensic science--269.0 FTE positions	45,099,600
20	Grants and community services--19.0 FTE positions	16,602,600
21	Training--55.0 FTE positions	<u>10,576,000</u>
22	GROSS APPROPRIATION	\$ 102,109,800
23	Appropriated from:	
24	Interdepartmental grant and intradepartmental	
25	transfer revenues:	
26	IDG-MDOC, contract	318,200
27	IDG-MDOS	373,300



1	IDG-MDOT, state trunkline fund	1,213,200
2	IDG, training academy charges	2,412,400
3	IDT, Michigan justice training fund	750,000
4	Total interdepartmental grants and intradepartmental	
5	transfers.....	5,067,100
6	Federal revenues:	
7	DOJ.....	6,200,100
8	DOJ, interest bearing	4,163,300
9	DOT.....	2,345,700
10	Total federal revenues	12,709,100
11	Special revenue funds:	
12	Local - SRMS fees	918,300
13	Total local revenues	918,300
14	Total private revenues	100,000
15	Auto theft prevention fund	8,194,200
16	Criminal justice information center service fees	16,270,100
17	Drunk driving prevention and training fund	1,068,500
18	Forensic science reimbursement fees	1,122,700
19	Marihuana regulatory fund	1,167,600
20	Motor carrier fees	133,400
21	Precision driving track fees	328,200
22	Sex offenders registration fund	390,600
23	State forensic laboratory fund	1,180,900
24	State police administrator and coordinator 911 fund ..	1,082,300
25	State services fee fund	7,921,500
26	Traffic crash revenue	92,900
27	Total other state restricted revenues	38,952,900



1	State general fund/general purpose	\$	44,362,400
2	Sec. 104. MICHIGAN COMMISSION ON LAW ENFORCEMENT STANDARDS		
3	Full-time equated classified positions	18.0	
4	Public safety officers benefit program--1.0 FTE		
5	position.....	\$	301,600
6	Standards and training/justice training grants--17.0		
7	FTE position.....		11,780,100
8	Training only to local units		<u>654,500</u>
9	GROSS APPROPRIATION	\$	12,736,200
10	Appropriated from:		
11	Federal revenues:		
12	DOJ.....		250,000
13	Total federal revenues		250,000
14	Special revenue funds:		
15	Law enforcement officers training fund		25,000
16	Marihuana regulatory fund		2,500,000
17	Medical marihuana excise fund		907,500
18	Michigan justice training fund		6,900,000
19	Private security licensing fees		5,000
20	Retired law enforcement officer safety fund		5,000
21	Secondary road patrol and training fund		654,500
22	Total other state restricted revenues		10,997,000
23	State general fund/general purpose	\$	1,489,200
24	Sec. 105. FIELD SERVICES		
25	Full-time equated classified positions	2,250.0	
26	Investigative services--180.5 FTE positions	\$	35,625,500
27	Post operations--2,039.5 FTE positions		314,409,300



1	Secure cities partnership--30.0 FTE positions	<u>7,861,300</u>
2	GROSS APPROPRIATION	\$ 357,896,100
3	Appropriated from:	
4	Interdepartmental grant and intradepartmental	
5	transfer revenues:	
6	IDG-MDTR, casino gaming fees	5,127,300
7	IDT, auto theft funds	787,500
8	Total interdepartmental grants and intradepartmental	
9	transfers.....	5,914,800
10	Federal revenues:	
11	DOJ.....	5,008,700
12	Federal forfeiture revenue	544,100
13	Federal investigations - reimbursed services	1,143,200
14	Total federal revenues	6,696,000
15	Special revenue funds:	
16	Local - reimbursed services	1,579,400
17	Total local revenues	1,579,400
18	Highway safety fund.....	10,009,000
19	Marihuana regulatory fund.....	6,842,200
20	Medical marihuana excise fund.....	907,500
21	Michigan merit award trust fund.....	822,700
22	Narcotics-related forfeiture revenue	773,900
23	Nonnarcotic forfeiture revenue	100,600
24	State police service fees	2,352,600
25	Tobacco tax revenue	4,623,900
26	Traffic law enforcement and safety fund	25,724,000
27	Trooper school recruitment fund.....	1,100



1	Total other state restricted revenues	52,157,500
2	State general fund/general purpose	\$ 291,548,400
3	Sec. 106. SPECIALIZED SERVICES	
4	Full-time equated classified positions	607.0
5	Commercial vehicle enforcement--211.0 FTE positions ..	\$ 28,350,200
6	Commercial vehicle regulation--12.0 FTE positions	2,243,100
7	Emergency management and homeland security--64.0 FTE	
8	positions.....	15,808,700
9	Hazardous materials programs--25.0 FTE positions	28,031,500
10	Highway safety planning--26.0 FTE positions	18,048,700
11	Intelligence operations--201.0 FTE positions	27,771,600
12	Secondary road patrol program--1.0 FTE position	11,072,200
13	Special operations--67.0 FTE positions	<u>13,261,300</u>
14	GROSS APPROPRIATION	\$ 144,587,300
15	Appropriated from:	
16	Interdepartmental grant and intradepartmental	
17	transfer revenues:	
18	IDG-MDOT, state trunkline fund	10,324,000
19	IDG-MDTMB	655,400
20	IDG-MDTR, public safety answer point training 911 fund	100,000
21	IDT, truck safety fund	1,933,900
22	Total interdepartmental grants and intradepartmental	
23	transfers.....	13,013,300
24	Federal revenues:	
25	DHS	35,103,300
26	DOT	22,034,700
27	Total federal revenues	57,138,000



1	Special revenue funds:	
2	Local - school bus revenue	1,724,700
3	Total local revenues	1,724,700
4	Total private revenues	15,000
5	Hazardous materials training center fees	927,400
6	Marihuana regulatory fund	1,549,600
7	Motor carrier fees	7,687,800
8	Nuclear plant emergency planning reimbursement	2,727,300
9	Reimbursed services	1,018,700
10	Rental of departmental aircraft	59,900
11	Secondary road patrol and training fund	11,072,200
12	State police dispatch operator 911 fund	681,900
13	Truck driver safety fund	3,969,000
14	Total other state restricted revenues	29,693,800
15	State general fund/general purpose	\$ 43,002,500
16	Sec. 107. INFORMATION TECHNOLOGY	
17	Information technology services and projects	\$ <u>26,582,500</u>
18	GROSS APPROPRIATION	\$ 26,582,500
19	Appropriated from:	
20	Interdepartmental grant and intradepartmental	
21	transfer revenues:	
22	Total interdepartmental grants and intradepartmental	
23	transfers.....	390,500
24	Federal revenues:	
25	Total federal revenues	957,100
26	Special revenue funds:	
27	Total local revenues	918,200



1	Total other state restricted revenues	11,199,000
2	State general fund/general purpose	\$ 13,117,700
3	Sec. 108. ONE-TIME APPROPRIATIONS	
4	Advanced 9-1-1	\$ 200,000
5	Michigan International Speedway traffic control	400,000
6	Sexual assault prevention and education initiative ...	1,000,000
7	Trooper school	<u>6,993,100</u>
8	GROSS APPROPRIATION	\$ 8,593,100
9	Appropriated from:	
10	State general fund/general purpose	\$ 8,593,100

11 PART 2
 12 PROVISIONS CONCERNING APPROPRIATIONS
 13 FOR FISCAL YEAR 2018-2019

14 **GENERAL SECTIONS**

15 Sec. 201. Pursuant to section 30 of article IX of the state
 16 constitution of 1963, total state spending from state sources under
 17 part 1 for fiscal year 2018-2019 is \$604,406,500.00 and state
 18 spending from state sources to be paid to local units of government
 19 for fiscal year 2018-2019 is \$14,231,300.00. The itemized statement
 20 below identifies appropriations from which spending to local units
 21 of government will occur:

22 DEPARTMENT OF STATE POLICE

23	Standards and training/justice training grants	\$ 2,615,300
24	Training only to local units	654,500
25	Secondary road patrol program	<u>10,961,500</u>



1 TOTAL \$ 14,231,300

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

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

6 (a) "CJIS" means Criminal Justice Information Systems.

7 (b) "Core service" means that term as defined in section 373
8 of the management and budget act, 1984 PA 431, MCL 18.1373.

9 (c) "Department" means the department of state police.

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

11 (e) "DNA" means deoxyribonucleic acid.

12 (f) "DTMB" means the department of technology, management, and
13 budget.

14 (g) "FTE" means full-time equated.

15 (h) "IDG" means interdepartmental grant.

16 (i) "MCOLES" means the Michigan commission on law enforcement
17 standards.

18 (j) "Subcommittees" means the subcommittees of the senate and
19 house standing committees on appropriations with jurisdiction over
20 the budget for the department.

21 (k) "Support service" means an activity required to support
22 the ongoing delivery of core services.

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



1 placement of reports on an internet or intranet site.

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

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

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



1 (a) The dates of each travel occurrence.

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

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

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

22 Sec. 210. (1) In addition to the funds appropriated in part 1,
23 there is appropriated an amount not to exceed \$10,000,000.00 for
24 federal contingency funds. These funds are not available for
25 expenditure until they have been transferred to another line item
26 in part 1 under section 393(2) of the management and budget act,
27 1984 PA 431, MCL 18.1393.



1 (2) In addition to the funds appropriated in part 1, there is
2 appropriated an amount not to exceed \$3,500,000.00 for state
3 restricted contingency funds. These funds are not available for
4 expenditure until they have been transferred to another line item
5 in part 1 under section 393(2) of the management and budget act,
6 1984 PA 431, MCL 18.1393.

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

13 (4) In addition to the funds appropriated in part 1, there is
14 appropriated an amount not to exceed \$200,000.00 for private
15 contingency funds. These funds are not available for expenditure
16 until they have been transferred to another line item in part 1
17 under section 393(2) of the management and budget act, 1984 PA 431,
18 MCL 18.1393.

19 Sec. 211. The department shall cooperate with the DTMB to
20 maintain a searchable website accessible by the public at no cost
21 that includes, but is not limited to, all of the following:

- 22 (a) Fiscal year-to-date expenditures by category.
23 (b) Fiscal year-to-date expenditures by appropriation unit.
24 (c) Fiscal year-to-date payments to a selected vendor,
25 including the vendor name, payment date, payment amount, and
26 payment description.
27 (d) The number of active department employees by job



1 classification.

2 (e) Job specifications and wage rates.

3 Sec. 212. Within 14 days after the release of the executive
4 budget recommendation, the department shall cooperate with the
5 state budget office to provide the senate and house appropriations
6 chairs, the senate and house appropriations subcommittees chairs,
7 and the senate and house fiscal agencies with an annual report on
8 estimated state restricted fund balances, state restricted fund
9 projected revenues, and state restricted fund expenditures for the
10 fiscal years ending September 30, 2018 and September 30, 2019.

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

15 Sec. 214. Total authorized appropriations from all sources
16 under part 1 for legacy costs for the fiscal year ending September
17 30, 2019 are estimated at \$148,305,500.00. From this amount, total
18 agency appropriations for pension-related legacy costs are
19 estimated at \$77,070,000.00. Total agency appropriations for
20 retiree health care legacy costs are estimated at \$71,235,500.00.

21 Sec. 215. Based on the availability of federal funding and the
22 demonstrated need as indicated by applications submitted to the
23 state court administrative office, the department shall provide
24 \$1,500,000.00 in Byrne justice assistance grant program funding to
25 the judiciary by interdepartmental grant.

26 Sec. 216. A department or state agency shall not take
27 disciplinary action against an employee for communicating with a



1 member of the legislature or his or her staff.

2 Sec. 217. The department shall provide quarterly reports to
3 the subcommittees, the senate and house fiscal agencies, and the
4 state budget office that provide the following data:

5 (a) A list of major work projects, including the status of
6 each project.

7 (b) The department's financial status, featuring a report of
8 budgeted versus actual expenditures by part 1 line item including a
9 year-end projection of budget requirements. If projected department
10 budget requirements exceed the allocated budget, the report shall
11 include a plan to reduce overall expenses while still satisfying
12 specified service level requirements.

13 (c) A report on the performance metrics cited or information
14 required to be reported in this part, reasons for nonachievement of
15 metric targets, and proposed corrective actions.

16 Sec. 218. The appropriations in part 1 are for the core
17 services, support services, and work projects of the department,
18 including, but not limited to, the following core services:

19 (a) State security operations.

20 (b) Training.

21 (c) MCOLES.

22 (d) CJIS.

23 (e) Forensic analysis and biometric identification.

24 (f) Post operations and investigative services.

25 (g) Special operations.

26 (h) Intelligence operations.

27 (i) Commercial vehicle regulation and enforcement.



1 (j) Emergency management and homeland security.

2 (k) Highway safety planning.

3 (l) Secondary road patrol program.

4 Sec. 219. The department shall notify the subcommittees, the
5 chairpersons of the senate and house standing committees on
6 appropriations, and the senate and house fiscal agencies not less
7 than 90 days before recommending to close or consolidate any state
8 police posts. The notification shall include a local and state
9 impact study of the proposed post closure or consolidation.

10 Sec. 220. At least 90 days before beginning any effort to
11 privatize, the department shall submit a complete project plan to
12 the subcommittees and the senate and house fiscal agencies. The
13 plan shall include the criteria under which the privatization
14 initiative will be evaluated. The evaluation shall be completed and
15 submitted to the subcommittees and the senate and house fiscal
16 agencies within 30 months.

17 Sec. 221. (1) When the department provides contractual
18 services to a local unit of government, the department shall be
19 reimbursed for all costs incurred in providing the services,
20 including, but not limited to, retirement and overtime costs.

21 (2) The department shall define service cost models for those
22 services requiring reimbursement.

23 (3) Contractual services provided to an entity other than a
24 local unit of government may be provided by department personnel,
25 but only on an overtime basis outside the normal work schedule of
26 the personnel.

27 (4) This section does not apply to services provided to state



1 agencies.

2 (5) Revenues received for contractual or reimbursed services
3 in excess of the appropriation in part 1 are appropriated and may
4 be received and expended by the department for the purposes for
5 which funds are received.

6 (6) If additional authorization is approved in the statewide
7 integrated governmental management application (SIGMA) by the state
8 budget office under this section, the department shall notify the
9 subcommittees and the senate and house fiscal agencies within 10
10 days after the approval. The notification shall include the amount
11 and funding source of the additional authorization, the date of its
12 approval, and the projected use of funds to be expended.

13 Sec. 222. The department shall serve as an active liaison
14 between the DTMB and state, local, regional, and federal public
15 safety agencies on matters pertaining to the Michigan public safety
16 communications system and shall report user issues to the DTMB.

17 Sec. 223. The department may establish and collect fees for
18 publications, videos, conferences, workshops, and related
19 materials. Collected fees shall be used to offset expenditures for
20 costs of the publications, videos, workshops, conferences, and
21 related materials. The department shall not collect fees under this
22 section that exceed the cost of the expenditures.

23 Sec. 224. Money privately donated to the department is
24 appropriated under part 1 to be used for the purposes designated by
25 the donor of the money, if specified.

26 Sec. 225. (1) Federal revenues authorized by and available
27 from the federal government in excess of the appropriation in part



1 1 are appropriated and may be received and expended by the
2 department for purposes authorized under state law and subject to
3 federal requirements.

4 (2) The department shall notify the subcommittees and the
5 senate and house fiscal agencies before expending federal revenues
6 received and appropriated under subsection (1).

7 (3) If additional authorization is approved in the statewide
8 integrated governmental management application (SIGMA) by the state
9 budget office under this section, the department shall notify the
10 subcommittees and the senate and house fiscal agencies within 10
11 days after the approval. The notification shall include the amount
12 and funding source of the additional authorization, the date of its
13 approval, and the projected use of funds to be expended.

14 **DEPARTMENTAL ADMINISTRATION AND SUPPORT**

15 Sec. 301. (1) The department shall provide security services
16 at the State Capitol Complex facilities and the State Secondary
17 Complex as provided under section 6c of 1935 PA 59, MCL 28.6c.

18 (2) The department shall maintain the staff and resources
19 necessary to respond to emergencies at the State Capitol Complex,
20 State Secondary Complex, House Office Building, Binsfield Office
21 Building, Capitol parking lot, Townsend Parking Ramp, the Roosevelt
22 Parking Ramp, and other areas as directed.

23 (3) The department may develop a phased approach for improving
24 security at the Capitol Building.

25 (4) The department shall maintain a goal of annually
26 conducting 35,000 property inspections of state owned and leased



1 facilities.

2 **LAW ENFORCEMENT SERVICES**

3 Sec. 401. (1) The department shall develop and deliver
4 professional, innovative, and quality training that supports the
5 enforcement and public safety efforts of the criminal justice
6 community.

7 (2) The department shall provide performance data as provided
8 under section 217 of this part for average classroom occupancy
9 rate, with an annual goal of at least 55%.

10 (3) The department shall submit a report to the subcommittees
11 and the senate and house fiscal agencies within 60 days of the
12 conclusion of any trooper, motor carrier, or state properties
13 security recruit school. The report shall include the following:

14 (a) The number of veterans and the number of MCOLES-certified
15 police officers who were admitted to and the number who graduated
16 from the recruit school.

17 (b) The total number of recruits who were admitted to the
18 school, the number of recruits who graduated from the school, and
19 the location at which each of these recruits is assigned.

20 (4) The department shall distribute and review course
21 evaluations to ensure that quality training is provided.

22 Sec. 402. (1) In accordance with applicable state and federal
23 laws and regulations, the department shall maintain and ensure
24 compliance with CJIS databases and applications in the support of
25 public safety and law enforcement communities.

26 (2) The department shall improve the accuracy, timeliness, and



1 completeness of criminal history information by conducting a
2 minimum of 30 outreach activities targeted to criminal justice
3 agencies.

4 (3) The department shall provide for the compilation of crime
5 statistics consistent with the uniform crime reporting (UCR)
6 program and the national incident-based report system (NIBRS).

7 (4) The department shall provide for the compilation and
8 evaluation of traffic crash reports and the maintenance of the
9 state accident data collection system.

10 (5) The department shall make individual traffic crash reports
11 available for a fee of \$10.00 per incident. The department may also
12 sell an extract of electronic traffic crash data for a fee of \$0.25
13 per incident, provided that the name, address, and any other
14 personal identifying information have been excluded.

15 (6) In accordance with applicable state and federal laws and
16 regulations, the department shall provide for the maintenance and
17 dissemination of criminal history records and juvenile records,
18 including to the extent necessary to exchange criminal history
19 records information with the Federal Bureau of Investigation and
20 other states through the interstate identification index, the
21 National Crime Information Center, and other federal CJIS databases
22 and indices.

23 (7) In accordance with applicable state and federal laws, the
24 department shall provide for the maintenance of records, including
25 criminal history records regarding firearms licensure.

26 (8) The department shall provide to the legislature a report
27 on concealed pistol licensing not later than December 1, 2019 that



1 includes all of the following:

2 (a) The department's actual revenue received from fees paid
3 for concealed pistol license (CPL) applications for fiscal year
4 2018-2019 and the uses of that revenue.

5 (b) The department's fiscal year 2018-2019 costs for
6 administering its concealed pistol licensing responsibilities under
7 1927 PA 372, MCL 28.421 to 28.435, but not including costs related
8 to the administration of other state statutes, or requirements of
9 federal law.

10 (9) The department shall provide information on the number of
11 background checks processed through the internet criminal history
12 access tool (ICHAT) as provided in section 217 of this part.

13 (10) The following unexpended and unencumbered revenues
14 deposited into the criminal justice information center service fees
15 shall not lapse to the general fund, but shall be carried forward
16 into the subsequent fiscal year:

17 (a) Fees for fingerprinting and criminal record checks and
18 name-based criminal record checks under 1935 PA 120, MCL 28.271 to
19 28.274.

20 (b) Fees for application and licensing for initial and renewal
21 concealed pistol licenses under 1927 PA 372, MCL 28.421 to 28.435.

22 (c) Fees for searching, copying, and providing public records
23 under the freedom of information act, 1976 PA 442, MCL 15.231 to
24 15.246.

25 (d) Revenue from other sources, including, but not limited to,
26 investment and interest earnings.

27 (11) Unexpended and unencumbered revenue generated by state



1 records management system fees shall not lapse to the general fund,
2 but shall be carried forward into the subsequent fiscal year.

3 Sec. 403. (1) The department shall provide forensic testing
4 services to aid in criminal investigations.

5 (2) The department shall ensure its ability to maintain
6 accreditation by a federally designated accrediting agency, as
7 provided under 34 USC 12592.

8 (3) The department shall provide forensic science services
9 with an average turnaround time of 55 days, assuming an annual
10 caseload volume commensurate with that received in fiscal year
11 2012-2013, and shall achieve a goal of a 30-day average turnaround
12 time across all forensic science disciplines.

13 (4) The department shall provide the following data as
14 provided in section 217 of this part:

15 (a) The average turnaround time for processing forensic
16 evidence across all disciplines.

17 (b) Forensic laboratory staffing levels, including scientists
18 in training, and vacancies.

19 (c) The number of backlogged cases in each discipline.

20 (5) The department shall provide for the forensic testing and
21 analysis/profiling of DNA evidence to aid criminal investigations
22 by law enforcement agencies in this state.

23 Sec. 404. (1) The biometrics and identification division shall
24 house and manage the automated fingerprint identification system,
25 the statewide network of agency photographs, and combined offender
26 DNA index system biometric databases.

27 (2) The department shall provide data on the number of 10-



1 print and palm-print submissions to the database, with a goal of at
2 least 97% of submissions provided electronically as provided in
3 section 217 of this part.

4 (3) The department shall maintain the staffing and resources
5 necessary to have a 28-day average wait time for scheduling a
6 polygraph examination, assuming an annual caseload received
7 commensurate with fiscal year 2012-2013, with a goal of achieving a
8 15-day average wait time.

9 (4) If changes are made to the department's protocol for
10 retaining and purging DNA analysis samples and records, the
11 department shall post a copy of the protocol changes on the
12 department's website.

13 Sec. 405. Not later than December 1, the department shall
14 submit a report to the subcommittees and senate and house fiscal
15 agencies that includes, but is not limited to, all of the following
16 information:

17 (a) Sexual assault kit analysis backlog at the beginning of
18 the prior fiscal year.

19 (b) The number of sexual assault kits collected or submitted
20 for analysis during the prior fiscal year.

21 (c) The number of sexual assault kits analyzed and the number
22 of associated DNA profiles created and uploaded during the prior
23 fiscal year.

24 (d) Sexual assault kit analysis backlog at the ending of the
25 prior fiscal year.

26 (e) The average turnaround time to analyze sexual assault kits
27 and to create and upload associated DNA profiles for the prior



1 fiscal year.

2 Sec. 406. The department shall provide administrative support
3 for the following grant and community service programs:

4 (a) The operations of the automobile theft prevention
5 authority.

6 (b) Administration of the Edward Byrne memorial justice
7 assistance program and other grant programs as well as the
8 department's community policing efforts.

9 (c) Oversight and administration of 9-1-1 operations
10 statewide.

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 the subsequent fiscal year.

2 Sec. 903. (1) Funds appropriated in part 1 for Michigan
3 International Speedway traffic control shall be used to support
4 department operations in providing traffic control services to
5 events hosted at the Michigan International Speedway.

6 (2) Funds appropriated in part 1 for Michigan International
7 Speedway traffic control shall not be expended under subsection (1)
8 until the department has received funds from the Michigan
9 International Speedway composed of a minimum of 50% of the total
10 costs of providing traffic control services for any Michigan
11 International Speedway event.

12 (3) This section does not require the department to provide
13 traffic control services under subsection (1) for Michigan
14 International Speedway events if all funds appropriated in part 1
15 for Michigan International Speedway traffic control are expended or
16 encumbered, or if remaining unexpended and unencumbered funds in
17 part 1 for Michigan International Speedway traffic control are not
18 sufficient to support a maximum of 50% of the costs of providing
19 traffic control services under subsection (1) for any Michigan
20 International Speedway event.

21 PART 2A
22 PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS
23 FOR FISCAL YEAR 2019-2020

24 GENERAL SECTIONS

25 Sec. 1001. It is the intent of the legislature to provide



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 positions	4.0	
19	Full-time equated classified positions	247.3	
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 positions	793.7	
3	State trunkline operations--793.7 FTE positions		\$ <u>339,127,800</u>
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.....		<u>1,232,374,500</u>
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 positions		36.0
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.

