DRAFT 1

SUBSTITUTE FOR

HOUSE BILL NO. 5294

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, 2017 and other fiscal years; to provide for certain conditions on appropriations; and to provide for the expenditure of the appropriations.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

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

1 September 30, 2017, from the following funds:

2 **DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT**

3 APPROPRIATION SUMMARY

4 Full-time equated unclassified positions 6.0

5 Full-time equated classified positions 471.0

6 GROSS APPROPRIATION ..... $ 92,542,400

7 Interdepartmental grant revenues:

8 IDG from LARA (LCC), liquor quality testing fees 220,100

9 IDG from MDEQ, biosolids 103,100

10 Total interdepartmental grants and intradepartmental

11 transfers 323,200

12 ADJUSTED GROSS APPROPRIATION ..... $ 92,219,200

13 Federal revenues:

14 Department of Interior 273,800

15 EPA, multiple grants 1,313,100

16 HHS, multiple grants 2,520,600

17 USDA, multiple grants 6,363,700

18 Total federal revenues 10,471,200

19 Special revenue funds:

20 Private - commodity group revenue 109,600

21 Private - slow-the-spread foundation 21,100

22 Total private revenues 130,700

23 Agricultural preservation fund 609,800

24 Agriculture equine industry development fund 3,667,200

25 Agriculture licensing and inspection fees 4,107,400

26 Animal welfare fund 193,300

27 Commodity inspection fees 516,000

Consumer and industry food safety education fund		355,400
Dairy and food safety fund		4,983,800
Feed control fund		1,135,200
Fertilizer control fund		762,600
Freshwater protection fund		6,401,300
Gasoline inspection and testing fund		1,990,200
Grain dealers fee fund		615,000
Horticulture fund		38,800
Industry support funds		433,300
Migratory labor housing fund		167,800
Nonretail liquor fees		904,200
Private forestland enhancement fund		288,200
Refined petroleum fund		3,873,200
Rural development fund		2,000,000
Testing fees		293,100
Weights and measures regulation fees		793,500
Total other state restricted revenues		34,129,300
State general fund/general purpose	$	47,488,000

Sec. 102. DEPARTMENTWIDE

Full-time equated unclassified positions 6.0

Full-time equated classified positions 32.0

Commissions and boards	$	23,800
Unclassified positions--6.0 FTE positions		545,900
Executive direction--9.0 FTE positions		1,413,500
Operational services--19.0 FTE positions		1,882,700
Statistical reporting service--1.0 FTE position		153,600
Emergency management--3.0 FTE positions		614,600

1	Accounting service center	1,141,600
2	Building occupancy charges	631,200
3	GROSS APPROPRIATION	$ 6,406,900
4	Appropriated from:	
5	Federal revenues:	
6	HHS, multiple grants	331,900
7	Special revenue funds:	
8	Private - commodity group revenue	79,100
9	Agricultural preservation fund	15,200
10	Agriculture licensing and inspection fees	263,900
11	Commodity inspection fees	1,100
12	Dairy and food safety fund	416,900
13	Feed control fund	38,900
14	Fertilizer control fund	24,000
15	Freshwater protection fund	67,500
16	Gasoline inspection and testing fund	80,000
17	Grain dealers fee fund	7,900
18	Industry support funds	54,300
19	Migratory housing fund	28,600
20	Nonretail liquor fees	28,100
21	Refined petroleum fund	220,300
22	State general fund/general purpose	$ 4,749,200
23	**Sec. 103. INFORMATION AND TECHNOLOGY**	
24	Information technology services and projects	$ 1,768,500
25	GROSS APPROPRIATION	$ 1,768,500
26	Appropriated from:	
27	Interdepartmental grant revenues:	

1 IDG from LARA (LCC), liquor quality testing fees 3,200
2 Special revenue funds:
3 Agricultural preservation fund 200
4 Agriculture licensing and inspection fees 93,800
5 Dairy and food safety fund 61,200
6 Freshwater protection fund 100
7 Gasoline inspection and testing fund 31,800
8 Nonretail liquor fees 500
9 State general fund/general purpose ..... $ 1,577,700
10 **Sec. 104. FOOD AND DAIRY**
11 Full-time equated classified positions 121.0
12 Food safety and quality assurance--91.0 FTE positions $ 13,586,400
13 Milk safety and quality assurance--30.0 FTE positions 4,260,100
14 GROSS APPROPRIATION ..... $ 17,846,500
15 Appropriated from:
16 Federal revenues:
17 HHS, multiple grants 1,193,800
18 USDA, multiple grants 136,300
19 Special revenue funds:
20 Consumer and industry food safety education fund 355,400
21 Dairy and food safety fund 4,434,500
22 State general fund/general purpose ..... $ 11,726,500
23 **Sec. 105. ANIMAL INDUSTRY**
24 Full-time equated classified positions 60.0
25 Animal disease prevention and response--60.0 FTE
26 positions ..... $ 9,054,500
27 Indemnification - livestock depredation 50,000

1 GROSS APPROPRIATION	$	9,104,500
2 Appropriated from:		
3 Federal revenues:		
4 Department of Interior		50,800
5 HHS, multiple grants		46,600
6 USDA, multiple grants		527,900
7 Special revenue funds:		
8 Private commodity group revenue		30,500
9 Agriculture licensing and inspection fees		59,300
10 Animal welfare fund		193,300
11 State general fund/general purpose	$	8,196,100

12 **Sec. 106. PESTICIDE AND PLANT PEST MANAGEMENT**

13 Full-time equated classified positions 92.0		
14 Pesticide and plant pest management--86.0 FTE		
15 positions	$	13,672,000
16 Producer security/grain dealers--6.0 FTE positions ...		653,500
17 GROSS APPROPRIATION	$	14,325,500
18 Appropriated from:		
19 Federal revenues:		
20 Department of Interior		101,700
21 EPA, multiple grants		533,100
22 HHS, multiple grants		325,000
23 USDA, multiple grants		843,800
24 Special revenue funds:		
25 Private - slow-the-spread foundation		21,100
26 Agriculture licensing and inspection fees		3,611,600
27 Commodity inspection fees		514,900

1 Feed control fund 948,600
2 Fertilizer control fund 738,600
3 Freshwater protection fund 153,900
4 Grain dealers fee fund 607,100
5 Horticulture fund 38,800
6 Industry support funds 246,400
7 State general fund/general purpose ..... $ 5,640,900
8 **Sec. 107. ENVIRONMENTAL STEWARDSHIP**
9 Full-time equated classified positions 55.0
10 Environmental stewardship - MAEAP--23.0 FTE positions $ 9,146,800
11 Farmland and open space preservation--7.0 FTE
12 positions 1,922,100
13 Qualified forest program--9.0 FTE positions 2,582,700
14 Migrant labor housing--9.0 FTE positions 1,199,400
15 Right-to-farm--3.0 FTE positions 577,600
16 Intercounty drain--4.0 FTE positions 484,400
17 GROSS APPROPRIATION ..... $ 15,913,000
18 Appropriated from:
19 Interdepartmental grant revenues:
20 IDG from MDEQ, biosolids 103,100
21 Federal revenues:
22 Department of Interior 121,300
23 EPA, multiple grants 608,300
24 USDA, multiple grants 922,300
25 Special revenue funds:
26 Agricultural preservation fund 594,400
27 Freshwater protection fund 6,179,800

1	Migratory labor housing fund	139,200
2	Private forestland enhancement fund	288,200
3	State general fund/general purpose	$ 6,956,400
4	**Sec. 108. LABORATORY PROGRAM**	
5	Full-time equated classified positions 96.0	
6	Laboratory services--42.0 FTE positions	$ 6,611,000
7	USDA monitoring--13.0 FTE positions	1,616,500
8	Consumer protection program--41.0 FTE positions	6,637,400
9	Diagnostic center for population and animal health ...	1,100,000
10	GROSS APPROPRIATION	$ 15,964,900
11	Appropriated from:	
12	Interdepartmental grant revenues:	
13	IDG from LARA (LCC), liquor quality testing fees	216,900
14	Federal revenues:	
15	EPA, multiple grants	171,700
16	HHS, multiple grants	623,300
17	USDA, multiple grants	1,617,400
18	Special revenue funds:	
19	Agriculture licensing and inspection fees	78,800
20	Dairy and food safety fund	71,200
21	Feed control fund	147,700
22	Gasoline inspection and testing fund	1,878,400
23	Refined petroleum fund	3,652,900
24	Testing fees	293,100
25	Weights and measures regulation fees	793,500
26	State general fund/general purpose	$ 6,420,000
27	**Sec. 109. AGRICULTURE DEVELOPMENT**	

1	Full-time equated classified positions 15.0	
2	Agriculture development--11.0 FTE positions	$ 3,604,300
3	Grape and wine program--3.0 FTE positions	921,000
4	Value-added grants	500,000
5	Rural development fund grant program--1.0 FTE	
6	position.....	2,000,000
7	Vital agriculture infrastructure grant program	220,000
8	Healthy food assistance program	100
9	GROSS APPROPRIATION	$ 7,245,400
10	Appropriated from:	
11	Federal revenues:	
12	USDA, multiple grants	2,316,000
13	Special revenue funds:	
14	Industry support funds	132,600
15	Nonretail liquor fees	875,600
16	Rural development fund	2,000,000
17	State general fund/general purpose	$ 1,921,200
18	**Sec. 110. FAIRS AND EXPOSITIONS**	
19	Fairs and racing	$ 256,600
20	County fairs capital improvement grants	300,000
21	Purses and supplements - fairs/licensed tracks	708,300
22	Licensed tracks - light horse racing	40,300
23	Light horse racing - breeders' awards	20,000
24	Standardbred breeders' awards	345,900
25	Standardbred purses and supplements - licensed tracks	671,800
26	Standardbred sire stakes	275,000
27	Thoroughbred supplements - licensed tracks	601,900

1 Thoroughbred breeders' awards		368,600
2 Thoroughbred sire stakes		378,800
3 GROSS APPROPRIATION	$	3,967,200
4 Appropriated from:		
5 Special revenue funds:		
6 Agriculture equine industry development fund		3,667,200
7 State general fund/general purpose	$	300,000

8 PART 2

9 PROVISIONS CONCERNING APPROPRIATIONS

10 FOR FISCAL YEAR 2016-2017

11 **GENERAL SECTIONS**

12 Sec. 201. Pursuant to section 30 of article IX of the state
13 constitution of 1963, total state spending from state resources
14 under part 1 for fiscal year 2016-2017 is $81,617,300.00 and state
15 spending from state resources to be paid to local units of
16 government for fiscal year 2016-2017 is $4,750,000.00. The itemized
17 statement below identifies appropriations from which spending to
18 local units of government will occur:

19 DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT

20 Environmental stewardship/MAEAP	$	3,250,000
21 Qualified forest program		1,500,000
22 TOTAL	$	4,750,000

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

1 Sec. 203. As used in part 1 and this part:
2 (a) "Department" means the department of agriculture and rural
3 development.
4 (b) "Director" means the director of the department.
5 (c) "EPA" means the United States Environmental Protection
6 Agency.
7 (d) "FDA" means the United States Food and Drug
8 Administration.
9 (e) "Fiscal agencies" means the Michigan house fiscal agency
10 and the Michigan senate fiscal agency.
11 (f) "FTE" means full-time equated.
12 (g) "HHS" means the United States Department of Health and
13 Human Services.
14 (h) "IDG" means interdepartmental grant.
15 (i) "LARA" means the Michigan department of licensing and
16 regulatory affairs.
17 (j) "LCC" means the Michigan liquor control commission.
18 (k) "MAEAP" means the Michigan agriculture environmental
19 assurance program.
20 (*l*) "MDEQ" means the Michigan department of environmental
21 quality.
22 (m) "MDNR" means the Michigan department of natural resources.
23 (n) "MOU" means memorandum of understanding.
24 (o) "Subcommittees" means all members of the subcommittees of
25 the house and senate appropriations committees with jurisdiction
26 over the budget for the department.
27 (p) "TB" means tuberculosis.

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

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

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

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

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

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

(a) The dates of each travel occurrence.

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

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

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

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

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

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

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

Sec. 211. The department shall cooperate with the department of technology, management, and budget to maintain a searchable website accessible by the public at no cost that includes, but is

not limited to, all of the following for each department or agency:

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

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

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

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

(e) Job specifications and wage rates.

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

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

Sec. 214. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2017 is $11,911,300.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at $6,604,500.00. Total agency appropriations for retiree health care legacy costs are estimated at $5,306,800.00.

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

Sec. 233. In addition to the metrics required under section 447 of the management and budget act, 1984 PA 431, MCL 18.1447, for each new program or program enhancement for which funds in excess of $500,000.00 are appropriated in part 1, the department shall provide not later than November 1, 2016 a list of program-specific metrics intended to measure its performance based on a return on taxpayer investment. The department shall deliver the program-specific metrics to members of the senate and house subcommittees that have subject matter jurisdiction for this budget, fiscal agencies, and the state budget director. The department shall provide an update on its progress in tracking program-specific metrics and the status of program success at an appropriations subcommittee meeting called for by the subcommittee chair.

DEPARTMENTWIDE

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

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

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

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

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

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

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

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

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

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

Sec. 302. (1) The department may contract with or provide

grants to local units of government, institutions of higher education, or nonprofit organizations to support activities authorized by appropriations in part 1. As used in this section, contracts and grants include, but are not limited to, contracts for delivery of groundwater/freshwater programs, MAEAP technical assistance, forest management, invasive species monitoring, wildlife risk mitigation, grants promoting proper pesticide disposal, and research grants for the purpose of enhancing the agricultural industries in this state.

(2) The department shall provide notice of contracts or grants authorized under this section to the subcommittees and the fiscal agencies not later than 7 days after the department notifies contract or grant recipients.

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

FOOD AND DAIRY

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

the food service program.

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

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

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

ANIMAL INDUSTRY

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

Sec. 452. The department shall report on the previous calendar year's activities of the animal industry division. The report shall be transmitted to the subcommittees and the fiscal agencies and posted to the department's website on or before April 1 of each year.

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

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

(a) The reason for the indemnification.

(b) The amount of the indemnification.

(c) The person to whom the indemnification is to be paid.

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

(4) On or before March 1, 2017, the department shall report to the subcommittees and the fiscal agencies on indemnification payments for livestock depredation made in the previous fiscal

1 year. The report shall include all of the following information:
2 (a) The reason for the indemnification.
3 (b) The amount of the indemnification.
4 (c) The person to whom the indemnification was paid.
5 Sec. 454. The department shall use its resources to
6 collaborate with the USDA to monitor bovine TB, consistent with the
7 May 2014 memorandum of understanding between the department and the
8 USDA.
9 Sec. 456. Of the funds appropriated in part 1, no funds shall
10 be used to enforce the mandatory electronic animal identification
11 program for any domestic animals other than cattle until specific
12 procedures and guidelines for electronic animal identification are
13 outlined in statute.
14 Sec. 457. (1) On or before December 1, the department shall
15 provide to the subcommittees and the fiscal agencies a copy of the
16 report on bovine TB required under section 14(11) of the animal
17 industry act, MCL 287.714.
18 (2) For each fiscal quarter following the report required in
19 subsection (1), the department shall provide an update to the
20 subcommittees and fiscal agencies. The quarterly update reports
21 shall identify significant impacts to the program, including new
22 incidence of bovine TB in this state, department activity
23 associated with specific new incidence of bovine TB, and any
24 changes in USDA requirements or movement orders.
25 Sec. 458. From the funds appropriated in part 1 for animal
26 industry, the department shall provide inspection and testing of
27 aquaculture facilities and aquaculture researchers as provided

under section 7 of the Michigan aquaculture development act, 1996 PA 199, MCL 286.877.

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

PESTICIDE AND PLANT PEST MANAGEMENT

Sec. 501. The department shall report on the previous calendar year's activities of the pesticide and plant pest management division. The report shall be transmitted to the subcommittees and the fiscal agencies and posted to the department's website on or before April 1 of each year.

ENVIRONMENTAL STEWARDSHIP

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

Sec. 602. The department shall report on the previous calendar year's activities of the environmental stewardship division. The report shall be transmitted to the subcommittees and the fiscal agencies and posted to the department's website on or before April 1 of each year.

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

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

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

LABORATORY PROGRAM

Sec. 651. The department shall report on the previous calendar year's activities of the laboratory division. The report shall be transmitted to the subcommittees and the fiscal agencies and posted to the department's website on or before April 1 of each year.

Sec. 652. The laboratory program shall increase turnaround

1 times in the Geagley laboratory from 30%-50% to 75%-80% and
2 implement a risk-based inspection program on devices and package
3 content in the consumer protection program in the current fiscal
4 year. The purpose of these programs is to ensure the protection of
5 consumers from economic harm due to labeling or measurement fraud
6 and to ensure the safety of the food supply. The department will
7 track the outcome of the program by measuring sample analysis
8 turnaround times and the percentage of compliant measurement
9 devices inspected in the fiscal year.

10 **AGRICULTURE DEVELOPMENT**

11 Sec. 701. (1) The department shall establish and administer a
12 value-added grant program. The program shall promote the expansion
13 of value-added agricultural production, processing, and access
14 within the state.

15 (2) In addition to the funds appropriated in part 1, the
16 department may receive and expend funds received from outside
17 sources for value-added grants.

18 (3) The director shall appoint a joint evaluation committee
19 comprised of persons with expertise in agriculture, business, and
20 economic development. The joint evaluation committee shall identify
21 criteria for evaluation of grant applications. Criteria shall
22 include the requirement that grant funding provide no more than 90%
23 of proposed project cost and that grantees identify measurable
24 project outcomes. Projects eligible for grant funding shall include
25 projects that assist in making healthy foods available to
26 underserved communities, including projects for the development of

1 food hubs, community-based processing facilities, and the expansion
2 of farm markets. Upon evaluation of applications, the joint
3 evaluation committee shall provide recommendations to the director
4 for final approval of grant awards.
5 (4) The department shall make value-added grant awards from
6 the funds appropriated in part 1 for value-added grants.
7 (5) The department may expend money from the funds
8 appropriated in part 1 for value-added grants for costs associated
9 with administering the program.
10 (6) The unexpended portion of the value-added grant program is
11 considered a work project appropriation in accordance with the
12 management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.
13 (7) The department shall provide notice of the grants awarded
14 under this section to the subcommittees and the fiscal agencies at
15 the same time the department notifies grant recipients.
16 (8) The department shall report on grant-funded projects,
17 including grantee name, project description, grant amount, source
18 of matching funds, completion date, and project outcomes as part of
19 the agriculture development division annual report under section
20 706.
21 Sec. 702. The department shall work with the rural development
22 fund board to establish a process and criteria for funding projects
23 as well as establishing metrics and measurable outcomes for the
24 program. Funds appropriated from the rural development fund shall
25 be used in accordance with the provisions of 2012 PA 41.
26 Sec. 706. The department shall report on the previous calendar
27 year's activities of the agriculture development division. The

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

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

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

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

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

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

FAIRS AND EXPOSITIONS

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

Sec. 802. All appropriations from the agriculture equine industry development fund, except for the Michigan gaming control board's regulatory expenses and the department's expenses to

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

take into account that each specific breed may require different regulatory mechanisms.

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

(2) The department shall award grants on a competitive basis to county fair organizations from the funds appropriated in part 1 for county fairs capital improvements grants. Grantees will be required to provide a dollar-for-dollar cash match with grant awards and identify measurable project outcomes. A county fair organization that received a county fair capital improvement grant in the prior fiscal year shall not receive a grant from the appropriation in section 109.

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

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

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

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

1 outcomes.

2 ARTICLE V

3 DEPARTMENT OF CORRECTIONS

4 PART 1

5 LINE-ITEM APPROPRIATIONS

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

9 **DEPARTMENT OF CORRECTIONS**

10 APPROPRIATION SUMMARY

11 Average population 44,493

12 Full-time equated unclassified positions 16.0

13 Full-time equated classified positions 14,049.6

14 GROSS APPROPRIATION ..... $ 2,029,386,100

15 Interdepartmental grant revenues:

16 Total interdepartmental grants and intradepartmental
17 transfers 0

18 ADJUSTED GROSS APPROPRIATION ..... $ 2,029,386,100

19 Federal revenues:

20 Total federal revenues 5,523,700

21 Special revenue funds:

22 Total local revenues 8,692,800

23 Total private revenues 0

24 Total other state restricted revenues 35,711,700

25 State general fund/general purpose ..... $ 1,979,457,900

1 **Sec. 102. EXECUTIVE**

2 Full-time equated unclassified positions 16.0

3 Full-time equated classified positions 20.0

4 Unclassified positions--16.0 FTE positions ..... $ 1,793,800

5 Executive direction--20.0 FTE positions 4,208,600

6 GROSS APPROPRIATION ..... $ 6,002,400

7 Appropriated from:

8 State general fund/general purpose ..... $ 6,002,400

9 **Sec. 103. PRISONER REENTRY AND COMMUNITY SUPPORT**

10 Full-time equated classified positions 343.4

11 Prisoner reentry local service providers ..... $ 13,208,600

12 Prisoner reentry MDOC programs 10,624,100

13 Prisoner reentry federal grants 750,000

14 Reentry services--70.0 FTE positions 21,755,100

15 Education program--273.4 FTE positions 38,055,500

16 Community corrections comprehensive plans and services 12,158,000

17 Felony drunk driver jail reduction and community

18 treatment program 1,440,100

19 Residential services 15,475,500

20 Public safety initiative 4,500,000

21 Goodwill flip the script 1,500,000

22 GROSS APPROPRIATION ..... $ 119,466,900

23 Appropriated from:

24 Federal revenues:

25 DOJ, prisoner reintegration 250,000

26 DOJ, second chance act reentry initiative 500,000

27 Federal education funding 1,757,300

1 Special revenue funds:

2 Program and special equipment fund 5,213,200

3 State general fund/general purpose ..... $ 111,746,400

4 **Sec. 104. BUDGET AND OPERATIONS ADMINISTRATION**

5 Full-time equated classified positions 247.0

6 Budget and operations administration--185.0 FTE

7 positions ..... $ 24,696,700

8 Prison industries operations--62.0 FTE positions 9,837,400

9 New custody staff training 9,216,500

10 Compensatory buyout and union leave bank 100

11 Worker's compensation 14,171,300

12 Rent 2,349,100

13 Equipment and special maintenance 1,559,700

14 Administrative hearings officers 3,407,100

15 Judicial data warehouse user fees 50,000

16 Sheriffs' coordinating and training office 100,000

17 Prosecutorial and detainer expenses 5,001,000

18 County jail reimbursement program 13,597,100

19 GROSS APPROPRIATION ..... $ 83,986,000

20 Appropriated from:

21 Federal revenues:

22 DOJ, prison rape elimination act grant 674,700

23 Special revenue funds:

24 Jail reimbursement program fund 5,900,000

25 Program and special equipment fund 100

26 Local corrections officer training fund 100,000

27 Correctional industries revolving fund 10,451,800

1 State general fund/general purpose ..... $ 66,859,400

2 **Sec. 105. FIELD OPERATIONS ADMINISTRATION**

3 Full-time equated classified positions 2,194.6

4 Field operations--1,881.9 FTE positions ..... $ 213,669,400

5 Detroit Detention Center--63.1 FTE positions 8,487,400

6 Detroit Reentry Center--216.6 FTE positions 27,073,900

7 Parole board operations--33.0 FTE positions 3,812,000

8 Parole/probation services 940,000

9 Parole sanction certainty pilot program 500,000

10 GROSS APPROPRIATION ..... $ 254,482,700

11 Appropriated from:

12 Special revenue funds:

13 Local - community tether program reimbursement 205,400

14 Local revenues 8,487,400

15 Reentry center offender reimbursements 24,300

16 Parole and probation oversight fees 4,428,600

17 Parole and probation oversight fees set-aside 940,000

18 Tether program participant contributions 2,480,900

19 State general fund/general purpose ..... $ 237,916,100

20 **Sec. 106. CORRECTIONAL FACILITIES ADMINISTRATION**

21 Full-time equated classified positions 319.0

22 Correctional facilities administration--21.0 FTE

23 positions ..... $ 5,046,600

24 Prison food service 54,455,900

25 Transportation--211.0 FTE positions 25,113,200

26 Central records--52.0 FTE positions 6,015,600

27 Inmate legal services 790,900

1	Housing inmates in federal institutions	611,000
2	Prison store operations--35.0 FTE positions	3,372,600
3	Leased beds and alternatives to leased beds	100
4	Public works programs	1,000,000
5	Cost-effective housing initiative	100
6	Inmate housing fund	100
7	GROSS APPROPRIATION	$ 96,406,100
8	Appropriated from:	
9	Federal revenues:	
10	DOJ-BOP, federal prisoner reimbursement	411,000
11	SSA-SSI, incentive payment	272,000
12	Special revenue funds:	
13	Correctional industries revolving fund	569,000
14	Public works user fees	1,000,000
15	Resident stores	3,372,600
16	State general fund/general purpose	$ 90,781,500
17	**Sec. 107. HEALTH CARE**	
18	Full-time equated classified positions 1,491.9	
19	Clinical and mental health services and support--	
20	1,471.9 FTE positions	$ 227,759,700
21	Prisoner health care services	71,380,400
22	Vaccination program	691,200
23	Interdepartmental grant to health and human services,	
24	eligibility specialists	100,000
25	Substance abuse testing and treatment services--8.0	
26	FTE positions	22,340,600
27	Healthy Michigan plan administration--12.0 FTE	

1 positions..... 1,100,700
2 GROSS APPROPRIATION ..... $ 323,372,600
3 Appropriated from:
4 Federal revenues:
5 Federal revenues and reimbursements 373,700
6 DOJ, Office of Justice Programs, RSAT 250,200
7 Special revenue funds:
8 Prisoner health care copayments 257,200
9 State general fund/general purpose ..... $ 322,491,500
10 **Sec. 108. CORRECTIONAL FACILITIES**
11 Average population..... 44,493
12 Full-time equated classified positions 9,433.7
13 Alger Correctional Facility - Munising--260.0 FTE
14 positions..... $ 30,602,300
15 Baraga Correctional Facility - Baraga--294.8 FTE
16 positions..... 35,306,500
17 Bellamy Creek Correctional Facility - Ionia--390.2 FTE
18 positions..... 43,850,900
19 Earnest C. Brooks Correctional Facility - Muskegon--
20 440.9 FTE positions..... 50,797,100
21 Carson City Correctional Facility - Carson City--425.4
22 FTE positions..... 46,557,100
23 Central Michigan Correctional Facility - St. Louis--
24 391.6 FTE positions..... 46,105,600
25 Chippewa Correctional Facility - Kincheloe--435.1 FTE
26 positions..... 50,450,800
27 Cooper Street Correctional Facility - Jackson--263.1

1 FTE positions..... 29,792,800
2 G. Robert Cotton Correctional Facility - Jackson--
3 392.3 FTE positions..... 44,232,800
4 Charles E. Egeler Correctional Facility - Jackson--
5 374.6 FTE positions..... 43,525,500
6 Richard A. Handlon Correctional Facility - Ionia--
7 252.7 FTE positions..... 29,843,400
8 Gus Harrison Correctional Facility - Adrian--442.6 FTE
9 positions..... 49,475,100
10 Ionia Correctional Facility - Ionia--286.3 FTE
11 positions..... 33,696,600
12 Kinross Correctional Facility - Kincheloe--268.1 FTE
13 positions..... 33,170,000
14 Lakeland Correctional Facility - Coldwater--279.4 FTE
15 positions..... 33,339,500
16 Macomb Correctional Facility - New Haven--294.8 FTE
17 positions..... 34,675,200
18 Marquette Branch Prison - Marquette--321.7 FTE
19 positions..... 38,109,600
20 Michigan Reformatory - Ionia--311.7 FTE positions 35,442,700
21 Muskegon Correctional Facility - Muskegon--205.0 FTE
22 positions..... 25,467,100
23 Newberry Correctional Facility - Newberry--200.1 FTE
24 positions..... 24,402,400
25 Oaks Correctional Facility - Eastlake--290.4 FTE
26 positions..... 34,091,800
27 Ojibway Correctional Facility - Marenisco--203.1 FTE

1 positions..... 23,545,600
2 Parnall Correctional Facility - Jackson--260.0 FTE
3 positions..... 28,461,800
4 Pugsley Correctional Facility - Kingsley--209.9 FTE
5 positions..... 24,996,100
6 Saginaw Correctional Facility - Freeland--274.9 FTE
7 positions..... 32,952,700
8 Special Alternative Incarceration Program - Cassidy
9 Lake--119.0 FTE positions..... 13,733,700
10 St. Louis Correctional Facility - St. Louis--303.6 FTE
11 positions..... 36,687,100
12 Thumb Correctional Facility - Lapeer--283.6 FTE
13 positions..... 33,052,400
14 Womens Huron Valley Correctional Complex - Ypsilanti--
15 501.9 FTE positions..... 59,117,400
16 Woodland Correctional Facility - Whitmore Lake--284.9
17 FTE positions..... 33,279,200
18 Northern region administration and support--48.0 FTE
19 positions..... 4,509,900
20 Southern region administration and support--124.0 FTE
21 positions..... 24,098,000
22 GROSS APPROPRIATION ..... $ 1,107,368,700
23 Appropriated from:
24 Federal revenues:
25 DOJ, state criminal alien assistance program 1,034,800
26 Special revenue funds:
27 State restricted revenues and reimbursements 102,100

1 State general fund/general purpose	$	1,106,231,800
2 **Sec. 109. INFORMATION TECHNOLOGY**		
3 Information technology services and projects	$	28,813,300
4 GROSS APPROPRIATION	$	28,813,300
5 Appropriated from:		
6 Special revenue funds:		
7 Correctional industries revolving fund		177,100
8 Parole and probation oversight fees set-aside		694,800
9 State general fund/general purpose	$	27,941,400
10 **Sec. 110. ONE-TIME APPROPRIATIONS**		
11 New custody training staff	$	8,506,100
12 Ballistic vests		981,300
13 GROSS APPROPRIATION	$	9,487,400
14 Appropriated from:		
15 State general fund/general purpose	$	9,487,400

16 PART 2

17 PROVISIONS CONCERNING APPROPRIATIONS

18 FOR FISCAL YEAR 2016-2017

19 **GENERAL SECTIONS**

20 Sec. 201. Pursuant to section 30 of article IX of the state
21 constitution of 1963, total state spending from state resources
22 under part 1 for fiscal year 2016-2017 is $2,015,169,600.00 and
23 state spending from state resources to be paid to local units of
24 government for fiscal year 2016-2017 is $110,420,700.00. The
25 itemized statement below identifies appropriations from which

spending to local units of government will occur:

DEPARTMENT OF CORRECTIONS

Field operations - assumption of county probation staff	$ 61,749,900
Community corrections comprehensive plans and services	12,158,000
Reentry services – intensive detention reentry program	1,500,000
Residential services	15,475,500
County jail reimbursement program	13,597,100
Felony drunk driver jail reduction and community treatment program	1,440,100
Leased beds and alternatives to leased beds	100
Public safety initiative	4,500,000
TOTAL	$ 110,420,700

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

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

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

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

(*i*) Correctional facilities.

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

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

(*iv*) Prisoner health care services.

(*v*) Vaccination program.

(*vi*) Prison food service.

(*vii*) Transportation.

(*viii*) Inmate legal services.

(*ix*) Correctional facilities administration.

(*x*) Central records.

(*xi*) Worker's compensation.

(*xii*) New custody staff training.

(*xiii*) Prison store operations.

(*xiv*) Education program.

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

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

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

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

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

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

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

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

(k) "MDHHS" means the Michigan department of health and human services.

(*l*) "MDSP" means the Michigan department of state police.

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

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

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

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

(q) "Offender success" means that an offender has, with the support of the community, intervention of the field agent, and benefit of any participation in programs and treatment, made an adjustment while at liberty in the community such that he or she has not been sentenced to or returned to prison for the conviction

of a new crime or the revocation of probation or parole.

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

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

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

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

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

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

(*ii*) Obtained housing.

(*iii*) Obtained a state identification card.

(u) "Recidivism" means the return of an individual to prison within 3 years after he or she is released either with a new

1 sentence to prison or as a technical violator of parole conditions.
2 (v) "RSAT" means residential substance abuse treatment.
3 (w) "Serious emotional disturbance" means that term as defined
4 in section 100d(2) of the mental health code, 1974 PA 328, MCL
5 330.1100d.
6 (x) "Serious mental illness" means that term as defined in
7 section 100d(3) of the mental health code, 1974 PA 328, MCL
8 330.1100d.
9 (y) "SSA" means the United States Social Security
10 Administration.
11 (z) "SSA-SSI" means SSA supplemental security income.
12 Sec. 206. The department shall not take disciplinary action
13 against an employee or a prisoner for communicating with a member
14 of the legislature or his or her staff.
15 Sec. 208. The department 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. 209. Funds appropriated in part 1 shall not be used for
21 the purchase of foreign goods or services, or both, if
22 competitively priced and of comparable quality American goods or
23 services, or both, are available. Preference shall be given to
24 goods or services, or both, manufactured or provided by Michigan
25 businesses, if they are competitively priced and of comparable
26 quality. In addition, preference should be given to goods or
27 services, or both, that are manufactured or provided by Michigan

1 businesses owned and operated by veterans, if they are
2 competitively priced and of comparable quality.
3 Sec. 211. The department may charge fees and collect revenues
4 in excess of appropriations in part 1 not to exceed the cost of
5 offender services and programming, employee meals, parolee loans,
6 academic/vocational services, custody escorts, compassionate
7 visits, union steward activities, and public works programs and
8 services provided to local units of government or private nonprofit
9 organizations. The revenues and fees collected are appropriated for
10 all expenses associated with these services and activities.
11 Sec. 214. The department shall receive and retain copies of
12 all reports funded from appropriations in part 1. Federal and state
13 guidelines for short-term and long-term retention of records shall
14 be followed. The department may electronically retain copies of
15 reports unless otherwise required by federal and state guidelines.
16 Sec. 216. The department shall prepare a report on out-of-
17 state travel expenses not later than January 1 of each year. The
18 travel report shall be a listing of all travel by classified and
19 unclassified employees outside this state in the immediately
20 preceding fiscal year that was funded in whole or in part with
21 funds appropriated in the department's budget. The report shall be
22 submitted to the senate and house appropriations committees, the
23 senate and house fiscal agencies, and the state budget director.
24 The report shall include the following information:
25 (a) The dates of each travel occurrence.
26 (b) The total transportation and related costs of each travel
27 occurrence, including the proportion funded with state general

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

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

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

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

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

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

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

Sec. 220. Not later than November 30, the state budget office shall prepare and transmit a report that provides estimates of the total general fund/general purpose appropriation lapses at the close of the fiscal year. This report shall summarize the projected year-end general fund/general purpose appropriation lapses by major departmental program or program areas. The report shall be transmitted to the chairpersons of the senate and house appropriations committees and the senate and house fiscal agencies.

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

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

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

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

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

(e) Job specifications and wage rates.

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

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

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

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

Sec. 229. Within 14 days after the release of the executive budget recommendation, the department shall cooperate with the state budget office to provide the chairpersons of the senate and

house appropriations committees, the chairpersons of the senate and house appropriations subcommittees on corrections, and the senate and house fiscal agencies with an annual report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures for the fiscal years ending September 30, 2016 and September 30, 2017.

Sec. 230. Funds appropriated in part 1 shall not be used by the department to hire a person to provide legal services that are the responsibility of the attorney general. This prohibition does not apply to legal services for bonding activities and for those outside services that the attorney general authorizes.

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

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

Sec. 247. In addition to the metrics required under section 447 of the management and budget act, 1984 PA 431, MCL 18.1447, for each new program or program enhancement for which funds in excess of $500,000.00 are appropriated in part 1, the department shall provide not later than November 1 a list of program-specific metrics intended to measure its performance based on a return on

taxpayer investment. The department shall deliver the program-specific metrics to members of the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director. The department shall provide an update on its progress in tracking program-specific metrics and the status of program success at an appropriations subcommittee meeting called for by the subcommittee chair.

EXECUTIVE

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

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

for implementation from the staff savings initiative and EPIC programs.

PRISONER REENTRY AND COMMUNITY SUPPORT

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

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

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

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

Sec. 405. By March 1, the department shall report to the

1 senate and house appropriations subcommittees on corrections, the
2 legislative corrections ombudsman, the senate and house fiscal
3 agencies, and the state budget director on substance abuse testing
4 and treatment program objectives, outcome measures, and results,
5 including program impact on offender success and programmatic
6 success.
7 Sec. 407. By June 30, the department shall place the
8 statistical report from the immediately preceding calendar year on
9 an Internet site. The statistical report shall include, but not be
10 limited to, the information as provided in the 2004 statistical
11 report.
12 Sec. 408. The department shall measure the recidivism rates of
13 offenders.
14 Sec. 410. (1) The funds included in part 1 for community
15 corrections comprehensive plans and services are to encourage the
16 development through technical assistance grants, implementation,
17 and operation of community corrections programs that enhance
18 offender success and that also may serve as an alternative to
19 incarceration in a state facility or jail. The comprehensive
20 corrections plans shall include an explanation of how the public
21 safety will be maintained, the goals for the local jurisdiction,
22 offender target populations intended to be affected, offender
23 eligibility criteria for purposes outlined in the plan, and how the
24 plans will meet the following objectives, consistent with section
25 8(4) of the community corrections act, 1988 PA 511, MCL 791.408:
26 (a) Reduce admissions to prison of offenders who would likely
27 be sentenced to imprisonment, including probation violators.

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

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

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

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

(f) Contribute to offender success.

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

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

Sec. 411. The comprehensive corrections plans shall also include, where appropriate, descriptive information on the full

1 range of sanctions and services that are available and utilized
2 within the local jurisdiction and an explanation of how jail beds,
3 residential services, the special alternative incarceration
4 program, probation detention centers, the electronic monitoring
5 program for probationers, and treatment and rehabilitative services
6 will be utilized to support the objectives and priorities of the
7 comprehensive corrections plans and the purposes and priorities of
8 section 8(4) of the community corrections act, 1988 PA 511, MCL
9 791.408, that contribute to the success of offenders. The plans
10 shall also include, where appropriate, provisions that detail how
11 the local communities plan to respond to sentencing guidelines
12 found in chapter XVII of the code of criminal procedure, 1927 PA
13 175, MCL 777.1 to 777.69, and use the county jail reimbursement
14 program under section 414. The state community corrections board
15 shall encourage local community corrections advisory boards to
16 include in their comprehensive corrections plans strategies to
17 collaborate with local alcohol and drug treatment agencies of the
18 MDHHS for the provision of alcohol and drug screening, assessment,
19 case management planning, and delivery of treatment to alcohol- and
20 drug-involved offenders.
21 Sec. 412. (1) As part of the March biannual report specified
22 in section 12(2) of the community corrections act, 1988 PA 511, MCL
23 791.412, that requires an analysis of the impact of that act on
24 prison admissions and jail utilization, the department shall submit
25 to the senate and house appropriations subcommittees on
26 corrections, the legislative corrections ombudsman, the senate and
27 house fiscal agencies, and the state budget director the following

information for each county and counties consolidated for comprehensive corrections plans:

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

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

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

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

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

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

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

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

1 required jail data.
2 (2) The department is responsible for the collection,
3 analysis, and reporting of all state-required jail data.
4 (3) As a prerequisite to participation in the programs and
5 services offered through the department, counties shall provide
6 necessary jail data to the department.
7 Sec. 414. (1) The department shall administer a county jail
8 reimbursement program from the funds appropriated in part 1 for the
9 purpose of reimbursing counties for housing in jails certain felons
10 who otherwise would have been sentenced to prison.
11 (2) The county jail reimbursement program shall reimburse
12 counties for convicted felons in the custody of the sheriff if the
13 conviction was for a crime committed on or after January 1, 1999
14 and 1 of the following applies:
15 (a) The felon's sentencing guidelines recommended range upper
16 limit is more than 18 months, the felon's sentencing guidelines
17 recommended range lower limit is 12 months or less, the felon's
18 prior record variable score is 35 or more points, and the felon's
19 sentence is not for commission of a crime in crime class G or crime
20 class H or a nonperson crime in crime class F under chapter XVII of
21 the code of criminal procedure, 1927 PA 175, MCL 777.1 to 777.69.
22 (b) The felon's minimum sentencing guidelines range minimum is
23 more than 12 months under the sentencing guidelines described in
24 subdivision (a).
25 (c) The felon was sentenced to jail for a felony committed
26 while he or she was on parole and under the jurisdiction of the
27 parole board and for which the sentencing guidelines recommended

range for the minimum sentence has an upper limit of more than 18 months.

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

(4) As used in this subsection:

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

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

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

system.

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

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

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

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

(a) The county jail reimbursement program.

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

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

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

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

(b) Expenditures by location.

(c) The impact on jail utilization.

(d) The impact on prison admissions.

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

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

(2) The department shall cooperate with MDHHS to create and maintain a process by which prisoners can obtain their Michigan birth certificates if necessary. The department shall describe a

1 process for obtaining birth certificates from other states, and in
2 situations where the prisoner's effort fails, the department shall
3 assist in obtaining the birth certificate.
4 (3) The department shall collaborate with the department of
5 military and veterans affairs to create and maintain a process by
6 which prisoners can obtain a copy of their DD Form 214 or other
7 military discharge documentation if necessary.
8 Sec. 419. (1) The department shall provide weekly electronic
9 mail reports to the senate and house appropriations subcommittees
10 on corrections, the legislative corrections ombudsman, the senate
11 and house fiscal agencies, and the state budget director on
12 prisoner populations by security levels by facility, prison
13 facility capacities, and parolee and probationer populations.
14 (2) The department shall provide monthly electronic mail
15 reports to the senate and house appropriations subcommittees on
16 corrections, the legislative corrections ombudsman, the senate and
17 house fiscal agencies, and the state budget director. The reports
18 shall include information on end-of-month prisoner populations in
19 county jails, the net operating capacity according to the most
20 recent certification report, identified by date, and end-of-month
21 data, year-to-date data, and comparisons to the prior year for the
22 following:
23 (a) Community residential program populations, separated by
24 centers and electronic monitoring.
25 (b) Parole populations.
26 (c) Probation populations, with identification of the number
27 in special alternative incarceration.

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

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

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

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

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

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

(2) The program or programs selected shall report by March 30 to the department, the senate and house appropriations

1 subcommittees on corrections, the senate and house fiscal agencies,
2 the legislative corrections ombudsman, and the state budget
3 director. The report shall include program performance
4 measurements, the number of individuals who participate in the
5 pilot program, the number of individuals who return to prison after
6 participating, and outcomes of participants who complete the
7 program.
8 Sec. 425. (1) From the funds appropriated in part 1, the
9 department shall establish a medication-assisted treatment reentry
10 pilot program to provide prerelease treatment and postrelease
11 referral for opioid-addicted and alcohol-addicted prisoners who
12 voluntarily participate in the medication-assisted treatment
13 reentry pilot program. The department shall collaborate with
14 residential and nonresidential substance abuse treatment providers
15 and with community-based clinics to provide postrelease treatment.
16 The program shall employ a multifaceted approach to treatment,
17 including a long-acting nonaddictive medication approved by the
18 Food and Drug Administration for the treatment of opioid and
19 alcohol dependence, counseling, and postrelease referral to
20 community-based providers.
21 (2) The manufacturer of a long-acting nonaddictive medication
22 approved by the Food and Drug Administration for opioid and alcohol
23 dependence shall provide the department with samples of the
24 medication, at no cost to the department, during the duration of
25 the medication-assisted treatment reentry pilot program. Prisoners
26 shall receive 1 injection prior to being released from custody and
27 shall be connected with an aftercare plan and assistance with

1 obtaining insurance to cover subsequent injections.
2 (3) Participants of the program shall be required to attend
3 substance abuse treatment programming as directed by their agent,
4 shall be subject to routine drug and alcohol testing, shall not be
5 allowed to consume drugs or alcohol, and shall possess a strong
6 will to overcome addiction.
7 (4) The department shall submit a report by September 30 to
8 the senate and house appropriations subcommittees on corrections,
9 the senate and house fiscal agencies, the legislative corrections
10 ombudsman, and the state budget director on the number of prisoners
11 who received injections upon release, the number of prisoners who
12 received injections and tested positive for drugs or alcohol, the
13 number of prisoners who received injections in the community for a
14 duration of at least 3 months, and the number of prisoners who
15 received injections and were subsequently returned to prison.
16 Sec. 434. The department shall explore opportunities to
17 collaborate with Michigan colleges and universities on establishing
18 programs that will employ parolees in agricultural settings.
19 Sec. 437. (1) Funds appropriated in part 1 for Goodwill Flip
20 the Script shall be distributed to a Michigan-chartered 501(c)(3)
21 nonprofit corporation operating in a county with greater than
22 1,500,000 people for administration and expansion of a program
23 which serves a population of persons aged 16 to 29. The program
24 shall target those who are entering the criminal justice system for
25 the first or second time and shall assist those individuals through
26 the following program types:
27 (a) Alternative sentencing programs in partnership with a

1 local district or circuit court.
2 (b) Educational recovery for special adult populations with
3 high rates of illiteracy.
4 (c) Career development and continuing education for women.
5 (2) The program selected shall report by March 30 to the
6 department, the senate and house appropriations subcommittees on
7 corrections, the senate and house fiscal agencies, the legislative
8 corrections ombudsman, and the state budget director. The report
9 shall include program performance measurements, the number of
10 individuals diverted from incarceration, the number of individuals
11 served, and outcomes of participants who complete the program.

12 **BUDGET AND OPERATIONS ADMINISTRATION**

13 Sec. 501. From the funds appropriated in part 1 for
14 prosecutorial and detainer expenses, the department shall reimburse
15 counties for housing and custody of parole violators and offenders
16 being returned by the department from community placement who are
17 available for return to institutional status and for prisoners who
18 volunteer for placement in a county jail.
19 Sec. 502. Funds included in part 1 for the sheriffs'
20 coordinating and training office are appropriated for and may be
21 expended to defray costs of continuing education, certification,
22 recertification, decertification, and training of local corrections
23 officers, the personnel and administrative costs of the sheriffs'
24 coordinating and training office, the local corrections officers
25 advisory board, and the sheriffs' coordinating and training council
26 under the local corrections officers training act, 2003 PA 125, MCL

791.531 to 791.546.

Sec. 508. The department shall issue a report for all correctional facilities to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the legislative corrections ombudsman by October 1 setting forth the following information for each facility: its name, street address, and date of construction; its current maintenance costs; any maintenance planned; its current utility costs; its expected future capital improvement costs; and its expected future useful life.

FIELD OPERATIONS ADMINISTRATION

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

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

(3) Included in the appropriation in part 1 is adequate funding to implement the curfew monitoring program to be administered by the department. The curfew monitoring program is intended to provide sentencing judges and county sheriffs in coordination with local community corrections advisory boards

1 access to the state's curfew monitoring program to reduce prison
2 admissions and improve local jail utilization. The department shall
3 determine the appropriate distribution of the curfew monitor units
4 throughout the state based upon locally developed comprehensive
5 corrections plans under the community corrections act, 1988 PA 511,
6 MCL 791.401 to 791.414.
7 (4) For a fee determined by the department, the department
8 shall provide counties with the curfew monitor equipment,
9 replacement parts, administrative oversight of the equipment's
10 operation, notification of violators, and periodic reports
11 regarding county program participants. Counties are responsible for
12 curfew monitor equipment installation and service. For an
13 additional fee as determined by the department, the department
14 shall provide staff to install and service the equipment. Counties
15 are responsible for the coordination and apprehension of program
16 violators.
17 (5) Any county with curfew monitor charges outstanding over 60
18 days shall be considered in violation of the community curfew
19 monitor program agreement and lose access to the program.
20 Sec. 612. (1) The department shall review and revise as
21 necessary policy proposals that provide alternatives to prison for
22 offenders being sentenced to prison as a result of technical
23 probation violations and technical parole violations. To the extent
24 the department has insufficient policies or resources to affect the
25 continued increase in prison commitments among these offender
26 populations, the department shall explore other policy options to
27 allow for program alternatives, including department or OCC-funded

1 programs, local level programs, and programs available through
2 private agencies that may be used as prison alternatives for these
3 offenders.
4 (2) By April 1, the department shall provide a report to the
5 senate and house appropriations subcommittees on corrections, the
6 legislative corrections ombudsman, the senate and house fiscal
7 agencies, and the state budget director on the number of all
8 parolees returned to prison and probationers sentenced to prison
9 for either a technical violation or new sentence during the
10 preceding fiscal year. The report shall include the following
11 information for probationers, for parolees after their first
12 parole, and for parolees who have been paroled more than once:
13 (a) The numbers of parole and probation violators returned to
14 or sent to prison for a new crime with a comparison of original
15 versus new offenses by major offense type: assaultive,
16 nonassaultive, drug, and sex.
17 (b) The numbers of parole and probation violators returned to
18 or sent to prison for a technical violation and the type of
19 violation, including, but not limited to, zero gun tolerance and
20 substance abuse violations. For parole technical rule violators,
21 the report shall list violations by type, by length of time since
22 release from prison, by the most recent violation, and by the
23 number of violations occurring since release from prison.
24 (c) The educational history of those offenders, including how
25 many had a high school equivalency or high school diploma prior to
26 incarceration in prison, how many received a high school
27 equivalency while in prison, and how many received a vocational

1 certificate while in prison.

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

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

7 Sec. 615. (1) The department shall submit a report containing
8 a list detailing the number of prisoners who have received life
9 imprisonment sentences with the possibility of parole and who are
10 currently eligible for parole to the senate and house
11 appropriations subcommittees on corrections, the senate and house
12 fiscal agencies, the legislative corrections ombudsman, and the
13 state budget director by January 1.

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

22 Sec. 616. The parole board shall review its policies related
23 to the review and parole of those offenders serving a parolable
24 life sentence with consideration given to those who do not pose an
25 ongoing risk to society.

26 **HEALTH CARE**

1 Sec. 802. As a condition of expenditure of the funds
2 appropriated in part 1, the department shall provide the senate and
3 house of representatives appropriations subcommittees on
4 corrections, the legislative corrections ombudsman, the senate and
5 house fiscal agencies, and the state budget director with quarterly
6 reports on physical and mental health care detailing quarterly and
7 fiscal year-to-date expenditures itemized by vendor, allocations,
8 status of payments from contractors to vendors, and projected year-
9 end expenditures from accounts for prisoner health care, mental
10 health care, pharmaceutical services, and durable medical
11 equipment.
12 Sec. 803. (1) The department shall assure that all prisoners,
13 upon any health care treatment, are given the opportunity to sign a
14 release of information form designating a family member or other
15 individual to whom the department shall release records information
16 regarding a prisoner. A release of information form signed by a
17 prisoner shall remain in effect for 1 year, and the prisoner may
18 elect to withdraw or amend the release form at any time.
19 (2) The department shall assure that any such signed release
20 forms follow prisoners upon transfer to another department facility
21 or to the supervision of a parole officer.
22 (3) The form shall be placed online, on a public website
23 managed by the department.
24 Sec. 804. The department shall report quarterly to the senate
25 and house appropriations subcommittees on corrections, the
26 legislative corrections ombudsman, the senate and house fiscal
27 agencies, and the state budget director on prisoner health care

utilization. The report shall include the number of inpatient hospital days, outpatient visits, emergency room visits, and prisoners receiving off-site inpatient medical care in the previous quarter, by facility.

Sec. 806. From the funds appropriated in part 1 for substance abuse testing and treatment services, the department shall implement the living in recovery program serving at least 250 offenders in the current fiscal year. The purpose of this new program is to cost-effectively target relapse prevention and help develop sobriety support systems to deter further criminal behavior and recidivism. The department shall track the outcome of the program to determine the number of participants that succeeded, the number that failed and were returned to prison, and the number that failed, but were not returned to prison.

Sec. 807. From the funds appropriated in part 1 for clinical and mental health services and support, the department shall expand its mental health treatment and sex offender treatment programs. The purpose of this enhancement is to address increased caseloads, reduce the number of prisoners on the waiting list of prisoners who are past their earliest release date, and reduce the percentage of prisoners readmitted to mental health programs at their previous level of care.

Sec. 812. (1) The department shall provide the department of health and human services with a monthly list of prisoners newly committed to the department of corrections. The department and the department of health and human services shall enter into an interagency agreement under which the department of health and

1 human services provides the department of corrections with monthly
2 lists of newly committed prisoners who are eligible for Medicaid
3 benefits in order to maintain the process by which Medicaid
4 benefits are suspended rather than terminated. The department shall
5 assist prisoners who may be eligible for Medicaid benefits after
6 release from prison with the Medicaid enrollment process prior to
7 release from prison.
8 (2) The department shall provide the senate and house
9 appropriations subcommittees on corrections, the legislative
10 corrections ombudsman, the senate and house fiscal agencies, and
11 the state budget director with quarterly updates on the utilization
12 of Medicaid benefits for prisoners.

13 **CORRECTIONAL FACILITIES ADMINISTRATION**

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

appropriations subcommittees on corrections, the legislative corrections ombudsman, the senate and house fiscal agencies, and the state budget director not later than December 15.

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

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

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

(b) The number of prisoners enrolled in each program, the number of prisoners completing each program, the number of prisoners transferred to another facility while enrolled in a program and the reason for transfer, the number of prisoners enrolled who repeat the program, and the number of prisoners on waiting lists for each program, all itemized by facility.

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

(d) The number of prisoners paroled without a high school diploma and the number of prisoners paroled without a high school

equivalency.

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

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

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

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

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

1 providing prisoners with a high school diploma in lieu of a high
2 school equivalency.
3 Sec. 909. From the funds appropriated in part 1, the
4 department shall focus on providing career-based educational
5 programming for prisoners, to include vocational trade programs and
6 employment readiness programs.
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 director 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. 913. (1) From the funds appropriated in part 1, the
23 department shall focus on providing required programming to
24 prisoners who are past their earliest release date because of not
25 having received the required programming. Programming includes, but
26 is not limited to, violence prevention programming, assaultive
27 offender programming, sexual offender programming, substance abuse

1 treatment programming, thinking for a change programming, and any
2 other programming that is required as a condition of parole.
3 (2) Any prisoner required to complete programming shall be
4 transferred to a facility where that program is available in order
5 to accomplish timely completion of that program prior to the
6 expiration of his or her minimum sentence and eligibility for
7 parole. Nothing in this section should be deemed to make parole
8 denial appealable in court.
9 (3) The department shall submit a quarterly report to the
10 members of the senate and house appropriations subcommittees on
11 corrections, the senate and house fiscal agencies, the state budget
12 director, and the legislative corrections ombudsman detailing
13 enrollment in sex offender programming, assaultive offender
14 programming, violent offender programming, and thinking for change.
15 At a minimum, the report shall include the following:
16 (a) A full accounting of the number of individuals who are
17 required to complete the programming, but have not yet done so.
18 (b) The number of individuals who have reached their earliest
19 release date, but who have not completed required programming.
20 (c) A plan of action for addressing any waiting lists or
21 backlogs for programming that may exist.
22 Sec. 924. The department shall evaluate all prisoners at
23 intake for substance abuse disorders, serious developmental
24 disorders, serious mental illness, and other mental health
25 disorders. Prisoners with serious mental illness or serious
26 developmental disorders shall not be removed from the general
27 population as a punitive response to behavior caused by their

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

11 Sec. 925. By March 1, the department shall report to the
12 senate and house appropriations subcommittees on corrections, the
13 senate and house fiscal agencies, the legislative corrections
14 ombudsman, and the state budget director on the annual number of
15 prisoners in administrative segregation between October 1, 2015 and
16 September 30, 2016, and the annual number of prisoners in
17 administrative segregation between October 1, 2015 and September
18 30, 2016 who at any time during the current or prior prison term
19 were diagnosed with serious mental illness or have a developmental
20 disorder and the number of days each of the prisoners with serious
21 mental illness or a developmental disorder have been confined to
22 administrative segregation.

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

25 (a) Ensure that any inmate care and control staff in contact
26 with prisoners less than 18 years of age are adequately trained
27 with regard to the developmental and mental health needs of

1 prisoners less than 18 years of age. By April 1, the department
2 shall report to the senate and house appropriations subcommittees
3 on corrections, the senate and house fiscal agencies, and the state
4 budget director on the training curriculum used and the number and
5 types of staff receiving annual training under that curriculum.
6 (b) Provide appropriate placement for prisoners less than 18
7 years of age who have serious mental illness, serious emotional
8 disturbance, or a serious developmental disorder and need to be
9 housed separately from the general population. Prisoners less than
10 18 years of age who have serious mental illness, serious emotional
11 disturbance, or a serious developmental disorder shall not be
12 removed from an existing placement as a punitive response to
13 behavior caused by their serious mental illness, serious emotional
14 disturbance, or a serious developmental disorder. Due to persistent
15 high violence risk or severe disruptive behavior that is
16 unresponsive to treatment, prisoners less than 18 years of age with
17 serious emotional disturbance, serious mental illness, or serious
18 developmental disorders may be placed in secure residential housing
19 programs that will facilitate access to institutional programming
20 and ongoing mental health services. A prisoner less than 18 years
21 of age with serious mental illness, serious emotional disturbance,
22 or a serious developmental disorder who is confined in these
23 specialized housing programs shall be evaluated or monitored by a
24 medical professional at a frequency of not less than every 12
25 hours.
26 (c) Implement a specialized reentry program that recognizes
27 the needs of prisoners less than 18 years old for supervised

1 reentry.

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

11 **INFORMATION TECHNOLOGY**

12 Sec. 1000. From the funds appropriated in part 1 for
13 information technology services and projects, the department shall
14 expand bandwidth in 27 correctional facilities and 113 field
15 operations offices. The purpose of this bandwidth expansion is to
16 support critical information technology systems that provide
17 platforms for several mandated programs and department cost savings
18 efforts.

19 **MISCELLANEOUS**

20 Sec. 1009. The department shall make an information packet for
21 the families of incoming prisoners available on the department's
22 website. The information packet shall be updated by February 1 of
23 each year. The packet shall provide information on topics
24 including, but not limited to: how to put money into prisoner
25 accounts, how to make phone calls or create Jpay email accounts,

1 how to visit in person, proper procedures for filing complaints or
2 grievances, the rights of prisoners to physical and mental health
3 care, how to utilize the offender tracking information system
4 (OTIS), truth-in-sentencing and how it applies to minimum
5 sentences, the parole process, and guidance on the importance of
6 the role of families in the reentry process. The department is
7 encouraged to partner with external advocacy groups and actual
8 families of prisoners in the packet-writing process to ensure that
9 the information is useful and complete.

10 **ONE-TIME APPROPRIATIONS**

11 Sec. 1100. From the funds appropriated in part 1 for new
12 custody staff training, the department shall increase the training
13 capacity for new custody staff by 350 officers. The purpose of this
14 academy is to address higher than normal attrition of correction
15 officers and to decrease overtime costs.

16 ARTICLE VI

17 DEPARTMENT OF EDUCATION

18 PART 1

19 LINE-ITEM APPROPRIATIONS

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

23 **DEPARTMENT OF EDUCATION**

24 APPROPRIATION SUMMARY:

1 Full-time equated unclassified positions 6.0
2 Full-time equated classified positions 596.5
3 GROSS APPROPRIATION ..... $ 317,049,900
4 Interdepartmental grant revenues:
5 Total interdepartmental grants and intradepartmental
6 transfers 0
7 ADJUSTED GROSS APPROPRIATION ..... $ 317,049,900
8 Federal revenues:
9 Total federal revenues 225,356,000
10 Special revenue funds:
11 Total local revenues 5,557,200
12 Total private revenues 2,034,200
13 Total other state restricted revenues 7,780,700
14 State general fund/general purpose ..... $ 76,321,800
15 **Sec. 102. STATE BOARD OF EDUCATION/OFFICE OF THE**
16 **SUPERINTENDENT**
17 Full-time equated unclassified positions 6.0
18 Full-time equated classified positions 10.0
19 Unclassified positions--6.0 FTE positions ..... $ 827,200
20 State board/superintendent operations--10.0 FTE
21 positions 1,853,700
22 Education commission of the states 120,800
23 GROSS APPROPRIATION ..... $ 2,801,700
24 Appropriated from:
25 Federal revenues:
26 Federal revenues 227,000
27 Special revenue funds:

1 Private foundations 28,100
2 Certification fees 771,400
3 State general fund/general purpose ..... $ 1,775,200
4 **Sec. 103. CENTRAL SUPPORT**
5 Full-time equated classified positions 23.6
6 Central support operations--23.6 FTE positions ..... $ 3,686,700
7 Worker's compensation 24,300
8 Building occupancy charges - property management
9 services 3,196,200
10 Training and orientation workshops 150,000
11 Terminal leave payments 353,300
12 Federal and private grants 3,000,000
13 GROSS APPROPRIATION ..... $ 10,410,500
14 Appropriated from:
15 Federal revenues:
16 Federal revenues 3,690,100
17 Federal indirect funds 2,430,700
18 Special revenue funds:
19 Certification fees 399,300
20 Teacher testing fees 4,000
21 Training and orientation workshop fees 150,000
22 Private foundations 1,000,000
23 State general fund/general purpose ..... $ 2,736,400
24 **Sec. 104. INFORMATION TECHNOLOGY SERVICES**
25 Information technology operations ..... $ 4,192,600
26 GROSS APPROPRIATION ..... $ 4,192,600
27 Appropriated from:

1 Federal revenues:
2 Federal revenues 616,900
3 Federal indirect funds 1,824,300
4 Special revenue funds:
5 Certification fees 397,500
6 State general fund/general purpose ..... $ 1,353,900
7 **Sec. 105. SPECIAL EDUCATION SERVICES**
8 Full-time equated classified positions 47.0
9 Special education operations--47.0 FTE positions ..... $ 9,320,500
10 GROSS APPROPRIATION ..... $ 9,320,500
11 Appropriated from:
12 Federal revenues:
13 Federal revenues 8,544,000
14 Special revenue funds:
15 Private foundations 110,100
16 Certification fees 44,700
17 State general fund/general purpose ..... $ 621,700
18 **Sec. 106. MICHIGAN SCHOOLS FOR THE DEAF AND BLIND**
19 Full-time equated classified positions 77.0
20 Michigan schools for the deaf and blind operations--
21 76.0 FTE positions ..... $ 12,812,700
22 Camp Tuhsmeheta--1.0 FTE position 296,000
23 Private gifts - blind 200,000
24 Private gifts - deaf 150,000
25 GROSS APPROPRIATION ..... $ 13,458,700
26 Appropriated from:
27 Federal revenues:

1 Federal revenues 7,048,600
2 Special revenue funds:
3 Local cost sharing (schools for deaf/blind) 5,233,000
4 Local school district service fees 312,500
5 Gifts, bequests, and donations 646,000
6 Student insurance revenue 218,600
7 State general fund/general purpose ..... $ 0
8 **Sec. 107. PROFESSIONAL PREPARATION SERVICES**
9 Full-time equated classified positions 33.0
10 Professional preparation operations--33.0 FTE
11 positions ..... $ 5,653,900
12 GROSS APPROPRIATION ..... $ 5,653,900
13 Appropriated from:
14 Federal revenues:
15 Federal revenues 1,464,100
16 Special revenue funds:
17 Certification fees 3,602,000
18 Teacher testing fees 364,100
19 State general fund/general purpose ..... $ 223,700
20 **Sec. 108. MICHIGAN OFFICE OF GREAT START**
21 Full-time equated classified positions 66.0
22 Office of great start operations--65.0 FTE positions . $ 23,177,400
23 Child development and care external support 27,374,600
24 Head start collaboration office--1.0 FTE position 309,900
25 Child development and care public assistance 124,200,100
26 GROSS APPROPRIATION ..... $ 175,062,000
27 Appropriated from:

1 Federal revenues:
2 Federal revenues 137,156,700
3 Special revenue funds:
4 Private foundations 250,000
5 Certification fees 64,600
6 State general fund/general purpose ..... $ 37,590,700
7 **Sec. 109. STATE AID AND SCHOOL FINANCE SERVICES**
8 Full-time equated classified positions 11.5
9 State aid and school finance operations--11.5 FTE
10 positions ..... $ 1,638,600
11 GROSS APPROPRIATION ..... $ 1,638,600
12 Appropriated from:
13 State general fund/general purpose ..... $ 1,638,600
14 **Sec. 110. AUDIT SERVICES**
15 Full-time equated classified positions 4.5
16 Audit operations--4.5 FTE positions ..... $ 612,500
17 GROSS APPROPRIATION ..... $ 612,500
18 Appropriated from:
19 Federal revenues:
20 Federal indirect funds 486,800
21 Special revenue funds:
22 Certification fees 62,300
23 State general fund/general purpose ..... $ 63,400
24 **Sec. 111. ADMINISTRATIVE LAW SERVICES**
25 Full-time equated classified positions 2.0
26 Administrative law operations--2.0 FTE positions ..... $ 1,364,300
27 GROSS APPROPRIATION ..... $ 1,364,300

1 Appropriated from:
2 Federal revenues:
3 Federal revenues 564,200
4 Special revenue funds:
5 Certification fees 701,500
6 State general fund/general purpose ..... $ 98,600
7 **Sec. 112. ACCOUNTABILITY SERVICES**
8 Full-time equated classified positions 64.6
9 Accountability services operations--64.6 FTE positions $ 14,619,400
10 GROSS APPROPRIATION ..... $ 14,619,400
11 Appropriated from:
12 Federal revenues:
13 Federal revenues 13,476,200
14 State general fund/general purpose ..... $ 1,143,200
15 **Sec. 113. SCHOOL SUPPORT SERVICES**
16 Full-time equated classified positions 83.6
17 School support services operations--83.6 FTE positions $ 15,495,200
18 GROSS APPROPRIATION ..... $ 15,495,200
19 Appropriated from:
20 Federal revenues:
21 Federal revenues 14,455,700
22 Special revenue funds:
23 Local school district service fees 11,700
24 Certification fees 86,900
25 Commodity distribution fees 71,700
26 State general fund/general purpose ..... $ 869,200
27 **Sec. 114. FIELD SERVICES**

1 Full-time equated classified positions 45.0
2 Field services operations--45.0 FTE positions ..... $ 9,349,200
3 GROSS APPROPRIATION ..... $ 9,349,200
4 Appropriated from:
5 Federal revenues:
6 Federal revenues 8,599,200
7 Special revenue funds:
8 Certification fees 37,300
9 State general fund/general purpose ..... $ 712,700
10 **Sec. 115. EDUCATIONAL IMPROVEMENT AND INNOVATION**
11 **SERVICES**
12 Full-time equated classified positions 49.7
13 Educational improvement and innovation operations--
14 49.7 FTE positions ..... $ 9,689,900
15 GROSS APPROPRIATION ..... $ 9,689,900
16 Appropriated from:
17 Federal revenues:
18 Federal revenues 6,596,600
19 Special revenue funds:
20 Certification fees 565,100
21 State general fund/general purpose ..... $ 2,528,200
22 **Sec. 116. CAREER AND TECHNICAL EDUCATION**
23 Full-time equated classified positions 29.0
24 Career and technical education operations--29.0 FTE
25 positions ..... $ 5,220,800
26 GROSS APPROPRIATION ..... $ 5,220,800
27 Appropriated from:

1 Federal revenues:
2 Federal revenues 3,887,400
3 State general fund/general purpose ..... $ 1,333,400
4 **Sec. 117. LIBRARY OF MICHIGAN**
5 Full-time equated classified positions 33.0
6 Library of Michigan operations--31.0 FTE positions ... $ 4,497,400
7 Library services and technology program--1.0 FTE
8 position..... 5,610,100
9 State aid to libraries 9,876,000
10 Michigan eLibrary--1.0 FTE position 1,752,300
11 Renaissance zone reimbursements 5,300,000
12 GROSS APPROPRIATION ..... $ 27,035,800
13 Appropriated from:
14 Federal revenues:
15 Federal revenues 5,610,100
16 State general fund/general purpose ..... $ 21,425,700
17 **Sec. 118. EDUCATOR TALENT AND POLICY COORDINATION**
18 Full-time equated classified positions 17.0
19 Educator talent and policy coordination operations--
20 17.0 FTE positions ..... $ 2,574,200
21 GROSS APPROPRIATION ..... $ 2,574,200
22 Appropriated from:
23 Federal revenues:
24 Federal revenues 627,400
25 Special revenue funds:
26 Certification fees 239,600
27 State general fund/general purpose ..... $ 1,707,200

1 **Sec. 119. ONE-TIME APPROPRIATIONS**

2 Certification fees subsidy ..... $ 500,000

3 Drinking water declaration of emergency 8,050,100

4 GROSS APPROPRIATION ..... $ 8,550,100

5 Appropriated from:

6 Federal revenues:

7 Federal revenues 8,050,000

8 Special revenue funds:

9 State general fund/general purpose ..... $ 500,000

10 PART 2

11 PROVISIONS CONCERNING APPROPRIATIONS

12 FOR FISCAL YEAR 2016-2017

13 **GENERAL SECTIONS**

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

15 constitution of 1963, total state spending from state resources

16 under part 1 for the fiscal year ending September 30, 2017 is

17 $84,102,500.00 and state spending from state resources to be paid

18 to local units of government for the fiscal year ending September

19 30, 2016 is $15,176,000.00. The itemized statement below identifies

20 appropriations from which spending to local units of government

21 will occur:

22 DEPARTMENT OF EDUCATION

23 State aid to libraries.. ..... $ 9,876,000

24 Renaissance zone reimbursements.. 5,300,000

25 Total department of education ..... $ 15,176,000

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

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

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

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

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

Sec. 204. The state superintendent of public instruction shall take all reasonable steps to ensure businesses in deprived and depressed communities compete for and perform contracts to provide services or supplies, or both. The state superintendent of public instruction shall strongly encourage firms with which the department contracts to subcontract with certified businesses in depressed and deprived communities for services, supplies, or both.

Sec. 205. The departments and agencies receiving appropriations under part 1 shall use the Internet to fulfill the reporting requirements of this part. This requirement may include transmission of reports via electronic mail to the recipients identified for each reporting requirement, or it may include placement of reports on an Internet or Intranet site.

Sec. 206. The department shall provide through the Internet the state board of education agenda and all supporting documents, and shall notify the state budget director and the senate and house fiscal agencies that the agenda and supporting documents are

available on the Internet, at the time the agenda and supporting documents are provided to state board of education members.

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

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

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

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

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

(e) Job specifications and wage rates.

Sec. 208. The department shall require all districts and intermediate school districts to maintain complete records within the personnel file of a teacher or school employee of any disciplinary actions taken by the governing board against the teacher or employee for sexual misconduct. The records shall not be destroyed or removed from the teacher's or employee's personnel file except as required by a court order.

Sec. 211. To the extent the state continues to identify schools as meeting proficiency targets, before publishing a list of schools or districts determined to have failed to make adequate yearly progress as required by the no child left behind act of 2001, Public Law 107-110, the department shall allow a school or district to appeal that determination. Those appeals shall be

1 addressed before designation may be published.
2 Sec. 212. 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 comparable quality American goods or
5 services, or both, are available. Preference shall be given to
6 goods or services, or both, manufactured or provided by Michigan
7 businesses if they are competitively priced and of comparable
8 quality. In addition, preference should be given to goods or
9 services, or both, that are manufactured or provided by Michigan
10 businesses owned and operated by veterans if they are competitively
11 priced and of comparable quality.
12 Sec. 214. The departments and agencies receiving
13 appropriations in part 1 shall prepare a report on out-of-state
14 travel expenses not later than January 1 of each year. The travel
15 report shall be a listing of all travel by classified and
16 unclassified employees outside this state in the immediately
17 preceding fiscal year that was funded in whole or in part with
18 funds appropriated in the department's budget. The report shall be
19 submitted to the senate and house appropriations committees, the
20 house and senate fiscal agencies, and the state budget director.
21 The report must include the following information:
22 (a) The dates of each travel occurrence.
23 (b) The transportation and related costs of each travel
24 occurrence, including the proportion funded with state general
25 fund/general purpose revenues, the proportion funded with state
26 restricted revenues, the proportion funded with federal revenues,
27 and the proportion funded with other revenues.

Sec. 216. The department shall not take disciplinary action against an employee who communicates truthfully and factually with a member of the legislature or his or her staff.

Sec. 219. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $10,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

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

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

Sec. 220. (1) The department shall provide data requested by a member of the legislature, his or her staff, or the house and senate fiscal agencies in a timely manner. If the department fails to provide reasonably requested data within 30 days after the request, the state money appropriated in part 1 for state board/superintendent operations shall be reduced by 1%.

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

Sec. 221. Funds appropriated in part 1 shall not be used by a principal executive department, state agency, or authority to hire a person to provide legal services that are the responsibility of the attorney general. This prohibition does not apply to legal services for bonding activities and for those outside services that the attorney general authorizes.

Sec. 222. The department shall maintain, on a publicly accessible website, a department scorecard that identifies, tracks, and regularly updates key metrics that are used to monitor and improve the agency's performance.

Sec. 226. Not later than November 30, the state budget office shall prepare and transmit a report that provides for estimates of the total general fund/general purpose appropriation lapses at the close of the prior fiscal year. This report shall summarize the projected year-end general fund/general purpose appropriation lapses by major departmental program or program areas. The report

shall be transmitted to the chairpersons of the senate and house appropriations committees and the senate and house fiscal agencies.

Sec. 227. Within 14 days after the release of the executive budget recommendation, the department shall cooperate with the state budget office to provide the senate and house appropriations chairs, the senate and house appropriations subcommittee chairs, and the senate and house fiscal agencies with an annual report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures for the fiscal years ending September 30, 2016 and September 30, 2017.

Sec. 230. The department may assist the department of health and human services, other departments, and local school districts to secure reimbursement for eligible services provided in Michigan schools from the federal Medicaid program. The department may submit reports of direct expenses related to this effort to the department of health and human services for reimbursement.

Sec. 231. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2017 is $16,971,500.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at $9,410,700.00. Total agency appropriations for retiree health care legacy costs are estimated at $7,560,800.00.

Sec. 233. No state department or agency shall issue a request for proposal for a contract in excess of $1,000,000.00, unless the department or agency has first considered issuing a request for information or a request for qualification relative to that contract to better enable the department or agency to learn more

about the market for the products or services that are the subject of the future request for proposal. The department or agency shall notify the department of technology, management, and budget of the evaluation process used to determine if a request for information or request for qualification was not necessary before issuing the request for proposal.

Sec. 234. In addition to the metrics required under section 447 of the management and budget act, 1984 PA 431, MCL 18.1447, for each new program or program enhancement for which funds in excess of $500,000.00 are appropriated in part 1, the department shall provide not later than November 1, 2016 a list of program-specific metrics intended to measure its performance based on a return on taxpayer investment. The department shall deliver the program-specific metrics to members of the senate and house subcommittees that have subject matter jurisdiction for this budget, fiscal agencies, and the state budget director. The department shall provide an update on its progress in tracking program-specific metrics and the status of program success at an appropriations subcommittee meeting called for by the subcommittee chair.

Sec. 235. The department shall not enter into a contract funded under part 1 that exceeds $1,000,000.00 or seek a federal waiver or an amendment to the federal waiver, until after notification of the content to both the house and senate appropriations committees and the state budget director.

Sec. 236. From the funds appropriated in part 1, the department shall compile a report that identifies the mandates required of nonpublic schools. In compiling the report, the

department may consult with relevant statewide education associations in Michigan. The report compiled by the department shall indicate the type of mandate, including, but not limited to, student health, student or building safety, accountability, and educational requirements, and shall indicate whether a school has to report on the specified mandates. The report required under this section shall be completed by April 1, 2017 and transmitted to the state budget director, the house and senate appropriations subcommittees responsible for the department of education, and the senate and house fiscal agencies not later than April 15, 2017.

STATE BOARD/OFFICE OF THE SUPERINTENDENT

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

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

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

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

CENTRAL SUPPORT

Sec. 325. Within 10 days of the receipt of a grant appropriated in the federal and private grants line item in part 1, the department shall notify the house and senate chairpersons of the appropriations subcommittees responsible for the department

budget, the house and senate fiscal agencies, and the state budget director of the receipt of the grant, including the funding source, purpose, and amount of the grant.

SPECIAL EDUCATION SERVICES

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

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

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

MICHIGAN SCHOOLS FOR THE DEAF AND BLIND

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

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

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

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

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

Sec. 407. Revenue received by the Michigan schools for the deaf and blind from gifts, bequests, donations, and local district service fees that is unexpended at the end of the state fiscal year

may be carried over to the succeeding fiscal year and shall not revert to the general fund.

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

PROFESSIONAL PREPARATION SERVICES

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

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

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

fund.

OFFICE OF FIELD SERVICES

Sec. 701. (1) From the funds appropriated in part 1 for field services operations, the department shall produce a report detailing the progress made by districts with grades K-3 receiving at-risk funding under section 31a of the state school aid act of 1979, 1979 PA 94, MCL 388.1631a, in implementing multi-tiered systems of supports in the prior school fiscal year.

(2) The report under subsection (1) shall include, at a minimum:

(a) A description of training, coaching, and technical assistance offered by the department to districts to support the implementation of effective multi-tiered systems of supports.

(b) A list of districts determined by the department to have successfully implemented multi-tiered systems of supports.

(c) A list of best practices that the department has identified that may be used by districts to implement multi-tiered systems of supports.

(d) Other information the department determines would be useful to understanding the status of districts' implementation of effective multi-tiered systems of supports.

(3) The department shall provide the report under subsection (1) to the state budget director, the house and senate subcommittees that oversee the department of education and school aid budgets, and the house and senate fiscal agencies by September 30, 2017.

LIBRARY OF MICHIGAN

Sec. 801. In addition to the funds appropriated in part 1, the funds collected by the department for document reproduction and services; conferences, workshops, and training classes; and the use of specialized equipment, facilities, and software are appropriated for all expenses necessary to provide the required services. These funds are available for expenditure when they are received and may be carried forward into the next succeeding fiscal year.

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

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

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

MICHIGAN OFFICE OF GREAT START

Sec. 1001. By November 1, 2016, the department shall submit a

report to the house and senate appropriations subcommittees on the department of education budget and the house and senate fiscal agencies on the number of eligible child care providers by type receiving payment for child care services from the department on October 1, 2016.

Sec. 1003. (1) The department shall provide the house and senate appropriations subcommittees on the department budget with an annual report on all funding appropriated to the Early Childhood Investment Corporation by the state for fiscal year 2015-2016. The report is due by February 15 and shall contain at least the following information:

(a) Total funding appropriated to the Early Childhood Investment Corporation by the state for fiscal year 2015-2016.

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

(c) The grant recipients.

(d) The activities funded by each grant.

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

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

Sec. 1004. From the funds appropriated in part 1 for child development and care public assistance, the department shall expand the child development and care program in the current fiscal year. The purpose of this program expansion is to increase the number of low-income children in high-quality early learning programs, to

increase the number of children ready for school at kindergarten entry, and to increase the number of children who are reading at grade level by the end of third grade.

Sec. 1005. From the funds appropriated in part 1, the department shall ensure that kindergarten benchmark data include a method for information to be provided regarding a child's participation in the great start readiness program.

Sec. 1006. The department shall post on its website a link to the federal Institute of Education Sciences' What Works Clearinghouse. The department also shall work to disseminate knowledge about the What Works Clearinghouse to districts and intermediate districts so that it may be used to improve reading proficiency for pupils in grades K to 3.

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

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

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

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

(d) The number of providers that have improved their quality rating since the start of fiscal year 2016-2017 compared to the

same time period in fiscal year 2015-2016.

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

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

Sec. 1008. From the funds appropriated in part 1 for child development and care - child development and care public assistance, there is allocated $100.00 to raise the entrance threshold of the child development and care program from 121% of the federal poverty guidelines to 125% of the federal poverty guidelines.

Sec. 1009. From the funds appropriated in part 1 for drinking water declaration of emergency, the unexpended funds appropriated for drinking water declaration of emergency needs are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for projects under this section until the projects have been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to provide for children where a drinking water declaration of emergency exists that are impacted by the emergency declaration dated January 5, 2016.

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

(c) The total estimated cost of the project is $8,050,000.00.

(d) The tentative completion date is September 30, 2018.

ONE-TIME APPROPRIATIONS

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

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

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

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

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

(a) The number of children ages 0 to 3 in a city where there is a drinking water declaration of emergency.

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

is a drinking water declaration of emergency served by the child development and care program before the implementation of the increase to the entrance threshold to 300% of the federal poverty guidelines.

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

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

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

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

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

(h) The number of children ages 0 to 3 who are in 2-parent households in a city where there is a drinking water declaration of emergency and served by the child development and care program.

(i) The number of child care providers that were provided

1 training on identifying the impacts of lead exposure, as well as
2 related developmental delays that are serving children ages 0 to 3
3 in a city where there is a drinking water declaration of emergency
4 and participating in the child development and care program.
5 (j) The types and number of communications with parents or
6 caretakers on the impact of developmental delays and available
7 services for children ages 0 to 3 in a city where there is a
8 drinking water declaration of emergency and are being served by the
9 child development and care program. The department shall create a
10 list of communication types that includes, but is not limited to,
11 all of the following: in person, telephone, letter, and electronic
12 mail.
13 (4) The report created under subsection (3) shall be sent to
14 the state budget director, the house and senate subcommittees that
15 oversee the department of education, and the house and senate
16 fiscal agencies by the first of every month until the drinking
17 water declaration of emergency has been lifted.

18 ARTICLE VII
19 DEPARTMENT OF ENVIRONMENTAL QUALITY
20 PART 1
21 LINE-ITEM APPROPRIATIONS
22 Sec. 101. There is appropriated for the department of
23 environmental quality for the fiscal year ending September 30,
24 2017, from the following funds:
25 **DEPARTMENT OF ENVIRONMENTAL QUALITY**

1 APPROPRIATION SUMMARY

2 Full-time equated unclassified positions 6.0

3 Full-time equated classified positions 1,232.0

4 GROSS APPROPRIATION ..... $ 520,499,400

5 Interdepartmental grant revenues:

6 Total interdepartmental grants and intradepartmental

7 transfers 9,225,700

8 ADJUSTED GROSS APPROPRIATION ..... $ 511,273,700

9 Federal revenues:

10 Total federal revenues 138,687,200

11 Special revenue funds:

12 Total local revenues 0

13 Total private revenues 555,300

14 Total other state restricted revenues 315,844,800

15 State general fund/general purpose ..... $ 56,186,400

16 FUND SOURCE SUMMARY

17 Full-time equated unclassified positions 6.0

18 Full-time equated classified positions 1,232.0

19 GROSS APPROPRIATION ..... $ 520,499,400

20 Interdepartmental grant revenues:

21 IDG, MDSP 1,744,500

22 IDG, MDOT - Michigan transportation fund 1,335,100

23 IDT, interdivisional charges 2,053,400

24 IDT, laboratory services 4,092,700

25 Total interdepartmental grants and intradepartmental

26 transfers 9,225,700

27 ADJUSTED GROSS APPROPRIATION ..... $ 511,273,700

1 Federal revenues:

2 Federal funds 138,687,200

3 Total federal revenues 138,687,200

4 Special revenue funds:

5 Private funds 555,300

6 Total private revenues 555,300

7 Air emissions fees 12,132,700

8 Aquatic nuisance control fund 913,200

9 Campground fund 315,100

10 Clean Michigan initiative - clean water fund 3,417,100

11 Clean Michigan initiative - contaminated sediment 2,265,000

12 Clean Michigan initiative - nonpoint source 2,000,000

13 Clean Michigan initiative - response activities 14,900,000

14 Cleanup and redevelopment fund 19,394,700

15 Community pollution prevention fund 250,000

16 Electronic waste recycling fund 327,100

17 Environmental education fund 166,200

18 Environmental pollution prevention fund 7,977,300

19 Environmental protection fund 2,429,900

20 Environmental response fund 3,773,600

21 Fees and collections 407,500

22 Financial instruments 9,416,500

23 Flint emergency reserve fund 100

24 Great Lakes protection fund 391,100

25 Groundwater discharge permit fees 1,751,000

26 Infrastructure construction fund 50,900

27 Land and water permit fees 3,217,000

Landfill maintenance trust fund	31,000
Medical waste emergency response fund	330,800
Metallic mining surveillance fee revenue	100,400
Mineral well regulatory fee revenue	220,600
Nonferrous metallic mineral surveillance	358,900
NPDES fees	4,542,100
Oil and gas regulatory fund	5,103,500
Orphan well fund	2,408,600
Public swimming pool fund	650,300
Public utility assessments	262,000
Public water supply fees	4,914,000
Refined petroleum fund	40,973,800
Revitalization revolving loan fund	103,100
Revolving loan revenue bonds	11,400,000
Sand extraction fee revenue	92,500
Scrap tire regulatory fund	5,080,800
Septage waste contingency fund	18,400
Septage waste program fund	525,000
Settlement funds	425,400
Sewage sludge land application fee	1,128,400
Small business pollution prevention revolving loan fund	165,100
Soil erosion and sedimentation control training fund	169,600
Solid waste management fund - staff account	5,058,000
Stormwater permit fees	3,149,500
Strategic water quality initiatives fund	116,193,700
Underground storage tank cleanup fund	20,011,400

1	Wastewater operator training fees	584,200
2	Water analysis fees	2,239,600
3	Water pollution control revolving fund	3,724,400
4	Water quality protection fund	100,000
5	Water use reporting fees	283,700
6	Total other state restricted revenues	315,844,800
7	State general fund/general purpose	$ 56,186,400
8	**Sec. 102. EXECUTIVE OPERATIONS**	
9	Full-time equated unclassified positions 6.0	
10	Full-time equated classified positions 13.0	
11	Unclassified salaries--6.0 FTE positions	$ 754,000
12	Executive direction--13.0 FTE positions	2,099,400
13	GROSS APPROPRIATION	$ 2,853,400
14	Appropriated from:	
15	Federal revenues:	
16	Federal funds	27,600
17	Special revenue funds:	
18	Environmental protection fund	304,900
19	Environmental response fund	173,100
20	Oil and gas regulatory fund	226,900
21	Refined petroleum fund	601,000
22	Settlement funds	11,600
23	State general fund/general purpose	$ 1,508,300
24	**Sec. 103. OFFICE OF THE GREAT LAKES**	
25	Full-time equated classified positions 12.0	
26	Office of the Great Lakes--12.0 FTE positions	$ 2,170,700
27	Coastal management grants	1,250,000

1 GROSS APPROPRIATION	$	3,420,700
2 Appropriated from:		
3 Federal revenues:		
4 Federal funds		2,037,900
5 Special revenue funds:		
6 Great Lakes protection fund		369,400
7 Settlement funds		113,700
8 State general fund/general purpose	$	899,700
9 **Sec. 104. GREAT LAKES RESTORATION INITIATIVE**		
10 Full-time equated classified positions 6.0		
11 Great Lakes restoration initiative--6.0 FTE positions	$	15,090,700
12 GROSS APPROPRIATION	$	15,090,700
13 Appropriated from:		
14 Federal revenues:		
15 Federal funds		15,090,700
16 Special revenue funds:		
17 State general fund/general purpose	$	0
18 **Sec. 105. DEPARTMENT SUPPORT SERVICES**		
19 Full-time equated classified positions 34.0		
20 Central support services--34.0 FTE positions	$	4,147,800
21 Accounting service center		1,391,400
22 Administrative hearings		381,200
23 Automated data processing		2,053,400
24 Building occupancy charges		4,582,800
25 Environmental support projects		5,000,000
26 Rent - privately owned property		2,240,600
27 GROSS APPROPRIATION	$	19,797,200

1 Appropriated from:

2 Interdepartmental grant revenues:

3 IDG, MDSP 60,100

4 IDT, interdivisional charges 2,053,400

5 IDT, laboratory services 153,300

6 Federal revenues:

7 Special revenue funds:

8 Air emissions fees 1,258,400

9 Campground fund 14,300

10 Cleanup and redevelopment fund 1,438,700

11 Electronic waste recycling fund 15,300

12 Environmental pollution prevention fund 778,800

13 Environmental response fund 217,800

14 Fees and collections 26,900

15 Financial instruments 7,261,900

16 Great Lakes protection fund 14,100

17 Groundwater discharge permit fees 182,600

18 Land and water permit fees 528,500

19 Medical waste emergency response fund 16,100

20 Metallic mining surveillance fee revenue 4,500

21 Mineral well regulatory fee revenue 8,100

22 Nonferrous metallic mineral surveillance 800

23 NPDES fees 224,300

24 Oil and gas regulatory fund 598,500

25 Orphan well fund 47,400

26 Public swimming pool fund 24,600

27 Public utility assessments 19,500

1	Public water supply fees	174,300
2	Refined petroleum fund	1,610,700
3	Sand extraction fee revenue	3,800
4	Scrap tire regulatory fund	152,600
5	Septage waste program fund	18,100
6	Settlement funds	37,200
7	Sewage sludge land application fee	116,500
8	Small business pollution prevention revolving loan	
9	fund.....	17,400
10	Soil erosion and sedimentation control training fund .	17,000
11	Solid waste management fund - staff account	306,400
12	Stormwater permit fees	115,200
13	Wastewater operator training fees	31,000
14	Water analysis fees	138,100
15	Water use reporting fees	22,200
16	State general fund/general purpose ..... $	2,088,800
17	**Sec. 106. OFFICE OF ENVIRONMENTAL ASSISTANCE**	
18	Full-time equated classified positions 38.0	
19	Office of environmental assistance--38.0 FTE positions $	6,257,700
20	Pollution prevention local grants	250,000
21	GROSS APPROPRIATION ..... $	6,507,700
22	Appropriated from:	
23	Federal revenues:	
24	Federal funds	704,800
25	Special revenue funds:	
26	Private funds	364,200
27	Air emissions fees	136,300

1 Community pollution prevention fund 250,000
2 Environmental education fund 166,200
3 Environmental pollution prevention fund 1,501,300
4 Fees and collections 120,100
5 Settlement funds 262,900
6 Small business pollution prevention revolving loan
7 fund..... 134,400
8 State general fund/general purpose ..... $ 2,867,500
9 **Sec. 107. WATER RESOURCES DIVISION**
10 Full-time equated classified positions 316.0
11 Land and water interface permit programs--82.0 FTE
12 positions..... $ 11,659,600
13 Program direction and project assistance--27.0 FTE
14 positions..... 3,030,700
15 Water withdrawal assessment program--4.0 FTE positions 1,423,500
16 Expedited water/wastewater permits--1.0 FTE position . 50,900
17 Fish contaminant monitoring 316,100
18 NPDES nonstormwater program--83.0 FTE positions 13,003,900
19 Surface water--86.0 FTE positions 15,871,800
20 Aquatic nuisance control program--6.0 FTE positions .. 913,200
21 Groundwater discharge permit program--22.0 FTE
22 positions..... 3,215,900
23 Federal - Great Lakes remedial action plan grants 583,800
24 Federal - nonpoint source water pollution grants 4,083,300
25 Water quality protection grants 100,000
26 Water quality and use initiative--5.0 FTE positions .. 1,645,700
27 Real-time beach monitoring program 500,000

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

1 Water pollution control revolving fund 821,900
2 Water quality protection fund 100,000
3 Water use reporting fees 245,100
4 State general fund/general purpose ..... $ 18,196,100
5 **Sec. 108. LAW ENFORCEMENT DIVISION**
6 Full-time equated classified positions 14.0
7 Environmental investigations--14.0 FTE positions ..... $ 2,837,200
8 GROSS APPROPRIATION ..... $ 2,837,200
9 Appropriated from:
10 Interdepartmental grant revenues:
11 IDT, laboratory services 15,800
12 Federal revenues:
13 Federal funds 575,700
14 Special revenue funds:
15 Air emissions fees 56,300
16 Campground fund 2,100
17 Cleanup and redevelopment fund 187,600
18 Electronic waste recycling fund 1,600
19 Environmental pollution prevention fund 107,500
20 Environmental response fund 40,300
21 Fees and collections 4,100
22 Financial instruments 519,100
23 Great Lakes protection fund 1,500
24 Groundwater discharge permit fees 18,800
25 Land and water permit fees 77,700
26 Medical waste emergency response fund 2,400
27 Metallic mining surveillance fee revenue 700

1 Mineral well regulatory fee revenue 1,200
2 NPDES fees 32,300
3 Oil and gas regulatory fund 86,600
4 Orphan well fund 7,100
5 Public swimming pool fund 3,700
6 Public utility assessments 2,000
7 Public water supply fees 26,500
8 Refined petroleum fund 362,500
9 Sand extraction fee revenue 600
10 Scrap tire regulatory fund 29,200
11 Septage waste program fund 2,700
12 Sewage sludge land application fee 12,200
13 Small business pollution prevention revolving loan
14 fund..... 2,600
15 Soil erosion and sedimentation control training fund . 2,600
16 Solid waste management fund - staff account 40,800
17 Stormwater permit fees 17,500
18 Wastewater operator training fees 4,600
19 Water analysis fees 18,200
20 Water use reporting fees 3,100
21 State general fund/general purpose ..... $ 570,000
22 **Sec. 109. AIR QUALITY DIVISION**
23 Full-time equated classified positions 188.0
24 Air quality programs--188.0 FTE positions ..... $ 27,231,500
25 GROSS APPROPRIATION ..... $ 27,231,500
26 Appropriated from:
27 Federal revenues:

1 Federal funds 7,450,200
2 Special revenue funds:
3 Air emissions fees 10,015,300
4 Environmental pollution prevention fund 1,362,000
5 Fees and collections 205,300
6 Oil and gas regulatory fund 137,200
7 Refined petroleum fund 3,657,200
8 State general fund/general purpose ..... $ 4,404,300
9 **Sec. 110. RESOURCE MANAGEMENT DIVISION**
10 Full-time equated classified positions 305.0
11 Drinking water and environmental health--106.0 FTE
12 positions ..... $ 14,901,900
13 Hazardous waste management program--45.0 FTE positions 6,946,100
14 Low-level radioactive waste authority--2.0 FTE
15 positions 232,600
16 Medical waste program--2.0 FTE positions 302,300
17 Municipal assistance--29.0 FTE positions 4,800,500
18 Radiological protection program--12.0 FTE positions .. 1,966,500
19 Scrap tire regulatory program--10.0 FTE positions 1,334,700
20 Oil, gas, and mineral services--59.0 FTE positions ... 6,794,800
21 Recycling initiative--3.0 FTE positions 1,008,700
22 Solid waste management program--37.0 FTE positions ... 5,026,400
23 Drinking water program grants 830,000
24 Noncommunity water grants 2,000,000
25 Septage waste compliance grants 275,000
26 Strategic water quality initiative grants and loans .. 97,000,000
27 Water pollution control and drinking water revolving

1	fund	84,993,000
2	Scrap tire grants	3,500,000
3	GROSS APPROPRIATION	$ 231,912,500
4	Appropriated from:	
5	Interdepartmental grant revenues:	
6	IDG, MDSP	1,658,600
7	Federal revenues:	
8	Federal funds	86,027,300
9	Special revenue funds:	
10	Campground fund	290,300
11	Electronic waste recycling fund	303,700
12	Environmental pollution prevention fund	3,768,300
13	Fees and collections	34,500
14	Medical waste emergency response fund	302,300
15	Metallic mining surveillance fee revenue	92,500
16	Mineral well regulatory fee revenue	206,400
17	Nonferrous metallic mineral surveillance	357,800
18	Oil and gas regulatory fund	3,727,700
19	Orphan well fund	2,324,600
20	Public swimming pool fund	606,900
21	Public utility assessments	232,600
22	Public water supply fees	4,257,700
23	Refined petroleum fund	682,500
24	Revolving loan revenue bonds	11,400,000
25	Sand extraction fee revenue	85,800
26	Scrap tire regulatory fund	4,834,700
27	Septage waste contingency fund	18,400

1	Septage waste program fund	492,900
2	Solid waste management fund - staff account	4,539,600
3	Strategic water quality initiatives fund	98,193,700
4	Wastewater operator training fees	248,700
5	Water pollution control revolving fund	2,858,900
6	State general fund/general purpose ..... $	4,366,100
7	**Sec. 111. REMEDIATION AND REDEVELOPMENT DIVISION**	
8	Full-time equated classified positions 291.0	
9	Contaminated site investigations, cleanup and	
10	revitalization--127.0 FTE positions ..... $	13,859,200
11	Federal cleanup project management--40.0 FTE positions	6,934,500
12	Laboratory services--39.0 FTE positions	6,175,300
13	Emergency cleanup actions	4,000,000
14	Environmental cleanup support	1,840,000
15	Environmental cleanup and redevelopment program	29,900,000
16	Refined petroleum product cleanup program--85.0 FTE	
17	positions.....	32,975,700
18	Superfund cleanup	1,000,000
19	Statewide school water testing for lead	9,000,000
20	GROSS APPROPRIATION ..... $	105,684,700
21	Appropriated from:	
22	Interdepartmental grant revenues:	
23	IDT, laboratory services	3,858,800
24	Federal revenues:	
25	Federal funds	6,305,400
26	Special revenue funds:	
27	Private funds	191,100

1 Clean Michigan initiative - response activities 14,900,000
2 Cleanup and redevelopment fund 17,006,600
3 Environmental protection fund 2,037,600
4 Environmental response fund 2,972,000
5 Landfill maintenance trust fund 31,000
6 Public water supply fees 307,500
7 Refined petroleum fund 31,962,600
8 Revitalization revolving loan fund 103,100
9 Strategic water quality initiatives fund 15,000,000
10 Water analysis fees 2,009,000
11 State general fund/general purpose ..... $ 9,000,000
12 **Sec. 112. UNDERGROUND STORAGE TANK AUTHORITY**
13 Full-time equated classified positions 5.0
14 Underground storage tank cleanup program--5.0 FTE
15 positions ..... $ 20,011,400
16 GROSS APPROPRIATION ..... $ 20,011,400
17 Appropriated from:
18 Federal revenues:
19 Special revenue funds:
20 Underground storage tank cleanup fund 20,011,400
21 State general fund/general purpose ..... $ 0
22 **Sec. 113. INFORMATION TECHNOLOGY**
23 Information technology services and projects ..... $ 8,638,900
24 GROSS APPROPRIATION ..... $ 8,638,900
25 Appropriated from:
26 Interdepartmental grant revenues:
27 IDG, MDSP 25,800

1 IDG, MDOT - Michigan transportation fund	86,100
2 IDT, laboratory services	64,800
3 Federal revenues:	
4 Federal funds	988,500
5 Special revenue funds:	
6 Air emission fees	666,400
7 Campground fund	8,400
8 Cleanup and redevelopment fund	761,800
9 Electronic waste recycling fund	6,500
10 Environmental pollution prevention fund	459,400
11 Environmental protection fund	87,400
12 Environmental response fund	165,600
13 Fees and collections	16,600
14 Financial instruments	1,635,500
15 Great Lakes protection fund	6,100
16 Groundwater discharge permit fees	76,700
17 Land and water permit fees	265,700
18 Medical waste emergency response fund	10,000
19 Metallic mining surveillance fee revenue	2,700
20 Mineral well regulatory fee revenue	4,900
21 Nonferrous metallic mineral surveillance	300
22 NPDES fees	141,000
23 Oil and gas regulatory fund	326,600
24 Orphan well fund	29,500
25 Public swimming pool fund	15,100
26 Public utility assessments	7,900
27 Public water supply fees	148,000

1 Refined petroleum fund 1,655,000
2 Sand extraction fee revenue 2,300
3 Scrap tire regulatory fund 64,300
4 Septage waste program fund 11,300
5 Sewage sludge land application fee 49,500
6 Small business pollution prevention revolving loan
7 fund..... 10,700
8 Soil erosion and sedimentation control training fund . 10,400
9 Solid waste management fund - staff account 171,200
10 Stormwater permit fees 70,900
11 Wastewater operator training fees 19,200
12 Water analysis fees 74,300
13 Water pollution control revolving fund 43,600
14 Water use reporting fees 13,300
15 State general fund/general purpose ..... $ 435,600
16 **Sec. 114. ONE-TIME BASIS APPROPRIATIONS**
17 Full-time equated classified positions 10.0
18 Contaminated lake and river sediment cleanup program
19 (one-time) ..... $ 700,000
20 Drinking water declaration of emergency--10.0 FTE
21 positions 5,400,100
22 Oil, gas and mineral services (one-time) 3,500,000
23 Water pollution control and drinking water revolving
24 fund..... 2,950,000
25 GROSS APPROPRIATION ..... $ 12,550,100
26 Appropriated from:
27 Federal revenues:

1 Special revenue funds:
2 Clean Michigan initiative - contaminated sediment 700,000
3 Flint emergency reserve fund 100
4 State general fund/general purpose ..... $ 11,850,000

5 PART 2
6 PROVISIONS CONCERNING APPROPRIATIONS
7 FOR FISCAL YEAR 2016-2017
8 **GENERAL SECTIONS**
9 Sec. 201. In accordance with the provisions of section 30 of
10 article IX of the state constitution of 1963, total state spending
11 from state resources in part 1 for the fiscal year ending September
12 30, 2017 is $374,031,200.00 and state appropriations paid to local
13 units of government are $3,750,000.00. The following itemized list
14 identifies appropriations from which appropriations to local units
15 of government will occur:
16 DEPARTMENT OF ENVIRONMENTAL QUALITY
17 Drinking water and environmental health ..... $ 212,000
18 Drinking water program grants. 157,000
19 Emergency cleanup actions. 106,000
20 Noncommunity water grants. 1,700,000
21 Scrap tire grants. 500,000
22 Pollution prevention local grants. 250,000
23 Real-time beach monitoring program. 500,000
24 Septage waste compliance grants. 100,000
25 Solid waste management program. 65,000

1 Surface water..... 160,000
2 TOTAL..... $ 3,750,000
3 Sec. 202. The appropriations made and expenditures authorized
4 under part 1 and this part and the departments, commissions,
5 boards, offices, and programs for which appropriations are made
6 under part 1 and this part are subject to the management and budget
7 act, 1984 PA 431, MCL 18.1101 to 18.1594.
8 Sec. 203. As used in this part and part 1:
9 (a) "Department" means the department of environmental
10 quality.
11 (b) "Director" means the director of the department.
12 (c) "FTE" means full-time equated.
13 (d) "NPDES" means national pollution discharge elimination
14 system.
15 Sec. 205. The departments and agencies receiving
16 appropriations in part 1 shall use the Internet to fulfill the
17 reporting requirements of this part. This requirement may include
18 transmission of reports via electronic mail to the recipients
19 identified for each reporting requirement, or it may include
20 placement of reports on an Internet or Intranet site.
21 Sec. 209. The departments and agencies receiving
22 appropriations in part 1 shall prepare a report on out-of-state
23 travel expenses not later than January 1 of each year. The travel
24 report shall be a listing of all travel by classified and
25 unclassified employees outside this state in the immediately
26 preceding fiscal year that was funded in whole or in part with
27 funds appropriated in the department's budget. The report shall be

1 submitted to the house and senate appropriations committees, the
2 house and senate fiscal agencies, and the state budget director.
3 The report shall include the following information:
4 (a) The dates of each travel occurrence.
5 (b) The total transportation and related costs of each travel
6 occurrence, including the proportion funded with state general
7 fund/general purpose revenues, the proportion funded with state
8 restricted revenues, the proportion funded with federal revenues,
9 and the proportion funded with other revenues.
10 Sec. 210. Funds appropriated in part 1 shall not be used for
11 the purchase of foreign goods or services, or both, if
12 competitively priced and of comparable quality American goods or
13 services, or both, are available. Preference shall be given to
14 goods or services, or both, manufactured or provided by Michigan
15 businesses if they are competitively priced and of comparable
16 quality. In addition, preference shall be given to goods or
17 services, or both, that are manufactured or provided by Michigan
18 businesses owned and operated by veterans, if they are
19 competitively priced and of comparable quality.
20 Sec. 211. The director shall take all reasonable steps to
21 ensure businesses in deprived and depressed communities compete for
22 and perform contracts to provide services or supplies, or both. The
23 director shall strongly encourage firms with which the department
24 contracts to subcontract with certified businesses in depressed and
25 deprived communities for services, supplies, or both.
26 Sec. 212. The department shall not take disciplinary action
27 against an employee for communicating with a member of the

1 legislature or his or her staff.
2 Sec. 213. (1) Funds appropriated in part 1 shall not be used
3 by the department to promulgate a rule that will apply to a small
4 business and that will have a disproportionate economic impact on
5 small businesses because of the size of those businesses if the
6 department fails to reduce the disproportionate economic impact of
7 the rule on small businesses as provided under section 40 of the
8 administrative procedures act of 1969, 1969 PA 306, MCL 24.240.
9 (2) As used in this section:
10 (a) "Rule" means that term as defined under section 7 of the
11 administrative procedures act of 1969, 1969 PA 306, MCL 24.207.
12 (b) "Small business" means that term as defined under section
13 7a of the administrative procedures act of 1969, 1969 PA 306, MCL
14 24.207a.
15 Sec. 214. Funds appropriated in this part and part 1 shall not
16 be used by a principal executive department, state agency, or
17 authority to hire a person to provide legal services that are the
18 responsibility of the attorney general. This prohibition does not
19 apply to legal services for bonding activities and for those
20 activities that the attorney general authorizes.
21 Sec. 215. (1) In addition to the funds appropriated in part 1,
22 there is appropriated an amount not to exceed $30,000,000.00 for
23 federal contingency funds. These funds are not available for
24 expenditure until they have been transferred to another line item
25 in part 1 under section 393(2) of the management and budget act,
26 1984 PA 431, MCL 18.1393.
27 (2) In addition to the funds appropriated in part 1, there is

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

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

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

Sec. 216. (1) The department shall report all of the following information relative to allocations made from appropriations for the environmental cleanup and redevelopment program, state cleanup, emergency actions, superfund cleanup, the revitalization revolving loan program, the brownfield grants and loans program, the leaking underground storage tank cleanup program, the contaminated lake and river sediments cleanup program, the refined petroleum product cleanup program, and the environmental protection bond projects under section 19508(7) of the natural resources and environmental protection act, 1994 PA 451, MCL 324.19508, to the state budget

director, the senate and house appropriations subcommittees on environmental quality, and the senate and house fiscal agencies:

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

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

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

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

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

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

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

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

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

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

(c) The total amount of bonds issued for the environmental protection bond program pursuant to part 193 of the natural resources and environmental protection act, 1994 PA 451, MCL

1 324.19301 to 324.19306, and bonds issued pursuant to the clean
2 Michigan initiative act, 1998 PA 284, MCL 324.95101 to 324.95108.
3 (3) The report shall be made available by March 31 of each
4 year.
5 Sec. 217. (1) The department may expend amounts remaining from
6 the current and prior fiscal year appropriations to meet funding
7 needs of legislatively approved sites for the environmental cleanup
8 and redevelopment program, the refined petroleum product cleanup
9 program, brownfield grants and loans, waterfront grants, and the
10 environmental bond site reclamation program.
11 (2) Unexpended and unencumbered amounts remaining from
12 appropriations from the environmental protection bond fund
13 contained in 2003 PA 173, 2005 PA 109, 2006 PA 343, 2011 PA 63, and
14 2012 PA 236 are appropriated for expenditure for any site listed in
15 this part and part 1 and any site listed in the public acts
16 referenced in this section.
17 (3) Unexpended and unencumbered amounts remaining from
18 appropriations from the clean Michigan initiative fund - response
19 activities contained in 2000 PA 52, 2004 PA 309, 2005 PA 11, 2006
20 PA 343, 2007 PA 121, 2011 PA 63, 2013 PA 59, 2014 PA 252, and 2015
21 PA 84 are appropriated for expenditure for any site listed in this
22 part and part 1 and any site listed in the public acts referenced
23 in this section.
24 (4) Unexpended and unencumbered amounts remaining from
25 appropriations from the refined petroleum fund activities contained
26 in 2007 PA 121, 2008 PA 247, 2009 PA 118, 2010 PA 189, 2012 PA 200,
27 2013 PA 59, 2014 PA 252, and 2015 PA 84 are appropriated for

1 expenditure for any site listed in this part and part 1 and any
2 site listed in the public acts referenced in this section.
3 (5) Unexpended and unencumbered amounts remaining from the
4 appropriations from the strategic water quality initiatives fund
5 contained in 2011 PA 50, 2011 PA 63, 2012 PA 200, 2013 PA 59, 2014
6 PA 252, and 2015 PA 84 are appropriated for expenditure for any
7 site listed in this part and part 1 and any site listed in the
8 public acts referenced in this section.
9 Sec. 219. Unexpended settlement revenues at the end of the
10 fiscal year may be carried forward into the settlement fund in the
11 succeeding fiscal year up to a maximum carryforward of
12 $2,500,000.00.
13 Sec. 221. Not later than November 30, the state budget office
14 shall prepare and transmit a report that provides for estimates of
15 the total general fund/general purpose appropriation lapses at the
16 close of the prior fiscal year. This report shall summarize the
17 projected year-end general fund/general purpose appropriation
18 lapses by major departmental program or program areas. The report
19 shall be transmitted to the chairpersons of the senate and house
20 appropriations committees and the senate and house fiscal agencies.
21 Sec. 222. 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

fiscal years ending September 30, 2016 and September 30, 2017.

Sec. 225. The department shall cooperate with the department of technology, management, and budget to maintain a searchable website accessible by the public at no cost that includes, but is not limited to, all of the following for each department or agency:

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

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

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

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

(e) Job specifications and wage rates.

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

Sec. 234. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2017 are $33,238,200.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at $18,429,800.00. Total agency appropriations for retiree health care legacy costs are estimated at $14,808,400.00.

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

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

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

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

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

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

REMEDIATION DIVISION

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

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

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

(b) The projects will be accomplished by contract.

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

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

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

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

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

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

Site Name	County
Long Lake Super Market	Alpena
Mark & Penny Case	Branch
Geyer Motor Sales	Cheboygan
Proctor Gamble	Cheboygan
Action Auto #4	Genesee
Linden Multi-Site Contamination	Genesee

Clark Service Station #1027	Kalamazoo
1603 Diamond	Kent
501 Leonard	Kent
Blanchard Grocery	Montcalm
13169 Northline Road	Wayne

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

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

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

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

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

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

Sec. 312. (1) From the funds appropriated in part 1 for statewide school water testing for lead, there is allocated an amount not to exceed $9,000,000.00 for reimbursements to public and private prekindergarten through twelfth grade schools for costs

1 associated with testing for lead in water. Funds described in this
2 section are intended to ensure that public and private
3 prekindergarten through twelfth grade schools are providing safe
4 drinking water.
5 (2) Not later than October 1, 2016, the department, in
6 collaboration with the department of education and the department
7 of licensing and regulatory affairs, shall develop a strategic
8 statewide plan for the testing for lead in water by public and
9 private prekindergarten through twelfth grade schools served by
10 municipal water systems that provides criteria for prioritizing
11 what facilities, water pipes, and plumbing fixtures should be
12 tested. At a minimum, the age of the facility should be considered,
13 as well as fixtures that are high risk, such as drinking fountains,
14 ice makers, kitchen taps, or any other fixtures that deliver water
15 commonly used for human consumption. The strategic statewide plan
16 shall also identify the proper sampling and analysis protocols for
17 testing for lead in water and measures for reducing lead exposure
18 as recommended by the United States Environmental Protection
19 Agency. If test results demonstrate lead levels that are not in
20 compliance with state or federal standards for safe drinking water,
21 the department may collaborate with the school to implement a plan
22 to reduce lead levels in that school's drinking water.
23 (3) Not later than October 1, 2016, the department shall
24 provide notice to all public and private prekindergarten through
25 twelfth grade schools of the strategic statewide plan and the
26 application process for reimbursement of voluntary testing for lead
27 in water.

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

(a) The total number of fixtures within the public and private prekindergarten through twelfth grade schools providing water for human consumption that met the prioritization criteria contained in the strategic statewide plan.

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

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

(d) A description of the measures implemented by the public and private prekindergarten through twelfth grade school to reduce elevated levels of lead.

(e) Any financial or other information that the department determines would be necessary to properly reimburse public and private prekindergarten through twelfth grade schools.

(f) Assurance that the public and private prekindergarten through twelfth grade school has posted the testing results on its website in a form and manner approved by the department.

(5) Payments under this section may be made as determined by the department for eligible testing reimbursement requests. If eligible testing requests for reimbursement exceed the

appropriation contained in this section, those reimbursement requests shall be paid from funding made available in the following fiscal year.

(6) As used in this section, "eligible testing reimbursement request" means a reimbursement request for reasonable costs associated with water testing that occurred after October 1, 2015 that meets the prioritization criteria in the strategic statewide plan and that has been tested according to the sampling and analysis protocols contained in the strategic statewide plan.

WATER RESOURCES DIVISION

Sec. 402. From the funds appropriated in part 1 for the water quality and use initiative/general line item, the department shall update a report detailing a comprehensive plan for the use of the water quality and use initiative funding appropriated in part 1 and identifying the amount of expenditures for specific programs made from the water quality and use initiative/general line item, the real-time beach monitoring program line item, and the wetlands program line item. The report shall be submitted to the chairpersons of the senate and house of representatives appropriations subcommittees on environmental quality and the senate and house fiscal agencies by September 30, 2017.

Sec. 405. If a certified health department does not exist in a city, county, or district or does not fulfill its responsibilities under part 117 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.11701 to 324.11720, then the department may spend funds appropriated in part 1 under the septage

waste compliance program in accordance with section 11716 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.11716.

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

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

(b) The projects will be accomplished by contract.

(c) The total estimated cost of all projects is $2,265,000.00.

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

AIR QUALITY DIVISION

Sec. 502. The department shall not assess additional penalties under part 55 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.5501 to 324.5542, for violations that occurred under a previous owner unless compelled by a consent order or judgment, or other legal requirement.

RESOURCE MANAGEMENT DIVISION

Sec. 601. From funds appropriated in part 1, the department shall prepare a progress report on the development of a statewide sanitary septic code by January 1, 2017.

Sec. 603. From the funds appropriated in part 1, by December

31, 2016, the department shall compile and make available to the public on a publicly accessible website a report containing a summary document of each completed asset management plan for any stormwater, asset management, or wastewater grant awarded to a local unit of government to fund the development of a plan. As a condition of receiving a stormwater, asset management, or wastewater grant, a local unit of government shall make its asset management plan available to the department upon request when completed and shall retain copies of the plan that can be made available to the public for a minimum of 15 years. The department shall make available a summary document of each plan on a publicly accessible website by September 30 of the year it was completed. The summary document shall include a summary of the plan, the plan's major identified assets, and contact information for the local unit of government.

Sec. 604. The appropriation in part 1 for oil, gas, and mineral services is to provide for the study and mapping of Michigan's geological resources to identify their potential social and economic benefits and to provide for the protection of the associated resource values and the environment. An advisory committee consisting of the director, the directors of the departments of natural resources and agriculture and rural development, and the chief of the department's office of oil, gas, and minerals shall develop an annual work plan for the survey to meet the strategic needs of the state.

UNDERGROUND STORAGE TANK AUTHORITY

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

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

(b) The projects will be accomplished by contract.

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

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

ONE-TIME APPROPRIATIONS

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

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

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

Sec. 803. The department shall provide a report detailing the expenditure of departmental funds appropriated in 2015 PA 143 and 2016 PA 3. The report shall include the following:

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

(b) The purpose for each expenditure.

1 (c) The status of programs supported by this funding.
2 (d) A brief description of how related problems have been or
3 will be resolved if expenditures are made for immediate response.
4 (e) The job titles and number of departmental FTEs engaged in
5 the Flint declaration of emergency response effort.

6 ARTICLE VIII
7 GENERAL GOVERNMENT
8 PART 1
9 LINE-ITEM APPROPRIATIONS
10 Sec. 101. There is appropriated for the legislature, the
11 executive, the department of attorney general, the department of
12 state, the department of treasury, the department of technology,
13 management, and budget, the department of civil rights, the
14 department of talent and economic development, and certain state
15 purposes related thereto for the fiscal year ending September 30,
16 2017, from the following funds:
17 **TOTAL GENERAL GOVERNMENT**
18 APPROPRIATION SUMMARY
19 Full-time equated unclassified positions 50.0
20 Full-time equated classified positions 8,686.7
21 GROSS APPROPRIATION ..... $ 4,863,203,800
22 Interdepartmental grant revenues:
23 Total interdepartmental grants and intradepartmental
24 transfers 760,158,300
25 ADJUSTED GROSS APPROPRIATION ..... $ 4,103,045,500

1 Federal revenues:
2 Total federal revenues 832,523,500
3 Special revenue funds:
4 Total local revenues 17,021,000
5 Total private revenues 6,064,500
6 Total other state restricted revenues 2,153,660,400
7 State general fund/general purpose ..... $ 1,093,776,100

8 **Sec. 102. DEPARTMENT OF ATTORNEY GENERAL**
9 **(1) APPROPRIATION SUMMARY**
10 Full-time equated unclassified positions 6.0
11 Full-time equated classified positions 527.0
12 GROSS APPROPRIATION ..... $ 97,785,900
13 Interdepartmental grant revenues:
14 Total interdepartmental grants and intradepartmental
15 transfers..... 28,989,700
16 ADJUSTED GROSS APPROPRIATION ..... $ 68,796,200
17 Federal revenues:
18 Total federal revenues 9,476,700
19 Special revenue funds:
20 Total local revenues 0
21 Total private revenues 0
22 Total other state restricted revenues 20,178,900
23 State general fund/general purpose ..... $ 39,140,600
24 **(2) ATTORNEY GENERAL OPERATIONS**
25 Full-time equated unclassified positions 6.0
26 Full-time equated classified positions 522.5

1	Attorney general	$ 112,500
2	Unclassified positions--5.0 FTE positions	754,000
3	Attorney general operations--479.5 FTE positions	86,400,000
4	Child support enforcement--25.0 FTE positions	3,503,800
5	Prosecuting attorneys coordinating council--12.0 FTE	
6	positions	2,142,600
7	Prosecuting attorneys coordinating council Next Gen IT	
8	system	100
9	Public safety initiative--1.0 FTE position	905,800
10	Sexual assault law enforcement--5.0 FTE positions	1,713,500
11	GROSS APPROPRIATION	$ 95,532,300
12	Appropriated from:	
13	Interdepartmental grant revenues:	
14	IDG from MDHHS, health policy	206,900
15	IDG from MDHHS, medical services administration	691,200
16	IDG from MDHHS, WIC	152,500
17	IDG from department of corrections	660,300
18	IDG from MDE	595,600
19	IDG from MDEQ	2,009,000
20	IDG from MDHHS, human services	5,932,500
21	IDG from MDIFS, financial and insurance services	1,213,000
22	IDG from TED, workforce development agency	89,600
23	IDG from MDLARA, fireworks safety fund	83,000
24	IDG from MDLARA, health professions	3,037,400
25	IDG from MDLARA, licensing and regulation fees	335,600
26	IDG from MDLARA, Michigan occupational safety and	
27	health administration	107,700

IDG from MDLARA, remonumentation fees	106,100
IDG from MDLARA, securities fees	188,300
IDG from MDLARA, unlicensed builders	334,700
IDG from MDMVA	164,900
IDG from MDOS, children's protection registry	45,000
IDG from MDOT, comprehensive transportation fund	204,500
IDG from MDOT, state aeronautics fund	177,600
IDG from MDOT, state trunkline fund	2,429,200
IDG from MDSP	257,300
IDG from MDTMB	463,800
IDG from MDTMB, civil service commission	305,900
IDG from MDTMB, risk management revolving fund	1,468,400
IDG from Michigan state housing development authority	676,600
IDG from treasury	6,874,000
IDG from TED, Michigan strategic fund	179,100
Federal revenues:	
DAG, state administrative match grant/food stamps	137,000
Federal funds	3,145,100
HHS, medical assistance, Medigrant	384,800
HHS-OS, state Medicaid fraud control units	5,688,600
National criminal history improvement program	121,200
Special revenue funds:	
Antitrust enforcement collections	762,600
Attorney general's operations fund	767,000
Auto repair facilities fees	327,400
Franchise fees	382,400
Game and fish protection fund	751,100

1	Human trafficking commission fund	390,000
2	Lawsuit settlement proceeds fund	2,600,000
3	Liquor purchase revolving fund	1,459,200
4	Manufactured housing fees	250,600
5	Merit award trust fund	495,700
6	Michigan employment security act - administrative fund	2,241,500
7	Prisoner reimbursement	625,200
8	Prosecuting attorneys training fees	411,500
9	Public utility assessments	2,077,300
10	Real estate enforcement fund	100,700
11	Reinstatement fees	257,700
12	Retirement funds	1,042,200
13	Second injury fund	821,700
14	Self-insurers security fund	571,200
15	Silicosis and dust disease fund	225,700
16	State building authority revenue	120,900
17	State casino gaming fund	1,861,900
18	State lottery fund	345,100
19	Utility consumers fund	780,800
20	Waterways fund	140,000
21	Worker's compensation administrative revolving fund ..	369,500
22	State general fund/general purpose ..... $	36,887,000
23	**(3) INFORMATION TECHNOLOGY**	
24	Information technology services and projects ..... $	1,553,600
25	GROSS APPROPRIATION ..... $	1,553,600
26	Appropriated from:	
27	State general fund/general purpose ..... $	1,553,600

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

2 Full-time equated classified positions 4.5

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

4 GROSS APPROPRIATION ..... $ 700,000

5 Appropriated from:

6 State general fund/general purpose ..... $ 700,000

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

8 **(1) APPROPRIATION SUMMARY**

9 Full-time equated unclassified positions 6.0

10 Full-time equated classified positions 131.0

11 GROSS APPROPRIATION ..... $ 16,596,900

12 Interdepartmental grant revenues:

13 Total interdepartmental grants and intradepartmental

14 transfers..... 293,600

15 ADJUSTED GROSS APPROPRIATION ..... $ 16,303,300

16 Federal revenues:

17 Total federal revenues 2,763,000

18 Special revenue funds:

19 Total local revenues 0

20 Total private revenues 18,700

21 Total other state restricted revenues 151,900

22 State general fund/general purpose ..... $ 13,369,700

23 **(2) CIVIL RIGHTS OPERATIONS**

24 Full-time equated unclassified positions 6.0

25 Full-time equated classified positions 129.0

26 Unclassified positions--6.0 FTE positions ..... $ 660,300

1	Civil rights operations--121.0 FTE positions	13,831,700
2	Division on deaf and hard of hearing--6.0 FTE	
3	positions.....	798,600
4	Hispanic/Latino commission of Michigan--1.0 FTE	
5	position.....	261,000
6	Asian Pacific American affairs commission--1.0 FTE	
7	position.....	112,400
8	GROSS APPROPRIATION	$ 15,664,000
9	Appropriated from:	
10	Interdepartmental grant revenues:	
11	IDG from DTMB	293,600
12	Federal revenues:	
13	EEOC, state and local antidiscrimination agency	
14	contracts.....	1,211,500
15	HUD, grant	1,536,500
16	Special revenue funds:	
17	Private revenues	18,700
18	Division on deafness fund	93,400
19	State restricted indirect funds	58,500
20	State general fund/general purpose	$ 12,451,800
21	**(3) INFORMATION TECHNOLOGY**	
22	Information technology services and projects	$ 707,900
23	GROSS APPROPRIATION	$ 707,900
24	Appropriated from:	
25	Federal revenues:	
26	EEOC, state and local antidiscrimination agency	
27	contracts.....	15,000

1 State general fund/general purpose ..... $ 692,900

2 **(4) ONE-TIME APPROPRIATIONS**

3 Full-time equated classified positions 2.0

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

5 Commission on Middle Eastern American affairs--1.0 FTE

6 position..... 100,000

7 GROSS APPROPRIATION ..... $ 225,000

8 Appropriated from:

9 State general fund/general purpose ..... $ 225,000

10 **Sec. 104. EXECUTIVE OFFICE**

11 **(1) APPROPRIATION SUMMARY**

12 Full-time equated unclassified positions 10.0

13 Full-time equated classified positions 74.2

14 GROSS APPROPRIATION ..... $ 5,636,300

15 Interdepartmental grant revenues:

16 Total interdepartmental grants and intradepartmental

17 transfers..... 0

18 ADJUSTED GROSS APPROPRIATION ..... $ 5,636,300

19 Federal revenues:

20 Total federal revenues 0

21 Special revenue funds:

22 Total local revenues 0

23 Total private revenues 0

24 Total other state restricted revenues 0

25 State general fund/general purpose ..... $ 5,636,300

26 **(2) EXECUTIVE OFFICE OPERATIONS**

1 Full-time equated unclassified positions 10.0
2 Full-time equated classified positions 74.2
3 Governor ..... $ 159,300
4 Lieutenant governor 111,600
5 Executive office--74.2 FTE positions 4,108,100
6 Unclassified positions--8.0 FTE positions 1,257,300
7 GROSS APPROPRIATION ..... $ 5,636,300
8 Appropriated from:
9 State general fund/general purpose ..... $ 5,636,300

10 **Sec. 105. LEGISLATURE**
11 **(1) APPROPRIATION SUMMARY**
12 GROSS APPROPRIATION ..... $ 165,294,300
13 Interdepartmental grant revenues:
14 Total interdepartmental grants and intradepartmental
15 transfers 5,558,600
16 ADJUSTED GROSS APPROPRIATION ..... $ 159,735,700
17 Federal revenues:
18 Total federal revenues 0
19 Special revenue funds:
20 Total local revenues 0
21 Total private revenues 400,000
22 Total other state restricted revenues 6,245,200
23 State general fund/general purpose ..... $ 153,090,500
24 **(2) LEGISLATURE**
25 Senate ..... $ 34,523,700
26 Senate automated data processing 2,500,000

1	Senate fiscal agency	3,779,600
2	House of representatives	53,095,900
3	House automated data processing	2,200,000
4	House fiscal agency	3,779,600
5	GROSS APPROPRIATION ..... $	99,878,800
6	Appropriated from:	
7	State general fund/general purpose ..... $	99,878,800
8	**(3) LEGISLATIVE COUNCIL**	
9	Legislative council ..... $	11,981,200
10	Legislative service bureau automated data processing .	1,426,600
11	Worker's compensation	151,400
12	National association dues	454,700
13	Legislative corrections ombudsman	854,200
14	GROSS APPROPRIATION ..... $	14,868,100
15	Appropriated from:	
16	Special revenue funds:	
17	Private - gifts and bequests revenues	400,000
18	State general fund/general purpose ..... $	14,468,100
19	**(4) LEGISLATIVE RETIREMENT SYSTEM**	
20	General nonretirement expenses ..... $	4,962,800
21	GROSS APPROPRIATION ..... $	4,962,800
22	Appropriated from:	
23	Special revenue funds:	
24	Court fees	1,154,600
25	State general fund/general purpose ..... $	3,808,200
26	**(5) PROPERTY MANAGEMENT**	
27	Cora Anderson Building ..... $	11,426,700

1	Farnum Building and other properties	2,851,800
2	GROSS APPROPRIATION	$ 14,278,500
3	Appropriated from:	
4	State general fund/general purpose	$ 14,278,500
5	**(6) STATE CAPITOL HISTORIC SITE**	
6	General operations	$ 4,269,200
7	Restoration, renewal, and maintenance	3,121,200
8	GROSS APPROPRIATION	$ 7,390,400
9	Appropriated from:	
10	Special revenue funds:	
11	Capitol historic site fund	3,121,200
12	State general fund/general purpose	$ 4,269,200
13	**(7) OFFICE OF THE AUDITOR GENERAL**	
14	Unclassified positions	$ 329,400
15	Field operations	23,586,300
16	GROSS APPROPRIATION	$ 23,915,700
17	Appropriated from:	
18	Interdepartmental grant revenues:	
19	IDG from MDHHS, human services	30,600
20	IDG from MDLARA, liquor purchase revolving fund	28,700
21	IDG from MDOT, comprehensive transportation fund	39,000
22	IDG from MDOT, Michigan transportation fund	315,800
23	IDG from MDOT, state aeronautics fund	30,300
24	IDG from MDOT, state trunkline fund	733,500
25	IDG, legislative retirement system	29,200
26	IDG, single audit act	2,913,100
27	IDG, commercial mobile radio system emergency	

1	telephone fund	36,800
2	IDG, contract audit administration fees	41,400
3	IDG, deferred compensation funds	54,400
4	IDG, Michigan finance authority	330,800
5	IDG, Michigan economic development corporation	96,300
6	IDG, Michigan education trust fund	70,800
7	IDG, Michigan justice training commission fund	40,900
8	IDG, Michigan strategic fund	169,100
9	IDG, office of retirement services	218,400
10	IDG, other restricted funding sources	379,500
11	Special revenue funds:	
12	21st century jobs trust fund	96,300
13	Brownfield development fund	28,100
14	Clean Michigan initiative implementation bond fund	54,500
15	Game and fish protection fund	31,300
16	MDTMB, civil service commission	166,200
17	Michigan state housing development authority fees	113,500
18	Michigan veterans' trust fund	35,500
19	Motor transport revolving fund	7,400
20	Office services revolving fund	10,000
21	State disbursement unit, office of child support	57,400
22	State services fee fund	1,357,900
23	Waterways fund	11,300
24	State general fund/general purpose	$ 16,387,700

25 **Sec. 106. DEPARTMENT OF STATE**

26 **(1) APPROPRIATION SUMMARY**

1	Full-time equated unclassified positions 6.0	
2	Full-time equated classified positions 1,587.0	
3	GROSS APPROPRIATION	$ 253,015,600
4	Interdepartmental grant revenues:	
5	Total interdepartmental grants and intradepartmental	
6	transfers	20,000,000
7	ADJUSTED GROSS APPROPRIATION	$ 233,015,600
8	Federal revenues:	
9	Total federal revenues	1,460,000
10	Special revenue funds:	
11	Local funding	5,000,000
12	Total local revenues	5,000,000
13	Total private revenues	100
14	Total other state restricted revenues	204,445,900
15	State general fund/general purpose	$ 22,109,600
16	**(2) EXECUTIVE DIRECTION**	
17	Full-time equated unclassified positions 6.0	
18	Full-time equated classified positions 30.0	
19	Secretary of state	$ 112,500
20	Unclassified positions--5.0 FTE positions	628,800
21	Operations--30.0 FTE positions	4,567,200
22	GROSS APPROPRIATION	$ 5,308,500
23	Appropriated from:	
24	Special revenue funds:	
25	Auto repair facilities fees	68,700
26	Children's protection registry fund	270,700
27	Driver fees	276,000

1	Enhanced driver license and enhanced official state	
2	personal identification card fund	216,700
3	Expedient service fees	66,300
4	Parking ticket court fines	9,200
5	Personal identification card fees	32,300
6	Reinstatement fees - operator licenses	248,900
7	Transportation administration collection fund	2,499,800
8	Vehicle theft prevention fees	40,400
9	State general fund/general purpose	$ 1,579,500
10	**(3) DEPARTMENT SERVICES**	
11	Full-time equated classified positions 117.0	
12	Operations--117.0 FTE positions	$ 25,315,100
13	GROSS APPROPRIATION	$ 25,315,100
14	Appropriated from:	
15	Special revenue funds:	
16	Abandoned vehicle fees	481,100
17	Driver fees	731,000
18	Driver improvement course fund	308,600
19	Enhanced driver license and enhanced official state	
20	personal identification card fund	329,400
21	Expedient service fees	273,600
22	Marine safety fund	85,200
23	Personal identification card fees	193,700
24	Reinstatement fees - operator licenses	537,700
25	Scrap tire fund	78,100
26	Transportation administration collection fund	21,714,300
27	State general fund/general purpose	$ 582,400

(4) LEGAL SERVICES

Full-time equated classified positions 83.0

Operations--83.0 FTE positions	$	14,501,500
GROSS APPROPRIATION	$	14,501,500
Appropriated from:		
Special revenue funds:		
Auto repair facilities fees		3,363,800
Driver education provider and instructor fund		25,400
Driver fees		2,193,800
Driver responsibility fees		1,000,000
Enhanced driver license and enhanced official state personal identification card fund		504,900
Personal identification card fees		61,700
Reinstatement fees - operator licenses		1,463,900
Transportation administration collection fund		4,311,100
Vehicle theft prevention fees		1,092,600
State general fund/general purpose	$	484,300

(5) CUSTOMER DELIVERY SERVICES

Full-time equated classified positions 1,312.0

Branch operations--922.0 FTE positions	$	85,709,100
Central operations--388.0 FTE positions		50,115,300
Motorcycle safety education administration--2.0 FTE positions		335,500
Motorcycle safety education grants		1,800,000
Credit and debit assessment services		6,000,000
Organ donor program		129,100
GROSS APPROPRIATION	$	144,089,000

1 Appropriated from:
2 Interdepartmental grant revenues:
3 IDG from MDOT, Michigan transportation fund 20,000,000
4 Federal revenues:
5 Federal funds 1,460,000
6 Special revenue funds:
7 Private funds 100
8 Abandoned vehicle fees 204,500
9 Auto repair facilities fees 910,400
10 Child support clearance fees 363,600
11 Credit and debit assessment service fee revenue 6,000,000
12 Driver education provider and instructor fund 49,600
13 Driver fees 25,355,100
14 Driver improvement course fund 1,246,200
15 Enhanced driver license and enhanced official state
16 personal identification card fund 9,021,200
17 Expedient service fees 2,603,600
18 Marine safety fund 1,420,400
19 Michigan state police auto theft fund 123,700
20 Mobile home commission fees 507,500
21 Motorcycle safety fund 1,835,500
22 Off-road vehicle title fees 170,400
23 Parking ticket court fines 1,629,800
24 Personal identification card fees 2,319,700
25 Recreation passport fee revenue 1,000,000
26 Reinstatement fees - operator licenses 2,358,000
27 Snowmobile registration fee revenue 390,000

1	Thomas Daley gift of life fund	50,000
2	Transportation administration collection fund	60,920,300
3	Vehicle theft prevention fees	742,200
4	State general fund/general purpose	$ 3,407,200
5	**(6) ELECTION REGULATION**	
6	Full-time equated classified positions 45.0	
7	Election administration and services--45.0 FTE	
8	positions	$ 7,169,100
9	County clerk education and training fund	100,000
10	Fees to local units	109,800
11	GROSS APPROPRIATION	$ 7,378,900
12	Appropriated from:	
13	Special revenue funds:	
14	Notary education and training fund	100,000
15	Notary fee fund	343,500
16	State general fund/general purpose	$ 6,935,400
17	**(7) DEPARTMENTWIDE APPROPRIATIONS**	
18	Building occupancy charges/rent	$ 9,792,000
19	Worker's compensation	254,400
20	GROSS APPROPRIATION	$ 10,046,400
21	Appropriated from:	
22	Special revenue funds:	
23	Auto repair facilities fees	133,200
24	Driver fees	708,800
25	Enhanced driver license and enhanced official state	
26	personal identification card fund	326,000
27	Parking ticket court fines	441,500

1	Transportation administration collection fund	5,904,200
2	State general fund/general purpose	$ 2,532,700
3	**(8) INFORMATION TECHNOLOGY**	
4	Information technology services and projects	$ 36,376,200
5	GROSS APPROPRIATION	$ 36,376,200
6	Appropriated from:	
7	Special revenue funds:	
8	Administrative order processing fee	11,700
9	Auto repair facilities fees	129,300
10	Driver fees	787,400
11	Enhanced driver license and enhanced official state	
12	personal identification card fund	327,500
13	Expedient service fees	1,085,100
14	Parking ticket court fines	89,000
15	Personal identification card fees	173,300
16	Reinstatement fees - operator licenses	592,300
17	Transportation administration collection fund	31,411,500
18	Vehicle theft prevention fees	181,000
19	State general fund/general purpose	$ 1,588,100
20	**(9) ONE-TIME APPROPRIATIONS**	
21	Election administration and services	$ 10,000,000
22	GROSS APPROPRIATION	$ 10,000,000
23	Appropriated from:	
24	Special revenue funds:	
25	Local funding	5,000,000
26	State general fund/general purpose	$ 5,000,000

1 **Sec. 107. DEPARTMENT OF TECHNOLOGY, MANAGEMENT, AND**
2 **BUDGET**
3 **(1) APPROPRIATION SUMMARY**
4 Full-time equated unclassified positions 6.0
5 Full-time equated classified positions 2,856.0
6 GROSS APPROPRIATION ..... $ 1,291,883,100
7 Interdepartmental grant revenues:
8 Total interdepartmental grants and intradepartmental
9 transfers 694,054,100
10 ADJUSTED GROSS APPROPRIATION ..... $ 597,829,000
11 Federal revenues:
12 Total federal revenues 4,958,200
13 Special revenue funds:
14 Total local revenues 2,320,000
15 Total private revenues 0
16 Total other state restricted revenues 114,340,800
17 State general fund/general purpose ..... $ 476,210,000
18 **(2) EXECUTIVE DIRECTION**
19 Full-time equated unclassified positions 6.0
20 Full-time equated classified positions 12.0
21 Unclassified positions--6.0 FTE positions ..... $ 1,001,400
22 Executive operations--12.0 FTE positions 2,376,000
23 GROSS APPROPRIATION ..... $ 3,377,400
24 Appropriated from:
25 Interdepartmental grant revenues:
26 IDG from building occupancy and parking charges 249,700
27 IDG from technology user fees 2,074,400

1 Special revenue funds:
2 Special revenue, internal service, and pension trust
3 funds 289,200
4 State general fund/general purpose ..... $ 764,100
5 **(3) DEPARTMENT SERVICES**
6 Full-time equated classified positions 720.5
7 Administrative services--138.5 FTE positions ..... $ 18,889,400
8 Budget and financial management--135.0 FTE positions . 17,913,100
9 Office of the state employer--23.0 FTE positions 3,417,300
10 Design and construction services--40.0 FTE positions . 6,477,000
11 Business support services--97.0 FTE positions 11,469,600
12 Building operation services--210.0 FTE positions 92,416,200
13 Building occupancy charges, rent, and utilities 7,494,200
14 Motor vehicle fleet--35.0 FTE positions 74,260,100
15 Information technology services and projects 32,630,500
16 Bureau of labor market information and strategies--
17 42.0 FTE positions 5,475,100
18 GROSS APPROPRIATION ..... $ 270,442,500
19 Appropriated from:
20 Interdepartmental grant revenues:
21 IDG from accounting service centers user charges 2,698,000
22 IDG from building occupancy and parking charges 94,647,900
23 IDG from MDHHS, community health 484,500
24 IDG from MDHHS, human services 215,400
25 IDG from MDLARA 100,000
26 IDG from motor transport fund 74,260,100
27 IDG from technology user fees 7,658,600

1	IDG from user fees	6,754,000
2	Federal revenues:	
3	Federal funds	4,958,200
4	Special revenue funds:	
5	Local - MPSCS subscriber and maintenance fees	61,700
6	Local revenues	35,000
7	Deferred compensation	2,600
8	Health management funds	2,257,200
9	MAIN user charges	4,337,600
10	Other agency charges	1,178,700
11	Pension trust funds	10,082,000
12	Special revenue, internal service, and pension trust	
13	funds.....	17,168,300
14	State restricted indirect funds	3,392,200
15	State general fund/general purpose ..... $	40,150,500
16	**(4) TECHNOLOGY SERVICES**	
17	Full-time equated classified positions 1,481.5	
18	Education services--29.0 FTE positions ..... $	4,106,500
19	Health and human services--617.5 FTE positions	291,972,300
20	Public protection--154.5 FTE positions	55,832,600
21	Resources services--146.5 FTE positions	20,283,500
22	Transportation services--89.5 FTE positions	31,739,300
23	General services--331.5 FTE positions	98,027,300
24	Enterprisewide information technology investment	
25	projects.....	11,672,400
26	General government and public safety information	
27	technology investment projects	13,683,400

1	Health and human services information technology	
2	investment projects	5,033,900
3	MAIN system replacement information technology	
4	investment project	32,610,300
5	Cyber security information technology investment	
6	project	2,000,000
7	Homeland security initiative/cyber security--13.0 FTE	
8	positions	11,118,200
9	Michigan public safety communication system--100.0 FTE	
10	positions	40,094,800
11	GROSS APPROPRIATION	$ 618,174,500
12	Appropriated from:	
13	Interdepartmental grant revenues:	
14	IDG from technology user fees	501,961,500
15	Special revenue funds:	
16	Local - MPSCS subscriber and maintenance fees	2,223,300
17	State general fund/general purpose	$ 113,989,700
18	**(5) STATEWIDE APPROPRIATIONS**	
19	Professional development fund - NERE	$ 250,000
20	Professional development fund - UAW	700,000
21	GROSS APPROPRIATION	$ 950,000
22	Appropriated from:	
23	Interdepartmental grant revenues:	
24	IDG from employer contributions	950,000
25	State general fund/general purpose	$ 0
26	**(6) SPECIAL PROGRAMS**	
27	Full-time equated classified positions 192.0	

1	Building occupancy charges - property management	
2	services for executive/legislative building	
3	occupancy.....	$ 1,154,500
4	Retirement services--167.0 FTE positions	28,724,900
5	Office of children's ombudsman--14.0 FTE positions ...	1,801,600
6	School reform office operations--11.0 FTE positions ..	2,318,300
7	Public private partnership	1,500,000
8	Regional prosperity grants	2,500,000
9	GROSS APPROPRIATION	$ 37,999,300
10	Appropriated from:	
11	Special revenue funds:	
12	Deferred compensation	2,800,000
13	Pension trust funds	20,548,100
14	Public private partnership investment fund	1,500,000
15	State general fund/general purpose	$ 13,151,200
16	**(7) STATE BUILDING AUTHORITY RENT**	
17	State building authority rent - state agencies	$ 49,665,800
18	State building authority rent - department of	
19	corrections.....	21,029,900
20	State building authority rent - universities	144,995,300
21	State building authority rent - community colleges ...	30,879,600
22	GROSS APPROPRIATION	$ 246,570,600
23	Appropriated from:	
24	State general fund/general purpose	$ 246,570,600
25	**(8) CIVIL SERVICE COMMISSION**	
26	Full-time equated classified positions 450.0	
27	Agency services--74.0 FTE positions	$ 13,103,100

1	Executive direction--40.0 FTE positions	8,894,300
2	Employee benefits--16.0 FTE positions	5,704,000
3	Human resources operations--320.0 FTE positions	38,463,100
4	Information technology services and projects	3,354,300
5	GROSS APPROPRIATION ..... $	69,518,800
6	Appropriated from:	
7	Special revenue funds:	
8	State restricted funds 1%	30,702,500
9	State restricted indirect funds	8,592,200
10	State sponsored group insurance	8,640,200
11	State general fund/general purpose ..... $	21,583,900
12	**(9) CAPITAL OUTLAY**	
13	Major special maintenance, remodeling, and addition	
14	for state agencies ..... $	2,000,000
15	Enterprisewide special maintenance for state	
16	facilities	26,000,000
17	GROSS APPROPRIATION ..... $	28,000,000
18	Appropriated from:	
19	Interdepartmental grant revenues:	
20	IDG from building occupancy charges	2,000,000
21	State general fund/general purpose ..... $	26,000,000
22	**(10) ONE-TIME BASIS ONLY APPROPRIATIONS**	
23	ITIF one-time augmentation ..... $	7,000,000
24	Enterprisewide special maintenance for state	
25	facilities	7,000,000
26	ORS IT modernization and enterprise mandates	2,850,000
27	GROSS APPROPRIATION ..... $	16,850,000

1 Appropriated from:
2 Interdepartmental grant revenues:
3 Pension trust funds 2,850,000
4 State general fund/general purpose ..... $ 14,000,000

5 **Sec. 108. DEPARTMENT OF TREASURY**
6 **(1) APPROPRIATION SUMMARY**
7 Full-time equated unclassified positions 10.0
8 Full-time equated classified positions 1,902.5
9 GROSS APPROPRIATION ..... $ 1,910,497,400
10 Interdepartmental grant revenues:
11 Total interdepartmental grants and intradepartmental
12 transfers..... 11,262,300
13 ADJUSTED GROSS APPROPRIATION ..... $ 1,899,235,100
14 Federal revenues:
15 Total federal revenues 39,920,800
16 Special revenue funds:
17 Total local revenues 9,201,000
18 Total private revenues 26,700
19 Total other state restricted revenues 1,615,956,100
20 State general fund/general purpose ..... $ 234,130,500
21 **(2) EXECUTIVE DIRECTION**
22 Full-time equated unclassified positions 10.0
23 Full-time equated classified positions 48.0
24 Unclassified positions--10.0 FTE positions ..... $ 995,500
25 Executive direction and operations--48.0 FTE positions 8,578,400
26 GROSS APPROPRIATION ..... $ 9,573,900

1 Appropriated from:
2 Federal revenues:
3 DED-OPSE, federal lenders allowance 20,000
4 DED-OPSE, higher education act of 1965 insured loans . 45,000
5 Special revenue funds:
6 Local - city income tax fund 101,900
7 Delinquent tax collection revenue 2,159,800
8 State lottery fund 288,700
9 State services fee fund 328,200
10 State general fund/general purpose ..... $ 6,630,300
11 **(3) DEPARTMENTWIDE APPROPRIATIONS**
12 Rent and building occupancy charges - property
13 management services ..... $ 6,047,400
14 Worker's compensation insurance premium 36,400
15 GROSS APPROPRIATION ..... $ 6,083,800
16 Appropriated from:
17 Special revenue funds:
18 Delinquent tax collection revenue 2,890,600
19 State general fund/general purpose ..... $ 3,193,200
20 **(4) LOCAL GOVERNMENT PROGRAMS**
21 Full-time equated classified positions 111.0
22 Supervision of the general property tax law--86.0 FTE
23 positions ..... $ 13,990,200
24 Property tax assessor training--4.0 FTE positions 1,040,400
25 Local finance--21.0 FTE positions 2,607,000
26 GROSS APPROPRIATION ..... $ 17,637,600
27 Appropriated from:

1 Special revenue funds:
2 Local - assessor training fees 1,040,400
3 Local - audit charges 825,800
4 Local - equalization study charge-backs 40,000
5 Local - revenue from local government 100,000
6 Land reutilization fund 2,044,000
7 Municipal finance fees 544,900
8 Delinquent tax collection revenue 1,514,700
9 State general fund/general purpose ..... $ 11,527,800
10 **(5) TAX PROGRAMS**
11 Full-time equated classified positions 774.0
12 Tax compliance--340.0 FTE positions ..... $ 45,075,300
13 Tax and economic policy--75.0 FTE positions 11,570,600
14 Tax processing--331.0 FTE positions 37,376,900
15 Health insurance claims fund program--15.0 FTE
16 positions..... 2,070,500
17 Home heating assistance 3,086,200
18 Bottle act implementation 250,000
19 Tobacco tax enforcement--13.0 FTE positions 1,509,100
20 GROSS APPROPRIATION ..... $ 100,938,600
21 Appropriated from:
22 Interdepartmental grant revenues:
23 IDG from MDOT, Michigan transportation fund 2,284,100
24 IDG from MDOT, state aeronautics fund 72,200
25 Federal revenues:
26 HHS-SSA, low-income energy assistance 3,086,200
27 Special revenue funds:

1	Bottle deposit fund	250,000
2	Delinquent tax collection revenue	70,557,200
3	Emergency 911 fund	158,700
4	Health insurance claims fund	2,070,500
5	Tobacco tax revenue	4,109,300
6	Waterways fund	107,100
7	State general fund/general purpose	$ 18,243,300
8	**(6) FINANCIAL AND ADMINISTRATIVE SERVICES**	
9	Full-time equated classified positions 381.0	
10	Departmental services--88.0 FTE positions	$ 9,180,500
11	Unclaimed property--29.0 FTE positions	4,835,300
12	Office of collections--202.0 FTE positions	26,255,100
13	Office of accounting services--24.0 FTE positions	2,491,400
14	Office of financial services--38.0 FTE positions	4,478,500
15	GROSS APPROPRIATION	$ 47,240,800
16	Appropriated from:	
17	Interdepartmental grant revenues:	
18	IDG, levy/warrant cost assessment fees	2,335,000
19	IDG, state agency collection fees	4,353,400
20	IDG from MDHHS, title IV-D	776,000
21	IDG data/collection service fees	336,600
22	IDG from accounting service center user charges	494,500
23	Special revenue funds:	
24	Delinquent tax collection revenue	27,387,100
25	Escheats revenue	4,835,300
26	Justice system fund	428,100
27	Garnishment fees	2,638,600

1 State restricted indirect funds		278,600
2 Treasury fees		47,200
3 State general fund/general purpose	$	3,330,400
4 **(7) FINANCIAL PROGRAMS**		
5 Full-time equated classified positions 210.5		
6 Investments--82.0 FTE positions	$	20,594,200
7 Common cash and debt management--21.5 FTE positions ..		1,666,200
8 Student financial assistance programs--25.5 FTE		
9 positions.....		2,683,300
10 Michigan finance authority - bond finance--72.5 FTE		
11 positions.....		38,856,600
12 John R. Justice grant program		288,100
13 Dual enrollment payments		1,507,600
14 Financial independence team--9.0 FTE positions		3,729,500
15 GROSS APPROPRIATION	$	69,325,500
16 Appropriated from:		
17 Interdepartmental grant revenues:		
18 IDG, fiscal agent service fees		210,500
19 Federal revenues:		
20 DED-OPSE, federal lenders allowance		10,686,100
21 DED-OPSE, higher education act of 1965, insured loans		25,169,600
22 Federal - John R. Justice grant		288,100
23 Special revenue funds:		
24 Defined contribution administrative fee revenue		100,000
25 Michigan finance authority bond and loan program		
26 revenue.....		2,944,600
27 Michigan merit award trust fund		1,163,800

1 Retirement funds		19,016,000
2 School bond fees		854,300
3 Treasury fees		1,694,600
4 State general fund/general purpose	$	7,197,900
5 **(8) DEBT SERVICE**		
6 Quality of life bond	$	28,687,000
7 Clean Michigan initiative		89,477,000
8 Great Lakes water quality bond		18,873,000
9 GROSS APPROPRIATION	$	137,037,000
10 Appropriated from:		
11 State general fund/general purpose	$	137,037,000
12 **(9) GRANTS**		
13 Convention facility development distribution	$	90,950,000
14 Senior citizen cooperative housing tax exemption		
15 program		10,520,000
16 Emergency 911 payments		27,000,000
17 Health and safety fund grants		9,000,000
18 Urban search and rescue task force		500,000
19 Impaired driving safety commission		500,000
20 Beat the streets		100,000
21 GROSS APPROPRIATION	$	138,570,000
22 Appropriated from:		
23 Special revenue funds:		
24 Emergency 911 fund		27,000,000
25 Convention facility development fund		90,950,000
26 Health and safety fund		9,000,000
27 State general fund/general purpose	$	11,620,000

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

2 Full-time equated classified positions 183.0

3 Lottery operations--183.0 FTE positions ..... $ 24,760,300

4 Lottery information technology services and projects . 5,239,600

5 GROSS APPROPRIATION ..... $ 29,999,900

6 Appropriated from:

7 Special revenue funds:

8 State lottery fund 29,999,900

9 State general fund/general purpose ..... $ 0

10 **(11) CASINO GAMING**

11 Full-time equated classified positions 142.0

12 Michigan gaming control board ..... $ 50,000

13 Casino gaming control operations--132.0 FTE positions 26,196,700

14 Casino gaming information technology services and

15 projects..... 2,512,700

16 Racing commission--10.0 FTE positions 1,962,600

17 GROSS APPROPRIATION ..... $ 30,722,000

18 Appropriated from:

19 Special revenue funds:

20 Casino gambling agreements 942,700

21 Equine development fund 2,085,300

22 Laboratory fees 700,000

23 State services fee fund 26,994,000

24 State general fund/general purpose ..... $ 0

25 **(12) PAYMENTS IN LIEU OF TAXES**

26 Commercial forest reserve ..... $ 3,368,100

27 Purchased lands 8,425,100

1	Swamp and tax reverted lands	15,605,600
2	GROSS APPROPRIATION	$ 27,398,800
3	Appropriated from:	
4	Special revenue funds:	
5	Private funds	26,700
6	Game and fish protection fund	2,919,700
7	Michigan natural resources trust fund	2,004,600
8	Michigan state waterways fund	253,200
9	State general fund/general purpose	$ 22,194,600
10	**(13) REVENUE SHARING**	
11	Constitutional state general revenue sharing grants ..	$ 781,501,400
12	County revenue sharing payments	172,134,000
13	County incentive program	43,033,500
14	City, village, and township revenue sharing	248,840,000
15	Financially distressed cities, villages, or townships	5,000,000
16	GROSS APPROPRIATION	$ 1,250,508,900
17	Appropriated from:	
18	Special revenue funds:	
19	Sales tax	1,250,508,900
20	State general fund/general purpose	$ 0
21	**(14) STATE BUILDING AUTHORITY**	
22	Full-time equated classified positions 4.0	
23	State building authority--4.0 FTE positions	$ 725,200
24	GROSS APPROPRIATION	$ 725,200
25	Appropriated from:	
26	Special revenue funds:	
27	State building authority revenue	725,200

1 State general fund/general purpose ..... $ 0

2 **(15) CITY INCOME TAX ADMINISTRATION PROGRAM**

3 Full-time equated classified positions 49.0

4 City income tax administration program--49.0 FTE

5 positions ..... $ 5,879,100

6 GROSS APPROPRIATION ..... $ 5,879,100

7 Appropriated from:

8 Special revenue funds:

9 Local - city income tax fund 5,879,100

10 State general fund/general purpose ..... $ 0

11 **(16) INFORMATION TECHNOLOGY**

12 Treasury operations information technology services

13 and projects ..... $ 30,813,800

14 GROSS APPROPRIATION ..... $ 30,813,800

15 Appropriated from:

16 Interdepartmental grant revenues:

17 IDG from MDOT, Michigan transportation fund 400,000

18 Federal revenues:

19 DED-OPSE, federal lender allowance 625,800

20 Special revenue funds:

21 Local - city income tax fund 1,213,800

22 Delinquent tax collection revenue 17,365,400

23 Retirement funds 766,300

24 Tobacco tax revenue 129,000

25 State general fund/general purpose ..... $ 10,313,500

26 **(17) ONE-TIME APPROPRIATIONS**

27 Competitive grant assistance program ..... $ 5,200,000

1 Free individual tax e-file 2,842,500

2 GROSS APPROPRIATION ..... $ 8,042,500

3 Appropriated from:

4 Special revenue funds:

5 Sales tax 5,200,000

6 State general fund/general purpose ..... $ 2,842,500

7 **Sec. 109. DEPARTMENT OF TALENT AND ECONOMIC DEVELOPMENT**

8 **(1) APPROPRIATION SUMMARY**

9 Full-time equated unclassified positions 6.0

10 Full-time equated classified positions 1,609.0

11 GROSS APPROPRIATION ..... $ 1,122,494,300

12 Interdepartmental grant revenues:

13 Total interdepartmental grants and intradepartmental

14 transfers 0

15 ADJUSTED GROSS APPROPRIATION ..... $ 1,122,494,300

16 Federal revenues:

17 Total federal revenues 773,944,800

18 Special revenue funds:

19 Total local revenues 500,000

20 Total private revenues 5,619,000

21 Total other state restricted revenues 192,341,600

22 State general fund/general purpose ..... $ 150,088,900

23 **(2) DEPARTMENTAL ADMINISTRATION**

24 Full-time equated unclassified positions 6.0

25 Full-time equated classified positions 1.0

26 Unclassified positions--6.0 FTE positions ..... $ 897,400

1 Executive director programs--1.0 FTE position 812,900
2 GROSS APPROPRIATION ..... $ 1,710,300
3 Appropriated from:
4 Federal revenues:
5 DOL-ETA, unemployment insurance 931,600
6 DOL, federal funds 247,600
7 Special revenue funds:
8 Michigan state housing development authority fees and
9 charges..... 400,800
10 State general fund/general purpose ..... $ 130,300
11 **(3) MICHIGAN STRATEGIC FUND**
12 Full-time equated classified positions 194.0
13 Administrative services--34.0 FTE positions ..... $ 5,743,600
14 Job creation services--160.0 FTE positions 22,198,400
15 Pure Michigan 33,000,000
16 Entrepreneurship eco-system 19,400,000
17 Business attraction and community revitalization 102,500,000
18 Community development block grants 47,000,000
19 Arts and cultural program 10,150,000
20 Community college skilled trades equipment program
21 debt service..... 4,600,000
22 Facility for rare isotope beams 7,300,000
23 GROSS APPROPRIATION ..... $ 251,892,000
24 Appropriated from:
25 Federal revenues:
26 DOL, federal funds 2,326,300
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	Industry support fees	5,500
8	21st century jobs trust fund	75,000,000
9	Michigan film promotion fund	400,000
10	Michigan state housing development authority fees and	
11	charges.....	4,609,000
12	State general fund/general purpose	$ 118,090,900
13	**(4) TALENT INVESTMENT AGENCY**	
14	Full-time equated classified positions 1,092.0	
15	Executive direction--7.0 FTE positions	$ 1,175,600
16	Workforce program administration--225.0 FTE positions	33,169,900
17	Workforce development programs	387,022,900
18	Skilled trades training program	30,600,000
19	Community ventures	9,800,000
20	Unemployment insurance agency--853.0 FTE positions ...	139,065,500
21	Information technology services and projects - TIA ...	22,501,000
22	GROSS APPROPRIATION	$ 623,334,900
23	Appropriated from:	
24	Federal revenues:	
25	DAG, employment and training	3,499,400
26	DED-OESE, GEAR-UP	4,730,700
27	DED-OVAE, adult education	20,000,000

1 DED-OVAE, basic grants to states 19,000,000
2 DOL, federal funds 109,353,800
3 DOL-ETA, workforce investment act 173,988,600
4 DOL-ETA, unemployment insurance 139,457,500
5 Federal funds 5,940,200
6 Social security act, temporary assistance to needy
7 families 64,898,800
8 Special revenue funds:
9 Local revenues 500,000
10 Private funds 5,269,000
11 Contingent fund, penalty and interest account 48,635,300
12 Defaulted loan collection fees 152,500
13 State general fund/general purpose ..... $ 27,909,100
14 **(5) LAND BANK FAST TRACK AUTHORITY**
15 Full-time equated classified positions 6.0
16 Land bank fast track authority--6.0 FTE positions .... $ 5,256,400
17 GROSS APPROPRIATION ..... $ 5,256,400
18 Appropriated from:
19 Federal revenues:
20 Federal revenues 1,000,000
21 Special revenue funds:
22 Land bank fast track fund 297,800
23 State general fund/general purpose ..... $ 3,958,600
24 **(6) MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY**
25 Full-time equated classified positions 316.0
26 Payments on behalf of tenants ..... $ 166,860,000
27 Housing and rental assistance--316.0 FTE positions ... 51,248,200

1	Lighthouse preservation program	307,500
2	Rent and administrative support	3,721,000
3	Information technology services and projects - MSHDA .	3,585,500
4	GROSS APPROPRIATION	$ 225,722,200
5	Appropriated from:	
6	Federal funds:	
7	HUD, lower income housing assistance	166,860,000
8	Special revenue funds:	
9	Michigan state housing development authority fees and	
10	charges.....	58,554,700
11	Michigan lighthouse preservation program	307,500
12	State general fund/general purpose	$ 0
13	**(7) ONE-TIME BASIS ONLY APPROPRIATIONS**	
14	Statewide data system integration	$ 8,778,500
15	Financial literacy pilot	5,800,000
16	GROSS APPROPRIATION	$ 14,578,500
17	Appropriated from:	
18	Federal revenues:	
19	Federal funds	4,800,000
20	Social security act, temporary assistance to needy	
21	families.....	5,800,000
22	Special revenue funds:	
23	Contingent fund, penalty and interest account	3,978,500
24	State general fund/general purpose	$ 0

25 PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FOR FISCAL YEAR 2016-2017

GENERAL SECTIONS

Sec. 201. (1) Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2016-2017 is $3,247,436,500.00 and state spending from state resources to be paid to local units of government for fiscal year 2016-2017 is $1,454,415,700.00. 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		1,101,500
Subtotal	$	1,211,300

DEPARTMENT OF TREASURY

Senior citizen cooperative housing tax exemption	$	10,520,000
Health and safety fund grants		9,000,000
Constitutional state general revenue sharing grants		781,501,400
City, village, and township revenue sharing		248,840,000
Competitive grant assistance program		5,200,000
Convention facility development fund distribution		90,950,000
Emergency 9-1-1 payments		23,800,000
Financially distressed cities, villages, or townships		5,000,000
County incentive program		43,033,500
County revenue sharing payments		172,134,000
Airport parking distribution pursuant to section 909		24,601,900

1 Payments in lieu of taxes 27,398,800
2 Subtotal ..... $ 1,441,979,600
3 DEPARTMENT OF TALENT AND ECONOMIC DEVELOPMENT
4 Welfare-to-work programs ..... $ 11,224,800
5 Subtotal ..... $ 11,224,800
6 TOTAL GENERAL GOVERNMENT ..... $ 1,454,415,700
7 (2) Pursuant to section 30 of article IX of the state
8 constitution of 1963, total state spending from state sources for
9 fiscal year 2016-2017 is estimated at $31,041,254,100.00 in the
10 2016-2017 appropriations acts and total state spending from state
11 sources paid to local units of government for fiscal year 2016-2017
12 is estimated at $17,235,151,600.00. The state-local proportion is
13 estimated at 55.5% of total state spending from state resources.
14 (3) If payments to local units of government and state
15 spending from state sources for fiscal year 2016-2017 are different
16 than the amounts estimated in subsection (2), the state budget
17 director shall report the payments to local units of government and
18 state spending from state sources that were made for fiscal year
19 2016-2017 to the senate and house of representatives standing
20 committees on appropriations within 30 days after the final book-
21 closing for fiscal year 2016-2017.
22 Sec. 202. The appropriations authorized under this part and
23 part 1 are subject to the management and budget act, 1984 PA 431,
24 MCL 18.1101 to 18.1594.
25 Sec. 203. As used in this part and part 1:
26 (a) "ATM" means automated teller machine.
27 (b) "COBRA" means the consolidated omnibus budget

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

1 Urban Development.
2 (u) "HUD-CPD" means the United States Department of Housing
3 and Urban Development - Community Planning and Development.
4 (v) "IDG" means interdepartmental grant.
5 (w) "JCOS" means the joint capital outlay subcommittee.
6 (x) "MAIN" means the Michigan administrative information
7 network.
8 (y) "MCL" means the Michigan Compiled Laws.
9 (z) "MDE" means the Michigan department of education.
10 (aa) "MDLARA" means the Michigan department of licensing and
11 regulatory affairs.
12 (bb) "MDEQ" means the Michigan department of environmental
13 quality.
14 (cc) "MDHHS" means the Michigan department of health and human
15 services.
16 (dd) "MDMVA" means the Michigan department of military and
17 veterans affairs.
18 (ee) "MDOT" means the Michigan department of transportation.
19 (ff) "MDSP" means the Michigan department of state police.
20 (gg) "MDTMB" means the Michigan department of technology,
21 management, and budget.
22 (hh) "MEDC" means the Michigan economic development
23 corporation, which is the public body corporate created under
24 section 28 of article VII of the state constitution of 1963 and the
25 urban cooperation act of 1967, 1967 (Ex Sess) PA 7, MCL 124.501 to
26 124.512, by contractual interlocal agreement effective April 5,
27 1999, between local participating economic development corporations

formed under the economic development corporations act, 1974 PA 338, MCL 125.1601 to 125.1636, and the Michigan strategic fund.

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

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

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

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

(mm) "NERE" means nonexclusively represented employees.

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

(oo) "PA" means public act.

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

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

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

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

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

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

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

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

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

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

(e) Job specifications and wage rates.

Sec. 207. In addition to the metrics required under section 447 of the management and budget act, 1984 PA 431, MCL 18.1447, for each new program or program enhancement for which funds in excess of $500,000.00 are appropriated in part 1, the department shall provide not later than November 1, a list of program-specific metrics intended to measure its performance based on a return on taxpayer investment. The department shall deliver the program-specific metrics to members of the senate and house subcommittees that have subject matter jurisdiction for this budget, fiscal agencies, and the state budget director. The department shall provide an update on its progress in tracking program-specific metrics and the status of program success at an appropriations subcommittee meeting called for by the subcommittee chair.

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

Sec. 209. Funds appropriated in part 1 shall not be used for the purchase of foreign goods or services, or both, if competitively priced and of comparable quality American goods or services, or both, are available. Preference shall be given to goods or services, or both, manufactured or provided by Michigan

1 businesses, if they are competitively priced and of comparable
2 quality. In addition, preference should be given to goods or
3 services, or both, that are manufactured or provided by Michigan
4 businesses owned and operated by veterans, if they are
5 competitively priced and of comparable quality.
6 Sec. 210. The director of each department and agency receiving
7 appropriations in part 1 shall take all reasonable steps to ensure
8 businesses in deprived and depressed communities compete for and
9 perform contracts to provide services or supplies, or both. Each
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, supplies, or both.
13 Sec. 211. (1) Pursuant to section 352 of the management and
14 budget act, 1984 PA 431, MCL 18.1352, which provides for a transfer
15 of state general fund revenue into or out of the countercyclical
16 budget and economic stabilization fund, the calculations required
17 by section 352 of the management and budget act, 1984 PA 431, MCL
18 18.1352, are determined as follows:

	2015	2016	2017
19			
20 Michigan personal income (millions).	$420,279	$438,771	$457,200
21 less: transfer payments.....	91,444	95,376	99,573
22 Subtotal	$328,835	$343,395	$357,627
23 Divided by: Detroit consumer price			
24 index for 12 months ending June 30	2.195	2.204	2.248
25 Equals: real adjusted Michigan			
26 personal income.....	$149,811	$155,821	$159,097
27 Percentage change.....	N/A	4.0%	2.1%

Growth rate in excess of 2%?.....	N/A	2.0%	0.1%
Equals: countercyclical budget and economic stabilization fund pay-in calculation for the fiscal year ending September 30, 2017 (millions).....	N/A	$196.9	10.2
Growth rate less than 0%?.....	N/A	NO	NO
Equals: countercyclical budget and economic stabilization fund pay-out calculation for the fiscal year ending September 30, 2017 (millions).....	N/A	N/A	$0.0

(2) Notwithstanding subsection (1), there is appropriated for the fiscal year ending September 30, 2017, from GF/GP revenue for deposit into the countercyclical budget and economic stabilization fund the sum of $0.00.

(3) In addition to the appropriation to the countercyclical budget and economic stabilization fund in subsection (2), there is appropriated to the countercyclical budget and economic stabilization fund for the fiscal year ending September 30, 2017, 25% of fiscal year 2015-2016 general fund/general purpose unassigned fund balance recorded as part of the state book closing process for the 2015-2016 fiscal year.

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

Sec. 213. Funds appropriated in part 1 shall not be used by this state, a department, an agency, or an authority of this state to purchase an ownership interest in a casino enterprise or a gambling operation as those terms are defined in the Michigan gaming control and revenue act, 1996 IL 1, MCL 432.201 to 432.226.

Sec. 215. A department or state agency shall not take disciplinary action against an employee for communicating with a member of the legislature or his or her staff.

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

(a) The dates of each travel occurrence.

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

Sec. 217. General fund appropriations in part 1 shall not be expended for items in cases where federal funding or private grant

1 funding is available for the same expenditures.
2 Sec. 219. The departments and agencies receiving
3 appropriations in part 1 shall maintain, on a publicly accessible
4 website, a department or agency scorecard that identifies, tracks,
5 and regularly updates key metrics that are used to monitor and
6 improve the department's or agency's performance.
7 Sec. 221. Each department and agency shall report no later
8 than April 1 on each specific policy change made to implement a
9 public act affecting the department that took effect during the
10 prior calendar year to the senate and house of representatives
11 standing committees on appropriations subcommittees on general
12 government, the joint committee on administrative rules, and the
13 senate and house fiscal agencies.
14 Sec. 226. 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. 227. Within 14 days after the release of the executive
21 budget recommendation, the departments and agencies receiving
22 appropriations in part 1 shall cooperate with the state budget
23 director to provide the chairs of the senate and house of
24 representatives standing committees on appropriations, the chairs
25 of the senate and house of representatives standing committees on
26 appropriations subcommittees on general government, and the senate
27 and house fiscal agencies with an annual report on estimated state

1 restricted fund balances, state restricted fund projected revenues,
2 and state restricted fund expenditures for the fiscal years ending
3 September 30, 2016 and September 30, 2017.
4 Sec. 228. Not later than November 30, the state budget office
5 shall prepare and transmit a report that provides for estimates of
6 the total GF/GP appropriation lapses at the close of the prior
7 fiscal year. This report shall summarize the projected year-end
8 GF/GP appropriation lapses by major departmental program or program
9 areas. The report shall be transmitted to the chairpersons of the
10 senate and house appropriations committees and the senate and house
11 fiscal agencies.
12 Sec. 229. If the office of the auditor general has identified
13 an initiative or made a recommendation that is related to savings
14 and efficiencies in an audit report for an executive branch
15 department or agency, the department or agency shall report within
16 6 months of the release of the audit on their efforts and progress
17 made toward achieving the savings and efficiencies identified in
18 the audit report. The report shall be submitted to the chairs of
19 the senate and house of representatives standing committees on
20 appropriations, the chairs of the senate and house of
21 representatives standing committees with jurisdiction over matters
22 relating to the department that is audited, and the senate and
23 house fiscal agencies.
24 Sec. 233. In addition to the GF/GP appropriations for special
25 maintenance, remodeling, and addition - state facilities in part 1,
26 there is also appropriated related federal and state restricted
27 funds up to the amounts that will be earned based upon the

initiatives undertaken with the funds in part 1. The state budget director shall determine and authorize the appropriate manner for implementing this section.

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

Sec. 235. By April 1, the state budget director shall submit a report to the senate and house appropriations committees and the senate and house fiscal agencies. The report shall recommend a contingency plan for each federal funding source included in the state budget of $10,000,000.00 or more in the event that the federal government reduces funding to the state through that source by 10% or greater.

DEPARTMENT OF ATTORNEY GENERAL

Sec. 301. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $1,500,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(2) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $1,500,000.00 for state

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

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

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

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

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

his or her authority as a judge.

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

Sec. 303. The attorney general may sell copies of the biennial report in excess of the 350 copies that the attorney general may distribute on a gratis basis. Gratis copies shall not be provided to members of the legislature. Electronic copies of biennial reports shall be made available on the department of attorney general's website. The attorney general shall sell copies of the report at not less than the actual cost of the report and shall deposit the money received into the general fund.

Sec. 304. The department of attorney general is responsible for the legal representation for state of Michigan state employee worker's disability compensation cases. The risk management revolving fund revenue appropriation in part 1 is to be satisfied by billings from the department of attorney general for the actual costs of legal representation, including salaries and support costs.

Sec. 305. In addition to the funds appropriated in part 1, not more than $400,000.00 shall be reimbursed per fiscal year for food stamp fraud cases heard by the third circuit court of Wayne County that were initiated by the department of attorney general pursuant to the existing contract between the department of health and human services, the Prosecuting Attorneys Association of Michigan, and the department of attorney general. The source of this funding is money earned by the department of attorney general under the

agreement after the allowance for reimbursement to the department of attorney general for costs associated with the prosecution of food stamp fraud cases. It is recognized that the federal funds are earned by the department of attorney general for its documented progress on the prosecution of food stamp fraud cases according to the United States Department of Agriculture regulations and that, once earned by this state, the funds become state funds.

Sec. 306. Any proceeds from a lawsuit initiated by or settlement agreement entered into on behalf of this state against a manufacturer of tobacco products by the attorney general are state funds and are subject to appropriation as provided by law.

Sec. 307. (1) In addition to the antitrust revenues in part 1, antitrust, securities fraud, consumer protection or class action enforcement revenues, or attorney fees recovered by the department, not to exceed $250,000.00, are appropriated to the department for antitrust, securities fraud, and consumer protection or class action enforcement cases.

(2) Any unexpended funds from antitrust, securities fraud, or consumer protection or class action enforcement revenues at the end of the fiscal year, including antitrust funds in part 1, may be carried forward for expenditure in the following fiscal year up to the maximum authorization of $250,000.00.

Sec. 308. (1) In addition to the funds appropriated in part 1, there is appropriated up to $500,000.00 from litigation expense reimbursements awarded to the state.

(2) The funds may be expended for the payment of court judgments, settlements, arbitration awards or other administrative

and litigation decisions, attorney fees, and litigation costs, assessed against the office of the governor, the department of the attorney general, the governor, or the attorney general when acting in an official capacity as the named party in litigation against the state. The funds may also be expended for the payment of state costs incurred under section 16 of chapter X of the code of criminal procedure, 1927 PA 175, MCL 770.16.

(3) Unexpended funds at the end of the fiscal year may be carried forward for expenditure in the following year, up to a maximum authorization of $500,000.00.

Sec. 309. From the prisoner reimbursement funds appropriated in part 1, the department may spend up to $625,200.00 on activities related to the state correctional facility reimbursement act, 1935 PA 253, MCL 800.401 to 800.406. In addition to the funds appropriated in part 1, if the department collects in excess of $1,131,000.00 in gross annual prisoner reimbursement receipts provided to the general fund, the excess, up to a maximum of $1,000,000.00, is appropriated to the department of attorney general and may be spent on the representation of the department of corrections and its officers, employees, and agents, including, but not limited to, the defense of litigation against the state, its departments, officers, employees, or agents in civil actions filed by prisoners.

Sec. 310. (1) For the purposes of providing title IV-D child support enforcement funding, the department of health and human services, as the state IV-D agency, shall maintain a cooperative agreement with the attorney general for federal IV-D funding to

support the child support enforcement activities within the office of the attorney general.

(2) The attorney general or his or her designee shall, to the extent allowable under federal law, have access to any information used by the state to locate parents who fail to pay court-ordered child support.

Sec. 312. The department of attorney general shall not receive and expend funds in addition to those authorized in part 1 for legal services provided specifically to other state departments or agencies except for costs for expert witnesses, court costs, or other nonsalary litigation expenses associated with a pending legal action.

Sec. 313. From the funds appropriated in part 1 for attorney general operations, the department shall allocate $600,000.00 for the investigation and prosecution of mortgage fraud.

Sec. 314. From the lawsuit settlement proceeds fund appropriated in part 1, the department may spend the funds for the costs of all associated expenses related to the declaration of emergency due to drinking water contamination up to $2,600,000.00.

Sec. 315. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2017 are $18,361,000.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at $10,096,700.00. Total agency appropriations for retiree health care legacy costs are estimated at $8,264,300.00.

Sec. 316. (1) From the funds appropriated in part 1 for sexual assault law enforcement efforts, the department shall use the funds

for testing of backlogged sexual assault kits across the state. The funding provided in part 1 shall be distributed in the following order of priority:

(a) To eliminate all county sexual assault kit backlogs outside of Wayne County.

(b) To assist local prosecutors with investigations and prosecutions of viable cases.

(c) To provide victim services.

(2) The department of attorney general shall provide a detailed work and spending plan outlining anticipated litigation action and expenditures resulting from findings of the sexual assault kit testing. The spending plan shall be transmitted to the state budget office, the senate and house fiscal agencies, and the senate and house of representatives standing committees on appropriations subcommittees on general government. The appropriation shall not be available for expenditure until the work plan is approved by the state budget director. The state budget office shall notify the senate and house of representatives standing committees on appropriations subcommittees on general government at least 15 days prior to release of the funds.

(3) The department of attorney general shall provide a report by January 30 providing updated information related to the work and spending plan listed in subsection (2) and provide an update on expenditures made in relation to assisting local prosecutions and investigations and providing victim services. The report shall be distributed to the state budget office and the chairs of the senate and house of representatives standing committees on appropriations

subcommittees on general government, as well as the senate and house fiscal agencies.

DEPARTMENT OF CIVIL RIGHTS

Sec. 401. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $2,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(2) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $750,000.00 for private contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

Sec. 402. (1) In addition to the appropriations contained in part 1, the department of civil rights may receive and expend funds from local or private sources for all of the following purposes:

(a) Developing and presenting training for employers on equal employment opportunity law and procedures.

(b) The publication and sale of civil rights related informational material.

(c) The provision of copy material made available under freedom of information requests.

(d) Other copy fees, subpoena fees, and witness fees.

(e) Developing, presenting, and participating in mediation

1 processes for certain civil rights cases.
2 (f) Workshops, seminars, and recognition or award programs
3 consistent with the programmatic mission of the individual unit
4 sponsoring or coordinating the programs.
5 (g) Staffing costs for all activities included in this
6 subsection.
7 (2) The department of civil rights shall annually report to
8 the state budget director, the senate and house of representatives
9 standing committees on appropriations, and the senate and house
10 fiscal agencies the amount of funds received and expended for
11 purposes authorized under this section.
12 Sec. 403. The department of civil rights may contract with
13 local units of government to review equal employment opportunity
14 compliance of potential contractors and may charge for and expend
15 amounts received from local units of government for the purpose of
16 developing and providing these contractual services.
17 Sec. 404. (1) The department of civil rights shall prepare and
18 transmit a detailed report that includes, but is not limited to,
19 the following information for the most recent fiscal year:
20 (a) A detailed description of the department operations.
21 (b) A detailed description of all subunits within the
22 department, including FTE positions associated with each subunit,
23 responsibilities of each subunit, and all revenues and expenditures
24 for each subunit.
25 (c) The number of complaints by type of complaint.
26 (d) The average cost of, and time expended, investigating
27 complaints.

(e) The percentage of complaints that are meritorious and worthy of investigation or settlement and the percentage of complaints that have no merit.

(f) A listing of amounts awarded to claimants.

(g) Expenditures associated with complaint investigation and enforcement.

(h) A listing of complaint investigations closed per FTE position for each of the past 5 years.

(i) A listing of complaint evaluations completed per FTE position for each of the past 5 years.

(j) Productivity projections for the current fiscal year, including investigations closed per FTE, complaint evaluations completed per FTE, and average time expended investigating complaints.

(2) The report required under subsection (1) shall be posted online and transmitted electronically not later than November 30 to the state budget director, the chairpersons of the senate and house of representatives standing committees on appropriations, the senate and house appropriations subcommittees on general government, and the senate and house fiscal agencies.

Sec. 405. The department of civil rights shall notify the office of the state budget, senate and house of representatives standing committees on appropriations, and senate and house fiscal agencies prior to submitting a report or complaint to the United States Commission on Civil Rights or other federal departments.

Sec. 410. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September

30, 2017 are $3,062,000.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at $1,697,800.00. Total agency appropriations for retiree health care legacy costs are estimated at $1,364,200.00.

LEGISLATURE

Sec. 600. The senate, the house of representatives, or an agency within the legislative branch may receive, expend, and transfer funds in addition to those authorized in part 1.

Sec. 601. (1) Funds appropriated in part 1 to an entity within the legislative branch shall not be expended or transferred to another account without written approval of the authorized agent of the legislative entity. If the authorized agent of the legislative entity notifies the state budget director of its approval of an expenditure or transfer before the year-end book-closing date for that legislative entity, the state budget director shall immediately make the expenditure or transfer. The authorized legislative entity agency shall be designated by the speaker of the house of representatives for house entities, the senate majority leader for senate entities, and the legislative council for legislative council entities.

(2) Funds appropriated within the legislative branch, to a legislative council component, shall not be expended by any agency or other subgroup included in that component without the approval of the legislative council.

Sec. 602. The senate may charge rent and assess charges for utility costs. The amounts received for rent charges and utility

assessments are appropriated to the senate for the renovation, operation, and maintenance of the Farnum Building and other properties.

Sec. 603. The appropriation contained in part 1 for national association dues is to be distributed by the legislative council.

Sec. 604. (1) The appropriation in part 1 to the Michigan state capitol historic site includes funds to operate the legislative parking facilities in the capitol area. The Michigan state capitol commission shall establish rules regarding the operation of the legislative parking facilities.

(2) The Michigan state capitol commission may collect a fee from state employees and the general public using certain legislative parking facilities. The revenues received from the parking fees are appropriated upon receipt and shall be allocated by the Michigan state capitol commission.

Sec. 605. The appropriation in part 1 to the legislative council for publication of the Michigan manual is a work project account. The unexpended portion remaining on September 30 shall not lapse and shall be carried forward into the subsequent fiscal year for use in paying the associated biennial costs of publication of the Michigan manual.

Sec. 606. The appropriations in part 1 to the legislative branch, for property management, shall be used to purchase equipment and services for building maintenance in order to ensure a safe and productive work environment. These funds are designated as work project appropriations and shall not lapse at the end of the fiscal year, and shall continue to be available for expenditure

until the project has been completed. The total cost is estimated at $2,000,000.00, and the tentative completion date is September 30, 2020.

Sec. 607. The appropriations in part 1 to the legislative branch, for automated data processing, shall be used to purchase equipment, software, and services in order to support and implement data processing requirements and technology improvements. These funds are designated as work project appropriations in accordance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a, and shall not lapse at the end of the fiscal year, and shall continue to be available for expenditure until the project has been completed. The total cost is estimated at $2,000,000.00, and the tentative completion date is September 30, 2020.

Sec. 608. In addition to funds appropriated in part 1, the Michigan capitol committee publications save the flags fund account may accept contributions, gifts, bequests, devises, grants, and donations. Those funds that are not expended in the fiscal year ending September 30 shall not lapse at the close of the fiscal year, and shall be carried forward for expenditure in the following fiscal years.

Sec. 609. The funds appropriated in part 1 for the legislative corrections ombudsman include an additional $125,000.00 that shall be used to add an additional legislative corrections ombudsman analyst that would allow the legislative corrections ombudsman to address complaints more timely and reduce outstanding complaints.

Sec. 615. Total authorized appropriations from all sources

1 under part 1 for legacy costs for the fiscal year ending September
2 30, 2017 are $21,279,600.00. From this amount, total agency
3 appropriations for pension-related legacy costs are estimated at
4 $11,998,700.00. Total agency appropriations for retiree health care
5 legacy costs are estimated at $9,280,900.00.
6 Sec. 618. It is the intent of the legislature that all
7 administrative functions and associated funding for the Michigan
8 legislative retirement system shall be transferred from the
9 legislative council to the department of technology, management,
10 and budget before the end of the 2016-2017 fiscal year.

11 **LEGISLATIVE AUDITOR GENERAL**

12 Sec. 620. Pursuant to section 53 of article IV of the state
13 constitution of 1963, the auditor general shall conduct audits of
14 the judicial branch. The audits may include the supreme court and
15 its administrative units, the court of appeals, and trial courts.
16 Sec. 621. (1) The auditor general shall take all reasonable
17 steps to ensure that certified minority- and women-owned and
18 operated accounting firms, and accounting firms owned and operated
19 by persons with disabilities participate in the audits of the
20 books, accounts, and financial affairs of each principal executive
21 department, branch, institution, agency, and office of this state.
22 (2) The auditor general shall strongly encourage firms with
23 which the auditor general contracts to perform audits of the
24 principal executive departments and state agencies to subcontract
25 with certified minority- and women-owned and operated accounting
26 firms, and accounting firms owned and operated by persons with

disabilities.

(3) The auditor general shall compile an annual report regarding the number of contracts entered into with certified minority- and women-owned and operated accounting firms, and accounting firms owned and operated by persons with disabilities. The auditor general shall deliver the report to the state budget director and the senate and house of representatives standing committees on appropriations subcommittees on general government by November 1 of each year.

Sec. 622. From the funds appropriated in part 1 to the legislative auditor general, the auditor general's salary and the salaries of the remaining 2.0 FTE unclassified positions shall be set by the speaker of the house of representatives, the senate majority leader, the house of representatives minority leader, and the senate minority leader.

Sec. 623. Any audits, reviews, or investigations requested of the auditor general by the legislature or by legislative leadership, legislative committees, or individual legislators shall include an estimate of the additional costs involved and, when those costs exceed $50,000.00, should provide supplemental funding. The auditor general shall determine whether to perform those activities in keeping with Audit Directive No. 29, which describes the office of the auditor general's policy on responding to legislative requests.

DEPARTMENT OF STATE

Sec. 701. (1) In addition to the funds appropriated in part 1,

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

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

(3) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $50,000.00 for local contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

Sec. 703. From the funds appropriated in part 1, the department of state shall sell copies of records including, but not limited to, records of motor vehicles, off-road vehicles, snowmobiles, watercraft, mobile homes, personal identification

cardholders, drivers, and boat operators and shall charge $11.00 per record sold only as authorized in section 208b of the Michigan vehicle code, 1949 PA 300, MCL 257.208b, section 7 of 1972 PA 222, MCL 28.297, and sections 80130, 80315, 81114, and 82156 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.80130, 324.80315, 324.81114, and 324.82156. The revenue received from the sale of records shall be credited to the transportation administration collection fund created under section 810b of the Michigan vehicle code, 1949 PA 300, MCL 257.810b.

Sec. 704. From the funds appropriated in part 1, the secretary of state may enter into agreements with the department of corrections for the manufacture of vehicle registration plates 15 months before the registration year in which the registration plates will be used.

Sec. 705. (1) The department of state may accept gifts, donations, contributions, and grants of money and other property from any private or public source to underwrite, in whole or in part, the cost of a departmental publication that is prepared and disseminated under the Michigan vehicle code, 1949 PA 300, MCL 257.1 to 257.923. A private or public funding source may receive written recognition in the publication and may furnish a traffic safety message, subject to departmental approval, for inclusion in the publication. The department may reject a gift, donation, contribution, or grant. The department may furnish copies of a publication underwritten, in whole or in part, by a private source to the underwriter at no charge.

(2) The department of state may sell and accept paid

1 advertising for placement in a departmental publication that is
2 prepared and disseminated under the Michigan vehicle code, 1949 PA
3 300, MCL 257.1 to 257.923. The department may charge and receive a
4 fee for any advertisement appearing in a departmental publication
5 and shall review and approve the content of each advertisement. The
6 department may refuse to accept advertising from any person or
7 organization. The department may furnish a reasonable number of
8 copies of a publication to an advertiser at no charge.
9 (3) Pending expenditure, the funds received under this section
10 shall be deposited in the Michigan department of state publications
11 fund created by section 211 of the Michigan vehicle code, 1949 PA
12 300, MCL 257.211. Funds given, donated, or contributed to the
13 department from a private source are appropriated and allocated for
14 the purpose for which the revenue is furnished. Funds granted to
15 the department from a public source are allocated and may be
16 expended upon receipt. The department shall not accept a gift,
17 donation, contribution, or grant if receipt is conditioned upon a
18 commitment of state funding at a future date. Revenue received from
19 the sale of advertising is appropriated and may be expended upon
20 receipt.
21 (4) Any unexpended revenues received under this section shall
22 be carried over into subsequent fiscal years and shall be available
23 for appropriation for the purposes described in this section.
24 (5) On March 1 of each year, the department of state shall
25 file a report with the senate and house of representatives standing
26 committees on appropriations, the senate and house fiscal agencies,
27 and the state budget director. The report shall include all of the

following information:

(a) The amount of gifts, contributions, donations, and grants of money received by the department under this section for the prior fiscal year.

(b) A listing of the expenditures made from the amounts received by the department as reported in subdivision (a).

(c) A listing of any gift, donation, contribution, or grant of property other than funding received by the department under this section for the prior year.

(d) The total revenue received from the sale of paid advertising accepted under this section and a statement of the total number of advertising transactions.

(6) In addition to copies delivered without charge as the secretary of state considers necessary, the department of state may sell copies of manuals and other publications regarding the sale, ownership, or operation or regulation of motor vehicles, with amendments, at prices to be established by the secretary of state. As used in this subsection, the term "manuals and other publications" includes videos and proprietary electronic publications. All funds received from sales of these manuals and other publications shall be credited to the Michigan department of state publications fund.

Sec. 707. Funds collected by the department of state under section 211 of the Michigan vehicle code, 1949 PA 300, MCL 257.211, are appropriated for all expenses necessary to provide for the costs of the publication. Funds are allotted for expenditure when they are received by the department of treasury and shall not lapse

to the general fund at the end of the fiscal year.

Sec. 708. From the funds appropriated in part 1, the department of state shall use available balances at the end of the state fiscal year to provide payment to the department of state police in the amount of $332,000.00 for the services provided by the traffic accident records program as first appropriated in 1990 PA 196 and 1990 PA 208.

Sec. 709. From the funds appropriated in part 1, the department of state may restrict funds from miscellaneous revenue to cover cash shortages created from normal branch office operations. This amount shall not exceed $50,000.00 of the total funds available in miscellaneous revenue.

Sec. 710. (1) Commemorative and specialty license plate fee revenue collected by the department of state and deposited into the transportation administration collection fund created in section 810b of the Michigan vehicle code, 1949 PA 300, MCL 257.810b, is authorized for expenditure up to the amount of revenue collected but not to exceed the amount appropriated to the department of state in part 1 to administer commemorative and specialty license plate programs.

(2) Commemorative and specialty license plate fee revenue collected by the department of state and deposited in the transportation administration collection fund created in section 810b of the Michigan vehicle code, 1949 PA 300, MCL 257.810b, in addition to the amount appropriated in part 1 to the department of state, shall remain in the transportation administration collection fund created in section 810b of the Michigan vehicle code, 1949 PA

300, MCL 257.810b, and be available for future appropriation.

Sec. 711. Collector plate and fund-raising registration plate revenues collected by the department of state are appropriated and allotted for distribution to the recipient university or public or private agency overseeing a state-sponsored goal when received. Distributions shall occur on a quarterly basis or as otherwise authorized by law. Any revenues remaining at the end of the fiscal year shall not lapse to the general fund but shall remain available for distribution to the university or agency in the next fiscal year.

Sec. 712. The department of state may produce and sell copies of a training video designed to inform registered automotive repair facilities of their obligations under Michigan law. The price shall not exceed the cost of production and distribution. The money received from the sale of training videos shall revert to the department of state and be placed in the auto repair facility account.

Sec. 713. (1) The department of state, in collaboration with the gift of life transplantation society or its successor federally designated organ procurement organization, may develop and administer a public information campaign concerning the Michigan organ donor program.

(2) The department of state may solicit funds from any private or public source to underwrite, in whole or in part, the public information campaign authorized by this section. The department may accept gifts, donations, contributions, and grants of money and other property from private and public sources for this purpose. A

private or public funding source underwriting the public information campaign, in whole or in substantial part, shall receive sponsorship credit for its financial backing.

(3) Funds received under this section, including grants from state and federal agencies, shall not lapse to the general fund at the end of the fiscal year but shall remain available for expenditure for the purposes described in this section.

(4) Funding appropriated in part 1 for the organ donor program shall be used for producing a pamphlet to be distributed with driver licenses and personal identification cards regarding organ donations. The funds shall be used to update and print a pamphlet that will explain the organ donor program and encourage people to become donors by marking a checkoff on driver license and personal identification card applications.

(5) The pamphlet shall include a return reply form addressed to the gift of life organization. Funding appropriated in part 1 for the organ donor program shall be used to pay for return postage costs.

(6) In addition to the appropriations in part 1, the department of state may receive and expend funds from the organ and tissue donation education fund for administrative expenses.

Sec. 714. (1) Except as otherwise provided under subsection (2), at least 180 days before closing a branch office or consolidating a branch office and at least 60 days before relocating a branch office, the department of state shall inform members of the senate and house of representatives standing committees on appropriations and legislators who represent affected

areas regarding the details of the proposal. The information provided shall be in written form and include all analyses done regarding criteria for changes in the location of branch offices, including, but not limited to, branch transactions, revenue, and the impact on citizens of the affected area. The impact on citizens shall include information regarding additional distance to branch office locations resulting from the plan. The written notice provided by the department of state shall also include detailed estimates of costs and savings that will result from the overall changes made to the branch office structure and the same level of detail regarding costs for new leased facilities and expansions of current leased space.

(2) If the consolidation of a branch office is with another branch office that is located within the same local unit of government or the relocation of a branch office is to another location that is located within the same local unit of government, the department of state is not required to provide the notification or written information described in subsection (1).

(3) As used in this section, "local unit of government" means a city, village, township, or county.

Sec. 715. (1) Any service assessment collected by the department of state from the user of a credit or debit card under section 3 of 1995 PA 144, MCL 11.23, may be used by the department for necessary expenses related to that service and may be remitted to a credit or debit card company, bank, or other financial institution.

(2) The service assessment imposed by the department of state

for credit and debit card services may be based either on a percentage of each individual credit or debit card transaction, or on a flat rate per transaction, or both, scaled to the amount of the transaction. However, the department shall not charge any amount for a service assessment which exceeds the costs billable to the department for service assessments.

(3) If there is a balance of service assessments received from credit and debit card services remaining on September 30, the balance may be carried forward to the following fiscal year and appropriated for the same purpose.

(4) As used in this section, "service assessment" means and includes costs associated with service fees imposed by credit and debit card companies and processing fees imposed by banks and other financial institutions.

Sec. 716b. The department of state shall provide a report that calculates the total amount of funds expended for the business application modernization project to date from the inception of the program. The report shall contain information on the original start and completion dates for the project, the original cost to complete the project, and a listing of all revisions to project completion dates and costs. The report shall include the total amount of funds paid to the state by the contract provider for penalties. The report shall be submitted to the senate and house of representatives standing committees on appropriations, the senate and house fiscal agencies, and the state budget director by January 1.

Sec. 717. (1) The department of state may accept nonmonetary

gifts, donations, or contributions of property from any private or public source to support, in whole or in part, the operation of a departmental function relating to licensing, regulation, or safety. The department may recognize a private or public contributor for making the contribution. The department may reject a gift, donation, or contribution.

(2) The department of state shall not accept a gift, donation, or contribution under subsection (1) if receipt of the gift, donation, or contribution is conditioned upon a commitment of future state funding.

(3) On March 1 of each year, the department of state shall file a report with the senate and house of representatives standing committees on appropriations, the senate and house fiscal agencies, and the state budget director. The report shall list any gift, donation, or contribution received by the department under subsection (1) for the prior calendar year.

Sec. 718. From the funds appropriated in part 1 to the department of state, branch operations, the department shall maintain a full service secretary of state branch office in Buena Vista Township.

Sec. 721. From the funds appropriated in part 1, the department of state may collect ATM commission fees from companies that have ATMs located in secretary of state branch offices. The commission received from the use of these ATMs shall be credited to the transportation administration collection fund created under section 810b of the Michigan vehicle code, 1949 PA 300, MCL 257.810b.

Sec. 722. (1) From the increased funds appropriated in part 1 for information technology services and projects, the department of state shall establish a legacy modernization project beginning in the current fiscal year. The purpose of this program expansion is modernization of the entire system and removal of existing programs from the legacy mainframes.

(2) The department of state shall provide a report on the status of the legacy modernization project that includes, but is not limited to, itemization of all expenditures made on behalf of the project, anticipated completion date of the project, time frame of each phase of the project, the cost of the project, the number of employees assigned to implement each phase of the project, the contracts entered into for the project, anticipated overall cost of the project, and any other information the department considers necessary. The plan shall be distributed to the senate and house of representatives standing committees on appropriations subcommittees on general government, as well as the senate and house fiscal agencies, and the state budget director by January 1.

Sec. 723. From the increased funds appropriated in part 1 for elections administration and services, the department of state shall establish funding available for the replacement of voting machines. The purpose of this program expansion is replacement of existing voting machines in the local jurisdictions.

Sec. 725. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2017 are $31,874,100.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at

$17,673,400.00. Total agency appropriations for retiree health care legacy costs are estimated at $14,200,700.00.

DEPARTMENT OF TECHNOLOGY, MANAGEMENT, AND BUDGET

Sec. 801. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $4,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

(3) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $150,000.00 for local contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

1 MCL 18.1393.

2 Sec. 802. Proceeds in excess of necessary costs incurred in
3 the conduct of transfers or auctions of state surplus, salvage, or
4 scrap property made pursuant to section 267 of the management and
5 budget act, 1984 PA 431, MCL 18.1267, are appropriated to the
6 department of technology, management, and budget to offset costs
7 incurred in the acquisition and distribution of federal surplus
8 property. The department of technology, management, and budget
9 shall provide consolidated Internet auction services through the
10 state's contractors for all local units of government.

11 Sec. 803. (1) The department of technology, management, and
12 budget may receive and expend funds in addition to those authorized
13 by part 1 for maintenance and operation services provided
14 specifically to other principal executive departments or state
15 agencies, the legislative branch, the judicial branch, or private
16 tenants, or provided in connection with facilities transferred to
17 the operational jurisdiction of the department of technology,
18 management, and budget.

19 (2) The department of technology, management, and budget may
20 receive and expend funds in addition to those authorized by part 1
21 for real estate, architectural, design, and engineering services
22 provided specifically to other principal executive departments or
23 state agencies, the legislative branch, the judicial branch, or
24 private tenants.

25 (3) The department of technology, management, and budget may
26 receive and expend funds in addition to those authorized in part 1
27 for mail pickup and delivery services provided specifically to

other principal executive departments and state agencies, the legislative branch, or the judicial branch.

(4) The department of technology, management, and budget may receive and expend funds in addition to those authorized in part 1 for purchasing services provided specifically to other principal executive departments and state agencies, the legislative branch, or the judicial branch.

Sec. 804. (1) The source of financing in part 1 for statewide appropriations shall be funded by assessments against longevity and insurance appropriations throughout state government in a manner prescribed by the department of technology, management, and budget. Funds shall be used as specified in joint labor/management agreements or through the coordinated compensation hearings process. Any deposits made under this subsection and any unencumbered funds are restricted revenues, may be carried over into the succeeding fiscal years, and are appropriated.

(2) In addition to the funds appropriated in part 1 for statewide appropriations, the department of technology, management, and budget may receive and expend funds in such additional amounts as may be specified in joint labor/management agreements or through the coordinated compensation hearings process in the same manner and subject to the same conditions as prescribed in subsection (1).

Sec. 805. To the extent a specific appropriation is required for a detailed source of financing included in part 1 for the department of technology, management, and budget appropriations financed from special revenue and internal service and pension trust funds, or MAIN user charges, the specific amounts are

appropriated within the special revenue internal service and pension trust funds in portions not to exceed the aggregate amount appropriated in part 1.

Sec. 806. In addition to the funds appropriated in part 1 to the department of technology, management, and budget, the department may receive and expend funds from other principal executive departments and state agencies to implement administrative leave bank transfer provisions as may be specified in joint labor/management agreements. The amounts may also be transferred to other principal executive departments and state agencies under the joint agreement and any amounts transferred under the joint agreement are authorized for receipt and expenditure by the receiving principal executive department or state agency. Any amounts received by the department of technology, management, and budget under this section and intended, under the joint labor/management agreements, to be available for use beyond the close of the fiscal year and any unencumbered funds may be carried over into the succeeding fiscal year.

Sec. 807. The source of financing in part 1 for the Michigan administrative information network shall be funded by proportionate charges assessed against the respective state funds benefiting from this project in the amounts determined by the department.

Sec. 808. (1) Deposits against the interdepartmental grant from building occupancy and parking charges appropriated in part 1 shall be collected, in part, from state agencies, the legislative branch, and the judicial branch based on estimated costs associated with maintenance and operation of buildings managed by the

department of technology, management, and budget. To the extent excess revenues are collected due to estimates of building occupancy charges exceeding actual costs, the excess revenues may be carried forward into succeeding fiscal years for the purpose of returning funds to state agencies.

(2) Appropriations in part 1 to the department of technology, management, and budget, for management and budget services from building occupancy charges and parking charges, may be increased to return excess revenue collected to state agencies.

Sec. 809. On a quarterly basis, the department of technology, management, and budget shall notify the chairpersons of the senate and house of representatives standing committees on appropriations and the chairpersons of the senate and house of representatives standing committees on appropriations subcommittees on general government on any revisions that increase or decrease current contracts by more than $500,000.00 for computer software development, hardware acquisition, or quality assurance.

Sec. 810. The department of technology, management, and budget shall maintain an Internet website that contains notice of all invitations for bids and requests for proposals over $50,000.00 issued by the department or by any state agency operating under delegated authority. The department shall not accept an invitation for bid or request for proposal in less than 14 days after the notice is made available on the Internet website, except in situations where it would be in the best interest of the state and documented by the department. In addition to the requirements of this section, the department may advertise the invitations for bids

and requests for proposals in any manner the department determines appropriate, in order to give the greatest number of individuals and businesses the opportunity to make bids or requests for proposals.

Sec. 811. The department of technology, management, and budget may receive and expend funds from the Vietnam veterans memorial monument fund as provided in the Michigan Vietnam veterans memorial act, 1988 PA 234, MCL 35.1051 to 35.1057. Funds are appropriated and allocated when received and may be expended upon receipt.

Sec. 812. The Michigan veterans' memorial park commission may receive and expend money from any source, public or private, including, but not limited to, gifts, grants, donations of money, and government appropriations, for the purposes described in Executive Order No. 2001-10. Funds are appropriated and allocated when received and may be expended upon receipt. Any deposits made under this section and unencumbered funds are restricted revenues and may be carried over into succeeding fiscal years.

Sec. 813. (1) Funds in part 1 for motor vehicle fleet are appropriated to the department of technology, management, and budget for administration and for the acquisition, lease, operation, maintenance, repair, replacement, and disposal of state motor vehicles.

(2) The appropriation in part 1 for motor vehicle fleet shall be funded by revenue from rates charged to principal executive departments and agencies for utilizing vehicle travel services provided by the department. Revenue in excess of the amount appropriated in part 1 from the motor transport fund and any

unencumbered funds are restricted revenues and may be carried over into the succeeding fiscal year.

(3) Pursuant to the department of technology, management, and budget's authority under sections 213 and 215 of the management and budget act, 1984 PA 431, MCL 18.1213 and 18.1215, the department shall maintain a plan regarding the operation of the motor vehicle fleet. The plan shall include the number of vehicles assigned to, or authorized for use by, state departments and agencies, efforts to reduce travel expenditures, the number of cars in the motor vehicle fleet, the number of miles driven by fleet vehicles, and the number of gallons of fuel consumed by fleet vehicles. The plan shall include a calculation of the amount of state motor vehicle fuel taxes that would have been incurred by fleet vehicles if fleet vehicles were required by law to pay motor fuel taxes. The plan shall include a description of fleet garage operations, the goods sold and services provided by the fleet garage, the cost to operate the fleet garage, the number of fleet garage locations, and the number of employees assigned to each fleet garage. The plan may be adjusted during the fiscal year based on needs and cost savings to achieve the maximum value and efficiency from the state motor fleet. Within 60 days after the close of the fiscal year, the department shall provide a report to the senate and house of representatives standing committees on appropriations, the senate and house fiscal agencies, and the state budget director detailing the current plan and changes made to the plan during the fiscal year.

(4) The department of technology, management, and budget may

1 charge state agencies for fuel cost increases that exceed $3.04 per
2 gallon of unleaded gasoline. The department shall notify state
3 agencies, in writing or by electronic mail, at least 30 days before
4 implementing additional charges for fuel cost increases. Revenues
5 received from these charges are appropriated upon receipt.
6 (5) The state budget director, upon notification to the senate
7 and house of representatives standing committees on appropriations,
8 may adjust spending authorization and the IDG from motor transport
9 fund in the department of technology, management, and budget in
10 order to ensure that the appropriations for motor vehicle fleet in
11 the department budget equal the expenditures for motor vehicle
12 fleet in the budgets for all executive branch agencies.
13 Sec. 814. The department of technology, management, and budget
14 shall develop a plan regarding the use of the funds appropriated in
15 part 1 for the enterprisewide information technology investment
16 projects. The plan shall include, but not be limited to, a
17 description of proposed information technology investment projects,
18 the time frame for completion of the information technology
19 investment projects, the proposed cost of the information
20 technology investment projects, the number of employees assigned to
21 implement each information technology investment project, the
22 contracts entered into for each information technology investment
23 project, and any other information the department deems necessary.
24 The plan shall be distributed to the senate and house of
25 representatives standing committees on appropriations subcommittees
26 on general government, as well as the senate and house fiscal
27 agencies, and the state budget director on a quarterly basis. The

1 submitted plan shall also include anticipated spending reductions
2 or overages for each of the proposed information technology
3 investment projects. The department of technology, management, and
4 budget shall notify the senate and house of representatives
5 standing committees on appropriations subcommittees on general
6 government, the senate and house fiscal agencies, and the state
7 budget director when a project funded under an information
8 technology investment project line item in part 1 is expected to
9 require a transfer of dollars from another project in excess of
10 $500,000.00.
11 Sec. 814a. The funds appropriated in part 1 for information
12 technology investment projects shall be used for the modernization
13 of state information technology systems, improvement of the state's
14 cyber security framework, and to achieve efficiencies.
15 Sec. 816. An RFP issued for the purpose of privatization shall
16 include all factors used in evaluating and determining price.
17 Sec. 818. In addition to the funds appropriated in part 1, the
18 department of technology, management, and budget may receive and
19 expend money from the Michigan law enforcement officers memorial
20 monument fund as provided in the Michigan law enforcement officers
21 memorial act, 2004 PA 177, MCL 28.781 to 28.787.
22 Sec. 820. The department shall make available to the public a
23 list of all parcels of real property owned by the state that are
24 available for purchase. The list shall be posted on the Internet
25 through the department's website.
26 Sec. 821. The department of technology, management, and budget
27 shall annually update the office space consolidation project plan,

including the use of the funds appropriated pursuant to 2012 PA 200 for the space consolidation fund. By February 15, the department shall report to the senate and house of representatives committees on appropriations subcommittees on general government and the senate and house fiscal agencies on the revised plan and plan implementation. The report shall include, but is not limited to, the description of the proposed office space to be consolidated, the time frame for completion of the office space consolidation, the proposed itemized cost of the office space consolidation, the number of employees assigned to implement the office space consolidation, the contracts entered into for the office space consolidation, information on completed projects, anticipated savings, savings achieved, and any other information the department deems necessary.

Sec. 822. The department of technology, management, and budget shall compile a report by January 1 pertaining to the salaries of unclassified employees, as well as gubernatorial appointees, within all state departments and agencies. The report shall enumerate each unclassified employee and gubernatorial appointee and his or her annual salary individually. The report shall be distributed to the chairs of the senate and house of representatives standing committees on appropriations subcommittees on general government, as well as the senate and house fiscal agencies and be made available electronically.

Sec. 822b. (1) A public-private partnership investment fund is created in MDTMB. Subject to subsections (2) and (3), public-private partnership investments shall include, but are not limited

to, all of the following:

(a) Capital asset improvements including buildings, land, or structures.

(b) Energy resource exploration, extraction, generation, and sales.

(c) Financial and investment incentive opportunities.

(d) Infrastructure construction, maintenance, and operation.

(e) Public-private sector joint ventures that provide economic benefit to an area or to the state.

(2) Public-private investments shall not include projects, consultant expenses, staff effort, or any other activity related to the development, financing, construction, operation, or implementation of the Detroit River International Crossing or any successor project unless the project is approved by the legislature and signed into law.

(3) The state budget director shall determine whether or not a specific public-private partnership investment opportunity qualifies for funding under subsection (1).

(4) Investment development revenue, including a portion of the proceeds from the sale of any public-private partnership investment designated in subsection (1), shall be deposited into the fund created in subsection (1) and shall be available for administration, development, financing, marketing, and operating expenditures associated with public-private partnerships, unless otherwise provided by law. Public-private partnership investments authorized in subsection (1) are authorized for public or private operation or sale consistent with state law. Expenditures from the

fund are authorized for investment purposes as designated in subsection (1) to enhance the marketable value of each investment. The unencumbered balance remaining in the fund at the end of the fiscal year may be carried forward for appropriation in future years.

(5) An annual report shall be transmitted to the senate and house of representatives standing committees on appropriations, the senate and house fiscal agencies, and the state budget office not later than December 31 of each year. This report shall detail both of the following:

(a) The revenue and expenditure activity in the fund for the preceding fiscal year.

(b) Public-private partnership investments as identified under subsection (1).

(6) MDTMB shall monitor the revenue deposited in the public-private partnership investment fund created in subsection (1). If the revenue in the fund is insufficient to pay the amount appropriated in part 1 for public-private partnership investment, then MDTMB shall propose a legislative transfer to fund the line from the appropriations in part 1.

Sec. 822c. The funds appropriated in part 1 shall not be used to support any staff effort, projects, consultant expenses, or any other activity related to the development, financing, construction, operation, or implementation of the Detroit River International Crossing or any successor project unless the project is approved by the legislature and signed into law.

Sec. 822d. By December 31, 2015, the department shall provide

a report to the senate and house appropriations subcommittees on general government and the senate and house fiscal agencies that identifies fee and rate schedules to be used by state departments and agencies for services, including information technology, provided by the department during fiscal year 2016-2017. The report shall also identify changes from fees and rates charged in fiscal year 2015-2016 and include an explanation of the factors that justify each fee and rate increase.

Sec. 822e. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2017 are $78,962,000.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at $43,795,600.00. Total agency appropriations for retiree health care legacy costs are estimated at $35,166,400.00.

Sec. 822f. (1) The funds appropriated in part 1 for the regional prosperity initiative are to be used as competitive grants to eligible regional planning organizations qualifying for funding as a regional prosperity collaborative, a regional prosperity council, or a regional prosperity board. A regional planning organization may not qualify for funding under more than 1 category in the same state fiscal year. As used in this section:

(a) "Eligible regional planning organization" means any of the following:

(*i*) An existing regional planning commission created pursuant to 1945 PA 281, MCL 125.11 to 125.25.

(*ii*) An existing regional economic development commission created pursuant to 1966 PA 46, MCL 125.1231 to 125.1237.

(*iii*) An existing metropolitan area council formed pursuant to the metropolitan councils act, 1989 PA 292, MCL 124.651 to 124.729.

(*iv*) A Michigan metropolitan planning organization established pursuant to the moving ahead for progress in the 21st century act, Public Law 112-141.

(b) "Freedom of information act" means the freedom of information act, 5 USC 552.

(c) "Open meetings act" means the open meetings act, 1976 PA 267, MCL 15.261 to 15.275.

(d) "Regional prosperity board" means a regional body that has a singular governing board with representation from private, public, and nonprofit entities engaged in joint decision-making practices for the purpose of creating or maintaining a phase three: regional prosperity plan.

(e) "Regional prosperity collaborative" means any committee developed by a regional planning organization or a metropolitan planning organization that serves to bring organizational representation together from private, public, and nonprofit entities within a region for the purpose of creating or maintaining a phase one: regional prosperity plan.

(f) "Regional prosperity council" means a regional body with representation from private, public, and nonprofit entities with shared administrative services and an executive governing entity, as demonstrated by a formal local agreement or agreements for the purpose of creating or maintaining a phase two: regional prosperity plan.

(2) Regional planning organizations may qualify to receive not

more than $250,000.00 of incentive-based funding as a regional prosperity collaborative subject to meeting all of the following requirements:

(a) The regional prosperity collaborative has created a phase one: regional prosperity plan, as follows:

(*i*) The regional prosperity collaborative must include regional representatives from adult education, workforce development, community development, economic development, transportation, and higher education organizations.

(*ii*) The plan is required, at a minimum, to include a 5-year plan focused on economic growth and vitality for the region, as well as a performance dashboard and measurable annual goals to support the 5-year plan.

(*iii*) The 5-year plan shall address regional strategies related to adult education, workforce development, economic development, transportation, higher education, and business development.

(*iv*) The regional prosperity collaborative shall adopt the plan by a minimum 2/3 majority vote of its members.

(b) The regional prosperity collaborative adheres to accountability and transparency measures required in the open meetings act and the freedom of information act.

(c) The regional prosperity collaborative convenes monthly meetings, open to the public, to consider and discuss issues leading to a common vision of economic prosperity for the region, including, but not limited to, community development, economic development, talent, and infrastructure opportunities.

(d) The regional prosperity collaborative makes available on the grant recipient's publicly accessible Internet site pertinent documents, including, but not limited to, monthly meeting agendas, minutes of monthly meetings, voting records, and the regional prosperity plan and performance dashboard.

(e) The regional prosperity collaborative keeps a status report detailing the spending associated with previous regional prosperity initiative grants. Organizations that have successfully received grant awards in previous fiscal years shall be required to make available to the department and on a publicly accessible Internet site information regarding the use of those grant dollars.

(3) Regional planning organizations eligible to receive a payment as a regional prosperity collaborative under subsection (2) may qualify to receive a 1-time grant of not more than $75,000.00 to produce a plan to transform the regional prosperity collaborative into a regional prosperity council or regional prosperity board, including necessary local formal agreements, to make recommendations that eliminate duplicative efforts and administrative functions, and to leverage resources through cooperation, collaboration, and consolidations of organizations or programs throughout the region. Plans produced to transform the regional prosperity collaborative into a regional prosperity council or regional prosperity board shall be made available on the grant recipient's publicly accessible Internet site.

(4) Regional planning organizations may qualify to receive not more than $375,000.00 of incentive-based funding as a regional prosperity council subject to meeting all of the following

requirements:

(a) A regional prosperity council has been formed and includes regional representatives from adult education, workforce development, community development, economic development, transportation, and higher education organizations.

(b) An eligible regional prosperity council will demonstrate shared administrative services between 2 public regional entities included in subdivision (a). In addition, the council must have and maintain an executive governing entity, as demonstrated by a formal local agreement or agreements.

(c) The regional prosperity council has created a phase two: regional prosperity plan, as follows:

(*i*) The regional prosperity council shall identify opportunities for shared administrative services and decision-making among the private, public, and nonprofit entities within the region and shall continue collaboration with regional prosperity council members, including, but not limited to, representatives from adult education providers, workforce development agencies, community development agencies, economic development agencies, transportation service providers, and higher education institutions.

(*ii*) The plan is required to include, but is not limited to, all of the following:

(A) A status report of the approved 5-year plan.

(B) The addition of a 10-year plan for the region which builds upon prior work and is focused on economic growth and vitality in the region.

(C) A prioritized list of regional projects.

(D) A performance dashboard with measurable annual goals.

(*iii*) The regional prosperity council shall adopt the plan by a minimum 2/3 vote of its members.

(d) The regional prosperity council adheres to accountability and transparency measures required in the open meetings act and the freedom of information act.

(e) The regional prosperity council convenes monthly meetings, open to the public, to consider and discuss issues leading to a common vision of economic prosperity for the region, including, but not limited to, community development, economic development, talent, and infrastructure opportunities.

(f) The regional prosperity council makes available on the grant recipient's publicly accessible Internet site pertinent documents, including, but not limited to, monthly meeting agendas, minutes of monthly meetings, voting records, and the regional prosperity plan and performance dashboard.

(g) The regional prosperity council keeps a status report detailing the spending associated with previous regional prosperity initiative grants. Organizations that have successfully received grant awards in previous fiscal years shall be required to make available to the department and on a publicly accessible Internet site information regarding the use of those grant dollars.

(5) Regional planning organizations eligible to receive a payment as a regional prosperity council under subsection (4) may qualify to receive a 1-time grant of not more than $75,000.00 to produce a plan to transform the regional prosperity council into a

regional prosperity board, including a singular private/public governance structure that comports with federal guidelines for governance under the workforce investment act, Public Law 105-220, the moving ahead for progress in the 21st century act, Public Law 112-141, the economic development administration and Appalachian regional development reform act of 1998, Public Law 105-393, and recommendations to eliminate duplicative efforts, administrative functions, and leverage resources through cooperation, collaboration, and consolidations of organizations or programs throughout the region.

(6) Regional planning organizations may qualify to receive not more than $500,000.00 of incentive-based funding as a regional prosperity board subject to meeting all of the following requirements:

(a) The regional prosperity board has been formed and, at a minimum, must demonstrate the consolidation of a regional metropolitan planning organization, where one exists, state designated regional planning agency boards, workforce development boards, and federally designated regional economic development districts within a region.

(b) The regional prosperity board has created a phase three: regional prosperity plan, as follows:

(*i*) The regional prosperity board shall create a regional services recommendations report prioritizing the list of state-funded services and programs provided to the region, and recommendations for state-regional partnerships to support the adopted regional prosperity plan.

(*ii*) The plan is required to include a status report of the approved 10-year plan for the creation of an updated regional prosperity plan.

(*iii*) The regional prosperity board shall adopt the plan by a minimum 2/3 vote of its members.

(c) The regional prosperity board adheres to accountability and transparency measures required in the open meetings act and the freedom of information act.

(d) The regional prosperity board convenes monthly meetings, open to the public, to consider and discuss issues leading to a common vision of economic prosperity for the region, including, but not limited to, community development, economic development, talent, and infrastructure opportunities.

(e) The regional prosperity board makes available on the grant recipient's publicly accessible Internet site pertinent documents, including, but not limited to, monthly meeting agendas, minutes of monthly meetings, voting records, and the regional prosperity plan and performance dashboard.

(7) Regional planning organizations eligible to receive a payment as a regional prosperity board under subsection (6) may qualify to receive not more than $125,000.00, to implement the prioritized regional prosperity plan projects.

(8) Regional planning organizations eligible to receive a payment as a regional prosperity collaborative, board, or council may partner with other eligible regional planning organizations to submit joint applications. In the instance of a joint application, 1 regional planning organization shall be utilized as the overall

1 applicant. The department may award a joint application award of no
2 greater than the sum of potential application dollars which would
3 have otherwise been available through individual applications.
4 (9) The department shall develop an application process and
5 method of grant distribution for the regional prosperity
6 initiative. Funding applications from regional planning
7 organizations shall be due to the department by December 1, 2016.
8 The department shall notify regional planning organizations of
9 grant application status by January 1, 2017. The department shall
10 ensure that processes are established to verify that qualifying
11 regional planning organizations meet the requirements under
12 subsections (2), (3), (4), (5), (6), and (7), as applicable.
13 (10) Unexpended funds appropriated in part 1 for the regional
14 prosperity initiative are designated as work project
15 appropriations, and any unencumbered or unallotted funds shall not
16 lapse at the end of the fiscal year and shall be available for
17 expenditure for regional prosperity initiative projects under this
18 section until the projects have been completed. The following is in
19 compliance with section 451a of the management and budget act, 1984
20 PA 431, MCL 18.1451a:
21 (a) The purpose of the projects is to provide incentive-based
22 grants to recipients under this section.
23 (b) The projects will be accomplished by grants to qualified
24 regional planning organizations.
25 (c) The total estimated cost of all projects is $2,500,000.00.
26 (d) The estimated completion date is September 30, 2021.
27 Sec. 822g. The department of technology, management, and

budget shall report by April 1 to the senate and house appropriations subcommittees on general government and the senate and house fiscal agencies on legal service fund expenditures. The report shall itemize expenditures by case, purpose, and department involved.

Sec. 822h. (1) The department of technology, management, and budget shall report by April 15 to the senate and house appropriations subcommittees on general government and the senate and house fiscal agencies on the expenditures for the office of urban initiatives. The report shall provide information detailing the economic impact and job growth initiatives for each urban and metropolitan area receiving funds under part 1. The report shall also provide information detailing the initiatives undertaken in each urban or metropolitan area receiving funds under part 1, including, but not limited to, all of the following:

(a) Transportation and infrastructure.

(b) Public services.

(c) Land use and sustainability.

(d) Housing.

(e) Workforce and economic development.

(2) Any unencumbered and unexpended funds appropriated to the office of urban initiatives in the previous fiscal year shall lapse to the general fund on October 1.

Sec. 822i. (1) From the funds appropriated in part 1, the department shall assure all of the following:

(a) That public schools that are placed in the state school reform/redesign school district or under a chief executive officer

under section 1280c of the revised school code, 1976 PA 451, MCL 380.1280c, remain in compliance with all applicable state and federal law concerning special education.

(b) That students at public schools described in subdivision (a) with individualized education programs are afforded special education services in accordance with applicable state and federal law concerning special education.

(2) The department shall report to the legislature on the number of students in public schools described in subsection (1)(a) who have an individualized education program and the performance results of those students after the change in governance of the public school.

Sec. 822j. From the funds appropriated in part 1 for the office of good government, the department of technology, management, and budget shall expand the scope of the office of good government. The purpose of this program expansion is to broaden the office's support of transformative good government initiatives related to employee engagement and process improvement.

INFORMATION TECHNOLOGY

Sec. 823. (1) The department of technology, management, and budget may sell and accept paid advertising for placement on any state website under its jurisdiction. The department shall review and approve the content of each advertisement. The department may refuse to accept advertising from any person or organization or require modification to advertisements based upon criteria determined by the department. Revenue received under this

subsection shall be used for operating costs of the department and for future technology enhancements to state of Michigan e-government initiatives. Funds received under this subsection shall be limited to $250,000.00. Any funds in excess of $250,000.00 shall be deposited in the state general fund.

(2) The department of technology, management, and budget may accept gifts, donations, contributions, bequests, and grants of money from any public or private source to assist with the underwriting or sponsorship of state webpages or services offered on those webpages. A private or public funding source may receive recognition in the webpage. The department of technology, management, and budget may reject any gift, donation, contribution, bequest, or grant.

(3) Funds accepted by the department of technology, management, and budget under subsection (1) or (2) are appropriated and allotted when received and may be expended upon approval of the state budget director. The state budget office shall notify the senate and house of representatives standing committees on appropriations subcommittees on general government and the senate and house fiscal agencies within 10 days after the approval is given.

Sec. 824. The department of technology, management, and budget may enter into agreements to supply spatial information and technical services to other principal executive departments, state agencies, local units of government, and other organizations. The department of technology, management, and budget may receive and expend funds in addition to those authorized in part 1 for

1 providing information and technical services, publications, maps,
2 and other products. The department of technology, management, and
3 budget may expend amounts received for salaries, supplies, and
4 equipment necessary to provide informational products and technical
5 services. Prior to December 1 of each year, the department shall
6 provide a report to the senate and house of representatives
7 standing committees on appropriations subcommittees on general
8 government and the state budget director detailing the sources of
9 funding and expenditures made under this section.
10 Sec. 825. The legislature shall have access to all historical
11 and current data contained within MAIN pertaining to state
12 departments. State departments shall have access to all historical
13 and current data contained within MAIN.
14 Sec. 826. When used in this part and part 1, "information
15 technology services" means services involving all aspects of
16 managing and processing information, including, but not limited to,
17 all of the following:
18 (a) Application and mobile development and maintenance.
19 (b) Desktop computer support and management.
20 (c) Cyber security.
21 (d) Social media.
22 (e) Mainframe computer support and management.
23 (f) Server support and management.
24 (g) Local area network support and management, including, but
25 not limited to, wired and wireless network build-out, support, and
26 management.
27 (h) Information technology project management.

(i) Information technology planning and budget management.

(j) Telecommunication services, infrastructure, and support.

Sec. 827. (1) Funds appropriated in part 1 for the Michigan public safety communications system shall be expended upon approval of an expenditure plan by the state budget director.

(2) The department of technology, management, and budget shall assess all subscribers of the Michigan public safety communications system reasonable access and maintenance fees and deposit the fees in the Michigan public safety communications system.

(3) All money received by the department of technology, management, and budget under this section shall be expended for the support and maintenance of the Michigan public safety communications system.

(4) The department of technology, management, and budget shall provide a report to the senate and house of representatives standing committees on appropriations, the senate and house fiscal agencies, and the state budget director on April 15, indicating the amount of revenue collected under this section and expended for support and maintenance of the Michigan public safety communications system for the immediately preceding 6-month period. Any deposits made under this section and unencumbered funds are restricted revenues and shall be carried forward into succeeding fiscal years.

Sec. 828. The department of technology, management, and budget shall submit a report for the immediately preceding fiscal year ending September 30 to the senate and house of representatives standing committees on appropriations subcommittees on general

1 government and the senate and house fiscal agencies by March 1. The
2 report shall include the following:
3 (a) The total amount of funding appropriated for information
4 technology services and projects, by funding source, for all
5 principal executive departments and agencies.
6 (b) A listing of the expenditures made from the amounts
7 received by the department of technology, management, and budget as
8 reported in subdivision (a).
9 Sec. 829. The department of technology, management, and budget
10 shall provide a report that analyzes and makes recommendations on
11 the life-cycle of information technology hardware and software. The
12 report shall be submitted to the senate and house of
13 representatives standing committees on appropriations subcommittees
14 on general government and the senate and house fiscal agencies by
15 March 1.
16 Sec. 830. By December 31, the department shall provide a
17 report that lists all information technology-related change orders
18 and follow-on contracts, greater than $50,000.00, whether they are
19 bid, exercise options, or no-bid, and the amount of each change
20 order or contract extension contract entered into by the department
21 to the senate and house of representatives standing committees on
22 appropriations subcommittees on general government, the senate and
23 house fiscal agencies, and the state budget director.
24 Sec. 831. (1) The information, communications, and technology
25 innovation fund, established pursuant to 2011 PA 63, 2012 PA 200,
26 and 2013 PA 59, shall be administered by the department of
27 technology, management, and budget for the purpose of providing a

1 revolving, self-sustaining resource for financing information,
2 communications, and technology innovation projects. From the funds
3 appropriated to the information, communications, and technology
4 innovation fund by 2011 PA 63, 2012 PA 200, and 2013 PA 59, or
5 received by the information, communications, and technology
6 innovation fund under subsections (2) and (3), the department of
7 technology, management, and budget may issue loans to state
8 agencies, local units of government, colleges and universities in
9 this state, school districts, other public entities that provide
10 public sector services, and nonprofit organizations that provide
11 public sector services, as determined by the department of
12 technology, management, and budget in support of information,
13 communications, and technology innovation projects.
14 (2) In addition to funds appropriated by 2011 PA 63, 2012 PA
15 200, and 2013 PA 59, the information, communications, and
16 technology innovation fund may accept contributions, gifts,
17 bequests, devises, grants, and donations.
18 (3) In addition to the funds appropriated by 2011 PA 63, 2012
19 PA 200, and 2013 PA 59, money received by the department of
20 technology, management, and budget as repayment of information,
21 communications, and technology innovation project loans, or other
22 reimbursement or revenue received by the department of technology,
23 management, and budget as a result of information, communications,
24 and technology innovation project loans, interest earned on that
25 money, or subsection (2) revenue, shall be deposited in the
26 information, communications, and technology innovation fund and is
27 appropriated for information, communications, and technology

1 innovation fund projects described in subsection (1). At the close
2 of the fiscal year, any unencumbered funds remaining in the
3 information, communications, and technology innovation fund shall
4 remain in the fund and be carried forward into the succeeding
5 fiscal year.
6 (4) This section is not effective if legislation is enacted
7 that creates and provides for the administration and use of the
8 information, communications, and technology innovation fund.
9 Sec. 832. (1) The department of technology, management, and
10 budget shall inform the senate and house appropriations
11 subcommittees on general government and the senate and house fiscal
12 agencies within 30 days of any potential or actual penalties
13 assessed by the federal government for failure of the Michigan
14 child support enforcement system to achieve certification by the
15 federal government.
16 (2) If potential penalties are assessed by the federal
17 government, the department of technology, management, and budget
18 shall submit a report to the senate and house appropriations
19 subcommittees on general government and the senate and house fiscal
20 agencies within 90 days specifying the department's plans to avoid
21 actual penalties and ensure federal certification of the Michigan
22 child support enforcement system.
23 Sec. 833. (1) The state budget director, upon notification to
24 the senate and house of representatives standing committees on
25 appropriations, may adjust spending authorization and user fees in
26 the department of technology, management, and budget in order to
27 ensure that the appropriations for information technology in the

department budget equal the appropriations for information technology in the budgets for all executive branch agencies.

(2) If during the course of the fiscal year a transfer or supplemental to or from the information technology line item within an agency budget is made under section 393 of the management and budget act, 1984 PA 431, MCL 18.1393, there is appropriated an equal amount of user fees in the department of technology, management, and budget budget to accommodate an increase or decrease in spending authorization.

Sec. 834. (1) Revenue collected from licenses issued under the antenna site management project shall be deposited into the antenna site management revolving fund created for this purpose in the department of technology, management, and budget. The department may receive and expend money from the fund for costs associated with the antenna site management project, including the cost of a third-party site manager. Any excess revenue remaining in the fund at the close of the fiscal year shall be proportionately transferred to the appropriate state restricted funds as designated in statute or by constitution.

(2) An antenna shall not be placed on any site pursuant to this section without complying with the respective local zoning codes and local unit of government processes.

Sec. 835. In addition to the funds appropriated in part 1, the funds collected by the department for supplying census-related information and technical services, publications, statistical studies, population projections and estimates, and other demographic products are appropriated for all expenses necessary to

provide the required services. These funds are available for expenditure when they are received and may be carried forward into the next succeeding fiscal year.

Sec. 836. From the increased funds appropriated in part 1 for the information technology investment fund, the department of technology, management, and budget shall provide for the modernization of state information technology systems, and integrate state system interfaces to improve customer service.

Sec. 837. From the funds appropriated in part 1 for cyber security improvements, the department shall increase cyber security information technology investment projects in the current fiscal year. The purpose of this program expansion will be to provide cyber security enhancements for network security improvements, development of a comprehensive security framework and asset security program, implementation of an enterprise-wide data loss prevention process and governance, risk and compliance program, and development of security dashboards and security reporting processes.

Sec. 839. From the funds appropriated in part 1 for office of retirement services ongoing support of technology, the department shall expand the office of retirement services' information technology capability in the current fiscal year. The purpose of this new program or program expansion is to provide a 90% customer contact satisfaction level.

STATE BUILDING AUTHORITY RENT

Sec. 842. (1) The state building authority rent appropriations

in part 1 may also be expended for the payment of required premiums for insurance on facilities owned by the state building authority or payment of costs that may be incurred as the result of any deductible provisions in such insurance policies.

(2) If the amount appropriated in part 1 for state building authority rent is not sufficient to pay the rent obligations and insurance premiums and deductibles identified in subsection (1) for state building authority projects, there is appropriated from the general fund of the state the amount necessary to pay such obligations.

CIVIL SERVICE COMMISSION

Sec. 850. (1) In accordance with section 5 of article XI of the state constitution of 1963, all restricted funds shall be assessed a sum not less than 1% of the total aggregate payroll paid from those funds for financing the civil service commission on the basis of actual 1% restricted sources total aggregate payroll of the classified service for the preceding fiscal year. This includes, but is not limited to, restricted funds appropriated in part 1 of any appropriations act. Unexpended 1% appropriated funds shall be returned to each 1% fund source at the end of the fiscal year.

(2) The appropriations in part 1 are estimates of actual charges based on payroll appropriations. With the approval of the state budget director, the commission is authorized to adjust financing sources for civil service charges based on actual payroll expenditures, provided that such adjustments do not increase the

1 total appropriation for the civil service commission.
2 (3) The financing from restricted sources shall be credited to
3 the civil service commission by the end of the second fiscal
4 quarter.
5 Sec. 851. Except where specifically appropriated for this
6 purpose, financing from restricted sources shall be credited to the
7 civil service commission. For restricted sources of funding within
8 the general fund that have the legislative authority for carryover,
9 if current spending authorization or revenues are insufficient to
10 accept the charge, the shortage shall be taken from carryforward
11 balances of that funding source. Restricted revenue sources that do
12 not have carryforward authority shall be utilized to satisfy
13 commission operating deducts first and civil service obligations
14 second. General fund dollars are appropriated for any shortfall,
15 pursuant to approval by the state budget director.
16 Sec. 852. The appropriation in part 1 to the civil service
17 commission, for state-sponsored group insurance, flexible spending
18 accounts, and COBRA, represents amounts, in part, included within
19 the various appropriations throughout state government for the
20 current fiscal year to fund the flexible spending account program
21 included within the civil service commission. Deposits against
22 state-sponsored group insurance, flexible spending accounts, and
23 COBRA for the flexible spending account program shall be made from
24 assessments levied during the current fiscal year in a manner
25 prescribed by the civil service commission. Unspent employee
26 contributions to the flexible spending accounts may be used to
27 offset administrative costs for the flexible spending account

1 program, with any remaining balance of unspent employee
2 contributions to be lapsed to the general fund.

3 **CAPITAL OUTLAY**

4 Sec. 860. As used in sections 861 through 867:
5 (a) "Board" means the state administrative board.
6 (b) "Community college" means a community college organized
7 under the community college act of 1966, 1966 PA 331, MCL 389.1 to
8 389.195, or under part 25 of the revised school code, 1976 PA 451,
9 MCL 380.1601 to 380.1607, and does not include a state agency or
10 university.
11 (c) "Department" means the department of technology,
12 management, and budget.
13 (d) "Director" means the director of the department of
14 technology, management, and budget.
15 (e) "Fiscal agencies" means the senate fiscal agency and the
16 house fiscal agency.
17 (f) "State agency" means an agency of state government. State
18 agency does not include a community college or university.
19 (g) "State building authority" means the authority created
20 under 1964 PA 183, MCL 830.411 to 830.425.
21 (h) "University" means a 4-year university supported by the
22 state. University does not include a community college or a state
23 agency.
24 Sec. 861. Each capital outlay project authorized in this part
25 and part 1 or any previous capital outlay act shall comply with the
26 procedures required by the management and budget act, 1984 PA 431,

MCL 18.1101 to 18.1594.

Sec. 862. (1) The department shall provide the JCOS, state budget director, and the senate and house fiscal agencies with reports as considered necessary relative to the status of each planning or construction project financed by the state building authority, by this part and part 1, or by previous acts.

(2) Before the end of each fiscal year, the department shall report to the JCOS, state budget director, and the senate and house fiscal agencies for each capital outlay project other than lump sums all of the following:

(a) The account number and name of each construction project.

(b) The balance remaining in each account.

(c) The date of the last expenditure from the account.

(d) The anticipated date of occupancy if the project is under construction.

(e) The appropriations history for the project.

(f) The professional service contractor.

(g) The amount of the project financed with federal funds.

(h) The amount of the project financed through the state building authority.

(i) The total authorized cost for the project and the state authorized share if different than the total.

(3) Before the end of each fiscal year, the department shall report the following for each project by a state agency, university, or community college that is authorized for planning but is not yet authorized for construction:

(a) The name of the project and account number.

(b) Whether a program statement is approved.

(c) Whether schematics are approved by the department.

(d) Whether preliminary plans are approved by the department.

(e) The name of the professional service contractor.

(4) As used in this section, "project" includes appropriation line items made for purchase of real estate.

Sec. 864. The appropriations in part 1 for capital outlay shall be carried forward at the end of the fiscal year consistent with the provisions of section 248 of the management and budget act, 1984 PA 431, MCL 18.1248.

Sec. 865. (1) A site preparation economic development fund is created in the department. As used in this section, "economic development sites" means those state-owned sites declared as surplus property pursuant to section 251 of the management and budget act, 1984 PA 431, MCL 18.1251, that would provide economic benefit to the area or to the state. The Michigan economic development corporation board and the state budget director shall determine whether or not a specific state-owned site qualifies for inclusion in the fund created under this subsection.

(2) Proceeds from the sale of any sites designated in subsection (1) shall be deposited into the fund created in subsection (1) and shall be available for site preparation expenditures, unless otherwise provided by law. The economic development sites authorized in subsection (1) are authorized for sale consistent with state law. Expenditures from the fund are authorized for site preparation activities that enhance the marketable sale value of the sites. Site preparation activities

include, but are not limited to, demolition, environmental studies and abatement, utility enhancement, and site excavation.

(3) A cash advance in an amount of not more than $25,000,000.00 is authorized from the general fund to the site preparation economic development fund.

(4) An annual report shall be transmitted to the senate and house of representatives standing committees on appropriations not later than December 31 of each year. This report shall detail both of the following:

(a) The revenue and expenditure activity in the fund for the preceding fiscal year.

(b) The sites identified as economic development sites under subsection (1).

Sec. 867. Proceeds from the sale of the Farnum Building shall be subsequently appropriated to the department in accordance with any legislation enacted that authorizes the sale of that property. If the net proceeds from the sale of the Farnum Building are less than the $7,000,000.00 authorized for senate relocation costs in section 896 of article VIII of 2014 PA 252, an amount equal to the difference between the net sale proceeds and $7,000,000.00 shall be appropriated by the legislature to the department.

CAPITAL OUTLAY - UNIVERSITIES AND COMMUNITY COLLEGES

Sec. 873. (1) This section applies only to projects for community colleges.

(2) State support is directed towards the remodeling and additions, special maintenance, or construction of certain

1 community college buildings. The community college shall obtain or
2 provide for site acquisition and initial main utility installation
3 to operate the facility. Funding shall be composed of local and
4 state shares and not more than 50% of a capital outlay project, not
5 including a lump-sum special maintenance project or remodeling and
6 addition project, for a community college shall be appropriated
7 from state and federal funds, unless otherwise appropriated by the
8 legislature.

9 (3) An expenditure under this part and part 1 is authorized
10 when the release of the appropriation is approved by the board upon
11 the recommendation of the director. The director may recommend to
12 the board the release of any appropriation in part 1 only after the
13 director is assured that the legal entity operating the community
14 college to which the appropriation is made has complied with this
15 part and part 1 and has matched the amounts appropriated as
16 required by this part and part 1. A release of funds in part 1
17 shall not exceed 50% of the total cost of planning and construction
18 of any project, not including lump-sum remodeling and additions and
19 special maintenance, unless otherwise appropriated by the
20 legislature. Further planning and construction of a project
21 authorized by this part and part 1 or applicable sections of the
22 management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594,
23 shall be in accordance with the purpose and scope as defined and
24 delineated in the approved program statements and planning
25 documents. This part and part 1 are applicable to all projects for
26 which planning appropriations were made in previous acts.

27 (4) The community college shall take the steps necessary to

1 secure available federal construction and equipment money for
2 projects funded for construction in this part and part 1 if an
3 application was not previously made. If there is a reasonable
4 expectation that a prior year unfunded application may receive
5 federal money in a subsequent year, the college shall take whatever
6 action necessary to keep the application active.
7 Sec. 874. If university and community college matching
8 revenues are received in an amount less than the appropriations for
9 capital projects contained in this part and part 1, the state funds
10 shall be reduced in proportion to the amount of matching revenue
11 received.
12 Sec. 875. (1) The director may require that community colleges
13 and universities that have an authorized project listed in part 1
14 submit documentation regarding the project match and governing
15 board approval of the authorized project not more than 60 days
16 after the beginning of the fiscal year.
17 (2) If the documentation required by the director under
18 subsection (1) is not submitted, or does not adequately
19 authenticate the availability of the project match or board
20 approval of the authorized project, the authorization may
21 terminate. The authorization terminates 30 days after the director
22 notifies the JCOS of the intent to terminate the project unless the
23 JCOS convenes to extend the authorization.

24 **DEPARTMENT OF TREASURY**

25 **OPERATIONS**

26 Sec. 901. (1) In addition to the funds appropriated in part 1,

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

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

(3) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $200,000.00 for local contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(4) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $40,000.00 for private contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

Sec. 902. (1) Amounts needed to pay for interest, fees, principal, mandatory and optional redemptions, arbitrage rebates as required by federal law, and costs associated with the payment, registration, trustee services, credit enhancements, and issuing

costs in excess of the amount appropriated to the department of treasury in part 1 for debt service on notes and bonds that are issued by the state under sections 14, 15, and 16 of article IX of the state constitution of 1963 as implemented by 1967 PA 266, MCL 17.451 to 17.455, are appropriated.

(2) In addition to the amount appropriated to the department of treasury for debt service in part 1, there is appropriated an amount for fiscal year cash-flow borrowing costs to pay for interest on interfund borrowing made under 1967 PA 55, MCL 12.51 to 12.53.

(3) In addition to the amount appropriated to the department of treasury for debt service in part 1, there is appropriated all repayments received by the state on loans made from the school bond loan fund not required to be deposited in the school loan revolving fund by or pursuant to section 4 of 1961 PA 112, MCL 388.984, to the extent determined by the state treasurer, for the payment of debt service, including, without limitation, optional and mandatory redemptions, on bonds, notes or commercial paper issued by the state pursuant to 1961 PA 112, MCL 388.981 to 388.985.

Sec. 902a. The department of treasury shall notify the senate and house of representatives standing committees on appropriations, the senate and house fiscal agencies, and the state budget office not more than 30 days after a refunding or restructuring bond issue is sold. The notification shall compare the annual debt service prior to the refinancing or restructuring, the annual debt service after the refinancing or restructuring, the change in the principal and interest over the duration of the debt, and the projected

1 change in the present value of the debt service due to the
2 refinancing and restructuring.
3 Sec. 903. (1) From the funds appropriated in part 1, the
4 department of treasury may contract with private collection
5 agencies and law firms to collect taxes and other accounts due this
6 state. In addition to the amounts appropriated in part 1 to the
7 department of treasury, there are appropriated amounts necessary to
8 fund collection costs and fees not to exceed 25% of the collections
9 or 2.5% plus operating costs, whichever amount is prescribed by
10 each contract. The appropriation to fund collection costs and fees
11 for the collection of taxes or other accounts due this state are
12 from the fund or account to which the revenues being collected are
13 recorded or dedicated. However, if the taxes collected are
14 constitutionally dedicated for a specific purpose, the
15 appropriation of collection costs and fees are from the general
16 purpose account of the general fund.
17 (2) From the funds appropriated in part 1, the department of
18 treasury may contract with private collections agencies and law
19 firms to collect defaulted student loans and other accounts due the
20 Michigan guaranty agency. In addition to the amounts appropriated
21 in part 1 to the department of treasury, there are appropriated
22 amounts necessary to fund collection costs and fees not to exceed
23 24.34% of the collection or a lesser amount as prescribed by the
24 contract. The appropriation to fund collection costs and fees for
25 the auditing and collection of defaulted student loans due the
26 Michigan guaranty agency is from the fund or account to which the
27 revenues being collected are recorded or dedicated.

(3) The department of treasury shall submit a report for the immediately preceding fiscal year ending September 30 to the state budget director and the senate and house of representatives standing committees on appropriations not later than November 30 stating the agencies or law firms employed, the amount of collections for each, the costs of collection, and other pertinent information relating to determining whether this authority should be continued.

Sec. 903a. Not later than March 31, 2017, the department shall submit a report to the house and senate appropriations chairs and house and senate fiscal agencies regarding the performance of the Michigan accounts receivable collections system. The report shall include, but not be limited to, the following:

(a) Information regarding the department's current collection strategies, including use of vendors or contractors.

(b) The type, value, and age of uncollected delinquent accounts.

(c) Liquidation rates for delinquent accounts.

Sec. 904. (1) The department of treasury, through its bureau of investments, may charge an investment service fee against the applicable retirement funds. The fees may be expended for necessary salaries, wages, contractual services, supplies, materials, equipment, travel, worker's compensation insurance premiums, and grants to the civil service commission and state employees' retirement funds. Service fees shall not exceed the aggregate amount appropriated in part 1. The department of treasury shall maintain accounting records in sufficient detail to enable the

retirement funds to be reimbursed periodically for fee revenue that is determined by the department of treasury to be surplus.

(2) In addition to the funds appropriated in part 1 from the retirement funds to the department of treasury, there is appropriated from retirement funds an amount sufficient to pay for the services of money managers, investment advisors, investment consultants, custodians, and other outside professionals, the state treasurer considers necessary to prudently manage the retirement funds' investment portfolios. The state treasurer shall report annually to the senate and house of representatives standing committees on appropriations and the state budget office concerning the performance of each portfolio by investment advisor.

Sec. 904a. (1) There is appropriated an amount sufficient to recognize and pay expenditures for financial services provided by financial institutions as provided under section 1 of 1861 PA 111, MCL 21.181.

(2) The appropriations under subsection (1) shall be funded by restricting revenues from common cash interest earnings and investment earnings in an amount sufficient to record these expenditures.

Sec. 905. A revolving fund known as the municipal finance fee fund is created in the department of treasury. Fees are established under the revised municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2821, and the fees collected shall be credited to the municipal finance fee fund and may be carried forward for future appropriation.

Sec. 906. (1) The department of treasury shall charge for

1 audits as permitted by state or federal law or under contractual
2 arrangements with local units of government, other principal
3 executive departments, or state agencies. However, the charge shall
4 not be more than the actual cost for performing the audit. A report
5 detailing audits performed and audit charges for the immediately
6 preceding fiscal year shall be submitted to the state budget
7 director and the senate and house fiscal agencies not later than
8 November 30.
9 (2) A revolving fund known as the audit charges fund is
10 created in the department of treasury. The contractual charges
11 collected shall be credited to the audit charges fund and may be
12 carried forward for future appropriation.
13 Sec. 907. A revolving fund known as the assessor certification
14 and training fund is created in the department of treasury. The
15 assessor certification and training fund shall be used to organize
16 and operate a property assessor certification and training program.
17 Each participant certified and trained shall pay to the department
18 of treasury examination fees not to exceed $50.00 per examination
19 and certification fees not to exceed $175.00. Training courses
20 shall be offered in assessment administration. Each participant
21 shall pay a fee to cover the expenses incurred in offering the
22 optional programs to certified assessing personnel and other
23 individuals interested in an assessment career opportunity. The
24 fees collected shall be credited to the assessor certification and
25 training fund.
26 Sec. 908. The amount appropriated in part 1 to the department
27 of treasury, home heating assistance program, is to cover the

costs, including data processing, of administering federal home heating credits to eligible claimants and to administer the supplemental fuel cost payment program for eligible tax credit and welfare recipients.

Sec. 909. Revenue from the airport parking tax act, 1987 PA 248, MCL 207.371 to 207.383, is appropriated and shall be distributed under section 7a of the airport parking tax act, 1987 PA 248, MCL 207.377a.

Sec. 910. The disbursement by the department of treasury from the bottle deposit fund to dealers as required by section 3c(2) of 1976 IL 1, MCL 445.573c, is appropriated.

Sec. 911. (1) There is appropriated an amount sufficient to recognize and pay refundable income tax credits as provided by the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

(2) The appropriations under subsection (1) shall be funded by restricting income tax revenue in an amount sufficient to record these expenditures.

Sec. 912. A plaintiff in a garnishment action involving this state shall pay to the state treasurer 1 of the following:

(a) A fee of $6.00 at the time a writ of garnishment of periodic payments is served upon the state treasurer, as provided in section 4012 of the revised judicature act of 1961, 1961 PA 236, MCL 600.4012.

(b) A fee of $6.00 at the time any other writ of garnishment is served upon the state treasurer, except that the fee shall be reduced to $5.00 for each writ of garnishment for individual income tax refunds or credits filed by magnetic media.

Sec. 913. (1) The department of treasury may contract with private firms to appraise and, if necessary, appeal the assessments of senior citizen cooperative housing units. Payment for this service shall be from savings resulting from the appraisal or appeal process.

(2) Of the funds appropriated in part 1 to the department of treasury for the senior citizens' cooperative housing tax exemption program, a portion may be utilized for a program audit of the program. The department of treasury shall forward copies of any audit report completed to the senate and house of representatives standing committees on appropriations subcommittees on general government and to the state budget office. The department of treasury may utilize up to 1% of the funds for program administration and auditing.

Sec. 914. The department of treasury may provide a $200.00 annual prize from the Ehlers internship award account in the gifts, bequests, and deposit fund to the runner-up of the Rosenthal prize for interns. The Ehlers internship award account is interest bearing.

Sec. 915. Pursuant to section 61 of the Michigan campaign finance act, 1976 PA 388, MCL 169.261, there is appropriated from the general fund to the state campaign fund an amount equal to the amounts designated for tax year 2015. Except as otherwise provided in this section, the amount appropriated shall not revert to the general fund and shall remain in the state campaign fund. Any amounts remaining in the state campaign fund in excess of $10,000,000.00 on December 31 shall revert to the general fund.

Sec. 916. The department of treasury may make available to interested entities otherwise unavailable customized unclaimed property listings of nonconfidential information in its possession. The charge for this information is as follows: 1 to 100,000 records at 2.5 cents per record and 100,001 or more records at .5 cents per record. The revenue received from this service shall be deposited to the appropriate revenue account or fund. The department shall submit an annual report on or before June 1 to the state budget director and the senate and house of representatives standing committees on appropriations that states the amount of revenue received from the sale of information.

Sec. 917. (1) There is appropriated for write-offs and advances an amount equal to total write-offs and advances for departmental programs, but not to exceed current year authorizations that would otherwise lapse to the general fund.

(2) The department of treasury shall submit a report for the immediately preceding fiscal year to the state budget director and the senate and house fiscal agencies not later than November 30 stating the amounts appropriated for write-offs and advances under subsection (1).

Sec. 919. (1) From funds appropriated in part 1, the department of treasury may contract with private auditing firms to audit for and collect unclaimed property due this state in accordance with the uniform unclaimed property act, 1995 PA 29, MCL 567.221 to 567.265. In addition to the amounts appropriated in part 1 to the department of treasury, there are appropriated amounts necessary to fund auditing and collection costs and fees not to

exceed 12% of the collections, or a lesser amount as prescribed by the contract. The appropriation to fund collection costs and fees for the auditing and collection of unclaimed property due this state is from the fund or account to which the revenues being collected are recorded or dedicated.

(2) The department of treasury shall submit a report for the immediately preceding fiscal year ending September 30 to the state budget director and the senate and house of representatives standing committees on appropriations not later than November 30 stating the auditing firms employed, the amount of collections for each, the costs of collection, and other pertinent information relating to determining whether this authority should be continued.

Sec. 924. (1) In addition to the funds appropriated in part 1, the department of treasury may receive and expend principal residence audit fund revenue for administration of principal residence audits under the general property tax act, 1893 PA 206, MCL 211.1 to 211.155.

(2) The department of treasury shall submit a report for the immediately preceding fiscal year to the state budget director and the senate and house fiscal agencies not later than December 31 stating the amount of exemptions denied and the revenue received under the program.

Sec. 926. Unexpended appropriations of the John R. Justice grant program are designated as work project appropriations and shall not lapse at the end of the fiscal year and shall continue to be available for expenditure until the project has been completed. The following is in compliance with section 451a of the management

and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to provide student loan forgiveness to qualified public defenders and prosecutors.

(b) The project will be accomplished by utilizing state employees or contracts with private vendors, or both.

(c) The total estimated cost of the project is $288,100.00.

(d) The tentative completion date is September 30, 2017.

Sec. 927. The department of treasury shall submit annual progress reports to the senate and house of representatives standing committees on appropriations subcommittees on general government and the senate and house fiscal agencies, regarding personal property tax audits. The report shall include the number of audits, revenue generated, and number of complaints received by the department related to the audits.

Sec. 928. The department of treasury may provide receipt, warrant and cash processing, data, collection, investment, fiscal agent, levy and warrant cost assessment, writ of garnishment, and other user services on a contractual basis for other principal executive departments and state agencies. Funds for the services provided are appropriated and shall be expended for salaries and wages, fees, supplies, and equipment necessary to provide the services. Any unobligated balance of the funds received shall revert to the general fund of this state as of September 30.

Sec. 930. (1) The department of treasury shall provide accounts receivable collections services to other principal executive departments and state agencies under 1927 PA 375, MCL 14.131 to 14.134. The department of treasury shall deduct a fee

equal to the cost of collections from all receipts except unrestricted general fund collections. Fees shall be credited to a restricted revenue account and appropriated to the department of treasury to pay for the cost of collections. The department of treasury shall maintain accounting records in sufficient detail to enable the respective accounts to be reimbursed periodically for fees deducted that are determined by the department of treasury to be surplus to the actual cost of collections.

(2) The department of treasury shall submit a report for the immediately preceding fiscal year to the state budget director and the senate and house fiscal agencies not later than November 30 stating the principal executive departments and state agencies served, funds collected, and costs of collection under subsection (1).

Sec. 931. (1) The appropriation in part 1 to the department of treasury for treasury fees shall be assessed against all restricted funds that receive common cash earnings or other investment income. Treasury fees include all costs, including administrative overhead, relating to the investment of each restricted fund. The fee assessed against each restricted fund will be based on the size of the restricted fund (the absolute value of the average daily cash balance plus the market value of investments in the prior fiscal year) and the level of effort necessary to maintain the restricted fund as required by each department. The department of treasury shall provide a report to the state budget director, the senate and house of representatives standing committees on appropriations subcommittees on general government, and the senate and house

fiscal agencies by November 30 of each year identifying the fees assessed against each restricted fund and the methodology used for assessment.

(2) In addition to the funds appropriated in part 1, the department of treasury may receive and expend investment fees relating to new restricted funding sources that participate in common cash earnings or other investment income during the current fiscal year. When a new restricted fund is created starting on or after October 1, that restricted fund shall be assessed a fee using the same criteria identified in subsection (1).

Sec. 932. Revenue received under the Michigan education trust act, 1986 PA 316, MCL 390.1421 to 390.1442, may be expended by the board of directors of the Michigan education trust for necessary salaries, wages, supplies, contractual services, equipment, worker's compensation insurance premiums, and grants to the civil service commission and state employees' retirement fund.

Sec. 934. (1) The department of treasury may expend revenues received under the hospital finance authority act, 1969 PA 38, MCL 331.31 to 331.84, the shared credit rating act, 1985 PA 227, MCL 141.1051 to 141.1076, the higher education facilities authority act, 1969 PA 295, MCL 390.921 to 390.934, the Michigan public educational facilities authority, Executive Reorganization Order No. 2002-3, MCL 12.192, the Michigan tobacco settlement finance authority act, 2005 PA 226, MCL 129.261 to 129.279, the land bank fast track act, 2003 PA 258, MCL 124.751 to 124.774, part 505 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.50501 to 324.50522, the state housing development

1 authority act of 1966, 1966 PA 346, MCL 125.1401 to 125.1499c, and
2 the Michigan finance authority, Executive Reorganization Order No.
3 2010-2, MCL 12.194, for necessary salaries, wages, supplies,
4 contractual services, equipment, worker's compensation insurance
5 premiums, grants to the civil service commission and state
6 employees' retirement fund, and other expenses as allowed under
7 those acts.
8 (2) The department of treasury shall report by January 31 to
9 the senate and house appropriations subcommittees, the senate and
10 house fiscal agencies, and the state budget director on the amount
11 and purpose of expenditures made under subsection (1) from funds
12 received in addition to those appropriated in part 1. The report
13 shall also include a listing of reimbursement of revenue, if any.
14 The report shall cover the 2015-2016 fiscal year.
15 Sec. 935. The funds appropriated in part 1 for dual enrollment
16 payments for an eligible student enrolled in a state-approved
17 nonpublic school shall be distributed as provided under the
18 postsecondary enrollment options act, 1996 PA 160, MCL 388.511 to
19 388.524, and the career and technical preparation act, 2000 PA 258,
20 MCL 388.1901 to 388.1913, in a form and manner as determined by the
21 department of treasury.
22 Sec. 944. If the department of treasury hires a pension plan
23 consultant using any of the funds appropriated in part 1, the
24 department shall retain any report provided to the department by
25 that consultant and shall make that report available upon request
26 to the senate and house of representatives standing committees on
27 appropriations subcommittees on general government, the senate and

house fiscal agencies, and the state budget director.

Sec. 945. The appraisal quality assurance project manager of the department of treasury shall conduct a review of local unit assessment administration practices, procedures, and records, also known as the audit of minimal assessing requirements, in at least 1 assessment jurisdiction per county.

Sec. 946. Revenue collected in the convention facility development fund is appropriated and shall be distributed under sections 8 and 9 of the state convention facility development act, 1985 PA 106, MCL 207.628 and 207.629.

Sec. 947. Financial independence teams shall cooperate with the financial responsibility section to coordinate and streamline efforts in identifying and addressing fiscal emergencies in school districts and intermediate school districts.

Sec. 948. Total authorized appropriations from all department of treasury sources under part 1 for legacy costs for the fiscal year ending September 30, 2017 are $49,651,800.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at $27,530,500.00. Total agency appropriations for retiree health care legacy costs are estimated at $22,121,300.00.

Sec. 949. (1) From the funds appropriated in part 1, the department of treasury may contract with private agencies to prevent the disbursement of fraudulent tax refunds. In addition to the amounts appropriated in part 1 to the department of treasury, there are appropriated amounts necessary to pay contract costs or fund operations designed to reduce fraudulent income tax refund

1 payments not to exceed $1,600,000.00 of the refunds identified as
2 potentially fraudulent and for which payment of the refund is
3 denied. The appropriation to fund fraud prevention efforts is from
4 the fund or account to which the revenues being collected are
5 recorded or dedicated.
6 (2) The department of treasury shall submit a report for the
7 immediately preceding fiscal year ending September 30 to the state
8 budget director and the senate and house of representatives
9 standing committees on appropriations not later than November 30
10 stating the number of refund claims denied due to the fraud
11 prevention operations, the amount of refunds denied, the costs of
12 the fraud prevention operations, and other pertinent information
13 relating to determining whether this authority should be continued.
14 Sec. 949b. (1) From the funds appropriated in part 1 for the
15 city income tax administration program, the department of treasury
16 shall administer the city income tax administration program.
17 (2) The department of treasury shall identify specific
18 outcomes and performance measures for this initiative, including,
19 but not limited to, the treasury's ability to track and reduce
20 fraudulent returns by expanding compliance and enforcement
21 services. This will benefit cities in this state by allowing the
22 taxpayer to e-file the city return as part of the state return.
23 Sec. 949d. (1) From the funds appropriated in part 1 for
24 financial review commission, the department shall continue
25 financial review commission efforts in the current fiscal year. The
26 purpose of the funding is to provide ongoing costs associated with
27 the operation of the commission.

(2) The department shall identify specific outcomes and performance measures for this initiative, including, but not limited to, the department's ability to perform a critical fiscal review to ensure the city of Detroit does not reenter distress following its exit from bankruptcy.

Sec. 949e. From the funds appropriated in part 1 for the state essential services assessment program, the department of treasury shall administer the state essential services assessment program. The program will provide the department the ability to collect the state essential services assessment which is a phased-in replacement of locally collected personal property taxes on eligible manufacturing personal property.

Sec. 949f. Revenue from the tobacco products tax act, 1993 PA 327, MCL 205.421 to 205.436, related to counties with a 2000 population of more than 2,000,000 is appropriated and shall be distributed under section 12(4)(d) of the tobacco products tax act, 1993 PA 327, MCL 205.432.

Sec. 949g. From the funds appropriated in part 1 for urban search and rescue task force, $500,000.00 shall be expended to support the urban search and rescue task force. In distributing funds under this section, the department of treasury shall require the task force to provide to the department the following information:

(a) A final year-end report providing information on all revenue received by source and expenditures by categories, with the funds distributed to the task force under section 949g of article VIII of 2015 PA 84 discretely presented.

(b) Detail on the proposed expenditure of the funds distributed under this section.

(c) A final year-end report providing information on all revenue received by source and expenditures by categories, with the funds distributed under this section discretely presented.

REVENUE SHARING

Sec. 950. The funds appropriated in part 1 for constitutional revenue sharing shall be distributed by the department of treasury to cities, villages, and townships, as required under section 10 of article IX of the state constitution of 1963. Revenue collected in accordance with section 10 of article IX of the state constitution of 1963 in excess of the amount appropriated in part 1 for constitutional revenue sharing is appropriated for distribution to cities, villages, and townships, on a population basis as required under section 10 of article IX of the state constitution of 1963.

Sec. 951. (1) The funds appropriated in part 1 for the competitive grant assistance program are to be used for assistance grants to cities, villages, townships, and counties to offset the costs associated with mergers, interlocal agreements, and cooperative efforts for those cities, villages, townships, and counties that elect to combine government operations. The department of treasury shall develop an application process and method of grant distribution.

(2) The unexpended funds appropriated in part 1 for the competitive grant assistance program are designated as work project appropriations, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for

expenditure for projects under this section until the projects have been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the projects is to provide incentive-based grants to recipients under this section.

(b) The projects will be accomplished by grants to qualified governmental units.

(c) The total estimated cost of all projects is $5,200,000.00.

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

Sec. 952. (1) The funds appropriated in part 1 for city, village, and township revenue sharing are for grants to cities, villages, and townships such that, subject to fulfilling the requirements under subsection (3), each city, village, or township is eligible to receive 100% of its eligible payment under section 952 of article VIII of 2015 PA 84. For purposes of this subsection, any city, village, or township that completely merges with another city, village, or township will be treated as a single entity, such that when determining the eligible payment under section 952 of article VIII of 2015 PA 84 for the combined single entity, the amount each of the merging local units was eligible to receive under section 952 of article VIII of 2015 PA 84 is summed. For purposes of this subsection, population is determined in the same manner as under section 3 of the Glenn Steil state revenue sharing act of 1971, 1971 PA 140, MCL 141.903. In addition, any city or village that according to the 2010 federal decennial census is determined to have population in more than 1 county shall be treated as a single entity when determining the eligible payment

under section 952 of article VIII of 2015 PA 84.

(2) The funds appropriated in part 1 for the county incentive program are to be used for grants to counties such that each county is eligible to receive an amount equal to the amount by which the balance in its revenue sharing reserve fund under section 44a of the general property tax act, 1893 PA 206, MCL 211.44a, for the county's most recent fiscal year that ends prior to the January 1 of the state's fiscal year is less than the amount calculated under section 44a(14) of the general property tax act, 1893 PA 206, MCL 211.44a, for the county fiscal year that begins in the state's fiscal year. The amount calculated under this subsection shall be adjusted as necessary to reflect partial county fiscal years and prorated based on the total amount appropriated for distribution to all eligible counties. Except as otherwise provided under this subsection, payments under this subsection will be distributed to an eligible county subject to the county's fulfilling the requirements under subsection (3).

(3) For purposes of accountability and transparency, each eligible city, village, township, or county shall certify by December 1, or the first day of a payment month, that it has produced a citizen's guide of its most recent local finances, including a recognition of its unfunded liabilities; a performance dashboard; a debt service report containing a detailed listing of its debt service requirements, including, at a minimum, the issuance date, issuance amount, type of debt instrument, a listing of all revenues pledged to finance debt service by debt instrument, and a listing of the annual payment amounts until maturity; and a

projected budget report, including, at a minimum, the current fiscal year and a projection for the immediately following fiscal year. The projected budget report shall include revenues and expenditures and an explanation of the assumptions used for the projections. Each eligible city, village, township, or county shall include in any mailing of general information to its citizens the Internet website address location for its citizen's guide, performance dashboard, debt service report, and projected budget report or the physical location where these documents are available for public viewing in the city, village, township, or county clerk's office. Each city, village, township, and county applying for a payment under this subsection shall submit a copy of the citizen's guide, a copy of the performance dashboard, a copy of the debt service report, and a copy of the projected budget report to the department of treasury. The department of treasury shall develop detailed guidance for a city, village, township, or county to follow to meet the requirements of this subsection. The detailed guidance shall be posted on the department of treasury website and distributed to cities, villages, townships, and counties by October 1.

(4) City, village, and township revenue sharing payments and county incentive program payments are subject to the following conditions:

(a) The city, village, township, or county shall certify to the department that it has met the required criteria for subsection (3) and submitted the required citizen's guide, performance dashboard, debt service report, and projected budget report as

1 required by subsection (3). A department of treasury review of the
2 citizen's guide, dashboard, or reports is not required in order for
3 a city, village, township, or county to receive a payment under
4 subsection (1) or (2). The department shall develop a certification
5 process and method for cities, villages, townships, and counties to
6 follow.

7 (b) Subject to subdivisions (c), (d), and (e), if a city,
8 village, township, or county meets the requirements of subsection
9 (3), the city, village, township, or county shall receive its full
10 potential payment under this section.

11 (c) 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. Payments under subsection (1) shall be
15 issued to cities, villages, and townships until the specified due
16 date for subsection (3). After the specified due date for
17 subsection (3), payments shall be made to a city, village, or
18 township only if that city, village, or township has complied with
19 subdivision (a).

20 (d) Payments under subsection (2) shall be issued to counties
21 until the specified due date for subsection (3). After the
22 specified due date for subsection (3), payments shall be made to a
23 county only if that county has complied with subdivision (a).

24 (e) If a city, village, township, or county does not provide
25 the required certification, citizen's guide, performance dashboard,
26 debt service report, and projected budget report by the first day
27 of a payment month, the city, village, township, or county shall

forfeit the payment in that payment month.

(f) Any city, village, township, or county that falsifies certification documents shall forfeit any future city, village, and township revenue sharing payments or county incentive program payments and shall repay to this state all payments it has received under this section.

(g) City, village, and township revenue sharing payments and county incentive program payments under this section shall be distributed on the last business day of October, December, February, April, June, and August.

(h) Payments distributed under this section may be withheld pursuant to sections 17a and 21 of the Glenn Steil state revenue sharing act of 1971, 1971 PA 140, MCL 141.917a and 141.921.

(5) The unexpended funds appropriated in part 1 for city, village, and township revenue sharing and the county incentive program shall be available for expenditure under the program for financially distressed cities, villages, or townships after the approval of transfers by the legislature pursuant to section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

Sec. 955. (1) The funds appropriated in part 1 for county revenue sharing shall be distributed by the department of treasury to eligible counties pursuant to the Glenn Steil state revenue sharing act of 1971, 1971 PA 140, MCL 141.901 to 141.921.

(2) The department of treasury shall annually certify to the state budget director the amount each county is authorized to expend from its revenue sharing reserve fund.

Sec. 956. (1) The funds appropriated in part 1 for financially

1 distressed cities, villages, and townships shall be granted by the
2 department of treasury to cities, villages, and townships that have
3 1 or more conditions that indicate probable financial distress, as
4 determined by the department of treasury. A city, village, or
5 township with 1 or more conditions that indicate probable financial
6 distress may apply in a manner determined by the department of
7 treasury for a grant to pay for specific projects or services that
8 move the city, village, or township toward financial stability.
9 Grants are to be used for specific projects or services that move
10 the city, village, or township toward financial stability. The
11 city, village, or township may use, but is not limited to using,
12 the grants under this section to make payments to reduce unfunded
13 accrued liability; to repair or replace critical infrastructure and
14 equipment owned or maintained by the city, village, or township; to
15 reduce debt obligations; or for costs associated with a transition
16 to shared services with another jurisdiction. The department of
17 treasury shall award no more than $2,000,000.00 to any city,
18 village, or township under this section.
19 (2) The department of treasury shall provide a report to the
20 senate and house of representatives appropriations subcommittees on
21 general government, the senate and house fiscal agencies, and the
22 state budget office by March 31. The report shall include a list by
23 grant recipient of the date each grant was approved, the amount of
24 the grant, and a description of the project or projects that will
25 be paid by the grant.
26 (3) The unexpended funds appropriated in part 1 for
27 financially distressed cities, villages, and townships are

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

(a) The purpose of the project is to provide assistance to financially distressed cities, villages, and townships under this section.

(b) The projects will be accomplished by grants to cities, villages, and townships approved by the department of treasury.

(c) The total estimated cost of all projects is $5,000,000.00.

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

Sec. 957. (1) From the increased funds appropriated in part 1 for the competitive grant assistance program, the department shall provide assistance grants to cities, villages, townships, and counties that elect to combine government operations.

(2) The department shall identify specific outcomes and performance metrics for this initiative, including, but not limited to, the following:

(a) Grants awarded.

(b) Mergers of 2 or more governmental units.

(c) Consolidations of operations or existing services of 2 or more governmental units.

(d) Cooperative efforts between 2 or more governmental units.

BUREAU OF STATE LOTTERY

Sec. 960. In addition to the funds appropriated in part 1 to

the bureau of state lottery, there is appropriated from state lottery fund revenues the amount necessary for, and directly related to, implementing and operating lottery games under the McCauley-Traxler-Law-Bowman-McNeely lottery act, 1972 PA 239, MCL 432.1 to 432.47, and activities under the Traxler-McCauley-Law-Bowman bingo act, 1972 PA 382, MCL 432.101 to 432.120, including expenditures for contractually mandated payments for vendor commissions, contractually mandated payments for instant tickets intended for resale, the contractual costs of providing and maintaining the online system communications network, and incentive and bonus payments to lottery retailers.

Sec. 963. The bureau of state lottery shall inform all lottery retailers that the cash side of MDHHS bridge cards cannot be used to purchase lottery tickets.

Sec. 964. For the bureau of the state lottery, there is appropriated 1% of the lottery's prior fiscal year's gross sales or $23,000,000.00, whichever is less, for promotion and advertising.

CASINO GAMING

Sec. 971. From the revenue collected by the Michigan gaming control board regarding the total annual assessment of each casino licensee, $2,000,000.00 is appropriated and shall be deposited in the compulsive gaming prevention fund as described in section 12a(5) of the Michigan gaming control and revenue act, 1996 IL 1, MCL 432.212a.

Sec. 973. (1) Funds appropriated in part 1 for local government programs may be used to provide assistance to a local revenue sharing board referenced in an agreement authorized by the

1 Indian gaming regulatory act, Public Law 100-497.
2 (2) A local revenue sharing board described in subsection (1)
3 shall comply with the open meetings act, 1976 PA 267, MCL 15.261 to
4 15.275, and the freedom of information act, 1976 PA 442, MCL 15.231
5 to 15.246.
6 (3) A county treasurer is authorized to receive and administer
7 funds received for and on behalf of a local revenue sharing board.
8 Funds appropriated in part 1 for local government programs may be
9 used to audit local revenue sharing board funds held by a county
10 treasurer. This section does not limit the ability of local units
11 of government to enter into agreements with federally recognized
12 Indian tribes to provide financial assistance to local units of
13 government or to jointly provide public services.
14 (4) A local revenue sharing board described in subsection (1)
15 shall comply with all applicable provisions of any agreement
16 authorized by the Indian gaming regulatory act, Public Law 100-497,
17 in which the local revenue sharing board is referenced, including,
18 but not limited to, the disbursal of tribal casino payments
19 received under applicable provisions of the tribal-state class III
20 gaming compact in which those funds are received.
21 (5) The director of the department of state police and the
22 executive director of the Michigan gaming control board are
23 authorized to assist the local revenue sharing boards in
24 determining allocations to be made to local public safety
25 organizations.
26 (6) The Michigan gaming control board shall submit a report by
27 September 30 to the senate and house of representatives standing

1 committees on appropriations and the state budget director on the
2 receipts and distribution of revenues by local revenue sharing
3 boards.
4 Sec. 974. If revenues collected in the state services fee fund
5 are less than the amounts appropriated from the fund, available
6 revenues shall be used to fully fund the appropriation in part 1
7 for casino gaming regulation activities before distributions are
8 made to other state departments and agencies. If the remaining
9 revenue in the fund is insufficient to fully fund appropriations to
10 other state departments or agencies, the shortfall shall be
11 distributed proportionally among those departments and agencies.
12 Sec. 976. The executive director of the Michigan gaming
13 control board may pay rewards of not more than $5,000.00 to a
14 person who provides information that results in the arrest and
15 conviction on a felony or misdemeanor charge for a crime that
16 involves the horse racing industry. A reward paid pursuant to this
17 section shall be paid out of the appropriation in part 1 for the
18 racing commission.
19 Sec. 977. All appropriations from the Michigan agriculture
20 equine industry development fund, except for the racing commission
21 and laboratory analysis program appropriations, shall be reduced
22 proportionately if revenues to the Michigan agriculture equine
23 industry development fund decline during the fiscal year ending
24 September 30, 2017 to a level lower than the amount appropriated in
25 part 1.
26 Sec. 978. The Michigan gaming control board shall use actual
27 expenditure data in determining the actual regulatory costs of

1 conducting racing dates and shall provide that data to the senate
2 and house appropriations subcommittees on agriculture and general
3 government, the state budget office, and the senate and house
4 fiscal agencies. The Michigan gaming control board shall not be
5 reimbursed for more than the actual regulatory cost of conducting
6 race dates. If a certified horsemen's organization funds more than
7 the actual regulatory cost, the balance shall remain in the
8 agriculture equine industry development fund to be used to fund
9 subsequent race dates conducted by race meeting licensees with
10 which the certified horsemen's organization has contracts. If a
11 certified horsemen's organization funds less than the actual
12 regulatory costs of the additional horse racing dates, the Michigan
13 gaming control board shall reduce the number of future race dates
14 conducted by race meeting licensees with which the certified
15 horsemen's organization has contracts. Prior to the reduction in
16 the number of authorized race dates due to budget deficits, the
17 executive director of the Michigan gaming control board shall
18 provide notice to the certified horsemen's organizations with an
19 opportunity to respond with alternatives. In determining actual
20 costs, the Michigan gaming control board shall take into account
21 that each specific breed may require different regulatory
22 mechanisms.
23 Sec. 979. In addition to the funds appropriated in part 1, the
24 Michigan gaming control board may receive and expend state lottery
25 fund revenue in an amount not to exceed $4,000,000.00 for necessary
26 expenses incurred in the licensing and regulation of millionaire
27 parties pursuant to Executive Order No. 2012-4. In accordance with

section 8 of the Traxler-McCauley-Law-Bowman bingo act, 1972 PA 382, MCL 432.108, the amount of necessary expenses shall not exceed the amount of revenue received under that act. The Michigan gaming control board shall provide a report to the senate and house of representatives appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget office by April 15. The report shall include, but not be limited to, total expenditures related to the licensing and regulating of millionaire parties, steps taken to ensure charities are receiving revenue due to them, progress on promulgating rules to ensure compliance with the Traxler-McCauley-Law-Bowman bingo act, 1972 PA 382, MCL 432.101 to 432.120, and any enforcement actions taken.

DEPARTMENT OF TALENT AND ECONOMIC DEVELOPMENT

Sec. 980. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $30,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

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

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

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

Sec. 981. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2017 are $35,083,100.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at $19,452,700.00. Total agency appropriations for retiree health care legacy costs are estimated at $15,630,400.00.

MICHIGAN STRATEGIC FUND - HOUSING AND COMMUNITY DEVELOPMENT

Sec. 990. MSHDA shall annually present a report to the state budget office and the subcommittees on the status of the authority's housing production goals under all financing programs established or administered by the authority. The report shall give special attention to efforts to raise affordable multifamily housing production goals.

Sec. 991. MSHDA shall report to the subcommittees, the state budget director, and the fiscal agencies by December 1 on the status of the loans entered into by the Michigan broadband

development authority.

Sec. 994. In addition to the funds appropriated in part 1, the funds collected by state historic preservation programs for document reproduction and services and application fees are appropriated for all expenses necessary to provide the required services. These funds are available for expenditure when they are received and may be carried forward into the succeeding fiscal year.

Sec. 995. In addition to the amounts appropriated in part 1, the land bank fast track authority may expend revenues received under the land bank fast track act, 2003 PA 258, MCL 124.751 to 124.774, for the purposes authorized by the act, including, but not limited to, the acquisition, lease, management, demolition, maintenance, or rehabilitation of real or personal property, payment of debt service for notes or bonds issued by the authority, and other expenses to clear or quiet title property held by the authority.

MICHIGAN STRATEGIC FUND

Sec. 1005. In addition to the appropriations in part 1, Travel Michigan may receive and expend private revenue related to the use of "Pure Michigan" and all other copyrighted slogans and images. This revenue may come from the direct licensing of the name and image or from the royalty payments from various merchandise sales. Revenue collected is appropriated for the marketing of the state as a travel destination. The funds are available for expenditure when they are received by the department of treasury. The fund shall provide a report that lists the revenues by source received from

1 the use of "Pure Michigan" and all other copyrighted slogans and
2 images. The report shall provide a detailed list of expenditures of
3 revenues received under this section. The report shall be provided
4 to the appropriations subcommittees on general government, the
5 fiscal agencies, and the state budget office by June 1.
6 Sec. 1007. (1) The fund shall provide reports to the relevant
7 subcommittees, the state budget director, and the fiscal agencies
8 concerning the activities of the MEDC grants and investment
9 programs financed from the fund using investment, Indian gaming
10 revenues, or other revenues. The report shall provide a list of
11 individual grants, loans, and investments made from the fund or by
12 the MEDC from the funds appropriated in part 1 and shall include
13 the name of the recipient, the amount awarded to the recipient, and
14 the purpose of the grant. The activities report shall also include,
15 but not be limited to, the following programs funded in part 1:
16 (a) Travel Michigan, including any expenditures authorized
17 under section 89b of the Michigan strategic fund act, 1984 PA 270,
18 MCL 125.2089b, to supplement the Michigan promotion program or Pure
19 Michigan programs. The report shall include the number of
20 commercials produced, the types of media purchased, and the target
21 of tourism promotion used in Michigan tourism promotion material.
22 (b) Business attraction, retention, and growth, including any
23 expenditures authorized under section 89b of the Michigan strategic
24 fund act, 1984 PA 270, MCL 125.2089b, to supplement the Michigan
25 business marketing program. The report shall include the number of
26 commercials produced, the markets in which media buys have been
27 made, and any web-based products that were created as a result of

this appropriation.

(c) Business services.

(d) Community development block grants.

(e) Strategic fund administration.

(f) Renaissance zones.

(g) 21st century investment program.

(h) Business and clean air ombudsman.

(i) Michigan business development program.

(j) Community revitalization program.

(k) Any other programs of the fund.

(2) As a condition of the expenditure of funds appropriated in part 1 for business attraction and community revitalization, the fund shall submit a report to the chairpersons of the senate and house of representatives standing committees on appropriations, the chairpersons of the senate and house of representatives standing committees on appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget office that provides performance metrics for the Michigan business development program and community revitalization program. The report shall include, but is not limited to, all of the following for all appropriated funds that are available during the fiscal year:

(a) Total verified jobs created, as required by statute, compared to total committed jobs.

(b) Total actual private investment compared to total projected private investment.

(c) An estimate of the return on investment to the state as a

result of the incentives.

(d) A listing of projects previously awarded incentives that were revoked and the reason for revocation.

(e) A listing of projects that had incentive contracts amended by the fund or MEDC. The listing shall include a detailed listing of the amendments made to the contract.

(3) The reports in subsections (1) and (2) shall be submitted by February 15. The report for each program in subsection (1)(a) through (k) shall include details on all revenue sources, actual expenditures, and number of FTEs for that program for the previous fiscal year.

Sec. 1008. As a condition of receiving funds under part 1, any interlocal agreement entered into by the fund shall include language which states that if a local unit of government has a contract or memorandum of understanding with a private economic development agency, the MEDC will work cooperatively with that private organization in that local area.

Sec. 1009. (1) Of the funds appropriated to the fund or through grants to the MEDC, no funds shall be expended for the purchase of options on land or the purchase of land unless at least 1 of the following conditions applies:

(a) The land is located in an economically distressed area.

(b) The land is obtained through a purchase or exercise of an option at the invitation of the local unit of government and local economic development agency.

(2) Consideration may be given to purchases where the proposed use of the land is consistent with a regional land use plan, will

result in the redevelopment of an economically distressed area, can be supported by existing infrastructure, and will not cause shifts in population away from the area's population centers.

(3) As used in this section, "economically distressed area" means an area in a city, village, or township that has been designated as blighted; a city, village, or township that shows negative population change from 1970 and a poverty rate and unemployment rate greater than the statewide average; or an area certified as a neighborhood enterprise zone under the neighborhood enterprise zone act, 1992 PA 147, MCL 207.771 to 207.786.

Sec. 1010. As a condition for receiving funds in part 1, not later than February 15, the fund shall provide a report for the immediately preceding fiscal year on the jobs for Michigan investment fund, created in section 88h of the Michigan strategic fund act, 1984 PA 270, MCL 125.2088h. The report shall be submitted to the chairpersons of the senate and house of representatives standing committees on appropriations, the chairpersons of the senate and house of representatives standing committees on appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget office. The report shall include, but is not limited to, all of the following:

(a) A detailed listing of revenues, by fund source, to the jobs for Michigan investment fund. The listing shall include the manner and reason for which the funds were appropriated to the jobs for Michigan investment fund.

(b) A detailed listing of expenditures, by project, from the jobs for Michigan investment fund.

(c) A fiscal year-end balance of the jobs for Michigan investment fund.

Sec. 1011. (1) From the appropriations in part 1 to the fund and granted or transferred to the MEDC, any unexpended or unencumbered balance shall be disposed of in accordance with the requirements in the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, unless carryforward authorization has been otherwise provided for.

(2) Any encumbered funds shall be used for the same purposes for which funding was originally appropriated in this part and part 1.

Sec. 1012. (1) As a condition of receiving funds under part 1, the fund shall ensure that the MEDC and the fund comply with all of the following:

(a) The freedom of information act, 1976 PA 442, MCL 15.231 to 15.246.

(b) The open meetings act, 1976 PA 267, MCL 15.261 to 15.275.

(c) Annual audits of all financial records by the auditor general or his or her designee.

(d) All reports required by law to be submitted to the legislature.

(2) If the MEDC is unable for any reason to perform duties under this part, the fund may exercise those duties.

Sec. 1013. As a condition for receiving the appropriations in part 1, any staff of the MEDC involved in private fund-raising activities shall not be party to any decisions regarding the awarding of grants, incentives, or tax abatements from the fund,

the MEDC, or the Michigan economic growth authority.

Sec. 1014. (1) All funds received from repayment of loans, unused grants, revenues received from sales or cash flow participation agreements, guarantees, or any combination of these or accrued interest originally distributed as part of the core communities fund, created by 2000 PA 291, shall be received, held, and applied by the fund for the purposes described in 2000 PA 291.

(2) The fund shall provide an annual report on the status of this fund which includes information that details the awards made. The report shall be provided to the appropriations subcommittees on general government, the fiscal agencies, and the state budget office by February 15.

Sec. 1020. Federal pass-through funds to local institutions and governments that are received in amounts in addition to those included in part 1 and that do not require additional state matching funds are appropriated for the purposes intended. The fund may carry forward into the succeeding fiscal year unexpended federal pass-through funds to local institutions and governments that do not require additional state matching funds. The fund shall report the amount and source of the funds to the senate and house appropriation subcommittees on general government, the senate and house fiscal agencies, and the state budget office within 10 business days after receiving any additional pass-through funds.

Sec. 1024. From the funds appropriated in part 1 for business attraction and community revitalization, not less than $20,000,000.00 shall be granted by the fund board for brownfield redevelopment and historic preservation projects under the

1 community revitalization program authorized by chapter 8C of the
2 Michigan strategic fund act, 1984 PA 270, MCL 125.2090 to
3 125.2090d.
4 Sec. 1032. (1) The department shall report to the
5 subcommittees, the state budget director, and the fiscal agencies
6 on the status of the film incentives at the same time as it submits
7 the annual report required under section 455 of the Michigan
8 business tax act, 2007 PA 36, MCL 208.1455. The department of
9 treasury shall provide the department with the data necessary to
10 prepare the report. Incentives included in the report shall include
11 all of the following:
12 (a) The tax credit provided under section 455 of the Michigan
13 business tax act, 2007 PA 36, MCL 208.1455.
14 (b) The tax credit provided under section 457 of the Michigan
15 business tax act, 2007 PA 36, MCL 208.1457.
16 (c) The tax credit provided under section 459 of the Michigan
17 business tax act, 2007 PA 36, MCL 208.1459.
18 (d) The amount of any tax credit claimed under former section
19 367 of the income tax act of 1967, 1967 PA 281.
20 (e) Any tax credits provided for film and digital media
21 production under the Michigan economic growth authority act, 1995
22 PA 24, MCL 207.801 to 207.810.
23 (f) Loans to an eligible production company or film and
24 digital media private equity fund authorized under section 88d(3),
25 (4), and (5) of the Michigan strategic fund act, 2005 PA 225, MCL
26 125.2088d.
27 (2) The report shall include all of the following information:

(a) For each tax credit, the number of contracts signed, the projected expenditures qualifying for the credit, and the estimated value of the credits. For loans, the number of loans made under each section, the interest rate of those loans, the loan amount, the percent of the projected budget of each production financed by those loans, and the estimated interest earnings from the loan.

(b) For credits authorized under section 455 of the Michigan business tax act, 2007 PA 36, MCL 208.1455, for productions completed by December 31, the expenditures of each production eligible for the credit that has filed a request for certificate of completion with the film office, broken down into expenditures for goods, services, or salaries and wages and showing separately expenditures in each local unit of government, including expenditures for personnel, whether or not they were made to a Michigan entity, and whether or not they were taxable under the laws of this state. For loans, the report shall include the number of loans that have been fully repaid, with principal and interest shown separately, and the number of loans that are delinquent or in default, and the amount of principal that is delinquent or is in default.

(c) For each of the tax credit incentives and loan incentives listed in subsection (1), a breakdown for each project or production showing each of the following:

(*i*) The number of temporary jobs created.

(*ii*) The number of permanent jobs created.

(*iii*) The number of persons employed in Michigan as a result of the incentive, on a full-time equated basis.

(3) For any information not included in the report due to the provisions of section 455(6), 457(6), or 459(6) of the Michigan business tax act, 2007 PA 36, MCL 208.1455, 208.1457, and 208.1459, the report shall do all of the following:

(a) Indicate how the information would describe the commercial and financial operations or intellectual property of the company.

(b) Attest that the information has not been publicly disseminated at any time.

(c) Describe how disclosure of the information may put the company at a competitive disadvantage.

(4) Any information not disclosed due to the provisions of section 455(6), 457(6), or 459(6) of the Michigan business tax act, 2007 PA 36, MCL 208.1455, 208.1457, and 208.1459, shall be presented at the lowest level of aggregation that would no longer describe the commercial and financial operations or intellectual property of the company.

Sec. 1033. The department shall report to the chairpersons of the senate and house of representatives standing committees on appropriations subcommittees on general government, the state budget director, and the senate and house fiscal agencies on the status of the film incentives approved under section 29h of the Michigan strategic fund act, 1984 PA 270, MCL 125.2029h, not later than 30 days following the end of each quarter of the fiscal year. The report shall include all of the following:

(a) Direct economic impacts in this state attributable to the assistance.

(b) Direct job creation in this state attributable to the

assistance.

(c) Direct private investment in this state attributable to the assistance.

(d) The name of each eligible production company and the amount of each incentive disbursed for each state certified qualified production.

Sec. 1034. Each business incubator or accelerator that received an award from the fund shall maintain and update a dashboard of indicators to measure the effectiveness of the business incubator and accelerator programs. Indicators shall include the direct jobs created, new companies launched as a direct result of business incubator or accelerator involvement, businesses expanded as a direct result of business incubator or accelerator involvement, direct investment in client companies, private equity financing obtained by client companies, grant funding obtained by client companies, and other measures developed by the recipient business incubators and accelerators in conjunction with the MEDC. Dashboard indicators shall be reported for the prior fiscal year and cumulatively, if available. Each recipient shall submit a copy of their dashboard indicators to the fund by March 1. The fund shall transmit the local reports to the senate and house of representatives appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget office by March 15.

Sec. 1035. (1) From the appropriation in part 1, the Michigan council for arts and cultural affairs shall administer an arts and cultural grant program that maintains an equitable geographic

distribution of funding and utilizes past arts and cultural grant programs as a guideline for administering this program. The council shall do all of the following:

(a) On or before October 1, the fund shall publish proposed application criteria, instructions, and forms for use by eligible applicants. The fund shall provide at least a 2-week period for public comment before finalizing the application criteria, instructions, and forms.

(b) A nonrefundable application fee may be assessed for each application. Application fees shall be deposited in the council for the arts fund and are appropriated for expenses necessary to administer the programs. These funds are available for expenditure when they are received and may be carried forward to the following fiscal year.

(c) Grants are to be made to public and private arts and cultural entities.

(d) Within 1 business day after the award announcements, the council shall provide to each member of the legislature and the fiscal agencies a list of all grant recipients and the total award given to each recipient, sorted by county.

(2) The appropriation in part 1 for arts and cultural program shall not be used for the administration of the grant program.

Sec. 1036. (1) The general fund/general purpose funds appropriated in part 1 to the fund for business attraction and community revitalization shall be transferred to the 21st century jobs trust fund per section 90b(3) of the Michigan strategic fund act, 1984 PA 270, MCL 125.2090b.

(2) Funds transferred to the 21st century jobs trust fund under subsection (1) are appropriated and available for allocation as authorized in the Michigan strategic fund act, 1984 PA 270, MCL 125.2001 to 125.2094.

Sec. 1037. (1) Bond proceeds may only be spent to reimburse costs incurred by Michigan State University in the construction of the facility for rare isotope beams project up to an amount not to exceed $90,960,100.00. All construction costs for the project in excess of this amount are the responsibility of Michigan State University. The fund is not responsible for operating costs of the project facility. Prior to reimbursement, the fund and Michigan State University shall enter into an agreement providing for the terms of reimbursement, allowable costs, financial reporting, and any other requirements necessary to complete the transaction.

(2) The state budget director retains the authority and fiduciary responsibility normally associated with the maintenance of the public's financial and policy interests relative to state-financed construction projects. The state budget director may take appropriate action to protect the public's financial and policy interests, including, but not limited to, rescinding subsection (2) reimbursement payments for construction of the facility for rare isotope beams project should Michigan State University or the United States Department of Energy not provide the necessary resources to complete the project. The state budget director shall provide notification to the senate and house appropriations committees, senate fiscal agency, house fiscal agency, and the fund within 10 days of exercising the authority under this subsection.

(3) The department of technology, management, and budget may assist the fund with implementation of this program for purposes of administrative efficiency.

Sec. 1040. As a condition of receiving funds in part 1, the department of talent and economic development shall utilize MAIN, or a successor MDTMB-administered administrative information system used across state government, as an appropriation and expenditure reporting system to track all financial transactions with individual vendors, contractual partners, grantees, recipients of business incentives, and recipients of other economic assistance. Encumbrances and expenditures shall be reported in a timely manner.

Sec. 1041. From the funds appropriated in part 1 for business attraction and community revitalization, the fund shall request the transfer by the state treasurer of not more than 60% of the funds prior to April 1.

Sec. 1042. For the funds appropriated in part 1 for business attraction and community revitalization, the fund shall report quarterly on the amount of funds considered appropriated, pre-encumbered, encumbered, and expended. The report shall also include a listing of appropriations for business attraction and community revitalization, or a predecessor, in 2011 PA 63, 2012 PA 200, 2013 PA 59, and 2014 PA 252, that were considered appropriated, pre-encumbered, encumbered, or expended that have lapsed back to the fund for any purpose. The report shall be submitted to the chairpersons of the senate and house of representatives standing committees on appropriations, the chairpersons of the senate and house of representatives standing committees on appropriations

subcommittees on general government, the senate and house fiscal agencies, and the state budget office.

TALENT INVESTMENT AGENCY

Sec. 1060. The talent investment agency shall administer the PATH training program in accordance with the requirements of section 407(d) of title IV of the social security act, 42 USC 607, the state social welfare act, 1939 PA 280, MCL 400.1 to 400.119b, and all other applicable laws and regulations.

Sec. 1061. From the funds appropriated in part 1 for workforce programs subgrantees, the talent investment agency may allocate funding for grants to nonprofit organizations that offer programs pursuant to the workforce investment act of 1998, 29 USC 2801 to 2945, or the workforce innovation and opportunity act, 29 USC 3101 to 3361, eligible youth focusing on pre-apprenticeship and apprenticeship activities, entrepreneurship, work-readiness skills, job shadowing, and financial literacy. Organizations eligible for funding under this section must have the capacity to provide similar programs in urban areas, as determined by the United States Bureau of the Census according to the most recent federal decennial census. Additionally, programs eligible for funding under this section must include the participation of local business partners. The talent investment agency shall develop other appropriate eligibility requirements to ensure compliance with applicable federal rules and regulations.

Sec. 1062. The talent investment agency shall make available, in person or by telephone, 1 disabled veterans outreach program specialist or local veterans employment representative to Michigan

1 Works! service centers, as resources permit, during hours of
2 operation, and shall continue to make the appropriate placement of
3 veterans and disabled veterans a priority.
4 Sec. 1063. (1) In addition to the funds appropriated in part
5 1, any unencumbered and unrestricted federal workforce investment
6 act of 1998, 29 USC 2801 to 2945, workforce innovation and
7 opportunity act, 29 USC 3101 to 3361, or trade adjustment
8 assistance funds available from prior fiscal years are appropriated
9 for the purposes originally intended.
10 (2) The talent investment agency shall report by February 15
11 to the subcommittees, the fiscal agencies, and the state budget
12 office on the amount by fiscal year of federal workforce investment
13 act of 1998, 29 USC 2801 to 2945, workforce innovation and
14 opportunity act, 29 USC 3101 to 3361, funds appropriated under this
15 section.
16 Sec. 1065. The talent investment agency shall publish data and
17 reports on the agency website concerning the status of the career
18 technology and skilled trades training program funded in part 1.
19 The report shall include the following:
20 (a) The number of awardees participating in the program and
21 the names of those awardees organized by major industry group.
22 (b) The amount of funding received by each awardee under the
23 program.
24 (c) Amount of funding leveraged from each awardee or other
25 funding source for each awardee project.
26 (d) Training models established by each awardee.
27 (e) The number of individuals enrolled in a skilled trades

1 training program by awardee.
2 (f) The number of individuals who completed the program and
3 were hired by awardee.
4 (g) The number of applications received and the number of
5 applications approved for each region.
6 (h) The department of talent and economic development shall
7 expand workforce training and reemployment services to better
8 connect workers to in-demand jobs and identify specific outcomes
9 with performance metrics for this initiative, including, but not
10 limited to, new apprenticeships, jobs created, jobs retained,
11 training completed, and employment retention rate at 6 months, and
12 hourly wage at 6 months.
13 Sec. 1066. As a condition of receiving funds in part 1 for the
14 skilled trades training program, the talent investment agency shall
15 administer the program as follows:
16 (a) The talent investment agency shall work cooperatively with
17 grantees to maximize the amount of funds from part 1 that are
18 available for direct training.
19 (b) The talent investment agency, workforce development
20 partners, including regional Michigan Works! agencies, and
21 employers shall collaborate and work cooperatively to prioritize
22 and streamline the expenditure of the funds appropriated in part 1.
23 The talent investment agency shall ensure that the skilled trades
24 training program provides a collaborative statewide network of
25 workforce and employee skill development partners that addresses
26 the employee talent needs throughout the state.
27 (c) The talent investment agency shall ensure that grants are

1 utilized for individual skill enhancement for employees of Michigan
2 businesses including the development of additional opportunities
3 for apprenticeship programs and more advance-tech training
4 programs. Funds shall not be distributed to program and process
5 centered training organization employers.
6 (d) The talent investment agency shall develop program goals
7 and detailed guidance for prospective participants to follow to
8 qualify under the program. The program goals and detailed guidance
9 shall be posted on the talent investment agency website and
10 distributed to workforce development partners, including local
11 Michigan Works! agencies, by October 1. Periodic assessments of
12 employer and employee needs shall be evaluated on a regional basis,
13 and the talent investment agency shall identify solutions and goals
14 to be implemented to satisfy those needs. The talent investment
15 agency shall notify the senate and house of representatives
16 standing committees on appropriations, the senate and house of
17 representatives standing committees on appropriations subcommittees
18 on general government, the senate and house fiscal agencies, and
19 the state budget office on any program goal, solution, or guidance
20 changes not fewer than 14 days prior to the finalization and
21 publication of the changes. Revenue received by the talent
22 investment agency for the skilled trades training program may be
23 expended for the purpose of those programs.
24 (e) Up to $5,000,000.00 of the funds may be expended to match
25 federal funds. The intent of these funds will involve improving and
26 increasing the skill level of employees in skilled trades in the
27 automotive industry and the manufacturing processes within the

1 changing manufacturing environment.
2 Sec. 1068. (1) Of the funds appropriated in part 1 for the
3 workforce training programs, the talent investment agency shall
4 provide a report by February 15 to the senate and house of
5 representatives standing committees on appropriations subcommittees
6 on general government, the state budget director, and the fiscal
7 agencies on the status of the workforce training programs. The
8 report shall include the following:
9 (a) The amount of funding allocated to each Michigan Works!
10 agency and the total funding allocated to the workforce training
11 programs statewide by fund source.
12 (b) The number of participants enrolled in education or
13 training programs by each Michigan Works! agency.
14 (c) The average duration of training for training program
15 participants by each Michigan Works! agency.
16 (d) The number of participants enrolled in remedial education
17 programs and the number of participants enrolled in literacy
18 programs.
19 (e) The number of participants enrolled in programs at 2-year
20 institutions.
21 (f) The number of participants enrolled in 4-year
22 institutions.
23 (g) The number of participants enrolled in proprietary schools
24 or other technical training programs.
25 (h) The number of participants that have completed education
26 or training programs.
27 (i) The number of participants who secured employment in

Michigan within 1 year of completing a training program.

(j) The number of participants who completed a training program and secured employment in a field related to their training.

(k) The average wage earned by participants who completed a training program and secured employment within 1 year.

(*l*) The actual revenues received by the fund source and fund appropriated for each discrete workforce development program area.

(2) Data collection for the report shall be for the prior state fiscal year.

Sec. 1076. The unemployment insurance agency shall provide the senate and house appropriations subcommittees on general government, senate and house fiscal agencies, and the state budget office with quarterly status reports on the implementation of and improvements to the agency's integrated system project. The quarterly status reports shall include, but not be limited to, a summary of the expenditures for the project, a summary of the tasks completed, and a summary of the tasks anticipated to be completed in the subsequent quarter.

Sec. 1077. The department of talent and economic development shall report quarterly to the members of the house and senate committees on appropriations, the senate and house fiscal agencies, and the state budget director on the percentage of unemployment claimants that meet the certification requirements for receiving benefits by using the Internet Michigan web account manager system or any application developed for that purpose. The department of talent and economic development shall implement improvements to the

Internet Michigan web account manager system that promote greater ease of access and security with a goal of reaching 75% of users certifying by using the Internet Michigan web account manager system or another system that reduces staff face time and Michigan automated response voice interactive network telephone system usage.

Sec. 1078. (1) From the funds appropriated in part 1 for the unemployment insurance agency, the department of talent and economic development shall maintain customer service standards for employers and claimants making use of the various means by which they can access the system.

(2) The department of talent and economic development shall identify specific outcomes and performance metrics for this initiative, including, but not limited to, the following:

(a) Unemployment benefit fund balance.

(b) Process improvement – fiscal integrity.

(c) Process improvement – determination timeliness.

(d) Process improvement – determination quality.

Sec. 1081. (1) From the funds appropriated in part 1 for statewide system for data integration, the department shall establish new information technology systems to integrate data for talent and pipeline development to track and report workforce development activities and provide for sustained and expanded longitudinal data analysis between state departments.

(2) The department shall identify specific outcomes and performance metrics for this initiative, including, but not limited to, the following:

(a) Job placements and retention at 6 months.

(b) Apprenticeships completed.

(c) Average wage.

Sec. 1082. From the funds appropriated in part 1 for the financial literacy pilot, the department shall request competitive proposals from service providers interested in providing financial literacy counseling to family independence program (FIP) recipients and temporary assistance for needy families eligible individuals using an established financial literacy model. The pilot is to include individual client counseling sessions with professionally trained financial counselors. The counseling sessions shall be a voluntary service to clients and focus on effective personal budgeting, debt reduction, establishing and improving credit, accessing safe and affordable banking services, building savings, and connecting to other supportive services through referrals. The pilot may provide for client financial literacy counseling services in up to 3 prosperity regions. The geographic selection of the prosperity region for the pilot shall be part of the competitive request for proposal, but priority shall be given to those proposals that have a mix of urban and rural implementation areas. The service provider may provide financial literacy counseling to clients from other state programs provided those programs provide support for such services. The pilot shall have a duration of no more than 3 years. Priority shall be given to those proposals that demonstrate a model for statewide implementation and a sustainability strategy at the conclusion of the pilot, as well as opportunities for additional state program integrations. Client

outcomes for both FIP recipients and any other state programs utilizing financial literacy services shall be monitored and reported by the service provider to the department on a quarterly basis. During the course of the pilot, the department shall provide an annual report on client outcomes to the senate and house subcommittees on general government, senate and house fiscal agencies, and state budget director. Key outcome metrics for clients will include all of the following:

(a) Increased or maintained access to safe and affordable banking services.

(b) Increased credit scores.

(c) Reduced debt.

(d) Increased savings.

STATE BUILDING AUTHORITY

Sec. 1100. (1) Subject to section 242 of the management and budget act, 1984 PA 431, MCL 18.1242, and upon the approval of the state building authority, the department of treasury may expend from the general fund of the state during the fiscal year an amount to meet the cash flow requirements of those state building authority projects solely for lease to a state agency identified in both part 1 and this section, and for which state building authority bonds or notes have not been issued, and for the sole acquisition by the state building authority of equipment and furnishings for lease to a state agency as permitted by 1964 PA 183, MCL 830.411 to 830.425, for which the issuance of bonds or notes is authorized by a legislative appropriation act that is

effective for the fiscal year ending September 30, 2016. Any general fund advances for which state building authority bonds have not been issued shall bear an interest cost to the state building authority at a rate not to exceed that earned by the state treasurer's common cash fund during the period in which the advances are outstanding and are repaid to the general fund of the state.

(2) Upon sale of bonds or notes for the projects identified in part 1 or for equipment as authorized by a legislative appropriation act and in this section, the state building authority shall credit the general fund of the state an amount equal to that expended from the general fund plus interest, if any, as defined in this section.

(3) For state building authority projects for which bonds or notes have been issued and upon the request of the state building authority, the state treasurer shall make advances without interest from the general fund as necessary to meet cash flow requirements for the projects, which advances shall be reimbursed by the state building authority when the investments earmarked for the financing of the projects mature.

(4) In the event that a project identified in part 1 is terminated after final design is complete, advances made on behalf of the state building authority for the costs of final design shall be repaid to the general fund in a manner recommended by the director.

Sec. 1102. (1) State building authority funding to finance construction or renovation of a facility that collects revenue in

excess of money required for the operation of that facility shall not be released to a university or community college unless the institution agrees to reimburse that excess revenue to the state building authority. The excess revenue shall be credited to the general fund to offset rent obligations associated with the retirement of bonds issued for that facility. The auditor general shall annually identify and present an audit of those facilities that are subject to this section. Costs associated with the administration of the audit shall be charged against money recovered pursuant to this section.

(2) As used in this section, "revenue" includes state appropriations, facility opening money, other state aid, indirect cost reimbursement, and other revenue generated by the activities of the facility.

Sec. 1103. The state building authority shall provide to the JCOS and senate and house fiscal agencies a report relative to the status of construction projects associated with state building authority bonds as of September 30 of each year, on or before October 15, or not more than 30 days after a refinancing or restructuring bond issue is sold. The report shall include, but is not limited to, the following:

(a) A list of all completed construction projects for which state building authority bonds have been sold, and which bonds are currently active.

(b) A list of all projects under construction for which sale of state building authority bonds is pending.

(c) A list of all projects authorized for construction or

identified in an appropriations act for which approval of schematic/preliminary plans or total authorized cost is pending that have state building authority bonds identified as a source of financing.

REVENUE STATEMENT

Sec. 1201. Pursuant to section 18 of article V of the state constitution of 1963, fund balances and estimates are presented in the following statement:

BUDGET RECOMMENDATIONS BY OPERATING FUNDS

(Amounts in millions)

Fiscal Year 2016-2017

	Fund	Beginning Available Balance	Estimated Revenue	Ending Balance
OPERATING FUNDS				
General fund/general purpose	0110	152.9	9,893.9	14.9
General fund/special purpose		875.0	28,609.1	664.2
Special Revenue Funds:				
Countercyclical budget and economic stabilization	0111	611.0	17.9	628.9
Game and fish protection	0112	3.5	82.9	3.7
Michigan employment security act administration	0113	0.0	42.1	0.0
State aeronautics	0114	2.7	17.6	0.0
Michigan veterans' benefit				

1 trust	0115	0.0	3.7	0.0
2 State trunkline	0116	0.0	1,001.5	0.0
3 Michigan state waterways	0117	8.2	30.8	6.5
4 Blue Water Bridge	0118	18.9	23.6	0.0
5 Michigan transportation	0119	0.0	2,514.9	0.0
6 Comprehensive transportation	0120	3.8	316.7	0.0
7 School aid	0122	47.9	12,527.6	15.4
8 21st century jobs fund	0383	81.6	75.0	65.9
9 Detroit public schools trust				
10 fund	NEW	0.0	72.0	0.0
11 Game and fish protection trust	0124	0.0	15.9	0.0
12 State park improvement	0125	12.6	57.5	7.9
13 Forest development	0126	12.7	40.9	8.2
14 Michigan natural resources				
15 trust	0129	13.4	32.9	30.6
16 Michigan state parks endowment	0130	0.5	40.9	0.5
17 Safety education and training	0131	5.2	9.6	4.5
18 Bottle deposit	0136	5.7	14.9	2.6
19 State construction code	0138	7.2	8.4	7.4
20 Children's trust	0139	1.8	1.2	1.2
21 State casino gaming	0140	1.7	0.3	2.0
22 Michigan nongame fish and				
23 wildlife	0143	0.4	0.5	0.3
24 Michigan merit award trust	0154	48.7	28.6	0.0
25 Outdoor recreation legacy	0162	1.1	3.0	1.1
26 Off-road vehicle account	0163	5.7	7.2	5.4
27 Snowmobile account	0164	5.6	11.6	5.5

1 Silicosis dust disease				
2 and logging	0870	1.4	0.9	1.2
3 Utility consumer representation	0893	1.6	1.2	1.5
4 TOTALS		$1,930.8	$55,504.8	$1,479.4

5 PART 2A

6 PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS

7 FOR FISCAL YEAR 2017-2018

8 **GENERAL SECTIONS**

9 Sec. 1301. It is the intent of the legislature to provide
10 appropriations for the fiscal year ending on September 30, 2018 for
11 the line items listed in part 1. The fiscal year 2017-2018
12 appropriations are anticipated to be the same as those for fiscal
13 year 2016-2017, except that the line items will be adjusted for
14 changes in caseload and related costs, federal fund match rates,
15 economic factors, and available revenue. These adjustments will be
16 determined after the January 2017 consensus revenue estimating
17 conference.

18 ARTICLE X

19 DEPARTMENT OF HEALTH AND HUMAN SERVICES

20 PART 1

21 LINE-ITEM APPROPRIATIONS

22 Sec. 101. There is appropriated for the department of health
23 and human services for the fiscal year ending September 30, 2017

1 from the following funds:

2 **DEPARTMENT OF HEALTH AND HUMAN SERVICES**

3 APPROPRIATION SUMMARY

4 Full-time equated unclassified positions 6.0

5 Full-time equated classified positions 15,554.5

6 Average population 770.0

7 GROSS APPROPRIATION ..... $ 24,730,517,900

8 Interdepartmental grant revenues:

9 Total interdepartmental grants and intradepartmental

10 transfers 13,513,700

11 ADJUSTED GROSS APPROPRIATION ..... $ 24,717,004,200

12 Federal revenues:

13 Social security act, temporary assistance for needy

14 families 550,329,300

15 Capped federal revenues 593,178,400

16 Total other federal revenues 16,626,683,400

17 Special revenue funds:

18 Total local revenues 124,445,800

19 Total private revenues 154,259,300

20 Michigan merit award trust fund 74,772,800

21 Total other state restricted revenues 2,284,460,600

22 State general fund/general purpose ..... $ 4,308,874,600

23 **Sec. 102. DEPARTMENTWIDE ADMINISTRATION**

24 Full-time equated unclassified positions 6.0

25 Full-time equated classified positions 714.2

26 Director and other unclassified--6.0 FTE positions ... $ 1,119,300

27 Departmental administration and management--520.2 FTE

1	positions	77,361,100
2	Demonstration projects--7.0 FTE positions	7,355,100
3	Developmental disabilities council and projects--10.0	
4	FTE positions	3,067,000
5	Information technology projects and services	158,998,300
6	Michigan Medicaid information system	50,634,400
7	Office of inspector general--177.0 FTE positions	21,633,100
8	Rent and state office facilities	62,783,800
9	State office of administrative hearings and rules	11,140,300
10	Terminal pay and other employee costs	5,686,100
11	Worker's compensation program	7,956,500
12	GROSS APPROPRIATION	$ 407,735,000
13	Appropriated from:	
14	Interdepartmental grant revenues:	
15	IDG from department of education	2,979,000
16	Federal revenues:	
17	Social security act, temporary assistance for needy	
18	families	33,716,600
19	Capped federal revenues	42,314,000
20	Total other federal revenues	149,056,400
21	Special revenue funds:	
22	Total local revenues	16,400
23	Total private revenues	23,842,000
24	Total other state restricted revenues	2,824,600
25	State general fund/general purpose	$ 152,986,000
26	**Sec. 103. CHILD SUPPORT ENFORCEMENT**	
27	Full-time equated classified positions 185.7	

1 Child support enforcement operations--179.7 FTE
2 positions..... $ 22,151,300
3 Legal support contracts 113,359,100
4 Child support incentive payments 24,409,600
5 State disbursement unit--6.0 FTE positions 8,101,700
6 Child support automation 41,877,600
7 GROSS APPROPRIATION ..... $ 209,899,300
8 Appropriated from:
9 Federal revenues:
10 Capped federal revenues 11,395,000
11 Total other federal revenues 163,998,000
12 State general fund/general purpose ..... $ 34,506,300
13 **Sec. 104. COMMUNITY SERVICES AND OUTREACH**
14 Full-time equated classified positions 70.6
15 Bureau of community services and outreach--16.0 FTE
16 positions..... $ 2,103,700
17 Community services block grant 25,840,000
18 Weatherization assistance 16,340,000
19 School success partnership program 450,000
20 Homeless programs 15,721,900
21 Domestic violence prevention and treatment--14.6 FTE
22 positions..... 15,766,200
23 Rape prevention and services--0.5 FTE position 5,097,300
24 Child advocacy centers--0.5 FTE position 2,000,000
25 Michigan community services commission--15.0 FTE
26 positions..... 11,621,300
27 Community services and outreach administration--11.0

FTE positions		1,459,100
Housing and support services		13,031,000
Crime victim grants administration services--13.0 FTE positions		2,165,100
Crime victim justice assistance grants		59,279,300
Crime victim rights services grants		16,870,000
GROSS APPROPRIATION	$	187,744,900
Appropriated from:		
Federal revenues:		
Social security act, temporary assistance for needy families		11,679,700
Capped federal revenues		66,215,400
Total other federal revenues		75,865,100
Special revenue funds:		
Private - collections		44,100
Compulsive gambling prevention fund		1,040,500
Sexual assault victims' prevention and treatment fund		3,000,000
Child advocacy centers fund		2,000,000
Crime victim's rights fund		15,327,200
State general fund/general purpose	$	12,572,900

Sec. 105. CHILDREN'S SERVICES AGENCY - CHILD WELFARE

Full-time equated classified positions 3,893.2		
Children's services administration--169.0 FTE positions	$	19,513,200
Title IV-E compliance and accountability office--4.0 FTE positions		421,300

Child welfare institute--45.0 FTE positions	7,820,400
Child welfare field staff - caseload compliance-- 2,511.0 FTE positions	230,862,600
Child welfare field staff - noncaseload compliance-- 320.0 FTE positions	33,671,400
Education planners--15.0 FTE positions	1,521,100
Peer coaches--45.5 FTE positions	5,702,100
Child welfare first line supervisors--578.0 FTE positions	72,313,800
Second line supervisors and technical staff--54.0 FTE positions	8,833,600
Permanency resource managers--28.0 FTE positions	3,170,200
Contractual services, supplies, and materials	9,280,000
Settlement monitor	1,885,800
Foster care payments	187,089,200
Guardianship assistance program	11,966,500
Child care fund	183,426,000
Child care fund administration--4.2 FTE positions	592,900
Adoption subsidies	223,365,400
Adoption support services--10.0 FTE positions	26,926,700
Youth in transition--4.5 FTE positions	14,271,900
Child welfare medical/psychiatric evaluations	10,435,500
Psychotropic oversight	618,200
Performance based funding implementation--3.0 FTE positions	1,778,900
Family support subsidy	16,951,400
Interstate compact	179,600

1	Strong families/safe children	12,350,100
2	Family preservation programs--23.0 FTE positions	38,872,800
3	Family preservation and prevention services	
4	administration--9.0 FTE positions	1,291,300
5	Child abuse and neglect - children's justice act--1.0	
6	FTE position	621,800
7	Children's trust fund--12.0 FTE positions	3,323,400
8	Attorney general contract	4,321,800
9	Prosecuting attorney contracts	3,061,700
10	Child protection	800,300
11	Child welfare licensing--57.0 FTE positions	6,549,800
12	Child welfare administration travel	375,000
13	GROSS APPROPRIATION	$ 1,144,165,700
14	Appropriated from:	
15	Interdepartmental grant revenues:	
16	IDG from department of education	90,200
17	Federal revenues:	
18	Social security act, temporary assistance for needy	
19	families	316,105,600
20	Capped federal revenues	107,663,000
21	Total other federal revenues	256,986,100
22	Special revenue funds:	
23	Private - collections	2,424,000
24	Local funds - county chargeback	14,194,000
25	Children's trust fund	2,090,500
26	State general fund/general purpose	$ 444,612,300

27 **Sec. 106. CHILDREN'S SERVICES AGENCY - JUVENILE**

1 **JUSTICE**

2 Full-time equated classified positions 111.5

3 W.J. Maxey training school ..... $ 1,000,000

4 Bay pines center--42.0 FTE positions 4,933,300

5 Shawono center--42.0 FTE positions 5,021,400

6 County juvenile officers 3,904,300

7 Community support services--3.0 FTE positions 2,110,500

8 Juvenile justice, administration and maintenance--22.0

9 FTE positions..... 3,543,700

10 Committee on juvenile justice administration--2.5 FTE

11 positions..... 350,700

12 Committee on juvenile justice grants 3,000,000

13 GROSS APPROPRIATION ..... $ 23,863,900

14 Appropriated from:

15 Federal revenues:

16 Capped federal revenues 8,018,200

17 Total other federal revenues 5,000

18 Special revenue funds:

19 Local funds - state share education funds 1,321,900

20 Local funds - county chargeback 4,505,100

21 State general fund/general purpose ..... $ 10,013,700

22 **Sec. 107. PUBLIC ASSISTANCE**

23 Full-time equated classified positions 8.0

24 Family independence program ..... $ 113,624,600

25 State disability assistance payments 12,353,900

26 Food assistance program benefits 2,348,117,400

27 State supplementation 63,357,400

1	State supplementation administration	2,381,100
2	Low-income home energy assistance program	174,951,600
3	Food bank funding	2,045,000
4	Multicultural integration funding	13,303,800
5	Indigent burial	4,375,000
6	Emergency services local office allocations	9,857,500
7	Michigan energy assistance program--1.0 FTE position .	50,000,000
8	Refugee assistance program--7.0 FTE positions	27,986,100
9	GROSS APPROPRIATION	$ 2,822,353,400
10	Appropriated from:	
11	Federal revenues:	
12	Social security act, temporary assistance for needy	
13	families.....	73,970,700
14	Capped federal revenues	203,100,300
15	Total other federal revenues	2,342,649,300
16	Special revenue funds:	
17	Child support collections	10,863,700
18	Supplemental security income recoveries	5,470,900
19	Public assistance recoupment revenue	6,290,000
20	Low-income energy assistance fund	50,000,000
21	Michigan merit award trust fund	30,100,000
22	State general fund/general purpose	$ 99,908,500
23	**Sec. 108. FIELD OPERATIONS AND SUPPORT SERVICES**	
24	Full-time equated classified positions 6,501.5	
25	Public assistance field staff--4,703.5 FTE positions .	$ 475,636,300
26	Contractual services, supplies, and materials	16,282,000
27	Medical/psychiatric evaluations	1,420,100

1	Donated funds positions--538.0 FTE positions	60,878,700
2	Training and program support--20.0 FTE positions	2,432,000
3	Volunteer services and reimbursement	942,400
4	Field policy and administration--66.0 FTE positions ..	10,262,400
5	Adult services field staff--425.0 FTE positions	44,864,400
6	Nutrition education--2.0 FTE positions	23,042,700
7	Employment and training support services	4,219,100
8	Michigan rehabilitation services--526.0 FTE positions	131,221,800
9	Independent living	12,031,600
10	Electronic benefit transfer (EBT)	8,509,000
11	Administrative support workers--221.0 FTE positions ..	12,754,900
12	Elder Law of Michigan MiCAFE contract	350,000
13	Field staff travel	8,103,900
14	SSI advocacy legal services	500,000
15	GROSS APPROPRIATION	$ 813,451,300
16	Appropriated from:	
17	Interdepartmental grant revenues:	
18	IDG from department of corrections	101,200
19	IDG from department of education	7,678,800
20	Federal revenues:	
21	Social security act, temporary assistance for needy	
22	families.....	101,186,900
23	Capped federal revenues	154,023,300
24	Federal supplemental security income	8,588,600
25	Total other federal revenues	250,031,300
26	Special revenue funds:	
27	Local funds - donated funds	11,067,200

1 Local vocational rehabilitation match 6,534,600
2 Private funds - donated funds 18,420,200
3 Private funds - gifts, bequests, and donations 1,854,600
4 Rehabilitation service fees 382,800
5 Second injury fund 40,000
6 State general fund/general purpose ..... $ 253,541,800
7 **Sec. 109. DISABILITY DETERMINATION SERVICES**
8 Full-time equated classified positions 587.4
9 Disability determination operations--583.3 FTE
10 positions ..... $ 111,392,700
11 Retirement disability determination--4.1 FTE positions 602,900
12 GROSS APPROPRIATION ..... $ 111,995,600
13 Appropriated from:
14 Interdepartmental grant revenues:
15 IDG from department of technology, management, and
16 budget - office of retirement services 778,300
17 Federal revenues:
18 Total other federal revenues 107,784,000
19 State general fund/general purpose ..... $ 3,433,300
20 **Sec. 110. BEHAVIORAL HEALTH PROGRAM ADMINISTRATION**
21 **AND SPECIAL PROJECTS**
22 Full-time equated classified positions 100.0
23 Behavioral health program administration--80.0 FTE
24 positions ..... $ 60,084,200
25 Gambling addiction--1.0 FTE position 3,005,900
26 Protection and advocacy services support 194,400
27 Community residential and support services 592,100

1 Federal and other special projects 2,535,600
2 Office of recipient rights--19.0 FTE positions 2,700,000
3 GROSS APPROPRIATION ..... $ 69,112,200
4 Appropriated from:
5 Federal revenues:
6 Social security act, temporary assistance for needy
7 families..... 180,500
8 Total other federal revenues 36,793,600
9 Special revenue funds:
10 Total private revenues 1,004,700
11 Total other state restricted revenues 3,005,900
12 State general fund/general purpose ..... $ 28,127,500
13 **Sec. 111. BEHAVIORAL HEALTH SERVICES**
14 Full-time equated classified positions 9.5
15 Medicaid mental health services ..... $ 2,289,672,600
16 Community mental health non-Medicaid services 118,806,200
17 Medicaid substance use disorder services 50,116,500
18 Civil service charges 1,499,300
19 Federal mental health block grant--2.5 FTE positions . 15,454,600
20 State disability assistance program substance use
21 disorder services..... 2,018,800
22 Community substance use disorder prevention,
23 education, and treatment..... 73,811,800
24 Children's waiver home care program 20,000,000
25 Nursing home PAS/ARR-OBRA--7.0 FTE positions 12,272,000
26 Children with serious emotional disturbance waiver ... 10,000,000
27 Health homes 3,369,000

1 Healthy Michigan plan - behavioral health 221,355,500
2 Autism services 63,036,800
3 University autism programs 1,000,000
4 GROSS APPROPRIATION ..... $ 2,882,413,100
5 Appropriated from:
6 Federal revenues:
7 Total other federal revenues 1,890,475,800
8 Special revenue funds:
9 Total local revenues 25,475,800
10 Total other state restricted revenues 22,512,700
11 State general fund/general purpose ..... $ 943,948,800
12 **Sec. 112. STATE PSYCHIATRIC HOSPITALS AND FORENSIC**
13 **MENTAL HEALTH SERVICES**
14 Total average population 770.0
15 Full-time equated classified positions 2,181.9
16 Caro Regional Mental Health Center - psychiatric
17 hospital - adult--461.3 FTE positions ..... $ 57,270,900
18 Average population 145.0
19 Kalamazoo Psychiatric Hospital - adult--466.1 FTE
20 positions 65,674,600
21 Average population 170.0
22 Walter P. Reuther Psychiatric Hospital - adult--420.8
23 FTE positions 56,872,000
24 Average population 160.0
25 Hawthorn Center - psychiatric hospital - children and
26 adolescents--226.4 FTE positions 29,142,500
27 Average population 55.0

1	Center for forensic psychiatry--607.3 FTE positions ..	81,702,000
2	Average population 240.0	
3	Revenue recapture	750,000
4	IDEA, federal special education	120,000
5	Special maintenance	332,500
6	Purchase of medical services for residents of	
7	hospitals and centers	445,600
8	Gifts and bequests for patient living and treatment	
9	environment	1,000,000
10	GROSS APPROPRIATION	$ 293,310,100
11	Appropriated from:	
12	Federal revenues:	
13	Total other federal revenues	35,245,300
14	Special revenue funds:	
15	Total local revenues	19,886,700
16	Total private revenues	1,000,000
17	Total other state restricted revenues	19,238,100
18	State general fund/general purpose	$ 217,940,000
19	**Sec. 113. HEALTH POLICY**	
20	Full-time equated classified positions 32.8	
21	Certificate of need program administration--12.3 FTE	
22	positions	$ 2,803,800
23	Health innovation grants	1,000,000
24	Health policy administration--15.1 FTE positions	26,564,000
25	Human trafficking intervention services	200,000
26	Michigan essential health provider	3,591,300
27	Minority health grants and contracts	612,700

1 Nurse education and research program--3.0 FTE
2 positions 780,900
3 Primary care services--1.4 FTE positions 4,068,500
4 Rural health services--1.0 FTE position 1,555,500
5 GROSS APPROPRIATION ..... $ 41,176,700
6 Appropriated from:
7 Interdepartmental grant revenues:
8 Interdepartmental grant from the department of
9 licensing and regulatory affairs 780,900
10 Interdepartmental grant from the department of
11 treasury, Michigan state hospital finance authority . 117,700
12 Federal revenues:
13 Total other federal revenues 31,631,200
14 Special revenue funds:
15 Total private revenues 865,000
16 Total other state restricted revenues 2,686,100
17 State general fund/general purpose ..... $ 5,095,800
18 **Sec. 114. LABORATORY SERVICES**
19 Full-time equated classified positions 100.0
20 Laboratory services--100.0 FTE positions ..... $ 20,520,500
21 GROSS APPROPRIATION ..... $ 20,520,500
22 Appropriated from:
23 Interdepartmental grant revenues:
24 Interdepartmental grant from the department of
25 environmental quality 987,600
26 Federal revenues:
27 Total other federal revenues 2,326,300

1 Special revenue funds:
2 Total other state restricted revenues 10,403,900
3 State general fund/general purpose ..... $ 6,802,700
4 **Sec. 115. DISEASE CONTROL, PREVENTION, AND**
5 **EPIDEMIOLOGY**
6 Full-time equated classified positions 74.9
7 Epidemiology administration--43.6 FTE positions ..... $ 16,044,500
8 Healthy homes program--8.0 FTE positions 4,254,900
9 Immunization program--12.8 FTE positions 16,872,100
10 Newborn screening follow-up and treatment services--
11 10.5 FTE positions 7,253,500
12 GROSS APPROPRIATION ..... $ 44,425,000
13 Appropriated from:
14 Federal revenues:
15 Total other federal revenues 28,704,900
16 Special revenue funds:
17 Total private revenues 339,400
18 Total other state restricted revenues 9,501,300
19 State general fund/general purpose ..... $ 5,879,400
20 **Sec. 116. LOCAL HEALTH AND ADMINISTRATIVE SERVICES**
21 Full-time equated classified positions 236.2
22 AIDS prevention, testing, and care programs--47.7 FTE
23 positions ..... $ 70,605,900
24 Cancer prevention and control program--13.0 FTE
25 positions 15,051,600
26 Chronic disease control and health promotion
27 administration--27.4 FTE positions 6,044,900

1	Dental programs--3.8 FTE positions	1,949,800
2	Diabetes and kidney program--8.0 FTE positions	3,049,100
3	Essential local public health services	40,886,100
4	Health and wellness initiatives--11.7 FTE positions ..	8,994,100
5	Implementation of 1993 PA 133, MCL 333.17015	20,000
6	Local health services--1.3 FTE positions	452,500
7	Medicaid outreach cost reimbursement to local health	
8	departments.....	9,000,000
9	Public health administration--7.0 FTE positions	1,566,800
10	Sexually transmitted disease control program--20.0 FTE	
11	positions.....	6,279,600
12	Smoking prevention program--12.0 FTE positions	2,142,100
13	Violence prevention--2.9 FTE positions	2,122,500
14	Vital records and health statistics--81.4 FTE	
15	positions.....	11,932,300
16	GROSS APPROPRIATION	$ 180,097,300
17	Appropriated from:	
18	Federal revenues:	
19	Capped federal revenues	81,100
20	Total other federal revenues	71,396,700
21	Special revenue funds:	
22	Total local revenues	5,150,000
23	Total private revenues	39,028,400
24	Total other state restricted revenues	20,164,900
25	State general fund/general purpose	$ 44,276,200
26	**Sec. 117. FAMILY, MATERNAL, AND CHILD HEALTH**	
27	Full-time equated classified positions 110.8	

1	Childhood lead program--2.5 FTE positions	$ 1,571,400
2	Family, maternal, and child health administration--	
3	49.3 FTE positions	8,460,900
4	Family planning local agreements	8,310,700
5	Local MCH services	7,018,100
6	Pregnancy prevention program	602,100
7	Prenatal care outreach and service delivery support--	
8	14.0 FTE positions	19,322,600
9	Special projects	6,289,100
10	Sudden and unexpected infant death and suffocation	
11	prevention program	321,300
12	Women, infants, and children program administration	
13	and special projects--45.0 FTE positions	18,014,400
14	Women, infants, and children program local agreements	
15	and food costs	256,285,000
16	GROSS APPROPRIATION	$ 326,195,600
17	Appropriated from:	
18	Federal revenues:	
19	Social security act, temporary assistance for needy	
20	families	400,000
21	Total other federal revenues	254,324,000
22	Special revenue funds:	
23	Total local revenues	75,000
24	Total private revenues	61,702,400
25	State general fund/general purpose	$ 9,694,200

26 **Sec. 118. EMERGENCY MEDICAL SERVICES, TRAUMA, AND**
27 **PREPAREDNESS**

1 Full-time equated classified positions 75.0
2 Bioterrorism preparedness--52.0 FTE positions ..... $ 30,207,700
3 Emergency medical services program--23.0 FTE positions 6,563,600
4 GROSS APPROPRIATION ..... $ 36,771,300
5 Appropriated from:
6 Federal revenues:
7 Total other federal revenues 31,332,300
8 Special revenue funds:
9 Total other state restricted revenues 4,004,900
10 State general fund/general purpose ..... $ 1,434,100
11 **Sec. 119. CHILDREN'S SPECIAL HEALTH CARE SERVICES**
12 Full-time equated classified positions 46.8
13 Children's special health care services
14 administration--44.0 FTE positions ..... $ 5,990,100
15 Bequests for care and services--2.8 FTE positions 1,534,800
16 Outreach and advocacy 5,510,000
17 Nonemergency medical transportation 905,900
18 Medical care and treatment 235,790,200
19 GROSS APPROPRIATION ..... $ 249,731,000
20 Appropriated from:
21 Federal revenues:
22 Total other federal revenues 114,571,900
23 Special revenue funds:
24 Total private revenues 1,013,200
25 Total other state restricted revenues 3,383,000
26 State general fund/general purpose ..... $ 130,762,900
27 **Sec. 120. AGING AND ADULT SERVICES AGENCY**

1 Full-time equated classified positions 48.0
2 Aging and adult services administration--48.0 FTE
3 positions ..... $ 9,344,200
4 Community services 39,850,600
5 Nutrition services 39,044,000
6 Employment assistance 3,500,000
7 Respite care program 5,868,700
8 Senior volunteer service programs 4,465,300
9 GROSS APPROPRIATION ..... $ 102,072,800
10 Appropriated from:
11 Federal revenues:
12 Capped federal revenues 368,100
13 Total other federal revenues 57,898,600
14 Special revenue funds:
15 Total private revenues 520,000
16 Michigan merit award trust fund 4,068,700
17 Total other state restricted revenues 1,400,000
18 State general fund/general purpose ..... $ 37,817,400
19 **Sec. 121. MEDICAL SERVICES ADMINISTRATION**
20 Full-time equated classified positions 465.5
21 Medical services administration--395.5 FTE positions . $ 83,615,600
22 Healthy Michigan plan administration--31.0 FTE
23 positions 47,876,200
24 Electronic health record incentive program--24.0 FTE
25 positions 144,297,800
26 Technology supporting integrated service delivery--
27 15.0 FTE positions 6,153,700

1	GROSS APPROPRIATION	$ 281,943,300
2	Appropriated from:	
3	Federal revenues:	
4	Total other federal revenues	238,817,000
5	Special revenue funds:	
6	Total local revenues	107,300
7	Total private revenues	101,300
8	Total other state restricted revenues	336,300
9	State general fund/general purpose	$ 42,581,400
10	**Sec. 122. MEDICAL SERVICES**	
11	Hospital services and therapy	$ 1,150,265,500
12	Hospital disproportionate share payments	45,000,000
13	Physician services	314,884,100
14	Medicare premium payments	458,763,500
15	Pharmaceutical services	554,072,700
16	Home health services	6,452,800
17	Hospice services	96,732,000
18	Transportation	20,094,000
19	Auxiliary medical services	5,489,200
20	Dental services	250,790,000
21	Ambulance services	17,604,500
22	Long-term care services	1,665,789,800
23	Integrated care organizations	220,300,000
24	Medicaid home- and community-based services waiver ...	342,650,500
25	Adult home help services	327,364,500
26	Personal care services	9,639,800
27	Program of all-inclusive care for the elderly	92,524,400

1 Health plan services	4,805,066,900
2 Federal Medicare pharmaceutical program	261,845,200
3 Maternal and child health	20,279,500
4 Healthy Michigan plan	3,239,453,000
5 Subtotal basic medical services program	13,905,061,900
6 School-based services	112,102,700
7 Dental clinic program	2,150,000
8 Special Medicaid reimbursement	368,887,600
9 Subtotal special medical services payments	483,140,300
10 GROSS APPROPRIATION	$ 14,388,202,200
11 Appropriated from:	
12 Federal revenues:	
13 Total other federal revenues	10,427,171,800
14 Special revenue funds:	
15 Total local revenues	36,111,800
16 Total private revenues	2,100,000
17 Michigan merit award trust fund	40,604,100
18 Total other state restricted revenues	2,088,019,400
19 State general fund/general purpose	$ 1,794,195,100

20 **Sec. 123. ONE-TIME BASIS ONLY APPROPRIATIONS**

21 Full-time equated classified position 1.0	
22 Hospice services	$ 100
23 Family preservation programs--1.0 FTE position	3,400,000
24 Integrated service delivery	18,461,300
25 Drinking water declaration of emergency	15,138,100
26 MiSACWIS implementation	8,646,600
27 Pharmacy reserve	43,041,600

1	Autism navigator	1,125,000
2	Demonstration projects - Michigan 2-1-1	500,000
3	Dental clinic program	2,150,000
4	Mobile electronic service verification study	25,000
5	Opiate prevention pilot	850,000
6	GROSS APPROPRIATION ..... $	93,337,700
7	Appropriated from:	
8	Federal revenues:	
9	Social security act, temporary assistance for needy	
10	families.....	13,089,300
11	Total other federal revenues	51,030,200
12	Special revenue funds:	
13	Total other state restricted revenues	473,900
14	State general fund/general purpose ..... $	28,744,300

15 PART 2

16 PROVISIONS CONCERNING APPROPRIATIONS

17 FOR FISCAL YEAR 2016-2017

18 **GENERAL SECTIONS**

19 Sec. 201. Pursuant to section 30 of article IX of the state
20 constitution of 1963, total state spending from state resources
21 under part 1 for fiscal year 2016-2017 is $6,668,108,000.00 and
22 state spending from state resources to be paid to local units of
23 government for fiscal year 2016-2017 is $1,299,265,400.00. The
24 itemized statement below identifies appropriations from which
25 spending to local units of government will occur:

1 DEPARTMENT OF HEALTH AND HUMAN SERVICES
2 COMMUNITY SERVICES AND OUTREACH
3 Housing and support services ..... $ 638,300
4 Crime victim rights services grants 6,825,000
5 CHILDREN'S SERVICES AGENCY - CHILD WELFARE
6 Child care fund ..... $ 137,512,800
7 CHILDREN'S SERVICES AGENCY - JUVENILE JUSTICE
8 County juvenile officers ..... $ 3,525,200
9 PUBLIC ASSISTANCE
10 Family independence program ..... $ 8,500
11 State disability assistance payments 948,400
12 Multicultural integration funding 5,478,200
13 BEHAVIORAL HEALTH PROGRAM ADMINISTRATION AND SPECIAL PROJECTS
14 Community residential and support services ..... $ 292,100
15 BEHAVIORAL HEALTH SERVICES
16 Medicaid mental health services ..... $ 769,018,600
17 Community mental health non-Medicaid services 118,806,200
18 Medicaid substance use disorder services 17,313,500
19 State disability assistance program substance use
20 disorder services..... 2,018,800
21 Community substance use disorder prevention,
22 education, and treatment..... 13,547,400
23 Children's waiver home care program 6,970,000
24 Nursing home PAS/ARR-OBRA 2,727,800
25 Children with serious emotional disturbance waiver ... 2,500,000
26 Healthy Michigan plan – behavioral health 8,100,900
27 Autism services 21,863,000

1 HEALTH POLICY
2 Primary care services ..... $ 87,700
3 LABORATORY SERVICES
4 Laboratory services ..... $ 5,200
5 DISEASE CONTROL, PREVENTION, AND EPIDEMIOLOGY
6 Immunization program ..... $ 1,042,700
7 LOCAL HEALTH AND ADMINISTRATIVE SERVICES
8 AIDS prevention, testing, and care programs ..... $ 929,400
9 Cancer prevention and control program 102,700
10 Chronic disease control and health promotion
11 administration..... 7,100
12 Essential local public health services 34,199,500
13 Health and wellness initiatives 1,918,300
14 Implementation of 1993 PA 133, MCL 333.17015 300
15 Sexually transmitted disease control program 194,300
16 FAMILY, MATERNAL, AND CHILD HEALTH
17 Prenatal care outreach and service delivery support .. $ 3,469,800
18 CHILDREN'S SPECIAL HEALTH CARE SERVICES
19 Outreach and advocacy ..... $ 2,755,000
20 Medical care and treatment 949,800
21 AGING AND ADULT SERVICES AGENCY
22 Community services ..... $ 17,370,200
23 Nutrition services 11,087,000
24 Respite care program 5,868,700
25 Senior volunteer service programs 963,600
26 MEDICAL SERVICES
27 Hospital services and therapy ..... $ 2,449,500

Physician services	12,504,900
Transportation	949,800
Dental services	1,402,400
Long-term care services	82,912,800
TOTAL OF PAYMENTS TO LOCAL UNITS OF GOVERNMENT	$ 1,299,265,400

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

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

(a) "AIDS" means acquired immunodeficiency syndrome.

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

(c) "Current fiscal year" means the fiscal year ending September 30, 2017.

(d) "Department" means the department of health and human services.

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

(f) "DSH" means disproportionate share hospital.

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

(h) "Federal poverty level" means the poverty guidelines published annually in the Federal Register by the United States Department of Health and Human Services under its authority to revise the poverty line under 42 USC 9902.

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

(j) "GME" means graduate medical education.

1 (k) "Health plan" means, at a minimum, an organization that
2 meets the criteria for delivering the comprehensive package of
3 services under the department's comprehensive health plan.
4 (*l*) "HEDIS" means healthcare effectiveness data and
5 information set.
6 (m) "HMO" means health maintenance organization.
7 (n) "IDEA" means the individuals with disabilities education
8 act, 20 USC 1400 to 1482.
9 (o) "IDG" means interdepartmental grant.
10 (p) "MCH" means maternal and child health.
11 (q) "Medicaid" means subchapter XIX of the social security
12 act, 42 USC 1396 to 1396w-5.
13 (r) "Medicare" means subchapter XVIII of the social security
14 act, 42 USC 1395 to 1395*lll*.
15 (s) "MiCAFE" means Michigan's coordinated access to food for
16 the elderly.
17 (t) "MIChild" means the program described in section 1670.
18 (u) "MiSACWIS" means Michigan statewide automated child
19 welfare information system.
20 (v) "PAS/ARR-OBRA" means the preadmission screening and annual
21 resident review required under the omnibus budget reconciliation
22 act of 1987, section 1919(e)(7) of the social security act, 42 USC
23 1396r.
24 (w) "PIHP" means an entity designated by the department as a
25 regional entity or a specialty prepaid inpatient health plan for
26 Medicaid mental health services, services to individuals with
27 developmental disabilities, and substance use disorder services.

1 Regional entities are described in section 204b of the mental
2 health code, 1974 PA 258, MCL 330.1204b. Specialty prepaid
3 inpatient health plans are described in section 232b of the mental
4 health code, 1974 PA 258, MCL 330.1232b.
5 (x) "Previous fiscal year" means the fiscal year ending
6 September 30, 2016.
7 (y) "Settlement" means the settlement agreement entered in the
8 case of Dwayne B. v Snyder, docket no. 2:06-cv-13548 in the United
9 States District Court for the Eastern District of Michigan.
10 (z) "SSI" means supplemental security income.
11 (aa) "Temporary assistance for needy families" or "TANF" or
12 "title IV-A" means part A of subchapter IV of the social security
13 act, 42 USC 601 to 619.
14 (bb) "Title IV-B" means part B of title IV of the social
15 security act, 42 USC 620 to 629m.
16 (cc) "Title IV-D" means part D of title IV of the social
17 security act, 42 USC 651 to 669b.
18 (dd) "Title IV-E" means part E of title IV of the social
19 security act, 42 USC 670 to 679c.
20 (ee) "Title X" means subchapter VIII of the public health
21 service act, 42 USC 300 to 300a-8, which establishes grants to
22 states for family planning services.
23 Sec. 204. In addition to the metrics required under section
24 447 of the management and budget act, 1984 PA 431, MCL 18.1447, for
25 each new program or program enhancement for which funds in excess
26 of $1,000,000.00 are appropriated in part 1, the department shall
27 provide not later than November 1 of the current fiscal year a list

of program-specific metrics intended to measure its performance based on a return on taxpayer investment. The department shall deliver the program-specific metrics to members of the senate and house subcommittees on the department budget, fiscal agencies, and the state budget director. The department shall provide an update on its progress in tracking program-specific metrics and the status of program success at an appropriations subcommittee meeting called for by the subcommittee chair.

Sec. 205. Pursuant to section 1b of the social welfare act, 1939 PA 280, MCL 400.1b, the department shall treat part 1 and this part as a time-limited addendum to the social welfare act, 1939 PA 280, MCL 400.1 to 400.119b.

Sec. 206. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $400,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393. These funds shall not be made available to increase TANF authorization.

(2) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $45,000,000.00 for state restricted contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(3) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $40,000,000.00 for local

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

(4) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $60,000,000.00 for private contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

Sec. 207. The department shall maintain, on a publicly accessible website, a department scorecard that identifies, tracks, and regularly updates key metrics that are used to monitor and improve the department's performance.

Sec. 208. Unless otherwise specified, the departments and agencies receiving appropriations in part 1 shall use the Internet to fulfill the reporting requirements of this part and part 1. This requirement shall include transmission of reports via electronic mail to the recipients identified for each reporting requirement, and it shall include placement of reports on the Internet.

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

1 services, or both, that are manufactured or provided by Michigan
2 businesses owned and operated by veterans if they are competitively
3 priced and of comparable quality.
4 Sec. 210. The director shall take all reasonable steps to
5 ensure businesses in deprived and depressed communities compete for
6 and perform contracts to provide services or supplies, or both.
7 Each director shall strongly encourage firms with which the
8 department contracts to subcontract with certified businesses in
9 depressed and deprived communities for services, supplies, or both.
10 Sec. 211. If the revenue collected by the department from fees
11 and collections exceeds the amount appropriated in part 1, the
12 revenue may be carried forward with the approval of the state
13 budget director into the subsequent fiscal year. The revenue
14 carried forward under this section shall be used as the first
15 source of funds in the subsequent fiscal year.
16 Sec. 212. (1) On or before February 1 of the current fiscal
17 year, the department shall report to the house and senate
18 appropriations subcommittees on the department budget, the house
19 and senate fiscal agencies, and the state budget director on the
20 detailed name and amounts of estimated federal, restricted,
21 private, and local sources of revenue that support the
22 appropriations in each of the line items in part 1.
23 (2) Upon the release of the next fiscal year executive budget
24 recommendation, the department shall report to the same parties in
25 subsection (1) on the amounts and detailed sources of federal,
26 restricted, private, and local revenue proposed to support the
27 total funds appropriated in each of the line items in part 1 of the

next fiscal year executive budget proposal.

Sec. 213. The state departments, agencies, and commissions receiving tobacco tax funds and Healthy Michigan fund revenue from part 1 shall report by April 1 of the current fiscal year to the senate and house appropriations committees, the senate and house fiscal agencies, and the state budget director on the following:

(a) Detailed spending plan by appropriation line item including description of programs and a summary of organizations receiving these funds.

(b) Description of allocations or bid processes including need or demand indicators used to determine allocations.

(c) Eligibility criteria for program participation and maximum benefit levels where applicable.

(d) Outcome measures used to evaluate programs, including measures of the effectiveness of these programs in improving the health of Michigan residents.

(e) Any other information considered necessary by the house of representatives or senate appropriations committees or the state budget director.

Sec. 214. By March 1 and August 1 of the current fiscal year, the department shall report on the number of FTEs in pay status by type of staff.

Sec. 215. If a legislative objective of this part or of a bill or amendment to a bill to amend the social welfare act, 1939 PA 280, MCL 400.1 to 400.119b, cannot be implemented because implementation would conflict with or violate federal regulations, the department shall notify the state budget director, the chairs

of the house and senate subcommittees on the department budget, and the house and senate fiscal agencies and policy offices of that fact.

Sec. 216. (1) In addition to funds appropriated in part 1 for all programs and services, there is appropriated for write-offs of accounts receivable, deferrals, and for prior year obligations in excess of applicable prior year appropriations, an amount equal to total write-offs and prior year obligations, but not to exceed amounts available in prior year revenues.

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

Sec. 217. The departments and agencies receiving appropriations in part 1 shall prepare a report on out-of-state travel expenses not later than January 1 of each year. The travel report shall be a listing of all travel by classified and unclassified employees outside this state in the immediately preceding fiscal year that was funded in whole or in part with funds appropriated in the department's budget. The report shall be submitted to the senate and house appropriations committees, the house and senate fiscal agencies, and the state budget director. The report shall include the following information:

(a) The dates of each travel occurrence.

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

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

Sec. 218. The department shall include, but not be limited to, the following in its annual list of proposed basic health services as required in part 23 of the public health code, 1978 PA 368, MCL 333.2301 to 333.2321:

(a) Immunizations.

(b) Communicable disease control.

(c) Sexually transmitted disease control.

(d) Tuberculosis control.

(e) Prevention of gonorrhea eye infection in newborns.

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

(g) Health and human services annex of the Michigan emergency management plan.

(h) Prenatal care.

Sec. 219. (1) The department may contract with the Michigan Public Health Institute for the design and implementation of projects and for other public health-related activities prescribed in section 2611 of the public health code, 1978 PA 368, MCL 333.2611. The department may develop a master agreement with the Institute to carry out these purposes for up to a 3-year period. The department shall report to the house and senate appropriations

subcommittees on the department budget, the house and senate fiscal agencies, and the state budget director on or before January 1 of the current fiscal year all of the following:

(a) A detailed description of each funded project.

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

(c) The expected project duration.

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

(2) On or before September 30 of the current fiscal year, the department shall provide to the same parties listed in subsection (1) a copy of all reports, studies, and publications produced by the Michigan Public Health Institute, its subcontractors, or the department with the funds appropriated in part 1 and allocated to the Michigan Public Health Institute.

Sec. 220. The department shall ensure that faith-based organizations are able to apply and compete for services, programs, or contracts that they are qualified and suitable to fulfill. The department shall not disqualify faith-based organizations solely on the basis of the religious nature of their organization or their guiding principles or statements of faith.

Sec. 222. (1) The department shall make the entire policy and procedures manual available and accessible to the public via the department website.

(2) The department shall report no later than April 1 of the

current fiscal year on each specific policy change made to implement a public act affecting the department that took effect during the prior calendar year to the house and senate appropriations subcommittees on the department budget, the joint committee on administrative rules, and the senate and house fiscal agencies and policy offices. The department shall attach each policy bulletin issued during the prior calendar year to this report.

Sec. 223. The department may establish and collect fees for publications, videos and related materials, conferences, and workshops. Collected fees shall be used to offset expenditures to pay for printing and mailing costs of the publications, videos and related materials, and costs of the workshops and conferences. The department shall not collect fees under this section that exceed the cost of the expenditures.

Sec. 224. The department may retain all of the state's share of food assistance overissuance collections as an offset to general fund/general purpose costs. Retained collections shall be applied against federal funds deductions in all appropriation units where department costs related to the investigation and recoupment of food assistance overissuances are incurred. Retained collections in excess of such costs shall be applied against the federal funds deducted in the departmentwide administration appropriation unit.

Sec. 225. (1) Sanctions, suspensions, conditions for provisional license status, and other penalties shall not be more stringent for private service providers than for public entities performing equivalent or similar services.

(2) Neither the department nor private service providers or licensees shall be granted preferential treatment or considered automatically to be in compliance with administrative rules based on whether they have collective bargaining agreements with direct care workers. Private service providers or licensees without collective bargaining agreements shall not be subjected to additional requirements or conditions of licensure based on their lack of collective bargaining agreements.

Sec. 231. From the funds appropriated in part 1 for travel reimbursements to employees, the department shall allocate up to $100,000.00 toward reimbursing counties for the out-of-pocket travel costs of the local county department board members and county department directors to attend 1 meeting per year of the Michigan County Social Services Association.

Sec. 233. By March 31 and September 30 of the current fiscal year, the department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office on the status of the merger, executed according to Executive Order No. 2015-4, of the department of community health and the department of human services to create the department of health and human services. The report must indicate changes from the prior report and shall include, but not be limited to, all of the following information:

(a) The impact on client service delivery or access to services, including the restructuring or consolidation of services.

(b) Any cost increases or reductions that resulted from rent

or building occupancy changes.

(c) Facilities in use, including any office closures or consolidations, or new office locations, including hoteling stations.

(d) Current status of FTE positions, including the number of FTE positions that were eliminated or added due to duplication of efforts.

(e) Any other efficiencies, costs, or savings associated with the merger.

Sec. 234. The department shall include specific outcome and performance reporting requirements in the interagency agreement with the Michigan talent investment agency for TANF funding to provide job readiness and welfare-to-work programming. TANF funding provided to the Michigan talent investment agency in the current fiscal year is contingent on compliance with the data and reporting requirements described in this section. The interagency agreement must require the Michigan talent investment agency to provide all of the following items by January 1 of the current fiscal year for the previous fiscal year to the senate and house appropriations committees and the state budget office:

(a) An itemized spending report on TANF funding, including all of the following:

(*i*) Direct services to clients.

(*ii*) Administrative expenditures.

(b) The number of family independence program (FIP) clients served through the TANF funding, including all of the following:

(*i*) The number and percentage who obtained employment through

Michigan Works!

(*ii*) The number and percentage who fulfilled their TANF work requirement through other job readiness programming.

(*iii*) Average TANF spending per client.

(*iv*) The number and percentage of clients who were referred to Michigan Works! but did not receive a job or job readiness placement and the reasons why.

Sec. 240. The department shall notify the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the house and senate policy offices of any changes to a child welfare master contract template, including the adoption master contract template, the independent living plus master contract template, the placing agency foster care master contract template, and the residential foster care juvenile justice master contract template, not less than 30 days before the change takes effect.

Sec. 252. The appropriations in part 1 for Healthy Michigan plan - behavioral health, Healthy Michigan plan administration, and Healthy Michigan plan are contingent on the provisions of the social welfare act, 1939 PA 280, MCL 400.1 to 400.119b, that were contained in 2013 PA 107 not being amended, repealed, or otherwise altered to eliminate the Healthy Michigan plan. If that occurs, then, upon the effective date of the amendatory act that amends, repeals, or otherwise alters those provisions, the remaining funds in the Healthy Michigan plan - behavioral health, Healthy Michigan plan administration, and Healthy Michigan plan line items shall only be used to pay previously incurred costs and any remaining

appropriations shall not be allotted to support those line items.

Sec. 263. (1) Before submission of a waiver, a state plan amendment, or a similar proposal to the Centers for Medicare and Medicaid Services or other federal agency, the department shall provide written notification to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies and policy offices, and the state budget office of the planned submission.

(2) The department shall provide written biannual reports to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the state budget office summarizing the status of any new or ongoing discussions with the Centers for Medicare and Medicaid Services or the United States Department of Health and Human Services or other federal agency regarding potential or future waiver applications, as well as the status of submitted waivers that have not yet received federal approval. If, at the time a biannual report is due, there are no reportable items, then no report is required to be provided.

Sec. 264. The department shall not take disciplinary action against an employee for communicating with a member of the legislature or his or her staff.

Sec. 265. Within 14 days after the release of the executive budget recommendation, the department shall cooperate with the state budget office to provide the senate and house appropriations chairs, the senate and house appropriations subcommittee chairs on the department budget, and the senate and house fiscal agencies with an annual report on estimated state restricted fund balances,

state restricted fund projected revenues, and state restricted fund expenditures for the previous fiscal year and the current fiscal year.

Sec. 270. The department shall advise the legislature of the receipt of a notification from the attorney general's office of a legal action in which expenses had been recovered pursuant to section 106(4) of the social welfare act, 1939 PA 280, MCL 400.106, or any other statute under which the department has the right to recover expenses. By November 1 and May 1 of the current fiscal year, the department shall submit a written report to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the state budget office which includes, at a minimum, all of the following:

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

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

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

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

Sec. 274. (1) The department, in collaboration with the state budget office, shall not utilize capped federal funding for economics adjustments for FTEs or other economics costs that are included as part of the budget submitted to the legislature by the governor for the ensuing fiscal year.

(2) The department, in collaboration with the state budget office, shall submit to the house and senate appropriations

subcommittees on the department budget, the house and senate fiscal agencies, and the house and senate policy offices 1 week after the day the governor submits to the legislature the budget for the ensuing fiscal year a report on spending and revenue projections for each of the capped federal funds listed below. The report shall contain actual spending and revenue in the previous fiscal year, spending and revenue projections for the current fiscal year as enacted, and spending and revenue projections within the executive budget proposal for the fiscal year beginning October 1, 2017 for each individual line item for the department budget. The report shall also include federal funds transferred to other departments. The capped federal funds shall include, but not be limited to, all of the following:

(a) TANF.

(b) Title XX social services block grant.

(c) Title IV-B part I child welfare services block grant.

(d) Title IV-B part II promoting safe and stable families funds.

(e) Low-income home energy assistance program.

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

Sec. 279. (1) All master contracts relating to human services as funded by the appropriations in sections 103, 104, 105, 106,

107, 108, and 109 of part 1 shall be performance-based contracts that employ a client-centered results-oriented process that is based on measurable performance indicators and desired outcomes and includes the annual assessment of the quality of services provided.

(2) By February 1 of the current fiscal year, the department shall provide the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies and policy offices, and the state budget office a report detailing measurable performance indicators, desired outcomes, and an assessment of the quality of services provided by the department during the previous fiscal year.

Sec. 280. On a quarterly basis, the department shall provide a report to the house and senate appropriations committees, the house and senate fiscal agencies, the house and senate policy offices, and the state budget director that provides all of the following for each line item in part 1 containing personnel-related costs, including the specific individual amounts for salaries and wages, payroll taxes, and fringe benefits:

(a) FTE authorization.

(b) Spending authorization for personnel-related costs, by fund source, under the spending plan.

(c) Actual year-to-date expenditures for personnel-related costs, by fund source, through the end of the prior month.

(d) The projected year-end balance or shortfall for personnel-related costs, by fund source, based on actual monthly spending levels through the end of the prior month.

(e) A specific plan for addressing any projected shortfall for

1 personnel-related costs at either the gross or fund source level.
2 Sec. 287. Not later than November 30, the state budget office
3 shall prepare and transmit a report that provides for estimates of
4 the total general fund/general purpose appropriation lapses at the
5 close of the prior fiscal year. This report shall summarize the
6 projected year-end general fund/general purpose appropriation
7 lapses by major departmental program or program areas. The report
8 shall be transmitted to the chairpersons of the senate and house
9 appropriations committees, and the senate and house fiscal
10 agencies.
11 Sec. 290. Any public advertisement for state food assistance
12 shall also inform the public of the welfare fraud hotline operated
13 by the department.
14 Sec. 291. The department shall verify, using the e-verify
15 system, that all new department employees, and new hire employees
16 of contractors and subcontractors paid from funds appropriated in
17 part 1, are legally present in the United States. The department
18 may verify this information directly or may require contractors and
19 subcontractors to verify the information and submit a certification
20 to the department.
21 Sec. 292. The department shall cooperate with the department
22 of technology, management, and budget to maintain a searchable
23 website accessible by the public at no cost that includes, but is
24 not limited to, all of the following for each department or agency:
25 (a) Fiscal year-to-date expenditures by category.
26 (b) Fiscal year-to-date expenditures by appropriation unit.
27 (c) Fiscal year-to-date payments to a selected vendor,

1 including the vendor name, payment date, payment amount, and
2 payment description.
3 (d) The number of active department employees by job
4 classification.
5 (e) Job specifications and wage rates.
6 Sec. 294. From the funds appropriated in part 1 for the
7 Michigan Medicaid information system (MMIS) line item,
8 $20,000,000.00 in private revenue may be received from and
9 allocated for other states interested in participating as part of
10 the broader MMIS initiative. By March 1 of the current fiscal year,
11 the department shall provide a report on the use of MMIS by other
12 states for the previous fiscal year, including a list of states,
13 type of use, and revenue and expenditures related to the agreements
14 with the other states to use the MMIS. The report shall be provided
15 to the house and senate appropriations subcommittees on the
16 department budget, the house and senate fiscal agencies, and the
17 state budget office.
18 Sec. 295. (1) From the funds appropriated in part 1 for
19 multicultural integration funding and for any other appropriation
20 line item to agencies providing physical health services,
21 behavioral health services, or social services to multicultural
22 populations, the department shall award grants in accordance with
23 the requirements of subsection (2). The state is not liable for any
24 spending above the contract amount. Commencing with grants to be
25 distributed in the fiscal year beginning October 1, 2017, the
26 grants shall be awarded on a competitive basis.
27 (2) The department shall require each contractor that receives

greater than $1,000,000.00 in state grant funding under this section to comply with performance-related metrics to maintain their eligibility for funding. The organizational metrics shall include, but not be limited to, all of the following:

(a) Each contractor or subcontractor shall have accreditations that attest to its competency and effectiveness as a physical health agency, behavioral health agency, social services agency, or a combination of these agencies to the satisfaction of the department.

(b) Each contractor or subcontractor shall have a mission that is consistent with the purpose of the multicultural agency.

(c) Each contractor shall validate that any subcontractors utilized within these appropriations share the same mission as the lead agency receiving funding.

(d) Each contractor or subcontractor shall demonstrate cost-effectiveness.

(e) Each contractor or subcontractor shall ensure its ability to leverage private dollars to strengthen and maximize service provision.

(f) Each contractor or subcontractor shall provide timely and accurate reports regarding the number of clients served, units of service provision, and ability to meet its stated goals.

(3) The department shall require an annual report from the contractors described in subsection (2). The annual report, due 60 days following the end of the contract period, shall include specific information on services and programs provided from grants received under this section, the client base to which the services

and programs were provided, information on any wraparound services provided, and the expenditures for all services. The department shall provide the annual reports to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the state budget office.

Sec. 296. By March 1 of the current fiscal year, the department shall provide to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the senate and house policy offices an annual report on the supervisor-to-staff ratio by department divisions and subdivisions.

Sec. 297. Total authorized appropriations from all sources under part 1 for legacy costs for the current fiscal year are $364,972,800.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at $202,368,400.00. Total agency appropriations for retiree health care legacy costs are estimated at $162,604,400.00.

Sec. 298. (1) The department shall work with a workgroup to make recommendations regarding the most effective financing model and policies for behavioral health services in order to improve the coordination of behavioral and physical health services for individuals with mental illnesses, intellectual and developmental disabilities, and substance use disorders. The workgroup shall include, but not be limited to, the Michigan Association of Community Mental Health Boards, the Michigan Association of Health Plans, and advocates for consumers of behavioral health services.

(2) The workgroup shall consider the following goals in making

its recommendations:

(a) Core principles of person-centered planning, self-determination, and recovery orientation.

(b) Avoiding the return to a medical and institutional model of supports and services for individuals with behavioral health and developmental disability needs.

(c) Coordination of physical health and behavioral health care and services at the point at which the consumer receives that care and those services.

(3) The workgroup's recommendations shall include a detailed plan for the transition to any new financing model or policies recommended by the workgroup, including a plan to ensure continuity of care for consumers of behavioral health services in order to prevent current customers of behavioral health services from experiencing a disruption of services and supports. The workgroup shall consider the use of 1 or more pilot programs in areas with an appropriate number of consumers of behavioral health services and a range of behavioral health needs as part of that transition plan.

(4) The department shall provide, after each workgroup meeting, a status update on the workgroup's progress and, by December 1 of the current fiscal year, a final report on the workgroup's recommendations to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the state budget office.

(5) No funding that has been paid to the prepaid inpatient health plans in prior fiscal years from the Medicaid mental health services, Medicaid substance use disorder services, Healthy

1 Michigan plan – behavioral health, or autism services appropriation
2 line items shall be transferred or paid to any other entity without
3 specific legislative authorization through enactment of a budget
4 act containing appropriation line item changes or authorizing
5 boilerplate language.
6 Sec. 299. No state department or agency shall issue a request
7 for proposal (RFP) for a contract in excess of $5,000,000.00,
8 unless the department or agency has first considered issuing a
9 request for information (RFI) or a request for qualification (RFQ)
10 relative to that contract to better enable the department or agency
11 to learn more about the market for the products or services that
12 are the subject of the RFP. The department or agency shall notify
13 the department of technology, management, and budget of the
14 evaluation process used to determine if an RFI or RFQ was not
15 necessary prior to issuing the RFP.

16 **DEPARTMENTWIDE ADMINISTRATION**

17 Sec. 307. (1) From the funds appropriated in part 1 for
18 demonstration projects, $950,000.00 shall be distributed as
19 provided in subsection (2). The amount distributed under this
20 subsection shall not exceed 50% of the total operating expenses of
21 the program described in subsection (2), with the remaining 50%
22 paid by local United Way organizations and other nonprofit
23 organizations and foundations.
24 (2) Funds distributed under subsection (1) shall be
25 distributed to Michigan 2-1-1, a nonprofit corporation organized
26 under the laws of this state that is exempt from federal income tax

1 under section 501(c)(3) of the internal revenue code, 26 USC
2 501(c)(3), and whose mission is to coordinate and support a
3 statewide 2-1-1 system. Michigan 2-1-1 shall use the funds only to
4 fulfill the Michigan 2-1-1 business plan adopted by Michigan 2-1-1
5 in January 2005.
6 (3) Michigan 2-1-1 shall refer to the department any calls
7 received reporting fraud, waste, or abuse of state-administered
8 public assistance.
9 (4) Michigan 2-1-1 shall report annually to the department,
10 the house and senate standing committees with primary jurisdiction
11 over matters relating to human services and telecommunications, the
12 house and senate appropriations subcommittees on the department
13 budget, and the house and senate fiscal agencies, on 2-1-1 system
14 performance, including, but not limited to, call volume by health
15 and human service needs and unmet needs identified through caller
16 data and customer satisfaction metrics.
17 Sec. 310. It is the intent of the legislature that the
18 department shall work with youth-oriented nonprofit organizations
19 to provide mentoring programming for children of incarcerated
20 parents and other at-risk children.
21 Sec. 316. From the funds appropriated in part 1 for terminal
22 leave payouts and other employee costs, the department shall not
23 spend in excess of its annual gross appropriation unless it
24 identifies and requests a legislative transfer from another
25 budgetary line item supporting administrative costs, as provided by
26 section 393(2) of the management and budget act, 1984 PA 431, MCL
27 18.1393.

Sec. 320. Effective October 1, 2015, the department shall not expend funds appropriated in part 1 for rental payments or operational expenses for state lease number 2719 for the premises located at 103 Court Street in Munising, Michigan.

CHILD SUPPORT ENFORCEMENT

Sec. 401. (1) The appropriations in part 1 assume a total federal child support incentive payment of $26,500,000.00.

(2) From the federal money received for child support incentive payments, $12,000,000.00 shall be retained by the state and expended for child support program expenses.

(3) From the federal money received for child support incentive payments, $14,500,000.00 shall be paid to the counties based on each county's performance level for each of the federal performance measures as established in 45 CFR 305.2.

(4) If the child support incentive payment to the state from the federal government is greater than $26,500,000.00, then 100% of the excess shall be retained by the state and is appropriated until the total retained by the state reaches $15,397,400.00.

(5) If the child support incentive payment to the state from the federal government is greater than the amount needed to satisfy the provisions identified in subsections (1), (2), (3), and (4), the additional funds shall be subject to appropriation by the legislature.

(6) If the child support incentive payment to the state from the federal government is less than $26,500,000.00, then the state and county share shall each be reduced by 50% of the shortfall.

1 Sec. 409. (1) If statewide retained child support collections
2 exceed $38,300,000.00, 75% of the amount in excess of
3 $38,300,000.00 is appropriated to legal support contracts. This
4 excess appropriation may be distributed to eligible counties to
5 supplement and not supplant county title IV-D funding.
6 (2) Each county whose retained child support collections in
7 the current fiscal year exceed its fiscal year 2004-2005 retained
8 child support collections, excluding tax offset and financial
9 institution data match collections in both the current year and
10 fiscal year 2004-2005, shall receive its proportional share of the
11 75% excess.
12 Sec. 410. (1) If title IV-D-related child support collections
13 are escheated, the state budget director is authorized to adjust
14 the sources of financing for the funds appropriated in part 1 for
15 legal support contracts to reduce federal authorization by 66% of
16 the escheated amount and increase general fund/general purpose
17 authorization by the same amount. This budget adjustment is
18 required to offset the loss of federal revenue due to the escheated
19 amount being counted as title IV-D program income in accordance
20 with federal regulations at 45 CFR 304.50.
21 (2) The department shall notify the chairs of the house and
22 senate appropriations subcommittees on the department budget and
23 the house and senate fiscal agencies within 15 days of the
24 authorization adjustment in subsection (1).

25 **COMMUNITY SERVICES AND OUTREACH**

26 Sec. 450. (1) From the funds appropriated in part 1 for school

1 success partnership program, the department shall allocate
2 $450,000.00 by December 1 of the current fiscal year to support the
3 Northeast Michigan Community Service Agency programming, which will
4 take place in each county in the Governor's Prosperity Region 3.
5 The department shall require the following performance objectives
6 be measured and reported for the duration of the state funding for
7 the school success partnership program:
8 (a) Increasing school attendance and decreasing chronic
9 absenteeism.
10 (b) Increasing academic performance based on grades with
11 emphasis on math and reading.
12 (c) Identifying barriers to attendance and success and
13 connecting families with resources to reduce these barriers.
14 (d) Increasing parent involvement with the parent's child's
15 school and community.
16 (2) The Northeast Michigan Community Service Agency shall
17 provide reports to the department on January 31 and June 30 of the
18 current fiscal year on the number of children and families served
19 and the services that were provided to families to meet the
20 performance objectives identified in this section. The department
21 shall distribute the reports within 1 week after receipt to the
22 house and senate appropriations subcommittees on the department
23 budget, house and senate fiscal agencies, house and senate policy
24 offices, and the state budget office.
25 Sec. 451. From the funds appropriated in part 1 for crime
26 victim justice assistance grants, the department shall continue to
27 support forensic nurse examiner programs to facilitate training for

1 improved evidence collection for the prosecution of sexual assault.
2 The funds shall be used for program coordination and training.

3 **CHILDREN'S SERVICES AGENCY - CHILD WELFARE**

4 Sec. 501. (1) A goal is established that not more than 25% of
5 all children in foster care at any given time during the current
6 fiscal year will have been in foster care for 24 months or more.
7 (2) By March 1 of the current fiscal year, the department
8 shall provide 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 report describing the steps that will be taken to achieve the
12 specific goal established in this section and on the percentage of
13 children who currently are in foster care and who have been in
14 foster care a total of 24 or more months.
15 Sec. 502. From the funds appropriated in part 1 for foster
16 care, the department shall provide 50% reimbursement to Indian
17 tribal governments for foster care expenditures for children who
18 are under the jurisdiction of Indian tribal courts and who are not
19 otherwise eligible for federal foster care cost sharing.
20 Sec. 503. (1) In accordance with the final report of the
21 Michigan child welfare performance-based funding task force issued
22 in response to section 503 of article X of 2013 PA 59, the
23 department shall continue to develop actuarially sound case rates
24 for necessary out-of-home child welfare services that achieve
25 permanency by the department and private child placing agencies in
26 a prospective payment system under a performance-based funding

model.

(2) The department shall continue to develop a prospective rate payment system for private agencies that includes funding for adoption incentive payments. The full cost prospective rate payment system will identify and cover contractual costs paid through the case rate developed by an independent actuary.

(3) If not provided in the previous year, by September 30 of the current fiscal year, the department shall complete a full cost analysis of the performance-based funding model with respect to the current fiscal year, including relevant information on the actuarial rate-setting process, and provide a report on the analysis to the senate and house appropriations subcommittees on the department budget.

(4) In accordance with the final report of the Michigan child welfare performance-based funding task force issued in response to section 503 of article X of 2013 PA 59, the department shall implement a 5-year independent, third-party evaluation of the performance-based funding model. The evaluator shall be selected through a competitive process by a rating committee that includes, but is not limited to, representatives from the department and private child placing agencies.

(5) The department shall only phase the implementation of the performance-based funding model into additional counties where the department, private child welfare agencies, the county, and the court operating within that county have agreed to implement the performance-based funding model.

(6) The department, in conjunction with members from both the

house of representatives and senate, private child placing agencies, the courts, and counties shall implement the recommendations that are described in the workgroup report that was provided in section 503 of article X of 2013 PA 59 to establish a performance-based funding for public and private child welfare services providers. The department shall provide a quarterly report on the status of the performance-based contracting model to the senate and house appropriations subcommittees on the department budget, the senate and house standing committees on families and human services, the senate and house fiscal agencies and policy offices, and the state budget office.

(7) From the funds appropriated in part 1 for the performance-based funding model pilot, the department shall continue to work with the West Michigan Partnership for Children Consortium on the implementation of the performance-based funding model pilot. The consortium shall accept and comprehensively assess referred youth, assign cases to members of its continuum or leverage services from other entities, and make appropriate case management decisions during the duration of a case. The consortium shall operate an integrated continuum of care structure, with services provided by both private and public agencies, based on individual case needs. The consortium shall demonstrate significant organizational capacity and competencies, including experience with managing risk-based contracts, financial strength, experienced staff and leadership, and appropriate governance structure.

Sec. 504. (1) The department may establish a master agreement with a consortium in Kent County for a performance-based child

1 welfare contracting pilot program. The consortium must be
2 recognized by this state as a nonprofit organization and must have
3 submitted an application to the Internal Revenue Service for
4 501(c)(3) status. The consortium shall consist of a network of
5 affiliated child welfare service providers that will accept and
6 comprehensively assess referred youth, assign cases to members of
7 its continuum or leverage services from other entities, and make
8 appropriate case management decisions during the duration of a
9 case.
10 (2) The consortium shall operate an integrated continuum of
11 care structure, with services provided by private or public
12 agencies, based on individual case needs. The consortium shall
13 demonstrate significant organizational capacity and competencies,
14 including financial strength, experienced staff and leadership, and
15 appropriate governance structure.
16 (3) By March 1 of the current fiscal year, the consortium
17 shall provide to the department, the house and senate
18 appropriations subcommittees on the department budget, the senate
19 and house fiscal agencies, and the state budget office a report on
20 the status of the implementation of the consortium, including, but
21 not limited to, actual expenditures.
22 Sec. 505. By March 1 of the current fiscal year, the
23 department and Wayne County shall provide to the senate and house
24 appropriations subcommittees on the department budget, the senate
25 and house fiscal agencies and policy offices, and the state budget
26 office a report for youth served in the previous fiscal year and in
27 the first quarter of the current fiscal year outlining the number

of youth served within each juvenile justice system, the type of setting for each youth, performance outcomes, and financial costs or savings.

Sec. 507. The department's ability to satisfy appropriation deducts in part 1 for foster care private collections shall not be limited to collections and accruals pertaining to services provided only in the current fiscal year but may include revenues collected during the current fiscal year for services provided in prior fiscal years.

Sec. 508. (1) In addition to the amount appropriated in part 1 for children's trust fund grants, money granted or money received as gifts or donations to the children's trust fund created by 1982 PA 249, MCL 21.171 to 21.172, is appropriated for expenditure.

(2) The department and the child abuse and neglect prevention board shall collaborate to ensure that administrative delays are avoided and the local grant recipients and direct service providers receive money in an expeditious manner. The department and board shall make available the children's trust fund contract funds to grantees within 31 days of the start date of the funded project.

Sec. 511. The department shall provide semiannual reports to the senate and house appropriations subcommittees on the department budget, the senate and house standing committees on families and human services, and the senate and house fiscal agencies and policy offices on the number and percentage of children who received timely health examinations after entry into foster care and the number and percentage of children entering foster care who received a required mental health examination after entry into foster care.

1 Sec. 513. (1) The department shall not expend funds
2 appropriated in part 1 to pay for the direct placement by the
3 department of a child in an out-of-state facility unless all of the
4 following conditions are met:
5 (a) There is no appropriate placement available in this state
6 as determined by the department interstate compact office.
7 (b) An out-of-state placement exists that is nearer to the
8 child's home than the closest appropriate in-state placement as
9 determined by the department interstate compact office.
10 (c) The out-of-state facility meets all of the licensing
11 standards of this state for a comparable facility.
12 (d) The out-of-state facility meets all of the applicable
13 licensing standards of the state in which it is located.
14 (e) The department has done an on-site visit to the out-of-
15 state facility, reviewed the facility records, reviewed licensing
16 records and reports on the facility, and believes that the facility
17 is an appropriate placement for the child.
18 (2) The department shall not expend money for a child placed
19 in an out-of-state facility without approval of the deputy director
20 for children's services.
21 (3) The department shall submit an annual report to the state
22 court administrative office, the house and senate appropriations
23 subcommittees on the department budget, the house and senate fiscal
24 agencies, the house and senate policy offices, and the state budget
25 office on the number of Michigan children residing in out-of-state
26 facilities at the time of the report, the total cost and average
27 per diem cost of these out-of-state placements to this state, and a

list of each such placement arranged by the Michigan county of residence for each child.

(4) It is the intent of the legislature that the department shall work in conjunction with the courts and the state court administrative office to identify data needed to calculate statewide recidivism rates for adjudicated youth placed in either residential secure or nonsecure facilities, defined at 6 months after a youth is released from placement.

(5) By March 1 of the current fiscal year, the department shall notify the legislature on the status of efforts to accomplish the intent of subsection (4).

Sec. 514. The department shall make a comprehensive report concerning children's protective services (CPS) to the legislature, including the senate and house policy offices and the state budget director, by March 1 of the current fiscal year, that shall include all of the following:

(a) Statistical information including, at a minimum, all of the following:

(*i*) The total number of reports of child abuse or child neglect investigated under the child protection law, 1975 PA 238, MCL 722.621 to 722.638, and the number of cases classified under category I or category II and the number of cases classified under category III, category IV, or category V.

(*ii*) Characteristics of perpetrators of child abuse or child neglect and the child victims, such as age, relationship, race, and ethnicity and whether the perpetrator exposed the child victim to drug activity, including the manufacture of illicit drugs, that

exposed the child victim to substance abuse, a drug house, or methamphetamine.

(*iii*) The mandatory reporter category in which the individual who made the report fits, or other categorization if the individual is not within a group required to report under the child protection law, 1975 PA 238, MCL 722.621 to 722.638.

(*iv*) The number of cases that resulted in the separation of the child from the parent or guardian and the period of time of that separation, up to and including termination of parental rights.

(*v*) For the reported complaints of child abuse or child neglect by teachers, school administrators, and school counselors, the number of cases classified under category I or category II and the number of cases classified under category III, category IV, or category V.

(*vi*) For the reported complaints of child abuse or child neglect by teachers, school administrators, and school counselors, the number of cases that resulted in separation of the child from the parent or guardian and the period of time of that separation, up to and including termination of parental rights.

(b) New policies related to children's protective services including, but not limited to, major policy changes and court decisions affecting the children's protective services system during the immediately preceding 12-month period.

(c) Statistical information regarding families that were classified in category III, including all of the following:

(*i*) The total number of cases classified in category III.

(*ii*) The number of cases in category III referred to voluntary community services and closed with no additional monitoring.

(*iii*) The number of cases in category III referred to voluntary community services and monitored for up to 90 days.

(*iv*) The number of cases in category III for which the department entered more than 1 determination that there was evidence of child abuse or child neglect.

(*v*) The number of cases in category III that the department reclassified from category III to category II.

(*vi*) The number of cases in category III that the department reclassified from category III to category I.

(*vii*) The number of cases in category III that the department reclassified from category III to category I that resulted in a removal.

(d) The department policy, or changes to the department policy, regarding children who have been exposed to the production or manufacture of methamphetamines.

Sec. 519. The department shall permit any private agency that has an existing contract with this state to provide foster care services to be also eligible to provide treatment foster care services.

Sec. 523. (1) By February 15 of the current fiscal year, the department shall report on the families first, family reunification, and families together building solutions family preservation programs to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget

office. The report shall provide an estimate of total costs savings as a result of avoiding placement of children in foster care for families who received family preservation services and shall include information for each program on any innovations that may increase savings or reductions in administrative costs.

(2) From the funds appropriated in part 1 for youth in transition and domestic violence prevention and treatment, the department is authorized to make allocations of TANF funds only to agencies that report necessary data to the department for the purpose of meeting TANF eligibility reporting requirements.

Sec. 524. As a condition of receiving funds appropriated in part 1 for strong families/safe children, counties must submit the service spending plan to the department by October 1 of the current fiscal year for approval. The department shall approve the service spending plan within 30 calendar days after receipt of a properly completed service spending plan.

Sec. 525. The department shall implement the same on-site evaluation processes for privately operated child welfare and juvenile justice residential facilities as is used to evaluate state-operated facilities. Penalties for noncompliance shall be the same for privately operated child welfare and juvenile justice residential facilities and state-operated facilities.

Sec. 526. From the funds appropriated in part 1 for foster care payments and related administrative costs, the department may implement the federally approved title IV-E child welfare waiver demonstration project. As required under the waiver, any savings resulting from the demonstration project must be quantified and

reinvested into child welfare programming.

Sec. 532. The department, in collaboration with representatives of private child and family agencies, shall revise and improve the annual licensing review process and the annual contract compliance review process for child placing agencies and child caring institutions. The improvement goals shall be safety and care for children. Improvements to the review process shall be directed toward alleviating administrative burdens so that agency resources may be focused on children. The revision shall include identification of duplicative staff activities and information sought from child placing agencies and child caring institutions in the annual review process. The department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies and policy offices, and the state budget director on or before January 15 of the current fiscal year on the findings of the annual licensing review.

Sec. 533. (1) The department shall make payments to child placing facilities for in-home and out-of-home care services and adoption services within 30 days of receiving all necessary documentation from those agencies.

(2) The department shall provide a report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the state budget director on the status of the implementation and operation of this section by February 15 of the current fiscal year.

Sec. 534. (1) The department shall provide to the senate and house appropriations subcommittees on the department budget, the

1 senate and house fiscal agencies, the senate and house policy
2 offices, and the state budget office by November 1 of the current
3 fiscal year an implementation plan regarding the appropriation in
4 part 1 to implement the MISACWIS. The plan shall include, but not
5 be limited to, efforts to bring the system into compliance with the
6 Dwayne B. v Snyder modified settlement agreement and other federal
7 guidelines set forth by the United States Department of Health and
8 Human Services Administration for Children and Families.
9 (2) The department shall provide to the senate and house
10 appropriations subcommittees on the department budget, the senate
11 and house fiscal agencies, the senate and house policy offices, and
12 the state budget office by June 1 of the current fiscal year a
13 status report regarding the appropriation in part 1 to implement
14 the MISACWIS. The report shall provide details on the planning,
15 implementation, and operation of the system, including, but not
16 limited to, all of the following:
17 (a) Areas where implementation went as planned.
18 (b) The number of known issues.
19 (c) Any additional overtime or other staffing costs to address
20 known issues.
21 (d) Any contract revisions to address known issues.
22 (e) Other strategies undertaken to improve implementation.
23 (f) Progress developing cross-system trusted data exchanges
24 with MISACWIS.
25 (g) Progress moving away from a statewide/tribal automated
26 child welfare information system to a comprehensive child welfare
27 information system.

(h) Progress developing and implementing a program to monitor data quality.

(i) Progress developing and implementing custom integrated systems for private agencies and tribal governments.

Sec. 540. If a physician or psychiatrist who is providing services to state or court wards placed in a residential facility submits a formal request to the department to change the psychotropic medication of a ward, the department shall, if the ward is a state ward, make a determination on the proposed change within 7 business days after the request or, if the ward is a temporary court ward, seek parental consent within 7 business days after the request. If parental consent is not provided within 7 business days, the department shall petition the court on the eighth business day.

Sec. 546. (1) From the funds appropriated in part 1 for foster care payments and from the child care fund, the department shall pay providers of foster care services not less than a $40.00 administrative rate. The department shall pay 100% of the administrative rate. Payments under this subsection shall be made not less than on a monthly basis.

(2) From the funds appropriated in part 1 for foster care payments and from the child care fund, the department shall pay providers of general independent living services not less than a $28.00 administrative rate.

(3) From the funds appropriated in part 1, the department shall pay providers of independent living plus services statewide per diem rates for staff-supported housing and host-home housing

1 based on proposals submitted in response to a solicitation for
2 pricing. The independent living plus program provides staff-
3 supported housing and services for foster youth ages 16 through 19
4 who, because of their individual needs and assessments, are not
5 initially appropriate for general independent living foster care.
6 (4) If required by the federal government to meet title IV-E
7 requirements, providers of foster care services shall submit
8 quarterly expenditure reports to the department to identify actual
9 costs of providing foster care services.
10 (5) From the funds appropriated in part 1, the department
11 shall provide an increase to each private provider of residential
12 services, if section 117a of the social welfare act, 1939 PA 280,
13 MCL 400.117a, is amended to eliminate the county match rate for the
14 additional rate provided in this section.
15 (6) On a quarterly basis, the department shall report the
16 monthly data on the number of all foster care cases administered by
17 the department and all foster care cases administered by private
18 providers.
19 Sec. 547. From the funds appropriated in part 1 for the
20 guardianship assistance program, the department shall pay a minimum
21 rate that is not less than the approved age-appropriate payment
22 rates for youth placed in family foster care.
23 Sec. 558. The department shall explore ways to maximize use of
24 training programs or courses provided through the child welfare
25 training institute accessible online and in service areas
26 throughout the state, provided the delivery is an appropriate
27 option for achieving specific learning objectives. These training

1 programs and courses shall be made available to employees of
2 private child placing agencies and child caring institutions.
3 Sec. 562. The department shall provide time and travel
4 reimbursements for foster parents who transport a foster child to
5 parent-child visitations. As part of the foster care parent
6 contract, the department shall provide written confirmation to
7 foster parents that states that the foster parents have the right
8 to request these reimbursements for all parent-child visitations.
9 The department shall provide these reimbursements within 60 days of
10 receiving a request for eligible reimbursements from a foster
11 parent.
12 Sec. 564. (1) The department shall develop a clear policy for
13 parent-child visitations. The local county offices, caseworkers,
14 and supervisors shall meet a 50% success rate, after accounting for
15 factors outside of the caseworker's control.
16 (2) Per the court-ordered number of required meetings between
17 caseworkers and parent, the caseworkers shall achieve a success
18 rate of 65%, after accounting for factors outside of the
19 caseworker's control.
20 (3) By March 1 of the current fiscal year, the department
21 shall provide to the senate and house appropriations subcommittees
22 on the department budget, the senate and house fiscal agencies, the
23 senate and house policy offices, and the state budget office a
24 report on the following:
25 (a) The percentage of success rate for parent-child
26 visitations and court-ordered required meetings between caseworkers
27 referenced in subsections (1) and (2) for the previous year.

(b) The barriers to achieve the success rates in subsections (1) and (2) and how this information is tracked.

Sec. 567. (1) The caseworker or supervisor who is assigned to a foster care case is responsible for completing a medical passport for the cases assigned to him or her. If a child in foster care is transferred to a new placement or returned to his or her parent's or guardian's home, the medical passport and any school records in the caseworkers' or supervisors' possession must be transferred within 2 weeks from the date of placement or return to the home.

(2) The department shall submit to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office by March 1 of the current fiscal year a report on the items described in subsection (1), including the following:

(a) The percentage of medical passports that were properly filled out.

(b) From the total medical passports transferred, the percentage that transferred within 2 weeks from the date of placement or return to the home.

(c) From the total school records, the percentage that transferred within 2 weeks from the date of placement or return to the home.

(d) The implementation steps that have been taken to improve the outcomes for the measures in subdivisions (a) and (b).

Sec. 568. (1) From the funds appropriated in part 1 for adoption subsidies, the department shall pay a minimum adoption

subsidy rate that is not less than 95% of the rate that was or would have been provided for the adoptee in family foster care at the time of the adoption. This rate includes the determination of care rate that was paid or would have been paid to the adoptive parent for the adoptee in a family foster care placement, and this amount shall be increased to reflect any increase in the standard age appropriate foster care rate.

(2) "Determination of care rate" as described in this section means a supplemental payment to the standard age appropriate foster care rate that may be justified when extraordinary care or expense is required. The supplemental payment is based on 1 or more of the following case situations where additional care is required of the foster care provider or adoptive parent or an additional expense exists:

(a) Physically disabled children for whom the adoptive parent must provide measurably greater supervision and care.

(b) Children with special psychological or psychiatric needs that require extra time and measurably greater amounts of care and attention by the adoptive parent.

(c) Children requiring special diets that are more expensive than a normal diet and that require extra time and effort by the adoptive parent to obtain or prepare.

(d) Children whose severe acting-out or antisocial behavior requires a measurably greater amount of care and attention of the adoptive parent.

(3) The department shall, on a separate form, allow an adoptive parent to sign a certification that he or she rejects a

support subsidy.

(4) If this section conflicts with state statute enacted subsequent to this act, the state statute controls.

Sec. 569. The department shall reimburse private child placing agencies that complete adoptions at the rate according to the date on which the petition for adoption and required support documentation was accepted by the court and not according to the date the court's order placing for adoption was entered.

Sec. 574. (1) From the funds appropriated in part 1 for foster care payments, $2,500,000.00 is allocated to support performance-based contracts with child placing agencies to facilitate the licensure of relative caregivers as foster parents. Agencies shall receive $2,300.00 for each facilitated licensure if completed within 180 days after a child's placement or, if a waiver was previously approved, 180 days from the application date. If the facilitated licensure, or approved waiver, is completed after 180 days, the agency shall receive up to $2,300.00. The agency facilitating the licensure would retain the placement and continue to provide case management services for at least 50% of the newly licensed cases for which the placement was appropriate to the agency. Up to 50% of the newly licensed cases would have direct foster care services provided by the department.

(2) From the funds appropriated for foster care payments, $375,000.00 is allocated to support family incentive grants to private and community-based foster care service providers to assist with home improvements or payment for physical exams for applicants needed by foster families to accommodate foster children.

Sec. 583. By February 1 of the current fiscal year, the department shall provide to the senate and house appropriations subcommittees on the department budget, the senate and house standing committees on families and human services, the senate and house fiscal agencies and policy offices, and the state budget office a report that includes:

(a) The number and percentage of foster parents that dropped out of the program in the previous fiscal year and the reasons the foster parents left the program and how those figures compare to prior fiscal years.

(b) The number and percentage of foster parents successfully retained in the previous fiscal year and how those figures compare to prior fiscal years.

Sec. 585. The department shall make available at least 1 pre-service training class each month in which new caseworkers for private foster care and adoption agencies can enroll.

Sec. 588. (1) Concurrently with public release, the department shall transmit all reports from the court-appointed settlement monitor, including, but not limited to, the needs assessment and period outcome reporting, to the state budget office, the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the senate and house policy offices, without revision.

(2) The department shall report quarterly to the state budget office, the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the senate and house policy offices on the number of children enrolled

in the guardianship assistance and foster care - children with serious emotional disturbance waiver programs.

Sec. 593. The department may allow residential service providers for abuse and neglect cases to implement a staff ratio during working hours of 1 staff to 5 children.

PUBLIC ASSISTANCE

Sec. 601. Whenever a client agrees to the release of his or her name and address to the local housing authority, the department shall request from the local housing authority information regarding whether the housing unit for which vendoring has been requested meets applicable local housing codes. Vendoring shall be terminated for those units that the local authority indicates in writing do not meet local housing codes until such time as the local authority indicates in writing that local housing codes have been met.

Sec. 602. The department shall establish a policy to conduct a full evaluation of an individual's assistance needs if the individual has applied for disability more than 1 time within a 1-year period.

Sec. 603. By March 1 of the current fiscal year, the department shall provide to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office a report on the steps taken to implement the action plan developed by the Medicaid claim workgroup established in section 603 of article X of 2014 PA 252, and the department's ongoing

efforts to maximize Medicaid claims for foster children and adjudicated youths.

Sec. 604. (1) The department shall operate a state disability assistance program. Except as provided in subsection (3), persons eligible for this program shall include needy citizens of the United States or aliens exempted from the supplemental security income citizenship requirement who are at least 18 years of age or emancipated minors meeting 1 or more of the following requirements:

(a) A recipient of supplemental security income, social security, or medical assistance due to disability or 65 years of age or older.

(b) A person with a physical or mental impairment which meets federal supplemental security income disability standards, except that the minimum duration of the disability shall be 90 days. Substance abuse alone is not defined as a basis for eligibility.

(c) A resident of an adult foster care facility, a home for the aged, a county infirmary, or a substance abuse treatment center.

(d) A person receiving 30-day postresidential substance abuse treatment.

(e) A person diagnosed as having acquired immunodeficiency syndrome.

(f) A person receiving special education services through the local intermediate school district.

(g) A caretaker of a disabled person who meets the requirements specified in subdivision (a), (b), (e), or (f).

(2) Applicants for and recipients of the state disability

assistance program shall be considered needy if they:

(a) Meet the same asset test as is applied for the family independence program.

(b) Have a monthly budgetable income that is less than the payment standards.

(3) Except for a person described in subsection (1)(c) or (d), a person is not disabled for purposes of this section if his or her drug addiction or alcoholism is a contributing factor material to the determination of disability. "Material to the determination of disability" means that, if the person stopped using drugs or alcohol, his or her remaining physical or mental limitations would not be disabling. If his or her remaining physical or mental limitations would be disabling, then the drug addiction or alcoholism is not material to the determination of disability and the person may receive state disability assistance. Such a person must actively participate in a substance abuse treatment program, and the assistance must be paid to a third party or through vendor payments. For purposes of this section, substance abuse treatment includes receipt of inpatient or outpatient services or participation in alcoholics anonymous or a similar program.

Sec. 605. The level of reimbursement provided to state disability assistance recipients in licensed adult foster care facilities shall be the same as the prevailing supplemental security income rate under the personal care category.

Sec. 606. County department offices shall require each recipient of family independence program and state disability assistance who has applied with the social security administration

for supplemental security income to sign a contract to repay any assistance rendered through the family independence program or state disability assistance program upon receipt of retroactive supplemental security income benefits.

Sec. 607. (1) The department's ability to satisfy appropriation deductions in part 1 for state disability assistance/supplemental security income recoveries and public assistance recoupment revenues shall not be limited to recoveries and accruals pertaining to state disability assistance, or family independence assistance grant payments provided only in the current fiscal year, but may include revenues collected during the current year that are prior year related and not a part of the department's accrued entries.

(2) The department may use supplemental security income recoveries to satisfy the deduct in any line in which the revenues are appropriated, regardless of the source from which the revenue is recovered.

Sec. 608. Adult foster care facilities providing domiciliary care or personal care to residents receiving supplemental security income or homes for the aged serving residents receiving supplemental security income shall not require those residents to reimburse the home or facility for care at rates in excess of those legislatively authorized. To the extent permitted by federal law, adult foster care facilities and homes for the aged serving residents receiving supplemental security income shall not be prohibited from accepting third-party payments in addition to supplemental security income provided that the payments are not for

1 food, clothing, shelter, or result in a reduction in the
2 recipient's supplemental security income payment.
3 Sec. 609. The state supplementation level under the
4 supplemental security income program for the personal care/adult
5 foster care and home for the aged categories shall not be reduced
6 during the current fiscal year. The legislature shall be notified
7 not less than 30 days before any proposed reduction in the state
8 supplementation level.
9 Sec. 610. (1) In developing good cause criteria for the state
10 emergency relief program, the department shall grant exemptions if
11 the emergency resulted from unexpected expenses related to
12 maintaining or securing employment.
13 (2) For purposes of determining housing affordability
14 eligibility for state emergency relief, a group is considered to
15 have sufficient income to meet ongoing housing expenses if their
16 total housing obligation does not exceed 75% of their total net
17 income.
18 (3) State emergency relief payments shall not be made to
19 individuals who have been found guilty of fraud in regard to
20 obtaining public assistance.
21 (4) State emergency relief payments shall not be made
22 available to persons who are out-of-state residents or illegal
23 immigrants.
24 (5) State emergency relief payments for rent assistance shall
25 be distributed directly to landlords and shall not be added to
26 Michigan bridge cards.
27 Sec. 611. The state supplementation level under the

1 supplemental security income program for the living independently
2 or living in the household of another categories shall not exceed
3 the minimum state supplementation level as required under federal
4 law or regulations.
5 Sec. 613. (1) The department shall provide reimbursements for
6 the final disposition of indigent persons. The reimbursements shall
7 include the following:
8 (a) The maximum allowable reimbursement for the final
9 disposition is $800.00.
10 (b) The adult burial with services allowance is $725.00.
11 (c) The adult burial without services allowance is $490.00.
12 (d) The infant burial allowance is $170.00.
13 (2) It is the intent of the legislature that this charge limit
14 reflect a total increase of $5.00 per case in payments to funeral
15 directors for funeral goods and services over the payment rate in
16 place for the previous fiscal year. In addition, reimbursement for
17 a cremation permit fee of up to $75.00 and for mileage at the
18 standard rate will also be made available for an eligible
19 cremation. The reimbursements under this section shall take into
20 consideration religious preferences that prohibit cremation.
21 Sec. 614. The department shall report to the senate and house
22 of representatives appropriations subcommittees on the department
23 budget, the senate and house fiscal agencies, and the senate and
24 house policy offices by January 15 of the current fiscal year on
25 the number and percentage of state disability assistance recipients
26 who were determined to be eligible for federal supplemental
27 security income benefits in the previous fiscal year.

Sec. 615. Except as required by federal law or regulations, funds appropriated in part 1 shall not be used to provide public assistance to a person who is an illegal alien. This section shall not prohibit the department from entering into contracts with food banks, emergency shelter providers, or other human services agencies who may, as a normal part of doing business, provide food or emergency shelter.

Sec. 616. The department shall require retailers that participate in the electronic benefits transfer program to charge no more than $2.50 in fees for cash back as a condition of participation.

Sec. 619. (1) Subject to subsection (2), the department shall exempt from the denial of title IV-A assistance and food assistance benefits under 21 USC 862a any individual who has been convicted of a felony that included the possession, use, or distribution of a controlled substance, after August 22, 1996, provided that the individual is not in violation of his or her probation or parole requirements. Benefits shall be provided to such individuals as follows:

(a) A third-party payee or vendor shall be required for any cash benefits provided.

(b) An authorized representative shall be required for food assistance receipt.

(2) Subject to federal approval, an individual is not entitled to the exemption in this section if the individual was convicted in 2 or more separate cases of a felony that included the possession, use, or distribution of a controlled substance after August 22,

1996.

Sec. 620. (1) The department shall make a determination of Medicaid eligibility not later than 90 days if disability is an eligibility factor. For all other Medicaid applicants, including patients of a nursing home, the department shall make a determination of Medicaid eligibility within 45 days of application.

(2) The department shall report on a quarterly basis to the senate and house appropriations subcommittees on the department budget, the senate and house standing committees on families and human services, the senate and house fiscal agencies and policy offices, and the state budget office on the average Medicaid eligibility standard of promptness for each of the required standards of promptness under subsection (1) and for medical review team reviews achieved statewide and at each local office.

Sec. 625. From the funds appropriated in part 1 for SSI advocacy legal services, the department may contract with the Legal Services Association of Michigan to provide assistance to individuals who have applied for or wish to apply for SSI or other federal disability benefits. Up to $500,000.00 shall be paid to the Legal Services Association of Michigan for SSI advocacy legal services. The Legal Services Association of Michigan shall provide a list of new clients accepted to the department to verify that services have been provided to department clients. The Legal Services Association of Michigan and the department shall work together to develop release forms to share information in appropriate cases. The Legal Services Association of Michigan shall

1 provide quarterly reports indicating cases opened, cases closed,
2 level of services provided on closed cases, and case outcomes on
3 closed cases.
4 Sec. 630. From the funds appropriated in part 1 for family
5 independence program, the department shall conduct a suspicion-
6 based drug testing pilot program for the family independence
7 program according to sections 57y and 57z of the social welfare
8 act, 1939 PA 280, MCL 400.57y and 400.57z.
9 Sec. 642. The department shall allocate the full amount of
10 funds appropriated in part 1 for homeless programs to provide
11 services for homeless individuals and families, including, but not
12 limited to, third-party contracts for emergency shelter services.
13 Sec. 643. As a condition of receipt of federal TANF funds,
14 homeless shelters and human services agencies shall collaborate
15 with the department to obtain necessary TANF eligibility
16 information on families as soon as possible after admitting a
17 family to the homeless shelter. From the funds appropriated in part
18 1 for homeless programs, the department is authorized to make
19 allocations of TANF funds only to the agencies that report
20 necessary data to the department for the purpose of meeting TANF
21 eligibility reporting requirements. Homeless shelters or human
22 services agencies that do not report necessary data to the
23 department for the purpose of meeting TANF eligibility reporting
24 requirements will not receive reimbursements which exceed the per
25 diem amount they received in fiscal year 2000. The use of TANF
26 funds under this section should not be considered an ongoing
27 commitment of funding.

1 Sec. 645. An individual or family is considered homeless, for
2 purposes of eligibility for state emergency relief, if living
3 temporarily with others in order to escape domestic violence. For
4 purposes of this section, domestic violence is defined and verified
5 in the same manner as in the department's policies on good cause
6 for not cooperating with child support and paternity requirements.
7 Sec. 653. From the funds appropriated in part 1 for food
8 assistance, an individual who is the victim of domestic violence
9 and does not qualify for any other exemption may be exempt from the
10 3-month in 36-month limit on receiving food assistance under 7 USC
11 2015. This exemption can be extended an additional 3 months upon
12 demonstration of continuing need.
13 Sec. 654. The department shall notify recipients of food
14 assistance program benefits that their benefits can be spent with
15 their bridge cards at many farmers' markets in the state. The
16 department shall also notify recipients about the Double Up Food
17 Bucks program that is administered by the Fair Food Network.
18 Recipients shall receive information about the Double Up Food Bucks
19 program, including information that when the recipient spends
20 $20.00 at participating farmers' markets through the program, the
21 recipient can receive an additional $20.00 to buy Michigan produce.
22 Sec. 655. Within 14 days after the spending plan for low-
23 income home energy assistance program is approved by the state
24 budget office, the department shall provide the spending plan,
25 including itemized projected expenditures, to the chairpersons of
26 the senate and house appropriations subcommittees on the department
27 budget, the senate and house fiscal agencies, the senate and house

1 policy offices, and the state budget office.
2 Sec. 660. From the funds appropriated in part 1 for food bank
3 funding, the department is authorized to make allocations of TANF
4 funds only to the agencies that report necessary data to the
5 department for the purpose of meeting TANF eligibility reporting
6 requirements. The agencies that do not report necessary data to the
7 department for the purpose of meeting TANF eligibility reporting
8 requirements will not receive allocations in excess of those
9 received in fiscal year 2000. The use of TANF funds under this
10 section should not be considered an ongoing commitment of funding.
11 Sec. 669. The department shall allocate $7,650,000.00 for the
12 annual clothing allowance. The allowance shall be granted to all
13 eligible children in a family independence program group.
14 Sec. 672. (1) The department's office of inspector general
15 shall report to the senate and house of representatives
16 appropriations subcommittees on the department budget, the senate
17 and house fiscal agencies, and the senate and house policy offices
18 by February 15 of the current fiscal year on department efforts to
19 reduce inappropriate use of Michigan bridge cards. The department
20 shall provide information on the number of recipients of services
21 who used their electronic benefit transfer card inappropriately and
22 the current status of each case, the number of recipients whose
23 benefits were revoked, whether permanently or temporarily, as a
24 result of inappropriate use, and the number of retailers that were
25 fined or removed from the electronic benefit transfer program for
26 permitting inappropriate use of the cards.
27 (2) As used in this section, "inappropriate use" means not

used to meet a family's ongoing basic needs, including food, clothing, shelter, utilities, household goods, personal care items, and general incidentals.

Sec. 677. (1) The department shall establish a state goal for the percentage of family independence program cases involved in employment activities. The percentage established shall not be less than 50%. The goal for long-term employment shall be 15% of cases for 6 months or more.

(2) On a quarterly basis, the department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies and policy offices, and the state budget director on the number of cases referred to Partnership. Accountability. Training. Hope. (PATH), the current percentage of family independence program cases involved in PATH employment activities, an estimate of the current percentage of family independence program cases that meet federal work participation requirements on the whole, and an estimate of the current percentage of the family independence program cases that meet federal work participation requirements for those cases referred to PATH.

(3) The department shall submit to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office a quarterly report that includes all of the following:

(a) The number and percentage of nonexempt family independence program recipients who are employed.

1 (b) The average and range of wages of employed family
2 independence program recipients.
3 (c) The number and percentage of employed family independence
4 program recipients who remain employed for 6 months or more.
5 Sec. 686. (1) The department shall ensure that program policy
6 requires caseworkers to confirm that individuals presenting
7 personal identification issued by another state seeking assistance
8 through the family independence program, food assistance program,
9 state disability assistance program, or medical assistance program
10 are not receiving benefits from any other state.
11 (2) The department shall require caseworkers to confirm the
12 address provided by any individual seeking family independence
13 program benefits or state disability assistance benefits.
14 (3) The department shall prohibit individuals with property
15 assets assessed at a value higher than $200,000.00 from accessing
16 assistance through department-administered programs, unless such a
17 prohibition would violate federal rules and guidelines.
18 (4) The department shall require caseworkers to obtain an up-
19 to-date telephone number during the eligibility determination or
20 redetermination process for individuals seeking medical assistance
21 benefits.
22 Sec. 687. (1) The department shall, on a quarterly basis by
23 February 1, May 1, August 1, and November 1, compile and make
24 available on its website all of the following information about the
25 family independence program, state disability assistance, the food
26 assistance program, Medicaid, and state emergency relief:
27 (a) The number of applications received.

(b) The number of applications approved.

(c) The number of applications denied.

(d) The number of applications pending and neither approved nor denied.

(e) The number of cases opened.

(f) The number of cases closed.

(g) The number of cases at the beginning of the quarter and the number of cases at the end of the quarter.

(2) The information provided under subsection (1) shall be compiled and made available for the state as a whole and for each county and reported separately for each program listed in subsection (1).

(3) The department shall, on a quarterly basis by February 1, May 1, August 1, and November 1, compile and make available on its website the family independence program information listed as follows:

(a) The number of new applicants who successfully met the requirements of the 21-day assessment period for PATH.

(b) The number of new applicants who did not meet the requirements of the 21-day assessment period for PATH.

(c) The number of cases sanctioned because of the school truancy policy.

(d) The number of cases closed because of the 48-month and 60-month lifetime limits.

(e) The number of first-, second-, and third-time sanctions.

(f) The number of children ages 0-5 living in FIP-sanctioned households.

(4) The department shall notify the state budget office, the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the senate and house policy offices when the reports required in this section are made available on the department's website.

CHILDREN'S SERVICES AGENCY - JUVENILE JUSTICE SERVICES

Sec. 701. Unless required from changes to federal or state law or at the request of a provider, the department shall not alter the terms of any signed contract with a private residential facility serving children under state or court supervision without written consent from a representative of the private residential facility.

Sec. 706. Counties shall be subject to 50% chargeback for the use of alternative regional detention services, if those detention services do not fall under the basic provision of section 117e of the social welfare act, 1939 PA 280, MCL 400.117e, or if a county operates those detention services programs primarily with professional rather than volunteer staff.

Sec. 707. In order to be reimbursed for child care fund expenditures, counties are required to submit department-developed reports to enable the department to document potential federally claimable expenditures. This requirement is in accordance with the reporting requirements specified in section 117a(7) of the social welfare act, 1939 PA 280, MCL 400.117a.

Sec. 708. (1) As a condition of receiving funds appropriated in part 1 for the child care fund line item, by December 15 of the current fiscal year, counties shall have an approved service

1 spending plan for the current fiscal year. Counties must submit the
2 service spending plan to the department by October 1 of the current
3 fiscal year for approval. The department shall approve within 30
4 calendar days after receipt a properly completed service plan that
5 complies with the requirements of the social welfare act, 1939 PA
6 280, MCL 400.1 to 400.119b, and shall notify a county within 30
7 days after approval that its service plan was approved.
8 (2) If 1 or more Michigan counties do not submit a service
9 spending plan to the department by October 1 of the current fiscal
10 year, the department shall submit a report to the house and senate
11 appropriations subcommittees on the department budget, the house
12 and senate fiscal agencies, and the house and senate policy offices
13 by February 15 of the current fiscal year on the number of counties
14 that fail to submit a service spending plan by October 1 and the
15 number of service spending plans not approved by December 15.
16 Sec. 709. (1) The department's master contract for juvenile
17 justice residential foster care services shall prohibit contractors
18 from denying a referral for placement of a youth, or terminating a
19 youth's placement, if the youth's assessed treatment needs are in
20 alignment with the facility's residential program type, as
21 identified by the court or the department. In addition, the master
22 contract shall require that youth placed in juvenile justice
23 residential foster care facilities must have regularly scheduled
24 treatment sessions with a licensed psychologist or psychiatrist, or
25 both, and access to the licensed psychologist or psychiatrist as
26 needed.
27 (2) The rates established for private residential juvenile

justice facilities that were in effect on October 1, 2015 remain in effect for the current fiscal year.

(3) The department shall submit a report by December 31 of the current fiscal year to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the senate and house policy offices on the current placement and status of the youth transferred from the W.J. Maxey Training School during the previous and current fiscal year as a result of the closure.

Sec. 711. Unless provided in the previous fiscal year, the department shall submit an implementation plan based on the report recommendations provided in the behavioral health study of juvenile justice facilities operated or contracted for by the state that was conducted in a previous fiscal year to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies and policy offices, and the state budget director.

FIELD OPERATIONS AND SUPPORT SERVICES

Sec. 801. (1) Funds appropriated in part 1 for independent living shall be used to support centers for independent living in delivering mandated independent living core services in compliance with federal rules and regulations for the centers, by existing centers for independent living to serve underserved areas, and for projects to build the capacity of centers for independent living to deliver independent living services. Applications for the funds shall be reviewed in accordance with criteria and procedures

1 established by the department. The funds appropriated in part 1 may
2 be used to leverage federal vocational rehabilitation innovation
3 and expansion funds consistent with 34 CFR 361.35 up to
4 $5,543,000.00, if available. If the possibility of matching federal
5 funds exists, the centers for independent living network will
6 negotiate a mutually beneficial contractual arrangement with
7 Michigan rehabilitation services. Funds shall be used in a manner
8 consistent with the state plan for independent living. Services
9 provided should assist people with disabilities to move toward
10 self-sufficiency, including support for accessing transportation
11 and health care, obtaining employment, community living, nursing
12 home transition, information and referral services, education,
13 youth transition services, veterans, and stigma reduction
14 activities and community education. This includes the independent
15 living guide project that specifically focuses on economic self-
16 sufficiency.
17 (2) The Michigan centers for independent living shall provide
18 a report by March 1 of the current fiscal year to the house and
19 senate appropriations subcommittees on the department budget, the
20 house and senate fiscal agencies, the house and senate policy
21 offices, and the state budget office on direct customer and system
22 outcomes and performance measures.
23 Sec. 802. The Michigan rehabilitation services shall work
24 collaboratively with the bureau of services for blind persons,
25 service organizations, and government entities to identify
26 qualified match dollars to maximize use of available federal
27 vocational rehabilitation funds.

Sec. 803. The department shall provide an annual report by February 1 to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and house and senate policy offices on the efforts taken to improve the Michigan rehabilitation services. The report shall include all of the following items:

(a) Reductions and changes in administration costs and staffing.

(b) Service delivery plans and implementation steps achieved.

(c) Reorganization plans and implementation steps achieved.

(d) Plans to integrate Michigan rehabilitative services programs into other services provided by the department.

(e) Quarterly expenditures by major spending category.

(f) Employment and job retention rates from both Michigan rehabilitation services and its nonprofit partners.

(g) Success rate of each district in achieving the program goals.

Sec. 805. It is the intent of the legislature that Michigan rehabilitation services shall not implement an order of selection for vocational and rehabilitative services. If the department is at risk of entering into an order of selection for services, the department shall notify the chairs of the senate and house subcommittees on the department budget and the senate and house fiscal agencies and policy offices within 2 weeks of receiving notification.

Sec. 806. From the funds appropriated in part 1 for Michigan rehabilitation services, the department shall allocate

1 $6,100,300.00, including federal matching funds, to service
2 authorizations with community-based rehabilitation organizations
3 for job development and other community employment-related support
4 services.
5 Sec. 807. From the funds appropriated in part 1 for Elder Law
6 of Michigan MiCAFE contract, the department shall allocate not less
7 than $350,000.00 to the Elder Law of Michigan MiCAFE to assist this
8 state's elderly population in participating in the food assistance
9 program. Of the $350,000.00 allocated under this section, the
10 department shall use $175,000.00, which are general fund/general
11 purpose funds, as state matching funds for not less than
12 $175,000.00 in United States Department of Agriculture funding to
13 provide outreach program activities, such as eligibility screening
14 and information services, as part of a statewide food assistance
15 hotline.
16 Sec. 825. From the funds appropriated in part 1, the
17 department shall provide individuals not more than $500.00 for
18 vehicle repairs, including any repairs done in the previous 12
19 months. However, the department may in its discretion pay for
20 repairs up to $900.00. Payments under this section shall include
21 the combined total of payments made by the department and work
22 participation program.
23 Sec. 850. (1) The department shall maintain out-stationed
24 eligibility specialists in community-based organizations, community
25 mental health agencies, nursing homes, adult placement and
26 independent living settings, federally qualified health centers,
27 and hospitals unless a community-based organization, community

mental health agency, nursing home, adult placement and independent living setting, federally qualified health centers, or hospital requests that the program be discontinued at its facility.

(2) From the funds appropriated in part 1 for donated funds positions, the department shall enter into a contract with agencies that are able and eligible under federal law to provide the required matching funds for federal funding, as determined by federal statute and regulations.

(3) A contract for a donated funds position must include, but not be limited to, the following performance metrics:

(a) Meeting a standard of promptness for processing applications for Medicaid and other public assistance programs under state law.

(b) Meeting required standards for error rates in determining programmatic eligibility as determined by the department.

(4) The department shall only fill additional donated funds positions after a new contract has been signed. That position shall also be abolished when the contract expires or is terminated.

(5) The department shall classify as limited-term FTEs any new employees who are hired to fulfill the donated funds position contracts or are hired to fill any vacancies from employees who transferred to a donated funds position.

BEHAVIORAL HEALTH SERVICES

Sec. 901. Funds appropriated in part 1 are intended to support a system of comprehensive community mental health services under the full authority and responsibility of local CMHSPs or PIHPs in

accordance with the mental health code, 1974 PA 258, MCL 330.1001 to 330.2106, the Medicaid provider manual, federal Medicaid waivers, and all other applicable federal and state laws.

Sec. 902. (1) From funds appropriated in part 1, final authorizations to CMHSPs or PIHPs shall be made upon the execution of contracts between the department and CMHSPs or PIHPs. The contracts shall contain an approved plan and budget as well as policies and procedures governing the obligations and responsibilities of both parties to the contracts. Each contract with a CMHSP or PIHP that the department is authorized to enter into under this subsection shall include a provision that the contract is not valid unless the total dollar obligation for all of the contracts between the department and the CMHSPs or PIHPs entered into under this subsection for the current fiscal year does not exceed the amount of money appropriated in part 1 for the contracts authorized under this subsection.

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

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

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

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

1 Sec. 904. (1) Not later than May 31 of the current fiscal
2 year, the department shall provide a report on the CMHSPs, PIHPs,
3 regional entities designated by the department as PIHPs, and
4 managing entities for substance use disorders to the members of the
5 house and senate appropriations subcommittees on the department
6 budget, the house and senate fiscal agencies, and the state budget
7 director that includes the information required by this section.
8 (2) The report shall contain information for each CMHSP, PIHP,
9 regional entity designated by the department as a PIHP, and
10 managing entity for substance use disorders and a statewide
11 summary, each of which shall include at least the following
12 information:
13 (a) A demographic description of service recipients which,
14 minimally, shall include reimbursement eligibility, client
15 population, age, ethnicity, housing arrangements, and diagnosis.
16 (b) Per capita expenditures in total and by client population
17 group and cultural and ethnic groups of the services area,
18 including the deaf and hard of hearing population.
19 (c) Financial information that, minimally, includes a
20 description of funding authorized; expenditures by diagnosis group,
21 service category, and reimbursement eligibility; and cost
22 information by Medicaid, Healthy Michigan plan, state-appropriated
23 non-Medicaid mental health services, local funding, and other fund
24 sources, including administration and funds specified for all
25 outside contracts for services and products. Financial information
26 must include the amount of funding, from each fund source, used to
27 cover clinical services and supports. Service category includes all

department-approved services.

(d) Data describing service outcomes that include, but are not limited to, an evaluation of consumer satisfaction, consumer choice, and quality of life concerns including, but not limited to, housing and employment.

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

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

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

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

(g) Lapses and carryforwards during the immediately preceding fiscal year for CMHSPs, PIHPs, regional entities designated by the department as PIHPs, and managing entities for substance use disorders.

(h) Performance indicator information required to be submitted to the department in the contracts with CMHSPs, PIHPs, regional entities designated by the department as PIHPs, and managing entities for substance use disorders.

(i) Administrative expenditures of each CMHSP, PIHP, regional entity designated by the department as a PIHP, and managing entity for substance use disorders that includes a breakout of the salary, benefits, and pension of each executive level staff and shall include the director, chief executive, and chief operating officers and other members identified as executive staff.

(j) Substance use disorder prevention, education, and treatment program expenditures stratified by department-designated community mental health entity, by central diagnosis and referral agency, by fund source, by population served, and by service type.

(k) Substance use disorder prevention, education, and treatment program expenditures per state client, with data on the distribution of expenditures reported using a histogram approach.

(*l*) Substance use disorder prevention, education, and treatment program number of services provided by central diagnosis and referral agency and by service type. Additionally, data on length of stay, referral source, and participation in other state programs.

(m) Substance use disorder prevention, education, and treatment program collections from other first- or third-party payers, private donations, or other state or local programs, by department-designated community mental health entity, by population served, and by service type.

(3) The department shall include data reporting requirements listed in subsection (2) in the annual contract with each individual CMHSP, PIHP, regional entity designated by the department as a PIHP, and managing entity for substance use disorders.

(4) The department shall take all reasonable actions to ensure that the data required are complete and consistent among all CMHSPs, PIHPs, regional entities designated by the department as PIHPs, and managing entities for substance use disorders.

Sec. 906. (1) The funds appropriated in part 1 for the state

disability assistance substance use disorder services program shall be used to support per diem room and board payments in substance use disorder residential facilities. Eligibility of clients for the state disability assistance substance use disorder services program shall include needy persons 18 years of age or older, or emancipated minors, who reside in a substance use disorder treatment center.

(2) The department shall reimburse all licensed substance use disorder programs eligible to participate in the program at a rate equivalent to that paid by the department to adult foster care providers. Programs accredited by department-approved accrediting organizations shall be reimbursed at the personal care rate, while all other eligible programs shall be reimbursed at the domiciliary care rate.

Sec. 907. (1) The amount appropriated in part 1 for substance use disorder prevention, education, and treatment grants shall be expended to coordinate care and services provided to individuals with severe and persistent mental illness and substance use disorder diagnoses.

(2) The department shall approve managing entity fee schedules for providing substance use disorder services and charge participants in accordance with their ability to pay.

(3) The managing entity shall continue current efforts to collaborate on the delivery of services to those clients with mental illness and substance use disorder diagnoses with the goal of providing services in an administratively efficient manner.

Sec. 910. The department shall assure that substance use

disorder treatment is provided to applicants and recipients of public assistance through the department who are required to obtain substance use disorder treatment as a condition of eligibility for public assistance.

Sec. 911. (1) The department shall ensure that each contract with a CMHSP or PIHP requires the CMHSP or PIHP to implement programs to encourage diversion of individuals with serious mental illness, serious emotional disturbance, or developmental disability from possible jail incarceration when appropriate.

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

Sec. 912. The department shall contract directly with the Salvation Army Harbor Light program to provide non-Medicaid substance use disorder services.

Sec. 918. On or before the twenty-fifth of each month, the department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the state budget director on the amount of funding paid to PIHPs to support the Medicaid managed mental health care

1 program in the preceding month. The information shall include the
2 total paid to each PIHP, per capita rate paid for each eligibility
3 group for each PIHP, and number of cases in each eligibility group
4 for each PIHP, and year-to-date summary of eligibles and
5 expenditures for the Medicaid managed mental health care program.
6 Sec. 920. (1) As part of the Medicaid rate-setting process for
7 behavioral health services, the department shall work with PIHP
8 network providers and actuaries to include any state minimum wage
9 increases that directly impact staff who provide Medicaid-funded
10 community living supports, personal care services, respite
11 services, skill-building services, and other similar supports and
12 services as part of the Medicaid rate.
13 (2) It is the intent of the legislature that any increased
14 Medicaid rate related to state minimum wage increases shall also be
15 distributed to direct care employees.
16 Sec. 928. Each PIHP shall provide, from internal resources,
17 local funds to be used as a part of the state match required under
18 the Medicaid program in order to increase capitation rates for
19 PIHPs. These funds shall not include either state funds received by
20 a CMHSP for services provided to non-Medicaid recipients or the
21 state matching portion of the Medicaid capitation payments made to
22 a PIHP.
23 Sec. 935. A county required under the provisions of the mental
24 health code, 1974 PA 258, MCL 330.1001 to 330.2106, to provide
25 matching funds to a CMHSP for mental health services rendered to
26 residents in its jurisdiction shall pay the matching funds in equal
27 installments on not less than a quarterly basis throughout the

fiscal year, with the first payment being made by October 1 of the current fiscal year.

Sec. 958. Medicaid services shall include treatment for autism spectrum disorders as defined in the federally approved Medicaid state plan. These services may be coordinated with the Medicaid health plans and the Michigan Association of Health Plans.

Sec. 960. (1) From the funds appropriated in part 1 for university autism programs, the department shall continue a grant process for autism programs. These grants are intended to increase the number of applied behavioral analysts, increase the number of autism diagnostic services provided, or increase employment of individuals who are diagnosed with autism spectrum disorder.

(2) As a condition of accepting the grants described in subsection (1), each university shall track and report back to the department where the individuals who have completed the applied behavioral analysis training are initially employed and the location of the initial employment.

(3) Outcomes and performance measures related to this initiative include, but are not limited to, the following:

(a) An increase in applied behavioral analysts certified from university autism programs.

(b) The number of autism diagnostic services provided.

(c) The employment rate of employment program participants.

(d) The employment rate of applied behavioral analysts trained through the university autism programs.

Sec. 994. (1) Contingent upon federal approval, if a CMHSP, PIHP, or subcontracting provider agency is reviewed and accredited

by a national accrediting entity for behavioral health care services, the department, by April 1 of the current fiscal year, shall consider that CMHSP, PIHP, or subcontracting provider agency in compliance with state program review and audit requirements that are addressed and reviewed by that national accrediting entity.

(2) By June 1 of the current fiscal year, the department shall report to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the state budget office all of the following:

(a) A list of each CMHSP, PIHP, and subcontracting provider agency that is considered in compliance with state program review and audit requirements under subsection (1).

(b) For each CMHSP, PIHP, or subcontracting provider agency described in subdivision (a), all of the following:

(*i*) The state program review and audit requirements that the CMHSP, PIHP, or subcontracting provider agency is considered in compliance with.

(*ii*) The national accrediting entity that reviewed and accredited the CMHSP, PIHP, or subcontracting provider agency.

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

(4) As used in this section, "national accrediting entity" means the Joint Commission, formerly known as the Joint Commission on Accreditation of Healthcare Organizations, the Commission on Accreditation of Rehabilitation Facilities, the Council on Accreditation, the URAC, formerly known as the Utilization Review

1 Accreditation Commission, the National Committee for Quality
2 Assurance, or other appropriate entity, as approved by the
3 department.
4 Sec. 995. From the funds appropriated in part 1 for behavioral
5 health program administration, $4,350,000.00 is intended to address
6 the recommendations of the mental health diversion council.
7 Sec. 997. The population data used in determining the
8 distribution of substance use disorder block grant funds shall be
9 from the most recent federal census.
10 Sec. 998. For distribution of state general funds to CMHSPs,
11 if the department decides to use census data, the department shall
12 use the most recent federal decennial census data available.
13 Sec. 1003. The department shall notify the Michigan
14 Association of Community Mental Health Boards when developing
15 policies and procedures that will impact PIHPs or CMHSPs.
16 Sec. 1004. The department shall report on the implementation
17 of recommendations to achieve more uniformity in capitation
18 payments made to the PIHPs to the senate and house appropriations
19 subcommittees on the department budget, the senate and house fiscal
20 agencies, and the state budget director by March 1 of the current
21 fiscal year.
22 Sec. 1005. For the purposes of special projects involving
23 high-need children or adults, including the not guilty by reason of
24 insanity population, the department may contract directly with
25 providers of services to these identified populations.
26 Sec. 1007. (1) From the funds appropriated in part 1 for
27 behavioral health program administration, the department shall

maintain a psychiatric residential treatment facility and children's behavioral action team. These services will augment the continuum of behavioral health services for high-need youth and provide additional continuity of care and transition into supportive community-based services.

(2) Outcomes and performance measures for this initiative include, but are not limited to, the following:

(a) The rate of rehospitalization for youth served through the program at 30 and 180 days.

(b) Measured change in the Child and Adolescent Functional Assessment Scale for children served through the program.

Sec. 1008. The PIHP shall do all of the following:

(a) Work to reduce administration costs by ensuring that PIHP responsible functions are efficient to allow optimal transition of dollars to direct services. This process must include limiting duplicate layers of administration and minimizing PIHP-delegated services that may result in higher costs or inconsistent service delivery, or both.

(b) Take an active role in managing mental health care by ensuring consistent and high-quality service delivery throughout its network and promote a conflict-free care management environment.

(c) Ensure that direct service rate variances are related to the level of need or other quantifiable measures to ensure that the most money possible reaches direct services.

(d) Whenever possible, promote fair and adequate direct care reimbursement, including fair wages for direct service workers.

1 Sec. 1009. The department shall provide a progress report on
2 the implementation of recommendations from work with PIHP network
3 providers to analyze the workforce challenges of recruitment and
4 retention of staff who provide Medicaid-funded community living
5 supports, personal care services, respite services, skill building
6 services, and other similar supports and services by May 1 of the
7 current fiscal year to the senate and house appropriations
8 subcommittees on the department budget, the senate and house fiscal
9 agencies, and the state budget director.
10 Sec. 1010. From the funds appropriated in part 1 for
11 behavioral health program administration, $2,000,000.00 shall be
12 allocated to address the implementation of court-ordered assisted
13 outpatient treatment as provided under chapter 4 of the mental
14 health code, 1974 PA 258, MCL 330.1400 to 330.1491.

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

16 Sec. 1051. The department shall continue a revenue recapture
17 project to generate additional revenues from third parties related
18 to cases that have been closed or are inactive. A portion of
19 revenues collected through project efforts may be used for
20 departmental costs and contractual fees associated with these
21 retroactive collections and to improve ongoing departmental
22 reimbursement management functions.
23 Sec. 1052. The purpose of gifts and bequests for patient
24 living and treatment environments is to use additional private
25 funds to provide specific enhancements for individuals residing at
26 state-operated facilities. Use of the gifts and bequests shall be

consistent with the stipulation of the donor. The expected completion date for the use of gifts and bequests donations is within 3 years unless otherwise stipulated by the donor.

Sec. 1055. (1) The department shall not implement any closures or consolidations of state hospitals, centers, or agencies until CMHSPs or PIHPs have programs and services in place for those individuals currently in those facilities and a plan for service provision for those individuals who would have been admitted to those facilities.

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

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

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

Sec. 1056. The department may collect revenue for patient reimbursement from first- and third-party payers, including

Medicaid and local county CMHSP payers, to cover the cost of placement in state hospitals and centers. The department is authorized to adjust financing sources for patient reimbursement based on actual revenues earned. If the revenue collected exceeds current year expenditures, the revenue may be carried forward with approval of the state budget director. The revenue carried forward shall be used as a first source of funds in the subsequent year.

Sec. 1057. The department shall work with the department of technology, management, and budget to secure an appraisal of the Hawthorn center psychiatric hospital facility for children and adolescents and develop a proposal for possible replacement of the facility at the same location or at a new location.

Sec. 1058. Effective October 1 of the current fiscal year, the department, in consultation with the department of technology, management, and budget, may maintain a bid process to identify 1 or more private contractors to provide food service and custodial services for the administrative areas at any state hospital identified by the department as capable of generating savings through the outsourcing of such services.

Sec. 1059. (1) From the increased funds appropriated in part 1 for center for forensic psychiatry, the department shall open an additional wing at the center for forensic psychiatry in the current fiscal year to provide additional capacity for specialized services to criminal defendants who are adjudicated as incompetent to stand trial or not guilty by reason of insanity.

(2) The department shall identify specific outcomes and performance measures for this initiative, including, but not

limited to, the following:

(a) The average wait time for persons ruled incompetent to stand trial before admission to the center for forensic psychiatry.

(b) The average wait time for persons ruled incompetent to stand trial before admission to other state-operated psychiatric facilities.

(c) The number of persons waiting to receive services at the center for forensic psychiatry.

(d) The number of persons waiting to receive services at other state-operated hospitals and centers.

HEALTH POLICY

Sec. 1140. From the funds appropriated in part 1 for primary care services, $250,000.00 shall be allocated to free health clinics operating in the state. The department shall distribute the funds equally to each free health clinic. For the purpose of this appropriation, "free health clinics" means nonprofit organizations that use volunteer health professionals to provide care to uninsured individuals.

Sec. 1142. The department shall continue to seek means to increase retention of Michigan medical school students for completion of their primary care residency requirements within this state and ultimately, for some period of time, to remain in this state and serve as primary care physicians. The department is encouraged to work with Michigan institutions of higher education.

Sec. 1143. The department may award health innovation grants to address emerging issues and encourage cutting edge advances in

health care including strategic partners in both the public and private sectors.

Sec. 1144. (1) From the funds appropriated in part 1 for health policy administration, the department shall allocate the federal state innovation model grant funding that supports implementation of the health delivery system innovations detailed in this state's "Reinventing Michigan's Health Care System: Blueprint for Health Innovation" document. This initiative will test new payment methodologies, support improved population health outcomes, and support improved infrastructure for technology and data sharing and reporting. The funds will be used to provide financial support directly to regions participating in the model test and to support statewide stakeholder guidance and technical support.

(2) Outcomes and performance measures for the initiative under subsection (1) include, but are not limited to, the following:

(a) Increasing the number of physician practices fulfilling patient-centered medical home functions.

(b) Reducing inappropriate health utilization, specifically reducing preventable emergency department visits, reducing the proportion of hospitalizations for ambulatory sensitive conditions, and reducing this state's 30-day hospital readmission rate.

(3) By March 1 and September 1 of the current fiscal year, the department shall submit a written report to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the state budget office on the status of the program and progress made since the prior report.

DISEASE CONTROL, PREVENTION, AND EPIDEMIOLOGY

Sec. 1180. (1) From the funds appropriated in part 1 for the healthy homes program, no less than $1,750,000.00 shall be allocated for lead abatement of homes.

(2) By January 1 of the current fiscal year, the department shall provide a report to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the state budget director on the expenditures and activities undertaken by the lead abatement program in the previous fiscal year from the funds appropriated in part 1 for the healthy homes program. The report shall include, but is not limited to, a funding allocation schedule, expenditures by category of expenditure and by subcontractor, revenues received, description of program elements, and description of program accomplishments and progress.

LOCAL HEALTH AND ADMINISTRATIVE SERVICES

Sec. 1220. The amount appropriated in part 1 for implementation of the 1993 additions of or amendments to sections 9161, 16221, 16226, 17014, 17015, and 17515 of the public health code, 1978 PA 368, MCL 333.9161, 333.16221, 333.16226, 333.17014, 333.17015, and 333.17515, shall be used to reimburse local health departments for costs incurred related to implementation of section 17015(18) of the public health code, 1978 PA 368, MCL 333.17015.

Sec. 1221. If a county that has participated in a district health department or an associated arrangement with other local health departments takes action to cease to participate in such an

arrangement after October 1 of the current fiscal year, the department shall have the authority to assess a penalty from the local health department's operational accounts in an amount equal to no more than 6.25% of the local health department's essential local public health services funding. This penalty shall only be assessed to the local county that requests the dissolution of the health department.

Sec. 1222. (1) Funds appropriated in part 1 for essential local public health services shall be prospectively allocated to local health departments to support immunizations, infectious disease control, sexually transmitted disease control and prevention, hearing screening, vision services, food protection, public water supply, private groundwater supply, and on-site sewage management. Food protection shall be provided in consultation with the department of agriculture and rural development. Public water supply, private groundwater supply, and on-site sewage management shall be provided in consultation with the department of environmental quality.

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

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

(4) By December 1 of the current fiscal year, the department shall provide a report to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal

agencies, and the state budget director on the planned allocation of the funds appropriated for essential local public health services.

Sec. 1223. (1) From the funds appropriated in part 1 for dental programs, $150,000.00 shall be allocated to the Michigan Dental Association for the administration of a volunteer dental program that provides dental services to the uninsured.

(2) Not later than December 1 of the current fiscal year, the department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house standing committees on health policy, the senate and house fiscal agencies, and the state budget office the number of individual patients treated, number of procedures performed, and approximate total market value of those procedures from the immediately preceding fiscal year.

Sec. 1224. The department shall use revenue from mobile dentistry facility permit fees received under section 21605 of the public health code, 1978 PA 368, MCL 333.21605, to offset the cost of the permit program.

Sec. 1225. The department shall work with the Michigan health endowment fund corporation established under section 653 of the nonprofit health care corporation reform act, 1980 PA 350, MCL 550.1653, to explore ways to fund and evaluate current and future policies and programs.

Sec. 1226. From the funds appropriated in part 1 for health and wellness initiatives, $1,000,000.00 shall be allocated for a school children's healthy exercise program to promote and advance

1 physical health for school children in kindergarten through grade
2 8. The department shall recommend model programs for sites to
3 implement that incorporate evidence-based best practices. The
4 department shall grant no less than 1/2 of the funds appropriated
5 in part 1 for before- and after-school programs. The department
6 shall establish guidelines for program sites, which may include
7 schools, community-based organizations, private facilities,
8 recreation centers, or other similar sites. The program format
9 shall encourage local determination of site activities and shall
10 encourage local inclusion of youth in the decision-making regarding
11 site activities. Program goals shall include children experiencing
12 improved physical health and access to physical activity
13 opportunities, the reduction of obesity, providing a safe place to
14 play and exercise, and nutrition education. To be eligible to
15 participate, program sites shall provide a 20% match to the state
16 funding, which may be provided in full, or in part, by a
17 corporation, foundation, or private partner. The department shall
18 seek financial support from corporate, foundation, or other private
19 partners for the program or for individual program sites.
20 Sec. 1227. The department shall establish criteria for all
21 funds allocated under part 1 for health and wellness initiatives.
22 The criteria must include a requirement that all programs funded be
23 evidence-based and supported by research, include interventions
24 that have been shown to demonstrate outcomes that lower cost and
25 improve quality, and be designed for statewide impact. Preference
26 must be given to programs that utilize the funding as match for
27 additional resources, including, but not limited to, federal

1 sources.

2 **FAMILY, MATERNAL, AND CHILD HEALTH**

3 Sec. 1300. The department shall monitor estimated public funds
4 administered by the department for family planning, sexually
5 transmitted infection prevention and treatment, and pregnancies and
6 births, as well as demographics collected by the department as
7 voluntarily self-reported by individuals utilizing those services.
8 The department shall monitor the actual expenditures by marital
9 status or, where actual expenditures are not available, shall
10 monitor estimated expenditures by marital status. The department
11 may utilize the DCH-1426 application for health coverage and help
12 paying costs or any other official application for public
13 assistance for medical coverage to determine the actual or
14 estimated public expenditures based on marital status. The
15 department shall provide this information upon request of the
16 legislature.

17 Sec. 1301. (1) Before April 1 of the current fiscal year, the
18 department shall submit a report to the house and senate fiscal
19 agencies and the state budget director on planned allocations from
20 the amounts appropriated in part 1 for local MCH services, prenatal
21 care outreach and service delivery support, family planning local
22 agreements, and pregnancy prevention programs. Using applicable
23 federal definitions, the report shall include information on all of
24 the following:

25 (a) Funding allocations.

26 (b) Actual number of women, children, and adolescents served

1 and amounts expended for each group for the immediately preceding
2 fiscal year.
3 (c) A breakdown of the expenditure of these funds between
4 urban and rural communities.
5 (2) The department shall ensure that the distribution of funds
6 through the programs described in subsection (1) takes into account
7 the needs of rural communities.
8 (3) For the purposes of this section, "rural" means a county,
9 city, village, or township with a population of 30,000 or less,
10 including those entities if located within a metropolitan
11 statistical area.
12 Sec. 1302. Each family planning program receiving federal
13 title X family planning funds under 42 USC 300 to 300a-8 shall be
14 in compliance with all performance and quality assurance indicators
15 that the office of population affairs within the United States
16 Department of Health and Human Services specifies in the program
17 guidelines for project grants for family planning services. An
18 agency not in compliance with the indicators shall not receive
19 supplemental or reallocated funds.
20 Sec. 1303. The department shall not contract with an
21 organization which provides elective abortions, abortion
22 counseling, or abortion referrals, for services that are to be
23 funded with state restricted or state general fund/general purpose
24 funds appropriated in part 1 for family planning local agreements.
25 An organization under contract with the department shall not
26 subcontract with an organization which provides elective abortions,
27 abortion counseling, or abortion referrals, for services that are

to be funded with state restricted or state general fund/general purpose funds appropriated in part 1 for family planning local agreements.

Sec. 1304. The department shall not use state restricted funds or state general funds appropriated in part 1 in the pregnancy prevention program or family planning local agreements appropriation line items for abortion counseling, referrals, or services.

Sec. 1307. (1) From the funds appropriated in part 1 for prenatal care outreach and service delivery support, $400,000.00 shall be allocated for a pregnancy and parenting support services program, which program must promote childbirth, alternatives to abortion, and grief counseling. The department shall establish a program with a qualified contractor that will contract with qualified service providers to provide free counseling, support, and referral services to eligible women during pregnancy through 12 months after birth. As appropriate, the goals for client outcomes shall include an increase in client support, an increase in childbirth choice, an increase in adoption knowledge, an improvement in parenting skills, and improved reproductive health through abstinence education. The contractor of the program shall provide for program training, client educational material, program marketing, and annual service provider site monitoring. The department shall submit a report to the house and senate appropriations subcommittees on the department budget and the house and senate fiscal agencies by April 1 of the current fiscal year on the number of clients served.

(2) Unexpended funds appropriated in part 1 to pay for the pregnancy and parenting support program described in subsection (1) are designated as work project appropriations, and any unencumbered or unalloted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for the pregnancy and parenting support program under this section until the project has been completed. All of the following are in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to provide pregnancy and parenting support services, and the program must promote childbirth, alternatives to abortion, and grief counseling.

(b) The project will be carried out through a contract with a qualified contractor that will contract with qualified service providers to provide free counseling, support, and referral services to eligible women during pregnancy through 12 months after birth.

(c) The estimated cost of this work project is $400,000.00.

(d) The estimated work project completion date is September 30, 2021.

Sec. 1308. From the funds appropriated in part 1 for prenatal care outreach and service delivery support, not less than $500,000.00 of funding shall be allocated for evidence-based programs to reduce infant mortality including nurse family partnership programs. The funds shall be used for enhanced support and education to nursing teams or other teams of qualified health professionals, client recruitment in areas designated as underserved for obstetrical and gynecological services and other

1 high-need communities, strategic planning to expand and sustain
2 programs, and marketing and communications of programs to raise
3 awareness, engage stakeholders, and recruit nurses.
4 Sec. 1309. The department shall allocate funds appropriated in
5 section 117 of part 1 for family, maternal, and child health
6 according to section 1 of 2002 PA 360, MCL 333.1091.
7 Sec. 1310. The department shall continue to work jointly with
8 the Michigan state housing development authority and the joint task
9 force established under article IV of 2014 PA 252 to review housing
10 rehabilitation, energy and weatherization, and hazard abatement
11 program policies and to make recommendations for integrating and
12 coordinating project delivery with the goals of serving more
13 families and achieving better outcomes by maximizing state and
14 federal resources. The joint task force may provide recommendations
15 to the department. Recommendations of the joint task force must
16 give consideration to best practices and cost-effectiveness.
17 Sec. 1311. From the funds appropriated in part 1 for prenatal
18 care outreach and service delivery support, equal consideration
19 shall be given to all eligible evidence-based providers in all
20 regions in contracting for rural home visitation services.
21 Sec. 1313. (1) The department shall continue developing an
22 outreach program on fetal alcohol syndrome services, targeting
23 health promotion, prevention, and intervention as described in the
24 Michigan fetal alcohol spectrum disorders five year plan 2015-2020.
25 (2) The department shall explore federal grant funding to
26 address prevention services for fetal alcohol syndrome and reduce
27 alcohol consumption among pregnant women.

Sec. 1340. For the women, infants, and children special supplemental food and nutrition program, the department shall make national brand products available if it is determined by the department that the price per unit is more cost-effective and satisfies nutritional requirements of the federal program. The determination must be made during the biannual food authorization evaluation.

CHILDREN'S SPECIAL HEALTH CARE SERVICES

Sec. 1360. The department may do 1 or more of the following:

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

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

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

(d) Provide human growth hormone to eligible patients.

Sec. 1361. From the funds appropriated in part 1 for medical care and treatment, the department is authorized to spend those funds for the continued development and expansion of telemedicine capacity to allow families with children in the children's special health care services program to access specialty providers more readily and in a more timely manner.

AGING AND ADULT SERVICES AGENCY

Sec. 1403. (1) By February 1 of the current fiscal year, the

aging and adult services agency shall require each region to report to the aging and adult services agency and to the legislature home-delivered meals waiting lists based upon standard criteria. Determining criteria shall include all of the following:

(a) The recipient's degree of frailty.

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

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

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

(2) Data required in subsection (1) shall be recorded only for individuals who have applied for participation in the home-delivered meals program and who are initially determined as likely to be eligible for home-delivered meals.

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

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

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

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

Sec. 1422. From the funds appropriated in part 1 for aging and adult services administration, not less than $300,000.00 shall be allocated for the department to contract with the Prosecuting Attorneys Association of Michigan to provide the support and services necessary to increase the capability of the state's prosecutors, adult protective service system, and criminal justice system to effectively identify, investigate, and prosecute elder abuse and financial exploitation.

MEDICAL SERVICES ADMINISTRATION

Sec. 1501. The unexpended funds appropriated in part 1 for the electronic health records incentive program are considered work project appropriations, and any unencumbered or unallotted funds are carried forward into the following fiscal year. The following is in compliance with section 451a(1) of the management and budget act, 1984 PA 431, MCL 18.1451a:

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

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

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

(d) The tentative completion date for the work project is

1 September 30, 2021.
2 Sec. 1503. From the funds appropriated in part 1 for Healthy
3 Michigan plan administration, the department shall maintain an
4 accounting structure within the Michigan administrative information
5 network that will allow expenditures associated with the
6 administration of the Healthy Michigan plan to be identified.
7 Sec. 1505. By March 1 and September 1 of the current fiscal
8 year, the department shall submit a report to the senate and house
9 appropriations subcommittees on the department budget, the senate
10 and house fiscal agencies, and the state budget office including
11 both of the following:
12 (a) The department's projected annual increase in
13 reimbursement savings and cost offsets that will result from the
14 funds appropriated in part 1 for the office of inspector general
15 and third party liability efforts.
16 (b) The actual increase in reimbursement savings and cost
17 offsets that have resulted from the funds appropriated in part 1
18 for the office of inspector general and third party liability
19 efforts.
20 Sec. 1506. The department shall submit to the senate and house
21 appropriations subcommittees on the department budget, the senate
22 and house fiscal agencies, the senate and house policy offices, and
23 the state budget office a quarterly report on the implementation
24 status of the Healthy Michigan call center that includes all of the
25 following information:
26 (a) Call volume during the prior quarter.
27 (b) Percentage of calls resolved through the Healthy Michigan

1 plan call center.
2 (c) Percentage of calls transferred to a local department
3 office or other office for resolution.
4 (d) Number of Medicaid applications completed by the Healthy
5 Michigan call center staff and submitted on behalf of clients.
6 Sec. 1507. (1) From the funds appropriated in part 1 for
7 technology supporting integrated service delivery, the department
8 shall establish new information technology tools and enhance
9 existing systems to improve the eligibility and enrollment process
10 for citizens accessing department-administered programs. This
11 information technology system will consolidate beneficiary
12 information, support department caseworker efforts in building a
13 success plan for beneficiaries, and better support department staff
14 in supporting enrollees in assistance programs.
15 (2) Outcomes and performance measures for the initiative under
16 subsection (1) include, but are not limited to, the following:
17 (a) Successful consolidation of data warehouses maintained by
18 the department.
19 (b) The amount of time a department caseworker devotes to data
20 entry when initiating an enrollee application.
21 (c) A reduction in wait times for persons enrolled in
22 assistance programs to speak with department staff and get
23 necessary changes made.
24 (d) A reduction in department caseworker workload.
25 (3) By December 1 of the current fiscal year, the department
26 shall report to the senate and house appropriations subcommittees
27 on the department budget and the senate and house fiscal agencies

all of the following information:

(a) The process used to define requests for proposal for each element of the integrated service delivery plan, including timelines, project milestones, and intended outcomes.

(b) If the department decides not to contract the services out to design and implement each element of the integrated service delivery plan, the department shall submit its own project plan that includes, at a minimum, the requirements in subdivision (a).

(c) A recommended project management plan with milestones and time frames.

(d) The proposed benefits from implementing the integrated service delivery plan, including customer service improvement, form reductions, potential time savings, caseload reduction, and return on investment.

(4) The information in subsection (3)(d) shall be posted on the department's website.

MEDICAL SERVICES

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

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

(2) The department may receive and expend premiums for the

1 buy-in of medical coverage in addition to the amounts appropriated
2 in part 1.
3 (3) The premiums described in this section shall be classified
4 as private funds.
5 Sec. 1605. The protected income level for Medicaid coverage
6 determined pursuant to section 106(1)(b)(*iii*) of the social welfare
7 act, 1939 PA 280, MCL 400.106, shall be 100% of the related public
8 assistance standard.
9 Sec. 1606. For the purpose of guardian and conservator
10 charges, the department may deduct up to $60.00 per month as an
11 allowable expense against a recipient's income when determining
12 medical services eligibility and patient pay amounts.
13 Sec. 1607. (1) An applicant for Medicaid, whose qualifying
14 condition is pregnancy, shall immediately be presumed to be
15 eligible for Medicaid coverage unless the preponderance of evidence
16 in her application indicates otherwise. The applicant who is
17 qualified as described in this subsection shall be allowed to
18 select or remain with the Medicaid participating obstetrician of
19 her choice.
20 (2) An applicant qualified as described in subsection (1)
21 shall be given a letter of authorization to receive Medicaid
22 covered services related to her pregnancy. All qualifying
23 applicants shall be entitled to receive all medically necessary
24 obstetrical and prenatal care without preauthorization from a
25 health plan. All claims submitted for payment for obstetrical and
26 prenatal care shall be paid at the Medicaid fee-for-service rate in
27 the event a contract does not exist between the Medicaid

1 participating obstetrical or prenatal care provider and the managed
2 care plan. The applicant shall receive a listing of Medicaid
3 physicians and managed care plans in the immediate vicinity of the
4 applicant's residence.
5 (3) In the event that an applicant, presumed to be eligible
6 pursuant to subsection (1), is subsequently found to be ineligible,
7 a Medicaid physician or managed care plan that has been providing
8 pregnancy services to an applicant under this section is entitled
9 to reimbursement for those services until such time as they are
10 notified by the department that the applicant was found to be
11 ineligible for Medicaid.
12 (4) If the preponderance of evidence in an application
13 indicates that the applicant is not eligible for Medicaid, the
14 department shall refer that applicant to the nearest public health
15 clinic or similar entity as a potential source for receiving
16 pregnancy-related services.
17 (5) The department shall develop an enrollment process for
18 pregnant women covered under this section that facilitates the
19 selection of a managed care plan at the time of application.
20 (6) The department shall mandate enrollment of women, whose
21 qualifying condition is pregnancy, into Medicaid managed care
22 plans.
23 (7) The department shall encourage physicians to provide
24 women, whose qualifying condition for Medicaid is pregnancy, with a
25 referral to a Medicaid participating dentist at the first
26 pregnancy-related appointment.
27 Sec. 1611. (1) For care provided to medical services

1 recipients with other third-party sources of payment, medical
2 services reimbursement shall not exceed, in combination with such
3 other resources, including Medicare, those amounts established for
4 medical services-only patients. The medical services payment rate
5 shall be accepted as payment in full. Other than an approved
6 medical services co-payment, no portion of a provider's charge
7 shall be billed to the recipient or any person acting on behalf of
8 the recipient. Nothing in this section shall be considered to
9 affect the level of payment from a third-party source other than
10 the medical services program. The department shall require a
11 nonenrolled provider to accept medical services payments as payment
12 in full.
13 (2) Notwithstanding subsection (1), medical services
14 reimbursement for hospital services provided to dual
15 Medicare/medical services recipients with Medicare part B coverage
16 only shall equal, when combined with payments for Medicare and
17 other third-party resources, if any, those amounts established for
18 medical services-only patients, including capital payments.
19 Sec. 1620. (1) Pursuant to the federal covered outpatient drug
20 final rule with comment (CMS-2345-FC), the department shall
21 establish a professional pharmaceutical dispensing fee for pharmacy
22 benefits that are reimbursed on a fee-for-service basis. In
23 establishing this fee, the department shall comply with federal law
24 while taking into consideration the state's long-term financial
25 exposure and Medicaid beneficiaries' access to care. The
26 established fee shall not be lower than the amount in effect on
27 October 1, 2015.

(2) The department shall require a prescription co-payment for Medicaid recipients not enrolled in the Healthy Michigan plan or with an income less than 100% of the federal poverty level of $1.00 for a generic drug and $3.00 for a brand-name drug, except as prohibited by federal or state law or regulation.

(3) The department shall require a prescription co-payment for Medicaid recipients enrolled in the Healthy Michigan plan with an income of at least 100% of the federal poverty level of $4.00 for a generic drug and $8.00 for a brand-name drug, except as prohibited by federal or state law or regulation. Administration of this co-payment shall be consistent with the terms and conditions established by the Centers for Medicare and Medicaid Services linked to the federal waiver authorizing the Healthy Michigan plan.

Sec. 1629. The department shall utilize maximum allowable cost pricing for generic drugs that is based on wholesaler pricing to providers that is available from at least 2 wholesalers who deliver in this state.

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

(2) Except as otherwise prohibited by federal or state law or regulation, the department shall require Medicaid recipients not enrolled in the Healthy Michigan plan or with an income less than 100% of the federal poverty level to pay not less than the following co-payments:

(a) Two dollars for a physician office visit.

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

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

(d) One dollar for an outpatient hospital visit.

(3) Except as otherwise prohibited by federal or state law or regulation, and consistent with the terms and conditions established by the Centers for Medicare and Medicaid Services linked to the federal waiver authorizing the Healthy Michigan plan, the department shall require Medicaid recipients enrolled in the Healthy Michigan plan with an income of at least 100% of the federal poverty level to pay the following co-payments:

(a) Four dollars for a physician office visit.

(b) Eight dollars for a hospital emergency room visit.

(c) One hundred dollars for the first day of an inpatient hospital stay.

(d) Four dollars for an outpatient hospital visit or any other medical provider visit to the extent allowed by federal or state law or regulation.

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

Sec. 1645. The department shall review and recalculate the prior year nursing facility quality assessment fee computation to reflect actual days of care provided by each nursing home and hospital long-term care unit instead of using projected days of care provided by each nursing home and hospital long-term care

unit.

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

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

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

Sec. 1659. The following sections of this part are the only sections that shall apply to the following Medicaid managed care programs, including the comprehensive plan, MIChoice long-term care plan, and the mental health, substance use disorder, and developmentally disabled services program: 298, 904, 911, 918, 920, 928, 994, 1008, 1607, 1657, 1662, 1699, 1764, 1806, 1810, 1820, 1850, and 1888.

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

1 contractors furnish to Medicaid beneficiaries.
2 (2) The department shall require Medicaid HMOs to provide
3 EPSDT utilization data through the encounter data system, and HEDIS
4 well child health measures in accordance with the National
5 Committee for Quality Assurance prescribed methodology.
6 (3) The department shall provide a copy of the analysis of the
7 Medicaid HMO annual audited HEDIS reports and the annual external
8 quality review report to the senate and house of representatives
9 appropriations subcommittees on the department budget, the senate
10 and house fiscal agencies, and the state budget director, within 30
11 days of the department's receipt of the final reports from the
12 contractors.
13 Sec. 1670. (1) The appropriation in part 1 for the MIChild
14 program is to be used to provide comprehensive health care to all
15 children under age 19 who reside in families with income at or
16 below 212% of the federal poverty level, who are uninsured and have
17 not had coverage by other comprehensive health insurance within 6
18 months of making application for MIChild benefits, and who are
19 residents of this state. The department shall develop detailed
20 eligibility criteria through the medical services administration
21 public concurrence process, consistent with the provisions of this
22 part and part 1.
23 (2) The department may provide up to 1 year of continuous
24 eligibility to children eligible for the MIChild program unless the
25 family fails to pay the monthly premium, a child reaches age 19, or
26 the status of the children's family changes and its members no
27 longer meet the eligibility criteria as specified in the state

1 plan.
2 (3) To be eligible for the MIChild program, a child must be
3 residing in a family with an adjusted gross income of less than or
4 equal to 212% of the federal poverty level. The department's
5 verification policy shall be used to determine eligibility.
6 (4) The department may make payments on behalf of children
7 enrolled in the MIChild program as described in the MIChild state
8 plan approved by the United States Department of Health and Human
9 Services, or from other medical services.
10 Sec. 1673. The department may establish premiums for MIChild
11 eligible individuals in families with income at or below 212% of
12 the federal poverty level. The monthly premiums shall be $10.00 per
13 month.
14 Sec. 1677. The MIChild program shall provide, at a minimum,
15 all benefits available under the Michigan benchmark plan that are
16 delivered through contracted providers and consistent with federal
17 law, including, but not limited to, the following medically
18 necessary services:
19 (a) Inpatient mental health services, other than substance use
20 disorder treatment services, including services furnished in a
21 state-operated mental hospital and residential or other 24-hour
22 therapeutically planned structured services.
23 (b) Outpatient mental health services, other than substance
24 use disorder services, including services furnished in a state-
25 operated mental hospital and community-based services.
26 (c) Durable medical equipment and prosthetic and orthotic
27 devices.

(d) Dental services as outlined in the approved MIChild state plan.

(e) Substance use disorder treatment services that may include inpatient, outpatient, and residential substance use disorder treatment services.

(f) Care management services for mental health diagnoses.

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

(h) Emergency ambulance services.

Sec. 1682. (1) In addition to the appropriations in part 1, the department is authorized to receive and spend penalty money received as the result of noncompliance with medical services certification regulations. Penalty money, characterized as private funds, received by the department shall increase authorizations and allotments in the long-term care accounts.

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

Sec. 1692. (1) The department is authorized to pursue reimbursement for eligible services provided in Michigan schools from the federal Medicaid program. The department and the state budget director are authorized to negotiate and enter into agreements, together with the department of education, with local and intermediate school districts regarding the sharing of federal Medicaid services funds received for these services. The department is authorized to receive and disburse funds to participating school districts pursuant to such agreements and state and federal law.

(2) From the funds appropriated in part 1 for medical services

school-based services payments, the department is authorized to do all of the following:

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

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

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

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

Sec. 1694. From the funds appropriated in part 1 for special Medicaid reimbursement, $386,700.00 of general fund/general purpose revenue and any associated federal match shall be distributed for poison control services to an academic health care system that includes a children's hospital that has a high indigent care volume.

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

payments in their contracts with HMOs.

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

Sec. 1700. (1) By December 1 of the current fiscal year, the department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the state budget office on the distribution of funding provided, and the net benefit if the special hospital payment is not financed with general fund/general purpose revenue, to each eligible hospital during the prior fiscal year from the following special hospital payments:

(a) DSH, separated out by unique DSH pool.

(b) GME.

(c) Special rural hospital payments provided under section 1866.

(d) Lump-sum payments to rural hospitals for obstetrical care provided under section 1802.

(2) By May 1 of the current fiscal year, the department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the state budget office on the projected distribution of funding, and the projected net benefit if the special hospital payment is not financed with general fund/general purpose revenue, to each eligible hospital from the following special hospital payments:

(a) DSH, separated out by unique DSH pool.

(b) GME.

(c) Special rural hospital payments provided under section 1866.

(d) Lump-sum payments to rural hospitals for obstetrical care provided under section 1802.

Sec. 1701. The department shall consider implementing a direct primary care pilot program for Medicaid enrollees. Each Medicaid enrollee who participates in the pilot program shall be enrolled in a direct primary care provider plan that is under contract with 1 or more Medicaid managed care health plans. Outcomes and performance measures for the direct primary care pilot program include, but are not limited to, the following:

(a) The number of enrollees in the pilot program by Medicaid eligibility category.

(b) Direct primary care cost per enrollee.

(c) Other Medicaid managed care cost savings generated from direct primary care.

Sec. 1702. From the funds appropriated in part 1, the department shall provide a 10% rate increase for private duty nursing services for Medicaid beneficiaries under the age of 21. These additional funds must be used to attract and retain highly qualified registered nurses and licensed practical nurses to provide private duty nursing services so that medically frail children can be cared for in the most homelike setting possible.

Sec. 1703. The department, in cooperation with the department of education, shall investigate funding opportunities for Early On early intervention services for eligible children with developmental delays and disabilities. The department shall

1 commission a study with expert input on funding strategies utilized
2 in other states that includes the feasibility of maximizing
3 Medicaid reimbursement for children eligible for Early On services.
4 The report shall also include any barriers identified to maximizing
5 Medicaid funds for Early On services in this state and
6 recommendations for future action. The department shall report to
7 the senate and house appropriations subcommittees on the department
8 budget and the senate and house fiscal agencies by January 1 of the
9 current fiscal year on the findings of the report.
10 Sec. 1704. (1) The department and its contractual agents may
11 not subject Medicaid prescriptions to prior authorization
12 procedures with respect to the following drugs:
13 (a) A prescription drug that is generally recognized in a
14 standard medical reference of the American Psychiatric
15 Association's Diagnostic and Statistical Manual for the treatment
16 of a psychiatric disorder.
17 (b) A prescription that is generally recognized in a standard
18 medical reference for the treatment of cancer, HIV-AIDS, epilepsy
19 or seizure disorder, or organ replacement therapy.
20 (2) 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 of 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

agents before prescribing a given drug.

(b) Verify to the department or its contractual agents that the use of a drug prescribed for an individual meets predetermined criteria from the department or its contractual agents for a prescription drug that is otherwise available under the Medicaid program in this state.

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

Sec. 1730. (1) The department shall work with the department of education to evaluate the feasibility of including an assessment tool to promote literacy development of pregnant women and new mothers in the maternal infant health program.

(2) By March 1 of the current fiscal year, the department shall provide a report to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the state budget office on the findings of the feasibility study on including an assessment tool to promote literacy development of pregnant women and new mothers in the maternal infant health program.

Sec. 1757. The department shall obtain proof from all Medicaid recipients that they are legal United States citizens or otherwise legally residing in this country and that they are residents of

1 this state before approving Medicaid eligibility.
2 Sec. 1764. The department shall annually certify whether rates
3 paid to Medicaid health plans and specialty prepaid inpatient
4 health plans are actuarially sound in accordance with federal
5 requirements and shall provide a copy of the rate certification and
6 approval of rates paid to Medicaid health plans and specialty
7 prepaid inpatient health plans within 5 business days after
8 certification or approval to the house and senate appropriations
9 subcommittees on the department budget, the house and senate fiscal
10 agencies, and the state budget office. When calculating the annual
11 actuarial soundness adjustment, the department shall take into
12 account all Medicaid policy bulletins affecting Medicaid health
13 plans or specialty prepaid inpatient health plans issued after the
14 most recent actuarial soundness process concluded.
15 Sec. 1775. (1) By March 1 and September 1 of the current
16 fiscal year, the department shall report to the senate and house
17 appropriations subcommittees on the department budget, the senate
18 and house fiscal agencies, and the state budget office on progress
19 in implementing the waiver to implement managed care for
20 individuals who are eligible for both Medicare and Medicaid, known
21 as MI Health Link, including, but not limited to, a description of
22 how the department intends to ensure that service delivery is
23 integrated, how key components of the proposal are implemented
24 effectively, and any problems and potential solutions as identified
25 by the ombudsman described in subsection (2).
26 (2) The department shall ensure the existence of an ombudsman
27 program that is not associated with any project service manager or

1 provider to assist MI Health Link beneficiaries with navigating
2 complaint and dispute resolution mechanisms and to identify
3 problems in the demonstrations and in the complaint and dispute
4 resolution mechanisms.
5 Sec. 1800. For the distribution of each of the pools within
6 the $85,000,000.00 outpatient disproportionate share hospital
7 payment, the department shall develop a formula for the
8 distribution of each pool based on the quality of care, cost,
9 traditional disproportionate share hospital factors such as
10 Medicaid utilization and uncompensated care, and any other factor
11 that the department determines should be considered.
12 Sec. 1801. From the funds appropriated in part 1 for physician
13 services and health plan services, the department shall use
14 $33,318,800.00 in general fund/general purpose plus associated
15 federal match to continue the increase to Medicaid rates for
16 primary care services provided only by primary care providers. For
17 the purpose of this section, a primary care provider is a
18 physician, or a practitioner working under the personal supervision
19 of a physician, who is board-eligible or certified with a specialty
20 designation of family medicine, general internal medicine, or
21 pediatric medicine, or a provider who provides the department with
22 documentation of equivalency. Providers performing a service and
23 whose primary practice is as a non-primary-care subspecialty is not
24 eligible for the increase. The department shall establish policies
25 that most effectively limit the increase to primary care providers
26 for primary care services only.
27 Sec. 1802. From the funds appropriated in part 1, a lump-sum

1 payment shall be made to hospitals that qualified for rural
2 hospital access payments in fiscal year 2013-2014 and that provide
3 obstetrical care in the current fiscal year. The payment shall be
4 calculated as $830.00 for each obstetrical care case payment and
5 each newborn care case payment for all such cases billed by the
6 qualified hospitals for fiscal year 2012-2013 and shall be paid
7 through the Medicaid health plan hospital rate adjustment process
8 by January 1 of the current fiscal year.
9 Sec. 1804. The department, in cooperation with the department
10 of military and veterans affairs, shall work with the federal
11 public assistance reporting information system to identify Medicaid
12 recipients who are veterans and who may be eligible for federal
13 veterans health care benefits or other benefits.
14 Sec. 1805. Hospitals receiving medical services payments for
15 graduate medical education shall submit fully completed quality
16 data to a national nonprofit organization with extensive experience
17 in collecting and reporting hospital quality data on a public
18 website or to the Centers for Medicare and Medicaid Services
19 hospital compare quality reporting website. The reporting must
20 utilize consensus-based nationally endorsed standards that meet
21 National Quality Forum-endorsed safe practices. The organization
22 collecting the data must be one that uses severity-adjusted risk
23 models and measures that will help patients and payers identify
24 hospital campuses likely to have superior outcomes.
25 Sec. 1806. (1) The department may establish performance
26 standards to measure progress in the implementation of the common
27 formulary used by all contracting Medicaid health plans.

(2) The ongoing implementation of the common formulary must include consideration of the department's preferred drug list.

(3) To achieve the objective of low net cost, the contracted health plans may use evidence-based utilization management techniques in the development and implementation of the common formulary.

(4) The contracted health plans and the department shall continue to facilitate and emphasize the value of increased participation in the use of e-prescribing and electronic medical records.

Sec. 1810. The department shall enhance encounter data reporting processes and develop rules that would make each health plan's encounter data as complete as possible, provide a fair measure of acuity for each health plan's enrolled population for risk adjustment purposes, capitation rate setting, diagnosis-related group rate setting, and research and analysis of program efficiencies while minimizing health plan administrative expense.

Sec. 1812. (1) By June 1 of the current fiscal year, and using the most recent available cost reports, the department shall complete a report of all direct and indirect costs associated with residency training programs for each hospital that receives funds appropriated in part 1 for graduate medical education. The report shall be submitted to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the state budget office.

(2) By August 1 of the current fiscal year, the department shall develop a template for hospitals receiving funds appropriated

in part 1 for graduate medical education to report the following in a standard format:

(a) The marginal cost to add 1 additional residency training program slot.

(b) The number of additional slots that would result in the need to add additional administrative costs to oversee the residents in the training program.

(c) The postresidency retention rate for the residency training program.

(3) The department shall convene a workgroup to use the reports submitted under subsections (1) and (2) to assist in the development of metrics for distribution of graduate medical education funds and shall report to the senate and house appropriations subcommittees on the department budget and the senate and house fiscal agencies on the results of the workgroup by September 30 of the current fiscal year. It is the intent of the legislature that, beginning with the budget for the fiscal year ending September 30, 2018, the metrics developed by this workgroup be used to determine the distribution of funds for graduate medical education.

(4) If needed, the department shall seek a federal waiver to fulfill the requirements of this section.

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

1 services.
2 (2) The department shall continue to comply with state and
3 federal law and shall not initiate an action that negatively
4 impacts beneficiary safety.
5 (3) As used in this section, "national accrediting entity"
6 means the National Committee for Quality Assurance, the URAC,
7 formerly known as the Utilization Review Accreditation Commission,
8 or other appropriate entity, as approved by the department.
9 (4) By July 1 of the current fiscal year, the department shall
10 provide a progress report to the house and senate appropriations
11 subcommittees on the department budget, the house and senate fiscal
12 agencies, and the state budget office on implementation of this
13 section.
14 Sec. 1837. The department shall continue, and expand where
15 appropriate, utilization of telemedicine and telepsychiatry as
16 strategies to increase access to services for Medicaid recipients
17 in medically underserved areas.
18 Sec. 1846. From the funds appropriated in part 1 for graduate
19 medical education, the department shall distribute the funds with
20 an emphasis on the following health care workforce goals:
21 (a) The encouragement of the training of physicians in
22 specialties, including primary care, that are necessary to meet the
23 future needs of residents of this state.
24 (b) The training of physicians in settings that include
25 ambulatory sites and rural locations.
26 Sec. 1850. The department may allow Medicaid health plans to
27 assist with the redetermination process through outreach activities

to ensure continuation of Medicaid eligibility and enrollment in managed care. This may include mailings, telephone contact, or face-to-face contact with beneficiaries enrolled in the individual Medicaid health plan. Health plans may offer assistance in completing paperwork for beneficiaries enrolled in their plan.

Sec. 1861. The department shall encourage cooperation between the Medicaid managed care health plans, other health providers, and nonprofit entities to continue the facilitation of a pilot nonemergency transportation system.

Sec. 1862. From the funds appropriated in part 1, the department shall maintain payment rates for Medicaid obstetrical services at 95% of Medicare levels effective October 1, 2014.

Sec. 1866. (1) From the funds appropriated in part 1 for hospital services and therapy and health plan services, $12,000,000.00 in general fund/general purpose revenue and any associated federal match shall be awarded to hospitals that meet criteria established by the department for services to low-income rural residents. One of the reimbursement components of the distribution formula shall be assistance with labor and delivery services.

(2) No hospital or hospital system shall receive more than 10.0% of the total funding referenced in subsection (1).

(3) To allow hospitals to understand their rural payment amounts under this section, the department shall provide hospitals with the methodology for distribution under this section and provide each hospital with its applicable data that are used to determine the payment amounts by August 1 of the current fiscal

1 year. The department shall publish the distribution of payments for
2 the current fiscal year and the immediately preceding fiscal year.
3 Sec. 1870. The department shall continue to work with the
4 MiDocs consortium to explore alternative graduate medical education
5 financing sources and mechanisms that expand residency
6 opportunities for primary care training, per approval from the
7 Centers for Medicare and Medicaid Services. By December 1 of the
8 current fiscal year, the MiDocs consortium shall submit a report
9 presenting a comprehensive funding plan to the senate and house
10 appropriations subcommittees on the department budget and the
11 senate and house fiscal agencies.
12 Sec. 1888. The department shall establish contract performance
13 standards associated with the capitation withhold provisions for
14 Medicaid health plans at least 3 months in advance of the
15 implementation of those standards. The determination of whether
16 performance standards have been met shall be based primarily on
17 recognized concepts such as 1-year continuous enrollment and the
18 healthcare effectiveness data and information set, HEDIS, audited
19 data.
20 Sec. 1894. (1) From the funds appropriated in part 1 for
21 dental services, the department shall expand the Healthy Kids
22 Dental program to all eligible children in Kent, Oakland, and Wayne
23 Counties. This program expansion will improve access to necessary
24 dental services for Medicaid-enrolled children.
25 (2) Outcomes and performance measures for the initiative under
26 subsection (1) include, but are not limited to, the following:
27 (a) The number of Medicaid-enrolled children in Kent, Oakland,

1 and Wayne Counties who visited the dentist in the prior year.
2 (b) The number of dentists in Kent, Oakland, and Wayne
3 Counties who will accept Medicaid payment for services to children.
4 (c) The change in dental utilization in Kent, Oakland, and
5 Wayne Counties, before and after full implementation of the Healthy
6 Kids Dental expansion in these counties.
7 Sec. 1899. From the funds appropriated in part 1 for personal
8 care services, the department shall maintain the personal care
9 services rate at the level in effect October 1, 2014.

10 **ONE-TIME BASIS ONLY APPROPRIATIONS**

11 Sec. 1909. (1) From the increased funds appropriated in part 1
12 for family preservation and support services, the department shall
13 expand the parent partner program and the family reunification
14 program. The purpose of these program expansions will be to enhance
15 family preservation and support services to prevent the need for
16 foster care, shorten the length of time between foster care entry
17 and reunification, and sustain parental progress following
18 reunification.
19 (2) The department shall identify specific outcomes and
20 performance measures for this initiative, including, but not
21 limited to, the following:
22 (a) Percentage of children who were discharged from foster
23 care to reunification in less than 12 months from the date of the
24 latest removal from home.
25 (b) Median length of stay in months from the date of the
26 latest removal from home until the date of discharge to

reunification.

(c) Percentage of children who reentered foster care in less than 12 months from the date of discharge to reunification.

(d) Percentage of children, who were victims of a substantiated or indicated maltreatment allegation, who were not victims of another substantiated or indicated maltreatment allegation within a 6-month period from the date of discharge to reunification.

(e) Measurable effects of this program expansion on reducing the rate of children who live in families with incomes below the federal poverty level.

(3) The projects will be carried out through contracts with private and not-for-profit vendors to expand the parent partner program and family reunification program to additional counties throughout the state.

Sec. 1910. From the funds appropriated in part 1 for drinking water declaration of emergency, the department shall allocate funds to address needs in a city in which a declaration of emergency was issued on January 5, 2016 because of drinking water contamination. These funds may support, but are not limited to, the following activities:

(a) Emergency nutrition assistance, nutritional and community education, food bank resources, food inspections.

(b) Epidemiological analysis and case management of individuals at risk of elevated blood lead levels.

(c) Support for child and adolescent health centers, children's health care access program and pathways to potential

1 programming.
2 (d) Nursing services, evidence-based home visiting programs,
3 intensive services and outreach for children exposed to lead
4 coordinated through local community mental health organizations.
5 (e) Department field operations costs.
6 (f) Assessment of potential linkages to other diseases.
7 Sec. 1911. From the funds appropriated in part 1 for opiate
8 prevention pilot, the department shall develop a pilot program to
9 develop a genomic based test to predict opioid response and abuse.
10 The pilot program shall be operated by Western Michigan University
11 Homer Stryker MD School of Medicine and shall identify relevant
12 biomarkers that predict risk of opioid abuse and overdose by
13 analyzing archived blood samples from opiate overdose cases. The
14 pilot program shall utilize a custom screening panel developed by a
15 genomics lab that is certified under the clinical laboratory
16 improvement amendments of 1988, Public Law 100-578, with an
17 existing statewide capacity. The genomics lab selected by the
18 department will conduct the tests of the blood samples using the
19 customized screening panel. Archived blood samples from multiple
20 counties in Michigan shall be analyzed. The results of the pilot
21 program shall be presented to the department, the senate and house
22 appropriations subcommittees on the department budget, and the
23 senate and house fiscal agencies by June 1 of the current fiscal
24 year.
25 Sec. 1912. From the funds appropriated in part 1 for mobile
26 electronic service verification study, the department shall
27 allocate $25,000.00 to commission a study to review the outcomes

and performance improvements of developing and piloting a mobile electronic service verification solution for home help services that shall include biometric identity verification to create administrative efficiencies, reduce error, and minimize fraud.

PART 2A

PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS

FOR FISCAL YEAR 2017-2018

GENERAL SECTIONS

Sec. 2001. It is the intent of the legislature to provide appropriations for the fiscal year ending on September 30, 2018 for the line items listed in part 1. The fiscal year 2017-2018 appropriations are anticipated to be the same as those for fiscal year 2016-2017, except that the line items will be adjusted for changes in caseload and related costs, federal fund match rates, economic factors, and available revenue. These adjustments will be determined after the January 2017 consensus revenue estimating conference.

ARTICLE XI

DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of insurance and financial services for the fiscal year ending

1 September 30, 2017, from the following funds:

2 **DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES**

3 APPROPRIATION SUMMARY

4 Full-time equated unclassified positions 6.0

5 Full-time equated classified positions 336.5

6 GROSS APPROPRIATION ..... $ 66,257,200

7 Interdepartmental grant revenues:

8 Total interdepartmental grants and intradepartmental

9 transfers..... 707,600

10 ADJUSTED GROSS APPROPRIATION ..... $ 65,549,600

11 Federal revenues:

12 Total federal revenues 2,000,000

13 Special revenue funds:

14 Total local revenues 0

15 Total private revenues 0

16 Total other state restricted revenues 63,399,600

17 State general fund/general purpose ..... $ 150,000

18 State general fund/general purpose schedule:

19 Ongoing state general fund/general

20 purpose 150,000

21 One-time state general fund/general

22 purpose 0

23 **Sec. 102. DEPARTMENT SERVICES**

24 Full-time equated unclassified positions 6.0

25 Full-time equated classified positions 22.5

26 Unclassified salaries--6.0 FTE positions ..... $ 746,500

27 Executive director programs--3.5 FTE positions 1,059,200

1	Department services--19.0 FTE positions	3,730,700
2	Property management	1,175,700
3	Worker's compensation	5,200
4	Administrative hearings	182,500
5	Information technology services and projects	2,216,100
6	GROSS APPROPRIATION ..... $	9,115,900
7	Appropriated from:	
8	Special revenue funds:	
9	Bank fees	801,600
10	Captive insurance regulatory and supervision fund	3,900
11	Consumer finance fees	355,800
12	Credit union fees	1,056,800
13	Deferred presentment service transaction fees	469,900
14	Insurance bureau fund	2,829,300
15	Insurance continuing education fund	90,500
16	Insurance licensing and regulation fees	2,537,300
17	MBLSLA fund	819,600
18	Multiple employer welfare arrangement	1,200
19	State general fund/general purpose ..... $	150,000
20	**Sec. 103. INSURANCE AND FINANCIAL SERVICES REGULATION**	
21	Full-time equated classified positions 314.0	
22	Insurance evaluation--54.0 FTE positions ..... $	12,908,900
23	Insurance rates and forms--30.0 FTE positions	5,942,500
24	Financial institutions evaluation--132.0 FTE positions	24,212,800
25	Regulatory compliance, market conduct, and licensing--	
26	34.0 FTE positions	5,482,000
27	Consumer services and protection--64.0 FTE positions .	8,595,100

1 GROSS APPROPRIATION	$	57,141,300
2 Appropriated from:		
3 Interdepartmental grant revenues:		
4 IDG-LARA, for debt management		707,600
5 Federal revenues:		
6 Federal revenues		2,000,000
7 Special revenue funds:		
8 Bank fees		6,018,100
9 Captive insurance regulatory and supervision fund		282,900
10 Consumer finance fees		3,061,000
11 Credit union fees		7,968,800
12 Deferred presentment service transaction fees		3,293,200
13 Insurance bureau fund		20,988,400
14 Insurance continuing education fund		995,000
15 Insurance licensing and regulation fees		6,004,500
16 MBLSLA fund		5,540,100
17 Multiple employer welfare arrangement		281,700
18 State general fund/general purpose	$	0

19 PART 2

20 PROVISIONS CONCERNING APPROPRIATIONS

21 FOR FISCAL YEAR 2016-2017

22 **GENERAL SECTIONS**

23 Sec. 201. Pursuant to section 30 of article IX of the state
24 constitution of 1963, total state spending from state resources
25 under part 1 for fiscal year 2016-2017 is $63,549,600.00 and state

spending from state resources to be paid to local units of government for fiscal year 2016-2017 is $0.

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

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

(a) "Department" means the department of insurance and financial services.

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

(c) "Fiscal agencies" means Michigan house fiscal agency and Michigan senate fiscal agency.

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

(e) "IDG" means interdepartmental grant.

(f) "LARA" means the department of licensing and regulatory affairs.

(g) "MBLSLA fund" means the restricted account established under section 8 of the mortgage brokers, lenders, and servicers licensing act, 1987 PA 173, MCL 445.1658.

(h) "Subcommittees" means the subcommittees of the house and senate appropriations committees with jurisdiction over the budget for the department.

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

Sec. 205. Funds appropriated under this part and part 1 shall not be used for the purchase of foreign goods or services, or both, if competitively priced and of comparable quality American goods or services, or both, are available. Preference shall be given to goods or services, or both, manufactured or provided by Michigan businesses, if they are competitively priced and of comparable quality. In addition, preference shall be given to goods or services, or both, that are manufactured or provided by Michigan businesses owned and operated by veterans, if they are competitively priced and of comparable quality.

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

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

(a) The dates of each travel occurrence.

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

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

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

Sec. 210. (1) In addition to the funds appropriated under part 1, there is appropriated an amount not to exceed $1,000,000.00 for federal contingency funds.

(2) In addition to the funds appropriated under part 1, there is appropriated an amount not to exceed $5,000,000.00 for state restricted contingency funds.

(3) Funds appropriated under this section are not available for expenditure until they have been transferred to another line

1 item in part 1 under section 393(2) of the management and budget
2 act, 1984 PA 431, MCL 18.1393.
3 Sec. 211. The department shall cooperate with the department
4 of technology, management, and budget to maintain a searchable
5 website accessible by the public at no cost that includes, but is
6 not limited to, all of the following for each department or agency:
7 (a) Fiscal-year-to-date expenditures by category.
8 (b) Fiscal-year-to-date expenditures by appropriation unit.
9 (c) Fiscal-year-to-date payments to a selected vendor,
10 including the vendor name, payment date, payment amount, and
11 payment description.
12 (d) The number of active department employees by job
13 classification.
14 (e) Job specifications and wage rates.
15 Sec. 212. Within 14 days after the release of the executive
16 budget recommendation, the department shall cooperate with the
17 state budget office to provide the senate and house appropriations
18 chairs, the subcommittees chairs, and the fiscal agencies with an
19 annual report on estimated state restricted fund balances, state
20 restricted fund projected revenues, and state restricted fund
21 expenditures for the immediately preceding and current fiscal
22 years.
23 Sec. 213. The department shall maintain, on a publicly
24 accessible website, a department scorecard that identifies, tracks,
25 and regularly updates key metrics that are used to monitor and
26 improve the department's performance.
27 Sec. 214. Total authorized appropriations from all sources

1 under part 1 for legacy costs for the fiscal year ending September
2 30, 2017 are $10,214,700.00. From this amount, total agency
3 appropriations for pension-related legacy costs are estimated at
4 $5,663,800.00. Total agency appropriations for retiree health care
5 legacy costs are estimated at $4,550,900.00.
6 Sec. 215. Unless prohibited by law, the department may accept
7 credit card or other electronic means of payment for licenses,
8 fees, or permits.
9 Sec. 216. In addition to the metrics required under section
10 447 of the management and budget act, 1984 PA 431, MCL 18.1447, for
11 each new program or program enhancement for which funds in excess
12 of $500,000.00 are appropriated in part 1, the department shall
13 provide not later than November 1 a list of program-specific
14 metrics intended to measure its performance based on a return on
15 taxpayer investment. The department shall deliver the program-
16 specific metrics to members of the senate and house subcommittees
17 that have subject matter jurisdiction for this budget, fiscal
18 agencies, and the state budget director. The department shall
19 provide an update on its progress in tracking program-specific
20 metrics and the status of program success at an appropriations
21 subcommittee meeting called for by the subcommittee chair.
22 Sec. 217. The department and agencies receiving appropriations
23 under this part and part 1 shall receive and retain copies of all
24 reports funded from appropriations in this part and part 1. Federal
25 and state guidelines for short-term and long-term retention of
26 records shall be followed. The department may electronically retain
27 copies or reports unless otherwise required by federal and state

1 guidelines.
2 Sec. 218. The department shall not take disciplinary action
3 against an employee for communicating with a member of the
4 legislature or his or her staff.
5 Sec. 219. The department shall not develop or produce any
6 television or radio productions.
7 Sec. 220. The department, in conjunction with the department
8 of health and human services, shall maintain an accounting
9 structure within the Michigan administrative information network
10 that will allow expenditures associated with the administration of
11 the Healthy Michigan plan to be identified. By October 1, the
12 department shall provide the state budget office and the fiscal
13 agencies with the relevant accounting structure and associated
14 business objects script and report that group's administrative
15 costs.
16 Sec. 221. The amount appropriated from the general fund under
17 part 1 for executive director program may only be expended to
18 comply with reporting requirements regarding the Healthy Michigan
19 plan under section 105d(9) of the social welfare act, 1939 PA 280,
20 MCL 400.105d.

21 **INSURANCE AND FINANCIAL SERVICES REGULATION**
22 Sec. 301. The department shall provide a report to the
23 legislature based on the annual rate filings from health insurance
24 issuers that includes all of the following:
25 (a) The number that are approved by the department.
26 (b) The number that are denied by the department.

(c) The percentage of rate filings processed within the applicable statutory time frames.

(d) The average number of calendar days to process rate filings.

(e) An estimated percentage of this state's population that is without any form of health insurance coverage for more than 6 months in any given calendar year.

Sec. 302. In addition to the funds appropriated under part 1, the funds collected by the department in connection with a conservatorship under section 32 of the mortgage brokers, lenders, and servicers licensing act, 1987 PA 173, MCL 445.1682, and funds collected by the department from corporations being liquidated under the insurance code of 1956, 1956 PA 218, MCL 500.100 to 500.8302, shall be appropriated for all expenses necessary to provide for the required services. Funds are available for expenditure when they are received by the department of treasury and shall not lapse to the general fund at the end of the fiscal year.

Sec. 303. The department may make available to interested entities customized listings of nonconfidential information in its possession. The department may establish and collect a reasonable charge to provide this service. The revenue from this service is appropriated when received and shall be used to offset expenses to provide the service. Any balance of this revenue collected and unexpended at the end of the fiscal year shall lapse to the appropriate restricted fund.

PART 2A

PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS

FOR FISCAL YEAR 2017-2018

GENERAL SECTIONS

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

Sec. 1202. It is the intent of the legislature that the department identify the amounts for normal retirement costs and legacy retirement costs for fiscal year 2017-2018 for the line items listed in part 1.

ARTICLE XII

JUDICIARY

PART 1

LINE-ITEM APPROPRIATIONS

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

JUDICIARY

APPROPRIATION SUMMARY

Full-time equated exempted positions 510.0

1 GROSS APPROPRIATION	$	299,134,000
2 Interdepartmental grant revenues:		
3 Total interdepartmental grants and intradepartmental		
4 transfers		1,550,000
5 ADJUSTED GROSS APPROPRIATION	$	297,584,000
6 Federal revenues:		
7 Total federal revenues		6,433,500
8 Special revenue funds:		
9 Total local revenues		7,349,300
10 Total private revenues		957,800
11 Total other state restricted revenues		92,786,000
12 State general fund/general purpose	$	190,057,400

13 **Sec. 102. SUPREME COURT**

14 Full-time equated exempted positions 246.0

15 Supreme court administration--92.0 FTE positions	$	13,606,300
16 Judicial institute--13.0 FTE positions		1,800,800
17 State court administrative office--61.0 FTE positions		12,211,100
18 Judicial information systems--22.0 FTE positions		3,427,500
19 Direct trial court automation support--44.0 FTE		
20 positions		7,349,300
21 Foster care review board--10.0 FTE positions		1,305,700
22 Community dispute resolution--3.0 FTE positions		2,377,200
23 Other federal grants		275,100
24 Drug treatment courts		10,958,000
25 Mental health courts and diversion services--1.0 FTE		
26 position		5,337,700
27 Veterans courts		500,000

1	Swift and sure sanctions program	3,750,000
2	Next generation Michigan court system	4,116,000
3	GROSS APPROPRIATION	$ 67,014,700
4	Appropriated from:	
5	Interdepartmental grant revenues:	
6	IDG from department of state police	1,500,000
7	IDG from department of corrections	50,000
8	Federal revenues:	
9	DOJ, drug court training and evaluation	300,000
10	DOT, National Highway Traffic Safety Administration ..	2,210,700
11	HHS, access and visitation grant	621,200
12	HHS, children's justice grant	233,000
13	HHS, court improvement project	1,309,700
14	HHS, title IV-D child support program	1,024,700
15	HHS, title IV-E foster care program	392,500
16	Other federal grant revenues	275,100
17	Special revenue funds:	
18	Local - user fees	7,349,300
19	Private	190,800
20	Private - interest on lawyers trust accounts	262,600
21	Private - state justice institute	420,200
22	Community dispute resolution fund	2,377,200
23	Court filing/motion fees	1,641,800
24	Law exam fees	649,700
25	Drug court fund	1,920,500
26	Miscellaneous revenue	273,300
27	Justice system fund	575,200

1 State court fund 382,800
2 State general fund/general purpose ..... $ 43,054,400
3 **Sec. 103. COURT OF APPEALS**
4 Full-time equated exempted positions 175.0
5 Court of appeals operations--175.0 FTE positions ..... $ 23,102,700
6 GROSS APPROPRIATION ..... $ 23,102,700
7 Appropriated from:
8 State general fund/general purpose ..... $ 23,102,700
9 **Sec. 104. BRANCHWIDE APPROPRIATIONS**
10 Full-time equated exempted positions 4.0
11 Branchwide appropriations--4.0 FTE positions ..... $ 8,745,300
12 GROSS APPROPRIATION ..... $ 8,745,300
13 Appropriated from:
14 State general fund/general purpose ..... $ 8,745,300
15 **Sec. 105. JUSTICES' AND JUDGES' COMPENSATION**
16 Full-time judges positions 592.0
17 Supreme court justices' salaries--7.0 justices ..... $ 1,152,300
18 Court of appeals judges' salaries--26.0 judges 4,014,100
19 District court judges' state base salaries--241.0
20 judges..... 22,613,900
21 District court judicial salary standardization 11,008,100
22 Probate court judges' state base salaries--103.0
23 judges..... 9,770,600
24 Probate court judicial salary standardization 4,669,600
25 Circuit court judges' state base salaries--215.0
26 judges..... 20,481,400
27 Circuit court judicial salary standardization 9,796,400

1 Judges' retirement system defined contributions 4,526,500
2 OASI, social security 5,733,000
3 GROSS APPROPRIATION ..... $ 93,765,900
4 Appropriated from:
5 Special revenue funds:
6 Court fee fund 2,988,100
7 State general fund/general purpose ..... $ 90,777,800
8 **Sec. 106. JUDICIAL AGENCIES**
9 Full-time equated exempted positions 7.0
10 Judicial tenure commission--7.0 FTE positions ..... $ 1,137,600
11 GROSS APPROPRIATION ..... $ 1,137,600
12 Appropriated from:
13 State general fund/general purpose ..... $ 1,137,600
14 **Sec. 107. INDIGENT DEFENSE - CRIMINAL**
15 Full-time equated exempted positions 67.0
16 Appellate public defender program--51.0 FTE positions $ 7,704,500
17 Michigan indigent defense commission--16.0 FTE
18 positions 2,345,600
19 GROSS APPROPRIATION ..... $ 10,050,100
20 Appropriated from:
21 Federal revenues:
22 Other federal grant revenues 66,600
23 Special revenue funds:
24 Private - interest on lawyers trust accounts 84,200
25 Miscellaneous revenue 135,400
26 State general fund/general purpose ..... $ 9,763,900
27 **Sec. 108. INDIGENT CIVIL LEGAL ASSISTANCE**

1 Indigent civil legal assistance ..... $ 7,937,000
2 GROSS APPROPRIATION ..... $ 7,937,000
3 Appropriated from:
4 Special revenue funds:
5 State court fund 7,937,000
6 State general fund/general purpose ..... $ 0
7 **Sec. 109. TRIAL COURT OPERATIONS**
8 Court equity fund reimbursements ..... $ 60,815,700
9 Judicial technology improvement fund 4,815,000
10 Drug case-flow program 250,000
11 Drunk driving case-flow program 3,300,000
12 Juror compensation reimbursement 6,600,000
13 Statewide e-file system 8,500,000
14 GROSS APPROPRIATION ..... $ 84,280,700
15 Appropriated from:
16 Special revenue funds:
17 Court equity fund 50,440,000
18 Judicial technology improvement fund 4,815,000
19 Drug fund 250,000
20 Drunk driving fund 3,300,000
21 Juror compensation fund 6,600,000
22 Electronic filing fee fund 8,500,000
23 State general fund/general purpose ..... $ 10,375,700
24 **Sec. 110. ONE-TIME APPROPRIATIONS**
25 Full-time equated exempted positions 11.0
26 Medication-assisted treatment pilot program ..... $ 1,000,000
27 Expansion of problem solving courts 1,000,000

1	Compliance with Montgomery v Louisiana--11.0 FTE	
2	positions.....	1,100,000
3	GROSS APPROPRIATION	$ 3,100,000
4	Appropriated from:	
5	State general fund/general purpose	$ 3,100,000

6 PART 2

7 PROVISIONS CONCERNING APPROPRIATIONS

8 FOR FISCAL YEAR 2016-2017

9 **GENERAL SECTIONS**

10 Sec. 201. Pursuant to section 30 of article IX of the state
11 constitution of 1963, total state spending from state resources
12 under part 1 for fiscal year 2016-2017 is $282,843,400.00 and state
13 spending from state resources to be paid to local units of
14 government for fiscal year 2016-2017 is $138,363,100.00. The
15 itemized statement below identifies appropriations from which
16 spending to local units of government will occur:

17	JUDICIARY	
18	SUPREME COURT	
19	State court administrative office	$ 711,900
20	Drug treatment courts	11,658,000
21	Mental health courts and diversion services	5,222,800
22	Veterans courts	1,000,000
23	Swift and sure sanctions program	3,650,000
24	Next generation Michigan court system	4,116,000
25	TRIAL COURT OPERATIONS	

1	Court equity fund reimbursements	$ 60,815,700
2	Judicial technology improvement fund	4,815,000
3	Drunk driving case-flow program	3,300,000
4	Drug case-flow program	250,000
5	Juror compensation reimbursement	6,600,000
6	JUSTICES' AND JUDGES' COMPENSATION	
7	District court judicial salary standardization	$ 11,008,100
8	Probate court judges' state base salaries	9,770,600
9	Probate court judicial salary standardization	4,669,600
10	Circuit court judicial salary standardization	9,796,400
11	Grant to OASI contribution fund, employers share,	
12	social security.....	979,000
13	TOTAL	$ 138,363,100

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.
9 (h) "Title IV-D" means the part of the federal social security
10 act, 42 USC 301 to 1397mm, pertaining to the child support
11 enforcement program.
12 (i) "Title IV-E" means the part of the federal social security
13 act, 42 USC 301 to 1397mm, pertaining to the foster care program.
14 (j) "USSC" means the United States Supreme Court.
15 Sec. 204. The judicial branch shall not take disciplinary
16 action against an employee for communicating with a member of the
17 legislature or his or her staff.
18 Sec. 208. The reporting requirements of this part shall be
19 completed with the approval of, and at the direction of, the
20 supreme court, except as otherwise provided in this part. The
21 judicial branch shall use the Internet to fulfill the reporting
22 requirements of this part. This may include transmission of reports
23 via electronic mail to the recipients identified for each reporting
24 requirement, or it may include placement of reports on an Internet
25 or Intranet site.
26 Sec. 212. The judicial branch shall receive and retain copies
27 of all reports funded from appropriations in part 1. Federal and

state guidelines for short-term and long-term retention of records shall be followed. The judicial branch may electronically retain copies of reports unless otherwise required by federal and state guidelines.

Sec. 214. Funds appropriated in part 1 shall not be used for the purchase of foreign goods or services, or both, if competitively priced and of comparable quality American goods or services, or both, are available. Preference shall be given to goods or services, or both, manufactured or provided by Michigan businesses, if they are competitively priced and of comparable quality. In addition, preference shall be given to goods or services, or both, that are manufactured or provided by Michigan businesses owned and operated by veterans, if they are competitively priced and of comparable quality.

Sec. 215. Not later than January 1 of each year, the state court administrative office shall prepare a report on out-of-state travel listing all travel by judicial branch employees outside this state in the immediately preceding fiscal year that was funded in whole or in part with funds appropriated in the budget for the judicial branch. The report shall be submitted to the senate and house appropriations committees, the senate and house fiscal agencies, and the state budget director. The report shall include the following information:

(a) The dates of each travel occurrence.

(b) The transportation and related costs of each travel occurrence, including the proportion funded with state general fund/general purpose revenues, the proportion funded with state

restricted revenues, the proportion funded with federal revenues, and the proportion funded with other revenues.

Sec. 219. Not later than November 30, the state budget office shall prepare and transmit a report that provides estimates of the total general fund/general purpose appropriation lapses at the close of the prior fiscal year. This report shall summarize the projected year-end general fund/general purpose appropriation lapses by major program or program areas. The report shall be transmitted to the chairpersons of the senate and house appropriations committees and the senate and house fiscal agencies.

Sec. 221. From the funds appropriated in part 1, the judicial branch shall maintain a searchable website accessible by the public at no cost that includes all expenditures made by the judicial branch within a fiscal year. The posting shall include the purpose for which each expenditure is made. The judicial branch shall not provide financial information on its website under this section if doing so would violate a federal or state law, rule, regulation, or guideline that establishes privacy or security standards applicable to that financial information.

Sec. 222. Within 14 days after the release of the executive budget recommendation, the judicial branch shall cooperate with the state budget office to provide the chairpersons of the senate and house appropriations committees, the chairpersons of the senate and house appropriations subcommittees on judiciary, and the senate and house fiscal agencies with an annual report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures for the prior 2 fiscal

1 years.

2 Sec. 223. The judiciary shall maintain, on a publicly
3 accessible website, a scorecard that identifies, tracks, and
4 regularly updates key metrics that are used to monitor and improve
5 the judiciary's performance.

6 Sec. 224. Total authorized appropriations from all sources
7 under part 1 for legacy costs for the fiscal year ending September
8 30, 2017 are $14,104,600.00. From this amount, total appropriations
9 for judiciary pension-related legacy costs are estimated at
10 $7,820,600.00. Total appropriations for judiciary retiree health
11 care legacy costs are estimated at $6,284,000.00.

12 Sec. 225. In addition to the metrics required under section
13 447 of the management and budget act, 1984 PA 431, MCL 18.1447, for
14 each new program or program enhancement for which funds in excess
15 of $500,000.00 are appropriated in part 1, the judiciary shall
16 provide not later than November 1 a list of program-specific
17 metrics intended to measure its performance based on a return on
18 taxpayer investment. The judiciary shall deliver the program-
19 specific metrics to members of the senate and house appropriations
20 subcommittees on judiciary, to the senate and house fiscal
21 agencies, and to the state budget director. The judiciary shall
22 provide an update on its progress in tracking program-specific
23 metrics and the status of program success at an appropriations
24 subcommittee meeting called for by the subcommittee chair.

25 **JUDICIAL BRANCH**

26 Sec. 301. From the funds appropriated in part 1, the direct

trial court automation support program of the state court administrative office shall recover direct and overhead costs from trial courts by charging for services rendered. The fee shall cover the actual costs incurred to the direct trial court automation support program in providing the service, including development of future versions of case management systems.

Sec. 302. Funds appropriated within the judicial branch shall not be expended by any component within the judicial branch without the approval of the supreme court.

Sec. 303. Of the amount appropriated in part 1 for the judicial branch, $711,900.00 is allocated for circuit court reimbursement under section 3 of 1978 PA 16, MCL 800.453, and for costs associated with the court of claims.

Sec. 307. From the funds appropriated in part 1 for mental health courts and diversion services, $1,730,000.00 is intended to address the recommendations of the mental health diversion council.

Sec. 308. If sufficient funds are not available from the court fee fund to pay judges' compensation, the difference between the appropriated amount from that fund for judges' compensation and the actual amount available after the amount appropriated for trial court reimbursement is made shall be appropriated from the state general fund for judges' compensation. If an appropriation is made under this section, the state court administrative office shall notify, within 14 days of the appropriation, the senate and house appropriations committees, the senate and house appropriations subcommittees on judiciary, the senate and house fiscal agencies, and the state budget office.

Sec. 309. By April 1, the state court administrative office shall provide a report on drug treatment, mental health, and veterans court programs in this state. The report shall include information on the number of each type of program that has been established, the number of program participants in each jurisdiction, and the impact of the programs on offender criminal involvement and recidivism. The report shall be submitted to the senate and house appropriations subcommittees on judiciary, the senate and house fiscal agencies, and the state budget director.

Sec. 311. (1) The funds appropriated in part 1 for drug treatment courts as that term is defined in section 1060 of the revised judicature act of 1961, 1961 PA 236, MCL 600.1060, shall be administered by the state court administrative office to operate drug treatment court programs. A drug treatment court shall be responsible for handling cases involving substance abusing nonviolent offenders through comprehensive supervision, testing, treatment services, and immediate sanctions and incentives. A drug treatment court shall use all available county and state personnel involved in the disposition of cases including, but not limited to, parole and probation agents, prosecuting attorneys, defense attorneys, and community corrections providers. The funds may be used in connection with other federal, state, and local funding sources.

(2) From the funds appropriated in part 1, the chief justice shall allocate sufficient funds for the judicial institute to provide in-state training for those identified in subsection (1), including training for new drug treatment court judges.

(3) For drug treatment court grants, consideration for priority may be given to those courts where higher instances of substance abuse cases are filed.

(4) The judiciary shall receive $1,500,000.00 in Byrne formula grant funding as an interdepartmental grant from the department of state police to be used for expansion of drug treatment courts, to assist in avoiding prison bed space growth for nonviolent offenders in collaboration with the department of corrections.

Sec. 312. From the funds appropriated in part 1, the state court administrator shall produce a statistical report regarding the implementation of the parental rights restoration act, 1990 PA 211, MCL 722.901 to 722.908, as it pertains to minors seeking court-issued waivers of parental consent. The state court administrative office shall report the total number of petitions filed and the total number of petitions granted under that act.

Sec. 317. Funds appropriated in part 1 shall not be used for the permanent assignment of state-owned vehicles to justices or judges or any other judicial branch employee. This section does not preclude the use of state-owned motor pool vehicles for state business in accordance with approved guidelines.

Sec. 320. (1) From the funds appropriated in part 1 for the swift and sure sanctions program, created under section 3 of chapter XIA of the code of criminal procedure, 1927 PA 175, MCL 771A.3, the state court administrative office shall administer a program to distribute grants to qualifying courts in accordance with the objectives and requirements of the probation swift and sure sanctions act, chapter XIA of the code of criminal procedure,

1927 PA 175, MCL 771A.1 to 771A.8. Of the $3,750,000.00 designated for the program, not more than $100,000.00 shall be available to the state court administrative office to pay for employee costs associated with the administration of the program funds. Courts interested in participating in the swift and sure sanctions program may apply to the state court administrative office for a portion of the funds appropriated in part 1 under this section.

(2) By April 1, the state court administrative office shall provide a report on the courts that receive funding under the swift and sure sanctions program described in subsection (1) to the senate and house appropriations subcommittees on judiciary, the senate and house fiscal agencies, and the state budget director. The report shall include all of the following:

(a) The number of offenders who participate in the program.

(b) The criminal history of offenders who participate in the program.

(c) The recidivism rate of offenders who participate in the program, including the rate of return to jail, prison, or both.

(d) A detailed description of the establishment and parameters of the program.

(3) As used in this section, "program" means a swift and sure sanctions program described in subsection (1).

Sec. 321. From the funds appropriated in part 1, the judicial branch shall support a statewide legal self-help Internet website and local nonprofit self-help centers that use the statewide website to provide assistance to individuals representing 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
8 director.

9 Sec. 322. If Byrne formula grant funding is awarded to the
10 state appellate defender, the state appellate defender office may
11 receive and expend Byrne formula grant funds in an amount not to
12 exceed $250,000.00 as an interdepartmental grant from the
13 department of state police. If the appellate defender appointed
14 under section 3 of the appellate defender act, 1978 PA 620, MCL
15 780.713, receives federal grant funding from the United States
16 Department of Justice in excess of the amount appropriated in part
17 1, the office of appellate defender may receive and expend grant
18 funds in an amount not to exceed $300,000.00 as other federal
19 grants.

20 Sec. 322a. If Byrne formula grant funding is awarded to the
21 Michigan indigent defense commission, the Michigan indigent defense
22 commission may receive and expend Byrne formula grant funds in an
23 amount not to exceed $250,000.00 as an interdepartmental grant from
24 the department of state police. The Michigan indigent defense
25 commission created under section 5 of the Michigan indigent defense
26 commission act, 2013 PA 93, MCL 780.985, may receive and expend
27 federal grant funding from the United States Department of Justice

in an amount not to exceed $300,000.00 as other federal grants.

Sec. 324. From the funds appropriated in part 1, the Michigan indigent defense commission shall submit a report by September 30 to the senate and house appropriations subcommittees on judiciary, the senate and house fiscal agencies, and the state budget director on the incremental costs associated with the standard development process, the compliance plan process, and the collection of data from all indigent defense systems and attorneys providing indigent defense. Particular emphasis shall be placed on those costs that may be avoided after standards are developed and compliance plans are in place.

Sec. 325. (1) From the funds appropriated in part 1 for the Michigan indigent defense commission, the commission shall increase the total number of staff by 10 FTE positions and begin bringing the Michigan criminal defense system into compliance with the right to counsel requirements of the Sixth Amendment to the United States Constitution and section 20 of article I of the state constitution of 1963. The purpose of this program expansion is to implement minimum standards, rules, and procedures to guarantee the right of indigent defendants to the assistance of proficient counsel, to collect comprehensive data from all indigent defense systems and attorneys providing indigent defense, and to monitor and audit county compliance plans.

(2) The commission shall identify specific outcomes and performance measures for this initiative based on the minimum standards approved by the Michigan supreme court, including, but not limited to, the following:

(a) Monitoring the success of approved minimum standards, including increased training and education of trial-level defense attorneys, prompt meetings between attorneys and clients, increased access to and use of experts and investigators, and increased use of counsel at first appearance.

(b) The commission shall collect data on the standards approved by the Michigan supreme court and shall work to identify metrics associated with the approved standards.

(c) Monitoring the number of first-time offenders sentenced to serve prison time within the department of corrections to determine if there is a measurable decline as a result of the standards approved by the Michigan supreme court, including training and education requirements, required meetings between client and counsel, increased use of experts and investigators, and the provision of attorneys at first appearance.

ONE-TIME APPROPRIATIONS

Sec. 401. From the funds appropriated in part 1 for drug treatment courts, the judiciary shall increase funding available for establishing problem-solving courts. The purpose of this program expansion is to increase the number of participants and to decrease recidivism rates.

Sec. 402. (1) The state appellate defender office attorneys and support staff shall increase by 11 FTE positions to ensure Michigan compliance with Montgomery v Louisiana, 577 US _____ (2016). The purpose of the program expansion is to ensure competent, resourced, and supervised counsel in cases involving the

1 resentencing of juvenile lifers. The representation by SADO counsel
2 will create opportunities for release, saving prison costs for the
3 state.
4 (2) From the funds appropriated in part 1, the state appellate
5 defender office shall submit a report by September 30 to the senate
6 and house appropriations subcommittees on judiciary, the senate and
7 house fiscal agencies, and the state budget director on the number
8 of juvenile lifer cases investigated and prepared by the state
9 appellate defender office. The report shall include a calculation
10 of hours spent and focus on incremental costs associated with
11 investigating and conducting a robust examination of each case,
12 with particular emphasis on those costs that may be avoided after
13 the cases have been disposed.

14 PART 2A
15 PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS
16 FOR FISCAL YEAR 2017-2018

17 **GENERAL SECTIONS**

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

conference.

ARTICLE XIII

DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS

PART 1

LINE-ITEM APPROPRIATIONS

FOR FISCAL YEAR 2016-2017

Sec. 101. The amounts listed in this part are appropriated for the department of licensing and regulatory affairs, subject to the conditions set forth in part 2, for the fiscal year ending September 30, 2017, from the funds identified in this part. The following is a summary of the appropriations in this part:

DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS

APPROPRIATION SUMMARY

Full-time equated unclassified positions	57.5	
Full-time equated classified positions	2,168.3	
GROSS APPROPRIATION		$ 418,651,200
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		46,923,800
ADJUSTED GROSS APPROPRIATION		$ 371,727,400
Federal revenues:		
Total federal revenues		63,818,100
Special revenue funds:		
Total local revenues		251,600
Total private revenues		111,800

1 Total other state restricted revenues 265,232,700
2 State general fund/general purpose ..... $ 42,313,200
3 State general fund/general purpose schedule:
4 Ongoing state general fund/general
5 purpose 39,843,200
6 One-time state general fund/general
7 purpose 2,470,000
8 **Sec. 102. DEPARTMENTAL ADMINISTRATION**
9 Full-time equated unclassified positions 57.5
10 Full-time equated classified positions 115.0
11 Unclassified salaries--57.5 FTE positions ..... $ 4,559,800
12 Executive director programs--24.0 FTE positions 3,239,700
13 Financial and administrative services--74.0 FTE
14 positions..... 7,918,400
15 Office of regulatory reinvention--4.0 FTE positions .. 495,500
16 Office of reinventing performance in Michigan--6.0 FTE
17 positions..... 715,900
18 Office for new Americans--4.0 FTE positions 465,600
19 FOIA coordination--2.0 FTE positions 308,200
20 Local community stabilization authority--1.0 FTE
21 position..... 151,600
22 Property management 11,852,400
23 Information technology services and projects 21,424,300
24 Worker's compensation 465,300
25 GROSS APPROPRIATION ..... $ 51,596,700
26 Appropriated from:
27 Interdepartmental grant revenues:

IDG-DIFS, accounting services	150,000
IDG-TED, unemployment hearings	568,900
Federal revenues:	
DED - vocational rehabilitation and independent living	2,121,500
DOE - heating oil and propane	25,000
DOL - occupational safety and health	1,001,100
EPA - underground storage tanks	128,800
HHS - Medicaid, certification of health care providers and suppliers	724,600
HHS - Medicare, certification of health care providers and suppliers	1,190,400
Special revenue funds:	
Local stabilization authority contract	151,600
Aboveground storage tank fees	146,500
Accountancy enforcement fund	67,100
Asbestos abatement fund	181,400
Boiler inspection fund	640,300
Builder enforcement fund	99,500
Construction code fund	1,660,600
Controlled substances electronic monitoring and antidiversion fund	221,600
Corporation fees	8,673,000
Elevator fees	692,400
Fire alarm fees	5,400
Fire safety standard and enforcement fund	1,100
Fire service fees	778,300
Fireworks safety fund	94,100

Health professions regulatory fund	2,715,000
Health systems fees	451,700
Licensing and regulation fund	3,092,900
Liquor license revenue	300,000
Liquor purchase revolving fund	7,121,800
Michigan medical marihuana fund	933,500
Michigan unarmed combat fund	12,700
Mobile home code fund	613,100
Nurse professional fund	37,700
Private occupational school license fees	165,700
Property development fees	6,100
Public utility assessments	4,058,100
Radiological health fees	303,600
Real estate appraiser education fund	6,300
Real estate education fund	15,200
Real estate enforcement fund	10,100
Restructuring mechanism assessments	51,000
Retired engineers technical assistance program fund	7,000
Safety education and training fund	1,429,300
Second injury fund	402,300
Securities fees	4,663,700
Securities investor education and training fund	14,500
Security business fund	3,200
Self-insurers security fund	261,700
Silicosis and dust disease fund	179,700
Survey and remonumentation fund	142,200
Tax tribunal fund	1,656,900

1 Underground storage tank fees 356,600
2 Utility consumer representation fund 54,000
3 Worker's compensation administrative revolving fund .. 101,900
4 State general fund/general purpose ..... $ 3,106,000
5 **Sec. 103. ENERGY AND UTILITY PROGRAMS**
6 Full-time equated classified positions 183.0
7 Michigan agency for energy--53.0 FTE positions ..... $ 12,251,600
8 Public service commission--130.0 FTE positions 22,058,600
9 GROSS APPROPRIATION ..... $ 34,310,200
10 Appropriated from:
11 Federal revenues:
12 DOE - heating oil and propane 3,775,000
13 DOT - gas pipeline safety 1,445,500
14 EPA - pollution prevention 84,000
15 Special revenue funds:
16 Public utility assessments 27,172,300
17 Restructuring mechanism assessments 607,200
18 Retired engineers technical assistance program fund .. 669,600
19 State general fund/general purpose ..... $ 556,600
20 **Sec. 104. LIQUOR CONTROL COMMISSION**
21 Full-time equated classified positions 143.0
22 Management support services--28.0 FTE positions ..... $ 4,419,800
23 Liquor licensing and enforcement--115.0 FTE positions 15,320,100
24 GROSS APPROPRIATION ..... $ 19,739,900
25 Appropriated from:
26 Special revenue funds:
27 Direct shipper enforcement revolving fund 126,800

1 Liquor license fee enhancement fund 76,400
2 Liquor license revenue 7,416,100
3 Liquor purchase revolving fund 12,120,600
4 State general fund/general purpose ..... $ 0
5 **Sec. 105. OCCUPATIONAL REGULATION**
6 Full-time equated classified positions 1,029.9
7 Bureau of fire services--73.0 FTE positions ..... $ 10,293,500
8 Bureau of construction codes--179.0 FTE positions 22,431,800
9 Corporations, securities, and commercial licensing
10 bureau--118.0 FTE positions 15,528,300
11 Bureau of professional licensing--210.0 FTE positions 40,182,300
12 Bureau of community and health services--429.9 FTE
13 positions..... 61,112,000
14 Medical marihuana program--20.0 FTE positions 4,253,300
15 GROSS APPROPRIATION ..... $ 153,801,200
16 Appropriated from:
17 Interdepartmental grant revenues:
18 IDG-MDE, child care licensing 16,626,500
19 Federal revenues:
20 DHS - fire training systems 28,000
21 DOT - hazardous materials training and planning 60,000
22 EPA - underground storage tanks 800,000
23 HHS - Medicaid, certification of health care providers
24 and suppliers..... 9,191,700
25 HHS - Medicare, certification of health care providers
26 and suppliers..... 12,352,500
27 Special revenue funds:

Aboveground storage tank fees	455,900
Accountancy enforcement fund	408,300
Boiler inspection fund	3,819,200
Builder enforcement fund	484,300
Construction code fund	7,743,900
Controlled substances electronic monitoring and antidiversion fund	1,847,700
Corporation fees	7,014,000
Distance education fund	300,000
Elevator fees	4,858,300
Fire alarm fees	125,400
Fire safety standard and enforcement fund	40,000
Fire service fees	2,500,200
Fireworks safety fund	696,200
Health professions regulatory fund	23,805,900
Health systems fees	3,702,100
Licensing and regulation fund	11,540,800
Liquor purchase revolving fund	143,200
Michigan medical marihuana fund	4,253,300
Michigan unarmed combat fund	145,000
Mobile home code fund	3,017,100
Nurse professional fund	1,963,800
Nursing home administrative penalties	202,300
Private occupational school license fees	706,300
Property development fees	318,100
Real estate appraiser education fund	63,300
Real estate education fund	344,600

1 Real estate enforcement fund 700,500
2 Securities fees 4,986,700
3 Securities investor education and training fund 501,200
4 Security business fund 340,100
5 Survey and remonumentation fund 850,100
6 Underground storage tank fees 2,561,100
7 State general fund/general purpose ..... $ 24,303,600
8 **Sec. 106. EMPLOYMENT SERVICES**
9 Full-time equated classified positions 464.4
10 Workers' compensation agency--79.0 FTE positions ..... $ 13,072,400
11 Compensation supplement fund 1,820,000
12 Bureau of services for blind persons--113.0 FTE
13 positions 24,639,400
14 Bureau of employment relations--22.0 FTE positions ... 4,198,900
15 Michigan occupational safety and health
16 administration--197.0 FTE positions 29,052,100
17 Radiation safety section--21.4 FTE positions 3,231,800
18 Wage and hour program--32.0 FTE positions 3,728,100
19 GROSS APPROPRIATION ..... $ 79,742,700
20 Appropriated from:
21 Federal revenues:
22 DED - vocational rehabilitation and independent living 18,437,600
23 DOL - occupational safety and health 11,785,200
24 HHS - mammography quality standards 513,300
25 Special revenue funds:
26 Local revenues – blind services 100,000
27 Private revenues – blind services 111,800

1 Asbestos abatement fund 1,027,500
2 Corporation fees 9,432,400
3 Michigan business enterprise program fund 400,000
4 Radiological health fees 2,718,500
5 Safety education and training fund 9,728,600
6 Second injury fund 2,589,400
7 Securities fees 8,634,900
8 Self-insurers security fund 1,562,500
9 Silicosis and dust disease fund 1,088,300
10 Worker's compensation administrative revolving fund .. 1,652,900
11 State general fund/general purpose ..... $ 9,959,800
12 **Sec. 107. MICHIGAN ADMINISTRATIVE HEARING SYSTEM**
13 Full-time equated classified positions 233.0
14 Michigan administrative hearing system--215.0 FTE
15 positions..... $ 37,948,700
16 Michigan compensation appellate commission--18.0 FTE
17 positions..... 4,606,100
18 GROSS APPROPRIATION ..... $ 42,554,800
19 Appropriated from:
20 Interdepartmental grant revenues:
21 IDG revenues - administrative hearings and rules 25,309,900
22 IDG-TED, unemployment hearings 4,268,500
23 Federal revenues:
24 Federal revenues - administrative hearings and rules . 153,900
25 Special revenue funds:
26 Corporation fees 202,700
27 State restricted revenues - administrative hearings

1 and rules 11,793,400
2 Worker's compensation administrative revolving fund .. 134,900
3 State general fund/general purpose ..... $ 691,500
4 **Sec. 108. DEPARTMENT GRANTS**
5 Fire protection grants ..... $ 12,673,900
6 Firefighter training grants 1,500,000
7 Liquor law enforcement grants 7,200,000
8 Medical marihuana operation and oversight grants 3,000,000
9 Remonumentation grants 7,300,000
10 Subregional libraries state aid 451,800
11 Utility consumer representation 750,000
12 GROSS APPROPRIATION ..... $ 32,875,700
13 Appropriated from:
14 Special revenue funds:
15 Fire protection fund 8,500,000
16 Fireworks safety fund 1,500,000
17 Liquor license revenue 7,200,000
18 Liquor purchase revolving fund 3,400,000
19 Michigan medical marihuana fund 3,000,000
20 Survey and remonumentation fund 7,300,000
21 Utility consumer representation fund 750,000
22 State general fund/general purpose ..... $ 1,225,700
23 **Sec. 109. ONE-TIME BASIS APPROPRIATIONS**
24 Michigan automated prescription system upgrades ..... $ 2,470,000
25 Liquor control commission IT upgrades 1,560,000
26 GROSS APPROPRIATION ..... $ 4,030,000
27 Appropriated from:

Special revenue funds:

Liquor purchase revolving fund		1,560,000
State general fund/general purpose	$	2,470,000

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FOR FISCAL YEAR 2016-2017

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2016-2017 is $308,045,900.00 and state spending from state resources to be paid to local units of government for fiscal year 2016-2017 is $32,125,700.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS

Fire protection grants.....	$	12,673,900
Firefighter training grants.....		1,500,000
Liquor law enforcement grants		7,200,000
Medical marihuana operation and oversight grants		3,000,000
Remonumentation grants		7,300,000
Subregional libraries state aid		451,800
Total department of licensing and regulatory affairs.....	$	32,125,700

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) "DED" means the United States Department of Education.
4 (b) "Department" means the department of licensing and
5 regulatory affairs.
6 (c) "DHS" means the United States Department of Homeland
7 Security.
8 (d) "DIFS" means the department of insurance and financial
9 services.
10 (e) "Director" means the director of the department.
11 (f) "DOE" means the United States Department of Energy.
12 (g) "DOL" means the United States Department of Labor.
13 (h) "DOT" means the United States Department of
14 Transportation.
15 (i) "EPA" means the United States Environmental Protection
16 Agency.
17 (j) "Fiscal agencies" means Michigan house fiscal agency and
18 Michigan senate fiscal agency.
19 (k) "FOIA" means the freedom of information act, 1976 PA 442,
20 MCL 15.231 to 15.246.
21 (*l*) "FTE" means full-time equated.
22 (m) "HHS" means the United States Department of Health and
23 Human Services.
24 (n) "IDG" means interdepartmental grant.
25 (o) "IT" means information technology.
26 (p) "MDE" means the Michigan department of education.
27 (q) "Subcommittees" means the subcommittees of the house and

1 senate appropriations committees with jurisdiction over the budget
2 for the department.
3 (r) "TED" means the Michigan department of talent and economic
4 development.
5 Sec. 204. The departments and agencies receiving
6 appropriations in this part and part 1 shall use the Internet to
7 fulfill the reporting requirements of this part. This requirement
8 may include transmission of reports via electronic mail to the
9 recipients identified for each reporting requirement, or it may
10 include placement of reports on an Internet or Intranet site.
11 Sec. 205. Funds appropriated in this part and part 1 shall not
12 be used for the purchase of foreign goods or services, or both, if
13 competitively priced and of comparable quality American goods or
14 services, or both, are available. Preference shall be given to
15 goods or services, or both, manufactured or provided by Michigan
16 businesses, if they are competitively priced and of comparable
17 quality. In addition, preference shall be given to goods or
18 services, or both, that are manufactured or provided by Michigan
19 businesses owned and operated by veterans, if they are
20 competitively priced and of comparable quality.
21 Sec. 206. The director shall take all reasonable steps to
22 ensure businesses in deprived and depressed communities compete for
23 and perform contracts to provide services or supplies, or both. The
24 director shall strongly encourage firms with which the department
25 contracts to subcontract with certified businesses in depressed and
26 deprived communities for services, supplies, or both.
27 Sec. 207. The departments and agencies receiving

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

(a) The dates of each travel occurrence.

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

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

Sec. 209. Not later than November 30, the state budget office shall prepare and transmit a report that provides for estimates of the total general fund/general purpose appropriation lapses at the close of the prior fiscal year. This report shall summarize the projected year-end general fund/general purpose appropriation lapses by major departmental program or program areas. The report

shall be transmitted to the chairpersons of the senate and house appropriations committees and the fiscal agencies.

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

(2) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $25,000,000.00 for state restricted contingency funds.

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

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

(5) Funds appropriated pursuant to this section are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

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

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

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

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

(e) Job specifications and wage rates.

Sec. 212. Within 14 days after the release of the executive budget recommendation, the department shall cooperate with the state budget office to provide the senate and house appropriations chairs, the subcommittees chairs, and the fiscal agencies with an annual report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures for the preceding and current fiscal years.

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

Sec. 214. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2017 are $53,627,900.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at $29,735,200.00. Total agency appropriations for retiree health care legacy costs are estimated at $23,892,700.00.

Sec. 215. Unless prohibited by law, the department may accept credit card or other electronic means of payment for licenses, fees, or permits.

Sec. 216. In addition to the metrics required under section 447 of the management and budget act, 1984 PA 431, MCL 18.1447, for each new program or program enhancement for which funds in excess of $500,000.00 are appropriated in part 1, the department shall

provide, not later than November 1, a list of program-specific metrics intended to measure its performance based on a return on taxpayer investment. The department shall deliver the program-specific metrics to members of the senate and house subcommittees that have subject matter jurisdiction for this budget, fiscal agencies, and the state budget director. The department shall provide an update on its progress in tracking program-specific metrics and the status of program success at an appropriations subcommittee meeting called for by the subcommittee chairperson.

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

Sec. 218. The department shall not take disciplinary action against an employee for communicating with a member of the legislature or his or her staff.

Sec. 219. The department shall not develop or produce any television or radio productions.

Sec. 220. The department, in conjunction with the department of health and human services, shall maintain an accounting structure within the Michigan administrative information network that will allow expenditures associated with the administration of the Healthy Michigan plan to be identified. By October 1, the department shall provide the state budget office and the fiscal

agencies with the relevant accounting structure and associated business objects script and report that group's administrative costs.

Sec. 221. The department may carry into the succeeding fiscal year unexpended federal pass-through funds to local institutions and governments that do not require additional state matching funds. Federal pass-through funds to local institutions and governments that are received in amounts in addition to those included in part 1 and that do not require additional state matching funds are appropriated for the purposes intended. Within 14 days after the receipt of federal pass-through funds, the department shall notify the house and senate chairpersons of the subcommittees, the fiscal agencies, and the state budget director of pass-through funds appropriated under this section.

Sec. 222. (1) Grants supported with private revenues received by the department are appropriated upon receipt and are available for expenditure by the department, subject to subsection (3), for purposes specified within the grant agreement and as permitted under state and federal law.

(2) Within 10 days after the receipt of a private grant appropriated in subsection (1), the department shall notify the house and senate chairpersons of the subcommittees, the fiscal agencies, and the state budget director of the receipt of the grant, including the fund source, purpose, and amount of the grant.

(3) The amount appropriated under subsection (1) shall not exceed $1,500,000.00.

Sec. 223. (1) The department may charge registration fees to

attendees of informational, training, or special events sponsored by the department.

(2) These fees shall reflect the costs for the department to sponsor the informational, training, or special events.

(3) Revenue generated by the registration fees is appropriated upon receipt and available for expenditure to cover the department's costs of sponsoring informational, training, or special events.

(4) Revenue generated by registration fees in excess of the department's costs of sponsoring informational, training, or special events shall carry forward to the subsequent fiscal year and not lapse to the general fund.

(5) Not later than November 15, the department shall submit a report to the subcommittees, fiscal agencies, and the state budget office that identifies each of the following in the immediately preceding fiscal year:

(a) Each informational, training, or special event sponsored by the department.

(b) The amount of revenue generated by registration fees.

(c) The amount expended for the department's costs of sponsoring informational, training, or special events.

(d) Any balance carried forward into the subsequent fiscal year.

(6) The amount appropriated under subsection (3) shall not exceed $500,000.00.

Sec. 224. The department may make available to interested entities otherwise unavailable customized listings of

nonconfidential information in its possession, such as names and addresses of licensees. The department may establish and collect a reasonable charge to provide this service. The revenue received from this service is appropriated when received and shall be used to offset expenses to provide the service. Any balance of this revenue collected and unexpended at the end of the fiscal year shall lapse to the appropriate restricted fund.

Sec. 225. (1) The department shall sell documents at a price not to exceed the cost of production and distribution. Money received from the sale of these documents shall revert to the department. In addition to the funds appropriated in part 1, these funds are available for expenditure when they are received by the department of treasury. This subsection applies only for the following documents:

(a) Corporation and securities division documents, reports, and papers required or permitted by law pursuant to section 1060(5) of the business corporation act, 1972 PA 284, MCL 450.2060.

(b) The Michigan liquor control code of 1998, 1998 PA 58, MCL 436.1101 to 436.2303.

(c) The mobile home commission act, 1987 PA 96, MCL 125.2301 to 125.2350; the business corporation act, 1972 PA 284, MCL 450.1101 to 450.2098; the nonprofit corporation act, 1982 PA 162, MCL 450.2101 to 450.3192; and the uniform securities act (2002), 2008 PA 551, MCL 451.2101 to 451.2703.

(d) Worker's compensation health care services rules.

(e) Construction code manuals.

(f) Copies of transcripts from administrative law hearings.

(2) In addition to the funds appropriated in part 1, funds appropriated for the department under sections 55, 57, 58, and 59 of the administrative procedures act of 1969, 1969 PA 306, MCL 24.255, 24.257, 24.258, and 24.259, and section 203 of the legislative council act, 1986 PA 268, MCL 4.1203, are appropriated for all expenses necessary to provide for the cost of publication and distribution.

(3) Unexpended funds at the end of the fiscal year shall carry forward to the subsequent fiscal year and not lapse to the general fund.

Sec. 226. (1) No later than March 1, the department shall submit a report to the subcommittees and fiscal agencies pertaining to licensing and regulatory programs during the previous fiscal year for the following agencies:

(a) Public service commission.

(b) Liquor control commission.

(c) Bureau of fire services.

(d) Bureau of construction codes.

(e) Corporations, securities, and commercial licensing bureau.

(f) Bureau of professional licensing.

(g) Bureau of community and health services.

(h) Michigan occupational safety and health administration.

(2) The report shall be in a format that is consistent between the agencies listed in subsection (1) and shall provide, but is not limited to, the following information, as applicable, for each agency in subsection (1):

(a) Revenue generated by and expenditures disbursed for each

regulatory product.

(b) Number of applications, both initial and renewal, for each regulatory product.

(c) Number of applications, both initial and renewal, approved for each regulatory product.

(d) Number of applications, both initial and renewal, denied for each regulatory product.

(e) Average amount of time, both tolled and untolled, to approve or deny applications, both initial and renewal, for each regulatory product.

(f) Number of examinations proctored for initial applications for each regulatory product.

(g) Number of complaints received pertaining to each regulated activity.

(h) Number of investigations opened pertaining to each regulated activity.

(i) Number of investigations closed pertaining to each regulated activity.

(j) Average amount of time to close investigations pertaining to each regulated activity.

(k) Number of enforcement actions pertaining to each regulated activity.

(*l*) Number of administrative hearings pertaining to each regulated activity.

(m) Number of administrative hearing adjudications pertaining to each regulated activity.

(n) The type and amount of each fee charged to support each

regulated activity.

(3) As used in subsection (2), "regulatory product" means licensure, certification, registration, inspection, review, permitting, approval, or any other regulatory service provided by the agencies specified in subsection (1) for each regulated activity. As used in this subsection and subsection (2), "regulated activity" means the particular activities, entities, facilities, and industries regulated by the agencies specified in subsection (1).

ENERGY AND UTILITY PROGRAMS

Sec. 301. From the funds appropriated in part 1, the Michigan agency for energy and the Michigan public service commission shall explore policies relating to carbon dioxide capture from industrial sources and the use and sequestration of captured carbon dioxide in enhanced oil recovery that improve our regulatory structure to create an environment that fosters job growth and the utilization of all available energy sources, including, but not limited to, natural gas, petroleum, and crude oil.

OCCUPATIONAL REGULATION

Sec. 501. Money appropriated under this part and part 1 for the bureau of fire services shall not be expended unless, in accordance with section 2c of the fire prevention code, 1941 PA 207, MCL 29.2c, inspection and plan review fees will be charged according to the following schedule:

Operation and maintenance inspection fee

Facility type	Facility size	Fee
Hospitals	Any	$8.00 per bed

Plan review and construction inspection fees for hospitals and schools

Project cost range	Fee
$101,000.00 or less	minimum fee of $155.00
$101,001.00 to $1,500,000.00	$1.60 per $1,000.00
$1,500,001.00 to $10,000,000.00	$1.30 per $1,000.00
$10,000,001.00 or more	$1.10 per $1,000.00
	or a maximum fee of $60,000.00.

Sec. 502. The funds collected by the department for licenses, permits, and other elevator regulation fees set forth in the Michigan administrative code and as determined under section 8 of 1976 PA 333, MCL 338.2158, and section 16 of 1967 PA 227, MCL 408.816, that are unexpended at the end of the fiscal year shall carry forward to the subsequent fiscal year.

Sec. 503. No later than February 15, the department shall submit a report to the subcommittees, fiscal agencies, and state budget director providing the following information:

(a) The number of honorably discharged veterans, individually or if a majority interest of a corporation or limited liability company, that were exempted from paying licensure, registration, filing, or any other fees collected under each licensure or regulatory program administered by the bureau of construction codes and the corporations, securities, and commercial licensing bureau during the preceding fiscal year.

(b) The specific fees and total amount of revenue 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 during the preceding fiscal year.
4 (c) The actual costs of providing licensing and other
5 regulatory services to veterans exempted from paying licensure,
6 registration, filing, or any other fees during the preceding fiscal
7 year and a description of how these costs were calculated.
8 (d) The estimated amount of revenue that will be exempted
9 under each licensure or regulatory program administered by the
10 bureau of construction codes and the corporations, securities, and
11 commercial licensing bureau in both the current and subsequent
12 fiscal years and a description of how the exempted revenue was
13 estimated.
14 Sec. 504. All new FTEs allocated to the bureau of construction
15 codes shall be utilized for the responsibilities previously
16 conducted by the plan review division of the bureau of fire
17 services.
18 Sec. 505. (1) Funds remaining in the homeowner construction
19 lien recovery fund are appropriated to the department for payment
20 of court-ordered homeowner construction lien recovery fund
21 judgments entered prior to August 23, 2010. Pursuant to available
22 funds, the payment of final judgments shall be made in the order in
23 which the final judgments were entered and began accruing interest.
24 (2) Not later than April 1, the department shall submit to the
25 subcommittees and fiscal agencies a report on the revenues,
26 expenditures, and balance of the homeowner construction lien
27 recovery fund as of the end of the previous fiscal year.

Sec. 507. The department shall submit a report by January 31 to the standing committees on appropriations of the senate and house of representatives, the fiscal agencies, and the state budget director that includes all of the following information for the prior fiscal year regarding the medical marihuana program under the Michigan medical marihuana act, 2008 IL 1, MCL 333.26421 to 333.26430:

(a) The number of initial applications received.

(b) The number of initial applications approved and the number of initial applications denied.

(c) The average amount of time, from receipt to approval or denial, to process an initial application.

(d) The number of renewal applications received.

(e) The number of renewal applications approved and the number of renewal applications denied.

(f) The average amount of time, from receipt to approval or denial, to process a renewal application.

(g) The percentage of initial applications not approved or denied within the time requirements established in section 6 of the Michigan medical marihuana act, 2008 IL 1, MCL 333.26426.

(h) The percentage of renewal applications not approved or denied within the time requirements established in section 6 of the Michigan medical marihuana act, 2008 IL 1, MCL 333.26426.

(i) The percentage of registry cards for approved initial applications not issued within the time requirements established in section 6 of the Michigan medical marihuana act, 2008 IL 1, MCL 333.26426.

(j) The percentage of registry cards for approved renewal applications not issued within the time requirements established in section 6 of the Michigan medical marihuana act, 2008 IL 1, MCL 333.26426.

(k) The number of registry identification cards issued to or renewed for patients residing in each county as of September 30 of the preceding fiscal year under the Michigan medical marihuana act, 2008 IL 1, MCL 333.26421 to 333.26430.

(*l*) The amount collected from the medical marihuana program application and renewal fees authorized in section 5 of the Michigan medical marihuana act, 2008 IL 1, MCL 333.26425.

(m) The costs of administering the medical marihuana program under the Michigan medical marihuana act, 2008 IL 1, MCL 333.26421 to 333.26430.

Sec. 508. If the revenue collected by the department for health systems administration or radiological health administration and projects from fees and collections exceeds the amount appropriated in part 1, the revenue may be carried forward into the subsequent fiscal year. The revenue carried forward under this section shall be used as the first source of funds in the subsequent fiscal year.

Sec. 511. No later than February 1, the department shall submit a report to the subcommittees, fiscal agencies, and state budget director providing the following information:

(a) The total amount of reimbursements made to local units of government for delegated inspections of fireworks retail locations pursuant to section 11 of the Michigan fireworks safety act, 2011

PA 256, MCL 28.461, from the funds appropriated in part 1 for the bureau of fire services during the preceding fiscal year.

(b) The amount of reimbursement for delegated inspections of fireworks retail locations for each local unit of government that received reimbursement from the funds appropriated in part 1 for the bureau of fire services during the preceding fiscal year.

Sec. 513. (1) Beginning October 1, for the purpose of defraying the costs associated with responding to false final inspection appointments and to discourage the practice of calling for final inspections when the project is incomplete or noncompliant with a plan of correction previously provided by the bureau of fire services, the bureau of fire services may assess a fee not to exceed $200.00 for responding to confirmed false inspection appointments. Fees collected under this section shall be deposited into the restricted account referenced by section 2c(2) of the fire prevention code, 1941 PA 207, MCL 29.2c, and explicitly identified within the Michigan administrative information network.

(2) Not later than September 30, the department shall prepare a report that provides the amount of the fee assessed under subsection (1), the number of fees assessed and issued per region, the cost allocation for the work performed and reduced as a result of this section, and any recommendations for consideration by the legislature. The department shall submit this information to the state budget director, the subcommittees, and the fiscal agencies.

Sec. 515. (1) The department shall assess and collect fees in the licensing and regulation of child care organizations, as described in 1973 PA 116, MCL 722.111 to 722.128, and adult foster

1 care facilities, as described in the adult foster care facility
2 licensing act, 1979 PA 218, MCL 400.701 to 400.737.
3 (2) The department shall report the total amount of fees
4 assessed and collected under subsection (1) to the fiscal agencies
5 no later than December 1 and shall provide information requested by
6 the fiscal agencies as they consider necessary to shift
7 authorization equivalent to that amount from the general
8 fund/general purpose to a state restricted fund within the
9 department's budget for fiscal year 2017-2018.

10 **EMPLOYMENT SERVICES**

11 Sec. 704. (1) The appropriation in part 1 for the bureau of
12 services for blind persons includes funds for case services. These
13 funds may be used for tuition payments for blind clients.
14 (2) Revenue collected by the bureau of services for blind
15 persons and from private and local sources that is unexpended at
16 the end of the fiscal year may carry forward to the subsequent
17 fiscal year.
18 Sec. 705. The bureau of services for blind persons shall work
19 collaboratively with service organizations and government entities
20 to identify qualified match dollars to maximize use of available
21 federal vocational rehabilitation funds.
22 Sec. 707. The bureau of services for blind persons may provide
23 and enter into agreements to provide general services, training,
24 meetings, information, special equipment, software, facility use,
25 and technical consulting services to other principal executive
26 departments, state agencies, local units of government, the

judicial branch of government, other organizations, and patrons of department facilities. The department may charge fees for these services that are reasonably related to the cost of providing the services. In addition to the funds appropriated in part 1, funds collected by the department for these services are appropriated for all expenses necessary. The funds appropriated under this section are allotted for expenditure when they are received by the department of treasury.

DEPARTMENT GRANTS

Sec. 901. The appropriation in part 1 for fire protection grants shall be appropriated to cities, villages, and townships with state-owned facilities for fire services, instead of taxes, in accordance with 1977 PA 289, MCL 141.951 to 141.956.

Sec. 902. (1) The department shall expend the funds appropriated in part 1 for medical marihuana operation and oversight grants for grants to county law enforcement offices for the operation and oversight of the Michigan medical marihuana program pursuant to section 6(*l*) of the Michigan medical marihuana act, 2008 IL 1, MCL 333.26426. These grants shall be distributed proportionately based on the number of registry identification cards issued to or renewed for the residents of each county whose county law enforcement office applied for a grant under subsection (2). For the purposes of this subsection, operation and oversight grants are for education, communication, and enforcement of the Michigan medical marihuana act, 2008 IL 1, MCL 333.26421 to 333.26430.

(2) No later than December 1, the department shall post a listing of potential grant money available to each county law enforcement agency on its website. In addition, the department shall work collaboratively with county law enforcement agencies, the Michigan Sheriff's Association, and other representative law enforcement organizations regarding the availability of these grant funds. A county law enforcement agency requesting a grant shall apply on a form developed by the department and available on the website. The form shall contain the county law enforcement agency's specific projected plan for use of the money and its agreement to maintain all records and to submit documentation to the department to support the use of the grant money.

(3) In order to be eligible to receive a grant under subsection (1), a county law enforcement agency shall apply no later than January 1 and agree to report how the grant was expended and provide that report to the department no later than September 15. The department shall submit a report no later than October 15 of the subsequent fiscal year to the state budget director, the subcommittees, and the fiscal agencies detailing the grant amounts by recipient and the reported uses of the grants in the preceding fiscal year.

(4) County law enforcement agencies may distribute discretionary grants made under subsection (1) to municipal law enforcement agencies for the operation and oversight of the Michigan medical marihuana program pursuant to section 6(*l*) of the Michigan medical marihuana act, 2008 IL 1, MCL 333.26426. If a county law enforcement agency distributes a discretionary grant in

this manner, that county law enforcement agency shall require the receiving municipal law enforcement agency to provide a report on how that grant was spent. Reports from municipal law enforcement agencies shall be included as part of the report submitted to the department as required in subsection (3).

Sec. 903. (1) The amount appropriated in part 1 for firefighter training grants shall only be expended for payments to counties to reimburse organized fire departments for firefighter training and other activities required under the firefighters training council act, 1966 PA 291, MCL 29.361 to 29.377.

(2) If the amount appropriated in part 1 for firefighter training grants is expended by the firefighter training council, established in section 3 of the firefighters training council act, 1966 PA 291, MCL 29.363, for payments to counties under section 14 of the firefighters training council act, 1966 PA 291, MCL 29.374, it is the intent of the legislature that:

(a) The amount appropriated in part 1 for firefighter training grants shall be allocated pursuant to section 14(2) of the firefighters training council act, 1966 PA 291, MCL 29.374.

(b) If the amount allocated to any county under subsection (2)(a) is less than $5,000.00, the amounts disbursed to each county under subsection (2)(a) shall be adjusted to provide for a minimum payment of $5,000.00 to each county.

(3) No later than February 1, the department shall submit a financial report to the subcommittees and fiscal agencies identifying the following information for the preceding fiscal year:

(a) The amount of the payments that would be made to each county if the distribution formula described by the first sentence of section 14(2) of the firefighters training council act, 1966 PA 291, MCL 29.374, would have been utilized to allocate the total amount appropriated in part 1 for firefighter training grants.

(b) The amount of the payments approved by the firefighter training council for allocation to each county.

(c) The amount of the payments actually expended or encumbered within each county.

(d) A description of any other payments or expenditures made under the authority of the firefighter training council.

(e) The amount of payments approved for allocations to counties that was not expended or encumbered and lapsed back to the fireworks safety fund.

Sec. 904. (1) The funds appropriated in part 1 for a regional or subregional library shall not be released until a budget for that regional or subregional library has been approved by the department for expenditures for library services directly serving the blind and persons with disabilities.

(2) In order to receive subregional state aid as appropriated in part 1, a regional or subregional library's fiscal agency shall agree to maintain local funding support at the same level in the current fiscal year as in the fiscal agency's preceding fiscal year. If a reduction in expenditures equally affects all agencies in a local unit of government that is the regional or subregional library's fiscal agency, that reduction shall not be interpreted as a reduction in local support and shall not disqualify a regional or

subregional library from receiving state aid under part 1. If a reduction in income affects a library cooperative or district library that is a regional or subregional library's fiscal agency or a reduction in expenditures for the regional or subregional library's fiscal agency, a reduction in expenditures for the regional or subregional library shall not be interpreted as a reduction in local support and shall not disqualify a regional or subregional library from receiving state aid under part 1.

ONE-TIME BASIS APPROPRIATIONS

Sec. 1001. (1) From the funds appropriated in part 1 for the liquor control commission IT upgrades, the department shall maintain customer service standards for authorized distributor agents, licensees, and vendors.

(2) The department shall identify specific outcomes and performance metrics for this initiative, including, but not limited to, the following:

(a) System availability to licensees.

(b) System order errors.

Sec. 1002. (1) From the funds appropriated in part 1 for the Michigan automated prescription system upgrades, the department shall provide improved efficiencies and functionality of the system for dispensers and prescribers, as well as improved reporting capabilities.

(2) The department shall identify specific outcomes and performance metrics for this initiative, including, but not limited to, the following:

(a) Prescribers enrolled in the Michigan automated prescription system.

(b) Dispensers enrolled in the Michigan automated prescription system.

(c) Utilization of the Michigan automated prescription system by prescribers.

(d) Utilization of the Michigan automated prescription system by dispensers.

(e) Number of drug diversion cases the department generates from the Michigan automated prescription system.

(f) Number of overprescribing cases the department generates from the Michigan automated prescription system.

PART 2A

PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS

FOR FISCAL YEAR 2017-2018

GENERAL SECTIONS

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

1 Sec. 1202. It is the intent of the legislature that the
2 department identify the amounts for normal retirement costs and
3 legacy retirement costs for the fiscal year ending on September 30,
4 2018 for the line items listed in part 1.

5 ARTICLE XIV
6 DEPARTMENT OF MILITARY AND VETERANS AFFAIRS
7 PART 1
8 LINE-ITEM APPROPRIATIONS
9 Sec. 101. There is appropriated for the department of military
10 and veterans affairs for the fiscal year ending September 30, 2017,
11 from the following funds:
12 **DEPARTMENT OF MILITARY AND VETERANS AFFAIRS**
13 APPROPRIATION SUMMARY
14 Full-time equated unclassified positions 9.0
15 Full-time equated classified positions 888.5
16 GROSS APPROPRIATION ..... $ 173,800,200
17 Interdepartmental grant and intradepartmental
18 transfer revenues:
19 Total interdepartmental grants and intradepartmental
20 transfers 101,800
21 Federal revenues:
22 Total federal revenues 91,793,600
23 Special revenue funds:
24 Total local revenues 1,522,400
25 Total private revenues 742,800

1 Total other state restricted revenues 23,596,000
2 State general fund/general purpose ..... $ 56,043,600
3 State general fund/general purpose schedule:
4 Ongoing state general fund/general
5 purpose 48,543,600
6 One-time state general fund/general
7 purpose 7,500,000
8 **Sec. 102. MILITARY**
9 Full-time equated unclassified positions 9.0
10 Full-time equated classified positions 324.0
11 Unclassified positions--9.0 FTE positions ..... $ 1,425,500
12 Counterdrug program 100,000
13 Departmentwide accounts 1,839,100
14 Headquarters and armories--78.0 FTE positions 17,254,100
15 Homeland security 107,200
16 Information technology services and projects 1,384,600
17 Michigan emergency volunteers 30,000
18 Michigan youth challeNGe academy--40.0 FTE positions . 4,616,900
19 Military appeals tribunal 900
20 Military family relief fund 600,000
21 Military training sites and support facilities--205.0
22 FTE positions 33,693,000
23 Military training sites and support facilities test
24 projects 100,000
25 National Guard tuition assistance program--1.0 FTE
26 position 2,405,000
27 State active duty 100,100

1 Starbase grant 2,322,000
2 GROSS APPROPRIATION ..... $ 65,978,400
3 Appropriated from:
4 Interdepartmental grant and intradepartmental
5 transfer revenues:
6 Total interdepartmental grants and intradepartmental
7 transfers 101,800
8 Federal revenues:
9 Total federal revenues 47,488,100
10 Special revenue funds:
11 Total local revenues 1,522,400
12 Total private revenues 202,800
13 Total other state restricted revenues 5,451,800
14 State general fund/general purpose ..... $ 11,211,500
15 **Sec. 103. MICHIGAN VETERANS AFFAIRS AGENCY**
16 Full-time equated classified positions 209.5
17 Board of managers (Grand Rapids home) ..... $ 665,000
18 Board of managers (Jacobetti home) 275,000
19 D.J. Jacobetti home for veterans--164.5 FTE positions 21,250,600
20 Michigan veterans' trust fund administration--6.0 FTE
21 positions 1,464,800
22 Michigan veterans' trust fund grants 3,746,500
23 MVAA administration--39.0 FTE positions 7,057,300
24 Targeted grants 200,000
25 Veterans service grants 3,733,500
26 GROSS APPROPRIATION ..... $ 38,392,700
27 Appropriated from:

1 Interdepartmental grant and intradepartmental
2 transfer revenues:
3 Federal revenues:
4 Total federal revenues 8,305,600
5 Special revenue funds:
6 Total private revenues 540,000
7 Total other state restricted revenues 10,611,700
8 State general fund/general purpose ..... $ 18,935,400
9 **Sec. 104. GRAND RAPIDS HOME FOR VETERANS**
10 Full-time equated classified positions 355.0
11 Buildings, land, equipment, and vehicle expenses ..... $ 228,900
12 Dues, fees, and other compensation 295,500
13 Employee expense reimbursements 19,500
14 Food and beverages 1,299,400
15 Fuel and supplies 2,953,500
16 Insurance and bonds 637,800
17 Mailing services and postage 15,600
18 Maintenance services 46,600
19 Purchased services 8,542,600
20 Salaries, wages, and fringe benefits--355.0 FTE
21 positions..... 30,328,600
22 Supplemental pension 74,300
23 Telecommunications and utilities 953,700
24 Unemployment insurance claims 33,100
25 GROSS APPROPRIATION ..... $ 45,429,100
26 Appropriated from:
27 Interdepartmental grant and intradepartmental

1 transfer revenues:
2 Federal revenues:
3 Total federal revenues 20,999,900
4 Total other state restricted revenues 6,532,500
5 State general fund/general purpose ..... $ 17,896,700
6 **Sec. 105. CAPITAL OUTLAY**
7 Land and acquisitions ..... $ 1,000,000
8 Special maintenance - headquarters and armories 15,000,000
9 Special maintenance – veterans' homes 500,000
10 GROSS APPROPRIATION ..... $ 16,500,000
11 Appropriated from:
12 Interdepartmental grant and intradepartmental
13 transfer revenues:
14 Federal revenues:
15 Total federal revenues 15,000,000
16 Total other state restricted revenues 1,000,000
17 State general fund/general purpose ..... $ 500,000
18 **Sec. 106. ONE-TIME APPROPRIATIONS**
19 Armory infrastructure upgrades ..... $ 2,500,000
20 Grand Rapids home Medicaid certification pilot 5,000,000
21 GROSS APPROPRIATION ..... $ 7,500,000
22 Appropriated from:
23 State general fund/general purpose ..... $ 7,500,000

24 PART 2
25 PROVISIONS CONCERNING APPROPRIATIONS

FOR FISCAL YEAR 2016-2017

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2016-2017 is $79,639,600.00 and state spending from state resources to be paid to local units of government for fiscal year 2016-2017 is $102,400.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF MILITARY AND VETERANS AFFAIRS

Military training sites and support facilities	$	52,400
MVAA administration	$	50,000
TOTAL	$	102,400

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

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

(a) "Core services" means that phrase as defined in section 373 of the management and budget act, 1984 PA 431, MCL 18.1373.

(b) "Department" means the department of military and veterans affairs.

(c) "Director" means the director of the department.

(d) "DJJHV" means the D.J. Jacobetti home for veterans.

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

(f) "GRHV" means the Grand Rapids home for veterans.

(g) "HVAC" means heating, ventilation, and air conditioning.

(h) "MVAA" means the Michigan veterans affairs agency.

(i) "Subcommittees" means the subcommittees of the senate and house appropriations committees with jurisdiction over the budget of the department.

(j) "USDVA" means the United States Department of Veterans Affairs.

(k) "USDVA-VHA" means the USDVA Veterans Health Administration.

(*l*) "VSO" means veterans service organization.

(m) "Work project" means that term as defined in section 404 of the management and budget act, 1984 PA 431, MCL 18.1404, and that meets the criteria in section 451a(1) of the management and budget act, 1984 PA 431, MCL 18.1451a.

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

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

(3) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $100,000.00 for local contingency funds. These funds are not available for expenditure

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

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

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

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

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

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

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

(e) Job specifications and wage rates.

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

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

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

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

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

house and senate fiscal agencies, and the state budget director. The report shall include the following information:

(a) The dates of each travel occurrence.

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

Sec. 219. The department shall provide quarterly reports to the subcommittees, the senate and house fiscal agencies, and the state budget office, which shall provide the following data:

(a) A list of all major work projects, including a status report of each project.

(b) The department's financial status, featuring a report of budgeted versus actual expenditures by part 1 line item including a year-end projection of budget requirements. If projected department budget requirements exceed the allocated budget, the report shall include a plan to reduce overall expenses while still satisfying specified service level requirements.

(c) A report on the status of performance metrics cited in this part and information required to be reported in this part.

(d) The number of active employees at the close of the fiscal quarter by job classification and program.

(e) Evidence of efficiencies and management of funds within established appropriations.

Sec. 222. The appropriations in part 1 are for the core services, support services, and work projects of the department,

including, but not limited to, the following core services:

(a) Armories and joint force readiness.

(b) National Guard training facilities and air bases.

(c) Michigan youth challeNGe academy.

(d) Military family relief fund.

(e) Starbase grant.

(f) National Guard tuition assistance program.

(g) Michigan veterans affairs agency administration.

(h) Veterans service grants.

(i) Veterans' trust fund administration.

(j) Veterans' trust fund grants.

(k) Grand Rapids home for veterans.

(*l*) Board of managers (Grand Rapids and D.J. Jacobetti).

(m) D.J. Jacobetti home for veterans.

Sec. 225. Funds appropriated in part 1 shall not be used by a principal executive department, state agency, or authority to hire a person to provide legal services that are the responsibility of the attorney general. This prohibition does not apply to legal services for bonding activities and for those outside services that the attorney general authorizes.

Sec. 228. Not later than November 30, the state budget office shall prepare and transmit a report that provides for estimates of the total general fund/general purpose appropriations lapses at the close of the prior fiscal year. This report shall summarize the projected year-end general fund/general purpose appropriations lapses by major departmental program or program areas. The report shall be transmitted to the chairpersons of the senate and house

appropriations committees, the subcommittees, and the senate and house fiscal agencies.

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

Sec. 230. The department shall maintain, on a publicly accessible website, a department scorecard that identifies, tracks, and regularly updates key metrics that are used to monitor and improve the agency's performance.

Sec. 231. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2017 are $18,602,500.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at $10,314,600.00. Total agency appropriations for retiree health care legacy costs are estimated at $8,287,900.00.

Sec. 232. The appropriations in part 1 for capital outlay shall be carried forward at the end of the fiscal year consistent with section 248 of the management and budget act, 1984 PA 431, MCL 18.1248.

Sec. 233. Sixty days prior to the public announcement of the intention to sell any department real property, the department shall submit notification of that intent to the subcommittees and

the senate and house fiscal agencies.

Sec. 240. In addition to the metrics required under section 447 of the management and budget act, 1984 PA 431, MCL 18.1447, for each new program or program enhancement for which funds in excess of $500,000.00 are appropriated in part 1, the department shall provide not later than November 1, 2016 a list of program-specific metrics intended to measure its performance based on a return on taxpayer investment. The department shall deliver the program-specific metrics to members of the senate and house subcommittees that have subject matter jurisdiction for this budget, fiscal agencies, and the state budget director. The department shall provide an update on its progress in tracking program-specific metrics and the status of program success at an appropriations subcommittee meeting called for by the subcommittee chair.

MILITARY

UNCLASSIFIED POSITIONS

Sec. 300. (1) From the funds appropriated in part 1, there is funding to support unclassified employee positions as authorized by section 5 of article XI of the state constitution of 1963. These positions include the following: department director - the adjutant general for Michigan; assistant adjutant general - army; assistant adjutant general - installations; assistant adjutant general - air; senior policy executive - Michigan veterans affairs agency; senior deputy director – state operations; director - strategy and policy; chief executive officer for the veteran health system; and director - Michigan veterans affairs agency.

(2) Not less than 30 days prior to the department submitting a request for an additional unclassified employee position from the civil service commission, or for any substantive change to the duties of an existing unclassified employee position, the department shall notify the subcommittees and the senate and house fiscal agencies.

ARMORIES AND JOINT FORCE READINESS

Sec. 302. (1) From the funds appropriated in part 1 for military operations, effective and efficient executive direction and administrative leadership shall be provided to the department.

(2) The department shall operate and maintain National Guard armories.

(3) The department shall evaluate armories and submit a quarterly report on the status of the armories.

(4) The department shall maintain a system to measure the condition and adequacy of the armories.

(5) The Michigan Army National Guard and Air National Guard shall work to provide a culture that is free of sexual assault, through an environment of prevention, education and training, response capability, victim support, reporting procedures, and appropriate accountability that enhances the safety and well-being of all guard members.

(6) By December 1, the department shall report the following information to the subcommittees, the senate and house fiscal agencies, and the state budget office:

(a) An assessment of the grounds and facilities of each armory to objectively measure and determine the current facility condition

and capability to support authorized manpower, unit training, and operations.

(b) Recommendations for the placement of new armories, the relocation or consolidation of existing armories, or a change in the mission of units assigned to armories to ideally position the National Guard in current or projected population centers.

(c) Recommendations for the enhanced use of armories to facilitate family support programs during deployments.

(d) An analysis of the feasibility, potential costs, and benefits of use of armories shared with other local, state, or federal agencies to improve responses to local emergencies as well as the community support provided to armories.

(e) An investment strategy and proposed funding amounts in a prioritized project list to correct the most critical facility shortfalls across the inventory of armories in this state.

NATIONAL GUARD TRAINING FACILITIES AND AIR BASES

Sec. 304. (1) The department shall provide Army and Air National Guard forces, when directed, for state and local emergencies and in support of national military requirements.

(2) The department shall operate and maintain Army National Guard training facilities, including Fort Custer and Camp Grayling.

(3) The department shall maintain a system that measures the condition and adequacy of air facilities using both quality and functionality criteria.

(4) The department shall operate and maintain Air National Guard air bases, including Selfridge Air National Guard base, Battle Creek Air National Guard base, and Alpena combat readiness

training center.

(5) The department shall provide the following information as provided under section 219:

(a) The apportioned and assigned strength of the Michigan Army National Guard.

(b) The apportioned and assigned strength of the Michigan Air National Guard.

(c) Recruiting, retention, and attrition data, including measurement against stated performance goals, for the Michigan Army National Guard.

(d) Recruiting, retention, and attrition data, including measurement against stated performance goals, for the Michigan Air National Guard.

Sec. 305. There is hereby created and established under the jurisdiction and control of the department a revolving account to be known as the billeting fund account. All of the fees and other revenues generated from the operation of the chargeable transient quarters program shall be deposited in the billeting fund account. Appropriations will be made from the account for the support of program operations and the maintenance and operations of the chargeable transient quarters program and will not exceed the estimated revenues for the fiscal year in which they are made, together with unexpended balances from prior years. The department shall submit an annual report of operations and expenditures regarding the billeting fund account to the appropriations committees of the senate and house of representatives, the house and senate fiscal agencies, and the state budget office at the end

of the fiscal year.

MICHIGAN YOUTH CHALLENGE ACADEMY

Sec. 307. (1) The department shall maintain the Michigan youth challeNGe academy to provide values, skills, education, and self-discipline instruction for at-risk youth as provided under 32 USC 509.

(2) The department shall take steps to recruit candidates to the challeNGe program from economically disadvantaged areas, including those with low-income and high-unemployment backgrounds.

(3) The department shall partner with the department of health and human services to identify youth who may be eligible for the challeNGe program from those youth served by department of health and human services programs. These eligible youth shall be given priority for enrollment in the program.

(4) The department shall maintain the staffing and resources necessary to train at least 144 cadets simultaneously at the Michigan youth challeNGe academy.

(5) The department shall ensure that the average grade level increase for Michigan youth challeNGe academy graduates is 2 years as measured with the test adult basic education (TABE) metrics.

MILITARY FAMILY RELIEF FUND

Sec. 308. (1) The department shall provide grants for disbursement from the military family relief fund, as provided under the military family relief fund act, 2004 PA 363, MCL 35.1211 to 35.1216, and R 200.5 to R 200.95 of the Michigan administrative code.

(2) The department shall provide information on the revenues,

expenditures for advertising and assistance grants, and fund balance of the Michigan military family relief fund, as provided under section 219.

(3) The department shall provide sufficient staffing and other resources to provide outreach to the Michigan families of members of the reserve component of the armed forces called into active duty and to support the processing and approval of grant applications this fiscal year under the Michigan military relief fund and report those applications as provided in section 219.

STARBASE GRANT

Sec. 309. The department shall maintain the starbase program at Air National Guard facilities, as provided under 10 USC 2193b, to improve the knowledge, skills, and interest of students, primarily in the fifth grade, in math, science, and technology. The starbase program is to specifically target minority and at-risk students for participation.

NATIONAL GUARD TUITION ASSISTANCE PROGRAM

Sec. 310. (1) The department shall establish and maintain a National Guard tuition assistance program for members of the Michigan Air and Army National Guard.

(2) The objective of the National Guard tuition program is to bolster military readiness by increasing recruitment and retention of Michigan Air and Army National Guard service members (and to fill federally authorized strength levels for the state), improve the Michigan Air and Army National Guard's competitive draw from other military enlistment options in the state, enhance the ability of the Michigan Air and Army National Guard to compete for members

and federal dollars with surrounding states, and increase the pool of eligible candidates within the Michigan Air and Army National Guard to become commissioned officers.

(3) The department shall make efforts to increase the number of Michigan Air and Army National Guard members participating in the program to 1,000 during the third year of the program's existence. To evaluate the effectiveness of the program, the department shall monitor the number of new recruits and new reenlistments and the percentage of those who become participants in the program to determine whether the percentage of authorized Michigan Air and Army National Guard strength obtained and retained is competitive in comparison with the neighboring air and army national guards from the states of Illinois, Indiana, Ohio, and Wisconsin.

(4) From the funds appropriated in part 1, the Michigan national guard tuition assistance program shall be supported with revenue from the Michigan national guard tuition assistance fund created in in section 4 of the Michigan national guard tuition assistance act, 2014 PA 259, MCL 32.434. As provided in section 4 of the Michigan national guard tuition assistance act, 2014 PA 259, MCL 32.434, unexpended funds remaining in the Michigan national guard tuition assistance fund at the end of the fiscal year shall not lapse to the general fund.

INFORMATION TECHNOLOGY SERVICES AND PROJECTS

Sec. 311. The funds appropriated in part 1 for information technology services and projects shall be used as a pass through via an interdepartmental grant to the department of technology,

1 management, and budget for technology services, including
2 maintenance and repair services, and technology projects, to
3 maximize the operational efficiency and effectiveness of the
4 department.

5 **MICHIGAN VETERANS AFFAIRS AGENCY**

6 **MICHIGAN VETERANS AFFAIRS AGENCY ADMINISTRATION**

7 Sec. 400. (1) The MVAA shall provide outreach services to
8 Michigan veterans that advise them on the benefits to which they
9 are entitled, as provided under Executive Reorganization Order No.
10 2013-2, MCL 32.92. The MVAA shall also do the following:
11 (a) Maintain the staffing partnerships and other resources
12 necessary to develop and operate an outreach program that will
13 communicate benefit eligibility information to at least 50% of
14 Michigan's population of veterans, as assessed by annual census
15 estimates, with a goal of reaching 100% and enabling 100% to access
16 benefit information online.
17 (b) Communicate veteran benefit information pertaining to the
18 Michigan military family relief fund, Michigan veterans' trust
19 fund, and USDVA health, financial, and memorial benefits to which
20 they are entitled.
21 (c) Provide sufficient staffing and other resources to approve
22 requests for military discharge certificates (DD-214) annually.
23 (d) Continue the process to digitize all medical records,
24 military discharge documents, and burial records that are currently
25 on paper and microfilm.
26 (e) Provide a report, as provided under section 219, on the

MVAA's performance on the performance measures, outcomes, and initiatives developed by the agency in the strategic plan required by section 501 of 2013 PA 9.

(f) Provide a report to the subcommittees, senate and house fiscal agencies, and the state budget office no later than April 1 providing for the following:

(*i*) To the extent known, data on the estimated number of homeless veterans, by county, in this state.

(*ii*) A summary of the activities and strategies developed to date under the MVAA community assessment and regional service delivery model pilot.

(2) From the funds appropriated in part 1, the MVAA shall provide for the regional coordination of services, as follows:

(a) Regional coordinators shall be selected by the MVAA through a grant agreement with VSOs or by other means.

(b) Regional coordinators shall provide the following services:

(*i*) Coordinate veteran benefit counselors' efforts throughout a specified region.

(*ii*) Coordinate services with the department of health and human services and the department of corrections.

(*iii*) Coordinate with regional workforce and economic development agencies.

(*iv*) Coordinate activities among local foundations, nonprofit organizations, and community groups to improve accessibility, enrollment, and utilization of the array of health care, education, employment assistance, and quality of life services provided at the

1 local level.
2 (c) The MVAA may work with MVAA service officers, regional
3 coordinators, county veteran counselors, VSO service officers, and
4 other service providers to incorporate the provision of information
5 relating to mental health care resources into their daily
6 operations to aid veterans in understanding the mental health care
7 support services they may be eligible to receive.
8 (d) The MVAA shall coordinate with the department of health
9 and human services to identify Medicaid recipients who are veterans
10 and who may be eligible for federal veterans health care benefits
11 or other benefits, to the extent that the identification does not
12 violate applicable confidentiality requirements.
13 (e) The MVAA shall collaborate with the department of
14 corrections to create and maintain a process by which prisoners can
15 obtain a copy of their DD-214 form or other military discharge
16 documentation if necessary.
17 (f) The MVAA shall ensure that all MVAA service officers, VSO
18 service officers, and regional coordinators receive appropriate
19 training in processing applications for benefits payable to
20 veterans due to military sexual trauma, post-traumatic stress
21 disorder, depression, anxiety, substance abuse, or other mental
22 health issues.
23 (3) The MVAA shall provide claims processing services to
24 Michigan veterans in support of benefit claims submitted to the
25 USDVA for the health, financial, and memorial benefits for which
26 they are eligible, and shall do all of the following:
27 (a) Report the following information as provided in section

219:

(*i*) The number of benefit claims, by type, submitted to the USDVA by MVAA and coalition partner veteran service officers.

(*ii*) The number of fully developed claims, submitted to the USDVA, with an overall goal of 40% of benefit claims submitted that are considered fully developed by the USDVA.

(b) Maintain the staffing and resources necessary to process a minimum of 500 claims per year.

(4) The MVAA shall maintain staffing and resources necessary to develop and implement a process to ensure that all county counselors receive the training and accreditation necessary to provide quality services to our veterans. The MVAA shall report information as provided in section 219 on the number and percentage of county veterans counselors requesting training by the MVAA, with an overall goal of 100% of county veterans counselors trained.

(5) From the funds appropriated in part 1 for MVAA operations, the MVAA shall provide grant assistance to enhance the capacity and capabilities of counties in providing benefit claims assistance. These funds shall be used to continue the implementation of an Internet-based data system, to increase the number of county veterans counselors, and to increase the number of counties that provide service to veterans through county veterans counselors. The MVAA shall provide a report, as provided in section 219, on the expenditures and activities of the grant funds directed by this subsection.

(6) From the funds appropriated in part 1 for MVAA, the MVAA is authorized to expend up to $50,000.00 to hire legal services to

represent veterans benefit cases before federal court to maintain accreditation under 38 CFR 14.628(d)(1)(*iv*).

VETERANS SERVICE ORGANIZATION GRANTS

Sec. 406. (1) The MVAA shall disburse VSO grants to assist them to achieve agency goals and performance objectives in partnership with the VSOs. Grants to VSOs will be disbursed to fund programs and projects which are determined by the agency to meet agency performance objectives and ensure that VSOs communicate the availability of emergency grants through the Michigan veterans' trust fund. In disbursing veterans service organization grants, the MVAA shall do the following:

(a) Ensure that each VSO that receives grants is issued performance standards.

(b) Ensure that each VSO that receives grant funds uses those funds for veterans advocacy and outreach.

(c) Monitor the performance of each VSO that receives grants.

(2) Veterans service organization grants awarded by the MVAA shall provide for the following, as developed by the MVAA:

(a) The provision of service to veterans statewide, using a regional service delivery model, with services provided at specified locations and times, including service provided in state correctional facilities.

(b) The payment of a fixed hourly service rate.

(c) A specified number of service hours within each geographic region of this state, with a statewide goal of at least 116,500 hours, including service hours provided to eligible incarcerated veterans within 1 year of their earliest release date.

(d) Use of an MVAA-designated Internet-based claims data system.

(3) The MVAA shall report the following information as provided in section 219:

(a) A summary of activities supported through the appropriation in part 1 for veterans service organization grants, including separately for each service region, the amount of expenditures to date, number of service hours, number of claims for benefits submitted by type of claim, and other information deemed appropriate by the MVAA.

(b) The number of fully developed claims, by type, submitted to the USDVA by veterans service organizations, with an overall goal of 40% of benefit claims submitted that are considered fully developed by the USDVA.

VETERANS' TRUST FUND ADMINISTRATION

Sec. 407. (1) The Michigan veterans' trust fund board together with the MVAA shall provide emergency grants for disbursement from the Michigan veterans' trust fund, as provided under the following program authorities:

(a) Sections 37, 38, and 39 of article IX of the state constitution of 1963.

(b) 1946 (1st Ex Sess) PA 9, MCL 35.602 to 35.610.

(c) R 35.1 to R 35.7 of the Michigan administrative code.

(d) R 35.621 to R 35.623 of the Michigan administrative code.

(2) No later than December 1, the MVAA shall provide a detailed report of the Michigan veterans' trust fund that includes, for the prior fiscal year, information on grants provided from the

emergency grant program, including details concerning the methodology of allocations, the selection of emergency grant program authorized agents, a description of how the emergency grant program is administered in each county, and a detailed breakdown of trust fund expenditures for that year, including the amount distributed to each county for administrative costs and emergency grants. The report shall also include the number of approved applications, by category of assistance, and the number of denied applications, by reason of denial. The report shall also provide an update on the department's efforts to reduce program administrative costs and maintain the Michigan veterans' trust fund corpus to its original amount of at least $50,000,000.00.

(3) Any funds not expended or encumbered at the end of the current fiscal year shall be deposited into the Michigan veterans' trust fund corpus.

VETERANS' TRUST FUND GRANTS

Sec. 408. (1) The MVAA shall provide a report, as provided under section 219, on the financial status of the Michigan veterans' trust fund, including the number and amount of emergency grants, state administrative expenses, and county administrative expenses.

(2) The Michigan veterans' trust fund board together with the agency shall maintain the staffing and resources necessary to process a minimum of 2,000 applications for veterans' trust fund emergency grants.

GRAND RAPIDS AND D.J. JACOBETTI HOMES FOR VETERANS

Sec. 501. (1) The MVAA and the board of managers shall provide

compassionate and quality nursing and domiciliary care services at the Grand Rapids and D.J. Jacobetti homes for veterans so that members can achieve their highest potential of wellness, independence, self-worth, and dignity.

(2) The department shall provide resources necessary to provide nursing care services to veterans in accordance with federal standards and provide the results of the annual USDVA survey and certification as proof of compliance.

(3) Appropriations in part 1 for the Grand Rapids and the D.J. Jacobetti homes for veterans shall not be used for any purpose other than for veterans and veterans' families.

(4) Any contractor providing competency evaluated nursing assistants (CENA) to the Grand Rapids home for veterans shall ensure that each CENA has at least 8 hours of training on information provided by the home.

(5) Any contractor providing competency evaluated nursing assistants to the Grand Rapids home for veterans shall ensure that each CENA has at least 1 eight-hour shift of shadowing at the veterans' home.

(6) Any contractor providing competency evaluated nursing assistants to the Grand Rapids home for veterans shall ensure that each CENA is competent in the basic skills needed to perform his or her assigned duties at the home.

(7) Any contractor providing competency evaluated nursing assistants to the Grand Rapids home for veterans shall ensure that each CENA has at least 1 year of experience in long-term care, unless that CENA is currently enrolled in an accredited CENA

1 certifying academic program.

2 (8) The Grand Rapids home for veterans shall provide each CENA
3 at least 12 hours of in-service training once that individual has
4 been assigned to the home.

5 (9) All complaints of abusive or neglectful care at the Grand
6 Rapids and the D.J. Jacobetti homes for veterans by a resident
7 member, a resident member's family or legal guardian, or staff of
8 the veterans' homes, received by a supervisor shall be referred to
9 the director of nursing or his or her designee upon receipt of such
10 complaint. The director of nursing or his or her designee shall
11 report on not less than a monthly basis, except that the board of
12 managers may specify a more frequent reporting period, to the home
13 administrator, board of managers, agency, subcommittees, the senate
14 and house fiscal agencies, and the state budget office the
15 following information:

16 (a) A description of the process by which resident members and
17 others may file complaints of alleged abuse or neglect at the Grand
18 Rapids and the D.J. Jacobetti homes for veterans.

19 (b) Summary statistics on the number and general nature of
20 complaints of abuse or neglect.

21 (c) Summary statistics on the final disposition of complaints
22 of abuse or neglect received.

23 (10) The Grand Rapids and D.J. Jacobetti homes for veterans
24 shall provide an on-site, board-certified psychiatrist for all
25 resident members with mental health disorders in order to ensure
26 that those resident members receive needed services in a
27 professional and timely manner. The Grand Rapids and D.J. Jacobetti

1 homes for veterans shall provide all members and staff a safe and
2 secure environment.
3 (11) The Grand Rapids and D.J. Jacobetti homes for veterans
4 shall ensure that they effectively develop, execute, and monitor
5 all comprehensive care plans in accordance with federal regulations
6 and their internal policies, with a goal that a comprehensive care
7 plan is fully developed for all resident members.
8 (12) The Grand Rapids and D.J. Jacobetti homes for veterans
9 shall implement controls over their food, maintenance supplies,
10 pharmaceuticals, and medical supplies inventories.
11 (13) The Grand Rapids and D.J. Jacobetti homes for veterans
12 shall implement controls over their pharmaceutical inventory.
13 (14) The Grand Rapids and D.J. Jacobetti homes for veterans
14 shall establish sufficient controls for calculating resident member
15 maintenance assessments in order to accurately calculate resident
16 member maintenance assessments for each billing cycle. The Grand
17 Rapids and D.J. Jacobetti homes for veterans shall establish
18 sufficient controls to ensure that all past due resident member
19 maintenance assessments are addressed within 30 days.
20 (15) The Grand Rapids and D.J. Jacobetti homes for veterans
21 shall establish sufficient controls over monetary donations and
22 donated goods.
23 (16) The Grand Rapids and D.J. Jacobetti homes for veterans
24 shall implement sufficient controls over the handling of resident
25 member funds to ensure the release of funds within 3 business days
26 upon the resident member leaving the home and to ensure that a
27 representative of a resident member is provided a full accounting

of that resident member's funds within 10 business days of the death of that resident member.

(17) The MVAA shall post on its website all policies adopted by the board of managers and the home related to the administrative operations of the home.

(18) The process by which visitors, residents, and employees of the Grand Rapids and D.J. Jacobetti homes for veterans may register complaints shall be displayed in high-traffic areas throughout the home.

(19) The MVAA shall report its findings regarding the state veterans' homes' compliance with the requirements and standards under this section in a quarterly report to the legislature and the state budget office. The quarterly reports shall include, but are not limited to, the following information:

(a) Quality of care metrics, including the following:

(*i*) The number of patient care hours and staffing levels measured against USDVA-VHA standards.

(*ii*) Sentinel events.

(*iii*) Fall and wound reports.

(*iv*) Complaint reports, including abuse and neglect complaints and the findings and outcomes of each abuse and neglect complaint investigation.

(b) The number and dollar value of lost and discarded prescriptions and the number of early prescription refills.

(c) Membership census, including the following:

(*i*) Number of members by period of service, gender, and care setting.

(*ii*) Bed space currently available in each state veteran home, by care setting type.

(*iii*) Payment source and associated revenue projections.

(d) Quarterly budget update, including each state veterans' home's expenditures and revenues by line item and associated revenue source.

(e) Information regarding assessments, reassessments, and admissions at the Grand Rapids and D.J. Jacobetti homes for veterans.

(f) The number of volunteer hours at the Grand Rapids and D.J. Jacobetti homes for veterans.

(g) Modernization updates, including information regarding:

(*i*) Infrastructure and capital outlay.

(*ii*) Information technology.

(*iii*) Financial management.

(h) The status of corrective actions being taken to address the findings of any audit or survey commissioned by the legislature or any government agency of this state, until the findings of such an audit or survey are fully addressed.

(20) The Grand Rapids and D.J. Jacobetti homes for veterans shall provide to the subcommittees, the senate and house fiscal agencies, and the state budget office the results of any annual or for-cause survey conducted by the USDVA-VHA and any corresponding corrective action plan. This information shall also be made available publicly through the department's or MVAA's website.

(21) The MVAA shall provide to the legislature and the state budget office quarterly reports regarding the status of Medicaid

1 certification efforts, including, but not limited to, descriptions
2 of incremental milestones, associated expenditures, and the percent
3 of plan completed.
4 Sec. 501a. (1) From the increased funds appropriated in part 1
5 for the D.J. Jacobetti home for veterans, the department shall
6 pursue compliance with current Centers for Medicaid and Medicare
7 Services certification standards by the end of the current fiscal
8 year. The purpose of this expansion is to obtain Medicaid
9 certification during the 2016-2017 fiscal year, increasing the
10 ability to fully utilize all federal funding available to cover the
11 cost of care of eligible veterans living at DJJHV and improve
12 overall quality of care for all veterans living at DJJHV.
13 (2) The department shall identify specific outcomes and
14 performance measures for this initiative, including, but not
15 limited to, the following:
16 (a) The quality of care to members of DJJHV shall increase as
17 a result of increased direct care staffing ratios.
18 (b) The quality of the care environment at DJJHV shall
19 increase as a result of facility updates made according to Medicaid
20 specifications to increase members' access to private and semi-
21 private accommodations.
22 (c) The quality of care for members of DJJHV shall increase as
23 a result of increased ability and efforts to implement long-term
24 care evidence-based best practices at DJJHV.
25 (d) The collection of available federal Medicaid revenue shall
26 increase as a result of Medicaid certification.
27 (e) The fiscal stability of DJJHV shall improve due to

increased efforts to collect available federal revenue.

BOARD OF MANAGERS (GRAND RAPIDS AND D.J. JACOBETTI)

Sec. 502. The board of managers shall exercise certain regulatory and governance authority regarding admission and member affairs at the Grand Rapids and D.J. Jacobetti homes for veterans. The board of managers shall also work to represent the interest of the veterans' community in both advisory and advocacy roles.

CAPITAL OUTLAY

SPECIAL MAINTENANCE – NATIONAL GUARD

Sec. 601. (1) The appropriations in part 1 for special maintenance – National Guard shall be carried forward at the end of the fiscal year consistent with section 248 of the management and budget act, 1984 PA 431, MCL 18.1248.

(2) The appropriations for special maintenance – National Guard shall be expended in accordance with the requirements of sections 302 and 304 and shall be expended according to the maintenance priorities of the department to repair and modernize military training sites and support facilities, including armories, which may include projects such as roof, HVAC, or boiler replacement, interior renovations, facility expansion, improvements to parking facilities, and other projects.

(3) The department shall provide a quarterly report as provided under section 219 providing information on the status, projected costs, and projected completion date of current and planned special maintenance projects at the armories and other National Guard facilities funded from capital outlay appropriations

made in part 1 and in prior appropriations years.

SPECIAL MAINTENANCE – VETERANS' HOMES

Sec. 603. (1) The appropriations in part 1 for special maintenance – veterans' homes shall be carried forward at the end of the fiscal year consistent with section 248 of the management and budget act, 1984 PA 431, MCL 18.1248.

(2) The appropriations for special maintenance – veterans' homes shall be expended in accordance with the requirements of section 501 and shall be expended according to the maintenance priorities of the department to repair and modernize the state's veterans' homes, which may include projects such as roof, HVAC, or boiler replacement, interior renovations, facility expansion, improvements to parking facilities, and other projects designed to enhance the quality of life and medical care of members.

(3) The MVAA shall provide a quarterly report as provided under section 219 providing information on the status, projected costs, and projected completion date of current and planned special maintenance projects at the Grand Rapids home for veterans and D.J. Jacobetti home for veterans funded from capital outlay appropriations made in part 1 and in prior appropriations years.

LAND AND ACQUISITIONS

Sec. 604. (1) The department shall provide for the acquisition and disposition of National Guard armories, facilities, and lands as provided under sections 368, 382, and 382a of the Michigan military act, 1967 PA 150, MCL 32.768, 32.782, and 32.782a.

(2) The department shall provide a listing of property sales and acquisitions as provided under section 219.

ONE-TIME APPROPRIATIONS

ARMORY INFRASTRUCTURE UPGRADE

Sec. 701. From the increased funds appropriated in part 1 for armory infrastructure, the department shall upgrade Army National Guard network connections. The purpose of the increased funds for armory infrastructure is for the modernization of armory information technology infrastructure and improvements to best ensure National Guard network capacity and connectivity in times of emergency.

GRAND RAPIDS HOME FOR VETERANS MEDICAID CERTIFICATION PILOT

Sec. 702. (1) The amount appropriated in part 1 for Grand Rapids home Medicaid certification pilot shall only be expended for the following purposes:

(a) Renovations to the Grand Rapids home for veterans in order to meet federal Medicaid certification standards for the purpose of implementing a Medicaid certification pilot program.

(b) For special maintenance, as provided in section 603.

(2) Funds appropriated in part 1 for Grand Rapids home Medicaid certification pilot shall be expended upon approval of an expenditure plan by the house and senate standing committees on appropriations. An expenditure plan shall include, but is not limited to, all of the following:

(a) A description of the proposed renovation or special maintenance.

(b) A time frame for the completion of the proposed renovation or special maintenance.

(c) An estimate of the total cost to complete the proposed

renovation or special maintenance, to include any reasonable contingencies that would increase or decrease the total cost estimate.

(d) An estimate of revenue increases or decreases, by revenue source, expected to result from the proposed renovation or special maintenance.

(e) Any contracts entered into by the department for the purpose of completing the renovation or special maintenance.

(3) Expenditure plans shall be distributed to the chairs of the house and senate standing committees on appropriations, the subcommittees, and the house and senate fiscal agencies no later than 30 days prior to the request for approval by the house and senate standing committees on appropriations.

PART 2A

PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS

FOR FISCAL YEAR 2017-2018

GENERAL SECTIONS

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

2017 consensus revenue estimating conference.

Sec. 1202. The veterans affairs agency shall provide the percentage of Michigan veterans contacted, with a goal of 100%, and report upon those outreach findings to the subcommittees at quarterly legislative hearings.

Sec. 1203. The veterans affairs agency shall maintain a minimum 50% fully developed claims as determined by the USDVA.

ARTICLE XV

DEPARTMENT OF NATURAL RESOURCES

PART 1

LINE-ITEM APPROPRIATIONS

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

DEPARTMENT OF NATURAL RESOURCES

APPROPRIATION SUMMARY

Full-time equated unclassified positions 6.0

Full-time equated classified positions 2,236.8

GROSS APPROPRIATION ..... $ 396,904,200

Interdepartmental grant revenues:

Total interdepartmental grants and intradepartmental transfers 1,375,900

ADJUSTED GROSS APPROPRIATION ..... $ 395,528,300

Federal revenues:

Total federal revenues 72,365,400

1	Special revenue funds:	
2	Total local revenues	0
3	Total private revenues	7,446,400
4	Total other state restricted revenues	277,156,500
5	State general fund/general purpose	$ 38,560,000
6	FUND SOURCE SUMMARY	
7	Full-time equated unclassified positions 6.0	
8	Full-time equated classified positions 2,236.8	
9	GROSS APPROPRIATION	$ 396,904,200
10	Interdepartmental grant revenues:	
11	IDG, land acquisition services-to-work orders	232,200
12	IDG, MacMullan conference center revenue	1,143,700
13	Total interdepartmental grants and intradepartmental	
14	transfers.....	1,375,900
15	ADJUSTED GROSS APPROPRIATION	$ 395,528,300
16	Federal revenues:	
17	Federal funds	72,365,400
18	Total federal revenues	72,365,400
19	Special revenue funds:	
20	Private funds	7,431,400
21	Private - Mann house trust fund	15,000
22	Total private revenues	7,446,400
23	Cervidae licensing and inspection fees	138,800
24	Clean Michigan initiative fund	29,700
25	Commercial forest fund	26,600
26	Fire equipment fund	668,700
27	Forest development fund	44,288,400

Forest land user charges	252,200
Forest recreation account	1,825,500
Game and fish protection fund	75,013,200
Game and fish protection fund - deer habitat reserve	2,127,300
Game and fish protection fund - fisheries settlement	629,200
Game and fish protection fund - turkey permit fees	1,008,400
Game and fish protection fund - waterfowl fees	122,400
Game and fish protection fund - wildlife management public education fund	1,600,000
Game and fish protection fund - wildlife resource protection fund	1,140,700
Game and fish protection fund - youth hunting and fishing education and outreach fund	95,800
History fees fund	233,000
Invasive species fund	100
Land exchange facilitation fund	6,985,900
Local public recreation facilities fund	1,682,500
Mackinac Island State Park fund	1,573,000
Mackinac Island State Park operation fund	148,500
Marine safety fund	3,718,600
Michigan heritage publications fund	22,300
Michigan natural resources trust fund	1,870,700
Michigan state parks endowment fund	26,541,300
Michigan state waterways fund	22,707,200
Michigan trailways fund	200
Museum operations fund	502,900
Nongame wildlife fund	483,400

1	Off-road vehicle safety education fund	203,500
2	Off-road vehicle trail improvement fund	7,068,700
3	Park improvement fund	53,201,700
4	Park improvement fund - Belle Isle subaccount	800,000
5	Permanent snowmobile trail easement fund	700,000
6	Public use and replacement deed fees	27,500
7	Recreation improvement account	1,123,100
8	Recreation passport fees	8,296,400
9	Snowmobile registration fee revenue	1,196,900
10	Snowmobile trail improvement fund	9,024,700
11	Sportsmen against hunger fund	77,500
12	Total other state restricted revenues	277,156,500
13	State general fund/general purpose	$ 38,560,000
14	**Sec. 102. EXECUTIVE OPERATIONS**	
15	Full-time equated unclassified positions 6.0	
16	Full-time equated classified positions 11.6	
17	Unclassified salaries--6.0 FTE positions	$ 754,000
18	Executive direction--11.6 FTE positions	2,120,700
19	Natural resources commission	77,100
20	GROSS APPROPRIATION	$ 2,951,800
21	Appropriated from:	
22	Special revenue funds:	
23	Forest development fund	364,800
24	Forest land user charges	2,300
25	Forest recreation account	7,700
26	Game and fish protection fund	1,058,500
27	Game and fish protection fund - deer habitat reserve .	19,200

1	Game and fish protection fund - turkey permit fees ...	7,700
2	Game and fish protection fund - waterfowl fees	500
3	Game and fish protection fund - wildlife resource	
4	protection fund.....	13,000
5	Land exchange facilitation fund	10,400
6	Marine safety fund	46,600
7	Michigan natural resources trust fund	1,400
8	Michigan state parks endowment fund	363,000
9	Michigan state waterways fund	192,300
10	Nongame wildlife fund	3,900
11	Off-road vehicle safety education fund	400
12	Off-road vehicle trail improvement fund	82,900
13	Park improvement fund	457,300
14	Recreation improvement account	12,400
15	Snowmobile registration fee revenue	4,700
16	Snowmobile trail improvement fund	17,100
17	Sportsmen against hunger fund	100
18	State general fund/general purpose ..... $	285,600
19	**Sec. 103. DEPARTMENT INITIATIVES**	
20	Full-time equated classified positions 16.0	
21	Great Lakes restoration initiative ..... $	5,500,000
22	Invasive species prevention and control--16.0 FTE	
23	positions.....	5,028,300
24	GROSS APPROPRIATION ..... $	10,528,300
25	Appropriated from:	
26	Special revenue funds:	
27	Federal funds	5,500,000

1	State general fund/general purpose	$ 5,028,300
2	**Sec. 104. DEPARTMENT SUPPORT SERVICES**	
3	Full-time equated classified positions 109.5	
4	Finance and operations--105.5 FTE positions	$ 17,300,200
5	Legislative and legal affairs--4.0 FTE positions	546,900
6	Building occupancy charges	3,126,700
7	Gifts and pass-through transactions	5,000,000
8	Rent - privately owned property	488,400
9	Accounting service center	1,480,400
10	GROSS APPROPRIATION	$ 27,942,600
11	Appropriated from:	
12	Interdepartmental grant revenues:	
13	IDG, land acquisition services-to-work orders	232,200
14	Federal revenues:	
15	Federal funds	329,700
16	Special revenue funds:	
17	Private funds	5,000,000
18	Clean Michigan initiative fund	29,700
19	Forest development fund	2,402,600
20	Forest land user charges	4,900
21	Forest recreation account	43,800
22	Game and fish protection fund	5,898,100
23	Game and fish protection fund - deer habitat reserve .	136,400
24	Game and fish protection fund - turkey permit fees ...	70,100
25	Game and fish protection fund - waterfowl fees	2,900
26	Game and fish protection fund - wildlife resource	
27	protection fund.....	28,100

1	Land exchange facilitation fund	5,899,100
2	Local public recreation facilities fund	182,500
3	Marine safety fund	727,800
4	Michigan natural resources trust fund	1,247,000
5	Michigan state parks endowment fund	912,400
6	Michigan state waterways fund	572,200
7	Nongame wildlife fund	9,500
8	Off-road vehicle safety education fund	300
9	Off-road vehicle trail improvement fund	86,500
10	Park improvement fund	1,276,300
11	Public use and replacement deed fees	27,500
12	Recreation improvement account	71,300
13	Snowmobile registration fee revenue	43,500
14	Snowmobile trail improvement fund	106,300
15	Sportsmen against hunger fund	400
16	State general fund/general purpose	$ 2,601,500
17	**Sec. 105. COMMUNICATION AND CUSTOMER SERVICES**	
18	Full-time equated classified positions 132.3	
19	Marketing and outreach--80.8 FTE positions	$ 13,653,700
20	Michigan historical center--51.5 FTE positions	5,576,300
21	Michigan wildlife council	1,600,000
22	GROSS APPROPRIATION	$ 20,830,000
23	Appropriated from:	
24	Federal revenues:	
25	Federal funds	1,722,600
26	Special revenue funds:	
27	Private funds	396,200

Private - Mann house trust fund		15,000
Forest development fund		131,900
Forest recreation account		16,300
Game and fish protection fund		8,288,800
Game and fish protection fund - wildlife management public education fund		1,600,000
Game and fish protection fund - youth hunting and fishing education and outreach fund		93,800
History fees fund		233,000
Land exchange facilitation fund		45,800
Marine safety fund		35,600
Michigan heritage publications fund		22,300
Michigan state parks endowment fund		88,800
Michigan state waterways fund		146,700
Museum operations fund		502,900
Nongame wildlife fund		10,500
Off-road vehicle trail improvement fund		31,100
Park improvement fund		2,785,400
Recreation passport fees		23,800
Snowmobile registration fee revenue		19,300
Snowmobile trail improvement fund		45,100
Sportsmen against hunger fund		76,400
State general fund/general purpose	$	4,498,700

Sec. 106. WILDLIFE DIVISION

Full-time equated classified positions 226.5

Wildlife management--217.5 FTE positions	$	37,007,300
Natural resources heritage--9.0 FTE positions		632,900

1 GROSS APPROPRIATION	$	37,640,200
2 Appropriated from:		
3 Federal revenues:		
4 Federal funds		20,326,800
5 Special revenue funds:		
6 Private funds		315,700
7 Cervidae licensing and inspection fees		85,400
8 Forest development fund		77,600
9 Game and fish protection fund		11,870,000
10 Game and fish protection fund - deer habitat reserve		1,710,100
11 Game and fish protection fund - turkey permit fees		896,800
12 Game and fish protection fund - waterfowl fees		115,700
13 Nongame wildlife fund		429,000
14 State general fund/general purpose	$	1,813,100
15 **Sec. 107. FISHERIES DIVISION**		
16 Full-time equated classified positions 221.5		
17 Aquatic resource mitigation--2.0 FTE positions	$	629,300
18 Fish production--63.0 FTE positions		10,194,000
19 Fisheries resource management--156.5 FTE positions		20,378,600
20 Cormorant population mitigation program		150,000
21 GROSS APPROPRIATION	$	31,351,900
22 Appropriated from:		
23 Federal revenues:		
24 Federal funds		11,225,700
25 Special revenue funds:		
26 Private funds		136,200
27 Game and fish protection fund		18,951,500

1 Game and fish protection fund - fisheries settlement . 629,200
2 Invasive species fund 100
3 State general fund/general purpose ..... $ 409,200
4 **Sec. 108. LAW ENFORCEMENT DIVISION**
5 Full-time equated classified positions 273.0
6 General law enforcement--273.0 FTE positions ..... $ 40,506,000
7 GROSS APPROPRIATION ..... $ 40,506,000
8 Appropriated from:
9 Federal revenues:
10 Federal funds 6,477,500
11 Special revenue funds:
12 Cervidae licensing and inspection fees 53,400
13 Forest development fund 45,400
14 Forest recreation account 72,800
15 Game and fish protection fund 19,322,900
16 Game and fish protection fund - wildlife resource
17 protection fund..... 1,057,500
18 Marine safety fund 1,340,900
19 Michigan state parks endowment fund 71,400
20 Michigan state waterways fund 21,700
21 Off-road vehicle safety education fund 156,000
22 Off-road vehicle trail improvement fund 1,693,800
23 Park improvement fund 72,800
24 Snowmobile registration fee revenue 721,900
25 State general fund/general purpose ..... $ 9,398,000
26 **Sec. 109. PARKS AND RECREATION DIVISION**
27 Full-time equated classified positions 902.9

1	MacMullan conference center--15.0 FTE positions	$ 1,143,700
2	Recreational boating--163.5 FTE positions	17,371,300
3	State parks--673.4 FTE positions	66,487,900
4	Forest recreation and trails--51.0 FTE positions	6,189,400
5	State park improvement revenue bonds - debt service ..	1,188,800
6	GROSS APPROPRIATION	$ 92,381,100
7	Appropriated from:	
8	Interdepartmental grant revenues:	
9	IDG, MacMullan conference center revenue	1,143,700
10	Federal revenues:	
11	Federal funds	1,750,500
12	Special revenue funds:	
13	Private funds	428,400
14	Forest recreation account	1,642,900
15	Michigan state parks endowment fund	20,805,600
16	Michigan state waterways fund	16,239,000
17	Michigan trailways fund	100
18	Off-road vehicle safety education fund	7,200
19	Off-road vehicle trail improvement fund	1,796,400
20	Park improvement fund	43,251,600
21	Park improvement fund - Belle Isle subaccount	800,000
22	Recreation improvement account	333,400
23	Recreation passport fees	272,600
24	Snowmobile registration fee revenue	15,800
25	Snowmobile trail improvement fund	1,441,400
26	State general fund/general purpose	$ 2,452,500

27 **Sec. 110. MACKINAC ISLAND STATE PARK COMMISSION**

1 Full-time equated classified positions 17.0
2 Historical facilities system--13.0 FTE
3 positions ..... $ 1,573,000
4 Mackinac Island State Park operations--4.0 FTE
5 positions 352,100
6 GROSS APPROPRIATION ..... $ 1,925,100
7 Appropriated from:
8 Special revenue funds:
9 Mackinac Island State Park fund 1,573,000
10 Mackinac Island State Park operation fund 148,500
11 State general fund/general purpose ..... $ 203,600
12 **Sec. 111. FOREST RESOURCES DIVISION**
13 Full-time equated classified positions 326.5
14 Adopt-a-forest program ..... $ 25,000
15 Cooperative resource programs--11.0 FTE positions 1,547,100
16 Forest fire equipment 581,500
17 Forest management and timber market development--176.0
18 FTE positions 31,134,300
19 Forest management initiatives--8.5 FTE positions 854,100
20 Minerals management--17.0 FTE positions 2,828,600
21 Wildfire protection--114.0 FTE positions 13,712,800
22 GROSS APPROPRIATION ..... $ 50,683,400
23 Appropriated from:
24 Federal revenues:
25 Federal funds 4,273,300
26 Special revenue funds:
27 Private funds 1,054,900

1	Commercial forest fund	24,500
2	Fire equipment fund	668,700
3	Forest development fund	32,599,800
4	Forest land user charges	221,100
5	Game and fish protection fund	1,932,000
6	Michigan state parks endowment fund	2,659,100
7	Michigan state waterways fund	50,900
8	State general fund/general purpose ..... $	7,199,100
9	**Sec. 112. GRANTS**	
10	Dam management grant program ..... $	350,000
11	Deer habitat improvement partnership initiative	200,000
12	Federal - clean vessel act grants	400,000
13	Federal - forest stewardship grants	3,000,000
14	Federal - land and water conservation fund payments ..	2,566,900
15	Federal - rural community fire protection	400,000
16	Federal - urban forestry grants	1,600,000
17	Fisheries habitat improvement grants	1,250,000
18	Grants to communities - federal oil, gas, and timber	
19	payments.....	3,450,000
20	Grants to counties - marine safety	3,074,700
21	National recreational trails	3,900,000
22	Nonmotorized trail development and maintenance grants	350,000
23	Off-road vehicle safety training grants	29,200
24	Off-road vehicle trail improvement grants	3,356,200
25	Recreation improvement fund grants	657,100
26	Recreation passport local grants	1,500,000
27	Snowmobile law enforcement grants	380,100

1	Snowmobile local grants program	7,340,400
2	Trail easements	700,000
3	Wildlife habitat improvement grants	1,500,000
4	GROSS APPROPRIATION	$ 36,004,600
5	Appropriated from:	
6	Federal revenues:	
7	Federal funds	16,884,300
8	Special revenue funds:	
9	Private funds	100,000
10	Game and fish protection fund	2,750,000
11	Game and fish protection fund - deer habitat reserve .	200,000
12	Local public recreation facilities fund	1,500,000
13	Marine safety fund	1,407,300
14	Off-road vehicle safety education fund	29,200
15	Off-road vehicle trail improvement fund	3,356,200
16	Permanent snowmobile trail easement fund	700,000
17	Recreation improvement account	657,100
18	Snowmobile registration fee revenue	380,100
19	Snowmobile trail improvement fund	7,340,400
20	State general fund/general purpose	$ 700,000
21	**Sec. 113. INFORMATION TECHNOLOGY**	
22	Information technology services and projects	$ 10,284,000
23	GROSS APPROPRIATION	$ 10,284,000
24	Appropriated from:	
25	Special revenue funds:	
26	Commercial forest fund	2,100
27	Forest development fund	1,566,300

1	Forest land user charges	23,900
2	Forest recreation account	42,000
3	Game and fish protection fund	3,741,400
4	Game and fish protection fund - deer habitat reserve	61,600
5	Game and fish protection fund - turkey permit fees	33,800
6	Game and fish protection fund - waterfowl fees	3,300
7	Game and fish protection fund - wildlife resource	
8	protection fund	42,100
9	Game and fish protection fund - youth hunting and	
10	fishing education and outreach	2,000
11	Land exchange facilitation fund	30,600
12	Marine safety fund	160,400
13	Michigan natural resources trust fund	22,300
14	Michigan state parks endowment fund	1,341,000
15	Michigan state waterways fund	484,200
16	Michigan trailways fund	100
17	Nongame wildlife fund	30,500
18	Off-road vehicle safety education fund	10,400
19	Off-road vehicle trail improvement fund	21,800
20	Park improvement fund	1,358,300
21	Recreation improvement account	48,900
22	Snowmobile registration fee revenue	11,600
23	Snowmobile trail improvement fund	74,400
24	Sportsmen against hunger fund	600
25	State general fund/general purpose	$ 1,170,400

26 **Sec. 114. CAPITAL OUTLAY**

27 **(a) RECREATIONAL LANDS AND INFRASTRUCTURE**

1 State parks repair and maintenance	$	13,500,000
2 State game and wildlife area infrastructure		3,600,000
3 Forest development infrastructure		2,000,000
4 GROSS APPROPRIATION	$	19,100,000
5 Appropriated from:		
6 Federal revenues:		
7 Federal funds		2,700,000
8 Special revenue funds:		
9 Forest development fund		2,000,000
10 Game and fish protection fund		900,000
11 Park improvement fund		4,000,000
12 Recreation passport fees		8,000,000
13 State general fund/general purpose	$	1,500,000
14 **(b) WATERWAYS BOATING PROGRAM**		
15 State harbors and boating access sites:		
16 Infrastructure improvements - state projects	$	4,575,000
17 Infrastructure improvements - local projects		658,000
18 Munising marina		350,000
19 Harrisville harbor		492,100
20 Detroit Boat Club		100
21 GROSS APPROPRIATION	$	6,075,200
22 Appropriated from:		
23 Federal revenues:		
24 Federal funds		1,075,000
25 Special revenue funds:		
26 Michigan state waterways fund		5,000,200
27 State general fund/general purpose	$	0

1 **Sec. 115. ONE-TIME BASIS APPROPRIATIONS**

2 Forestry investment	$	2,100,000
3 Forest fire equipment (one-time)		1,000,000
4 Land ownership tracking system		4,000,000
5 Invasive species (one-time)		1,000,000
6 Fisheries resource management (one-time)		600,000
7 GROSS APPROPRIATION	$	8,700,000
8 Appropriated from:		
9 Federal revenues:		
10 Federal funds		100,000
11 Special revenue funds:		
12 Forest development fund		5,100,000
13 Game and fish protection fund		300,000
14 Land exchange facilitation fund		1,000,000
15 Michigan natural resources trust fund		600,000
16 Michigan state parks endowment fund		300,000
17 State general fund/general purpose	$	1,300,000

18 PART 2

19 PROVISIONS CONCERNING APPROPRIATIONS

20 FOR FISCAL YEAR 2016-2017

21 **GENERAL SECTIONS**

22 Sec. 201. Pursuant to section 30 of article IX of the state
23 constitution of 1963, total state spending from state resources
24 under part 1 for fiscal year 2016-2017 is $316,716,500.00 and state
25 spending from state resources to be paid to local units of

government for fiscal year 2016-2017 is $6,100,000.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF NATURAL RESOURCES

GRANTS

Dam management grant program	$	175,000
Fisheries habitat improvement grants		200,000
Grants to counties – marine safety		1,407,300
Nonmotorized trail development and maintenance grants		262,500
Off-road vehicle safety training grants		29,200
Off-road vehicle trail improvement grants		530,100
Recreation improvement fund grants		65,700
Recreation passport local grants.		1,500,000
Snowmobile law enforcement grants.		380,100
Wildlife habitat improvement grants.		50,000
CAPITAL OUTLAY		
Waterways boating program	$	1,500,100
TOTAL	$	6,100,000

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

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

(a) "Department" means the department of natural resources.

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

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

Sec. 205. The departments and agencies receiving appropriations in part 1 shall use the Internet to fulfill the

reporting requirements of this part. This requirement may include transmission of reports via electronic mail to the recipients identified for each reporting requirement, or it may include placement of reports on an Internet or Intranet site.

Sec. 206. Appropriations of state restricted game and fish protection funds have been made in the following amounts to the following departments and agencies:

Legislative auditor general	$	31,300
Attorney general		751,100
Department of technology, management, and budget		464,500
Department of treasury		2,925,200

Sec. 207. Pursuant to section 43703(3) of the natural resources and environmental protection act, 1994 PA 451, MCL 324.43703, there is appropriated from the game and fish protection trust fund to the game and fish protection account of the Michigan conservation and recreation legacy fund, $6,000,000.00 for the fiscal year ending September 30, 2017.

Sec. 210. Funds appropriated in part 1 shall not be used for the purchase of foreign goods or services, or both, if competitively priced and of comparable quality American goods or services, or both, are available. Preference shall be given to goods or services, or both, manufactured or provided by Michigan businesses if they are competitively priced and of comparable quality. In addition, preference should be given to goods or services, or both, that are manufactured or provided by Michigan businesses owned and operated by veterans, if they are competitively priced and of comparable quality.

Sec. 211. The director shall take all reasonable steps to ensure businesses in deprived and depressed communities compete for and perform contracts to provide services or supplies, or both. The director shall strongly encourage firms with which the department contracts to subcontract with certified businesses in depressed and deprived communities for services, supplies, or both.

Sec. 212. The department shall not take disciplinary action against an employee for communicating with a member of the legislature or his or her staff.

Sec. 214. Funds appropriated in this part and part 1 shall not be used by a principal executive department, state agency, or authority to hire a person to provide legal services that are the responsibility of the attorney general. This prohibition does not apply to legal services for bonding activities and for those outside services that the attorney general authorizes.

Sec. 215. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $3,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

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

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

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

(a) The dates of each travel occurrence.

(b) The total transportation and related costs of each travel occurrence, including the proportion funded with state general fund/general purpose revenues, the proportion funded with state restricted revenues, the proportion funded with federal revenues,

and the proportion funded with other revenues.

Sec. 220. Not later than November 30, the state budget office shall prepare and transmit a report that provides for estimates of the total general fund/general purpose appropriation lapses at the close of the prior fiscal year. This report shall summarize the projected year-end general fund/general purpose appropriation lapses by major departmental program or program areas. The report shall be transmitted to the chairpersons of the senate and house appropriations committees, and the senate and house fiscal agencies.

Sec. 222. Within 14 days after the release of the executive budget recommendation, the department shall cooperate with the state budget office to provide the senate and house appropriations chairs, the senate and house appropriations subcommittees chairs, and the senate and house fiscal agencies with an annual report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures for the fiscal years ending September 30, 2016 and September 30, 2017.

Sec. 223. Before January 31, 2017, the department, in cooperation with the Michigan state waterways commission, shall provide to the state budget director, the senate and house appropriations subcommittees on natural resources, and the senate and house fiscal agencies a list of projects completed by the commission in fiscal year 2015-2016, including the county and municipality in which each project is located.

Sec. 234. The department shall cooperate with the department of technology, management, and budget to maintain a searchable

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

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

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

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

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

(e) Job specifications and wage rates.

Sec. 235. The department shall maintain, on a publicly accessible website, a department scorecard that identifies, tracks, and regularly updates key metrics that are used to monitor and improve the agency's performance.

Sec. 237. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2017 are $47,567,500.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at $26,375,000.00. Total agency appropriations for retiree health care legacy costs are estimated at $21,192,500.00.

DEPARTMENT INITIATIVES

Sec. 251. From the amounts appropriated in part 1 for invasive species prevention and control, the department shall allocate not less than $3,600,000.00 for grants for the prevention, detection, eradication, and control of invasive species.

DEPARTMENT SUPPORT SERVICES

Sec. 302. The department may charge land acquisition projects appropriated for the fiscal year ending September 30, 2017, and for prior fiscal years, a standard percentage fee to recover actual costs, and may use the revenue derived to support the land acquisition service charges provided for in part 1.

Sec. 303. As appropriated in part 1, the department may charge both application fees and transaction fees related to the exchange or sale of state-owned land or rights in land authorized by part 21 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.2101 to 324.2162. The fees shall be set by the director of the department at a rate which allows the department to recover its costs for providing these services.

COMMUNICATION AND CUSTOMER SERVICES

Sec. 404. For the purposes of administering the museum store as provided in section 7a of 1913 PA 271, MCL 399.7a, the department is exempt from section 261 of the management and budget act, 1984 PA 431, MCL 18.1261.

Sec. 405. As appropriated in part 1, proceeds in excess of costs incurred in the conduct of auctions, sales, or transfers of artifacts no longer considered suitable for the collections of the state historical museum may be expended upon receipt for additional material for the collection. The department shall notify the chairpersons, vice chairpersons, and minority vice chairpersons of the senate and house appropriations subcommittees on natural resources 1 week prior to any auctions or sales. Any unexpended

funds may be carried forward into the next succeeding fiscal year.

Sec. 406. As appropriated in part 1, funds collected by the department for historical markers; document reproduction and services; conferences, admissions, workshops, and training classes; and the use of specialized equipment, facilities, exhibits, collections, and software shall be used for expenses necessary to provide the required services. The department may charge fees for the aforementioned services, including admission fees. Any unexpended funds may be carried forward into the next succeeding fiscal year.

Sec. 408. By October 21, 2016, the department shall submit to the senate and house appropriations subcommittees on natural resources a report on all land transactions approved by the commission in the fiscal year ending September 30, 2016. For each land transaction, the report shall include the size of the parcel, the county and municipality in which the parcel is located, the dollar amount of the transaction, the fund source affected by the transaction, and whether the transaction is by purchase, public auction, transfer, exchange, or conveyance.

WILDLIFE DIVISION

Sec. 504. From the funds appropriated in part 1, the department shall provide a report to the legislature on the use of registration fees collected from privately owned cervid operations. Appropriations in part 1 from cervidae licensing and inspection fees shall not be used for anything other than work directly related to the regulation of privately owned cervid operations in

this state.

FISHERIES DIVISION

Sec. 601. (1) From the appropriation in part 1 for aquatic resource mitigation, not more than $758,000.00 shall be allocated for grants to watershed councils, resource development councils, soil conservation districts, local governmental units, and other nonprofit organizations for stream habitat stabilization and soil erosion control.

(2) The fisheries division in the department shall develop priority and cost estimates for all projects recommended for grants under subsection (1).

Sec. 603. The department shall provide an annual report to the legislature on use of funding provided for cormorant management. The department shall use general fund/general purpose revenue for this purpose and submit revenue appropriated in part 1 for cormorant management to the United States Department of Agriculture Animal and Plant Health Inspection Service to allow for increased taking of cormorants and their nests. If any funds appropriated for cormorant management are retained by the department, or other funds become available for this purpose, the department shall use those funds to harass cormorants with the goal of reducing foraging attempts on fish populations.

PARKS AND RECREATION DIVISION

Sec. 706. The department shall work with the state budget office to ensure that the funds appropriated in 2013 PA 102 for the

Grand River waterway study continue to be carried forward as a work project under the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, or until the project is complete.

FOREST RESOURCES DIVISION

Sec. 803. In addition to the money appropriated in part 1, the department may receive and expend money from federal sources to provide response to wildfires as required by a compact with the federal government. If additional expenditure authorization is required, the department shall notify the state budget office that expenditure under this section is required. The department shall notify the house and senate appropriations subcommittees on natural resources and the house and senate fiscal agencies of the expenditures under this section by November 1, 2017.

Sec. 807. (1) In addition to the funds appropriated in part 1, there is appropriated from the disaster and emergency contingency fund up to $800,000.00 to cover costs related to any disaster as defined in section 2 of the emergency management act, 1976 PA 390, MCL 30.402.

(2) Funds appropriated under subsection (1) shall not be expended unless the state budget director recommends the expenditure and the department notifies the house and senate committees on appropriations. By December 1 each year, the department shall provide a report to the senate and house fiscal agencies and the state budget office on the use of the disaster and emergency contingency fund during the prior fiscal year.

(3) If Federal Emergency Management Agency (FEMA)

reimbursement is approved for costs paid from the disaster and emergency contingency fund, the federal revenue shall be deposited into the disaster and emergency contingency fund.

(4) Unexpended and unencumbered funds remaining in the disaster and emergency contingency fund at the close of the fiscal year shall not lapse to the general fund and shall be carried forward and be available for expenditures in subsequent fiscal years.

Sec. 808. (1) From the increased funds appropriated in part 1 for forest management and timber market development, the department shall increase the harvest of timber on state forestlands. The purpose of this program expansion is to expand the forest products economy.

(2) The department shall identify specific outcomes and performance metrics for this initiative, such as increasing the number of acres prepared for timber sale.

Sec. 809. (1) From the increased funds appropriated in part 1 for forest fire equipment and forestry investment, the department shall increase funding for the replacement of aging forest fire suppression equipment that is in disrepair. The purpose of the program expansion is to promote rapid, reliable response to wildfires to protect life, property, and timber assets.

(2) The department shall identify specific outcomes and performance metrics for this initiative, such as reducing average wildfire response time.

LAW ENFORCEMENT

Sec. 901. The appropriation in part 1 for snowmobile law enforcement grants shall be used by the department to provide grants to county law enforcement agencies to enforce part 821 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.82101 to 324.82161, including rules promulgated under that part and ordinances enacted pursuant to that part. The department shall consider the number of enforcement hours and the number of miles of snowmobile trails in each county in allocating these grants. Any funds not distributed to counties revert back to the snowmobile registration fee subaccount created under section 82111 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.82111. Counties shall provide semiannual reports to the department on the use of grant money received under this section.

Sec. 902. The department shall provide a report on the marine safety grant program to the senate and house appropriations subcommittees on natural resources and the senate and house fiscal agencies by December 1, 2016. The report shall include the following information for the preceding year: the total amount of revenue received for watercraft registrations, the amount deposited into the marine safety fund, and the expenditures made from the marine safety fund, including the amounts expended for department administration, other state agencies, the law enforcement division, and grants to counties. The report shall also include the distribution methodology used by the department to distribute the marine safety grants and a list of the grants and the amounts awarded by county.

GRANTS

Sec. 1001. Federal pass-through funds to local institutions and governments that are received in amounts in addition to those included in part 1 for grants to communities - federal oil, gas, and timber payments and that do not require additional state matching funds are appropriated for the purposes intended. By November 30, 2016, the department shall report to the senate and house appropriations subcommittees on natural resources, the senate and house fiscal agencies, and the state budget director on all amounts appropriated under this section during the fiscal year ending September 30, 2016.

CAPITAL OUTLAY

Sec. 1103. The appropriations in part 1 for capital outlay shall be carried forward at the end of the fiscal year consistent with the provisions of section 248 of the management and budget act, 1984 PA 431, MCL 18.1248.

ONE-TIME APPROPRIATIONS

Sec. 1201. (1) From the increased funds appropriated in part 1 for forest management and timber market development, the department shall increase the harvest of timber on state forestlands. The purpose of this program expansion is to strategically invest in technology enhancements to expand the growth of the forest products economy.

(2) The department shall identify specific outcomes and performance metrics for this initiative, such as adding online

services to increase access to state government.

Sec. 1202. (1) From the increased funds appropriated in part 1 for land ownership tracking system, the department shall establish a replacement electronic system to facilitate state land records management. The purpose of this new project is to increase access to public land records and to integrate antiquated systems.

(2) The department shall identify specific outcomes and performance metrics for this initiative, such as adding online services to increase access to state government.

Sec. 1203. (1) From the increased funds appropriated in part 1 for invasive species prevention and control, the department shall increase funding available for the interdepartmental invasive species program. The purpose of this program expansion is to prevent, detect, eradicate, and control invasive species.

(2) The department shall identify specific outcomes and performance metrics for this initiative, such as prevention and mitigation of confirmed cases of silver and bighead carp in Michigan's waterways.

ARTICLE XVI

DEPARTMENT OF STATE POLICE

PART 1

LINE-ITEM APPROPRIATIONS

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

1 **DEPARTMENT OF STATE POLICE**

2 APPROPRIATION SUMMARY

3 Full-time equated unclassified positions 3.0

4 Full-time equated classified positions 3,231.0

5 GROSS APPROPRIATION ..... $ 653,971,300

6 Interdepartmental grant and intradepartmental

7 transfer revenues:

8 Total interdepartmental grants and intradepartmental

9 transfers 26,580,400

10 ADJUSTED GROSS APPROPRIATION ..... $ 627,390,900

11 Federal revenues:

12 Total federal revenues 87,967,800

13 Special revenue funds:

14 Total local revenues 5,828,500

15 Total private revenues 78,100

16 Total other state restricted revenues 126,358,500

17 State general fund/general purpose ..... $ 407,158,000

18 State general fund/general purpose schedule:

19 Ongoing state general fund/general

20 purpose 395,608,000

21 One-time state general fund/general

22 purpose 11,550,000

23 **Sec. 102. UNCLASSIFIED POSITIONS**

24 Full-time equated unclassified positions 3.0

25 Unclassified positions--3.0 FTE positions ..... $ 600,200

26 GROSS APPROPRIATION ..... $ 600,200

27 Appropriated from:

1 Interdepartmental grant and intradepartmental
2 transfer revenues:
3 Total interdepartmental grants and intradepartmental
4 transfers..... 7,400
5 Special revenue funds:
6 Total other state restricted revenues 388,100
7 State general fund/general purpose ..... $ 204,700
8 **Sec. 103. EXECUTIVE DIRECTION AND DEPARTMENTAL**
9 **SERVICES**
10 Full-time equated classified positions 103.0
11 Departmentwide expenses ..... $ 38,607,700
12 Departmental services--46.0 FTE positions 7,001,900
13 Executive direction--57.0 FTE positions 8,015,800
14 Information technology services and projects 24,425,900
15 GROSS APPROPRIATION ..... $ 78,051,300
16 Appropriated from:
17 Interdepartmental grant and intradepartmental
18 transfer revenues:
19 Total interdepartmental grants and intradepartmental
20 transfers..... 769,100
21 Federal revenues:
22 Total federal revenues 1,328,000
23 Special revenue funds:
24 Total local revenues 1,133,100
25 Total other state restricted revenues 12,231,400
26 State general fund/general purpose ..... $ 62,589,700
27 **Sec. 104. LAW ENFORCEMENT SERVICES**

1 Full-time equated classified positions 507.0
2 Biometrics and identification--51.0 FTE positions .... $ 8,145,400
3 Criminal justice information center--133.0 FTE
4 positions 18,485,400
5 Forensic science--250.0 FTE positions 41,821,900
6 Grants and community services--17.0 FTE positions 17,584,000
7 Training--56.0 FTE positions 13,030,600
8 GROSS APPROPRIATION ..... $ 99,067,300
9 Appropriated from:
10 Interdepartmental grant and intradepartmental
11 transfer revenues:
12 Total interdepartmental grants and intradepartmental
13 transfers 6,216,500
14 Federal revenues:
15 Total federal revenues 17,261,400
16 Special revenue funds:
17 Total local revenues 915,300
18 Total other state restricted revenues 35,084,000
19 State general fund/general purpose ..... $ 39,590,100
20 **Sec. 105. COMMISSION ON LAW ENFORCEMENT STANDARDS**
21 Full-time equated classified positions 18.0
22 Commission on law enforcement standards--18.0 FTE
23 positions ..... $ 9,899,700
24 GROSS APPROPRIATION ..... $ 9,899,700
25 Appropriated from:
26 Federal revenues:
27 Total federal revenues 175,700

1 Special revenue funds:
2 Total other state restricted revenues 8,830,700
3 State general fund/general purpose ..... $ 893,300
4 **Sec. 106. FIELD SERVICES**
5 Full-time equated classified positions 2,088.0
6 At-post troopers--1,364.0 FTE positions ..... $ 189,340,200
7 Casino gaming oversight--34.0 FTE positions 6,012,000
8 Criminal investigations--287.5 FTE positions 51,063,600
9 Michigan International Speedway traffic control 400,000
10 Reimbursed services 2,307,000
11 Secure cities partnership--30.0 FTE positions 7,718,000
12 Tobacco tax fraud investigations--29.5 FTE positions . 5,295,700
13 Uniform services--343.0 FTE positions 54,826,800
14 GROSS APPROPRIATION ..... $ 316,963,300
15 Appropriated from:
16 Interdepartmental grant and intradepartmental
17 transfer revenues:
18 Total interdepartmental grants and intradepartmental
19 transfers..... 6,776,800
20 Federal revenues:
21 Total federal revenues 6,590,000
22 Special revenue funds:
23 Total local revenues 2,079,000
24 Total other state restricted revenues 44,556,900
25 State general fund/general purpose ..... $ 256,960,600
26 **Sec. 107. SPECIALIZED SERVICES**
27 Full-time equated classified positions 514.0

1	Commercial vehicle regulation and enforcement--216.0	
2	FTE positions.....	$ 28,378,700
3	Emergency management and homeland security--85.0 FTE	
4	positions.....	50,048,200
5	Highway safety planning--26.0 FTE positions	16,130,000
6	Special operations--187.0 FTE positions	32,214,600
7	GROSS APPROPRIATION	$ 126,771,500
8	Appropriated from:	
9	Interdepartmental grant and intradepartmental	
10	transfer revenues:	
11	Total interdepartmental grants and intradepartmental	
12	transfers.....	12,810,600
13	Federal revenues:	
14	Total federal revenues	62,612,700
15	Special revenue funds:	
16	Total local revenues	1,701,100
17	Total private revenues	78,100
18	Total other state restricted revenues	14,199,400
19	State general fund/general purpose	$ 35,369,600
20	**Sec. 108. SECONDARY ROAD PATROL**	
21	Full-time equated classified position 1.0	
22	Secondary road patrol program--1.0 FTE position	$ 11,068,000
23	GROSS APPROPRIATION	$ 11,068,000
24	Appropriated from:	
25	Special revenue funds:	
26	Total other state restricted revenues	11,068,000
27	State general fund/general purpose	$ 0

1 **Sec. 109. ONE-TIME APPROPRIATIONS**

2 130th trooper recruit school	$	3,400,000
3 Disaster and emergency contingency fund - deposit		4,500,000
4 School safety initiative		2,000,000
5 Sexual assault prevention and education initiative		500,000
6 Smart 9-1-1 pilot		1,150,000
7 GROSS APPROPRIATION	$	11,550,000
8 Appropriated from:		
9 State general fund/general purpose	$	11,550,000

10 PART 2

11 PROVISIONS CONCERNING APPROPRIATIONS

12 FOR FISCAL YEAR 2016-2017

13 **GENERAL SECTIONS**

14 Sec. 201. Pursuant to section 30 of article IX of the state
15 constitution of 1963, total state spending from state resources
16 under part 1 for fiscal year 2016-2017 is $533,516,500.00 and state
17 spending from state resources to be paid to local units of
18 government for fiscal year 2016-2017 is $18,348,900.00. The
19 itemized statement below identifies appropriations from which
20 spending to local units of government will occur:

21 DEPARTMENT OF STATE POLICE

22 Commission on law enforcement standards	$	3,559,700
23 Specialized services		681,900
24 Secondary road patrol program		10,957,300
25 School safety initiative		2,000,000

1 Smart 9-1-1 pilot..... 1,150,000
2 TOTAL..... $ 18,348,900
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) "CJIS" means Criminal Justice Information Systems.
8 (b) "Core service" means that phrase as defined in section 373
9 of the management and budget act, 1984 PA 431, MCL 18.1373.
10 (c) "Department" means the department of state police.
11 (d) "Director" means the director of the department.
12 (e) "DNA" means deoxyribonucleic acid.
13 (f) "DTMB" means the department of technology, management, and
14 budget.
15 (g) "MCOLES" means the Michigan commission on law enforcement
16 standards.
17 (h) "Subcommittees" means the subcommittees of the senate and
18 house standing committees on appropriations with jurisdiction over
19 the budget for the department.
20 (i) "Support service" means an activity required to support
21 the ongoing delivery of core services.
22 Sec. 205. Based on the availability of federal funding and the
23 demonstrated need as indicated by applications submitted to the
24 state court administrative office, the department shall provide
25 $1,500,000.00 in Byrne justice assistance grant program funding to
26 the judiciary by interdepartmental grant.
27 Sec. 206. (1) In addition to the funds appropriated in part 1,

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

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

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

(4) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $200,000.00 for private contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

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

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

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

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

(e) Job specifications and wage rates.

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

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

Sec. 210. The director shall take all reasonable steps to ensure businesses in deprived and depressed communities compete for and perform contracts to provide services or supplies, or both. The

director shall strongly encourage firms with which the department contracts to subcontract with certified businesses in depressed and deprived communities for services or supplies, or both.

Sec. 215. A department or state agency shall not take disciplinary action against an employee for communicating with a member of the legislature or his or her staff.

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

(a) The dates of each travel occurrence.

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

Sec. 219. The department shall provide quarterly reports to the subcommittees, the senate and house fiscal agencies, and the state budget office that provide the following data:

(a) A list of major work projects, including the status of each project.

(b) The department's financial status, featuring a report of budgeted versus actual expenditures by part 1 line item including a year-end projection of budget requirements. If projected department budget requirements exceed the allocated budget, the report shall include a plan to reduce overall expenses while still satisfying specified service level requirements.

(c) A report on the performance metrics cited or information required to be reported in this part, reasons for nonachievement of metric targets, and proposed corrective actions.

Sec. 221. The appropriations in part 1 are for the core services, support services, and work projects of the department, including, but not limited to, the following core services:

(a) State security operations.

(b) Training.

(c) Commission on law enforcement standards.

(d) Criminal justice information systems.

(e) Forensic analysis and biometric identification.

(f) General law enforcement and criminal investigations.

(g) Special operations.

(h) Commercial vehicle regulation and enforcement.

(i) Emergency management and homeland security.

(j) Highway safety planning.

(k) Secondary road patrol program.

Sec. 224. Funds appropriated in part 1 shall not be used by a principal executive department, state agency, or authority to hire a person to provide legal services that are the responsibility of the attorney general. This prohibition does not apply to legal

1 services for bonding activities and for those outside services that
2 the attorney general authorizes.
3 Sec. 226. (1) When the department provides contractual
4 services to a local unit of government, the department shall be
5 reimbursed for all costs incurred in providing the services,
6 including, but not limited to, retirement and overtime costs.
7 (2) The department shall define service cost models for those
8 services requiring reimbursement.
9 (3) Contractual services provided to an entity other than a
10 local unit of government may be provided by department personnel,
11 but only on an overtime basis outside the normal work schedule of
12 the personnel.
13 (4) This section does not apply to services provided to state
14 agencies.
15 Sec. 228. 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 appropriations lapses at the
18 close of the prior fiscal year. This report shall summarize the
19 projected year-end general fund/general purpose appropriation
20 lapses by major departmental program or program areas. The report
21 shall be transmitted to the chairpersons of the senate and house
22 appropriations committees, the subcommittees, and the senate and
23 house fiscal agencies.
24 Sec. 229. Within 14 days after the release of the executive
25 budget recommendation, the department shall cooperate with the
26 state budget office to provide the senate and house appropriations
27 chairs, the subcommittees, and the senate and house fiscal agencies

with an annual report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures for the fiscal years ending September 30, 2016 and September 30, 2017.

Sec. 230. The department shall maintain, on a publicly accessible website, a department scorecard that identifies, tracks, and regularly updates key metrics that are used to monitor and improve the department's performance.

Sec. 232. The department shall serve as an active liaison between the DTMB and state, local, regional, and federal public safety agencies on matters pertaining to the Michigan public safety communications system and shall report user issues to the DTMB.

Sec. 233. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2017 are $133,307,100.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at $71,007,700.00. Total agency appropriations for retiree health care legacy costs are estimated at $62,299,400.00.

Sec. 238. Money privately donated to the department is appropriated under part 1 to be used for the purposes designated by the donor of the money, if specified.

Sec. 240. In addition to the metrics required under section 447 of the management and budget act, 1984 PA 431, MCL 18.1447, for each new program or program enhancement for which funds in excess of $500,000.00 are appropriated in part 1, the department shall provide not later than November 1, 2016 a list of program-specific metrics intended to measure its performance based on a return on

taxpayer investment. The department shall deliver the program-specific metrics to members of the senate and house subcommittees that have subject matter jurisdiction for this budget, fiscal agencies, and the state budget director. The department shall provide an update on its progress in tracking program-specific metrics and the status of program success at an appropriations subcommittee meeting called for by the subcommittee chair.

EXECUTIVE DIRECTION AND DEPARTMENTAL SERVICES

Sec. 301. (1) The department shall provide security services at the State Capitol Complex facilities and the State Secondary Complex as provided under section 6c of 1935 PA 59, MCL 28.6c.

(2) The department shall maintain the staff and resources necessary to respond to emergencies at the State Capitol Complex, State Secondary Complex, House Office Building, Farnum Building, Capitol parking lot, Townsend Parking Ramp, the Roosevelt Parking Ramp, and other areas as directed.

(3) The department may develop a phased approach for improving security at the Capitol Building.

(4) The department shall maintain a goal of annually conducting 35,000 property inspections of state owned and leased facilities.

LAW ENFORCEMENT SERVICES

Sec. 401. (1) The department shall development and deliver professional, innovative, and quality training that supports the enforcement and public safety efforts of the criminal justice

1 community.

2 (2) The department shall provide the following performance
3 data as provided under section 219 for average classroom occupancy
4 rate, with an annual goal of at least 55%.

5 (3) The department shall submit a report to the subcommittees
6 and the senate and house fiscal agencies within 60 days of the
7 conclusion of any trooper recruit school. The report shall include
8 the following:

9 (a) The number of veterans and the number of MCOLES-certified
10 police officers who were admitted to and the number who graduated
11 from the recruit school.

12 (b) The total number of recruits who were admitted to the
13 school, the number of recruits who graduated from the school, and
14 the location at which each of these recruits is assigned.

15 (4) The department shall distribute and review course
16 evaluations to ensure that quality training is provided.

17 Sec. 402. (1) In accordance with applicable state and federal
18 laws and regulations, the department shall maintain and ensure
19 compliance with CJIS databases and applications in the support of
20 public safety and law enforcement communities.

21 (2) The department shall improve the accuracy, timeliness, and
22 completeness of criminal history information by conducting a
23 minimum of 30 outreach activities targeted to criminal justice
24 agencies.

25 (3) The department shall provide for the compilation of crime
26 statistics consistent with the uniform crime reporting program and
27 the national incident-based report system.

(4) The department shall provide for the compilation and evaluation of traffic crash reports and the maintenance of the state accident data collection system.

(5) The department shall make traffic crash information available to the public at a reasonable cost. For bulk access to the accident records in which the vehicle identification number has been collected and computerized, the department shall make those records available to the public at cost, provided that the name and address have been excluded.

(6) In accordance with applicable state and federal laws and regulations, the department shall provide for the maintenance and dissemination of criminal history records and juvenile records, including to the extent necessary to exchange criminal history records information with the Federal Bureau of Investigation and other states through the interstate identification index, the National Crime Information Center, and other federal CJIS databases and indices.

(7) In accordance with applicable state and federal laws, the department shall provide for the maintenance of records, including criminal history records regarding firearms licensure.

(8) The department shall maintain the staff and resources necessary to maintain the sex offender registry and enforce the registration requirements as provided by law.

(9) The department shall provide information on the number of background checks processed through the Internet criminal history access tool (ICHAT) as provided in section 219.

(10) The following unexpended and unencumbered revenues

deposited into the criminal justice information service fee fund shall not lapse to the general fund, but shall be carried forward into the subsequent fiscal year:

(a) Fees for fingerprinting and criminal record checks and name-based criminal record checks pursuant to 1935 PA 120, MCL 28.271 to 28.273.

(b) Fees for application and licensing for initial and renewal concealed pistol licenses pursuant to 1927 PA 372, MCL 28.421 to 28.435.

(c) Fees for searching, copying, and providing public records pursuant to the freedom of information act, 1976 PA 442, MCL 15.231 to 15.246.

(d) Revenue from other sources, including, but not limited to, investment and interest earnings.

(11) Unexpended and unencumbered revenue generated by state records management system fees shall not lapse to the general fund, but shall be carried forward into the subsequent fiscal year.

Sec. 403. (1) The department shall provide forensic testing services to aid in criminal investigations.

(2) The department shall ensure its ability to maintain accreditation by the American Society of Crime Laboratory Directors/Laboratory Accreditation Board (ASCLD/LAB), or other federally designated accrediting agency, as provided under 42 USC 14132.

(3) The department shall provide forensic science services with an average turnaround time of 55 days, assuming an annual caseload volume commensurate with that received in fiscal year

2012-2013, and shall achieve a goal of a 30-day average turnaround time across all forensic science disciplines by December 31, 2017.

(4) The department shall provide the following data as provided in section 219:

(a) The average turnaround time for processing forensic evidence across all disciplines.

(b) Forensic laboratory staffing levels, including scientists in training, and vacancies.

(c) The number of backlogged cases in each discipline.

(5) The department shall maintain the staffing and resources necessary to provide forensic laboratory services with a goal of decreasing the firearms backlog annually until the department maintains a 30-day turnaround time across all disciplines, assuming an annual caseload volume of 5,200 cases received.

(6) The department shall maintain the staffing and resources necessary to provide forensic laboratory services with a goal of decreasing the backlog of toxicology cases annually until the department maintains a 30-day turnaround time across all disciplines, assuming an annual caseload volume of 20,000 cases received.

(7) If changes are made to the department's protocol for retaining and purging DNA analysis samples and records, the department shall post a copy of the protocol changes on the department's website.

(8) The department shall maintain the staffing and resources necessary to provide forensic laboratory services with a goal of decreasing the backlog of biology/DNA cases annually until the

department maintains a 30-day turnaround time across all disciplines, assuming an annual caseload volume of 10,500 biology/DNA cases received.

Sec. 404. (1) The biometrics and identification division shall house and manage the automated fingerprint identification system, the statewide network of agency photographs, and combined offender DNA index system biometric databases.

(2) The department shall provide data on the number of 10-print and palm-print submissions to the database, with a goal of at least 97% of submissions provided electronically as provided in section 219.

(3) The department shall maintain the staffing and resources necessary to have a 28-day average wait time for scheduling a polygraph examination, assuming an annual caseload received commensurate with fiscal year 2012-2013, with a goal of achieving a 15-day average wait time.

Sec. 405. Not later than October 31 of the subsequent fiscal year, the department shall submit a report to the subcommittees and senate and house fiscal agencies that includes, but is not limited to, all of the following information:

(a) Sexual assault kit analysis backlog at the beginning of the current fiscal year.

(b) The number of sexual assault kits collected or submitted for analysis during the current fiscal year.

(c) The number of sexual assault kits analyzed and the number of associated DNA profiles created and uploaded during the current fiscal year.

(d) Sexual assault kit analysis backlog at the ending of the current fiscal year.

(e) The average turnaround time to analyze sexual assault kits and to create and upload associated DNA profiles for the current fiscal year.

COMMISSION ON LAW ENFORCEMENT STANDARDS

Sec. 501. (1) MCOLES shall maintain the staffing and resources necessary to exercise the authority, powers, functions, and responsibilities necessary to establish standards for the selection, employment, training, education, licensing, and revocation of all law enforcement officers and provide the basic law enforcement training curriculum for law enforcement training academy programs statewide.

(2) MCOLES shall maintain staffing and resources necessary to update law enforcement standards within 120 days of the enactment date of any new legislation.

FIELD SERVICES

Sec. 601. (1) Department enlisted personnel who are employed to enforce traffic laws as provided in section 629e of the Michigan vehicle code, 1949 PA 300, MCL 257.629e, shall not be prohibited from responding to crimes in progress or other emergency situations and are responsible for making every effort to protect all residents of this state.

(2) The department shall maintain the staffing and resources necessary to continually work to enhance traffic safety throughout

the state and shall dedicate a minimum of 400,000 hours to statewide patrol, of which a minimum of 40,000 shall be committed to distressed cities in this state, and 4,000 shall be committed to Belle Isle.

(3) The department shall maintain the staffing and resources necessary to perform activities to maintain a 93% compliance rate for reporting by registered sex offenders.

(4) The department shall submit a report on or before December 1 to the subcommittees and senate and house fiscal agencies regarding the secure cities partnership during the prior fiscal year.

Sec. 602. (1) The department shall identify and apprehend criminals through criminal investigations in this state.

(2) The department shall maintain the staffing and resources necessary to provide a comparable number of hours investigating crimes as those performed in fiscal year 2012-2013.

(3) The department shall maintain the staffing and resources necessary to annually meet or exceed a case clearance rate of 62%.

(4) The department shall annually provide 4 training opportunities to local law enforcement partners with the goal of increasing their knowledge of gambling laws, trends, legal issues, and opioid-related investigations.

(5) The department shall maintain the staffing and resources necessary to increase the number of opioid-related investigations by 25% above the number of such investigations conducted in the 2014-15 fiscal year by multijurisdictional task forces and hometown security teams.

Sec. 603. (1) The department shall provide protection to this state, its economy, welfare, and vital state-sponsored programs through the prevention and suppression of organized smuggling of untaxed tobacco products in the state, through enforcement of the tobacco products tax act, 1993 PA 327, MCL 205.421 to 205.436, and other laws pertaining to combating criminal activity in this state, by maintaining a tobacco tax enforcement unit.

(2) The department shall submit an annual report on December 1 to the subcommittees, the senate and house appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget office that details expenditures and activities related to tobacco tax enforcement for the prior fiscal year.

(3) The tobacco tax enforcement unit shall dedicate a minimum of 16,600 hours to tobacco tax enforcement.

Sec. 604. (1) The department shall provide fire investigation services to citizens of this state through training and investigative assistance to public safety agencies in this state.

(2) The department shall maintain the staffing and resources necessary to maintain readiness to respond appropriately to at least the number of requests for fire investigation services that occurred in fiscal year 2010-2011 and shall be available for call out statewide 100% of the time.

Sec. 605. The funds appropriated in part 1 for Michigan International Speedway traffic control shall only be expended by the department as matching funds, on a dollar-for-dollar basis, for funds paid to the department by the Michigan International Speedway

for traffic control services provided by the department.

SPECIALIZED SERVICES

Sec. 701. (1) The department shall provide specialized services in support of, and to enhance, local, state, and federal law enforcement operations within this state in accordance with all applicable state and federal laws and regulations.

(2) The department shall operate the Michigan intelligence operation center for homeland security as the state's primary federally designated fusion center to receive, analyze, gather, and disseminate threat-related information among federal, state, local, tribal, and private sector partners.

(3) The department shall ensure public safety by providing public and private sector partners with timely and accurate information regarding critical information key resource threats as reported to or discovered by the Michigan intelligence operations center for homeland security and shall increase public awareness on how to report suspicious activity through website or telephone communications.

(4) The department shall maintain the staffing and resources necessary to provide training to maintain readiness to respond appropriately to at least the number of requests for specialty services which occurred in fiscal year 2010-2011.

(5) The canine unit shall be available for call out statewide 100% of the time.

(6) The bomb squad unit shall be available for call out statewide 100% of the time.

(7) The emergency support teams shall be available for call out statewide 100% of the time.

(8) The underwater recovery unit shall be available for call out statewide 100% of the time.

(9) Aviation services shall be available for call out statewide 100% of the time, unless prohibited by weather or unexpected mechanical breakdowns.

(10) The department shall maintain the staffing and resources necessary to support the cyber section, including the Michigan cyber command center, the computer crimes unit, and the Internet crimes against children task force. The department shall maintain the staffing and resources necessary to increase the number of cases completed by the computer crimes unit by 25% above the number of cases completed in the 2014-15 fiscal year.

Sec. 702. (1) The department shall maintain commercial vehicle regulation, school bus inspections, and enforcement activities, including enforcement of requirements concerning size, weight, and load restrictions; operating authority; registration; fuel taxes; transportation of hazardous materials; operations of new entrants; and commercial driver's licenses.

(2) The department shall maintain the staffing and resources necessary to meet inspection goals consistent with the department's federal motor carrier assistance program activities.

Sec. 703. (1) The department shall coordinate the mitigation, preparation, response, and recovery activities of municipal, county, state, and federal governments, and other governmental entities, for all hazards, disasters, and emergencies.

(2) The state director of emergency management may expend money appropriated under part 1 to call upon any agency or department of the state or any resource of the state to protect life or property or to provide for the health or safety of the population in any area of the state in which the governor proclaims a state of emergency or state of disaster under 1945 PA 302, MCL 10.31 to 10.33, or under the emergency management act, 1976 PA 390, MCL 30.401 to 30.421. The state director of emergency management may expend the amounts the director considers necessary to accomplish these purposes. The director shall submit to the state budget director as soon as possible a complete report of all actions taken under the authority of this section. The report shall contain, as a separate item, a statement of all money expended that is not reimbursable from federal money. The state budget director shall review the expenditures and submit recommendations to the legislature in regard to any possible need for a supplemental appropriation.

(3) In addition to the money appropriated in part 1, the department may receive and expend money from local, private, federal, or state sources for the purpose of providing emergency management training to local or private interests and for the purpose of supporting emergency preparedness, response, recovery, and mitigation activity. If additional expenditure authorization in the Michigan administrative information network is approved by the state budget office under this section, the department and the state budget office shall notify the subcommittees and the senate and house fiscal agencies within 10 days after the approval. The

notification shall include the amount and source and the additional authorization, the date of its approval, and the projected use of funds to be expended under the authorization.

(4) The department shall foster, promote, and maintain partnerships to protect this state and homeland from all hazards.

(5) The department shall maintain the staffing and resources necessary to do all of the following:

(a) Serve approximately 105 local emergency management preparedness programs and 88 local emergency planning committees in this state.

(b) Operate and maintain the state's emergency operations center and provide command and control in support of emergency response services.

(c) Maintain readiness, including training and equipment to respond to civil disorders and natural disasters commensurate with the capabilities of fiscal year 2010-2011.

(d) Perform hazardous materials response training.

(6) The department shall conduct a minimum of 3 training sessions to enhance safe response in the event of natural or manmade incidents, emergencies, or disasters.

(7) In addition to the funds appropriated in part 1, there is appropriated from the disaster and emergency contingency fund an amount necessary to cover costs related to any disaster or emergency as defined in the emergency management act, 1976 PA 390, MCL 30.401 to 30.421. Funds shall be expended as provided under sections 18 and 19 of the emergency management act, 1976 PA 390, MCL 30.418 and 30.419, and R 30.51 to R 30.61 of the Michigan

administrative code.

(8) Funds in the disaster and emergency contingency fund shall not be expended unless the state budget director approves the expenditure and the department and the state budget office notify the senate and house appropriations committees. If expenditures are made from the disaster and emergency contingency fund during a month, the department shall submit monthly reports to the house and senate fiscal agencies detailing the purpose of the expenditures. These monthly reports shall be submitted within 30 days after the end of the month during which funds from the disaster and emergency contingency fund were expended.

(9) Upon the declaration of a state of emergency or disaster by the governor pursuant to section 3 of the emergency management act, 1976 PA 390, MCL 30.403, approval of the state budget director, and notification of the subcommittees and house and senate fiscal agencies, the director may expend funds appropriated from any source to any line item within part 1 for the purpose of paying the necessary and reasonable expenses incurred by the department in responding to or mitigating the effects of any emergency or disaster as those terms are defined in section 2 of the emergency management act, 1976 PA 390, MCL 30.402.

Sec. 704. The department shall provide for the planning, administration, and implementation of highway traffic safety programs to save lives and reduce injuries on Michigan roads in partnership with other public and private organizations.

SECONDARY ROAD PATROL PROGRAM

Sec. 801. (1) The department shall provide funding to county sheriff departments to patrol secondary roads.

(2) The sheriffs' duties under the secondary road patrol program, as outlined in section 76(2) of 1846 RS 14, MCL 51.76, are to patrol and monitor traffic violations; to enforce the criminal laws of this state, violations of which are observed by or brought to the attention of the sheriff's department while patrolling and monitoring secondary roads; to investigate accidents involving motor vehicles; and to provide emergency assistance to persons on or near a highway or road the sheriff is patrolling and monitoring.

(3) The department shall provide the following information on secondary road patrol activities supported by appropriations in part 1, as provided in section 219:

(a) The number of funded full-time equivalent county sheriff secondary road patrol deputies.

(b) The number of hours dedicated to patrol under the secondary road patrol program, with an annual goal of at least 178,000 hours.

(4) The information required to be reported under subsection (3) shall be reported annually.

(5) The department shall request of each county receiving a grant, its total budget for all patrol functions from all budget sources.

ONE-TIME APPROPRIATIONS

Sec. 901. (1) Funding appropriated in part 1 for 1-time appropriations for the school safety initiative shall be used to

provide competitive grants to public or nonpublic schools, school districts, intermediate school districts, and county sheriffs' departments to purchase technology and equipment to improve the safety and security of school buildings, students, and staff. In addition or as an alternative, a grant application may include a request for money for consultation for the purposes of assessing a school building's or current security situation, ascertaining security vulnerabilities, and analyzing specified security upgrades.

(2) Of the grant funds awarded, up to 20% shall be awarded to county sheriffs' departments, with the balance awarded to public or nonpublic schools, school districts, or intermediate school districts without bias toward public or nonpublic institutions.

(3) The department shall issue grant guidance and application materials, including required performance measures, no later than November 1, 2016, and shall issue awards no later than February 28, 2017.

(4) The department shall report on grant activities to the subcommittees and the state budget office by December 1, 2017, including performance outcomes as identified in individual grant agreements.

Sec. 902. (1) Funding provided in part 1 for the sexual assault prevention and education initiative shall be used to provide and administer grants to public or nonpublic community colleges, colleges, and universities with a physical presence in the state to address campus sexual assault issues to improve the safety and security of students, faculty, and staff in campus

environments in this state.

(2) Grant funds awarded shall support sexual assault programs, including education, awareness, prevention, reporting, and bystander intervention programs.

(3) The department shall issue awards no later than December 1, 2016, with a grant period of 1-year.

(4) The department shall report on specific grant awards to the subcommittees and the state budget office by January 15, 2017. The report shall include what institution received each grant and in what amount.

(5) The department shall report on grant activities to the subcommittees and the state budget office by January 15, 2018. The report shall include a description of each institution's activities pertaining to its grant.

Sec. 903. (1) Funding provided in part 1 for the smart 9-1-1 pilot shall be used as matching funds to be paid to local units of government to match up to 1/2 the costs for the implementation of smart 9-1-1.

(2) If additional state funds become available for the smart 9-1-1 pilot, the total amount to be paid to local units of government shall increase proportionally to provide matching funds equal to the proportional change of the funding increase.

ARTICLE XVII

STATE TRANSPORTATION DEPARTMENT

PART 1

LINE-ITEM APPROPRIATIONS

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

STATE TRANSPORTATION DEPARTMENT

APPROPRIATION SUMMARY

Full-time equated unclassified positions 6.0	
Full-time equated classified positions 2,912.3	
GROSS APPROPRIATION	$ 4,114,487,900
Total interdepartmental grants and intradepartmental transfers	4,013,400
ADJUSTED GROSS APPROPRIATION	$ 4,110,474,500
Federal revenues:	
Federal aid - transportation programs	1,314,744,000
Total federal revenues	1,314,744,000
Special revenue funds:	
Local revenues	50,418,500
Private revenues	100,000
Total local and private revenues	50,518,500
Blue Water Bridge fund	42,450,200
Comprehensive transportation fund	320,500,700
Economic development fund	45,275,000
IRS debt service rebate	7,011,800
Intercity bus equipment fund	100,000
Local bridge fund	29,875,100
Michigan transportation fund	1,333,304,400
Qualified airport fund	8,775,000

1	Rail freight fund	6,000,000
2	State aeronautics fund	20,238,200
3	State trunkline fund	931,681,600
4	Total other state restricted revenues	2,745,212,000
5	State general fund/general purpose	$ 0
6	**Sec. 102. DEBT SERVICE**	
7	State trunkline	$ 194,076,400
8	Economic development	11,612,200
9	Local bridge fund	2,406,500
10	Blue Water Bridge fund	6,963,900
11	Airport safety and protection plan	4,616,400
12	Comprehensive transportation	18,249,900
13	GROSS APPROPRIATION	$ 237,925,300
14	Appropriated from:	
15	Federal revenues:	
16	Federal aid - transportation programs	45,767,900
17	Special revenue funds:	
18	Blue Water Bridge fund	6,963,900
19	Comprehensive transportation fund	18,249,900
20	Economic development fund	11,612,200
21	IRS debt service rebate	7,011,800
22	Local bridge fund	2,406,500
23	State aeronautics fund	4,616,400
24	State trunkline fund	141,296,700
25	State general fund/general purpose	$ 0
26	**Sec. 103. COLLECTION, ENFORCEMENT, AND OTHER AGENCY**	
27	**SUPPORT SERVICES**	

1	MTF grant to department of environmental quality	$ 1,335,100
2	MTF grant to department of state for collection of	
3	revenue and fees	20,000,000
4	MTF grant to department of treasury	2,684,100
5	MTF grant to legislative auditor general	100
6	STF grant to department of attorney general	2,429,200
7	STF grant to civil service commission	5,847,000
8	STF grant to department of technology, management, and	
9	budget	1,226,000
10	STF grant to department of state police	11,627,600
11	STF grant to department of treasury	157,900
12	STF grant to legislative auditor general	733,500
13	SAF grant to department of attorney general	177,600
14	SAF grant to civil service commission	150,000
15	SAF grant to department of technology, management, and	
16	budget	33,500
17	SAF grant to department of treasury	73,900
18	SAF grant to legislative auditor general	30,300
19	CTF grant to department of attorney general	204,500
20	CTF grant to civil service commission	200,000
21	CTF grant to department of technology, management, and	
22	budget	42,200
23	CTF grant to department of treasury	13,500
24	CTF grant to legislative auditor general	39,000
25	GROSS APPROPRIATION	$ 47,005,000
26	Appropriated from:	
27	Special revenue funds:	

1 Comprehensive transportation fund 499,200
2 Michigan transportation fund 24,019,300
3 State aeronautics fund 465,300
4 State trunkline fund 22,021,200
5 State general fund/general purpose ..... $ 0
6 **Sec. 104. EXECUTIVE DIRECTION**
7 Full-time equated unclassified positions 6.0
8 Full-time equated classified positions 29.3
9 Unclassified salaries ..... $ 754,000
10 Asset management council 1,626,400
11 Commission audit--29.3 FTE positions 3,335,900
12 GROSS APPROPRIATION ..... $ 5,716,300
13 Appropriated from:
14 Special revenue funds:
15 Michigan transportation fund 1,626,400
16 State trunkline fund 4,089,900
17 State general fund/general purpose ..... $ 0
18 **Sec. 105. BUSINESS SUPPORT**
19 Full-time equated classified positions 54.0
20 Business support services--44.0 FTE positions ..... $ 6,756,100
21 Economic development and enhancement programs--10.0
22 FTE positions 1,633,200
23 Property management 7,112,200
24 Worker's compensation 1,711,200
25 GROSS APPROPRIATION ..... $ 17,212,700
26 Appropriated from:
27 Special revenue funds:

1 Comprehensive transportation fund 1,835,100
2 Economic development fund 378,100
3 Michigan transportation fund 801,100
4 State aeronautics fund 752,100
5 State trunkline fund 13,446,300
6 State general fund/general purpose ..... $ 0
7 **Sec. 106. INFORMATION TECHNOLOGY**
8 Information technology services and projects ..... $ 32,364,500
9 GROSS APPROPRIATION ..... $ 32,364,500
10 Appropriated from:
11 Federal revenues:
12 Federal aid - transportation programs 520,500
13 Special revenue funds:
14 Blue Water Bridge fund 55,100
15 Comprehensive transportation fund 224,400
16 Economic development fund 37,200
17 Michigan transportation fund 293,300
18 State aeronautics fund 175,100
19 State trunkline fund 31,058,900
20 State general fund/general purpose ..... $ 0
21 **Sec. 107. FINANCE, CONTRACTS, AND SUPPORT SERVICES**
22 Full-time equated classified positions 186.0
23 Finance, contracts, and support services--186.0 FTE
24 positions ..... $ 21,791,700
25 GROSS APPROPRIATION ..... $ 21,791,700
26 Appropriated from:
27 Interdepartmental grant revenues:

1 IDG for accounting service center user charges 4,013,400
2 Special revenue funds:
3 Michigan transportation fund 1,621,700
4 State trunkline fund 16,156,600
5 State general fund/general purpose ..... $ 0
6 **Sec. 108. TRANSPORTATION PLANNING**
7 Full-time equated classified positions 140.0
8 Planning services--140.0 FTE positions ..... $ 38,481,100
9 Grants to regional planning councils 488,800
10 GROSS APPROPRIATION ..... $ 38,969,900
11 Appropriated from:
12 Federal revenues:
13 Federal aid - transportation programs 19,250,000
14 Special revenue funds:
15 Comprehensive transportation fund 610,500
16 Michigan transportation fund 9,571,400
17 State aeronautics fund 15,000
18 State trunkline fund 9,523,000
19 State general fund/general purpose ..... $ 0
20 **Sec. 109. DESIGN AND ENGINEERING SERVICES**
21 Full-time equated classified positions 1,589.3
22 Program development, delivery, and systems
23 operations--1,539.3 FTE positions ..... $ 166,199,900
24 Welcome center operations--50.0 FTE positions 4,532,800
25 GROSS APPROPRIATION ..... $ 170,732,700
26 Appropriated from:
27 Federal revenues:

1 Federal aid – transportation programs 23,529,800
2 Special revenue funds:
3 Michigan transportation fund 12,246,000
4 State trunkline fund 134,956,900
5 State general fund/general purpose ..... $ 0
6 **Sec. 110. HIGHWAY MAINTENANCE**
7 Full-time equated classified positions 743.7
8 State trunkline operations--743.7 FTE positions ..... $ 303,948,000
9 GROSS APPROPRIATION ..... $ 303,948,000
10 Appropriated from:
11 Special revenue funds:
12 State trunkline fund 303,948,000
13 State general fund/general purpose ..... $ 0
14 **Sec. 111. ROAD AND BRIDGE PROGRAMS**
15 State trunkline federal aid and road and bridge
16 construction ..... $ 1,068,176,900
17 Local federal aid and road and bridge construction ... 272,511,000
18 Grants to local programs 33,000,000
19 Rail grade crossing 3,000,000
20 Rail grade crossing - surface improvements 3,000,000
21 Local bridge program 27,468,600
22 County road commissions 797,470,600
23 Cities and villages 444,625,500
24 GROSS APPROPRIATION ..... $ 2,649,252,600
25 Appropriated from:
26 Federal revenues:
27 Federal aid – transportation programs 1,030,225,800

1 Special revenue funds:
2 Local funds 30,000,000
3 Blue Water Bridge fund 28,998,100
4 Local bridge fund 27,468,600
5 Michigan transportation fund 1,281,096,100
6 State trunkline fund 251,464,000
7 State general fund/general purpose ..... $ 0
8 **Sec. 112. BLUE WATER BRIDGE**
9 Full-time equated classified positions 41.0
10 Blue Water Bridge operations--41.0 FTE positions ..... $ 6,433,100
11 GROSS APPROPRIATION ..... $ 6,433,100
12 Appropriated from:
13 Special revenue funds:
14 Blue Water Bridge fund 6,433,100
15 State general fund/general purpose ..... $ 0
16 **Sec. 113. TRANSPORTATION ECONOMIC DEVELOPMENT**
17 Forest roads ..... $ 5,000,000
18 Rural county urban system 2,500,000
19 Target industries/economic redevelopment 9,423,700
20 Urban county congestion 8,161,900
21 Rural county primary 8,161,900
22 GROSS APPROPRIATION ..... $ 33,247,500
23 Appropriated from:
24 Special revenue funds:
25 Economic development fund 33,247,500
26 State general fund/general purpose ..... $ 0
27 **Sec. 114. AERONAUTICS SERVICES**

1 Full-time equated classified positions 54.0
2 Aviation services--54.0 FTE positions ..... $ 7,648,800
3 Air service program 250,000
4 GROSS APPROPRIATION ..... $ 7,898,800
5 Appropriated from:
6 Special revenue funds:
7 State aeronautics fund 7,898,800
8 State general fund/general purpose ..... $ 0
9 **Sec. 115. PUBLIC TRANSPORTATION SERVICES**
10 Full-time equated classified positions 36.0
11 Passenger transportation services--36.0 FTE positions $ 5,740,500
12 GROSS APPROPRIATION ..... $ 5,740,500
13 Appropriated from:
14 Federal revenues:
15 Federal aid - transportation programs 972,100
16 Special revenue funds:
17 Comprehensive transportation fund 4,768,400
18 State general fund/general purpose ..... $ 0
19 **Sec. 116. BUS TRANSIT DIVISION: STATUTORY OPERATING**
20 Local bus operating ..... $ 186,250,000
21 Nonurban operating/capital 26,027,900
22 GROSS APPROPRIATION ..... $ 212,277,900
23 Appropriated from:
24 Federal revenues:
25 Federal aid - transportation programs 24,027,900
26 Special revenue funds:
27 Local funds 2,000,000

1	Comprehensive transportation fund	186,250,000
2	State general fund/general purpose	$ 0
3	**Sec. 117. INTERCITY PASSENGER**	
4	Full-time equated classified positions 39.0	
5	Office of rail--39.0 FTE positions	$ 6,427,700
6	Freight property management	1,000,000
7	Detroit/Wayne County Port Authority	468,200
8	Intercity services	6,250,000
9	Rail operations and infrastructure	118,894,800
10	Marine passenger service	400,000
11	Terminal development	300,000
12	GROSS APPROPRIATION	$ 133,740,700
13	Appropriated from:	
14	Federal revenues:	
15	Federal aid - transportation programs	64,600,000
16	Special revenue funds:	
17	Local funds	150,000
18	Private funds	100,000
19	Comprehensive transportation fund	60,043,000
20	Intercity bus equipment fund	100,000
21	Michigan transportation fund	2,029,100
22	Rail freight fund	6,000,000
23	State trunkline fund	718,600
24	State general fund/general purpose	$ 0
25	**Sec. 118. PUBLIC TRANSPORTATION DEVELOPMENT**	
26	Specialized services	$ 17,938,900
27	Municipal credit program	2,000,000

1	Transit capital	53,907,100
2	Van pooling	195,000
3	Service initiatives	2,889,200
4	Transportation to work	3,700,000
5	GROSS APPROPRIATION	$ 80,630,200
6	Appropriated from:	
7	Federal revenues:	
8	Federal aid – transportation programs	26,850,000
9	Special revenue funds:	
10	Local funds	5,760,000
11	Comprehensive transportation fund	48,020,200
12	State general fund/general purpose	$ 0
13	**Sec. 119. CAPITAL OUTLAY**	
14	**(1) BUILDINGS AND FACILITIES**	
15	Special maintenance, remodeling, and additions	$ 3,001,500
16	GROSS APPROPRIATION	$ 3,001,500
17	Appropriated from:	
18	State trunkline fund	3,001,500
19	State general fund/general purpose	0
20	**(2) AIRPORT IMPROVEMENT PROGRAMS**	
21	Airport safety, protection, and improvement program ..	$ 97,824,000
22	Detroit Metropolitan Wayne County Airport	8,775,000
23	GROSS APPROPRIATION	$ 106,599,000
24	Appropriated from:	
25	Federal revenues:	
26	Federal aid – transportation programs	79,000,000
27	Special revenue funds:	

Local funds		12,508,500
State aeronautics fund		6,315,500
Qualified airport fund		8,775,000
State general fund/general purpose	$	0

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FOR FISCAL YEAR 2016-2017

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2016-2017 is $2,745,212,000.00 and state spending from state resources to be paid to local units of government for fiscal year 2016-2017 is $1,583,461,200.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

STATE TRANSPORTATION DEPARTMENT

Grants to regional planning councils	$	488,800
Grants to local programs		33,000,000
Rail grade crossing		3,000,000
Rail grade crossing - surface improvements		3,000,000
Local bridge program		27,468,600
Grants to county road commissions		797,470,600
Grants to cities and villages		444,625,500
Economic development fund		23,823,800
Air service program		250,000

Local bus operating	186,250,000
Detroit/Wayne County Port Authority	468,200
Marine passenger service	400,000
Terminal development	300,000
Specialized services	3,853,900
Municipal credit program	2,000,000
Transit capital	37,357,100
Service initiatives	914,200
Transportation to work	3,700,000
Airport safety, protection, and improvement program	6,315,500
Detroit metropolitan Wayne County airport	8,775,000
Total payments to local units of government	$ 1,583,461,200

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

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

(a) "CTF" means comprehensive transportation fund.

(b) "Department" means the state transportation department.

(c) "Director" means the director of the department.

(d) "DOT" means the United States Department of Transportation.

(e) "DOT-FHWA" means DOT, Federal Highway Administration.

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

(g) "IDG" means interdepartmental grant.

(h) "IRS" means the Internal Revenue Service.

(i) "MTF" means Michigan transportation fund.

(j) "SAF" means state aeronautics fund.

(k) "STF" means state trunkline fund.

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

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

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

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

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

(a) The dates of each travel occurrence.

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

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

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

1 senate and house fiscal agencies.

2 Sec. 210. (1) In addition to the funds appropriated in part 1,
3 there is appropriated an amount not to exceed $200,000,000.00 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 pursuant to section 393(2) of the management and budget
7 act, 1984 PA 431, MCL 18.1393.

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

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

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

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

website accessible by the public at no cost that includes, but is not limited to, all of the following:

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

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

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

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

(e) Job specifications and wage rates.

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

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

Sec. 214. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2017 are $70,450,500.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at

$39,063,000.00. Total agency appropriations for retiree health care legacy costs are estimated at $31,387,500.00.

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

Sec. 216. In addition to the metrics required under section 447 of the management and budget act, 1984 PA 431, MCL 18.1447, for each new program or program enhancement for which funds in excess of $500,000.00 are appropriated in part 1, the department shall provide not later than November 1, 2016 a list of program-specific metrics intended to measure its performance based on a return on taxpayer investment. The department shall deliver the program-specific metrics to members of the senate and house subcommittees that have subject matter jurisdiction for this budget, fiscal agencies, and the state budget director. The department shall provide an update on its progress in tracking program-specific metrics and the status of program success at an appropriations subcommittee meeting called for by the subcommittee chair.

Sec. 217. The department shall provide notice to the speaker of the house, the house minority leader, the senate majority leader, the senate minority leader, the house and senate standing committees on transportation, the appropriate house and senate appropriations subcommittees on transportation, and the house and senate fiscal agencies on proposed federal rule changes related to the department that would require amendments to the laws of this state. The notice shall be given within 30 business days of the proposed federal rule being posted to the federal register and

shall include a description of the proposed federal rule, the publication date, the date when public comment closes, the document citation, and a description of the statutory changes needed when the rule is finalized.

DEPARTMENTAL SECTIONS

Sec. 301. (1) The department may establish a fee schedule and collect fees sufficient to cover the costs to issue the permits that the department is authorized by law to issue upon request, unless otherwise stipulated by law. All permit fees are nonrefundable application fees and shall be credited to the appropriate fund to recover the direct and indirect costs of receiving, reviewing, and processing the requests.

(2) A bridge authority shall hold 3 public hearings on an increase in any toll charged by the authority at least 30 days before the toll change will become effective. Two of the hearings shall be held within 5 miles of the bridge over which the bridge authority has jurisdiction. One hearing shall be held in Lansing. Public hearings held under this section shall be conducted in accordance with the open meetings act, 1976 PA 267, MCL 15.261 to 15.275, and shall be conducted so as to provide a reasonable opportunity for public comment, including both spoken and written comments.

Sec. 304. If, as a requirement of bidding on a highway project, the department requires a contractor to submit financial or proprietary documentation as to how the bid was calculated, that bid documentation shall be kept confidential and shall not be

disclosed other than to a department representative without the contractor's written consent. The department may disclose the bid documentation if necessary to address or defend a claim by a contractor.

Sec. 305. (1) The department may permit space on public passenger transportation properties to be occupied by public or private tenants on a competitive market rate basis. The department shall require that revenue from the tenants be placed in an account to be used to pay the costs to maintain and improve the property.

(2) The department shall charge public transit agencies and intercity bus carriers equal rates per square foot for leasing space in state-owned intermodal facilities.

Sec. 306. (1) The amounts appropriated in part 1 to support tax and fee collection, law enforcement, and other program services provided to the department and to transportation funds by other state departments shall be expended from transportation funds pursuant to annual contracts between the department and those other state departments. The contracts shall be executed prior to the expenditure or obligation of those funds. The contracts shall provide, but are not limited to, the following data applicable to each state department:

(a) Estimated costs to be recovered from transportation funds.

(b) Description of services provided to the department and/or transportation funds and financed with transportation funds.

(c) Detailed cost allocation methods appropriate to the type of services being provided and the activities financed with transportation funds.

(2) Not later than 2 months after publication of the state of Michigan comprehensive annual financial report, each state department receiving funding pursuant to an interdepartment contract with the department shall submit a written report to the department, the state budget director, and the house and senate fiscal agencies stating by spending authorization account the amount of estimated funds contracted with the department, the amount of funds expended, the amount of funds returned to the transportation funds, and any unreimbursed transportation-related costs incurred but not billed to transportation funds. A copy of the report shall be submitted to the auditor general, and the report shall be subject to audit.

Sec. 307. Before March 1 of each year, the department will provide to the legislature, the state budget office, and the house and senate fiscal agencies its rolling 5-year plan listing by county or by county road commission all highway construction projects for the fiscal year and all expected projects for the ensuing fiscal years.

Sec. 310. The department shall provide in a timely manner copies of the agenda and approved minutes of monthly transportation commission meetings to the members of the house and senate appropriations subcommittees on transportation, the house and senate fiscal agencies, and the state budget director.

Sec. 313. (1) From funds appropriated in part 1, the department may increase a state infrastructure bank program and grant or loan funds in accordance with regulations of the state infrastructure bank program of the United States Department of

Transportation. The state infrastructure bank is to be administered by the department for the purpose of providing a revolving, self-sustaining resource for financing transportation infrastructure projects.

(2) In addition to funds provided in subsection (1), money received by the state as federal grants, repayment of state infrastructure bank loans, or other reimbursement or revenue received by the state as a result of projects funded by the program and interest earned on that money shall be deposited in the revolving state infrastructure bank fund and shall be available for transportation infrastructure projects. At the close of the fiscal year, any unencumbered funds remaining in the state infrastructure bank fund shall remain in the fund and be carried forward into the succeeding fiscal year.

(3) The department shall submit a report to the state budget director, the house and senate appropriations subcommittees on transportation, and the house and senate fiscal agencies on the status of the state infrastructure bank. The report shall be submitted on or before December 1, 2016. The report shall include all of the following:

(a) The balance in the state infrastructure bank at September 30, 2016, including a breakdown of the balance by cash and cash equivalents, outstanding loans, and balance available for loan to local agencies.

(b) A breakdown of the state infrastructure loan balance by amounts designated as originating from federal sources and the amounts originating from nonfederal sources.

(c) A list of outstanding loans by agency, original loan amount, project description, loan term, and amount outstanding.

Sec. 353. The department shall review its contractor payment process and ensure that all prime contractors are paid promptly. The department shall ensure that prime contractors are in compliance with special provision 109.10 regarding the prompt payment of subcontractors.

Sec. 357. When presented with complete local federal aid project submittals, the department shall complete all necessary reviews and inspections required to let local federal aid projects within 120 days of receipt. The department shall implement a system for monitoring the local federal aid project review process.

Sec. 375. The department is prohibited from reimbursing contractors or consultants for costs associated with groundbreaking ceremonies, receptions, open houses, or press conferences related to transportation projects funded, in whole or in part, by revenue appropriated in part 1.

Sec. 376. The department shall not spend funds appropriated in part 1 for the purpose of examining the potential association between commercial signs, outdoor advertising signs, billboards, digital billboards, or commercial electronic variable message signs and motor vehicle activity or motor vehicle driver behavior.

Sec. 381. The department shall require as a condition of each contract or subcontract for construction, maintenance, or engineering services that the prequalified contractor or prequalified subcontractor agree to use the E-Verify system to verify that all persons hired during the contract term by the

contractor or subcontractor are legally present and authorized to work in the United States. The department may verify this information directly or may require contractors and subcontractors to verify the information and submit a certification to the department. The department shall report to the house and senate appropriations committees and the house and senate fiscal agencies by March 1 of each year describing the processes it has developed and implemented under provisions of this section. As used in this section, "E-Verify" means an Internet-based system operated by the Department of Homeland Security, U.S. Citizenship and Immigration Services in partnership with the Social Security Administration.

Sec. 382. In administering a contract with a county road commission, city, or village that allocates costs of construction or reconstruction of highways, roads, and streets as provided in section 18d of 1951 PA 51, MCL 247.668d, the department shall submit the final cost-sharing bill to the county road commission, city, or village not later than 2 years after the date of the final contract payment to the construction contractor.

Sec. 383. (1) The department shall prepare a report on use of department-owned aircraft during the fiscal year ending September 30, 2016. With respect to each department-owned aircraft, the report shall include all of the following:

(a) Total hours of usage.

(b) Description of specific flights including dates of travel, names of passengers including state agency, university, or local government affiliation, travel origin and destination, and total estimated costs associated with the air travel.

(2) The report shall be submitted to the senate and house appropriations subcommittees on transportation and the house and senate fiscal agencies no later than February 1, 2017.

(3) The department shall maintain a system for recovering the cost of operating department-owned aircraft through charges to aircraft users.

(4) From the funds appropriated in part 1, the department is prohibited from transporting legislators or legislative staff on state-owned aircraft without prior approval from the senate majority leader or the speaker of the house of representatives and only when the aircraft is already scheduled by state agencies on related official state business.

Sec. 384. (1) Except as otherwise provided in subsection (2), the department shall not obligate the state to expend any state transportation revenue for construction planning or construction of the Detroit River International Crossing or a renamed successor. In addition, except as provided in subsection (2), the department shall not commit the state to any new contract related to the construction planning or construction of the Detroit River International Crossing or a renamed successor that would obligate the state to expend any state transportation revenue. An expenditure for staff resources used in connection with project activities, which expenditure is subject to full and prompt reimbursement from Canada, shall not be considered an expenditure of state transportation revenue.

(2) If the legislature enacts specific enabling legislation for the construction of the Detroit River International Crossing or

a renamed successor, subsection (1) does not apply once the enabling legislation goes into effect.

Sec. 385. (1) The department shall submit reports to the state budget director, the speaker of the house, the house minority leader, the senate majority leader, the senate minority leader, the house and senate appropriations subcommittees on transportation, and the house and senate fiscal agencies on department activities related to all nonconstruction or construction planning activities related to the Detroit River International Crossing or a renamed successor. The initial report shall be submitted on or before December 1, 2016 and shall cover the fiscal year ending September 30, 2016.

(2) The initial report shall include, at a minimum, all of the following:

(a) Department costs incurred in the fiscal year ending September 30, 2016, including employee salaries, wages, benefits, travel, and contractual services, and what activities those costs were related to.

(b) Costs of other executive branch agencies incurred in the fiscal year ending September 30, 2016, including employee salaries, wages, benefits, travel, and contractual services, and what activities those costs were related to.

(c) A breakdown of the source of funds used for the activities described in subdivisions (a) and (b).

(d) A breakdown of reimbursements made by Canada under section 384(1) to the state for expenditures for staff resources used in connection with project activities.

(e) A narrative description of the status of the Detroit River International Crossing or a renamed successor, including efforts undertaken to implement provisions of the crossing agreement executed June 15, 2012 by representatives of the Canadian government and this state.

(3) After submission of the initial report, a subsequent report shall be submitted on March 1, 2017, June 1, 2017, and September 1, 2017 and shall include the same information described in subsection (2) for the applicable previous fiscal quarter.

Sec. 393. The department shall promote best practices for public transportation services in this state, including, but not limited to, the following:

(a) Transit vehicle rehabilitation to reduce life-cycle cost of public transportation through midlife rehabilitation of transit buses.

(b) Cooperation between entities using transit, including school districts, cities, townships, and counties with a view to promoting cost savings through joint purchasing of fuel and other procurements.

(c) Coordination of transportation dollars among state departments which provide transit-related services, including the department of health and human services. Priority should be given to use of public transportation services where available.

(d) Promotion of intelligent transportation services for buses that incorporate computer and navigation technology to make transit systems more efficient, including stoplight coordinating, vehicle tracking, data tracking, and computerized scheduling.

Sec. 394. The department and local road agencies shall make the preservation of their existing road networks a funding priority.

Sec. 395. From the funds appropriated in part 1 for state trunkline federal aid road and bridge construction, the department may expend up to $10,000,000.00 on highway maintenance activities to support safety-related, high-priority, and other deferred routine maintenance needs on Michigan's state trunkline network.

FEDERAL

Sec. 402. A portion of the federal DOT-FHWA highway research, planning, and construction funds made available to this state shall be allocated to transportation programs administered by local jurisdictions in accordance with section 10o of 1951 PA 51, MCL 247.660o. A local road agency, with respect to a project approved for federal aid funding in a state transportation improvement program, may enter into a voluntary buyout agreement with the department or with another local road agency to exchange the federal aid with state restricted transportation funds as agreed to by the respective parties. The state restricted transportation funds received in exchange for federal aid funds shall be used for the same purpose as the federal aid funds were originally intended.

MICHIGAN TRANSPORTATION FUND

Sec. 501. The money received under the motor carrier act, 1933 PA 254, MCL 475.1 to 479.42, and not appropriated to the department of licensing and regulatory affairs or the department of state

police is deposited in the Michigan transportation fund.

Sec. 503. (1) The funds appropriated in part 1 for the economic development and local bridge programs shall not lapse at the end of the fiscal year but shall carry forward each fiscal year for the purposes for which appropriated in accordance with 1987 PA 231, MCL 247.901 to 247.913, and section 10(5) of 1951 PA 51, MCL 247.660.

(2) Interest earned in the department of transportation economic development fund and local bridge fund shall remain in the respective funds and shall be allocated to the respective programs based on actual interest earned at the end of each fiscal year.

(3) In addition to the funds appropriated in part 1, the department of transportation economic development fund and local bridge fund may receive federal, local, or private funds or restricted source funds such as interest earnings. These funds are appropriated for projects that are consistent with the purposes of the respective funds.

(4) None of the funds statutorily dedicated to the transportation economic development fund and local bridge fund shall be diverted to other projects.

Sec. 504. Funds from the Michigan transportation fund shall be distributed to the comprehensive transportation fund, the economic development fund, the recreation improvement fund, and the state trunkline fund, in accordance with this part and part 1 and part 711 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.71101 to 324.71108, and may only be used as specified in this part and part 1, 1951 PA 51, MCL 247.651 to

247.675, and part 711 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.71101 to 324.71108.

Sec. 505. If roads innovation funds are not released by a 1-time concurrent resolution pursuant to section 1j(5) of 1951 PA 51, MCL 247.651j, on or before October 1, 2016, the department shall prepare a report that specifies the portions of total Michigan transportation fund distributions to be withheld from the state trunkline fund and each local road agency. The department shall present the report to the state budget director, the senate and house appropriations subcommittees on transportation, the senate and house standing committees on transportation, and the senate and house fiscal agencies on or before November 1, 2016.

STATE TRUNKLINE FUND

Sec. 604. At the close of the fiscal year, any unencumbered and unexpended balance in the state trunkline fund shall remain in the state trunkline fund and shall carry forward and is appropriated for federal aid road and bridge programs for projects contained in the annual state transportation program.

Sec. 612. The department shall establish guidelines governing incentives and disincentives provided under contracts for state trunkline projects. The guidelines shall include specific financial information concerning incentives and disincentives. On or before January 1 of each year, the department shall prepare a report for the immediately preceding fiscal year regarding contract incentives and disincentives. This report shall include a list, by project, of the contractors that received contract incentives and/or

disincentives, the amount of the incentives and/or disincentives, the fund source of any incentives, and the number of days that each project was completed either ahead or past the contracted completion date. This report shall be provided to the senate and house appropriations subcommittees on transportation, the senate and house standing committees on transportation, and the senate and house fiscal agencies.

TRANSIT AND RAIL RELATED FUNDS

Sec. 701. The department shall establish an intercity bus equipment and facility fund as a subsidiary fund within the comprehensive transportation fund created under section 10b of 1951 PA 51, MCL 247.660b. Proceeds received by this state from the sale of state-owned intercity bus equipment shall be credited to the intercity bus equipment and facility fund for the purchase and repair of intercity bus equipment, as appropriated. Security deposits not returned to a lessee of state-owned intercity bus equipment under terms of the lease agreement shall be credited to the intercity bus equipment and facility fund for the repair of intercity bus equipment, as appropriated. Money received by the department from lease payments for state-owned intercity bus equipment, and facility maintenance charges under terms of leases of state-owned intercity facilities, shall be credited to the intercity bus equipment and facility fund for the purchase and repair of intercity bus equipment or for the maintenance and rehabilitation of state-owned intercity facilities, as appropriated. At the close of the fiscal year, any funds remaining

in the intercity bus equipment and facility fund shall remain in the fund and be carried forward into the succeeding fiscal year.

Sec. 702. Money that is received by this state as repayment for loans made for rail or water freight capital projects, and as a result of the sale of property or equipment used or projected to be used for rail or water freight projects shall be deposited in the rail freight fund created by section 17 of the state transportation preservation act of 1976, 1976 PA 295, MCL 474.67. At the close of the fiscal year, any funds remaining in the rail freight fund shall remain in the fund and be carried forward into the succeeding fiscal year.

Sec. 706. The Detroit/Wayne County Port Authority shall issue a complete operations assessment and a financial disclosure statement. The operations assessment shall include operational goals for the next 5 years and recommendations to improve land acquisition and development efficiency. The report shall be completed and submitted to the house of representatives and senate appropriations subcommittees on transportation, the state budget director, and the house and senate fiscal agencies by February 15 of each fiscal year for the prior fiscal year.

Sec. 711. (1) As prescribed in subsection (2), the department shall submit reports to the state budget director, the house and senate appropriations subcommittees on transportation, and the house and senate fiscal agencies on rail passenger service provided by Amtrak under a contractual agreement with the department. The report shall be submitted on or before May 1 of each year.

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

(a) Passenger counts for the preceding fiscal year for each of the 3 Amtrak routes in Michigan.

(b) Revenue and operating expenses by Amtrak route.

(c) Total state operating payments to Amtrak in the preceding fiscal year by Amtrak route.

(d) A discussion of major factors affecting route costs and revenue and net state costs in the preceding fiscal year, and factors affecting route costs and revenue and net state costs anticipated in the current and future fiscal years.

Sec. 713. On or before November 1, 2016, the department shall report to the state budget director, the house and senate appropriations subcommittees on transportation, and the house and senate fiscal agencies on the status of commuter rail demonstration projects in the state, including the disposition of rail cars leased by the department for commuter rail service.

Sec. 735. For the fiscal year ending September 30, 2017, the appropriation to a street railway pursuant to section 10e(22) of 1951 PA 51, MCL 247.660e, is $0.

AERONAUTICS FUND

Sec. 801. Except as otherwise provided in section 903 for capital outlay, at the close of the fiscal year, any unobligated and unexpended balance in the state aeronautics fund created in the aeronautics code of the state of Michigan, 1945 PA 327, MCL 259.1 to 259.208, shall lapse to the state aeronautics fund and be appropriated by the legislature in the immediately succeeding fiscal year.

Sec. 802. The legislature encourages the department to find private entities or local public agencies to assume ownership and operating responsibility for airports currently owned by the department.

CAPITAL OUTLAY

Sec. 901. (1) From federal-state-local project appropriations contained in part 1 for the purpose of assisting political entities and subdivisions of this state in the construction and improvement of publicly used airports and landing fields within this state, the state transportation department may permit the award of contracts on behalf of units of local government for the authorized locations not to exceed the indicated amounts, of which the state allocated portion shall not exceed the amount appropriated in part 1.

(2) Political entities and subdivisions shall provide not less than 5% of the cost of any project under this section, unless a total nonfederal share greater than 10% is otherwise specified in federal law. State money shall not be allocated until local money is allocated. State money for any 1 project shall not exceed 1/3 of the total appropriation in part 1 from state funds for airport improvement programs.

(3) The Michigan aeronautics commission may take those steps necessary to match federal money available for airport construction and improvement within this state and to meet the matching requirements of the federal government. Whether acting alone or jointly with another political subdivision or public agency or with this state, a political subdivision or public agency of this state

shall not submit to any agency of the federal government a project application for airport planning or development unless it is authorized in this part and part 1 and the project application is approved by the governing body of each political subdivision or public agency making the application and by the Michigan aeronautics commission.

Sec. 903. The appropriations in part 1 for capital outlay shall be carried forward at the end of the fiscal year consistent with the provisions of section 248 of the management and budget act, 1984 PA 431, MCL 18.1248.