

**SUBSTITUTE FOR
HOUSE BILL NO. 5595**

A bill to make appropriations for the departments of attorney general, civil rights, civil service, management and budget, state, and treasury, the executive office, and the legislative branch for the fiscal year ending September 30, 1999; to provide for the expenditure of these appropriations; to provide for the funding of certain work projects; to provide for the imposition of certain fees; to establish or continue certain funds, programs, and categories; to prescribe certain requirements for bidding on state contracts; to provide for disposition of year-end balances for the fiscal year ending September 30, 1999; to prescribe the powers and duties of certain principal executive departments and state agencies, officials, and employees; and to provide for the disposition of fees and other income received by the various principal executive departments and state agencies.

HB5595, As Passed House, May 13, 1998

Sub. H.B. 5595 (H-1) as amended May 12 and 13, 1998

2

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 PART 1

2 LINE-ITEM APPROPRIATIONS

3 Sec. 101. Subject to the conditions set forth in this act, the
4 amounts listed in this part are appropriated for the departments of
5 attorney general, civil rights, civil service, management and budget,
6 state, and treasury, the executive office, the legislative branch, and
7 certain other state purposes, for the fiscal year ending September 30,
8 1999, from the funds indicated in this part. The following is a summary
9 of the appropriations in this part:

10 TOTAL GENERAL GOVERNMENT

11	Full-time equated unclassified positions.....	42.0
12	Full-time equated classified positions.....	[5,902.1]
13	Full-time equated exempted positions.....	140.0
14	GROSS APPROPRIATION.....	\$ [2,347,495,300]
15	Interdepartmental grant revenues:	
16	Total interdepartmental grants and intradepartmental	
17	transfers.....	[126,162,700]
18	ADJUSTED GROSS APPROPRIATION.....	\$ [2,221,332,600]
19	Federal revenues:	
20	Total federal revenues.....	53,857,400
21	Special revenue funds:	
22	Total local revenues.....	3,437,000
23	Total private revenues.....	2,652,500
24	Total other state restricted revenues.....	1,704,850,700
25	State general fund/general purpose.....	\$ [456,535,000]

05369'98 (H-1)

HB5595, As Passed House, May 13, 1998

House Bill No. 5595

3

For Fiscal Year Ending
September 30, 1999

1	Sec. 102. DEPARTMENT OF ATTORNEY GENERAL	
2	(1) APPROPRIATION SUMMARY:	
3	Full-time equated unclassified positions.....	6.0
4	Full-time equated classified positions.....	565.0
5	GROSS APPROPRIATION.....	\$ 52,801,300
6	Interdepartmental grant revenues:	
7	Total interdepartmental grants and intradepartmental	
8	transfers.....	8,177,800
9	ADJUSTED GROSS APPROPRIATION.....	\$ 44,623,500
10	Federal revenues:	
11	Total federal revenues.....	6,242,100
12	Special revenue funds:	
13	Total local revenues.....	0
14	Total private revenues.....	1,068,900
15	Total other state restricted revenues.....	6,440,300
16	State general fund/general purpose.....	\$ 30,872,200
17	(2) ATTORNEY GENERAL OPERATIONS	
18	Full-time equated unclassified positions.....	6.0
19	Full-time equated classified positions.....	565.0
20	Attorney general.....	\$ 124,900
21	Unclassified positions--5.0 FTE positions.....	249,400
22	Attorney general operations--546.5 FTE positions.....	50,649,900
23	Prosecuting attorneys coordinating council--18.5 FTE	
24	positions.....	1,477,100
25	PACC, training project.....	<u>300,000</u>
26	GROSS APPROPRIATION.....	\$ 52,801,300

05369'98 (H-1)

HB5595, As Passed House, May 13, 1998

House Bill No. 5595

4

For Fiscal Year Ending
September 30, 1999

1	Appropriated from:	
2	Interdepartmental grant revenues:	
3	IDG from FIA.....	1,621,700
4	IDG from MDCIS, liquor purchase revolving fund.....	774,600
5	IDG from MDCIS, public utility assessments.....	1,469,500
6	IDG from MDCIS, health services.....	867,900
7	IDG from MDCIS, financial and insurance services.....	91,800
8	IDG from MDSP, Michigan justice training fund.....	300,000
9	IDG from MDOT, state aeronautics fund.....	109,800
10	IDG from MDOT, state trunkline fund.....	2,246,400
11	IDG from MDOT, comprehensive transportation fund.....	116,600
12	IDG from Michigan gaming control board.....	579,500
13	Federal revenues:	
14	DAG, state administrative match grant/food stamps....	958,100
15	DED-OPSE, student loan, federal lender allowance.....	256,900
16	DOL-ETA, unemployment insurance.....	1,220,300
17	DOL-OSHA, occupational safety and health.....	237,800
18	EPA, multiple grants.....	329,000
19	Federal funds.....	491,100
20	HHS-OS, state medicaid fraud control units.....	2,260,000
21	HHS, medical assistance, medigrant.....	488,900
22	Special revenue funds:	
23	Private - accident fund company revenue.....	1,068,900
24	Antitrust enforcement collections.....	278,100
25	Auto repair facilities fees.....	170,700
26	Collections revenue.....	532,400

05369'98 (H-1)

HB5595, As Passed House, May 13, 1998

House Bill No. 5595

5

For Fiscal Year Ending
September 30, 1999

1	Corporate fees.....	56,200
2	Franchise fees.....	213,700
3	Game and fish protection fund.....	605,300
4	Low level radioactive waste management fund.....	221,600
5	Michigan state housing development authority fees....	428,700
6	Michigan underground storage tank financial assurance	
7	fund.....	141,900
8	Mobile home commission fees.....	163,400
9	Oil and gas privilege fee revenue.....	126,300
10	Prisoner reimbursement.....	267,400
11	Prosecuting attorneys training fees.....	236,800
12	Retirement funds.....	392,400
13	Second injury fund.....	827,600
14	Securities fees.....	56,200
15	Self-insurers security fund.....	141,900
16	Silicosis and dust disease fund.....	422,800
17	State building authority revenue.....	70,900
18	State hospital authority.....	279,400
19	State lottery fund.....	183,600
20	Utility consumers fund.....	433,100
21	Waterways fund.....	73,300
22	Worker's compensation administrative revolving fund..	116,600
23	State general fund/general purpose..... \$	30,872,200

HB5595, As Passed House, May 13, 1998

Sub. H.B. 5595 (H-1) as amended May 12, 1998
6

For Fiscal Year Ending
September 30, 1999

1	Sec. 103. DEPARTMENT OF CIVIL RIGHTS		
2	(1) APPROPRIATION SUMMARY:		
3	Full-time equated unclassified positions.....	5.0	
4	Full-time equated classified positions.....	[174.5]	
5	GROSS APPROPRIATION.....	\$	[14,604,800]
6	Interdepartmental grant revenues:		
7	Total interdepartmental grants and intradepartmental		
8	transfers.....		0
9	ADJUSTED GROSS APPROPRIATION.....	\$	[14,604,800]
10	Federal revenues:		
11	Total federal revenues.....		1,600,000
12	Special revenue funds:		
13	Total local revenues.....		0
14	Total private revenues.....		0
15	Total other state restricted revenues.....		0
16	State general fund/general purpose.....	\$	[13,004,800]
17	(2) CIVIL RIGHTS OPERATIONS		
18	Full-time equated unclassified positions.....	5.0	
19	Full-time equated classified positions.....	166.5	
20	Commission (per diem \$75.00).....	\$	16,200
21	Unclassified positions--5.0 FTE positions.....		323,400
22	Civil rights operations--[174.5] FTE positions.....		<u>[14,265,200]</u>
23	GROSS APPROPRIATION.....	\$	[14,604,800]
24	Appropriated from:		
25	Federal revenues:		
26	EEOC, state and local antidiscrimination agency		
27	contracts.....		1,500,000

05369'98 (H-1)

HB5595, As Passed House, May 13, 1998

Sub. H.B. 5595 (H-1) as amended May 12, 1998
7

For Fiscal Year Ending
September 30, 1999

1	HUD grant.....	100,000
2	State general fund/general purpose..... \$	[13,004,800]

3 **Sec. 104. DEPARTMENT OF CIVIL SERVICE**

4 **(1) APPROPRIATION SUMMARY:**

5	Full-time equated classified positions.....230.5	
6	GROSS APPROPRIATION..... \$	27,665,600
7	Interdepartmental grant revenues:	
8	Total interdepartmental grants and intradepartmental	
9	transfers.....	2,133,700
10	ADJUSTED GROSS APPROPRIATION..... \$	25,531,900
11	Federal revenues:	
12	Total federal revenues.....	1,279,100
13	Special revenue funds:	
14	Total local revenues.....	500,000
15	Total private revenues.....	49,100
16	Total other state restricted revenues.....	10,669,000
17	State general fund/general purpose..... \$	13,034,700

18 **(2) CIVIL SERVICE OPERATIONS**

19	Full-time equated classified positions.....230.5	
20	Civil service operations--230.5 FTE positions..... \$	<u>27,665,600</u>
21	GROSS APPROPRIATION..... \$	27,665,600
22	Appropriated from:	
23	Interdepartmental grant revenues:	
24	IDG, training charges.....	575,000

05369'98 (H-1)

HB5595, As Passed House, May 13, 1998

House Bill No. 5595

8

For Fiscal Year Ending
September 30, 1999

1	IDG, 1% special funds.....	1,558,700
2	Federal revenues:	
3	Federal funds 1%.....	1,279,100
4	Special revenue funds:	
5	Local funds 1%.....	500,000
6	Private funds 1%.....	49,100
7	State restricted funds 1%.....	8,009,800
8	Data services revenue.....	8,100
9	Freedom of information fees.....	1,100
10	State sponsored group insurance.....	2,650,000
11	State general fund/general purpose..... \$	13,034,700

12 **Sec. 105. EXECUTIVE OFFICE**

13 **(1) APPROPRIATION SUMMARY:**

14	Full-time equated unclassified positions.....10.0	
15	Full-time equated classified positions.....75.0	
16	GROSS APPROPRIATION..... \$	5,100,400
17	Interdepartmental grant revenues:	
18	Total interdepartmental grants and intradepartmental	
19	transfers.....	0
20	ADJUSTED GROSS APPROPRIATION..... \$	5,100,400
21	Federal revenues:	
22	Total federal revenues.....	0
23	Special revenue funds:	
24	Total local revenues.....	0

HB5595, As Passed House, May 13, 1998

House Bill No. 5595

9

For Fiscal Year Ending
September 30, 1999

1	Total private revenues.....	0
2	Total other state restricted revenues.....	0
3	State general fund/general purpose.....	\$ 5,100,400
4	(2) EXECUTIVE OFFICE OPERATIONS	
5	Full-time equated unclassified positions.....10.0	
6	Full-time equated classified positions.....75.0	
7	Governor.....	\$ 130,800
8	Lieutenant governor.....	96,500
9	Executive office--75.0 FTE positions.....	4,187,900
10	Unclassified positions--8.0 FTE positions.....	<u>685,200</u>
11	GROSS APPROPRIATION.....	\$ 5,100,400
12	Appropriated from:	
13	State general fund/general purpose.....	\$ 5,100,400
14	Sec. 106. LEGISLATIVE AUDITOR GENERAL	
15	(1) APPROPRIATION SUMMARY:	
16	GROSS APPROPRIATION.....	\$ 14,624,500
17	Interdepartmental grant revenues:	
18	Total interdepartmental grants and intradepartmental	
19	transfers.....	1,527,100
20	ADJUSTED GROSS APPROPRIATION.....	\$ 13,097,400
21	Federal revenues:	
22	Total federal revenues.....	0
23	Special revenue funds:	
24	Total local revenues.....	0

HB5595, As Passed House, May 13, 1998

House Bill No. 5595

10

For Fiscal Year Ending
September 30, 1999

1	Total private revenues.....	0
2	Total other state restricted revenues.....	293,800
3	State general fund/general purpose..... \$	12,803,600
4	(2) OFFICE OF THE AUDITOR GENERAL	
5	Legislative auditor general..... \$	106,000
6	Unclassified positions.....	115,300
7	Field operations.....	<u>14,403,200</u>
8	GROSS APPROPRIATION..... \$	14,624,500
9	Appropriated from:	
10	Interdepartmental grant revenues:	
11	IDG from MDCIS, liquor purchase revolving fund.....	79,300
12	IDG from MDCS.....	67,100
13	IDG from MDOT, comprehensive transportation fund.....	38,900
14	IDG from MDOT, Michigan transportation fund.....	101,800
15	IDG from MDOT, state aeronautics fund.....	15,400
16	IDG from MDOT, state trunkline fund.....	381,100
17	IDG, single audit act.....	843,500
18	Special revenue funds:	
19	Construction lien fund.....	5,000
20	Contract audit administration fees.....	46,000
21	Correctional industries revolving fund.....	31,800
22	Game and fish protection fund.....	17,100
23	Marine safety fund.....	1,500
24	Michigan state housing development authority fees....	40,000
25	Michigan veterans trust fund.....	14,100
26	Motor transport revolving fund.....	24,800

05369'98 (H-1)

HB5595, As Passed House, May 13, 1998

Sub. H.B. 5595 (H-1) as amended May 13, 1998
11

For Fiscal Year Ending
September 30, 1999

1	Office services revolving fund.....	33,200
2	Retirement funds.....	49,600
3	State employees' group insurance.....	26,200
4	Waterways fund.....	4,500
5	State general fund/general purpose..... \$	12,803,600

6 **Sec. 107. LEGISLATURE**

7 **(1) APPROPRIATION SUMMARY:**

8	GROSS APPROPRIATION.....	\$	[93,557,100]
9	Interdepartmental grant revenues:		
10	Total interdepartmental grants and intradepartmental		
11	transfers.....		[500,000]
12	ADJUSTED GROSS APPROPRIATION.....	\$	93,057,100
13	Federal revenues:		
14	Total federal revenues.....		0
15	Special revenue funds:		
16	Total local revenues.....		0
17	Total private revenues.....		400,000
18	Total other state restricted revenues.....		1,041,800
19	State general fund/general purpose.....	\$	91,615,300
20	(2) LEGISLATURE		
21	Senate.....	\$	24,725,900
22	Senate automated data processing.....		1,444,300
23	Senate fiscal agency.....		3,154,200
24	House of representatives.....		36,866,400

05369'98 (H-1)

HB5595, As Passed House, May 13, 1998Sub. H.B. 5595 (H-1) as amended May 13, 1998
12For Fiscal Year Ending
September 30, 1999

1	House automated data processing.....	1,979,500
2	House fiscal agency.....	<u>3,038,900</u>
3	GROSS APPROPRIATION.....	\$ 71,209,200
4	Appropriated from:	
5	State general fund/general purpose.....	\$ 71,209,200
6	(3) LEGISLATIVE COUNCIL	
7	Legislative council.....	\$ 10,553,000
8	Legislative service bureau automated data processing.	1,269,100
9	Legislative session integration system.....	1,823,200
10	Legislative corrections ombudsman.....	337,000
11	Worker's compensation.....	125,000
12	National association dues.....	382,000
13	Trial court assessment commission.....	310,700
	[Office of legislative health care advisor.....	<u>500,000]</u>
14	GROSS APPROPRIATION.....	\$ [15,300,000]
15	Appropriated from:	
	[Interdepartmental grant revenues:	
	IDG from MDCH.....	500,000]
16	Special revenue funds:	
17	Private - gifts and bequests revenues.....	400,000
18	State general fund/general purpose.....	\$ 14,400,000
19	(4) LEGISLATIVE RETIREMENT SYSTEM	
20	General nonretirement expenses.....	\$ <u>4,098,500</u>
21	GROSS APPROPRIATION.....	\$ 4,098,500
22	Appropriated from:	
23	Special revenue funds:	
24	Court fees.....	1,041,800
25	State general fund/general purpose.....	\$ 3,056,700

HB5595, As Passed House, May 13, 1998

Sub. H.B. 5595 (H-1) as amended May 12, 1998
13

For Fiscal Year Ending
September 30, 1999

1 (5) PROPERTY MANAGEMENT

2	Capitol building.....	\$	1,820,000
3	Roosevelt building.....		564,700
4	Farnum building.....		<u>564,700</u>
5	GROSS APPROPRIATION.....	\$	2,949,400
6	Appropriated from:		
7	State general fund/general purpose.....	\$	2,949,400

8 Sec. 108. LIBRARY OF MICHIGAN

9 (1) APPROPRIATION SUMMARY:

10	Full-time equated exempted positions.....	140.0	
11	GROSS APPROPRIATION.....	\$	[36,949,100]
12	Interdepartmental grant revenues:		
13	Total interdepartmental grants and intradepartmental		
14	transfers.....		0
15	ADJUSTED GROSS APPROPRIATION.....	\$	[36,949,100]
16	Federal revenues:		
17	Total federal revenues.....		4,109,800
18	Special revenue funds:		
19	Total local revenues.....		0
20	Total private revenues.....		75,000
21	Total other state restricted revenues.....		86,900
22	State general fund/general purpose.....	\$	[32,677,400]

HB5595, As Passed House, May 13, 1998

Sub. H.B. 5595 (H-1) as amended May 12, 1998
14

For Fiscal Year Ending
September 30, 1999

1	(2) LIBRARY OF MICHIGAN		
2	Full-time equated exempted positions.....	140.0	
3	Operations--110.0 FTE positions.....	\$	7,572,900
4	Michigan library and historical center		
5	operations--30.0 FTE positions.....		2,690,700
6	Library automation.....		536,600
7	Statewide database access.....		500,000
8	Collected gifts and fees.....		161,900
9	State aid to libraries.....		14,210,700
10	Grant to the Detroit public library.....		5,871,600
11	Grand Rapids public library.....		406,400
12	Subregional state aid.....		[554,300]
13	Wayne County library for the blind & physically		
14	handicapped.....		49,200
15	Book distribution centers.....		285,000
16	Library services and technology act.....		<u>4,109,800</u>
17	GROSS APPROPRIATION.....	\$	[36,949,100]
18	Appropriated from:		
19	Federal revenues:		
20	Library services and technology act.....		4,109,800
21	Special revenue funds:		
22	Private - gifts and bequests revenues.....		75,000
23	User fees.....		86,900
24	State general fund/general purpose.....	\$	[32,677,400]

05369'98 (H-1)

HB5595, As Passed House, May 13, 1998

House Bill No. 5595

15

For Fiscal Year Ending
September 30, 1999

1	Sec. 109. DEPARTMENT OF MANAGEMENT AND BUDGET		
2	(1) APPROPRIATION SUMMARY:		
3	Full-time equated unclassified positions.....	6.0	
4	Full-time equated classified positions.....	942.0	
5	GROSS APPROPRIATION.....	\$	133,640,200
6	Interdepartmental grant revenues:		
7	Total interdepartmental grants and intradepartmental		
8	transfers.....		51,115,800
9	ADJUSTED GROSS APPROPRIATION.....	\$	82,524,400
10	Federal revenues:		
11	Total federal revenues.....		590,700
12	Special revenue funds:		
13	Total local revenues.....		0
14	Total private revenues.....		0
15	Total other state restricted revenues.....		37,253,700
16	State general fund/general purpose.....	\$	44,680,000
17	(2) MANAGEMENT AND BUDGET SERVICES		
18	Full-time equated unclassified positions.....	6.0	
19	Full-time equated classified positions.....	780.0	
20	Unclassified positions--6.0 FTE positions.....	\$	500,700
21	Departmentwide services--62.0 FTE positions.....		13,010,100
22	Statewide administrative services--251.0 FTE		
23	positions.....		23,520,300
24	Statewide support services--356.0 FTE positions.....		46,309,400
25	Michigan administrative information network--111.0		
26	FTE positions.....		<u>24,469,000</u>

05369'98 (H-1)

HB5595, As Passed House, May 13, 1998

House Bill No. 5595

16

For Fiscal Year Ending
September 30, 1999

1	GROSS APPROPRIATION.....	\$	107,809,500
2	Appropriated from:		
3	Interdepartmental grant revenues:		
4	IDG from building occupancy and parking charges.....		45,134,000
5	IDG from MDCH.....		235,000
6	IDG from MDOT, comprehensive transportation fund.....		27,200
7	IDG from MDOT, Michigan transportation fund.....		349,400
8	IDG from MDOT, state aeronautics fund.....		43,000
9	IDG from MDOT, state trunkline fund.....		578,600
10	IDG from MJC.....		100,000
11	IDG from user fees.....		3,433,600
12	Federal revenues:		
13	Federal - MESA, administration fund.....		590,700
14	Special revenue funds:		
15	Game and fish protection fund.....		187,400
16	Marine safety fund.....		39,700
17	MAIN user charges.....		3,684,800
18	Risk management fund.....		1,123,100
19	Special revenue, internal service, and pension trust		
20	funds.....		6,427,400
21	State building authority revenue.....		289,800
22	State lottery fund.....		54,300
23	State sponsored group insurance, flexible spending		
24	accounts and COBRA.....		4,570,400
25	Waterways fund.....		36,600
26	State general fund/general purpose.....	\$	40,904,500

05369'98 (H-1)

HB5595, As Passed House, May 13, 1998

House Bill No. 5595

17

For Fiscal Year Ending
September 30, 1999

1	(3) STATEWIDE APPROPRIATIONS		
2	Professional development fund - MPES.....	\$	90,000
3	Professional development fund - MSC.....		150,000
4	Professional development fund - UAW.....		900,000
5	Professional development fund - local 31-M.....		25,000
6	Professional development fund - nonexclusively repre-		
7	sented employees.....		<u>50,000</u>
8	GROSS APPROPRIATION.....	\$	1,215,000
9	Appropriated from:		
10	Interdepartmental grant revenues:		
11	IDG from employer contributions.....		1,215,000
12	State general fund/general purpose.....	\$	0
13	(4) SPECIAL PROGRAMS		
14	Full-time equated classified positions.....162.0		
15	Building occupancy charges - property management		
16	services for executive/legislative building		
17	occupancy.....	\$	2,618,400
18	Retirement services--148.0 FTE positions.....		20,840,200
19	Office of childrens ombudsman--14.0 FTE positions....		<u>1,157,100</u>
20	GROSS APPROPRIATION.....	\$	24,615,700
21	Appropriated from:		
22	Special revenue funds:		
23	Pension trust funds.....		20,840,200
24	State general fund/general purpose.....	\$	3,775,500

HB5595, As Passed House, May 13, 1998

Sub. H.B. 5595 (H-1) as amended May 12, 1998
18

For Fiscal Year Ending
September 30, 1999

1	Sec. 110. DEPARTMENT OF STATE	
2	(1) APPROPRIATION SUMMARY:	
3	Full-time equated unclassified positions.....	6.0
4	Full-time equated classified positions.....	2,008.1
5	GROSS APPROPRIATION.....	\$ [172,516,700]
6	Interdepartmental grant revenues:	
7	Total interdepartmental grants and intradepartmental	
8	transfers.....	47,104,600
9	ADJUSTED GROSS APPROPRIATION.....	\$ [125,412,100]
10	Federal revenues:	
11	Total federal revenues.....	959,600
12	Special revenue funds:	
13	Total local revenues.....	0
14	Total private revenues.....	884,500
15	Total other state restricted revenues.....	59,227,200
16	State general fund/general purpose.....	\$ [64,340,800]
17	(2) EXECUTIVE DIRECTION	
18	Full-time equated unclassified positions.....	6.0
19	Full-time equated classified positions.....	23.2
20	Secretary of state.....	\$ 124,900
21	Unclassified positions--5.0 FTE positions.....	431,600
22	Operations--23.2 FTE positions.....	<u>1,398,400</u>
23	GROSS APPROPRIATION.....	\$ 1,954,900
24	Appropriated from:	
25	Interdepartmental grant revenues:	
26	IDG from MDOT, Michigan transportation fund.....	331,000

05369'98 (H-1)

HB5595, As Passed House, May 13, 1998

House Bill No. 5595

19

For Fiscal Year Ending
September 30, 1999

1	Special revenue funds:	
2	Auto repair facilities fees.....	46,700
3	Driver fees.....	68,500
4	Expedient service fees.....	38,700
5	Look-up fees.....	329,900
6	Parking ticket court fines.....	6,100
7	Personal identification card fees.....	9,300
8	Reinstatement fees - operator licenses.....	81,300
9	Vehicle theft prevention fees.....	26,800
10	State general fund/general purpose.....	\$ 1,016,600
11	(3) DEPARTMENT SERVICES	
12	Full-time equated classified positions.....	371.0
13	Operations--163.8 FTE positions.....	\$ 16,917,100
14	Auto regulation--104.7 FTE positions.....	6,879,000
15	Data processing--96.0 FTE positions.....	21,240,600
16	Assigned claims assessments--6.5 FTE positions.....	<u>582,200</u>
17	GROSS APPROPRIATION.....	\$ 45,618,900
18	Appropriated from:	
19	Interdepartmental grant revenues:	
20	IDG from MDOT, Michigan transportation fund.....	12,242,000
21	Special revenue funds:	
22	Administrative order processing fees.....	10,300
23	Assigned claims assessments.....	582,200
24	Auto repair facilities fees.....	4,099,700
25	Child support clearance fees.....	44,800
26	Driver fees.....	1,058,300

HB5595, As Passed House, May 13, 1998

House Bill No. 5595

20

For Fiscal Year Ending
September 30, 1999

1	Expedient service fees.....	653,700
2	Look-up fees.....	8,896,300
3	Marine safety fund.....	63,100
4	Off-road vehicle title fees.....	6,700
5	Parking ticket court fines.....	120,000
6	Personal identification card fees.....	95,100
7	Reinstatement fees - operator licenses.....	844,900
8	Scrap tire fund.....	57,900
9	Snowmobile registration fee revenue.....	15,200
10	Vehicle theft prevention fees.....	1,467,700
11	State general fund/general purpose..... \$	15,361,000
12	(4) REGULATORY SERVICES	
13	Full-time equated classified positions.....85.8	
14	Operations--85.8 FTE positions..... \$	<u>6,150,700</u>
15	GROSS APPROPRIATION..... \$	6,150,700
16	Appropriated from:	
17	Interdepartmental grant revenues:	
18	IDG from MDOT, Michigan transportation fund.....	1,581,600
19	Special revenue funds:	
20	Auto repair facilities fees.....	55,100
21	Driver fees.....	499,000
22	Expedient service fees.....	24,900
23	Look-up fees.....	2,085,300
24	Parking ticket court fines.....	6,900
25	Personal identification card fees.....	34,000
26	Reinstatement fees - operator licenses.....	438,400

05369'98 (H-1)

HB5595, As Passed House, May 13, 1998

House Bill No. 5595

21

For Fiscal Year Ending
September 30, 1999

1	Vehicle theft prevention fees.....	91,600
2	State general fund/general purpose..... \$	1,333,900
3	(5) CUSTOMER DELIVERY SERVICES	
4	Full-time equated classified positions.....	1,426.9
5	Branch operations--1,011.4 FTE positions..... \$	60,823,500
6	Central records--380.3 FTE positions.....	25,017,700
7	Motor carrier services--19.0 FTE positions.....	1,062,700
8	Commemorative license plates--16.2 FTE positions.....	9,353,300
9	Specialty license plates.....	2,215,000
10	Olympic center plate.....	75,700
11	Organ donor program.....	<u>104,000</u>
12	GROSS APPROPRIATION..... \$	98,651,900
13	Appropriated from:	
14	Interdepartmental grant revenues:	
15	IDG from MDOT, Michigan transportation fund.....	30,842,700
16	Special revenue funds:	
17	Auto repair facilities fees.....	72,500
18	Child support clearance fees.....	319,600
19	Commercial driver training school fees.....	54,800
20	Driver fees.....	10,469,900
21	Expedient service fees.....	1,499,600
22	Look-up fees.....	14,677,000
23	Marine safety fund.....	870,700
24	Mobile home commission fees.....	361,400
25	Motorcycle safety fund.....	114,600
26	Off-road vehicle title fees.....	93,300

HB5595, As Passed House, May 13, 1998

Sub. H.B. 5595 (H-1) as amended May 12, 1998
22

For Fiscal Year Ending
September 30, 1999

1	Olympic center training fund.....	75,700
2	Parking ticket court fines.....	1,270,200
3	Personal identification card fees.....	1,169,700
4	Reinstatement fees - operator licenses.....	1,772,900
5	Snowmobile annual permit fee revenue.....	127,800
6	Snowmobile registration fee revenue.....	214,600
7	Vehicle theft prevention fees.....	163,100
8	State general fund/general purpose.....	\$ 34,481,800
9	(6) ELECTION REGULATION AND DEPARTMENT POLICY AND	
10	PLANNING	
11	Full-time equated classified positions.....	28.5
12	Election administration and services--	28.5 FTE
13	positions.....	\$ 2,040,400
14	Fees to local units.....	69,800
15	Qualified voter file.....	1,519,900
16	Reimbursement to locals.....	<u>1,025,000</u>
17	GROSS APPROPRIATION.....	\$ 4,655,100
18	Appropriated from:	
19	State general fund/general purpose.....	\$ 4,655,100
20	(7) HISTORICAL PROGRAM	
21	Full-time equated classified positions.....	72.7
22	Historical administration and services--	63.3 FTE
23	positions.....	\$ [4,168,600]
24	Federal programs--8.9 FTE positions.....	959,600
25	Heritage publications.....	700,000
26	Mann house--0.5 FTE positions.....	50,200

05369'98 (H-1)

HB5595, As Passed House, May 13, 1998

Sub. H.B. 5595 (H-1) as amended May 12, 1998
23

For Fiscal Year Ending
September 30, 1999

1	Private grants and gifts.....	<u>834,300</u>
2	GROSS APPROPRIATION..... \$	[6,712,700]
3	Appropriated from:	
4	Federal revenues:	
5	DOI-NPS, historic preservation grants-in-aid.....	764,600
6	Federal institute of museum services.....	50,000
7	DOI-NHPRC.....	70,000
8	DOC-NOAA, coastal zone management administration.....	75,000
9	Special revenue funds:	
10	Private - grants and gifts.....	834,300
11	Private - Mann house trust fund.....	50,200
12	Heritage publication fund.....	700,000
13	State general fund/general purpose..... \$	[4,168,600]
14	(8) DEPARTMENTWIDE APPROPRIATIONS	
15	Building occupancy charges - property management	
16	services..... \$	1,663,000
17	Private rent.....	6,351,000
18	Worker's compensation.....	<u>758,500</u>
19	GROSS APPROPRIATION..... \$	8,772,500
20	Appropriated from:	
21	Interdepartmental grant revenues:	
22	IDG from MDOT, Michigan transportation fund.....	2,107,300
23	Special revenue funds:	
24	Auto repair facilities fees.....	173,100
25	Driver fees.....	532,400
26	Expedient service fees.....	15,900

05369'98 (H-1)

HB5595, As Passed House, May 13, 1998

House Bill No. 5595

24

For Fiscal Year Ending
September 30, 1999

1	Look-up fees.....	2,046,000
2	Parking ticket court fines.....	574,000
3	State general fund/general purpose..... \$	3,323,800

4 Sec. 111. DEPARTMENT OF TREASURY**5 (1) APPROPRIATION SUMMARY:**

6	Full-time equated unclassified positions.....9.0	
7	Full-time equated classified positions.....1,907.0	
8	GROSS APPROPRIATION..... \$	1,796,035,600
9	Interdepartmental grant revenues:	
10	Total interdepartmental grants and intradepartmental	
11	transfers.....	15,603,700
12	ADJUSTED GROSS APPROPRIATION..... \$	1,780,431,900
13	Federal revenues:	
14	Total federal revenues.....	39,076,100
15	Special revenue funds:	
16	Total local revenues.....	2,937,000
17	Total private revenues.....	175,000
18	Total other state restricted revenues.....	1,589,838,000
19	State general fund/general purpose..... \$	148,405,800
20	(2) EXECUTIVE DIRECTION	
21	Full-time equated unclassified positions.....8.0	
22	Full-time equated classified positions.....4.0	
23	Unclassified positions--8.0 FTE positions..... \$	640,300
24	Multistate tax commission dues.....	111,700

HB5595, As Passed House, May 13, 1998

House Bill No. 5595

25

For Fiscal Year Ending
September 30, 1999

1	Office of the director--4.0 FTE positions.....	<u>372,700</u>
2	GROSS APPROPRIATION..... \$	1,124,700
3	Appropriated from:	
4	Interdepartmental grant revenues:	
5	IDG from MDOT, Michigan transportation fund.....	69,800
6	Special revenue funds:	
7	State casino gaming fund.....	112,900
8	State general fund/general purpose..... \$	942,000
9	(3) DEPARTMENTWIDE APPROPRIATIONS	
10	Rent..... \$	570,400
11	Travel.....	1,810,400
12	Building occupancy charges - property management	
13	services.....	2,336,800
14	Worker's compensation insurance premium.....	<u>486,800</u>
15	GROSS APPROPRIATION..... \$	5,204,400
16	Appropriated from:	
17	Interdepartmental grant revenues:	
18	IDG from MDOT, Michigan transportation fund.....	334,600
19	IDG from MDOT, state aeronautics fund.....	2,700
20	IDG, state agency collection fees.....	17,900
21	Special revenue funds:	
22	Local - audit charges.....	80,600
23	Local - equalization study charge-backs.....	16,300
24	Delinquent property tax administration fund.....	127,000
25	Delinquent tax collection revenue.....	2,832,800
26	Municipal finance fees.....	11,200

HB5595, As Passed House, May 13, 1998

House Bill No. 5595

26

For Fiscal Year Ending
September 30, 1999

1	Treasury fees.....	18,900
2	Waterways fund.....	2,300
3	State general fund/general purpose..... \$	1,760,100
4	(4) LOCAL GOVERNMENT PROGRAMS	
5	Full-time equated classified positions.....93.0	
6	Supervision of the general property tax law--49.0 FTE	
7	positions..... \$	4,019,600
8	Property tax assessor training--4.0 FTE positions....	336,200
9	Local property tax services--14.5 FTE positions.....	1,460,400
10	Local finance--25.5 FTE positions.....	1,830,600
11	State audits of counties.....	60,000
12	Pari-mutuel audits.....	<u>240,000</u>
13	GROSS APPROPRIATION..... \$	7,946,800
14	Appropriated from:	
15	Special revenue funds:	
16	Local - assessor training fees.....	336,200
17	Local - audit charges.....	988,300
18	Local - equalization study charge-backs.....	200,500
19	Local - revenue from local government.....	615,100
20	Delinquent property tax administration fund.....	1,420,700
21	Municipal finance fees.....	228,300
22	State general fund/general purpose..... \$	4,157,700
23	(5) TAX PROGRAMS	
24	Full-time equated classified positions.....908.5	
25	Administration--236.0 FTE positions..... \$	17,130,400
26	Enforcement--664.5 FTE positions.....	41,621,600

HB5595, As Passed House, May 13, 1998

House Bill No. 5595

27

For Fiscal Year Ending
September 30, 1999

1	Home heating assistance.....	1,600,000
2	Senior prescription drug credit processing.....	182,500
3	Michigan underground storage tank assurance fund--4.0	
4	FTE positions.....	192,400
5	Tobacco tax collection--4.0 FTE positions.....	200,000
6	Joint federal/state motor fuel compliance project....	100,000
7	Bottle bill implementation.....	250,000
8	Wage match verification reporting.....	1,545,000
9	ESKORT tax audit system.....	<u>4,242,400</u>
10	GROSS APPROPRIATION.....	\$ 67,064,300
11	Appropriated from:	
12	Interdepartmental grant revenues:	
13	IDG, data/collection services fees.....	250,900
14	IDG, state agency collection fees.....	280,400
15	IDG, warrant/lien processing fees.....	1,435,100
16	IDG from FIA.....	1,545,000
17	IDG from MDCH.....	200,000
18	IDG from MDOT, Michigan transportation fund.....	4,820,900
19	IDG from MDOT, state aeronautics fund.....	36,100
20	Federal revenues:	
21	DOT-FHA, intermodal surface transportation efficiency	
22	act.....	100,000
23	HHS-SSA, low-income energy assistance.....	1,600,000
24	Special revenue funds:	
25	Bottle deposit fund.....	250,000
26	Delinquent tax collection revenue.....	43,464,200

05369'98 (H-1)

HB5595, As Passed House, May 13, 1998

House Bill No. 5595

28

For Fiscal Year Ending
September 30, 1999

1	Escheats revenue.....	298,200
2	Michigan pharmaceutical.....	182,500
3	Michigan underground storage tank financial assurance	
4	revenue.....	192,400
5	Waterways fund.....	47,500
6	State general fund/general purpose..... \$	12,361,100
7	(6) MANAGEMENT PROGRAMS	
8	Full-time equated classified positions.....369.5	
9	Department services--191.5 FTE positions..... \$	9,624,500
10	Information technology services--167.0 FTE positions.	11,550,000
11	Receipt, warrant and cash processing.....	3,736,300
12	Fiscal agent--3.0 FTE positions.....	130,300
13	Child support order offsets--8.0 FTE positions.....	<u>482,700</u>
14	GROSS APPROPRIATION..... \$	25,523,800
15	Appropriated from:	
16	Interdepartmental grant revenues:	
17	IDG, fiscal agent service fees.....	130,300
18	IDG from MDOT, Michigan transportation fund.....	1,652,100
19	IDG from MDOT, state aeronautics fund.....	16,200
20	IDG, receipt, warrant and cash processing fees.....	3,736,300
21	IDG, state agency collection fees.....	129,800
22	IDG, user services.....	492,500
23	IDG from FIA, title IV D.....	453,100
24	Special revenue funds:	
25	Children's trust fund.....	6,400
26	Delinquent property tax administration fund.....	17,300

HB5595, As Passed House, May 13, 1998

House Bill No. 5595

29

For Fiscal Year Ending
September 30, 1999

1	Delinquent tax collection revenue.....	4,534,300
2	Garnishment fees.....	344,600
3	Treasury fees.....	145,000
4	Waterways fund.....	17,100
5	State general fund/general purpose..... \$	13,848,800
6	(7) FINANCIAL PROGRAMS	
7	Full-time equated classified positions.....286.0	
8	Retirement investments--83.5 FTE positions..... \$	8,224,500
9	Common cash investments and debt management--10.5 FTE	
10	positions.....	754,200
11	Student financial assistance programs--174.5 FTE	
12	positions.....	39,009,400
13	Deferred compensation--17.5 FTE positions.....	2,739,000
14	Act 487 savings adjustment.....	<u>170,600</u>
15	GROSS APPROPRIATION..... \$	50,897,700
16	Appropriated from:	
17	Federal revenues:	
18	DED-OPSE, federal lenders allowance.....	11,362,100
19	DED-OPSE, higher education act of 1965, insured loans	26,014,000
20	Special revenue funds:	
21	College work study.....	45,800
22	Deferred compensation.....	2,739,000
23	MI-CASHE fees.....	353,500
24	Retirement funds.....	8,027,200
25	School bond fees.....	318,900
26	Treasury fees.....	261,500

HB5595, As Passed House, May 13, 1998

House Bill No. 5595

30

For Fiscal Year Ending
September 30, 1999

1	State general fund/general purpose.....	\$	1,775,700
2	(8) DEBT SERVICE		
3	Water pollution control bond and interest redemption.	\$	4,065,000
4	School bond loan.....		23,615,000
5	Quality of life bond.....		<u>51,924,000</u>
6	GROSS APPROPRIATION.....	\$	79,604,000
7	Appropriated from:		
8	Special revenue funds:		
9	Local - school bond loan repayments by school		
10	districts.....		700,000
11	State general fund/general purpose.....	\$	78,904,000
12	(9) GRANTS		
13	Grants to counties in lieu of taxes.....	\$	50,000
14	Convention facility development distribution.....		36,000,000
15	Michigan education trust fund challenge grants.....		50,000
16	Senior citizen cooperative housing tax exemption		
17	program.....		12,800,600
18	Constitutional state general revenue sharing grants..		591,710,000
19	Statutory state general revenue sharing grants.....		840,900,000
20	Special census revenue sharing payments.....		5,500,000
21	Health and safety fund grants.....		23,175,000
22	City of Benton Harbor - enterprise zone.....		255,800
23	Tax increment and finance authority payments.....		6,000,000
24	Grants to locals for community policing.....		<u>10,000,000</u>
25	GROSS APPROPRIATION.....	\$	1,526,441,400
26	Appropriated from:		

HB5595, As Passed House, May 13, 1998

House Bill No. 5595

31

For Fiscal Year Ending
September 30, 1999

1	Special revenue funds:	
2	Convention facility development fund.....	36,000,000
3	Sales tax.....	1,432,610,000
4	Health and safety fund.....	23,175,000
5	State general fund/general purpose..... \$	34,656,400
6	(10) STATE LOTTERY	
7	Full-time equated unclassified positions.....1.0	
8	Full-time equated classified positions.....202.0	
9	Lottery commissioner..... \$	85,900
10	Lottery operations--164.0 FTE positions.....	11,842,400
11	Promotion and advertising.....	4,372,000
12	Lottery data processing--38.0 FTE positions.....	4,830,600
13	Property management.....	<u>808,600</u>
14	GROSS APPROPRIATION..... \$	21,939,500
15	Appropriated from:	
16	Special revenue funds:	
17	State lottery fund.....	21,939,500
18	State general fund/general purpose..... \$	0
19	(11) CASINO GAMING	
20	Full-time equated classified positions.....44.0	
21	Michigan gaming control board..... \$	500,000
22	Casino gaming control administration--44.0 FTE	
23	positions.....	<u>9,789,000</u>
24	GROSS APPROPRIATION..... \$	10,289,000
25	Appropriated from:	
26	Special revenue funds:	

HB5595, As Passed House, May 13, 1998

Sub. H.B. 5595 (H-1) as amended May 12, 1998
32

For Fiscal Year Ending
September 30, 1999

1	Private - casino gaming agreements.....	175,000
2	State casino gaming fund.....	10,114,000
3	State general fund/general purpose.....	\$ 0

4

5

PART 2

6

PROVISIONS CONCERNING APPROPRIATIONS

7 GENERAL SECTIONS

8

Sec. 201. (1) Pursuant to section 30 of article IX of the state

9

constitution of 1963, total state spending under part 1 for fiscal year

10

1998-99 is [\$2,161,385,700.00] and state appropriations to be paid to local

11

units of government are as follows:

12 LEGISLATIVE BRANCH - LIBRARY OF MICHIGAN

13

State aid to libraries.....	\$	14,210,700
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14

Detroit public library.....		5,871,600
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15

Grand Rapids public library.....		406,400
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16

Subregional state aid.....		[554,300]
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17

Wayne county library for the blind and physically

18

handicapped.....		<u>49,200</u>
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19

Subtotal.....	\$	[21,092,200]
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20 DEPARTMENT OF STATE

21

Reimbursement to locals.....		1,025,000
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22

Fees to local units.....	\$	<u>69,800</u>
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23

Subtotal.....	\$	1,094,800
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24 DEPARTMENT OF TREASURY

25

Grants to locals for community policing.....	\$	10,000,000
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26

Senior citizen cooperative housing tax exemption.....		12,800,600
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05369'98 (H-1)

HB5595, As Passed House, May 13, 1998

Sub. H.B. 5595 (H-1) as amended May 12, 1998	33
1 Grants to counties in lieu of taxes.....	50,000
2 Health and safety fund grants.....	23,175,000
3 City of Benton Harbor enterprise zone.....	255,800
4 Constitutional state general revenue sharing grants..	591,710,000
5 Statutory state general revenue sharing grants.....	840,900,000
6 Special census revenue sharing payments.....	5,500,000
7 Convention facility development fund distribution....	36,000,000
8 Tax increment finance authority payments.....	<u>6,000,000</u>
9 Subtotal.....	\$ <u>1,526,391,400</u>
10 TOTAL GENERAL GOVERNMENT.....	\$ [1,548,578,400]

11 (2) If it appears to the principal executive officer of a department
12 or branch that state spending to local units of government will be less
13 than the amount that was projected to be expended for any quarter under
14 subsection (1), the principal executive officer shall immediately give
15 notice of the approximate shortfall to the state budget director, the
16 senate and house of representatives standing committees on appropria-
17 tions, and the senate and house fiscal agencies.

18 (3) Pursuant to section 30 of article IX of the state constitution
19 of 1963, total state spending from state sources for fiscal year 1998-99
20 is estimated at \$22,634,624,200.00 in the 1998-99 appropriations acts and
21 state spending from state sources paid to local units of government for
22 fiscal year 1998-99 is estimated at \$13,959,675,200.00. The state-local
23 proportion is estimated at 61.7% of total state spending from state
24 resources.

25 (4) If payments to local units of government and state spending from
26 state sources for fiscal year 1998-99 are different than the amounts
27 estimated in subsection (3), the state budget director shall report the

HB5595, As Passed House, May 13, 1998

House Bill No. 5595

34

1 payments to local units of government and state spending from state
2 sources that were made for fiscal year 1998-99 to the senate and house of
3 representatives standing committees on appropriations within 30 days
4 after the final bookclosing for fiscal year 1998-99.

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

8 Sec. 203. As used in this act:

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

11 (b) "DAG" means the United States department of agriculture.

12 (c) "DED-OPSE" means the United States department of education,
13 office of postsecondary education.

14 (d) "DOC-NOAA" means the United States department of commerce,
15 national oceanic and atmospheric administration.

16 (e) "DOD" means the United States department of defense.

17 (f) "DOI-NHPRC" means the United States department of the interior,
18 national historical publications and records commission.

19 (g) "DOI-NPS" means the United States department of the interior,
20 national park service.

21 (h) "DOL-ETA" means the United States department of labor,
22 employment and training act.

23 (i) "DOL-OSHA" means the United States department of labor,
24 occupational safety and health administration.

25 (j) "DOT-FHA" means the United States department of transportation,
26 federal highway administration.

HB5595, As Passed House, May 13, 1998

House Bill No. 5595

35

- 1 (k) "EEOC" means the equal employment opportunity commission.
- 2 (l) "EPA" means the United States environmental protection agency.
- 3 (m) "FIA" means the Michigan family independence agency.
- 4 (n) "FTE" means full-time equated positions.
- 5 (o) "HHS" means the United States department of health and human
6 services.
- 7 (p) "HHS-OS" means the HHS office of the secretary.
- 8 (q) "HHS-SSA" means the HHS social security administration.
- 9 (r) "HUD" means the United States department of housing and urban
10 development.
- 11 (s) "IDG" means interdepartment grant.
- 12 (t) "MAIN" means the Michigan administration information network.
- 13 (u) "MCL" means the Michigan Compiled Laws.
- 14 (v) "MDCH" means the Michigan department of community health.
- 15 (w) "MDCIS" means the Michigan department of consumer and industry
16 services.
- 17 (x) "MDCS" means the Michigan department of civil service.
- 18 (y) "MDNR" means the Michigan department of natural resources.
- 19 (z) "MDOT" means the Michigan department of transportation.
- 20 (aa) "MDSP" means the Michigan department of state police.
- 21 (bb) "MESA" means the Michigan employment security agency.
- 22 (cc) "MI-CASHE" means the Michigan college aid sources for higher
23 education.
- 24 (dd) "MJC" means the Michigan department of jobs commission.
- 25 (ee) "MPES" means the Michigan professional employees society.
- 26 (ff) "MSC" means managerial, supervisory, and confidential.

HB5595, As Passed House, May 13, 1998

House Bill No. 5595

36

1 (gg) "PA" means public act.

2 (hh) "PACC" means the prosecuting attorneys coordinating council.

3 (ii) "UAW" means the united auto workers.

4 (jj) "WIC" means women, infants, and children.

5 Sec. 204. A principal executive department that receives an appro-
6 priation under this act shall report to the senate and house appropria-
7 tions subcommittees responsible for the department's budget not later
8 than 60 days after the auditor general issues his or her annual report on
9 the operation of the department. The report of the department shall
10 specify all of the following:

11 (a) The recommendations of the auditor general implemented by the
12 department.

13 (b) The recommendations of the auditor general not implemented by
14 the department or implemented by the department as modified.

15 (c) The rationale for not implementing a recommendation of the audi-
16 tor general or of implementing a recommendation as modified.

17 Sec. 205. (1) Beginning October 1, a hiring freeze is imposed on
18 the state classified civil service. State departments and agencies are
19 prohibited from hiring any new full-time state classified civil service
20 employees and prohibited from filling any vacant state classified civil
21 service positions. This hiring freeze does not apply to internal trans-
22 fers of classified employees from one position to another within a
23 department or to positions that are funded with 80% or more federal or
24 restricted funds.

25 (2) The state budget director shall grant exceptions to this hiring
26 freeze when the state budget director believes that the hiring freeze
27 will result in rendering a state department or agency unable to deliver

HB5595, As Passed House, May 13, 1998

House Bill No. 5595

37

1 basic services. The state budget director shall report by the fifteenth
2 of each month to the chairpersons of the senate and house of representa-
3 tives standing committees on appropriations the number of exceptions to
4 the hiring freeze approved during the previous month and the reasons to
5 justify the exception.

6 Sec. 206. The department of civil service shall bill departments
7 and agencies at the end of the first fiscal quarter for the 1% charge
8 authorized by section 5 of article XI of the state constitution of 1963.
9 Payments shall be made for the total amount of the billing by the end of
10 the second fiscal quarter.

11 Sec. 207. A branch of government, a principal executive department,
12 or a state agency that is appropriated funds in part 1 shall not use any
13 of the funds for the purchase of foreign goods or services, or both, if
14 competitively priced and of comparable quality American goods or serv-
15 ices, or both, are available.

16 Sec. 208. For the fiscal year ending September 30, 1999, all gen-
17 eral fund-general purpose unreserved balances at the final close of the
18 fiscal year are appropriated and shall be transferred to the countercyc-
19 lical budget and economic stabilization fund pursuant to section 353e(4)
20 of the management and budget act, 1984 PA 431, MCL 18.1353e.

21 Sec. 209. The director of each department receiving appropriations
22 in part 1 shall take all reasonable steps to ensure businesses in
23 deprived and depressed communities compete for and perform contracts to
24 provide services or supplies, or both. Each director shall strongly
25 encourage firms with which the department contracts to subcontract with
26 certified businesses in depressed and deprived communities for services,
27 supplies, or both.

1 Sec. 210. (1) Funds shall not be expended to provide coverage for
2 state employees or their dependents for abortion services other than for
3 spontaneous abortion or to prevent the death of the woman upon whom the
4 abortion is performed [or for the drug viagra as produced by Phizer
Pharmaceutical or its clinical equivalent produced by another company or
under another name] wherever those services are not required by civil
5 service or collective bargaining agreement.

6 (2) The office of state employer is directed to immediately negoti-
7 ate the elimination of coverage for abortion services [or for the drug
viagra or its chemical equivalents] other than as pro-
8 vided in subsection (1) through the collective bargaining process. The
9 office of state employer shall semiannually notify the senate and house
10 of representatives standing committees on appropriations in writing of
11 the status of those negotiations.

12 Sec. 211. (1) The departments of attorney general, civil rights,
13 civil service, management and budget, state, and treasury, the executive
14 office, and the legislative branch shall submit to the department of man-
15 agement and budget, the senate and house of representatives standing com-
16 mittees on appropriations, the senate and house fiscal agencies, and the
17 senate and house standing committees having jurisdiction over technology
18 issues quarterly reports on the department's or agency's efforts to
19 change the department's or agency's computer software and hardware as
20 necessary to perform properly in the year 2000 and beyond. These reports
21 shall identify actual progress in comparison to the department's or
22 agency's approved work plan for these efforts. These reports shall also
23 identify the computer software and hardware that needs to be updated and
24 the computer software and hardware that has been updated since the previ-
25 ous report.

26 (2) The departments of attorney general, civil rights, civil
27 service, management and budget, state, and treasury, and the executive

HB5595, As Passed House, May 13, 1998

House Bill No. 5595

39

1 office may present progress billings to the department of management and
2 budget for the costs incurred in changing computer software and hardware
3 as necessary to perform properly in the year 2000 and beyond. At the
4 time progress billings are presented for reimbursement, the departments
5 and agencies shall identify the funding sources that should support the
6 work performed, and the department of management and budget shall forward
7 the appropriate funding.

8 Sec. 212. (1) For the departments of attorney general, civil
9 rights, civil service, management and budget, state, and treasury, this
10 appropriation act includes funding for department operations financed in
11 whole or in part from early retirement savings generated through the
12 early retirement program under section 19f of the state employees'
13 retirement act, 1943 PA 240, MCL 38.19f. The directors of these depart-
14 ments shall provide a report that identifies all of the following:

15 (a) The amount of these early retirement savings realized in the
16 1997-98 fiscal year.

17 (b) The amount of these early retirement savings explicitly ear-
18 marked and spent for technology improvements in the 1997-98 fiscal year.

19 (c) The amount of these early retirement savings used for other
20 organizational enhancements in the 1997-98 fiscal year.

21 (2) The report required under subsection (1) shall be provided to
22 the senate and house of representatives standing committees on appropria-
23 tions and to the senate and house fiscal agencies on or before December
24 15, 1998.

25 Sec. 213. Within 10 working days after the formal presentation of
26 the executive budget for 1999-2000, each principal executive department
27 and agency receiving funds under this act shall identify and report to

1 the senate and house of representatives standing committees on
2 appropriations and to the senate and house fiscal agencies the source of
3 all federal funds and restricted funds that the principal executive
4 department or agency proposes to receive as a grant or proposes to trans-
5 fer to another principal executive department and agency during the
6 1999-2000 fiscal year.

7 Sec. 214. Funds appropriated in part 1 shall not be used by this
8 state, a department, an agency, or an authority of this state to purchase
9 an ownership interest in a casino as that term is defined in the Michigan
10 gaming control and revenue act, the Initiated Law of 1996, MCL 432.201 to
11 432.216.

12 Sec. 215. (1) Any initiative to privatize state services shall not
13 commence until a pilot program is completed with a duration of not less
14 than 36 months. Thirty days before beginning any privatization pilot
15 program, the department or agency shall submit a complete project plan to
16 the senate and house appropriations subcommittees on general government
17 and to the senate and house fiscal agencies. The privatization pilot
18 program plan submission shall contain a complete set of baseline data for
19 comparative evaluation of the pilot program at the end of the program
20 term. Administrative costs of the contract shall be included in the
21 privatization pilot program evaluation.

22 (2) A contract for privatized services shall not be continued beyond
23 the original privatization pilot program term unless the program has con-
24 clusively demonstrated a savings of at least 5% and improved quality of
25 service.

26 (3) This section applies to each principal executive department and
27 agency receiving appropriations under this act.

[Sec. 216. (1) The departments of attorney general, civil rights, civil service, management and budget, state, and treasury shall not manipulate the results of an examination taken by an applicant or group of applicants for employment in a manner that results in an applicant or group of applicants receiving a higher score than the actual score earned by the applicant or group of applicants.]

(2) The departments of attorney general, civil rights, civil service, management and budget, state, and treasury shall not hire or promote an applicant with a lower test score if there is another equally qualified candidate with a higher test score.]

HB5595, As Passed House, May 13, 1998

House Bill No. 5595

41

1 DEPARTMENT OF ATTORNEY GENERAL

2 Sec. 301. (1) The attorney general shall perform all legal serv-
3 ices, including representation before courts and administrative agencies
4 rendering legal opinions and providing legal advice to a principal execu-
5 tive department or state agency. A principal executive department or
6 state agency shall not employ or enter into a contract with any other
7 person for services described in this section.

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

12 Sec. 302. The attorney general may sell copies of the biennial
13 report in excess of the 500 copies that the attorney general may distrib-
14 ute on a gratis basis. The attorney general shall sell copies of the
15 report at not less than the actual cost of the report and shall deposit
16 the money received into the general fund.

17 Sec. 303. The department of attorney general has retained the
18 responsibility for legal representation for state of Michigan state
19 employee worker's disability compensation cases handled by the accident
20 fund company. The accident fund company revenue appropriation in section
21 102 is to be satisfied by billings from the department of attorney gen-
22 eral to the accident fund company for the actual costs of legal represen-
23 tation, including salaries and support costs.

24 Sec. 304. Employees assigned to casino gaming oversight shall not
25 be employed by a licensed gaming establishment until at least 2 years
26 after termination of employment with the department.

HB5595, As Passed House, May 13, 1998

House Bill No. 5595

42

1 Sec. 305. In addition to the funds appropriated in section 102, up
2 to \$400,000.00 shall be reimbursed per fiscal year for food stamp fraud
3 cases heard by the third circuit court of Wayne county that were initi-
4 ated by the department of attorney general pursuant to the existing con-
5 tract between the family independence agency, the prosecuting attorneys
6 coordinating council, and the department of attorney general. The source
7 of this funding is money earned by the department of attorney general
8 under the agreement after the allowance for reimbursement to the depart-
9 ment of attorney general for costs associated with the prosecution of
10 food stamp fraud cases. It is recognized that the federal funds are
11 earned by the department of attorney general for its documented progress
12 on the prosecution of food stamp fraud cases according to the United
13 States department of agriculture regulations and that once earned by this
14 state, the funds become state funds.

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

19 DEPARTMENT OF CIVIL RIGHTS

20 Sec. 401. (1) In addition to the appropriations contained in
21 section 103, the department of civil rights may receive and expend funds
22 from local or private sources for all of the following purposes:

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

HB5595, As Passed House, May 13, 1998

House Bill No. 5595

43

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

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

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

6 (e) Developing, presenting, and participating in mediation processes
7 for certain civil rights cases.

8 (2) The department of civil rights shall annually report to the
9 state budget director, to the senate and house of representatives stand-
10 ing committees on appropriations, and to the senate and house fiscal
11 agencies the amount of funds received and expended for purposes autho-
12 rized under this section.

13 Sec. 402. The department of civil rights may contract with local
14 units of government to review equal employment opportunity compliance of
15 potential contractors and may charge for and expend amounts received from
16 local units of government for the purpose of developing and providing
17 these contractual services.

18 DEPARTMENT OF CIVIL SERVICE

19 Sec. 501. (1) All restricted funds shall be assessed a sum not less
20 than 1% of the total aggregate payroll paid from those funds for financ-
21 ing the department of civil service on the basis of actual 1% restricted
22 sources and programs total aggregate payroll of the classified service
23 for fiscal year 1998 in accordance with section 5 of article XI of the
24 state constitution of 1963. This includes but is not limited to
25 restricted funds appropriated in part 1 of any appropriations bill.

1 Unexpended 1% appropriated funds shall be returned to each 1% fund source
2 at the end of the fiscal year.

3 (2) The 1% financing from restricted sources and programs shall be
4 credited to the department of civil service by the end of the second
5 fiscal quarter.

6 Sec. 502. The department of civil service shall submit a report to
7 the senate and house of representatives standing committees on appropria-
8 tions, the senate and house appropriations subcommittees on general gov-
9 ernment, and the senate and house fiscal agencies, estimating the amount
10 of the appropriation contained in section 104 for civil service opera-
11 tions attributable to salaries and wages. The report is required by
12 April 1 of the fiscal year for which the appropriation in section 104 is
13 made.

[Sec. 503. The department of civil service shall submit a report to
the legislature on how to implement a system of compensation which would
allow local schools the option of rewarding excellence in teaching. This
report shall be developed in conjunction with the department of education.]

14 **LEGISLATIVE BRANCH**

15 **LEGISLATIVE AUDITOR GENERAL**

16 Sec. 601. Pursuant to section 53 of article IV of the state consti-
17 tution of 1963, the auditor general shall conduct audits of the judicial
18 branch. The audits may include the supreme court and its administrative
19 units, the court of appeals, and trial courts.

20 Sec. 602. (1) The auditor general shall take all reasonable steps
21 to ensure that certified minority- and women-owned and operated account-
22 ing firms, and accounting firms owned and operated by persons with dis-
23 abilities participate in the audits of the books, accounts, and financial
24 affairs of each principal executive department, branch, institution,
25 agency, and office of this state.

HB5595, As Passed House, May 13, 1998

House Bill No. 5595

45

1 (2) The auditor general shall strongly encourage firms with which it
2 contracts to perform audits of the principal executive departments and
3 state agencies to subcontract with certified minority- and women-owned
4 and operated accounting firms, and accounting firms owned and operated by
5 persons with disabilities.

6 (3) The auditor general shall compile an annual report regarding the
7 number of contracts entered into with certified minority- and women-owned
8 and operated accounting firms, and accounting firms owned and operated by
9 persons with disabilities. The auditor general shall deliver the report
10 to the senate and house appropriations subcommittees on general govern-
11 ment by November 1 of each year.

12 Sec. 603. (1) From the funds appropriated in section 106 to the
13 legislative branch, office of the auditor general, there is appropriated
14 the amounts necessary for the auditing of school district financial and
15 pupil accounting records utilized for state school aid distributions.
16 The office of the auditor general may conduct audits under this section
17 on a contractual basis.

18 (2) The office of the auditor general shall continue to perform an
19 oversight function of the state aid membership reporting and auditing
20 process including the department of education's quality assurance
21 system.

22 (3) The office of the auditor general shall submit a report for the
23 fiscal year ending September 30, 1999 to the department of education, the
24 state budget director, and the senate and house of representatives stand-
25 ing committees on appropriations on or before January 31, 2000. The
26 report shall contain the results of the office of the auditor general's
27 assessment of the internal control structure for the state's membership

HB5595, As Passed House, May 13, 1998

House Bill No. 5595

46

1 reporting and auditing process, and recommendations to improve the
2 internal control structure. The report shall also state the names of the
3 contractors, the contract cost, the dollar amount of audit citations for
4 any membership audits that may be conducted, and other pertinent informa-
5 tion relating to the determination of whether this audit function should
6 be continued.

7 Sec. 604. Upon request of the state treasurer, the auditor general
8 may temporarily assign staff to the department of treasury for the pur-
9 pose of auditing local road authorities.

10 Sec. 605. The department of treasury and the legislative auditor
11 general may conduct performance audits and make investigations of the
12 disposition of all state funds received by county road commissions or
13 county boards of commissioners, as applicable, and cities and villages
14 for transportation purposes to determine compliance with the terms and
15 conditions of 1951 PA 51, MCL 247.651 to 247.675. County road commis-
16 sions or county boards of commissioners, as applicable, and cities and
17 villages shall make available to the legislative auditor general and the
18 department of treasury the pertinent records for the audit.

19 **LEGISLATURE**

20 Sec. 621. The senate, the house of representatives, or an agency
21 within the legislative branch may receive, expend, and transfer funds in
22 addition to those authorized in sections 106, 107, and 108.

23 Sec. 622. (1) Funds appropriated in sections 106, 107, and 108 to
24 an entity within the legislative branch shall not be expended or trans-
25 ferred to another account without written approval of the authorized
26 agent of the legislative entity. If the authorized agent of the
27 legislative entity notifies the state budget director of its approval of

HB5595, As Passed House, May 13, 1998

House Bill No. 5595

47

1 an expenditure or transfer, the state budget director shall immediately
2 make the expenditure or transfer. The authorized legislative entity
3 agency shall be designated by the speaker of the house for house enti-
4 ties, the senate majority leader for senate entities, and the legislative
5 council for library of Michigan and legislative council entities.

6 (2) Funds appropriated within the legislative branch, to a legisla-
7 tive council or library of Michigan component, shall not be expended by
8 any agency or other subgroup included in that component without the
9 approval of the legislative council.

10 Sec. 623. The senate may charge rent and assess charges for utility
11 costs. The amounts received for rent charges and utility assessments are
12 appropriated to the senate for the renovation, operation, and maintenance
13 of the Farnum building and adjoining property.

14 Sec. 624. The appropriation contained in section 107 for national
15 association dues is to be distributed in the following manner by the leg-
16 islative council:

17 National conference of state legislatures.....	\$	167,300
18 Council of state governments.....	\$	151,400
19 National energy and resources research association...	\$	20,000
20 National conference of insurance legislatures.....	\$	3,000
21 National commission on uniform state laws.....	\$	40,300

22 Sec. 625. (1) The appropriation in section 107 to the legislative
23 branch, legislative council, includes funds to operate the legislative
24 parking facilities in the capitol area. The legislative council shall
25 establish rules regarding the operation of the legislative parking
26 facilities.

HB5595, As Passed House, May 13, 1998

House Bill No. 5595

48

1 (2) The legislative council shall collect a fee from state employees
2 and the general public using certain legislative parking facilities. The
3 money received from the parking fees shall be allocated by the legisla-
4 tive council.

5 Sec. 626. The appropriation in section 107 to the legislative
6 branch, legislative council, for publication of the Michigan manual is
7 considered a work project account. The unexpended portion remaining on
8 September 30 shall not lapse and shall be carried forward into the subse-
9 quent fiscal year for use in paying the associated biennial costs of pub-
10 lication of the Michigan manual.

11 Sec. 627. The appropriation in section 107 to the legislative
12 branch, for property management, is considered a work project account.
13 The unexpended portion remaining on September 30 shall not lapse and
14 shall be carried forward into the subsequent fiscal year for the use for
15 which it was intended.

16 Sec. 628. In addition to funds appropriated in section 107, the
17 Michigan capitol committee publications save the flags fund account may
18 accept contributions, gifts, bequests, devises, grants, and donations.
19 Those funds that are not expended in the fiscal year ending September 30
20 shall not lapse at the close of the fiscal year and shall be carried for-
21 ward for expenditure in the following fiscal years.

22 Sec. 629. Funds appropriated in section 107 for the legislative
23 session integration system shall be used to support technology improve-
24 ments for integration of legislative functions performed by the senate,
25 house of representatives, fiscal agencies, and the legislative service
26 bureau and to provide greater access to the public regarding legislative
27 services. These funds are designated as a work project and shall not

1 lapse at the end of the fiscal year, and shall continue to be available
2 for expenditure until the project has been completed. The total cost is
3 estimated at \$9,799,000.00, and the tentative completion date is
4 September 30, 1999.

[Sec. 630. The funds appropriated in section 107 shall not be used to pay for health insurance benefits for unmarried domestic partners of legislators or legislative employees.]

Sec. 631. The legislature shall use the competitive bidding process and other procurement methods described in section 261 of the management and budget act, 1984 PA 431, MCL 18.1261, for purchases of all goods and services.]

[Sec. 632. The office of legislative health care advisor is established to provide technical assistance, advice, and information to the legislature on medicaid managed care programs. The office shall do all of the following:

(a) Analyze health care data collected by the department of community health.

(b) Analyze medicaid laws, regulations, and policies related to managed care.

(c) Assess the performance of health plans serving the medicaid population.

(d) Coordinate efforts with the contractors for medicaid ombudsman services, external quality assurance, evaluation, and enrollment services.

(e) Report its findings and recommendations to the legislature by January 31 of each year.

(f) Perform other tasks as requested by members of the legislature.]

5 LIBRARY OF MICHIGAN

6 Sec. 651. In addition to funds appropriated in section 108, the
7 library of Michigan may accept contributions, gifts, bequests, devises,
8 user fees, grants, and donations. Those funds that are not expended in
9 the current fiscal year shall not lapse at the close of the fiscal year
10 and may be carried over by the library of Michigan for expenditure in the
11 following fiscal years.

12 Sec. 652. The appropriation in section 108 to the library of
13 Michigan, for subregional state aid, shall not be expended unless the
14 local unit of government agrees to not reduce local support below the
15 level of local support expended for subregional library services in the
16 local unit of government's immediately preceding fiscal year. A reduc-
17 tion in local expenditures that equally affects all agencies within a
18 local unit of government shall not be interpreted as a replacement of
19 local financial or in-kind support with state aid money.

20 Sec. 653. The appropriation in section 108 to the library of
21 Michigan, for a subregional library, shall not be released until a budget
22 for that subregional library has been approved by the library of Michigan
23 for expenditures for library services directly serving the blind and per-
24 sons with disabilities.

25 Sec. 654. The appropriation in section 108 to the library of
26 Michigan, for subregional state aid, shall be used only for providing
27 services to the blind and to persons with disabilities.

1 Sec. 655. The appropriation in section 108 to the library of
2 Michigan, for statewide database access, shall be used only for making

HB5595, As Passed House, May 13, 1998

3 computerized databases, searches of those databases, and the products of
4 those searches, available through the libraries of Michigan. Only those
5 libraries that qualify under the federal library services and technology
6 act are eligible to participate in this project.

7 **DEPARTMENT OF MANAGEMENT AND BUDGET**

8 **OPERATIONS**

9 Sec. 701. Proceeds in excess of necessary costs incurred in the
10 conduct of transfers or auctions of state surplus, salvage, or scrap
11 property made pursuant to section 267 of the management and budget act,
12 1984 PA 431, MCL 18.1267, are appropriated to the department of manage-
13 ment and budget to offset costs incurred in the acquisition and distribu-
14 tion of federal surplus property.

15 Sec. 702. The department of management and budget may receive and
16 expend funds in addition to those authorized in section 109 for conduct-
17 ing training and orientation workshops and seminars that are consistent
18 with the programmatic mission of the individual unit sponsoring or coor-
19 dinating the program. The department of management and budget shall
20 report amounts to the senate and house appropriations subcommittees on
21 general government when amounts exceed \$10,000.00.

22 Sec. 703. (1) The department of management and budget may receive
23 and expend funds in addition to those authorized by section 109 for main-
24 tenance and operation services provided specifically to other principal
25 executive departments or state agencies or the legislative branch or

HB5595, As Passed House, May 13, 1998

House Bill No. 5595

51

1 provided in connection with facilities transferred to the operational
2 jurisdiction of the department of management and budget.

3 (2) The department of management and budget may receive and expend
4 funds in addition to those authorized by section 109 for real estate
5 division services and in-house architectural design services provided
6 specifically to other principal executive departments or state agencies
7 or the legislative branch.

8 (3) The department of management and budget may receive and expend
9 funds in addition to those authorized in section 109 for mail pickup and
10 delivery services provided specifically to other principal executive
11 departments and state agencies or the legislative branch.

12 (4) The department of management and budget may receive and expend
13 funds in addition to those authorized in section 109 for purchasing serv-
14 ices provided specifically to other principal executive departments and
15 state agencies or the legislative branch.

16 Sec. 704. The department of management and budget may enter into
17 agreements to supply census and census-related information and technical
18 services to other principal executive departments, state agencies, local
19 units of government, and other organizations. The department of manage-
20 ment and budget may receive and expend money in addition to that autho-
21 rized in section 109 for providing information and technical services
22 publications, maps, and other census-related products. The department of
23 management and budget may expend amounts received for salaries, supplies,
24 and equipment necessary to provide informational products and technical
25 services.

26 Sec. 705. (1) The appropriation in section 109 to the department of
27 management and budget, for statewide appropriations from employer

HB5595, As Passed House, May 13, 1998

House Bill No. 5595

52

1 contributions, represents amounts included within the various
2 appropriations for longevity and insurance, whether appropriated as a
3 single line item or commingled with program line items, throughout state
4 government for the current fiscal year for purposes of funding the child
5 care information and referral services, severance pay funds, and profes-
6 sional development funds included within statewide appropriations.
7 Deposits against the interdepartmental grant from employer contributions
8 shall be made from assessments levied against the longevity and insurance
9 appropriations during the current fiscal year in a manner prescribed by
10 the department of management and budget. Any deposits made under this
11 subsection and any unencumbered funds are restricted revenues, may be
12 carried over into the succeeding fiscal years, and are appropriated.

13 (2) From the amount appropriated in section 109 to the department of
14 management and budget for professional development funds and child care
15 information and referral services, the department of management and
16 budget may expend funds for staff support associated with administration
17 of the professional development funds and child care information and
18 referral services in amounts as may be specified in joint
19 labor/management agreements or through the coordinated compensation hear-
20 ings process.

21 (3) In addition to the amounts appropriated in section 109 for sev-
22 erance pay funds, the department of management and budget may receive and
23 expend funds from other state agencies for staff support associated with
24 the administration of these funds.

25 (4) In addition to the amounts appropriated in section 109 to the
26 department of management and budget, for statewide appropriations from
27 employer contributions, the department of management and budget may

HB5595, As Passed House, May 13, 1998

House Bill No. 5595

53

1 receive and expend funds in such additional amounts as may be specified
2 in joint labor/management agreements or through the coordinated compensa-
3 tion hearings process in the same manner and subject to the same condi-
4 tions as prescribed in subsections (1), (2), and (3).

5 Sec. 706. To the extent a specific appropriation is required for a
6 detail source of financing included in section 109 for the department of
7 management and budget appropriations financed from special revenue and
8 internal service and pension trust funds, or MAIN user charges, the spe-
9 cific amounts are appropriated in portions not to exceed the aggregate
10 amount appropriated in section 109.

11 Sec. 707. From the amount appropriated in section 109 to the
12 department of management and budget, for departmentwide services, the
13 department of management and budget may expend funds for staff salaries
14 and fringe benefits for continued operation of the automated retirement
15 management system.

16 Sec. 708. The per diem amounts authorized for the following boards
17 within the department of management and budget are as follows:

18 (a) Judges retirement board.....	\$	35.00
19 (b) Public school employees retirement board.....		35.00
20 (c) State employees retirement board.....		35.00
21 (d) State police retirement board.....		35.00

22 Sec. 709. In addition to the amounts appropriated in section 109 to
23 the department of management and budget, the department may receive and
24 expend funds from other principal executive departments and state agen-
25 cies to implement donated annual leave and administrative leave bank
26 transfer provisions as may be specified in joint labor/management
27 agreements. The amounts may also be transferred to other principal

HB5595, As Passed House, May 13, 1998

House Bill No. 5595

54

1 executive departments and state agencies under the joint agreement and
2 any amounts transferred under the joint agreement are authorized for
3 receipt and expenditure by the receiving principal executive department
4 or state agency. Any amounts received by the department of management
5 and budget under this section and intended, under the joint
6 labor/management agreements, to be available for use beyond the close of
7 the fiscal year and any unencumbered funds may be carried over into the
8 succeeding fiscal year.

9 Sec. 710. The appropriation in section 109 for the Michigan admin-
10 istrative information network shall be funded by proportionate charges
11 assessed against the respective state funds benefiting from this project
12 in the amounts determined by the department.

13 Sec. 711. (1) At the end of each quarter, the department of manage-
14 ment and budget shall submit to the legislature a report on the progress
15 made in completing MAIN. Included in this report shall be a list of the
16 costs incurred by each principal executive department and agency of the
17 state.

18 (2) The legislature shall have access to all historical and current
19 data contained within MAIN pertaining to state departments. State
20 departments shall have access to all historical and current data con-
21 tained within MAIN.

22 Sec. 712. At the end of each quarter, the department of management
23 and budget shall submit quarterly billing statements to the legislature,
24 and to each principal executive department or agency that benefits from
25 or incurs costs from the use of MAIN. The billing statement shall also
26 specify the number of users.

HB5595, As Passed House, May 13, 1998

House Bill No. 5595

55

1 Sec. 713. (1) Deposits against the interdepartmental grant from
2 building occupancy and parking charges appropriated in section 109 shall
3 be collected, in part, from state agencies based on estimated costs asso-
4 ciated with maintenance and operation of buildings managed by the depart-
5 ment of management and budget. To the extent excess revenues are col-
6 lected due to estimates of building occupancy charges exceeding actual
7 costs, the excess revenues may be carried forward into succeeding fiscal
8 years for the purpose of returning funds to state agencies.

9 (2) Appropriations in section 109 to the department of management
10 and budget, for management and budget services from building occupancy
11 charges and parking charges, may be increased to return excess revenue
12 collected to state agencies.

13 (3) If excess revenues collected under subsection (1) are returned
14 to state agencies, the department of management and budget shall report
15 the excess revenues and the returns to the senate and house appropria-
16 tions subcommittees on general government on an annual basis.

17 Sec. 714. The department of management and budget shall notify the
18 chairpersons of the senate and house standing committees on appropria-
19 tions and the chairpersons of the senate and house appropriations subcom-
20 mittees on general government on any revisions exceeding \$500,000.00 to
21 current contracts for computer software development, hardware acquisi-
22 tion, or quality assurance at least 14 days before the department of man-
23 agement and budget finalizes the revisions.

24 Sec. 715. The department of management and budget shall report
25 annually by April 1 to the senate and house of representatives standing
26 committees on appropriations and to the senate and house fiscal agencies
27 the total funds expended and the amounts received from the family

HB5595, As Passed House, May 13, 1998

House Bill No. 5595

56

1 independence agency for implementation components of the child support
2 enforcement system.

3 Sec. 716. (1) The department of management and budget and each
4 principal executive department and agency receiving funds under this act
5 shall provide to the senate and house of representatives standing commit-
6 tees on appropriations and the senate and house fiscal agencies a monthly
7 report on all sole source contracts and personal service contracts
8 awarded that month without competitive bidding, pricing, or rate
9 setting. The monthly report shall include at least all of the
10 following:

11 (a) The total dollar amount of the contract.

12 (b) The duration of the contract.

13 (c) The name of the vendor.

14 (d) The type of service to be provided.

15 (2) At least quarterly, the appointing authority of each principal
16 executive department and agency receiving funds under this act shall
17 transmit to the senate and house of representatives standing committees
18 on appropriations, the senate and house fiscal agencies, and the depart-
19 ment of management and budget a report including all of the following for
20 each personal service contract awarded that quarter:

21 (a) A description of the personal service contract.

22 (b) A copy of the approved CS-138 form.

23 (c) The purpose and type of service to be provided.

24 (d) The name of the person or entity that was awarded the contract.

25 (e) The estimated cost or financial obligation for the contract.

26 (f) The cost savings to the state from awarding the contract. This
27 cost savings shall be calculated as the difference between the cost of

HB5595, As Passed House, May 13, 1998

House Bill No. 5595

57

1 the personal service contract and the estimated cost of the contract if
2 that product or service were provided through the classified civil serv-
3 ice by permanent civil service employees.

4 (3) The internal auditor of each principal executive department and
5 agency receiving funds under this act shall prepare an annual report con-
6 cerning personal service contracts that explicitly identifies exceptions
7 between the authorized purpose and level of expenditures and the actual
8 product or service and level of expenditures. This report shall be sub-
9 mitted to the legislative auditor general, the senate and house fiscal
10 agencies, and the department of management and budget not later than 90
11 days after the books are closed at the conclusion of the fiscal year.

12 (4) Each principal executive department and agency receiving funds
13 under this act shall provide to the department of management and budget a
14 monthly listing of all bid requests or requests for proposal that were
15 issued for personal service contracts during that month. The department
16 of management and budget shall provide this monthly listing to the senate
17 and house of representatives standing committees on appropriations and
18 senate and house fiscal agencies.

19 (5) Each principal executive department and agency receiving funds
20 under this act shall provide to the department of management and budget a
21 monthly summary listing that identifies any authorizations for personal
22 service contracts that are provided to the department of civil service
23 pursuant to delegated authority granted to each principal executive
24 department and agency related to personal service contracts. The depart-
25 ment of management and budget shall provide this monthly listing to the
26 senate and house of representatives standing committees on appropriations
27 and the senate and house fiscal agencies.

HB5595, As Passed House, May 13, 1998

House Bill No. 5595

58

1 Sec. 717. The appropriation in section 109 to the department of
2 management and budget, for state sponsored group insurance, flexible
3 spending accounts, and COBRA, represents amounts, in part, included
4 within the various appropriations throughout state government for the
5 current fiscal year to fund the flexible spending account program
6 included within management and budget services. Deposits against state
7 sponsored group insurance, flexible spending accounts, and COBRA for the
8 flexible spending account program shall be made from assessments levied
9 during the current fiscal year in a manner prescribed by the department
10 of management and budget. Unspent employee contributions to the flexible
11 spending accounts may be used to offset administrative costs for the
12 flexible spending account program, with any remaining balance of unspent
13 employee contributions to be lapsed to the general fund.

14 Sec. 718. Funds appropriated in part 1 of this act for the purchase
15 of goods or services, or the construction or rehabilitation of state
16 facilities, in which the contract price is \$1,000,000.00 or more, shall
17 not be used unless the entity that is supplying the goods or services, or
18 constructing or rehabilitating the state facility, provides a surety bond
19 that assures faithful performance. The surety bond shall be approved by
20 and filed with the state treasurer, and shall be signed by a surety com-
21 pany authorized to do business with this state. The surety bond shall be
22 issued in an amount not less than 25% of the total amount of the contract
23 with this state.

HB5595, As Passed House, May 13, 1998

House Bill No. 5595

59

1 DEPARTMENT OF STATE

2 Sec. 801. All money made available by section 3171 of the insurance
3 code of 1956, 1956 PA 218, MCL 500.3171, is appropriated and made avail-
4 able to the department of state to be expended only for the uses and pur-
5 poses for which the money is received as provided by sections 3171 to
6 3177 of the insurance code of 1956, 1956 PA 218, MCL 500.3171 to
7 500.3177.

8 Sec. 802. From money appropriated in section 110, the department of
9 state shall sell copies of records including but not limited to records
10 of motor vehicles, off-road vehicles, snowmobiles, watercraft, mobile
11 homes, personal identification cardholders, drivers, and boat operators
12 and shall charge \$6.55 per record sold. The department shall use the
13 revenue received from the sale of records for necessary expenses as
14 appropriated in section 110. The balance of the fee revenue remaining on
15 September 30 shall revert to the general fund.

16 Sec. 803. From money appropriated in section 110, the secretary of
17 state may enter into agreements with the department of corrections for
18 the manufacture of vehicle registration plates 15 months before the reg-
19 istration year in which the registration plates will be used.

20 Sec. 804. The federal funds appropriated in section 110 for the
21 historic site preservation grants are for work projects and shall not
22 lapse at the end of the fiscal year and shall continue to be available
23 for expenditure until the projects for which the funds were reserved have
24 been completed or are terminated. The purpose of these work projects is
25 the identification, designation, and preservation of historic resources.
26 The method used will be to solicit applications from eligible recipients,
27 score applications based upon established criteria, and award the

HB5595, As Passed House, May 13, 1998

House Bill No. 5595

60

1 subgrants. The total cost is \$750,000.00 and the tentative completion
2 date is September 30, 2000.

3 Sec. 805. (1) The department of state may accept gifts, donations,
4 contributions, and grants of money and other property from any private or
5 public source to underwrite, in whole or in part, the cost of a depart-
6 mental publication that is prepared and disseminated under the Michigan
7 vehicle code, 1949 PA 300, MCL 257.1 to 257.923. A private or public
8 funding source may receive written recognition in the publication and may
9 furnish a traffic safety message, subject to departmental approval, for
10 inclusion in the publication. The department may reject a gift, dona-
11 tion, contribution, or grant. The department may furnish copies of a
12 publication underwritten in whole or in part by a private source to the
13 underwriter at no charge.

14 (2) The department of state may sell and accept paid advertising for
15 placement in a departmental publication that is prepared and disseminated
16 under the Michigan vehicle code, 1949 PA 300, MCL 257.1 to 257.923. The
17 department may charge and receive a fee for any advertisement appearing
18 in a departmental publication and shall review and approve the content of
19 each advertisement. The department may refuse to accept advertising from
20 any person or organization. The department may furnish a reasonable
21 number of copies of a publication to an advertiser at no charge.

22 (3) Pending expenditure, money received under this section shall be
23 deposited in the Michigan department of state publications fund created
24 by section 211 of the Michigan vehicle code, 1949 PA 300, MCL 257.211.
25 Money given, donated, or contributed to the department from a private
26 source is appropriated and allocated for the purpose for which the money
27 is furnished. Money granted to the department from a public source is

HB5595, As Passed House, May 13, 1998

House Bill No. 5595

61

1 allocated and may be expended upon receipt. The department shall not
2 accept a gift, donation, contribution, or grant if receipt is conditioned
3 upon a commitment of state funding at a future date. Revenue received
4 from the sale of advertising is appropriated and may be expended upon
5 receipt.

6 (4) Any unexpended money received under this section shall be car-
7 ried over into subsequent fiscal years and shall be available for appro-
8 priation for the purposes described in this section.

9 (5) On March 1 of each year, the department of state shall file a
10 report with the senate and the house of representatives standing commit-
11 tees on appropriations and with the senate and house fiscal agencies.
12 The report shall include all of the following information:

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

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

18 (c) A listing of any gift, donation, contribution, or grant of prop-
19 erty other than money received by the department under this section for
20 the prior year.

21 (d) The total revenue received from the sale of paid advertising
22 accepted under this section and a statement of the total number of adver-
23 tising transactions.

24 (6) In addition to copies delivered without charge as the secretary
25 of state considers necessary, the department of state may sell copies of
26 manuals and other publications regarding the sale, ownership, or
27 operation of motor vehicles, with amendments, at prices to be established

HB5595, As Passed House, May 13, 1998

House Bill No. 5595

62

1 by the secretary of state. All money received from sales of these
2 manuals and other publications shall be credited to the Michigan depart-
3 ment of state publications fund.

4 Sec. 806. Funds collected by the department of state under section
5 211 of the Michigan vehicle code, 1949 PA 300, MCL 257.211, are appropri-
6 ated for all expenses necessary to provide for the costs of the
7 publication. Funds are allotted for expenditure when they are received
8 by the department of treasury and shall not lapse to the general fund at
9 the end of the fiscal year.

10 Sec. 807. Funds collected by the department of state under
11 sections 3, 6, 7, and 7a of 1913 PA 271, MCL 399.3, 399.6, 399.7, and
12 399.7a, are appropriated to the department for the purpose for which they
13 were received, and shall not lapse to the general fund at the end of the
14 fiscal year.

15 Sec. 808. For purposes of administering the museum store in the
16 museum-archives building, as provided in section 7a of 1913 PA 271,
17 MCL 399.7a, the department of state is exempt from section 261 of the
18 management and budget act, 1984 PA 431, MCL 18.1261.

19 Sec. 809. From funds appropriated in section 110, the department of
20 state shall use available balances at the end of the state fiscal year to
21 provide payment to the department of state police in the amount of
22 \$307,900.00 for the services provided by the traffic accident records
23 program as first appropriated in 1990 PA 196 and 1990 PA 208.

24 Sec. 810. From funds appropriated in section 110, the secretary of
25 state shall make readily available in branch offices information devel-
26 oped by the state commissioner of insurance regarding automobile
27 insurance territorial base rates. The secretary of state may also

HB5595, As Passed House, May 13, 1998

House Bill No. 5595

63

1 include that information on automobile insurance rates in the mailings of
2 applications for renewal of vehicle registrations.

3 Sec. 811. From funds appropriated in section 110, the department of
4 state may restrict funds from miscellaneous revenue to cover cash short-
5 ages created from normal branch office operations. This amount shall not
6 exceed \$50,000.00 of the total funds available in miscellaneous revenue.

7 Sec. 812. (1) Commemorative and specialty license plate fee revenue
8 collected by the department of state and deposited into the Michigan
9 transportation fund is authorized for expenditure up to the amount of
10 revenue collected but not to exceed the amount appropriated to the
11 department of state in section 110 to administer commemorative and spe-
12 cialty license plate programs.

13 (2) Commemorative and specialty license plate fee revenue collected
14 by the department of state and deposited in the Michigan transportation
15 fund in addition to that appropriated in section 110 to the department of
16 state shall be available for other Michigan transportation fund-supported
17 programs.

18 Sec. 813. Funds appropriated in section 110 for commemorative or
19 specialty license plates shall only be available for expenditure upon the
20 enactment of enabling legislation establishing a commemorative or spe-
21 cialty license plate fee.

22 Sec. 814. Revenue collected by the department of state regarding
23 the implementation and administration of the digitized driver license and
24 personal identification card program authorized under section 307 of the
25 Michigan vehicle code, 1949 PA 300, MCL 257.307, and under section 2 of
26 1972 PA 222, MCL 28.292, shall be used to reimburse the internal service
27 fund within the department of management and budget for prefunding the

HB5595, As Passed House, May 13, 1998

Sub. H.B. 5595 (H-1) as amended May 12, 1998

64

1 start-up costs of the program. Any additional revenue collected by the
2 department of state in excess of the amount needed to fully reimburse the
3 department of management and budget shall be distributed as provided
4 under section 307 of the Michigan vehicle code, 1949 PA 300, MCL 257.307,
5 and under section 2 of 1972 PA 222, MCL 28.292.

6 Sec. 815. Money in the Olympic education training center fund,
7 after deducting manufacturing and administrative costs, is appropriated
8 for distribution to the Olympic education training center at Northern
9 Michigan University. Distributions shall occur on a quarterly basis.
10 Any undistributed money remaining at the end of the fiscal year shall be
11 carried over into the next fiscal year.

12 Sec. 816. (1) From the funds appropriated in section 110 for the
13 organ donor program, \$40,000.00 shall be used for producing a pamphlet to
14 be distributed with driver licenses and personal identification cards
15 regarding organ donations. The funds shall be used to update and print a
16 pamphlet that will explain the organ donor program and encourage people
17 to become donors by marking a checkoff on driver license and personal
18 identification card applications.

19 (2) The pamphlet shall include a return reply form addressed to the
20 gift of life organization. From the funds appropriated in section 110
21 for the organ donor program, \$64,000.00 shall be used to pay for return
22 postage costs.

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HB5595, As Passed House, May 13, 1998

House Bill No. 5595

65

1 Sec. 818. The department of state may produce and sell copies of a
2 training video designed to inform registered automotive repair facilities
3 of their obligations under Michigan law. The price shall not exceed the
4 cost of production and distribution. The money received from the sale of
5 training videos shall revert to the department of state and be placed in
6 the auto repair facility account.

7 Sec. 819. (1) The secretary of state shall, from funds appropriated
8 in section 110 for reimbursement to locals, promptly reimburse each city,
9 village, and township for costs incurred reviewing, correcting, and
10 updating the street index/precinct maps and data associated with the
11 qualified voter file project, as provided in subsection (2).

12 (2) Reimbursement under this section shall be made at the rate of 15
13 cents per individual 18 years of age or older as determined by the 1990
14 census of population and housing.

15 Sec. 820. From the appropriation in section 110 for department
16 services, data processing, \$100,000.00 shall be allocated for the depart-
17 ment to provide display modules at all secretary of state branch offices
18 to enable people to verify information contained on the digital driver
19 license and personal identification card.

20 Sec. 821. From the funds appropriated in section 110 for historical
21 administration and services, \$71,200.00 shall be allocated to support the
22 operations of the Michigan freedom trail commission. These funds shall
23 be expended only if House Bill No. 5637 of the 89th Legislature is
24 enacted into law and shall be used to reimburse commission members, to
25 pay for necessary contractual services of the commission, and to hire not
26 more than 1 FTE in the department's history division to support
27 commission operations.

HB5595, As Passed House, May 13, 1998

House Bill No. 5595

66

1 DEPARTMENT OF TREASURY

2 OPERATIONS

3 Sec. 901. (1) Amounts needed to pay for interest, fees, principal,
4 arbitrage rebates as required by federal law, and costs associated with
5 the payment, registration, trustee services, credit enhancements, and
6 issuing costs in excess of the amount appropriated to the department of
7 treasury in section 111 for debt service on notes and bonds that are
8 issued by the state under sections 14, 15, and 16 of article IX of the
9 state constitution of 1963 as implemented by 1967 PA 266, MCL 17.451 to
10 17.455, are appropriated.

11 (2) In addition to the amount appropriated to the department of
12 treasury for debt service in section 111, there is appropriated an amount
13 for fiscal year cash-flow borrowing costs to pay for interest on inter-
14 fund borrowing made under 1967 PA 55, MCL 12.51 to 12.53, and for debt
15 service on short term notes issued by the state under section 14 of arti-
16 cle IX of the state constitution of 1963 as implemented by 1967 PA 266,
17 MCL 17.451 to 17.455. The fiscal year 1998-99 cash-flow borrowing costs
18 are estimated at \$61,700,000.00.

19 Sec. 902. (1) From money appropriated in section 111, the depart-
20 ment of treasury may contract with private collection agencies and law
21 firms to collect taxes and other accounts due this state. In addition to
22 the amounts appropriated in section 111 to the department of treasury,
23 there is appropriated amounts necessary to fund collection costs and fees
24 not to exceed 25% of the collections or 2.5% plus operating costs, which-
25 ever amount is prescribed by the contract. The appropriation to fund
26 collection costs and fees for the collection of taxes or other accounts
27 due this state are from the fund or account to which the revenues being

HB5595, As Passed House, May 13, 1998

House Bill No. 5595

67

1 collected are recorded or dedicated. However, if the taxes collected are
2 constitutionally dedicated for a specific purpose, the appropriation of
3 collection costs and fees are from the general purpose account of the
4 general fund.

5 (2) The department of treasury shall submit a report for the immedi-
6 ately preceding fiscal year ending September 30 to the state budget
7 director and the senate and house of representatives standing committees
8 on appropriations not later than November 30 stating the agencies or law
9 firms employed, the amount of collections for each, the costs of collec-
10 tion, and other pertinent information relating to determining whether
11 this authority should be continued.

12 Sec. 903. (1) The department of treasury, through its bureau of
13 investments, may charge an investment service fee against the applicable
14 retirement funds. The fees may be expended for necessary salaries,
15 wages, contractual services, supplies, materials, equipment, travel,
16 worker's compensation insurance premiums, and grants to the civil service
17 commission and state employees' retirement funds. Service fees shall not
18 exceed the aggregate amount appropriated in section 111. The department
19 of treasury shall maintain accounting records in sufficient detail to
20 enable the retirement funds to be reimbursed periodically for fees that
21 are determined by the department of treasury to be surplus.

22 (2) In addition to the amounts appropriated by section 111 from the
23 retirement funds to the department of treasury, there is appropriated
24 from retirement funds an amount sufficient to pay for the services of
25 money managers, investment advisors, investment consultants, custodians
26 and other outside professionals, the state treasurer considers necessary

HB5595, As Passed House, May 13, 1998

House Bill No. 5595

68

1 for the prudent management of the retirement funds' international
2 investment portfolios.

3 Sec. 904. The department of treasury shall sell copies of the state
4 tax manual, uniform accounting procedures manual, general property tax
5 law manual, and other local government assistance manuals with amend-
6 ments, at a price not to exceed the cost of printing. The money received
7 from the sale of preparation and local government assistance manuals
8 shall revert to the department of treasury and be placed in the local
9 government assistance manual revolving fund.

10 Sec. 905. The department of treasury may provide receipt process-
11 ing, cash handling, warrant processing, or investment services on a con-
12 tractual basis, but shall not provide data processing services for other
13 principal executive departments and state agencies. Funds for the serv-
14 ices provided are appropriated and shall be expended for salaries and
15 wages, fees, supplies, and equipment necessary to provide the services.
16 An unobligated balance of the funds received shall revert to the general
17 fund of this state as of September 30.

18 Sec. 906. (1) The department of treasury shall charge for audits as
19 permitted by state or federal law or under contractual arrangements with
20 local units of government, other principal executive departments, or
21 state agencies. A report detailing audits performed and audit charges
22 shall be submitted to the state budget director and the senate and house
23 fiscal agencies not later than November 30.

24 (2) The appropriation in section 111 to the department of treasury,
25 local finance programs entitled state audits, shall be used to cover the
26 cost of the state audits performed by independent certified public
27 accountants or department of treasury auditors. The scope of the state

HB5595, As Passed House, May 13, 1998

House Bill No. 5595

69

1 audit shall be defined by the state treasurer. The state audits shall be
2 performed by independent certified public accountants contracted with by
3 the state treasurer or by department of treasury auditors, if the county
4 has agreed to contract with and pay the department for their financial
5 single audit.

6 (3) The state audits shall be performed for the most current county
7 fiscal year in conjunction with the financial single audit. The state
8 audit may be performed either by certified public accountants contracted
9 by the state treasurer or department of treasury staff, independent of
10 the financial single audit, if a state audit has not been performed
11 within the last 3 years.

12 Sec. 907. A revolving fund known as the assessor certification and
13 training fund previously created under the control of the department of
14 treasury by 1993 PA 191 is maintained. The assessor certification and
15 training fund shall be used to organize and operate a property assessor
16 certification and training program. Each participant certified and
17 trained shall pay to the department of treasury an examination fee of
18 \$25.00, an initial certification fee of \$35.00, an annual renewal fee of
19 \$50.00 for levels 1 and 2 and \$95.00 for levels 3 and 4 to offset the
20 cost of administering the certification and training program. Training
21 courses shall be offered in assessment administration. Each participant
22 shall pay a fee to cover the expenses incurred in offering the optional
23 programs to certified assessing personnel and other individuals inter-
24 ested in an assessment career opportunity. The fees collected shall be
25 credited to the assessor certification and training fund.

26 Sec. 908. The department of treasury may expend revenues received
27 under the hospital finance authority act, 1969 PA 38, MCL 331.31 to

HB5595, As Passed House, May 13, 1998

House Bill No. 5595

70

1 331.84, for necessary salaries, wages, supplies, contractual services,
2 equipment, worker's compensation insurance premiums, and grants to the
3 civil service commission and state employees' retirement fund. The
4 department of treasury shall maintain accounting records in sufficient
5 detail to enable the hospital clients to be reimbursed periodically for
6 fees that are determined by the department of treasury to be surplus to
7 needs.

8 Sec. 909. As provided under sections 3 and 18 to 31 of 1941 PA 122,
9 MCL 205.3 and 205.18 to 205.31, the department of treasury may enter into
10 agreements to supply data or collection services to other executive prin-
11 cipal departments or state agencies, the United States department of
12 treasury, or local units of government within this state. The department
13 of treasury may charge for this tax data service and amounts received are
14 appropriated and shall be expended for salaries and wages, fees, sup-
15 plies, and equipment necessary to provide the service.

16 Sec. 910. The amount appropriated in section 111 to the department
17 of treasury, home heating assistance program, is to cover the costs,
18 including data processing, of administering the federal home heating
19 credits to eligible claimants and to administer the supplemental fuel
20 cost payment program for eligible tax credit and welfare recipients.

21 Sec. 911. (1) The department of treasury shall provide accounts
22 receivable collections services to other principal executive departments
23 and state agencies under 1927 PA 375, MCL 14.131 to 14.134. The depart-
24 ment of treasury shall deduct a fee equal to the cost of collections from
25 all receipts except unrestricted general fund collections. Fees shall be
26 credited to a restricted revenue account and appropriated to the
27 department of treasury to pay for the cost of collections. The

HB5595, As Passed House, May 13, 1998

House Bill No. 5595

71

1 department of treasury shall maintain accounting records in sufficient
2 detail to enable the respective accounts to be reimbursed periodically
3 for fees deducted that are determined by the department of treasury to be
4 surplus to the actual cost of collections.

5 (2) The department of treasury shall submit a report for fiscal year
6 ending September 30, 1999 to the state budget director and the senate and
7 house fiscal agencies not later than November 30, 1999 stating the prin-
8 cipal executive departments and state agencies served, funds collected,
9 and costs of collection under subsection (1).

10 Sec. 912. The department of treasury may expend revenue received
11 under the shared credit rating act, 1985 PA 227, MCL 141.1051 to
12 141.1077, for necessary salaries, wages, supplies, contractual services,
13 equipment, worker's compensation insurance premiums, and grants to the
14 civil service commission and state employees' retirement fund.

15 Sec. 913. Revenue received under the Michigan education trust act,
16 1986 PA 316, MCL 390.1421 to 390.1444, may be expended by the board of
17 directors of the Michigan education trust for necessary salaries, wages,
18 supplies, contractual services, equipment, worker's compensation insur-
19 ance premiums, and grants to the civil service commission and state
20 employees' retirement fund.

21 Sec. 914. Of the funds appropriated in section 111 to the depart-
22 ment of treasury, Michigan education trust fund challenge grants, each
23 dollar shall be matched with \$3.00 from the private sector in order to be
24 expended. Any unexpended amount shall lapse to the general fund at the
25 close of the 1998-99 fiscal year.

26 Sec. 915. Other principal executive departments and state agencies
27 may contract with the environmental research institute of Michigan for

HB5595, As Passed House, May 13, 1998

House Bill No. 5595

72

1 research and development activities and other services with contract
2 terms comparable to the terms utilized by federal agencies to procure
3 those services.

4 Sec. 916. Revenue from the airport parking tax act, 1987 PA 248,
5 MCL 207.371 to 207.383, is appropriated and shall be distributed under
6 section 7 of the airport parking tax act, 1987 PA 248, MCL 207.377.

7 Sec. 917. The appropriation in section 111 to the department of
8 treasury, for treasury fees, shall be comprised of the following fees and
9 amounts:

10	Recreational bond-state projects.....	\$	1,800
11	Federal narcotics investigation revenues.....		600
12	Game and fish protection.....		2,700
13	State aeronautics.....		4,300
14	Michigan transportation.....		24,000
15	Comprehensive transportation.....		10,700
16	Michigan natural resources trust.....		25,200
17	Safety, education, and training.....		1,100
18	Water pollution control bond.....		2,200
19	Recreation bond-local projects.....		3,000
20	State construction code.....		2,200
21	Environmental protection bond.....		6,400
22	Homeowner's construction lien recovery.....		500
23	Land exchange facilitation.....		100
24	Michigan state parks endowment.....		9,800
25	Michigan conservation endowment.....		4,300
26	1994 trunkline bond proceeds.....		2,300

HB5595, As Passed House, May 13, 1998

House Bill No. 5595

73

1	1989 trunkline bond proceeds.....	200
2	Michigan underground storage tank financial assurance	2,200
3	Underground storage tank fees.....	900
4	State-sponsored group insurance.....	27,500
5	Michigan employment security agency contingency.....	11,700
6	Community dispute resolution fees.....	900
7	Silicosis and dust disease.....	2,000
8	Second injury.....	5,000
9	Hospital patients trust.....	500
10	Bankrupt self-insured, worker's disability no. 2.....	100
11	Urban land assembly loan.....	1,200
12	Hazardous and solid waste disposal.....	1,200
13	Utility consumer representation.....	300
14	Michigan justice training.....	2,100
15	Michigan veterans' trust.....	8,800
16	State trunkline.....	21,700
17	State waterways.....	7,400
18	Marine safety.....	1,800
19	Game and fish trust.....	9,600
20	State park improvement.....	2,100
21	Motor vehicle accident claims.....	600
22	Children's trust.....	1,900
23	Nongame fish and wildlife.....	1,300
24	Vietnam veterans memorial.....	100
25	Bottle deposit.....	6,400
26	State lottery.....	137,100

HB5595, As Passed House, May 13, 1998

House Bill No. 5595

74

1	Michigan higher education authority.....	700
2	Family care.....	600
3	Gifts, bequests, and deposits.....	6,500
4	Self-insurers security.....	1,000
5	Bankrupt self-insured, worker's disability no. 1.....	300
6	Bankrupt self-insured, worker's disability no. 4.....	300
7	Bankrupt self-insured, worker's disability no. 8.....	100
8	Gasoline inspection and testing.....	800
9	WIC program.....	2,100
10	Worker's compensation administration revolving.....	1,500
11	State court.....	2,500
12	Auto theft prevention.....	2,200
13	Landfill maintenance trust.....	100
14	Health initiative.....	1,400
15	Hazardous materials inspection fee.....	700
16	Environmental response.....	2,700
17	Scrap tire regulatory.....	1,400
18	Great Lakes protection.....	600
19	MDOT, Federal transportation funds.....	800
20	Groundwater and fresh water protection.....	1,400
21	Boiler inspection.....	1,100
22	1992 trunkline bond proceeds.....	3,200
23	1992 trunkline/bridge bond proceeds.....	900
24	1992 comprehensive transportation bond proceeds.....	3,900
25	Forest development.....	2,300
26	Solid waste management fee staff.....	200

HB5595, As Passed House, May 13, 1998

House Bill No. 5595

75

1	Solid waste management fee perpetuity.....	100
2	Trunkline bond and interest redemption.....	400
3	Comprehensive bond and interest redemption.....	1,200
4	Drunk driver's caseload assistance.....	700
5	Workplace health and safety.....	4,800
6	Fred Sanders Inc., worker's compensation.....	100
7	Crime victims benefits.....	1,000
8	Asbestos abatement.....	300
9	Emission control.....	1,300
10	Stormwater permit fees.....	100
11	Snowmobile trail improvement.....	500
12	Milbrand workmen's compensation trust.....	100
13	Land/water permits.....	200
14	Healthy Michigan fund.....	4,400
15	Blue Water Bridge.....	6,900
16	Highland superstores worker's compensation.....	200
17	Peet packing corporation worker's compensation.....	1,000
18	Remonumentation fees.....	1,800
19	Federal narcotics investigation revenue.....	600
20	Drunk driving prevention and training fund.....	300
21	Forensic science.....	300
22	Environmental pollution prevention.....	1,100
23	Health professions regulatory.....	1,800
24	Nurse professions regulatory.....	500
25	DOD air force conversion.....	100
26	Emergency response.....	300

HB5595, As Passed House, May 13, 1998

House Bill No. 5595

76

1	Title IX revolving loan.....	100
2	Armory construction.....	500
3	Snowmobile registration fee.....	200
4	TOTAL..... \$	425,400

5 Sec. 918. The disbursement by the department of treasury from the
6 bottle deposit fund to dealers as required by section 3c(2) of the
7 Initiated Law of 1976, MCL 445.573c, is appropriated.

8 Sec. 919. The department of treasury shall credit interest gener-
9 ated by revenues in the community dispute resolution fund created by the
10 community dispute resolution act, 1988 PA 260, MCL 691.1551 to 691.1564,
11 to the fund. Money in the community dispute resolution fund shall be
12 used exclusively for purposes of the community dispute resolution act,
13 1988 PA 260, MCL 691.1551 to 691.1564.

14 Sec. 920. (1) There is appropriated an amount sufficient to recog-
15 nize and pay refundable income tax credits as provided by the management
16 and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

17 (2) The appropriations under subsection (1) shall be funded by
18 restricting income tax revenue in an amount sufficient to record these
19 expenditures.

20 Sec. 921. A plaintiff shall pay to the state treasurer:

21 (a) A fee of \$6.00 at the time a writ of garnishment of periodic
22 payments is served upon the state treasurer, as provided in section 4012
23 of the revised judicature act of 1961, 1961 PA 236, MCL 600.4012.

24 (b) A fee of \$6.00 at the time any other writ of garnishment is
25 served upon the state treasurer, except that the fee shall be reduced to
26 \$5.00 for each writ of garnishment for individual income tax refunds or
27 credits filed by magnetic media.

HB5595, As Passed House, May 13, 1998

House Bill No. 5595

77

1 Sec. 922. The department of treasury may expend revenue received
2 under the higher education facilities authority act, 1969 PA 295,
3 MCL 390.921 to 390.934, for necessary salaries, wages, supplies, contrac-
4 tual services, equipment, worker's compensation insurance premiums, and
5 grants to the civil service commission and state employees' retirement
6 fund. The department of treasury shall maintain accounting records in
7 sufficient detail to enable the educational institution clients to be
8 reimbursed periodically for fees that are determined by the department to
9 be surplus to needs.

10 Sec. 923. The department of treasury may contract with private
11 firms to appraise and, if necessary, appeal the assessments of senior
12 citizen cooperative housing units. Payment for this service shall be
13 from any savings resulting from the appraisal or appeal process.

14 Sec. 924. The state treasurer is authorized to make loans to local
15 units of government from the state's common cash fund to implement local
16 government infrastructure and private facility projects that will ulti-
17 mately use long-term debt to finance the costs. These loans may be made
18 at any time, but must be repaid, in full, not later than 12 months after
19 the date of the loan. In addition to the full repayment of the loan
20 principal, the borrowing unit shall pay interest at the average rate
21 earned on common cash investments during the period of the loan. The
22 total of all outstanding loans shall not exceed \$50,000,000.00 in the
23 aggregate and no single loan shall exceed \$7,500,000.00.

24 Sec. 925. The department of treasury may provide a \$200.00 annual
25 prize from the Ehlers internship award account in the gifts, bequests,
26 and deposit fund to the runner-up of the Rosenthal prize for interns.
27 The Ehlers internship award account is interest bearing.

HB5595, As Passed House, May 13, 1998

House Bill No. 5595

78

1 Sec. 926. The department of treasury may expend revenue received
2 under former 1947 PA 329 and the uniform unclaimed property act, 1995
3 PA 29, MCL 567.221 to 567.265, for necessary expenses, salaries, wages,
4 fringe benefits, supplies, contractual services, equipment, worker's com-
5 pensation insurance premiums, and grants to the civil service
6 commission. Revenue expended under this section shall not exceed
7 \$3,000,000.00.

8 Sec. 927. The department of treasury shall release its quarterly
9 report on investments, including derivatives, held by the Michigan
10 employees retirement system, to the legislature and the public.

11 Sec. 928. The department of treasury shall establish a separate
12 account for the funds related to the Michigan higher education facilities
13 authority.

14 Sec. 929. Pursuant to section 61 of the Michigan campaign finance
15 act, 1976 PA 388, MCL 169.261, there is appropriated from the general
16 fund to the state campaign fund an amount equal to the amounts designated
17 for tax year 1998. Except as otherwise provided in this subsection, the
18 amount appropriated shall not revert to the general fund and shall remain
19 in the state campaign fund. Any amounts remaining in the state campaign
20 fund in excess of \$10,000,000.00 on December 31, 1998 shall revert to the
21 general fund.

22 Sec. 930. Of the funds appropriated in section 111 for tax programs
23 administration, \$100,000.00 shall be distributed to the department of
24 natural resources through an interdepartmental grant to replenish funds
25 expended for oil and gas audit activities.

26 Sec. 931. In accordance with section 52 of the state employees'
27 retirement act, 1943 PA 240, MCL 38.52, \$170,600.00 is appropriated in

HB5595, As Passed House, May 13, 1998

House Bill No. 5595

79

1 section 111 to the health insurance reserve fund of the state employees
2 retirement system created by section 11(8) of the state employees'
3 retirement act, 1943 PA 240, MCL 38.11, representing the estimated gen-
4 eral fund-general purpose savings from implementing the defined contribu-
5 tion retirement plan for the period of April 1, 1997, through September
6 30, 1997.

7 GRANTS

8 Sec. 951. Payments from the appropriation in section 111 to the
9 department of treasury for grants to counties in lieu of taxes for lands
10 transferred to the federal government include a payment for Sleeping Bear
11 Dunes national lakeshore under 1974 PA 359, MCL 3.901 to 3.910.

12 Sec. 952. (1) All distributions from the convention facility devel-
13 opment fund in section 111, department of treasury, are to be made pursu-
14 ant to statutory requirements.

15 (2) The convention facility development fund balance that was trans-
16 ferred to the state general fund at the end of fiscal year 1998 is appro-
17 priated and shall be distributed after January 1, 1999 under the state
18 convention facility development act, 1985 PA 106, MCL 207.621 to
19 207.640.

20 Sec. 953. The \$6,000,000.00 appropriated in section 111 to the
21 department of treasury for tax increment finance authority payments shall
22 be made under section 13b of 1975 PA 197, MCL 125.1663b, section 12a of
23 the tax increment finance authority act, 1980 PA 450, MCL 125.1812a, and
24 section 11a of the local development financing act, 1986 PA 281,
25 MCL 125.2161a.

26 Sec. 954. All of the revenue collected under section 12(3)(a) of
27 the tobacco products tax act, 1993 PA 327, MCL 205.432, is appropriated

HB5595, As Passed House, May 13, 1998

House Bill No. 5595

80

1 to the health and safety fund of this state for distribution as set forth
2 in the health and safety fund act, 1987 PA 264, MCL 141.471 to 141.479.

3 Sec. 955. The appropriation contained in section 111 for special
4 census revenue sharing payments is to make special census revenue sharing
5 payments to eligible cities, villages, and townships pursuant to the
6 state revenue sharing act of 1971, 1971 PA 140, MCL 141.901 to 141.921.
7 The department of treasury shall transmit special census revenue sharing
8 payments to eligible cities, villages, and townships by July 31, 1999.
9 These payments shall be made to cities, villages, and townships that were
10 certified to be eligible by June 30, 1999. The payments shall reflect
11 the amount of special census revenue sharing payments each eligible city,
12 village, and township would have received in the fiscal year ending
13 September 30, 1999.

14 Sec. 956. Funds in the revenue sharing reserve fund created under
15 section 11(5) of the state revenue sharing act of 1971, 1971 PA 140, MCL
16 141.911, are appropriated for distribution to local governments pursuant
17 to the revenue sharing act upon elimination of the revenue sharing
18 reserve fund.

19 Sec. 957. County treasurers shall comply with section 151 of the
20 state school aid act of 1979, 1979 PA 94, MCL 388.1751, to receive funds
21 under section 111 for the statutory state general revenue sharing grant
22 payments in excess of the constitutional state general revenue sharing
23 grant payments. The department of education shall notify the state trea-
24 surer that all reporting requirements under section 151 of the state
25 school aid act have been met before county treasurers receive a December
26 statutory state general revenue sharing grant payment. A statutory state

HB5595, As Passed House, May 13, 1998

House Bill No. 5595

81

1 general revenue sharing grant payment shall not be made to a county until
2 it has complied with the reporting requirements.

3 Sec. 958. Local units of government that receive revenue sharing
4 funds and distribute property tax statements or income tax forms shall
5 not visibly include, as part of the property tax statements or income tax
6 forms external address, the social security number of the recipient.

7 Sec. 959. In addition to the amount appropriated in section 111,
8 funds distributed by the Michigan gaming control board to the department
9 of treasury for oversight of casino gaming are appropriated upon
10 receipt. These funds may be used to pay for costs incurred for casino
11 gaming oversight activities. Employees assigned to casino gaming over-
12 sight shall not be employed by a licensed gaming establishment until at
13 least 2 years after termination of employment with the department.

14 Sec. 960. (1) Funds appropriated in section 111 for casino gaming,
15 Michigan gaming control board, and casino gaming control administration
16 shall be financed entirely by the state casino gaming fund if sufficient
17 funds are available in the state casino gaming fund. If sufficient funds
18 are not available in the state casino gaming fund, the state budget
19 director may make advances from the general fund to fully fund these
20 appropriations in amounts not to exceed the funds appropriated in
21 section 111.

22 (2) Any general fund advances made for casino gaming, Michigan
23 gaming control board, or casino gaming control administration in the
24 fiscal year ending September 30, 1999 shall be reimbursed from the state
25 casino gaming fund with interest in an amount and manner consistent with
26 the operating practices of this state's common cash fund.

HB5595, As Passed House, May 13, 1998

House Bill No. 5595

82

1 (3) If general fund advances are made under subsection (1), funds
2 subsequently received in the state casino gaming fund shall be used first
3 to reimburse the general fund before any additional appropriations are
4 made for casino gaming, the Michigan gaming control board, or the casino
5 gaming control administration.

6 Sec. 961. From section 111 of this act, an amount equal to the
7 appropriations from the older Michiganians pharmaceutical assistance fund
8 for the department of treasury is appropriated from use tax revenue to
9 the older Michiganians pharmaceutical assistance fund. Any unexpended
10 balance of older Michiganians pharmaceutical assistance funds remaining
11 at the end of the fiscal year shall not revert to the general fund but
12 shall remain available for the use for which it was intended.

13 Sec. 962. (1) The state community policing program is created
14 within the department of treasury. The program shall provide a local
15 unit of government with funds to employ additional police officers or to
16 purchase technology and equipment. State grant funds shall provide a
17 portion of the matching funds necessary for local units of government to
18 receive funds under the federal community oriented policing services pro-
19 gram, under the violent crime control and law enforcement act of 1994,
20 Public Law 103-322, 108 Stat. 1796. Of the 25% local match required
21 under federal law, the state shall provide 20.5% and the local unit of
22 government shall provide 4.5%.

23 (2) The department shall not award grants for more than 1,666 commu-
24 nity policing officers.

25 (3) If a local law enforcement agency receives federal community
26 oriented policing services grant funding for community oriented police
27 officer hiring and that law enforcement agency has an ongoing community

HB5595, As Passed House, May 13, 1998

Sub. H.B. 5595 (H-1) as amended May 12, 1998 83

1 policing program functioning in that law enforcement agency,
2 reimbursement of the grant matching money under this section for addi-
3 tional community police officers shall receive priority.

4 (4) Once agencies receive community oriented policing services grant
5 funding, and additional individuals are hired, they shall receive train-
6 ing for community policing through a Michigan law enforcement officers'
7 training council approved program.

8 (5) A local law enforcement agency receiving community oriented
9 policing services grant funding under this section shall not reassign the
10 officers hired under this section during the period covered by the
11 grant.

12 (6) If a federal community oriented policing services grants audit
13 shows that community oriented policing services grant funding was not
14 used as prescribed, the local law enforcement agency shall reimburse the
15 state for the amount misused.

16 (7) The unexpended portions of the appropriations in section 111 for
17 grants to local units for community policing shall be considered work
18 project appropriations and any unencumbered funding shall not lapse and
19 shall be available in the succeeding fiscal year.

20 Sec. 963. Of the funds appropriated in section 111 to the depart-
21 ment of treasury for the senior citizens' cooperative housing tax exemp-
22 tion program, a portion is to be utilized for a program audit of the
23 program. The department of treasury shall forward copies of the audit to
24 the senate and house appropriations subcommittees on general government.
25 The department of treasury may utilize up to 1% of the funds for program
26 administration and auditing.

[Sec. 964. The department shall reimburse local assessors for time
and material involved in correcting inaccurate homestead affidavit recision
lists.]

05369'98 (H-1)

HB5595, As Passed House, May 13, 1998

House Bill No. 5595

84

1 LOTTERY

2 Sec. 970. The funds appropriated in section 111 to the bureau of
3 state lottery shall not be used for any promotional efforts directed
4 towards individuals who are less than 18 years of age.

5 Sec. 971. In addition to the amount appropriated in section 111 to
6 the bureau of state lottery, there is appropriated from lottery revenues
7 the amount necessary for, and directly related to, implementing and oper-
8 ating lottery games. Appropriations under this section shall only be
9 expended for contractually mandated payments for vendor commissions, con-
10 tractually mandated payments for instant tickets intended for resale,
11 courier charges for the delivery of instant tickets to retailers, the
12 contractual costs of providing and maintaining the on-line system commu-
13 nications network, and incentive and bonus payments to lottery
14 retailers.

15 Sec. 972. The salary and related fringe benefit costs of the state
16 lottery commissioner shall not be financed, in whole or in part, from any
17 funding source other than lottery revenues.

18 Sec. 973. The funds appropriated in section 111 to the bureau of
19 state lottery shall not be used to directly or indirectly associate pro-
20 fessional or amateur sports figures with the lottery or its products.

21 Sec. 974. The funds appropriated in section 111 to the bureau of
22 state lottery shall not be used to conduct a lottery drawing held on
23 Sunday.

HB5595, As Passed House, May 13, 1998

House Bill No. 5595

85

1 REVENUE STATEMENT

2 Sec. 1101. Pursuant to section 18 of article V of the state consti-
3 tution of 1963, fund balances and estimates are presented in the follow-
4 ing statement:

5 BUDGET RECOMMENDATIONS BY OPERATING FUNDS

6 (Amounts in millions)

7 Fiscal Year 1998-99

9			Beginning		
10		Fund	Unreserved	Estimated	Ending
11	OPERATING FUNDS	#	Fund Balance	Revenue	Balance
12	General	0110	\$ 0.0	\$18,515.0	\$ 0.0
13	Special Revenue Funds:				
14	Countercyclical budget and eco-				
15	nomic stabilization	0111	1,038.0	55.1	1,020.3
16	Game and fish protection	0112	8.3	46.9	7.3
17	Michigan employment security				
18	act administration	0113	0.0	136.0	0.0
19	State aeronautics	0114	4.0	9.6	0.0
20	Michigan veterans' benefit				
21	trust	0115	0.0	3.9	0.0
22	State trunkline	0116	5.0	1,389.7	0.0
23	Michigan state waterways	0117	0.0	23.0	0.0
24	Blue water bridge	0118	10.8	11.5	0.0
25	Michigan transportation	0119	0.0	1,798.4	0.0
26	Comprehensive transportation	0120	0.0	250.1	0.0

05369'98 (H-1)

HB5595, As Passed House, May 13, 1998

House Bill No. 5595

86

1	School aid	0122	122.8	9,120.9	69.6
2	Marine safety	0123	2.4	5.0	1.6
3	Game and fish				
4	protection trust	0124	0.0	7.0	0.0
5	State park improvement	0125	7.1	26.9	7.1
6	Forest development fund	0126	0.8	17.6	0.0
7	Michigan civilian con-				
8	servation corps endowment	0128	0.0	1.2	0.0
9	Michigan natural resources				
10	trust	0129	0.0	46.3	0.0
11	Michigan state parks				
12	endowment	0130	0.0	4.1	0.0
13	Safety education and training	0131	0.5	5.1	0.4
14	Uninsured employer security	0135	22.0	0.0	21.0
15	School bond loan	0137	115.8	0.0	30.8
16	State construction code	0138	20.0	2.0	14.0
17	Children's trust	0139	0.0	3.5	0.0
18	Homeowner construction lien				
19	recovery	0141	3.0	4.0	3.0
20	Michigan nongame fish and				
21	wildlife	0143	0.7	0.9	0.6
22	Michigan underground storage				
23	tank finance assurance	0160	0.0	67.7	0.0
24	State building authority	0165	0.0	0.3	0.0
25	TOTALS		\$1,361.2	\$31,567.7	
	\$1,175.7				