Act No. 104
Public Acts of 1997
Approved by the Governor*
August 13, 1997
Filed with the Secretary of State
August 18, 1997

EFFECTIVE DATE: August 18, 1997

*Item Vetoes

Sec. 101.

DEPARTMENT OF MICHIGAN JOBS COMMISSION

DEPARTMENT GRANTS

Sec. 423.

Entire Section. (Page 24)

STATE OF MICHIGAN 89TH LEGISLATURE REGULAR SESSION OF 1997

Introduced by Senators Steil, Geake, Conroy and McManus

ENROLLED SENATE BILL No. 166

AN ACT to make appropriations for the departments of consumer and industry services and Michigan jobs commission and certain other state purposes for the fiscal year ending September 30, 1998; to provide for the expenditure of those appropriations; to provide for the imposition of certain fees; to provide for the disposition of fees and other income received by the state agencies; to provide for reports to certain persons; and to prescribe powers and duties of certain state departments and certain state and local agencies and officers.

The People of the State of Michigan enact:

Sec. 101. There is appropriated for the departments of consumer and industry services and Michigan jobs commission for the fiscal year ending September 30, 1998, from the following funds:

TOTAL REGULATORY

APPROPRIATION SUMMARY: Full-time equated unclassified p

Full-time equated unclassified positions	
Full-time equated classified positions	
GROSS APPROPRIATION	\$ 976,657,800
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers	3,467,900
ADJUSTED GROSS APPROPRIATION	\$ 973,189,900
Federal revenues:	
Total federal revenues	570,650,200
Special revenue funds:	
Total local revenues	12,561,400
Total private revenues	4,881,300
Total other state restricted revenues	197,310,400
State general fund/general purpose	\$ 187,786,600

DEPARTMENT OF CONSUMER AND INDUSTRY SERVICES		
APPROPRIATION SUMMARY:		
Full-time equated unclassified positions64.5		
Full-time equated classified positions2,771.4		
GROSS APPROPRIATION	\$	374,401,800
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		893,200
ADJUSTED GROSS APPROPRIATION	\$	373,508,600
Federal revenues:		
Total federal revenues		112,620,400
Special revenue funds:		
Total local revenues		0
Total private revenues		920,700
Total other state restricted revenues		184,113,600
State general fund/general purpose	\$	75,853,900
EXECUTIVE DIRECTION		
Full-time equated unclassified positions		
Full-time equated classified positions		
Unclassified salaries	\$	4,720,800
Executive director programs—45.0 FTE positions.	Ψ	4,615,700
Policy development—9.0 FTE positions		1,308,500
Utility consumer representation		800,000
Regulatory efficiency improvements/backlog reduction initiative		750,000
MES board of review program—21.0 FTE positions		1,478,900
GROSS APPROPRIATION		13,673,900
Appropriated from:		
Federal revenues:		
DOL-ETA, unemployment insurance		1,865,500
DOL, multiple grants for safety and health		158,000
Special revenue funds:		
Private - college work-study		25,000
Motor carrier fees		22,100
Public utility assessments		339,000
Corporation fees		107,900
Bank fees		204,900
Consumer finance fees		45,800
Health professions regulatory fund		2,099,900
Credit union fees		86,100
Insurance regulatory fees		303,900
Liquor purchase revolving fund		1,148,400
Michigan state housing development authority fees and charges		308,000
Mobile home commission fees		39,800
State fair revenue		65,600
		800,000
Utility consumer representation fund		,
Licensing and regulation fees		971,100
Construction code fund		207,400
Elevator fees		1,400
Safety education and training fund		156,600
Workers' compensation administrative revolving fund	φ.	19,600
State general fund/general purpose	\$	4,697,900
COUNCIL FOR ARTS AND CULTURAL AFFAIRS		
Full-time equated classified positions		
Administration—9.0 FTE positions	\$	827,800
Arts and cultural grants	Ψ	21,548,700
GROSS APPROPRIATION	s -	22,376,500
	4	,5.5,500

For Fiscal Year

		For Fiscal Year Ending Sept. 30, 1998
Michigan state housing development authority fees and charges	\$	1,009,900
Credit union fees.		249,300
Bank fees		449,800
Securities fees		12,100
Consumer finance fees		129,700
Insurance regulatory fees		1,557,100
Health professions regulatory fund		3,401,300
Licensing and regulation fees.		1,814,600
Fees and collections		93,700
Boiler fee revenue		35,400
Construction code fund		834,400
Elevator fees		107,200
Safety education and training fund		160,400
Second injury fund		12,100
Self insurers' security fund		2,100
Silicosis and dust disease fund		4,900
Workers' compensation administrative revolving fund		963,000
State general fund/general purpose	æ	4,702,300
State general fund/general pur pose	Φ	4,102,300
INANCIAL SERVICES AND CORPORATIONS Full-time equated classified positions416.0		
	d•	7 900
Mobile home commission, per diem \$50.00	Ф	7,800
Mobile home and land resources program—17.0 FTE positions		1,551,000
Corporate services—46.0 FTE positions		2,721,900
Corporate certification and copying—28.0 FTE positions		2,120,400
Investment oversight—31.0 FTE positions		2,519,400
Local mobile home park inspections		250,000
Property development group—13.0 FTE positions		1,345,000
Remonumentation		4,500,000
Financial institutions administration—18.0 FTE positions		1,242,700
Bank regulation—54.0 FTE positions		5,001,200
Credit union regulation—37.0 FTE positions		2,808,100
Financial institutions consumer protection—21.0 FTE positions		1,449,500
Financial institutions research and consumer services—5.0 FTE positions		357,700
Federal regulatory projects		50,600
Financial institutions corporate regulatory services—9.0 FTE positions		710,500
Insurance bureau administration—23.0 FTE positions		2,105,200
Insurance financial standards—49.0 FTE positions		7,565,100
Insurance licensing and enforcement—30.0 FTE positions		2,442,100
Market standards and consumer services—35.0 FTE positions		2,410,300
GROSS APPROPRIATION	\$	41,158,500
Appropriated from:		
Federal revenues:		
Federal regulatory project revenues		50,600
Special revenue funds:		,
Corporation fees		3,761,100
Mobile home commission fees.		1,909,000
Securities fees		1,319,400
Land sales fees		50,600
Limited liability partnership revenue		10,000
Certification and copying fees		2,120,400
Property development fees		224,800
Remonumentation fees		5,063,600
Bank fees		6,474,500
Consumer finance fees		1,557,700
Credit union fees		3,537,500
Insurance licensing and regulation fees		3,011,600
Insurance regulatory fees		10,830,800

		For Fiscal Year Ending Sept. 30, 1998
Insurance continuing education fees	\$	532,400
Multiple employer welfare arrangement	,	131,900
Private - college work-study		10,100
Private - travel funds		5,900
State general fund/general purpose	\$	556,600
PUBLIC SERVICE COMMISSION		
Full-time equated classified positions		
Administration, planning and regulation—170.0 FTE positions	\$	18,268,000
GROSS APPROPRIATION		18,268,000
Appropriated from:	Ψ	10,200,000
Interdepartmental grant revenues:		
IDG from MDEQ		200,000
Federal revenues:		,
DOE-OEERE, multiple grants		2,477,900
DOT-RSPA, gas pipeline safety		208,200
Special revenue funds:		=== ;= ==
Motor carrier fees		1,730,000
Public utility assessments		13,605,900
Private - Great Lakes governors council		46,000
State general fund/general purpose	\$	0
LIQUOR CONTROL COMMISSION		
Full-time equated classified positions		
Management support services—48.0 FTE positions	\$	2,846,500
Liquor licensing and enforcement—159.0 FTE positions		9,930,300
Liquor law enforcement grants		6,000,000
Grant to department of agriculture, wine industry council	\$	$\frac{424,100}{19,200,900}$
Appropriated from: Special revenue funds:		
Liquor license revenue		10,599,000
Nonretail liquor license revenue		424,100
Liquor purchase revolving fund		8,177,800
State general fund/general purpose	\$	0
MIGHICAN OF A THE HOLICING DEVEL ODMENT A LITTLE DIMENT		
MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY		
Full-time equated classified positions	Ф	<i>cc</i> 000 000
Payments on behalf of tenants	Þ	66,000,000
Housing and rental assistance program—244.0 FTE positions		20,403,500
Automatic data processing—5.0 FTE positions		1,373,800
Homeless program	ф.	5,290,800
GROSS APPROPRIATION	Ф	93,068,100
Appropriated from: Federal revenues:		
		70 771 100
HUD, lower income housing assistance program		78,771,100
Special revenue funds: Wishingar state housing development outhority food and shaped		14 907 000
Michigan state housing development authority fees and charges	\$	14,297,000 0
FAX TRIBUNAL Full time asserted classified resitions		
Full-time equated classified positions	Ф	1 500 100
Operations—15.0 FTE positions		1,593,100
GROSS APPROPRIATION	Þ	1,593,100
Appropriated from:		
Special revenue funds:		F00 000
Tax tribunal fees	Ф	592,800
State general fund/general purpose	\$	1,000,300

For Fiscal Year

		For Fiscal Year Ending Sept. 30, 1998
Real estate appraiser continuing education fund	\$	45,000
Licensing and regulation fees		5,546,700
Homeowner construction lien recovery fund		1,528,900
Health professions regulatory fund		211,300
Construction code fund		7,517,900
Boiler fee revenue		1,516,600
Elevator fees		1,765,400
State general fund/general purpose		1,105,400
EMPLOYMENT RELATIONS		
Full-time equated classified positions		
Fact finding and arbitration	¢	169,300
Employment and labor relations—29.0 FTE positions		2,739,700
GROSS APPROPRIATION		
	Ф	2,909,000
Appropriated from:		
Special revenue funds:		OF 000
Publication revenue	\$	25,000 2,884,000
	*	_,,
SAFETY AND REGULATION		
Full-time equated classified positions284.0		
Commissions and boards	\$	27,700
Employment standards enforcement—38.0 FTE positions		2,276,700
Subgrantees		1,026,900
Occupational safety and health—246.0 FTE positions		20,328,500
GROSS APPROPRIATION	Ф	23,659,800
Appropriated from:		
Federal revenues:		44 800 800
DOL, multiple grants for safety and health		11,762,500
Special revenue funds:		
Safety education and training fund		4,741,700
Fees and collections		668,900
State general fund/general purpose	\$	6,486,700
WORKER'S DISABILITY COMPENSATION		
Full-time equated classified positions 192.4		
Administration—134.0 FTE positions	\$	7,891,100
Board of magistrates administration—8.0 FTE positions		1,737,900
Appellate commission administration—11.4 FTE positions		785,300
Supplemental benefit fund		1,700,000
Insurance funds administration—39.0 FTE positions		10,051,400
Automatic data processing		506,000
Grant to the Michigan jobs commission, hire the handicapped program		50,000
GROSS APPROPRIATION	\$	22,721,700
Appropriated from:		
Special revenue funds:		
Worker's compensation administrative revolving fund		1,931,400
Second injury fund		6,398,200
Self insurers' security fund		1,705,200
Silicosis and dust disease fund		2,504,000
State general fund/general purpose		10,182,900
EARLY RETIREMENT SAVINGS		
Early retirement savings	\$	(881,500)
GROSS APPROPRIATION		(881,500)
Appropriated from:	Ψ	(001,000)
State general fund/general purpose	\$	(881,500)
	Τ'	(,)

DEPARTMENT OF MICHIGAN JOBS COMMISSION APPROPRIATION SUMMARY:		
Full-time equated unclassified positions		
Full-time equated discussified positions 3,217.2		
GROSS APPROPRIATION	\$	602,256,000
Interdepartmental grant revenues:	Ψ	002,200,000
Total interdepartmental grants and intradepartmental transfers		2,574,700
ADJUSTED GROSS APPROPRIATION	\$	599,681,300
Federal revenues:	Ψ	300,002,000
Total federal revenues		458,029,800
Special revenue funds:		, ,
Total local revenues		12,561,400
Total private revenues		3,960,600
Total other state restricted revenues		13,196,800
State general fund/general purpose	\$	111,932,700
DEPARTMENTAL ADMINISTRATION		
Full-time equated unclassified positions9.0		
Full-time equated classified positions		
Unclassified salaries	\$	759,300
Executive direction—16.0 FTE positions		1,234,100
K.I. Sawyer base conversion authority		346,700
GROSS APPROPRIATION	\$	2,340,100
Appropriated from:		
Interdepartmental grant revenues:		F 0.000
IDG-MDEQ, air quality fees		58,000
		CD 400
DOL ETA		63,400
DOL-ETA, employment service		44,000
DOL, bureau of labor statistics		900 800
DOL-OVET		2,000
Special revenue funds:		2,000
Contingent fund, penalty and interest account		700
State general fund/general purpose	æ	2,170,300
State general fund/general purpose	Ψ	2,110,500
DEPARTMENT OPERATIONS		
Full-time equated classified positions		
Administrative services—74.0 FTE positions	\$	5,422,600
Rent		1,549,300
Building occupancy charges - property development services		620,500
Worker's compensation		152,300
Special project advances		700,000
GROSS APPROPRIATION	\$	8,444,700
Appropriated from:		
Federal revenues:		F10 F00
DOL-ETA, job training partnership grants		513,700
DED, cooperative demonstration, school-to-work		150,000
DED-OSERS, rehabilitation services, vocational rehabilitation of state grants		1,075,400
DED-OSERS, client assistance for individuals with disabilities		11,300
HHS-SSA, supplemental security income		2,900 253,000
Special revenue funds:		255,000
Private special project advances		700,000
State general fund/general purpose	æ	5,738,400
State general fund/general purpose	\$	9,190,400
ECONOMIC RETENTION AND EXPANSION		
Full-time equated classified positions239.0		
International and national business development—33.0 FTE positions	\$	4,172,200
Travel administration/travel commission—29.0 FTE positions		3,812,400

		For Fiscal Year Ending Sept. 30, 1998
Welcome centers—56.0 FTE positions	\$	3,489,400 7,492,500
Job creation services—121.0 FTE positions	\$	<u>13,909,500</u> 32,876,000
Interdepartmental grant revenues: IDG-MDEQ, air quality fees Federal revenues:		42,000
DOL-NOICC HUD-CPD, community development block grant Special revenue funds:		166,400 1,664,900
Private - Michigan certified development corporation fees	d•	127,500 50,000
State general fund/general purpose	\$	30,825,200
WORKFORCE DEVELOPMENT Full-time equated classified positions		
Employment training services—664.0 FTE positions	\$	59,269,800 9,506,600
GROSS APPROPRIATION	\$	68,776,400
Appropriated from: Interdepartmental grant revenues: IDG-MDOC		31,400
Federal revenues:		01,400
DED, cooperative demonstration, school-to-work		1,680,900
DED-OPSE, multiple grants		999,500
DED-OSERS, client assistance for individuals with disabilities		343,400
DED-OSERS, special education, state grants DED-OSERS, centers for independent living		39,500 56,500
DED-OSERS, rehabilitation long-term training		227,400
DED-OSERS, rehabilitation services, vocational rehabilitation of state grants		37,508,200
DED-OSERS, state grants for technical-related assistance		749,800
DOL-ETA, job training partnership act		5,800,500
HHS-SSA, supplemental security income		3,382,300
CNS		503,400
HHS-ACF, temporary assistance for needy families		1,945,700
Special revenue funds: Local vocational rehabilitation match		3,152,200
Private gifts, bequests, and donations		1,351,400
Rehabilitation services fees		1,880,000
Risk management internal service fund		99,700
Second injury fund		50,000
Student fees		44,700
Training material fees	_	249,600
State general fund/general purpose	\$	8,680,300
DEPARTMENT GRANTS		
Job training programs subgrantees	\$	114,996,200
Michigan community service commission subgrantees		5,300,000
Displaced homemakers		450,000 1,308,600
Supported employment grants		1,308,600 278,300
Vocational rehabilitation client services/facilities		47,234,400
Vocational rehabilitation independent living		1,077,700
Personal care attendants		300,000
School-to-work subgrantees		10,500,000
Trade academy grants		344,700
Economic development job training grants		31,007,300
Work first grants		94,079,000

		For Fiscal Year Ending Sept. 30, 1998
CDBG pass-through	\$	45,000,000
Michigan transition initiative grants		454,500
Precollege programs in engineering and the sciences		452,900
State research fund		300,000
GROSS APPROPRIATION	\$	353,083,600
Appropriated from:		
Interdepartmental grant revenues:		
IDG-MDOC		1,015,600
Federal revenues:		4.000.000
DED, cooperative demonstration, school-to-work		10,200,000
DED-OSERS, centers for independent living		525,000
DED-OSERS, rehabilitation services, vocational rehabilitation of state grants DED-OSERS, rehabilitation services facilities		33,345,200
DED-OSERS, renabilitation services facilities DED-OSERS, special education, state grants		2,272,500 454,500
DED-OSERS, special education, state grants DED-OSERS, supported employment		1,308,600
DED-OSERS, state grants for technical-related assistance		278,300
DOL-ETA, job training partnership act		113,980,600
HHS, temporary assistance for needy families		65,533,700
HHS-SSA, supplemental security income		1,750,000
HUD-CPD, community development block grant		45,000,000
CNS		3,900,000
Special revenue funds:		-,,
Local vocational rehabilitation match		6,130,900
Local vocational rehabilitation facilities match		1,278,300
Private gifts, bequests, and donations		800,000
State general fund/general purpose	\$	65,310,400
MICHIGAN EMPLOYMENT SECURITY AGENCY		
Full-time equated classified positions	ф	* 00.000
Worker's compensation	\$	509,300
Rent		3,879,900
Building occupancy charges - property development service		3,104,000
Executive direction—26.3 FTE positions		1,740,000 1,500,000
Customer services—1,476.3 FTE positions		70,898,700
Financial and management services—168.8 FTE positions.		13,947,800
Human resources—22.1 FTE positions		1,460,700
Communications and external affairs—48.5 FTE positions		3,143,300
Audits and investigations—48.8 FTE positions		3,253,300
Special audit and collections program—46.2 FTE positions		1,979,000
Special fraud control program—19.5 FTE positions		1,217,000
Information services—165.1 FTE positions		21,262,100
Training program for commission staff—2.1 FTE positions		1,035,600
Fraud control and investigations program—16.7 FTE positions		1,079,800
Referee appeals program—51.5 FTE positions		3,686,300
Reemployment services for claimants		1,000,000
Targeted employment services—39.3 FTE positions		2,830,300
GROSS APPROPRIATION	\$	137,527,100
Appropriated from:		
Interdepartmental grant revenues:		
IDG from family independence agency		1,427,700
Federal revenues:		4 000 000
DED-OSERS, rehabilitation services, vocational rehabilitation of state grants		1,300,000
DOL, unemployment insurance		73,622,600
DOL, employment service		26,655,900
DOL, bureau of labor statistics		2,319,900
DOL, employment and training administration		3,219,400
DOL, veterans' employment and training administration		6,569,800
DOL, miscellaneous funds		8,608,000

	For Fiscal Year Ending Sept. 30, 1998
Special revenue funds:	
Local revenues	\$ 2,000,000
Private - MESA	981,700
MESA sales revenue	100,000
Contingent fund, penalty and interest account	10,722,100
State general fund/general purpose	\$ 0
EARLY RETIREMENT SAVINGS	
Early retirement savings	\$ (791,900)
GROSS APPROPRIATION	\$ (791,900)
Appropriated from:	
State general fund/general purpose	\$ (791,900)

GENERAL SECTIONS

Sec. 201. (1) Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state sources for fiscal year 1997-98 is estimated at \$385,097,000.00 in this act and state spending from state sources paid to local units of government for fiscal year 1997-98 is estimated at \$93,246,400.00. The itemized statement below identifies appropriations from which spending to units of local government will occur:

DEPARTMENT OF CONSUMER AND INDUSTRY SERVICES

Arts and cultural grants	\$ 20,848,700
Fire protection grants	6,375,000
Liquor law enforcement	6,000,000
Local mobile home inspections	250,000
Total consumer and industry services	\$ 33,473,700
DEPARTMENT OF MICHIGAN JOBS COMMISSION	
School-to-work subgrantees	\$ 300,000
Economic development job training grants	31,007,300

(2) If it appears to the principal executive officer of a department or branch that state spending to local units of government will be less than the amount that was projected to be expended under subsection (1), the principal executive officer shall immediately give notice of the approximate shortfall to the department of management and budget.

Work first grants

Total Michigan jobs commission \$

Sec. 202. As used in this appropriation act:

- (a) "AFC" means adult foster care.
- (b) "CDBG" means community development block grant.
- (c) "CNS" means the corporation for national services.
- (d) "DED" means the United States department of education.
- (e) "DED-OPSE" means the DED office of postsecondary education.
- (f) "DED-OSERS" means the DED office of special education rehabilitation services.
- (g) "DOE" means the United States department of energy.
- (h) "DOE-OEERE" means the DOE office of energy efficiency and renewable energy.
- (i) "DOL" means the United States department of labor.
- (j) "DOL-BLS" means the DOL bureau of labor statistics.
- (k) "DOL-ETA" means the DOL employment and training act.
- (l) "DOL-NOICC" means the DOL national occupational information coordinating committee.
- (m) "DOL-OSHA" means the DOL occupational safety and health administration.

28,465,400

59,772,700

- (n) "DOL-OVET" means the DOL office of veterans employment and training.
- (o) "DOT" means the United States department of transportation.
- (p) "DOT-RSPA" means the DOT research and special programs administration.
- (q) "FTE" means full-time equated position.
- (r) "HHS" means the United States department of health and human services.
- (s) "HHS-HCFA" means the HHS health care financing administration.
- (t) "HHS-SSA" means HHS social security administration.
- (u) "HUD" means the United States department of housing and urban development.
- (v) "HUD-CPD" means HUD community planning and development.
- (w) "IDG" means interdepartmental grant.
- (x) "IDT" means interdepartmental transfer.
- (y) "JTPA" means job training partnership act, Public Law 97-300, 96 Stat. 1322.
- (z) "MDEQ" means the Michigan department of environmental quality.
- (aa) "MDOC" means the Michigan department of corrections.
- (bb) "MES" means Michigan employment security.
- (cc) "MESA" means the Michigan employment security agency.
- (dd) "NFAH" means the national foundation of the arts and the humanities.
- (ee) "NFAH-NEA" means the NFAH national endowment for the arts.
- (ff) "SSI" means supplemental security income.

Sec. 203. The expenditures and funding sources authorized under this act are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

Sec. 204. Funds appropriated in this act shall not be used for the purchase of foreign goods or services when competitively priced American goods and services of comparable quality are available. By May 1, 1998, each department shall submit a report to the department of management and budget, the speaker and minority leader of the house of representatives, the majority and minority leaders of the senate, and the chairpersons of the house and senate appropriations committees on efforts to comply with this section.

Sec. 205. The department of civil service shall bill departments or agencies, or both, at the end of the first fiscal quarter for the 1% charges authorized by section 5 of article XI of the state constitution of 1963. Payments shall be made for the total amount of the billing by the end of the second fiscal quarter.

Sec. 206. Of the funds appropriated in section 101 that are in units other than the grants unit, a department shall not provide grants to local government agencies, institutions of higher education, or nonprofit organizations unless the department provides notice of the grant to the regulatory subcommittees of the house and senate appropriations committees at least 10 days before the grant is issued or at least 72 hours before any announcement to local governmental units or the public.

Sec. 207. The departments of consumer and industry services and Michigan jobs commission shall not permit any other department, agency, or office of this state to use funds or FTE positions authorized for those departments or allow any funds or FTE positions from any other department, agency, or office to be used within those departments without a 30-day notice given to the regulatory subcommittees of the house and senate appropriations committees.

Sec. 208. (1) Beginning October 1, 1997, a hiring freeze is imposed on the state classified civil service. State departments and agencies are prohibited from hiring any new full-time state classified civil service employees or filling any vacant state classified civil service position. This hiring freeze does not apply to internal transfers of classified employees from 1 position to another within a department or to positions that are funded with 80% or more federal or restricted funds.

(2) The director of the department of management and budget shall grant exceptions to this hiring freeze when the director believes that the hiring freeze will result in the state department or agency being unable to deliver basic services. The director of the department of management and budget shall report by the fifteenth of each month to the chairpersons of the senate and house appropriations committees the number of exclusions to the hiring freeze approved during the previous month and the justification for the exclusion.

Sec. 209. The department shall receive and retain copies of all reports funded from section 101 appropriations.

- Sec. 210. (1) The directors of the departments of consumer and industry services and Michigan jobs commission shall take all reasonable steps to ensure businesses in deprived and depressed communities compete for and perform contracts to provide services or supplies, or both, for the departments.
- (2) The directors shall strongly encourage firms with which the departments contract to subcontract with certified businesses in depressed and deprived communities for services or supplies, or both.
- Sec. 211. (1) Departments and state agencies that receive funds under this act may receive and expend federal funds for purposes allowed by the federal government and these funds are appropriated if the funds are provided as block grants or other similar replacements for, or consolidations of, prior federal funding sources.
- (2) The departments and state agencies described in subsection (1) may use the funds described in that subsection to continue existing programs and shall not establish new programs utilizing these funds unless the legislature has enacted modifications to the existing program or has enacted a new program.
- Sec. 212. The departments of consumer and industry services and Michigan jobs commission shall establish and maintain affirmative action programs based on guidelines developed by the state equal opportunity workforce planning council which was created by Executive Order 1996-13 in order to receive general fund/general purpose dollars.
- Sec. 213. The departments of consumer and industry services and Michigan jobs commission shall not implement an affirmative action plan unless it has been submitted to the Michigan civil rights commission for approval in accordance with section 210 of the Elliott-Larsen civil rights act, 1976 PA 453, MCL 37.2210, and the Michigan civil rights commission has approved the plan.

DEPARTMENT OF CONSUMER AND INDUSTRY SERVICES

- Sec. 301. The funds collected by the department of consumer and industry services, corporation and securities division, for furnishing copies of documents, reports, and papers required or permitted by law pursuant to section 1060(5) of the business corporation act, 1972 PA 284, MCL 450.2060, shall revert to the corporation and securities division. Collected funds shall be submitted to the department of treasury and shall be used only for operation and other costs relating to providing information, including copies of documents, pertaining to corporations and trademarks.
- Sec. 302. (1) The department shall sell copies of the subdivision control manual, the state boundary commission operations manual, and other local government assistance manuals at a price not to exceed the cost of printing. The money received from the sale of these manuals shall revert to the department. The funds are available for expenditure when they are credited and may be used only for costs directly related to the continued updating and distribution of the manuals.
- (2) The liquor control commission shall sell copies of the Michigan liquor control act, 1933 (Ex Sess) PA 8, MCL 436.1 to 436.58, with amendments at a price not to exceed the cost of distribution. The money received from the sale of the Michigan liquor control act with amendments shall revert to the liquor control commission. The funds are available for expenditure when they are credited and may be used only for costs directly related to the continued updating and distribution of the Michigan liquor control act.
- Sec. 303. The appropriation in section 101 for grants to cities includes \$6,375,000.00 from the liquor purchase revolving fund which shall be appropriated to cities, villages, and townships with state-owned facilities for fire services, instead of taxes, in accordance with 1977 PA 289, MCL 141.951 to 141.956.
- Sec. 304. Funds received from federal agencies for reimbursement of examination and supervision services provided by the financial institutions bureau for banks, credit unions, and savings and loan associations shall revert to the financial institutions bureau. Reimbursed funds shall be submitted to the department of treasury and shall be used only for costs relating to examination and supervision of state chartered financial institutions.
- Sec. 305. The corporation and securities bureau shall sell copies of the mobile home commission act, 1987 PA 96, MCL 125.2301 to 125.2349; the business corporation act, 1972 PA 284, MCL 450.1101 to 450.2098; the nonprofit corporation act, 1982 PA 162, MCL 450.2101 to 450.3192; and the uniform securities act, 1964 PA 265, MCL 451.501 to 451.818, at a price not to exceed the cost of printing. Money received from the sale of these manuals shall revert to the department of consumer and industry services. The funds are available for expenditure when they are received by the department of treasury and may only be used for costs directly related to the continued updating and distribution of the acts pursuant to this section.

Sec. 306. Revenue from corporate fees and securities fees as provided in section 101 for the department of consumer and industry services shall be considered as a single combined revenue source and may be used to satisfy deductions for both corporate fees and securities fees.

Sec. 307. The funds collected by the financial institutions bureau in connection with a conservatorship pursuant to section 32 of the mortgage brokers, lenders, and servicers licensing act, 1987 PA 173, MCL 445.1682, shall be appropriated for all expenses necessary to provide for the required services. Funds are available for expenditure when they are received by the department of treasury and shall not lapse to the general fund at the end of the fiscal year.

Sec. 308. The department of consumer and industry services shall accept revenue from the northeast regional board of dental examiners to pay per diem and travel expenses for individuals engaged in national dental board examinations.

Sec. 309. The funds collected by the department of consumer and industry services from corporations being liquidated pursuant to the insurance code of 1956, 1956 PA 218, MCL 500.100 to 500.8302, shall be appropriated for all expenses necessary to provide for the required services. Funds are available for expenditure when they are received by the department of treasury and shall not lapse to the general fund at the end of the fiscal year.

Sec. 310. The department of consumer and industry services may make available to interested entities otherwise unavailable customized listings of nonconfidential information in its possession, such as names and addresses of licensees, and charge for this information as follows: base fee for 1 to 1,000 records at the cost to the department; 1,001 to 10,000 records at 2.5 cents per record; and 10,001 or more records at .5 cents per record. The revenue received from this service may be used to offset expenses of licensure and professional regulation and insurance bureau programs as appropriated in section 101. The balance of this revenue collected and unexpended at the end of the fiscal year shall revert to the general fund. The department shall submit a biannual report on or before December 1, 1997 and June 1, 1998 to the regulatory subcommittees of the house and senate appropriations committees that states the amount of revenue received from the sale of information.

Sec. 311. The appropriation in section 101 may be used for per diem payments to the members of commissions or boards for a full day of committee work at which a quorum is present or for performing official business as authorized by each respective commission or board. The per diem payments shall be at a rate as follows:

(a) Michigan board of chiropractic medicine	\$50.00 per day
(b) Michigan board of dentistry	\$50.00 per day
(c) Michigan board of medicine	\$50.00 per day
(d) Board of nursing	\$50.00 per day
(e) Michigan board of optometry	\$50.00 per day
(f) Michigan board of osteopathic medicine & surgery	\$50.00 per day
(g) Michigan board of pharmacy	\$50.00 per day
(h) Michigan board of podiatric medicine & surgery	\$50.00 per day
(i) Michigan board of psychology	\$50.00 per day
(j) Michigan board of physical therapy	\$50.00 per day
(k) Physicians' assistants task force	50.00 per day
(1) Michigan board of veterinary medicine	\$50.00 per day
(m) Michigan board of occupational therapists	\$50.00 per day
(n) Michigan board of professional counselors	\$50.00 per day
(o) Health occupations council	50.00 per day
(p) Board of accountancy	50.00 per day
(q) Board of architects	50.00 per day
(r) Athletic board of control	50.00 per day
(s) Board of barber examiners	\$50.00 per day
(t) Residential builders' and maintenance and alteration contractor's board	50.00 per day
(u) Carnival-amusement safety board	50.00 per day
(v) Collection practices board	50.00 per day
(w) Board of cosmetology	\$50.00 per day
(x) Employment agency board	\$50.00 per day

(y) Board of professional engineers	\$50.00 per day
(z) Board of land surveyors	\$50.00 per day
(aa) Board of landscape architects	\$50.00 per day
(bb) Board of marriage counselors	\$50.00 per day
(cc) Board of examiners in mortuary science	\$50.00 per day
(dd) Nursing home administrators' board	\$50.00 per day
(ee) Board of real estate brokers and salespersons	\$50.00 per day
(ff) Ski area safety board	\$50.00 per day
(gg) Board of examiners of social workers	\$50.00 per day
(hh) Commission on professional and occupational licensure	\$50.00 per day
(ii) Board of real estate appraisers	\$50.00 per day
(jj) Utility consumer participation board	\$100.00 per day
(kk) Construction code commission	\$50.00 per day
(ll) Plumbing board	\$50.00 per day
(mm) Electrical board	\$50.00 per day
(nn) Barrier free design board	\$50.00 per day
(oo) Mechanical board	\$50.00 per day
(pp) Boiler board	\$50.00 per day
(qq) Elevator board	\$50.00 per day
(rr) General industry safety standards commission	\$50.00 per day
(ss) General industry safety standards advisory committees	50.00 per day
(tt) Construction safety standards commission	\$50.00 per day
(uu) Construction safety standards advisory committees	\$50.00 per day
(vv) Board of health and safety compliance appeals	\$50.00 per day
(ww) Occupation health standards commission	\$50.00 per day
(xx) Fire safety board	\$50.00 per day

Sec. 312. Any funds appropriated to the department of consumer and industry services for fiscal year 1997-98 that are committed or encumbered in a contractual agreement may be available in the subsequent fiscal year until the project specified in the contractual agreement is completed. A listing of these contractual agreements shall be forwarded to the regulatory subcommittees of the house and senate appropriations committees not later than November 30, 1997.

Sec. 313. (1) The Michigan council for arts and cultural affairs in the department of consumer and industry services shall administer the arts and cultural grants appropriated in section 101. The council shall provide for fair and independent decisions on arts and cultural grant requests based upon published criteria to evaluate program quality. This criteria shall include a prohibition of art projects that include displays of human wastes on religious symbols, displays of sex acts, and depictions of flag desecration. The council shall seek to award grants on an equitable geographic basis to the extent possible given the quality of grant applications received. Priority shall be given to projects that serve multiple counties and that leverage significant additional public and private investment. Counties, cities, villages, townships, community foundations, and organizations may apply for the following categories of grants:

- (a) State arts anchor organizations that serve a statewide audience.
- (b) Arts education programs, also known as the arts and learning programs.
- (c) Local arts programs.
- (d) Arts organization development programs. These programs are designed to encourage self-sufficiency in organizations. Grant awards under this program are limited to 4 grant periods.
 - (e) Historical organizations and projects.
 - (f) Zoos.
 - (g) Publicly owned facilities, excluding stadiums used primarily for professional sports events.
 - (h) Cultural and community organizations and projects.
 - (i) Art institutions.
 - (j) Symphony orchestras.

- (k) Multicounty regional arts regranting and programming councils.
- (l) Music education camps.
- (m) Capital outlay projects.
- (2) Applications for arts and cultural grants shall be received by the department of consumer and industry services, Michigan council for arts and cultural affairs, not later than June 1, 1998.
- (3) The appropriation for arts and cultural grants in section 101 and disbursed under this section shall, at a minimum, be matched on an equal dollar-for-dollar basis from local and private contributions paid and received by each awardee receiving grants under this section. The dollar-for-dollar match may include the reasonable value of services, materials, and equipment as allowed under the federal internal revenue code for charitable contributions subject also to the preapproval of such a match by the Michigan council for arts and cultural affairs. The Michigan council for arts and cultural affairs shall receive proof of the entire amount of the matching funds, services, materials, or equipment by the end of the award period. The Michigan council for arts and cultural affairs shall submit a report to the regulatory subcommittees of the senate and house appropriations committees regarding those counties, cities, villages, townships, community foundations, and organizations failing to meet their matching requirements by the end of the award period.
- (4) Before any amount appropriated for arts and cultural grants in section 101 may be expended for a grant to eligible applicants for the purposes in this section, the department of consumer and industry services shall execute a grant agreement with each grantee. The grant agreement shall specify the criteria included in this section with which the application complies. The grant agreement shall include a list of the projects funded and the amount of funds each subgrantee, if applicable, will receive for those projects. A contract shall not be executed and dollars shall not be disbursed until 2 weeks after the regulatory subcommittees of the senate and house appropriations committees have received a copy of the proposed contract.
- (5) By November 1, 1997, the department of consumer and industry services shall report to the regulatory subcommittees of the senate and house appropriations committees on how the council intends to implement the provisions of this section, including the process for evaluating organization quality and efforts to achieve an equitable geographic distribution of grants.
- (6) By not later than 1 month after the grant application deadline, the department of consumer and industry services shall provide a list of all grant applications, by county, to the regulatory subcommittees of the senate and house appropriations committees. The department shall, at least 30 days before the award of any grant, provide the regulatory subcommittees of the senate and house appropriations committees a list of all proposed grant awardees.
- (7) Counties, cities, villages, townships, community foundations, and organizations receiving funds under this section shall provide the following reports to the Michigan council for arts and cultural affairs and to the regulatory subcommittees of the senate and house appropriations committees:
- (a) A final report covering the grant period and due within 30 days after the end of the grant period indicating at least the following:
 - (i) Revenues and expenditures, indicating whether revenues are from private donations or fees.
 - (ii) Number of employees.
 - (iii) Number of new hires.
- (b) For awardees receiving grants greater than \$100,000.00, a copy of the awardee's annual report and audit report for the fiscal year in which the majority of the grant took place due within 90 days after the end of the awardee's fiscal year. The audit report shall include an audit of grant funds. A representative sampling of grant agreements shall be audited by the state auditor general. The audit report shall be submitted to the regulatory subcommittees of the senate and house appropriations committees for review. These awardees shall also submit the information in subdivision (a) on a quarterly basis for the immediately preceding quarter due on January 7, 1998, April 7, 1998, July 7, 1998, and October 7, 1998.
 - (8) The recipients of grant funds under this section shall be announced by the department by September 15, 1998.
- (9) A grant awarded under this section and the matching funds which conferred eligibility for the grant award shall be used by the recipient of the grant award and shall not be redistributed by that recipient to any other entity unless specifically provided for in the grant agreement between the funded grant awardee and the council.
- (10) The applicants for arts and cultural grant funds shall be charged a nonrefundable application fee of \$100.00 or 1% of the grant, whichever is less. The application fee may be used by the department of consumer and industry services to recover direct and indirect costs as appropriated in section 101.

Sec. 315. The department of consumer and industry services may receive and expend contributions from public, private, and federal sources, except state agencies, for the purpose of acquiring or constructing art objects or promoting or preserving the arts in or on state properties. Expenditures of any funds received shall be consistent with the purposes of the Faxon-McNamee art in public places act, 1980 PA 105, MCL 18.71 to 18.81. Any funds received under this section are considered a work project account and may be carried forward into the succeeding fiscal year.

- Sec. 316. The Michigan state housing development authority shall annually present a report to the regulatory subcommittees of the house and senate appropriations committees on the status of the authority's housing production goals under all financing programs established or administered by the authority. The report shall give special attention to efforts to raise affordable multifamily housing production goals.
- Sec. 317. The department of consumer and industry services shall assess and collect fees in the licensing and regulation of child care organizations as defined in 1973 PA 116, MCL 722.111 to 722.128, and adult foster care facilities as defined in the adult foster care facility licensing act, 1979 PA 218, MCL 400.701 to 400.737. Fees collected by the department shall not exceed the deducts in section 101 and shall be used exclusively for the purpose of licensing and regulating child care organizations and adult foster care facilities.
- Sec. 318. The department of consumer and industry services may utilize revenue in excess of the amount expended in section 101 for the safety education and training grant program in the immediately succeeding fiscal year for the purpose of honoring contracts negotiated before September 15, 1998. The amount of revenue made available from revenue in excess of the amount expended in section 101 for an individual program shall not exceed 30% of the appropriated funds. The director of the department of consumer and industry services shall report the amount and purpose of any funds made available in the succeeding fiscal year under this section to the regulatory subcommittees of the house and senate appropriations committees, the house and senate fiscal agencies and the department of management and budget on or before November 15, 1998.
- Sec. 319. The appropriation in section 101 for the department of consumer and industry services, bureau of safety and regulation, safety education and training division, includes funding for on-site consultation and education and training programs. The appropriation in section 101 anticipates that 90% of the on-site consultation program costs and 50% of the education and training program costs will be supported by federal OSHA funds and the remaining 10% and 50% respectively will be supported by safety education and training funds. If federal OSHA funding does not become available to cover up to 90% of the program costs for on-site consultation and 50% for education and training, up to 50% of the program costs for on-site consultation and 90% of the program costs for education and training may be paid from the safety education and training fund as a match for available federal funds.
- Sec. 320. The department of consumer and industry services shall sell copies of labor law books at a price not to exceed the cost of printing and distribution. The money received from the sale of these books shall revert to the department. The funds are available for expenditure when they are received and may be used only for costs directly related to the continued updating and distribution of the Michigan labor law books.
- Sec. 321. The department of consumer and industry services shall sell copies of the worker's compensation health care services rules at a price not to exceed the cost of printing and distribution. The money received from the sale of the rules shall be credited to the state general fund for use by the department. The funds are available for expenditure when they are received and may be used only for costs directly related to the printing and distribution of the worker's compensation health care services rules.
- Sec. 322. The funds collected by the department of consumer and industry services for licenses, permits, and other elevator regulation fees set forth in R 408.8151 of the Michigan administrative code and as determined under section 8 of 1976 PA 333, MCL 338.2158, and section 16 of 1967 PA 227, MCL 408.816, that are unexpended at the end of the fiscal year shall not lapse to the state general fund. The department of consumer and industry services shall submit a report on a quarterly basis to the regulatory subcommittees of the house and senate appropriations committees on the amount of funds available under this section.
- Sec. 323. If the revenue collected by the department for occupational health, health systems administration, or radiological health administration and projects from fees and collections exceeds the amount appropriated in section 101, the revenue may be carried forward into the subsequent fiscal year. The revenue carried forward under this section shall be used as the first source of funds in the subsequent fiscal year.
- Sec. 324. (1) In addition to the funds appropriated for the department of consumer and industry services in section 101, there is appropriated an amount not to exceed \$15,500,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act pursuant to section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.
- (2) In addition to the funds appropriated in section 101, there is appropriated an amount not to exceed \$10,700,000.00 for state restricted contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act pursuant to section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.
- (3) In addition to the funds appropriated in section 101, there is appropriated an amount not to exceed \$180,800.00 for local contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act pursuant to section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

Sec. 325. The negative appropriation in section 101 for early retirement compensation savings represents savings from the state's 1997 early retirement program. Not later than October 15, 1997, the department of consumer and industry services and the state budget director shall request legislative transfers under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393, to apply the retirement costs and salary and fringe benefits savings to the appropriated line items affected by the early retirement of state employees.

- Sec. 326. (1) The department shall submit to the department of management and budget, senate and house appropriations committees, senate and house fiscal agencies, and senate and house standing committees having jurisdiction over technology issues periodic reports on the department's efforts to change the department's computer software and hardware as necessary to perform properly in the year 2000 and beyond. These reports shall identify actual progress in comparison to the department's approved work plan for these efforts.
- (2) The department may present progress billings to the department of management and budget for the costs incurred in changing computer software and hardware as necessary to perform properly in the year 2000 and beyond. At the time progress billings are presented for reimbursement, the department shall identify and forward as appropriate the funding sources that should support the work performed.

Sec. 327. Money appropriated under this act for fire safety programs shall not be expended unless, in accordance with section 2c of the fire prevention code, 1941 PA 207, MCL 29.2c, inspection and plan review fees will be charged according to the following schedule:

Operation and maintenance inspection fee

Facility type	Facility size	Fee
Hospitals	Any	\$10.00 per bed

Plan review and construction inspection fees for hospitals and schools

Sec. 328. The department shall furnish the clerk of the house, the secretary of the senate, and the members of the house and senate appropriations committees any evaluation reports and subsequent approvals or disapprovals of juvenile residential facilities operated by the family independence agency, as required by 1973 PA 116, MCL 722.116.

Sec. 329. By October 1, 1997 the insurance commissioner shall file a written report with the regulatory subcommittees of the house and senate appropriations committees and the standing committees of the house and senate that deal with insurance issues outlining the steps taken to insure that consumer protection issues have been addressed, including, but not limited to, the following:

- (a) Consumer complaints against insurance companies.
- (b) Rates and form filings.
- (c) Efforts by the commissioner to comply with regulatory and oversight requirements imposed by law.

Sec. 330. The department of consumer and industry services, public service commission, shall submit a status report on the energy program to the regulatory subcommittees of the house and senate appropriations committees with copies to the house and senate fiscal agencies on or before March 1, 1998 and September 1, 1998. The report shall include, but not be limited to, a list of grants projects, a brief description of each project, and the amount expended on each project. Upon enactment of House Bill No. 4820 and House Bill No. 4821 of the 89th Legislature, up to \$200,000.00 in the form of an interdepartmental grant from the department of environmental quality shall be expended by the public service commission for the purpose of establishing a uniform system of reporting oil and gas volumes and values for the purposes of establishing revenues for the department of treasury, department of environmental quality, and department of natural resources.

Sec. 331. Of the funds appropriated in section 101 for the Michigan state fair, state fair operations, \$78,800.00 is allocated for the payment of up to 75% of cash premiums offered at a draft horse show to be held at the Michigan state fairgrounds. The funds shall be provided through an interdepartmental grant from the department of agriculture, agriculture equine industry development fund.

DEPARTMENT OF MICHIGAN JOBS COMMISSION

- Sec. 401. Funds returned from JTPA grant recipients to the department of Michigan jobs commission may be redirected for expenditure by other JTPA grant recipients.
- Sec. 402. (1) The department of Michigan jobs commission shall develop performance measures and monitoring techniques for each program and office and all revolving loan funds operated by the department.
- (2) The performance measures and monitoring techniques required by subsection (1) shall be defined according to program strategy and results and shall show the impact of each program or office on the entire economic and promotional effort carried out by the department of Michigan jobs commission. The performance measures shall evaluate the efficiency and effectiveness of each program's operations as well as the attainment of expected program results and shall include data regarding the number of jobs created and jobs retained in Michigan by each program.
- (3) The department of Michigan jobs commission shall report the results of all market studies, research, and surveys of business, economic development, tourism, and promotion issues conducted by the department or for the department by other public or private agencies, organizations, or consulting firms.
- (4) The department of Michigan jobs commission shall report on its proposed performance measures, monitoring techniques, research, studies, and surveys to the regulatory subcommittees of the house and senate appropriations committees with copies to the house and senate fiscal agencies not later than December 1, 1997.
- Sec. 403. The Michigan career and technical institute may receive equipment and in-kind contributions for the direct support of staff services through the Pine Lake fund, the Delton-Kellogg school district or other local or intermediate school district, or any combination of local or intermediate school districts in addition to those authorized in section 101.
- Sec. 404. The Michigan rehabilitation service shall make every effort to ensure that all sources of matching funds in this state are used to obtain federal vocational rehabilitation funds. All sources include, but are not limited to, privately raised funds to support public nonprofit rehabilitation centers as permitted by the rehabilitation act of 1973, Public Law 93-112, 29 U.S.C. 701 to 717, 720 to 724, 730 to 732, 740 to 741, 750, 752, 760 to 762, 770 to 777b, 777d to 777f, 780, 781 to 785, 790 to 794d, 795 to 795q, and 796 to 796i.
- Sec. 405. (1) In developing school-to-work programs, the department shall cooperate with the Michigan department of education in emphasizing the importance of apprenticeship opportunities for students who may choose to participate including, but not limited to, low-income students and students with disabilities.
- (2) The school-to-work apprenticeship programs shall link employers, organized labor, educators, and community organizations for the purpose of providing necessary knowledge, skills, and labor market information to students.
- (3) As participants in school-to-work apprenticeship programs, students will be expected to obtain any of the following:
 - (a) High school diploma, or its equivalent.
 - (b) Skill certificate.
 - (c) Possible further training, including a registered apprenticeship.
 - (d) Certificate or associate degree recognizing successful completion of 1 or 2 years of postsecondary education.
 - (e) Admission to a college or university, or a first job on a career pathway.
- (4) The department shall submit a report to the regulatory subcommittees of the senate and house appropriations committees on April 30, 1998 a summary of school-to-work apprenticeship programs supported by the state of Michigan. This report shall include a list of programs supported by state or federal funds, or both, a geographic distribution of grants, the activities supported through each grant, and the expected outcomes for each grantee.
- (5) In order for a public school to receive and spend school-to-work funds, it must receive approval of its implementation plan from its governing board or its intermediate school board and forward such approval to its local workforce development board. As used in this subsection, "public school" and "intermediate school board" mean that term as defined in the revised school code, 1976 PA 451, MCL 380.1 to 380.1852.
- Sec. 406. (1) The appropriation in section 101 to the department of Michigan jobs commission for economic development job training shall be expended for competitive grants that provide economic development job training and may include social services/vocational job club training, job placement, or job retention services.
- (2) Not more than 2% of the total grant, administration, and operating funds appropriated in section 101 for the Michigan jobs commission's economic development job training grants program may be expended for administrative costs
- (3) No funds appropriated in section 101 to the department of Michigan jobs commission for economic development job training grants may be expended for the training of permanent striker replacement workers.

- (4) Seventy percent of the economic development job training grant funds shall be awarded to community colleges or a consortium of community colleges and other eligible applicants pursuant to the requirements of section 406.
- (5) Training grants provided by the private sector trainers may reach or exceed 20% of total grants, but not less than 10%.
- (6) An applicant may be a district, intermediate district, community college, public or private nonprofit college or university, nonprofit organization whose primary purpose is to provide education programs or employment and training services or vocational rehabilitation programs or school-to-work transition programs, local workforce development board, the headquarters of a federal and state sponsored manufacturing technology center, or a consortium consisting of any combination of districts, intermediate districts, community colleges, nonprofit organizations described in this subsection, or public or private nonprofit colleges or universities described in this subsection.
- (7) On or before October 1, 1997, the department of Michigan jobs commission shall publish proposed application criteria, instructions, and forms for use by eligible applicants. The department of Michigan jobs commission shall provide at least a 2-week period for public comment prior to finalization of the application criteria, instructions, and forms.
- (8) Applications for all grants shall be submitted to the department of Michigan jobs commission and each application shall contain at least all of the following:
- (a) The name, address, and total number of employees of each business organization whose employees are receiving job training.
 - (b) A description of the specific job skills that will be taught.
- (c) A clear statement of the project's scope of activities, number of participants to be involved, the number of participants who have been an employee of the business organization for at least 30 days before the date of application who are at risk of becoming unemployed unless trained in the program and the number of participants who are either a new employee within 30 days of the date of application or who will become a new employee of the business organization as a result of the individual's participation in the program.
 - (d) A management plan and description of staff responsibilities.
 - (e) A commitment to maintain participant records in a form and manner required by the department.
- (f) A budget which relates to the proposed activities and various program components and which demonstrates whether the estimated costs are reasonable and justified. Costs shall include, but are not limited to, necessary child care, necessary transportation, job development, the cost of an annual audit performed by a certified public accountant, and the cost for any tests required to demonstrate successful completion of a program. Budgets shall include revenues from all sources of funding, total costs, and costs per participant.
- (g) A demonstration of training commitment made by the business organization on employee training for the 5-year period immediately preceding application for state grant assistance and evidence that the training would not occur but for the state assistance.
- (h) Evidence that the training will strengthen the state's economic base and provide participants with the skills necessary for long-term employment.
 - (i) Evidence that the grant will not supplant other available public or private job training funds.
 - (j) Evidence of collaboration with appropriate community and business organizations.
 - (9) Priority in the department's awarding of grants shall be based on the following criteria:
- (a) Demonstrated need for the type of training offered and prospects for participant job placement or job retention and for strengthening the state's economic base.
- (b) The average state unemployment rate for the 12-month period immediately preceding application for state grant assistance for the locality of the business organization.
- (c) The number of persons who will become employed as a result of participation in the proposed program and the number of persons at risk of becoming unemployed to be trained in the program.
 - (d) Qualifications of the project director and key personnel who will be used in the program.
 - (e) Availability of appropriate classroom space, materials, and equipment.
 - (f) Cost per participant and participant contact hours of training.
 - (g) Strength of commitment to guaranteed job placement upon completion of training.
 - (h) Collaboration with appropriate community and business organizations.
- (i) Inclusion of an evaluation plan that will provide an assessment of the impact of the training program on participant job placement and job retention and on strengthening the state's economic base.
 - (j) The extent to which the proposals maximize other federal, local, private, or in-kind financial contributions.

- (k) The extent to which the proposal supports workforce development for small business organizations with 250 or fewer employees worldwide.
- (l) Other criteria determined by the department of Michigan jobs commission to be important in achieving the objectives of the program.
- (10) Not more than \$5,000,000.00 of the amount appropriated in section 101 for economic development job training may be allocated to rapid response grants for employee training programs which maintain or attract permanent jobs for Michigan residents. A grant under this subsection shall be awarded to eligible applicants under subsection (1)(a) by the chief executive officer of the department of Michigan jobs commission.
- (11) Participants in economic development job training programs shall be 16 years or older and not enrolled and counted in membership in a school district or intermediate school district.
- (12) Not later than 60 days after the completion of the grant period, grant recipients shall provide an evaluation report on the educational and employment outcomes of the participants in the program in a form and manner prescribed by the department of Michigan jobs commission.
- (13) A grant awarded under this section may extend beyond the end of the fiscal year in which the grant is awarded and the funds awarded for the grant may be carried over into the next fiscal year for payment in the next fiscal year. Unexpended and unencumbered amounts remaining in the fiscal year ending September 30, 1998, from economic development job training grants awarded prior to September 15, 1997, may be used to award additional economic development job training grants during the fiscal year ending September 30, 1998.
- (14) A recipient of a grant under this section shall not charge tuition or fees to participants in the program funded by the grant. However, a nonprofit organization may charge tuition or fees if the tuition plan or fees are recognized by the state and the nonprofit organization receives additional funding from other governmental or private funding sources for its programs.
- (15) If a participant in a program funded under this section is an employee of a business organization whose employees are receiving job training under the program and the participant was an employee of that business organization prior to 30 days before the date of the grant application, the business organization shall provide at least 25% of the program's costs, excluding the costs of participants' wages for the time participants are involved in program training. For purposes of meeting the 25% match requirement, small business organizations with 250 or fewer employees worldwide at the time of application may include the costs of pretraining needs assessments and wages paid to participants while enrolled in training. This subsection does not apply to an individual who becomes a new employee of a business organization as a result of the individual's participation in the program.
- (16) A grant awarded to an economic development job training grant recipient that guarantees a predetermined number of specified jobs for new employees that are directly related to the participant's area of training or for existing employees shall be paid to the grant recipient according to the following schedule:
 - (a) 40% of the grant amount shall be paid within 30 days after the grant is awarded.
- (b) 40% of the grant amount shall be paid at the completion of the training period, after the grant recipient submits to the department an interim report specifying actual costs of the training program and training outcomes of the students.
 - (c) 20% of the grant amount shall be paid at the conclusion of the grant period, as determined by the department.
- (17) A recipient of a grant under this section shall allow the department of Michigan jobs commission or the department's designee to audit all records related to the grant for all entities that receive money, either directly or indirectly through a contract, from the grant funds. A grant recipient or contractor shall reimburse the state for all disallowances found in the audit.
- (18) The department of Michigan jobs commission shall provide to the department of management and budget and the house and senate fiscal agencies within 10 days after the end of each quarter of the state fiscal year a report specifying all of the following:
 - (a) The amount and recipient of each grant or contract awarded during that quarter.
- (b) The number of participants under each grant or contract and the number of new hires who are in training under the grant.
- (c) The names, addresses, and total number of employees of all business organizations for whom training is or will be provided.
 - (d) The matching funds, if any, to be provided by a business organization.
- Sec. 407. (1) The appropriation in section 101 to the department of Michigan jobs commission for the work first program shall be expended for grants which provide employment and training services to public assistance recipients.
- (2) An applicant may be a district, intermediate district, community college, public or private nonprofit college or university, nonprofit organization that provides school-to-work transition programs or that provides employment and

training services or vocational rehabilitation programs or state licensed accredited vocational or technical education programs, proprietary school licensed by the state board, local workforce development board, or a consortium consisting of any combination of districts, intermediate districts, community colleges, nonprofit organizations described in this subdivision, licensed proprietary schools, or public or private nonprofit colleges or universities described in this subdivision.

- (3) The department of Michigan jobs commission shall make every effort to place a minimum of 25% of clients who participate in the work first program in positions that provide wages of \$5.00 per hour or more.
- (4) When the work first job search requirements have been completed, if the participant has not found employment, the work first site shall provide a written summary to the family independence agency which identifies the barriers which may have prevented the participant from obtaining employment and the steps taken by the work first site to assist the client in removing those barriers. The work first site shall also identify appropriate education and job training programs which would be available to the participant.
- (5) The department of Michigan jobs commission shall submit to the senate and house fiscal agencies and the department of management and budget by March 15, 1998 a report on the work first program, including the number of participants served under this section, the number of persons who located employment through work first, the average wage of participants who found employment, the number of persons who retained jobs for 90 days, the number of participants placed in employment training and education programs, the number of clients referred to work first who failed to report, and the number of participants referred back to the family independence agency with sanctions recommended by the family independence agency.
- (6) Work first program participants shall be limited to recipients of the family independence program established under section 57a of the social welfare act, 1939 PA 280, MCL 400.57a, and such individuals referred to a job club program by a county family independence agency board or a county friend of the court as long as the participation in the job club is part of an application made under this section.
- (7) Participants in the work first program shall not be enrolled and counted in membership in a school district or intermediate school district.
- (8) A grant awarded under this section may extend beyond the end of the fiscal year in which the grant is awarded and the funds awarded for the grant may be available in the subsequent fiscal year for payment in the next fiscal year.
- (9) The department of Michigan jobs commission shall provide to the department of management and budget and the house and senate fiscal agencies within 10 days after the end of each quarter of the state fiscal year a report specifying both of the following:
 - (a) The amount and recipient of each grant or contract awarded during that quarter.
- (b) The number of participants in each service delivery area and the number of clients placed in employment in each service delivery area.
- (10) The department of Michigan jobs commission will work with the family independence agency to coordinate support services to work first participants relating to special/emergency needs.
- (11) Work first program participants must receive or be provided an explanation of the program including their benefits and responsibilities before the job interview phase of the program.
- Sec. 408. The department of Michigan jobs commission shall continue to maintain all files, lists, resources, and computer information of the Michigan child care clearinghouse. All clearinghouse assets shall continue to be available to all Michigan citizens at a location designated by the executive branch of government.
- Sec. 409. The travel administration may establish and collect a fee to cover the cost of materials and processing of photographic prints, slides, videotapes, and travel product data base information that are requested by the media and other segments of the public and private sectors. The fees collected shall be appropriated for all expenses necessary to purchase and distribute these photographic prints, slides, videotapes, and travel product data base information. The funds are available for expenditure when they are received by the department of treasury.
- Sec. 410. (1) The department of Michigan jobs commission shall submit a semiannual status report on the operations of each foreign office and the office of international and business development to the regulatory subcommittees of the house and senate appropriations committees. The report shall include, but not be limited to, brochures and promotional material, information on the number of successful plant locations, name of company, original and new locations, type of investment, type of product, number employed, length of commitment of relocations, the currency rates at the time the investment is made, and any other information considered necessary for a competent evaluation of the program.
- (2) The department of Michigan jobs commission shall inform the members of the regulatory subcommittees of the senate and house appropriations committees of any decisions to close any foreign outreach office. Tax dollars shall not be expended to ship automobiles for use by state officials.

- Sec. 411. Funding provided to the development finance agency grant and loan program established in 1984 PA 236 shall be utilized to establish a revolving loan fund and shall carry forward until the purposes for which the sums were appropriated are completed. The department of Michigan jobs commission may loan, contract, or grant, or any combination thereof, the funds and earnings of this revolving loan fund for the express public purpose of helping to promote the formation of minority owned business development investment companies, with incentives to encourage the financing of minority owned businesses.
- Sec. 412. The \$452,900.00 appropriated in section 101 for precollege programs in engineering and the sciences shall be provided in the form of a grant to the Detroit precollege engineering programs, incorporated.
- Sec. 413. Funds appropriated to the department of Michigan jobs commission, Michigan promotion program, shall not be expended for the purpose of nontourism-related promotional projects that would target the citizens of this state as its prime audience.
- Sec. 414. (1) The appropriation in section 101 to the department of Michigan jobs commission includes funds for a university/business research development program. Before distribution of any grants under this program, the department of Michigan jobs commission shall submit to the chairpersons of the regulatory subcommittees of the house and senate appropriations committees a list of the grants recommended for distribution.
- (2) The department of Michigan jobs commission shall submit not later than December 1, 1997 to the regulatory subcommittees of the house and senate appropriations committees, the fiscal agencies, and the department of management and budget an annual report for the immediately preceding fiscal year regarding the university/business research development program. The report shall include, but is not limited to, an accounting of each grant awarded through the program, specifying the grantee and the amount awarded, and a review of the performance and accomplishments of the program during the review period.
- Sec. 415. (1) The department of Michigan jobs commission, K.I. Sawyer base conversion authority, may receive and expend federal, state restricted, and private revenue funds in accordance with 1993 PA 159, MCL 3.571 to 3.580.
- (2) The department of Michigan jobs commission shall submit a semiannual report to the department of management and budget and the fiscal agencies of the house and senate concerning the following:
 - (a) Expenditures.
 - (b) Funds received but not appropriated by the state.
- (3) The appropriation in section 101 may be used for per diem payments to the members of commissions or boards for a full day of committee work at which a quorum is present or for performing official business as authorized by each respective commission or board. The per diem payment shall be at a rate as follows:

K.I. Sawyer base conversion authority	V	\$50.00 pe	r day
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- Sec. 416. (1) In addition to the amount appropriated to the department of Michigan jobs commission in section 101, there is appropriated an amount sufficient to meet state cost sharing requirements for federal technology reinvestment project grant awards.
- (2) State cost sharing funds shall be made available only to those proposals selected to receive federal grant awards and that require state cost sharing as a condition to receiving a federal grant award.
- (3) Each grant award recipient shall provide to the department of Michigan jobs commission verification and documentation that federal funding has been received before the release of required state cost sharing funds to the grant award recipient.
- (4) The department of Michigan jobs commission shall notify the regulatory subcommittees of the house and senate appropriations committees and the house and senate fiscal agencies of the additional amount appropriated pursuant to subsection (1). The notification shall include, but is not limited to, the amount of the federal grant, the required state match, and the source of revenue for the state match. If the department of Michigan jobs commission receives no objections within 30 days after submitting notice, the department shall proceed with the terms of the grant. Funds may be dispersed in less than 30 days if a majority of members in both subcommittees indicate in writing their approval.
- Sec. 417. The department of Michigan jobs commission shall submit a semiannual status report to the regulatory subcommittees of the senate and house appropriations committees on all activities, grants, and investment programs financed from the strategic fund. Each report shall provide a list of individual grants and loans made from the fund.
- Sec. 418. The department of Michigan jobs commission shall submit a semiannual report to the regulatory subcommittees of the senate and house appropriations committees on all activities of the Michigan film office.

- Sec. 419. The department of Michigan jobs commission may receive and expend contributions from the Michigan strategic fund to procure or acquire services, studies, and analyses on behalf of the fund which the fund determines are necessary to carry out its functions and duties.
- Sec. 420. Any funds appropriated to the department of Michigan jobs commission for fiscal year 1997-98 that are committed or encumbered in a contractual agreement may be available in the subsequent fiscal year until the project specified in the contractual agreement is completed. A listing of the contractual agreements shall be forwarded to the regulatory subcommittees not later than November 30, 1998.
- Sec. 421. (1) In addition to the funds appropriated for the department of Michigan jobs commission in section 101, there is appropriated an amount not to exceed \$48,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act pursuant to section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.
- (2) In addition to the funds appropriated in section 101, there is appropriated an amount not to exceed \$2,268,000.00 for state restricted contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act pursuant to section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.
- (3) In addition to the funds appropriated in section 101, there is appropriated an amount not to exceed \$9,300,000.00 for local contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act pursuant to section 393(2) of the management and budget act, 1984 PA 431, MCL 18,1393.
- (4) In addition to the funds appropriated in section 101, there is appropriated an amount not to exceed \$15,394,000.00 for private contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act pursuant to section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.
- Sec. 422. The local match requirements for vocational rehabilitation facilities establishment grants shall not exceed 21.3%.
- Sec. 423. As a condition of receiving a state research fund grant, the recipient shall enter into a royalty agreement with the department of Michigan jobs commission granting the department repayment of the sum equal to the grant as adjusted for inflation pursuant to the Detroit consumer price index. Repayment shall occur upon the realization of any profits on goods and services directly generated by the grant to an account designated by the department.
- Sec. 424. Funds earned or authorized by the United States department of labor in excess of the gross appropriation in section 101 for the Michigan employment security agency from the United States department of labor are appropriated and may be expended for staffing and related expenses incurred in the operation of its programs. These funds may be spent after the department of Michigan jobs commission notifies the regulatory subcommittees of the house and senate appropriations committees of the purpose and amount of each grant award.
- Sec. 425. The Michigan employment security agency shall report annually to the chairpersons of the regulatory subcommittees of the senate and house appropriations committees the amount of additional taxes collected by the special audit and collections program. If additional tax collections exceed \$2,000,000.00, the Michigan employment security agency shall use an amount equivalent to 15% of the amount of additional taxes collected for additional audit and collections staff up to an additional \$1,000,000.00.
- Sec. 426. The negative appropriation in section 101 for early retirement compensation savings represents savings from the state's 1997 early retirement program. Not later than October 15, 1997, the department of Michigan jobs commission and the state budget director shall request legislative transfers under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393, to apply the retirement costs and salary and fringe benefits savings to the appropriated line items affected by the early retirement of state employees.
- Sec. 427. (1) The department shall submit to the department of management and budget, senate and house appropriations committees, senate and house fiscal agencies, and senate and house standing committees having jurisdiction over technology issues periodic reports on the department's efforts to change the department's computer software and hardware as necessary to perform properly in the year 2000 and beyond. These reports shall identify actual progress in comparison to the department's approved work plan for these efforts.
- (2) The department may present progress billings to the department of management and budget for the costs incurred in changing computer software and hardware as necessary to perform properly in the year 2000 and beyond. At the time progress billings are presented for reimbursement, the department shall identify and forward as appropriate the funding sources that should support the work performed.

Sec. 428. The department of Michigan jobs commission shall report to the regulatory subcommittees of the senate and house appropriations committees by September 30, 1998, on the distribution of the Michigan community service commission volunteer investment grants.

Sec. 429. The department of Michigan jobs commission shall submit to the chairpersons of the regulatory subcommittees of the house and senate appropriations committees by December 31, 1997 a report on the feasibility of contracting out services to support the Michigan welcome centers.

Sec. 430. Of the funds appropriated in section 101 for economic development job training grants, the department shall not use these funds to finance the startup or in any way subsidize any private distributor of liquor products in Michigan.

Sec. 431. State and federal funds allocated to local workforce development boards for disbursement shall not be appropriated unless the local workforce development boards maintain a partnership with governmental agencies, public school districts, and public colleges located within the local service delivery area. State and federal funds shall not be appropriated to any local workforce developmental board for disbursement if areas with a population base of 200,000 or more are not permitted to be designated as service delivery areas.

Sec. 432. Any funds received by interdepartmental grant, contract, or otherwise from the family independence agency for initiating an enhanced technical vocational program shall meet the criteria described in the family independence agency budget relative to that program.

Sec. 433. The department of Michigan jobs commission shall work cooperatively with the department of civil service to identify state employees who will lose their jobs as a result of an agency or program being reorganized, modified, or eliminated and shall develop training programs and provide training to these individuals that will provide them an opportunity and skills necessary to secure new employment within state government or the private sector. The department of Michigan jobs commission shall submit to the regulatory subcommittees of the senate and house appropriations committees semiannual reports on its activities and progress.

Sec. 434. Funds appropriated to the department of Michigan jobs commission for economic development job training grants shall not be expended to train employees above first level management in supervision hierarchy who are employed by a business organization whose gross annual revenues exceed \$1,000,000.00.

Sec. 435. The \$344,700.00 appropriated in section 101 for trade academy grants shall be expended to establish a precollege program in engineering and the sciences in Kent County.

This act is ordered to take immediate effect.

	Carol Morey Viventi
	Secretary of the Senate.
	Mary Bull
	Clerk of the House of Representatives.
Approved	

Governor.