

**SUBSTITUTE FOR
HOUSE BILL NO. 5646**

A bill to make, supplement, and adjust appropriations for the departments of attorney general, civil rights, civil service, information technology, management and budget, state, and treasury, the executive office, and the legislative branch for the fiscal years ending September 30, 2002 and September 30, 2003; 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 transfer certain funds; to prescribe certain requirements for bidding on state contracts; to provide for disposition of year-end balances for the fiscal year ending September 30, 2003; 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.

HB5646, As Passed House, March 20, 2002

Sub. HB 5646 (H-1) as amended March 20, 2002

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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, information technology,
6 management and budget, state, and treasury, the executive office, the
7 legislative branch, and certain other state purposes, for the fiscal year
8 ending September 30, 2003, from the funds indicated in this part. The
9 following is a summary of the appropriations in this part:

10 TOTAL GENERAL GOVERNMENT

11 APPROPRIATION SUMMARY:

12	Full-time equated unclassified positions.....	48.0	
13	Full-time equated classified positions.....	7,269.7	
14	GROSS APPROPRIATION.....	\$	[2,911,453,500]
15	Interdepartmental grant revenues:		
16	Total interdepartmental grants and intradepartmental		
17	transfers.....		[569,292,500]
18	ADJUSTED GROSS APPROPRIATION.....	\$	2,342,161,000
19	Federal revenues:		
20	Total federal revenues.....		59,360,000
21	Special revenue funds:		
22	Total local revenues.....		3,310,800
23	Total private revenues.....		1,733,100
24	Total other state restricted revenues.....		1,899,494,300
25	State general fund/general purpose.....	\$	[378,262,800]

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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.....	586.5	
5	GROSS APPROPRIATION.....	\$	63,190,700
6	Interdepartmental grant revenues:		
7	Total interdepartmental grants and intradepartmental		
8	transfers.....		9,917,900
9	ADJUSTED GROSS APPROPRIATION.....	\$	53,272,800
10	Federal revenues:		
11	Total federal revenues.....		7,672,700
12	Special revenue funds:		
13	Total local revenues.....		0
14	Total private revenues.....		1,183,000
15	Total other state restricted revenues.....		9,216,400
16	State general fund/general purpose.....	\$	35,200,700
17	(2) ATTORNEY GENERAL OPERATIONS		
18	Full-time equated unclassified positions.....	6.0	
19	Full-time equated classified positions.....	586.5	
20	Attorney general.....	\$	127,400
21	Unclassified positions--5.0 FTE positions.....		476,300
22	Attorney general operations--568.0 FTE positions.....		59,804,700
23	Prosecuting attorneys coordinating council--18.5 FTE		
24	positions.....		1,579,100
25	PACC, training project.....		<u>325,000</u>
26	GROSS APPROPRIATION.....	\$	62,312,500

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1	Appropriated from:	
2	Interdepartmental grant revenues:	
3	IDG from FIA.....	2,663,600
4	IDG from MDA, bovine research.....	308,600
5	IDG from MDCIS, financial and insurance services.....	104,500
6	IDG from MDCIS, health services.....	1,170,400
7	IDG from MDCIS, public utility assessments.....	1,678,700
8	IDG from MDOT, comprehensive transportation fund.....	131,500
9	IDG from MDOT, state aeronautics fund.....	125,400
10	IDG from MDOT, state trunkline fund.....	2,566,200
11	IDG from MDSP, Michigan justice training fund.....	325,000
12	IDG from Michigan gaming control board.....	844,000
13	Federal revenues:	
14	DAG, state administrative match grant/food stamps....	1,068,200
15	DED-OPSE, student loan, federal lender allowance.....	288,600
16	DOL-ETA, unemployment insurance.....	1,372,900
17	DOL-OSHA, occupational safety and health.....	269,900
18	EPA, multiple grants.....	242,600
19	Federal funds.....	729,200
20	HHS, medical assistance, medigrant.....	556,700
21	HHS-OS, state Medicaid fraud control units.....	3,144,600
22	Special revenue funds:	
23	Private - accident fund company revenue.....	1,183,000
24	Antitrust enforcement collections.....	558,300
25	Auto repair facilities fees.....	195,000
26	Collections revenue.....	590,900

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1	Corporate fees and security fees.....	127,600
2	Environmental response fund.....	657,800
3	Franchise fees.....	244,400
4	Game and fish protection fund.....	640,800
5	Liquor purchase revolving fund.....	857,800
6	Manufactured housing fees.....	190,200
7	Michigan state housing development authority fees....	487,700
8	Michigan underground storage tank financial assurance	
9	fund.....	161,300
10	Oil and gas privilege fee revenue.....	145,000
11	Prisoner reimbursement.....	301,700
12	Prosecuting attorney training fees.....	236,800
13	Retirement funds.....	621,100
14	Second injury fund.....	927,200
15	Self-insurers security fund.....	155,900
16	Silicosis and dust disease fund.....	464,300
17	State building authority revenue.....	82,000
18	State hospital authority.....	319,200
19	State lottery fund.....	207,300
20	Tobacco settlement trust fund.....	351,800
21	Utility consumers fund.....	476,600
22	Waterways fund.....	83,600
23	Worker's compensation administrative revolving fund..	132,100
24	State general fund/general purpose..... \$	34,322,500
25	(3) INFORMATION TECHNOLOGY	
26	Information technology services and projects..... \$	<u>878,200</u>

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1	GROSS APPROPRIATION.....	\$	878,200
2	Appropriated from:		
3	State general fund/general purpose.....	\$	878,200
4	Sec. 103. DEPARTMENT OF CIVIL RIGHTS		
5	(1) APPROPRIATION SUMMARY:		
6	Full-time equated unclassified positions.....	5.0	
7	Full-time equated classified positions.....	158.5	
8	GROSS APPROPRIATION.....	\$	15,348,900
9	Interdepartmental grant revenues:		
10	Total interdepartmental grants and intradepartmental		
11	transfers.....		0
12	ADJUSTED GROSS APPROPRIATION.....	\$	15,348,900
13	Federal revenues:		
14	Total federal revenues.....		934,000
15	Special revenue funds:		
16	Total local revenues.....		0
17	Total private revenues.....		0
18	Total other state restricted revenues.....		0
19	State general fund/general purpose.....	\$	14,414,900
20	(2) CIVIL RIGHTS OPERATIONS		
21	Full-time equated unclassified positions.....	5.0	
22	Full-time equated classified positions.....	158.5	
23	Commission (per diem \$75.00).....	\$	16,200
24	Unclassified positions--5.0 FTE positions.....		254,100
25	Civil rights operations--158.5 FTE positions.....		<u>13,996,600</u>
26	GROSS APPROPRIATION.....	\$	14,266,900

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1	Appropriated from:		
2	Federal revenues:		
3	EEOC, state and local antidiscrimination agency		
4	contracts.....		600,000
5	HUD, grant.....		334,000
6	State general fund/general purpose.....	\$	13,332,900
7	(3) INFORMATION TECHNOLOGY		
8	Information technology services and projects.....	\$	<u>1,082,000</u>
9	GROSS APPROPRIATION.....	\$	1,082,000
10	Appropriated from:		
11	State general fund/general purpose.....	\$	1,082,000
12	Sec. 104. DEPARTMENT OF CIVIL SERVICE		
13	(1) APPROPRIATION SUMMARY:		
14	Full-time equated classified positions.....	201.5	
15	GROSS APPROPRIATION.....	\$	32,217,300
16	Interdepartmental grant revenues:		
17	Total interdepartmental grants and intradepartmental		
18	transfers.....		5,300,000
19	ADJUSTED GROSS APPROPRIATION.....	\$	26,917,300
20	Federal revenues:		
21	Total federal revenues.....		4,779,100
22	Special revenue funds:		
23	Total local revenues.....		1,700,000
24	Total private revenues.....		150,000
25	Total other state restricted revenues.....		9,639,200
26	State general fund/general purpose.....	\$	10,649,000

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1	(2) CIVIL SERVICE OPERATIONS		
2	Full-time equated classified positions.....	201.5	
3	Civil service operations--201.5 FTE positions.....	\$	<u>28,755,700</u>
4	GROSS APPROPRIATION.....	\$	28,755,700
5	Appropriated from:		
6	Interdepartmental grant revenues:		
7	IDG, training charges.....		4,000,000
8	IDG, 1% special funds.....		1,300,000
9	Federal revenues:		
10	Federal funds 1%.....		3,529,100
11	Special revenue funds:		
12	Local funds 1%.....		1,700,000
13	Private funds 1%.....		150,000
14	Freedom of information fees.....		1,100
15	State sponsored group insurance.....		2,650,000
16	State restricted funds 1%.....		6,216,500
17	State general fund/general purpose.....	\$	9,209,000
18	(3) INFORMATION TECHNOLOGY		
19	Information technology services and projects.....	\$	<u>3,461,600</u>
20	GROSS APPROPRIATION.....	\$	3,461,600
21	Appropriated from:		
22	Federal funds 1%.....		1,250,000
23	Special revenue funds:		
24	State restricted funds 1%.....		771,600
25	State general fund/general purpose.....	\$	1,440,000
26	Sec. 105. EXECUTIVE OFFICE		

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1	(1) APPROPRIATION SUMMARY:		
2	Full-time equated unclassified positions.....	10.0	
3	Full-time equated classified positions.....	74.2	
4	GROSS APPROPRIATION.....	\$	5,486,400
5	Interdepartmental grant revenues:		
6	Total interdepartmental grants and intradepartmental		
7	transfers.....		0
8	ADJUSTED GROSS APPROPRIATION.....	\$	5,486,400
9	Federal revenues:		
10	Total federal revenues.....		0
11	Special revenue funds:		
12	Total local revenues.....		0
13	Total private revenues.....		0
14	Total other state restricted revenues.....		0
15	State general fund/general purpose.....	\$	5,486,400
16	(2) EXECUTIVE OFFICE OPERATIONS		
17	Full-time equated unclassified positions.....	10.0	
18	Full-time equated classified positions.....	74.2	
19	Governor.....	\$	179,800
20	Lieutenant governor.....		125,900
21	Executive office--74.2 FTE positions.....		4,330,900
22	Unclassified positions--8.0 FTE positions.....		<u>849,800</u>
23	GROSS APPROPRIATION.....	\$	5,486,400
24	Appropriated from:		
25	State general fund/general purpose.....	\$	5,486,400
26	Sec. 106. INFORMATION TECHNOLOGY		

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1	(1) APPROPRIATION SUMMARY:		
2	Full-time equated unclassified positions.....	6.0	
3	Full-time equated classified positions.....	1,700.2	
4	GROSS APPROPRIATION.....	\$	333,453,600
5	Interdepartmental grant revenues:		
6	Total interdepartmental grants and intradepartmental		
7	transfers.....		333,453,600
8	Federal revenues:		
9	Total federal revenues.....		0
10	Special revenue funds:		
11	Total local revenues.....		0
12	Total private revenues.....		0
13	Total other state restricted revenues.....		0
14	State general fund/general purpose.....	\$	0
15	(2) INFORMATION TECHNOLOGY SERVICES		
16	Full-time equated unclassified positions.....	6.0	
17	Full-time equated classified positions.....	1,700.2	
18	Unclassified positions--6.0 FTE positions.....	\$	300,000
19	Enterprise wide services--79.0 FTE positions.....		29,341,300
20	Health and human services--541.2 FTE positions.....		137,671,900
21	Education services--96.7 FTE positions.....		10,638,300
22	Public protection--427.4 FTE positions.....		53,969,400
23	Resources services--178.1 FTE positions.....		24,303,300
24	Transportation services--107.0 FTE positions.....		26,377,500
25	General services--270.8 FTE positions.....		<u>50,851,900</u>
26	GROSS APPROPRIATION.....	\$	333,453,600

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1	Appropriated from:		
2	Interdepartmental grant revenues:		
3	IDG from user fees.....	333,453,600	
4	State general fund/general purpose..... \$	0	
5	Sec. 107. LEGISLATURE		
6	(1) APPROPRIATION SUMMARY:		
7	GROSS APPROPRIATION..... \$	126,345,800	
8	Interdepartmental grant revenues:		
9	Total interdepartmental grants and intradepartmental		
10	transfers.....	1,627,600	
11	ADJUSTED GROSS APPROPRIATION..... \$	124,718,200	
12	Federal revenues:		
13	Total federal revenues.....	0	
14	Special revenue funds:		
15	Total local revenues.....	0	
16	Total private revenues.....	400,000	
17	Total other state restricted revenues.....	1,475,300	
18	State general fund/general purpose..... \$	122,842,900	
19	(2) LEGISLATURE		
20	Senate..... \$	28,822,300	
21	Senate automated data processing.....	2,154,500	
22	Senate fiscal agency.....	3,210,600	
23	House of representatives.....	43,820,100	
24	House automated data processing.....	1,994,500	
25	House fiscal agency.....	3,023,700	
26	Legislative auditor general.....	<u>14,773,700</u>	

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1	GROSS APPROPRIATION.....	\$	97,799,400
2	Appropriated from:		
3	Interdepartmental grant revenues:		
4	IDG from MDCIS, liquor purchase revolving fund.....		63,300
5	IDG from MDCS.....		80,700
6	IDG from MDOT, comprehensive transportation fund.....		48,200
7	IDG from MDOT, Michigan transportation fund.....		138,000
8	IDG from MDOT, state aeronautics fund.....		17,100
9	IDG from MDOT, state trunkline fund.....		404,200
10	IDG, single audit act.....		876,100
11	Special revenue funds:		
12	Construction lien fund.....		12,400
13	Contract audit administration fees.....		44,400
14	Correctional industries revolving fund.....		33,700
15	Game and fish protection fund.....		21,400
16	Marine safety fund.....		1,900
17	Michigan economic development corporation.....		46,200
18	Michigan state fair revolving fund.....		30,000
19	Michigan state housing development authority fees....		56,800
20	Michigan strategic fund.....		20,600
21	Michigan veterans trust fund.....		22,600
22	Motor transport revolving fund.....		40,600
23	Office services revolving fund.....		29,300
24	Waterways fund.....		5,600
25	State general fund/general purpose.....	\$	95,806,300
26	(3) LEGISLATIVE COUNCIL		

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1	Legislative council.....	\$	11,118,100
2	Legislative service bureau automated data processing.		1,501,600
3	e-Law, legislative council technology enhancement		
4	project.....		379,700
5	Legislative corrections ombudsman.....		551,800
6	Worker's compensation.....		152,000
7	National association dues.....		<u>385,500</u>
8	GROSS APPROPRIATION.....	\$	14,088,700
9	Appropriated from:		
10	Special revenue funds:		
11	Private - gifts and bequests revenues.....		400,000
12	State general fund/general purpose.....	\$	13,688,700
13	(4) LEGISLATIVE RETIREMENT SYSTEM		
14	General nonretirement expenses.....	\$	<u>4,225,400</u>
15	GROSS APPROPRIATION.....	\$	4,225,400
16	Appropriated from:		
17	Special revenue funds:		
18	Court fees.....		1,109,800
19	State general fund/general purpose.....	\$	3,115,600
20	(5) PROPERTY MANAGEMENT		
21	Capitol building.....	\$	2,237,800
22	Cora Anderson building.....		7,318,300
23	Farnum building.....		<u>676,200</u>
24	GROSS APPROPRIATION.....	\$	10,232,300
25	Appropriated from:		
26	State general fund/general purpose.....	\$	10,232,300

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1	Sec. 108. DEPARTMENT OF MANAGEMENT AND BUDGET		
2	(1) APPROPRIATION SUMMARY:		
3	Full-time equated unclassified positions.....	6.0	
4	Full-time equated classified positions.....	848.5	
5	GROSS APPROPRIATION.....	\$	188,634,700
6	Interdepartmental grant revenues:		
7	Total interdepartmental grants and intradepartmental		
8	transfers.....		109,548,100
9	ADJUSTED GROSS APPROPRIATION.....	\$	79,086,600
10	Federal revenues:		
11	Total federal revenues.....		358,600
12	Special revenue funds:		
13	Total local revenues.....		0
14	Total private revenues.....		0
15	Total other state restricted revenues.....		35,355,300
16	State general fund/general purpose.....	\$	43,372,700
17	(2) MANAGEMENT AND BUDGET SERVICES		
18	Full-time equated unclassified positions.....	6.0	
19	Full-time equated classified positions.....	669.0	
20	Unclassified positions--6.0 FTE positions.....	\$	570,800
21	Departmentwide services--57.5 FTE positions.....		11,424,300
22	Statewide administrative services--292.0 FTE		
23	positions.....		27,110,700
24	Statewide support services--319.5 FTE positions.....		<u>101,621,200</u>
25	GROSS APPROPRIATION.....	\$	140,727,000
26	Appropriated from:		

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1	Interdepartmental grant revenues:	
2	IDG from building occupancy and parking charges.....	100,548,600
3	IDG from department of career development.....	100,000
4	IDG from MDCH.....	235,000
5	IDG from MDOT, comprehensive transportation fund.....	46,800
6	IDG from MDOT, state aeronautics fund.....	26,300
7	IDG from MDOT, state trunkline fund.....	1,065,600
8	IDG from user fees.....	4,605,300
9	Federal revenues:	
10	Federal - MESA, administration fund.....	300,000
11	Special revenue funds:	
12	Game and fish protection fund.....	220,100
13	Health management funds.....	1,269,400
14	Marine safety fund.....	19,700
15	MAIN user charges.....	627,500
16	Special revenue, internal service, and pension trust	
17	funds.....	4,904,500
18	State building authority revenue.....	517,900
19	State lottery fund.....	137,300
20	State sponsored group insurance, flexible spending	
21	accounts, and COBRA.....	4,778,300
22	Waterways fund.....	47,000
23	State general fund/general purpose..... \$	21,277,700
24	(3) STATEWIDE APPROPRIATIONS	
25	Professional development fund - AFSCME..... \$	400,000
26	Professional development fund - MPES.....	105,000

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1	Professional development fund - UAW.....	900,000
2	Severance pay fund - AFSCME.....	500,000
3	Severance pay fund - UAW.....	<u>100,000</u>
4	GROSS APPROPRIATION..... \$	2,005,000
5	Appropriated from:	
6	Interdepartmental grant revenues:	
7	IDG from employer contributions.....	2,005,000
8	State general fund/general purpose..... \$	0
9	(4) SPECIAL PROGRAMS	
10	Full-time equated classified positions.....	179.5
11	Building occupancy charges - property management	
12	services for executive/legislative building	
13	occupancy..... \$	1,930,300
14	Retirement services--165.5 FTE positions.....	15,333,800
15	Office of children's ombudsman--14.0 FTE positions...	<u>1,204,300</u>
16	GROSS APPROPRIATION..... \$	18,468,400
17	Appropriated from:	
18	Special revenue funds:	
19	Deferred compensation.....	1,380,800
20	Pension trust funds.....	13,953,000
21	State general fund/general purpose..... \$	3,134,600
22	(5) INFORMATION TECHNOLOGY	
23	Information technology services and projects..... \$	<u>27,434,300</u>
24	GROSS APPROPRIATION..... \$	27,434,300
25	Appropriated from:	
26	Interdepartmental grant revenues:	

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1	IDG from building occupancy and parking charges.....	655,700
2	IDG from MDOT, comprehensive transportation fund.....	3,100
3	IDG from MDOT, state aeronautics fund.....	1,600
4	IDG from MDOT, state trunkline fund.....	68,300
5	IDG from user fees.....	186,800
6	Federal revenues:	
7	Federal - MESA, administration fund.....	58,600
8	Special revenue funds:	
9	Deferred compensation.....	2,600
10	Game and fish protection fund.....	13,100
11	Health management funds.....	40,100
12	Marine safety fund.....	1,400
13	MAIN user charges.....	4,069,500
14	Pension trust funds.....	762,300
15	Special revenue, internal service, and pension trust	
16	funds.....	2,445,500
17	State building authority revenue.....	9,700
18	State lottery fund.....	13,400
19	State sponsored group insurance, flexible spending	
20	accounts, and COBRA.....	139,500
21	Waterways fund.....	2,700
22	State general fund/general purpose..... \$	18,960,400
23	Sec. 109. DEPARTMENT OF STATE	
24	(1) APPROPRIATION SUMMARY:	
25	Full-time equated unclassified positions.....6.0	
26	Full-time equated classified positions.....1,847.8	

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1	GROSS APPROPRIATION.....	\$	[173,335,100]
2	Interdepartmental grant revenues:		
3	Total interdepartmental grants and intradepartmental		
4	transfers.....		[90,000,000]
5	ADJUSTED GROSS APPROPRIATION.....	\$	83,335,100
6	Federal revenues:		
7	Total federal revenues.....		1,319,500
8	Special revenue funds:		
9	Total local revenues.....		0
10	Total private revenues.....		100
11	Total other state restricted revenues.....		64,274,200
12	State general fund/general purpose.....	\$	17,741,300
13	(2) EXECUTIVE DIRECTION		
14	Full-time equated unclassified positions.....	6.0	
15	Full-time equated classified positions.....	27.2	
16	Secretary of state.....	\$	127,400
17	Unclassified positions--5.0 FTE positions.....		476,300
18	Operations--27.2 FTE positions.....		<u>1,874,200</u>
19	GROSS APPROPRIATION.....	\$	2,477,900
20	Appropriated from:		
21	Interdepartmental grant revenues:		
22	IDG from MDOT, Michigan transportation fund.....		924,700
23	Special revenue funds:		
24	Auto repair facilities fees.....		50,700
25	Driver fees.....		85,200
26	Expedient service fees.....		43,400

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1	Lookup fees.....	391,600
2	Parking ticket court fines.....	6,900
3	Personal identification card fees.....	10,200
4	Reinstatement fees - operator licenses.....	90,400
5	Vehicle theft prevention fees.....	29,800
6	State general fund/general purpose..... \$	845,000
7	(3) DEPARTMENT SERVICES	
8	Full-time equated classified positions.....170.3	
9	Operations--163.8 FTE positions..... \$	20,087,500
10	Assigned claims assessments--6.5 FTE positions.....	<u>644,200</u>
11	GROSS APPROPRIATION..... \$	20,731,700
12	Appropriated from:	
13	Interdepartmental grant revenues:	
14	IDG from MDOT, Michigan transportation fund.....	11,349,500
15	Federal revenues:	
16	Federal funds.....	50,300
17	Special revenue funds:	
18	Assigned claims assessments.....	644,200
19	Auto repair facilities fees.....	375,100
20	Child support clearance fees.....	31,000
21	Driver fees.....	472,800
22	Expedient service fees.....	224,300
23	Lookup fees.....	6,523,100
24	Marine safety fund.....	67,400
25	Off-road vehicle title fees.....	6,900
26	Parking ticket court fines.....	47,500

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September 30, 2003

1	Personal identification card fees.....	75,000
2	Reinstatement fees - operator licenses.....	450,000
3	Scrap tire fund.....	61,900
4	Snowmobile registration fee revenue.....	15,900
5	Vehicle theft prevention fees.....	219,900
6	State general fund/general purpose..... \$	116,900
7	(4) REGULATORY SERVICES	
8	Full-time equated classified positions.....254.1	
9	Operations--152.4 FTE positions..... \$	12,406,200
10	Auto regulation--101.7 FTE positions.....	<u>7,346,100</u>
11	GROSS APPROPRIATION..... \$	19,752,300
12	Appropriated from:	
13	Interdepartmental grant revenues:	
14	IDG from MDOT, Michigan transportation fund.....	7,637,600
15	Federal revenues:	
16	Federal funds.....	85,900
17	Special revenue funds:	
18	Auto repair facilities fees.....	3,892,700
19	Commercial driver training school fees.....	59,100
20	Driver fees.....	988,700
21	Expedient service fees.....	27,900
22	Lookup fees.....	3,907,700
23	Motorcycle safety fund.....	99,400
24	Parking ticket court fines.....	7,600
25	Personal identification card fees.....	39,900
26	Reinstatement fees - operator licenses.....	1,483,300

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For Fiscal Year Ending
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1	Vehicle theft prevention fees.....	1,324,900
2	State general fund/general purpose..... \$	197,600
3	(5) CUSTOMER DELIVERY SERVICES	
4	Full-time equated classified positions.....	1,367.7
5	Branch operations--969.4 FTE positions..... \$	[58,787,400]
6	Central records--372.6 FTE positions.....	27,930,200
7	Record administration--9.5 FTE positions.....	806,000
8	Commemorative license plates--16.2 FTE positions.....	2,147,300
9	Specialty license plates.....	3,915,000
10	Olympic center plate.....	75,700
11	Organ donor program.....	<u>104,100</u>
12	GROSS APPROPRIATION..... \$	[93,765,700]
13	Appropriated from:	
14	Interdepartmental grant revenues:	
15	IDG from MDOT, Michigan transportation fund.....	[50,830,800]
16	Federal revenues:	
17	Federal funds.....	1,183,300
18	Special revenue funds:	
19	Private funds.....	100
20	Auto repair facilities fees.....	79,400
21	Child support clearance fees.....	340,300
22	Driver fees.....	11,273,300
23	Expedient service fees.....	2,500,300
24	Lookup fees.....	14,715,400
25	Marine safety fund.....	980,800
26	Michigan state police auto theft fund.....	100,000

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1	Mobile home commission fees.....	407,100
2	Motorcycle safety fund.....	30,100
3	Off-road vehicle title fees.....	104,900
4	Olympic center training fund.....	75,700
5	Parking ticket court fines.....	1,393,100
6	Personal identification card fees.....	1,312,700
7	Reinstatement fees - operator licenses.....	996,000
8	Snowmobile registration fee revenue.....	287,300
9	Vehicle theft prevention fees.....	180,600
10	State general fund/general purpose..... \$	6,974,500
11	(6) ELECTION REGULATION	
12	Full-time equated classified positions.....28.5	
13	Election administration and services--25.5 FTE	
14	positions..... \$	2,849,500
15	Fees to local units.....	69,800
16	Qualified voter file--3.0 FTE positions.....	<u>1,372,400</u>
17	GROSS APPROPRIATION..... \$	4,291,700
18	Appropriated from:	
19	State general fund/general purpose..... \$	4,291,700
20	(7) DEPARTMENTWIDE APPROPRIATIONS	
21	Building occupancy charges/rent..... \$	10,531,100
22	Worker's compensation.....	<u>740,000</u>
23	GROSS APPROPRIATION..... \$	11,271,100
24	Appropriated from:	
25	Interdepartmental grant revenues:	
26	IDG from MDOT, Michigan transportation fund.....	4,784,200

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For Fiscal Year Ending
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1	Special revenue funds:	
2	Auto repair facilities fees.....	158,500
3	Driver fees.....	487,400
4	Expedient service fees.....	16,100
5	Lookup fees.....	1,973,400
6	Parking ticket court fines.....	525,500
7	State general fund/general purpose..... \$	3,326,000
8	(8) INFORMATION TECHNOLOGY	
9	Information technology services and projects..... \$	<u>21,044,700</u>
10	GROSS APPROPRIATION..... \$	21,044,700
11	Appropriated from:	
12	Interdepartmental grant revenues:	
13	IDG from MDOT, Michigan transportation fund.....	14,473,200
14	Special revenue funds:	
15	Administrative order processing fee.....	10,500
16	Auto repair facilities fees.....	170,500
17	Child support clearance fees.....	15,400
18	Driver fees.....	629,900
19	Expedient service fees.....	462,800
20	Lookup fees.....	2,583,100
21	Parking ticket court fines.....	78,700
22	Personal identification card fees.....	26,100
23	Reinstatement fees - operator licenses.....	442,400
24	Vehicle theft prevention fees.....	162,500
25	State general fund/general purpose..... \$	1,989,600
26	Sec. 110. DEPARTMENT OF TREASURY	

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1	(1) APPROPRIATION SUMMARY:		
2	Full-time equated unclassified positions.....	9.0	
3	Full-time equated classified positions.....	1,852.5	
4	GROSS APPROPRIATION.....	\$	1,973,441,000
5	Interdepartmental grant revenues:		
6	Total interdepartmental grants and intradepartmental		
7	transfers.....		19,445,300
8	ADJUSTED GROSS APPROPRIATION.....	\$	1,953,995,700
9	Federal revenues:		
10	Total federal revenues.....		44,296,100
11	Special revenue funds:		
12	Total local revenues.....		1,610,800
13	Total private revenues.....		0
14	Total other state restricted revenues.....		1,779,533,900
15	State general fund/general purpose.....	\$	[128,554,900]
16	(2) EXECUTIVE DIRECTION		
17	Full-time equated unclassified positions.....	9.0	
18	Full-time equated classified positions.....	4.0	
19	Unclassified positions--9.0 FTE positions.....	\$	800,900
20	Office of the director--4.0 FTE positions.....		<u>543,400</u>
21	GROSS APPROPRIATION.....	\$	1,344,300
22	Appropriated from:		
23	Special revenue funds:		
24	State lottery fund.....		139,500
25	State services fee fund.....		150,800
26	State general fund/general purpose.....	\$	1,054,000

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1	(3) DEPARTMENTWIDE APPROPRIATIONS		
2	Travel.....	\$	1,815,900
3	Rent and building occupancy charges - property man-		
4	agement services.....		6,464,100
5	Worker's compensation insurance premium.....		<u>485,000</u>
6	GROSS APPROPRIATION.....	\$	8,765,000
7	Appropriated from:		
8	Interdepartmental grant revenues:		
9	IDG from MDOT, state aeronautics fund.....		2,700
10	IDG, state agency collection fees.....		17,900
11	Special revenue funds:		
12	Delinquent tax collection revenue.....		3,926,700
13	Municipal finance fees.....		11,200
14	Treasury fees.....		18,900
15	Waterways fund.....		2,300
16	State general fund/general purpose.....	\$	4,785,300
17	(4) LOCAL GOVERNMENT PROGRAMS		
18	Full-time equated classified positions.....	99.0	
19	Supervision of the general property tax law--	66.5 FTE	
20	positions.....	\$	9,460,600
21	Property tax assessor training--	4.0 FTE positions....	360,600
22	Local finance--	28.5 FTE positions.....	1,688,500
23	State compliance audits.....		60,000
24	Pari-mutuel audits.....		<u>240,000</u>
25	GROSS APPROPRIATION.....	\$	11,809,700
26	Appropriated from:		

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1	Special revenue funds:		
2	Local - assessor training fees.....	360,600	
3	Local - audit charges.....	457,200	
4	Local - equalization study charge-backs.....	40,000	
5	Local - revenue from local government.....	50,000	
6	Land reutilization fund.....	3,985,700	
7	Municipal finance fees.....	236,500	
8	State services fee fund.....	240,000	
9	State general fund/general purpose.....	\$ 6,439,700	
10	(5) TAX PROGRAMS		
11	Full-time equated classified positions.....	836.5	
12	Revenue--828.5 FTE positions.....	\$ 56,189,800	
13	Home heating assistance.....	1,600,000	
14	Michigan underground storage tank assurance fund--4.0		
15	FTE positions.....	224,400	
16	Joint federal/state motor fuel compliance project....	100,000	
17	Bottle bill implementation.....	250,000	
18	New hire reporting.....	1,545,000	
19	Tobacco tax collection--4.0 FTE positions.....	<u>210,600</u>	
20	GROSS APPROPRIATION.....	\$ 60,119,800	
21	Appropriated from:		
22	Interdepartmental grant revenues:		
23	IDG, data/collection services fees.....	250,900	
24	IDG from FIA.....	1,545,000	
25	IDG from MDCH.....	210,600	
26	IDG from MDOT, Michigan transportation fund.....	8,225,000	

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1	IDG from MDOT, state aeronautics fund.....	43,100
2	Federal revenues:	
3	DOT-FHA, intermodal surface transportation efficiency	
4	act.....	100,000
5	HHS-SSA, low income energy assistance.....	1,600,000
6	Special revenue funds:	
7	Bottle deposit fund.....	250,000
8	Children's trust fund.....	6,500
9	Delinquent tax collection revenue.....	38,132,400
10	Michigan underground storage tank financial assurance	
11	revenue.....	224,400
12	Tobacco tax revenue.....	328,500
13	Waterways fund.....	56,200
14	State general fund/general purpose..... \$	9,147,200
15	(6) BANKING AND MANAGEMENT SERVICES	
16	Full-time equated classified positions.....354.5	
17	Administrative services--122.5 FTE positions..... \$	13,131,100
18	Financial services-- 232.0 FTE positions.....	<u>16,078,500</u>
19	GROSS APPROPRIATION..... \$	29,209,600
20	Appropriated from:	
21	Interdepartmental grant revenues:	
22	IDG from FIA, title IV-D.....	501,100
23	IDG from MDOT, state aeronautics fund.....	16,900
24	IDG, levy/warrant cost assessment fees.....	1,810,800
25	IDG, receipt, warrant and cash processing fees.....	3,722,300
26	IDG, state agency collection fees.....	450,100

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1	Special revenue funds:	
2	Delinquent tax collection revenue.....	10,089,100
3	Escheats revenue.....	2,972,500
4	Garnishment fees.....	419,800
5	Treasury fees.....	162,100
6	Waterways fund.....	18,100
7	State general fund/general purpose..... \$	9,046,800
8	(7) FINANCIAL PROGRAMS	
9	Full-time equated classified positions.....298.5	
10	Retirement investments--86.5 FTE positions..... \$	11,671,700
11	Michigan merit award board/MEAP administration--21.0	
12	FTE positions.....	28,827,300
13	Michigan education savings program.....	1,000,000
14	Common cash investments and debt management--13.5 FTE	
15	positions.....	1,018,600
16	Student financial assistance programs--177.5 FTE	
17	positions.....	<u>33,431,700</u>
18	GROSS APPROPRIATION..... \$	75,949,300
19	Appropriated from:	
20	Interdepartmental grant revenues:	
21	IDG, fiscal agent service fees.....	147,400
22	Federal revenues:	
23	DED-OPSE, federal lenders allowance.....	9,509,700
24	DED-OESE, grants for federal assessments.....	10,698,800
25	DED-OPSE, higher education act of 1965, insured loans	21,887,600
26	Special revenue funds:	

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1	College work-study.....	46,300
2	Michigan merit award trust fund.....	19,497,600
3	Retirement funds.....	11,671,700
4	School bond fees.....	401,600
5	Treasury fees.....	230,900
6	State general fund/general purpose..... \$	1,857,700
7	(8) DEBT SERVICE	
8	Water pollution control bond and interest redemption. \$	2,750,400
9	Quality of life bond.....	40,900,000
10	School bond loan.....	5,374,700
11	Clean Michigan initiative.....	<u>15,936,000</u>
12	GROSS APPROPRIATION..... \$	64,961,100
13	Appropriated from:	
14	Special revenue funds:	
15	Local-school bond loan repayments by school districts	700,000
16	State general fund/general purpose..... \$	64,261,100
17	(9) GRANTS	
18	Grants to counties in lieu of taxes..... \$	10,000
19	Convention facility development distribution.....	48,000,000
20	Senior citizen cooperative housing tax exemption	
21	program.....	14,350,600
22	Commercial mobile radio service payments.....	24,000,000
23	Health and safety fund grants.....	23,500,000
24	Tax increment finance authority payments.....	500,100
25	City of Benton Harbor - enterprise zone.....	<u>85,400</u>
26	GROSS APPROPRIATION..... \$	110,446,100

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1	Appropriated from:		
2	Special revenue funds:		
3	Commercial mobile radio service fees.....	24,000,000	
4	Convention facility development fund.....	48,000,000	
5	Health and safety fund.....	23,500,000	
6	State general fund/general purpose..... \$	14,946,100	
7	(10) STATE LOTTERY		
8	Full-time equated classified positions.....164.0		
9	Lottery operations--164.0 FTE positions..... \$	13,825,600	
10	Promotion and advertising.....	<u>18,372,000</u>	
11	GROSS APPROPRIATION..... \$	32,197,600	
12	Appropriated from:		
13	Special revenue funds:		
14	State lottery fund.....	32,197,600	
15	State general fund/general purpose..... \$	0	
16	(11) CASINO GAMING		
17	Full-time equated classified positions.....96.0		
18	Michigan gaming control board..... \$	500,000	
19	Casino gaming control administration--96.0 FTE		
20	positions.....	<u>16,130,200</u>	
21	GROSS APPROPRIATION..... \$	16,630,200	
22	Appropriated from:		
23	Special revenue funds:		
24	Casino gambling agreements.....	383,500	
25	State services fee fund.....	16,246,700	
26	State general fund/general purpose..... \$	0	

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1	(12) REVENUE SHARING	
2	Constitutional state general revenue sharing grants..	\$ 682,300,000
3	Statutory state general revenue sharing grants.....	846,500,000
4	Grants to local governmental units.....	<u>10,000,000</u>
5	GROSS APPROPRIATION.....	\$ 1,538,800,000
6	Appropriated from:	
7	Special revenue funds:	
8	Sales tax.....	1,528,800,000
9	State general fund/general purpose.....	\$ 10,000,000
10	(13) INFORMATION TECHNOLOGY	
11	Information technology services and projects.....	\$ <u>23,208,300</u>
12	GROSS APPROPRIATION.....	\$ 23,208,300
13	Appropriated from:	
14	Interdepartmental grant revenues:	
15	IDG, receipt, warrant and cash processing fees.....	14,000
16	IDG, user services.....	487,500
17	IDG from MDOT, Michigan transportation fund.....	2,000,000
18	Federal revenues:	
19	DED-OPSE, higher education act of 1965, insured loans	500,000
20	Special revenue funds:	
21	Local - assessor training fees.....	3,000
22	Delinquent tax collection revenue.....	8,165,900
23	Land reutilization fund.....	20,000
24	Michigan merit award trust fund.....	393,000
25	Retirement funds.....	616,000
26	State lottery fund.....	3,229,300

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September 30, 2003

1	State services fee fund.....	762,600
2	State general fund/general purpose..... \$	7,017,000

3

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 from state resources under

10

part 1 for fiscal year 2002-2003 is \$2,277,757,100.00 and state spending

11

from state resources to be paid to local units of government for fiscal

12

year 2002-2003 is \$1,636,849,900.00. The itemized statement below iden-

13

tifies appropriations from which spending to units of local government

14

will occur:

15

DEPARTMENT OF STATE

16

Fees to local units.....	\$	<u>69,800</u>
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17

Subtotal.....	\$	69,800
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18

DEPARTMENT OF TREASURY

19

Senior citizen cooperative housing tax exemption.....	\$	14,350,600
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20

Grants to counties in lieu of taxes.....		10,000
--	--	--------

21

Health and safety fund grants.....		23,500,000
------------------------------------	--	------------

22

City of Benton Harbor enterprise zone.....		85,400
--	--	--------

23

Constitutional state general revenue sharing grants..		682,300,000
---	--	-------------

24

Statutory state general revenue sharing grants.....		846,500,000
---	--	-------------

25

Grants to local units of government.....		10,000,000
--	--	------------

26

Convention facility development fund distribution....		48,000,000
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1	Tax increment finance authority payments.....	500,100
2	Commercial mobile radio service payments.....	<u>11,534,000</u>
3	Subtotal.....	\$ <u>1,636,780,100</u>
4	TOTAL GENERAL GOVERNMENT.....	\$ 1,636,849,900

5 (2) Pursuant to section 30 of article IX of the state constitution
6 of 1963, total state spending from state sources for fiscal year
7 2002-2003 is estimated at \$26,397,126,785.00 in the 2002-2003 appropria-
8 tions acts and total state spending from state sources paid to local
9 units of government for fiscal year 2002-2003 is estimated at
10 \$16,102,288,180.00. The state-local proportion is estimated at 61.00% of
11 total state spending from state resources.

12 (3) If payments to local units of government and state spending from
13 state sources for fiscal year 2002-2003 are different than the amounts
14 estimated in subsection (2), the state budget director shall report the
15 payments to local units of government and state spending from state
16 sources that were made for fiscal year 2002-2003 to the senate and house
17 of representatives standing committees on appropriations within 30 days
18 after the final bookclosing for fiscal year 2002-2003.

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

21 Sec. 203. As used in this act:

22 (a) "AFSCME" means American federation of state, county, and
23 municipal employees.

24 (b) "COBRA" means the consolidated omnibus budget reconciliation
25 act of 1985, Public Law 99-272, 100 Stat. 82.

26 (c) "CPI" means consumer price index.

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1 (d) "DAG" means the United States department of agriculture.

2 (e) "DED-OESE" means the United States department of education,
3 office of elementary and secondary education.

4 (f) "DED-OPSE" means the United States department of education,
5 office of postsecondary education.

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

8 (h) "DOJ" means the United States department of justice.

9 (i) "DOL-ETA" means the United States department of labor,
10 employment and training administration.

11 (j) "DOL-OSHA" means the United States department of labor,
12 occupational safety and health administration.

13 (k) "DOT-FHA" means the United States department of transportation,
14 federal highway administration.

15 (l) "EEOC" means the United States equal employment opportunity
16 commission.

17 (m) "EPA" means the United States environmental protection agency.

18 (n) "FIA" means the Michigan family independence agency.

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

20 (p) "GF/GP" means general fund/general purpose.

21 (q) "HHS" means the United States department of health and human
22 services.

23 (r) "HHS-OS" means the HHS office of the secretary.

24 (s) "HHS-SSA" means the HHS social security administration.

25 (t) "HUD" means the United States department of housing and urban
26 development.

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1 (u) "IDG" means interdepartmental grant.

2 (v) "MAIN" means the Michigan administrative information network.

3 (w) "MCL" means the Michigan Compiled Laws.

4 (x) "MDA" means the Michigan department of agriculture.

5 (y) "MDCH" means the Michigan department of community health.

6 (z) "MDCIS" means the Michigan department of consumer and industry
7 services.

8 (aa) "MDCS" means the Michigan department of civil service.

9 (bb) "MDOT" means the Michigan department of transportation.

10 (cc) "MDSP" means the Michigan department of state police.

11 (dd) "MEAP" means the Michigan educational assessment program.

12 (ee) "MESA" means the Michigan employment security agency.

13 (ff) "MPES" means the Michigan professional employees society.

14 (gg) "MSC" means managerial, supervisory, and confidential.

15 (hh) "MUSTFA" means Michigan underground storage tank financial
16 assurance.

17 (ii) "PA" means public act.

18 (jj) "PACC" means the prosecuting attorneys coordinating council.

19 (kk) "UAW" means the united auto workers.

20 Sec. 204. The department of civil service shall bill departments
21 and agencies at the end of the first fiscal quarter for the 1% charge
22 authorized by section 5 of article XI of the state constitution of 1963.
23 Payments shall be made for the total amount of the billing by the end of
24 the second fiscal quarter.

25 Sec. 205. (1) A hiring freeze is imposed on the state classified
26 civil service. State departments and agencies are prohibited from hiring
27 any new full-time state classified civil service employees and prohibited

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1 from filling any vacant state classified civil service positions. This
2 hiring freeze does not apply to internal transfers of classified employ-
3 ees from 1 position to another within a department.

4 (2) The state budget director shall grant exceptions to this hiring
5 freeze when the state budget director believes that the hiring freeze
6 will result in rendering a state department or agency unable to deliver
7 basic services, cause loss of revenue to the state, result in the inabil-
8 ity of the state to receive federal funds, or necessitate additional
9 expenditures that exceed any savings from maintaining a vacancy. The
10 state budget director shall report quarterly to the chairpersons of the
11 senate and house of representatives standing committees on appropriations
12 the number of exceptions to the hiring freeze approved during the previ-
13 ous quarter and the reasons to justify the exception.

14 Sec. 206. Unless otherwise specified, departments and agencies
15 receiving appropriations in part 1 shall use the Internet to fulfill the
16 reporting requirements of this act. This requirement may include trans-
17 mission of reports via electronic mail to the recipients identified for
18 each reporting requirement, or it may include placement of reports on an
19 Internet or Intranet site.

20 Sec. 207. Funds appropriated in part 1 shall not be used for the
21 purchase of foreign goods or services, or both, if competitively priced
22 and of comparable quality American goods or services, or both, are
23 available.

24 Sec. 208. The director of each department receiving appropriations
25 in part 1 shall take all reasonable steps to ensure businesses in
26 deprived and depressed communities compete for and perform contracts to
27 provide services or supplies, or both. Each director shall strongly

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1 encourage firms with which the department contracts to subcontract with
2 certified businesses in depressed and deprived communities for services,
3 supplies, or both.

4 Sec. 209. Pursuant to section 352 of the management and budget act,
5 1984 PA 431, MCL 18.1352, that provides for a transfer of state general
6 funds into the countercyclical budget and economic stabilization fund,
7 there is appropriated into the countercyclical budget and economic stabi-
8 lization fund the sum of \$0.0. The calculation required by section 352
9 of the management and budget act, 1984 PA 431, MCL 18.1352, is determined
10 as follows:

	2001	2002
11 Michigan personal income (millions).....	\$297,782	\$304,929
12 less: transfer payments.....	<u>41,001</u>	<u>43,666</u>
13 Subtotal.....	256,781	261,263
14 Divided by: Detroit CPI for 12 months.....		
15 Ending June 30 (1982=1.00).....	1.729	1.768
16 Equals: Real adjusted Michigan personal		
17 income.....	\$148,514	\$147,773
18 Percentage change.....		(0.5%)
19 Percentage change under 0%.....		(0.5%)
20 Multiplied by: estimated GF/GP revenue in		
21 FY 2001-2002 (millions).....		8,758.3
22 Equals: countercyclical budget and eco-		
23 nomic stabilization fund calculation for		
24 the fiscal year ending September 30,		
25 2003.....		\$0.0

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1 Sec. 210. The departments and agencies receiving appropriations in
2 part 1 shall receive and retain copies of all reports funded from
3 appropriations in part 1. Federal and state guidelines for short-term
4 and long-term retention of records shall be followed.

5 Sec. 211. Funds appropriated in part 1 shall not be used by this
6 state, a department, an agency, or an authority of this state to purchase
7 an ownership interest in a casino enterprise or a gambling operation as
8 those terms are defined in the Michigan gaming control and revenue act,
9 the Initiated Law of 1996, MCL 432.201 to 432.226.

10 Sec. 212. All departments shall adhere to the privacy policy
11 adopted under section 572(7).

12 Sec. 213. For the fiscal year ending September 30, 2003, all gen-
13 eral fund-general purpose unreserved balances at the final close of the
14 fiscal year are appropriated and shall be transferred to the countercyc-
15 lical budget and economic stabilization fund pursuant to section 354(4)
16 of the management and budget act, 1984 PA 431, MCL 18.1354.

17 Sec. 214. If total state revenues for the fiscal year ending
18 September 30, 2003 have exceeded the revenue limit established under sec-
19 tion 26 of article IX of the state constitution of 1963 by less than 1%,
20 the appropriations contained in section 213 shall be considered a deposit
21 into the countercyclical budget and economic stabilization fund pursuant
22 to the provisions of section 26 of article IX of the state constitution
23 of 1963.

24 Sec. 215. If total state revenues for the fiscal year ending
25 September 30, 2003 have exceeded the revenue limit established under sec-
26 tion 26 of article IX of the state constitution of 1963 by 1% or more,
27 the appropriations contained in section 213 to the countercyclical budget

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1 and economic stabilization fund are appropriated and transferred back to
2 the general fund. This transfer shall occur before the final bookclosing
3 for the fiscal year ending September 30, 2003 is completed.

4 Sec. 216. From the funds appropriated in part 1 for information
5 technology, departments and agencies shall pay user fees to the depart-
6 ment of information technology for technology-related services and
7 projects. Such user fees shall be subject to provisions of an inter-
8 agency agreement between the departments and agencies and the department
9 of information technology.

10 Sec. 217. Amounts appropriated in part 1 for information technology
11 may be designated as work projects and carried forward to support tech-
12 nology projects under the direction of the department of information
13 technology. Funds designated in this manner are not available for expen-
14 diture until approved as work projects under section 451a of the manage-
15 ment and budget act, 1984 PA 431, MCL 18.1451a.

16 Sec. 218. At least 60 days before beginning any effort to privat-
17 ize, the departments and agencies receiving appropriations in part 1
18 shall submit a complete project plan to the senate and house of represen-
19 tatives standing committees on appropriations subcommittees on general
20 government and the senate and house fiscal agencies. The plan shall
21 include the criteria under which the privatization initiative will be
22 evaluated. The evaluation shall be completed and submitted to the senate
23 and house of representatives standing committees on appropriations sub-
24 committees on general government and the senate and house fiscal agencies
25 within 30 months.

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1 DEPARTMENT OF ATTORNEY GENERAL

2 Sec. 300. (1) In addition to the funds appropriated in part 1,
3 there is appropriated an amount not to exceed \$1,500,000.00 for federal
4 contingency funds. These funds are not available for expenditure until
5 they have been transferred to another line item in this act under
6 section 393(2) of the management and budget act, 1984 PA 431,
7 MCL 18.1393.

8 (2) In addition to the funds appropriated in part 1, there is appro-
9 priated an amount not to exceed \$1,500,000.00 for state restricted con-
10 tingency funds. These funds are not available for expenditure until they
11 have been transferred to another line item in this act under
12 section 393(2) of the management and budget act, 1984 PA 431,
13 MCL 18.1393.

14 (3) In addition to the funds appropriated in part 1, there is appro-
15 priated an amount not to exceed \$100,000.00 for local contingency funds.
16 These funds are not available for expenditure until they have been trans-
17 ferred to another line item in this act under section 393(2) of the man-
18 agement and budget act, 1984 PA 431, MCL 18.1393.

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

24 Sec. 301. (1) The attorney general shall perform all legal serv-
25 ices, including representation before courts and administrative agencies
26 rendering legal opinions and providing legal advice to a principal
27 executive department or state agency. A principal executive department

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1 or state agency shall not employ or enter into a contract with any other
2 person for services described in this section.

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

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

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

15 Sec. 303. The department of attorney general has retained the
16 responsibility for legal representation for state of Michigan state
17 employee worker's disability compensation cases handled by the accident
18 fund company. The accident fund company revenue appropriation in part 1
19 is to be satisfied by billings from the department of attorney general to
20 the accident fund company for the actual costs of legal representation,
21 including salaries and support costs.

22 Sec. 304. In addition to the funds appropriated in part 1, up to
23 \$400,000.00 shall be reimbursed per fiscal year for food stamp fraud
24 cases heard by the third circuit court of Wayne County that were initi-
25 ated by the department of attorney general pursuant to the existing con-
26 tract between the family independence agency, the prosecuting attorneys
27 association of Michigan, and the department of attorney general. The

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1 source of this funding is money earned by the department of attorney
2 general under the agreement after the allowance for reimbursement to the
3 department of attorney general for costs associated with the prosecution
4 of food stamp fraud cases. It is recognized that the federal funds are
5 earned by the department of attorney general for its documented progress
6 on the prosecution of food stamp fraud cases according to the United
7 States department of agriculture regulations and that once earned by this
8 state, the funds become state funds.

9 Sec. 305. Any proceeds from a lawsuit initiated by or settlement
10 agreement entered into on behalf of this state against a manufacturer of
11 tobacco products by the attorney general are state funds and are subject
12 to appropriation as provided by law.

13 Sec. 306. Any unobligated antitrust enforcement revenue in excess
14 of the funds appropriated in part 1, not to exceed \$250,000.00, is car-
15 ried forward and available for appropriation in the succeeding fiscal
16 year.

17 Sec. 307. In addition to the funds appropriated in part 1, there is
18 appropriated up to \$500,000.00 from litigation expense reimbursements
19 awarded to the state. The funds may be expended for the payment of
20 attorney fees assessed against the governor or the attorney general when
21 acting in an official capacity as the named party in litigation against
22 the state. The funds may also be expended for the payment of state costs
23 incurred under section 16 of chapter X of the code of criminal procedure,
24 1927 PA 175, MCL 770.16. Unexpended funds at the end of the fiscal year
25 are carried forward for expenditure in the following year, up to a maxi-
26 mum authorization of \$500,000.00.

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1 DEPARTMENT OF CIVIL RIGHTS

2 Sec. 400. In addition to the funds appropriated in part 1, there is
3 appropriated an amount not to exceed \$500,000.00 for federal contingency
4 funds. These funds are not available for expenditure until they have
5 been transferred to another line item in this act under section 393(2) of
6 the management and budget act, 1984 PA 431, MCL 18.1393.

7 Sec. 401. (1) In addition to the appropriations contained in part
8 1, the department of civil rights may receive and expend funds from local
9 or private sources for all of the following purposes:

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

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

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

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

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

19 (f) Workshops, seminars, and recognition or award programs consis-
20 tent with the programmatic mission of the individual unit sponsoring or
21 coordinating the programs.

22 (2) The department of civil rights shall annually report to the
23 state budget director, the senate and house of representatives standing
24 committees on appropriations, and the senate and house fiscal agencies
25 the amount of funds received and expended for purposes authorized under
26 this section.

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1 Sec. 402. The department of civil rights may contract with local
2 units of government to review equal employment opportunity compliance of
3 potential contractors and may charge for and expend amounts received from
4 local units of government for the purpose of developing and providing
5 these contractual services.

6 **DEPARTMENT OF CIVIL SERVICE**

7 Sec. 500. (1) In addition to the funds appropriated in part 1,
8 there is appropriated an amount not to exceed \$2,000,000.00 for federal
9 contingency funds. These funds are not available for expenditure until
10 they have been transferred to another line item in this act under
11 section 393(2) of the management and budget act, 1984 PA 431,
12 MCL 18.1393.

13 (2) In addition to the funds appropriated in part 1, there is appro-
14 priated an amount not to exceed \$5,000,000.00 for state restricted con-
15 tingency funds. These funds are not available for expenditure until they
16 have been transferred to another line item in this act under
17 section 393(2) of the management and budget act, 1984 PA 431,
18 MCL 18.1393.

19 (3) In addition to the funds appropriated in part 1, there is appro-
20 priated an amount not to exceed \$100,000.00 for local contingency funds.
21 These funds are not available for expenditure until they have been trans-
22 ferred to another line item in this act under section 393(2) of the man-
23 agement and budget act, 1984 PA 431, MCL 18.1393.

24 (4) In addition to the funds appropriated in part 1, there is
25 appropriated an amount not to exceed \$100,000.00 for private contingency

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

4 Sec. 501. (1) All restricted funds shall be assessed a sum not less
5 than 1% of the total aggregate payroll paid from those funds for financ-
6 ing the department of civil service on the basis of actual 1% restricted
7 sources total aggregate payroll of the classified service for fiscal year
8 2002 in accordance with section 5 of article XI of the state constitution
9 of 1963. This includes, but is not limited to, restricted funds appro-
10 priated in part 1 of any appropriations bill. Unexpended 1% appropriated
11 funds shall be returned to each 1% fund source at the end of the fiscal
12 year.

13 (2) The 1% financing from restricted sources shall be credited to
14 the department of civil service by the end of the second fiscal quarter.

15 Sec. 502. Except where specifically appropriated for this purpose,
16 1% of the financing from restricted sources shall be credited to the
17 department of civil service. For restricted sources of funding within
18 the general fund that have the legislative authority for carryover, if
19 current spending authorization or revenues are insufficient to accept the
20 charge, the shortage shall be taken from carryforward balances of that
21 funding source. Restricted revenue sources that do not have carryforward
22 authority shall be utilized to satisfy departmental operating deducts
23 first and civil service obligations second. General fund dollars are
24 appropriated for any shortfall, pursuant to approval by the state budget
25 director.

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1 EXECUTIVE OFFICE

2 Sec. 550. Funds collected by the executive office under sections
3 55, 57, 58, and 59 of the administrative procedures act of 1969, 1969
4 PA 306, MCL 24.255, 24.257, 24.258, and 24.259, and section 203 of the
5 legislative council act, 1986 PA 268, MCL 4.1203, are appropriated for
6 all expenses necessary to provide for the costs of publication and
7 distribution. The funds appropriated under this section are allotted for
8 expenditure when they are received by the department of treasury and
9 shall not lapse to the general fund at the end of the fiscal year.

10 INFORMATION TECHNOLOGY

11 Sec. 570. In addition to the funds appropriated in part 1, there is
12 appropriated an amount not to exceed \$40,000,000.00 for interdepartmental
13 grant contingency funds. These funds are not available for expenditure
14 until they have been transferred to another line item in this act under
15 section 393(2) of the management and budget act, 1984 PA 431,
16 MCL 18.1393.

17 Sec. 571. The appropriation in part 1 for the department of infor-
18 mation technology shall be funded by user fees assessed against other
19 principal executive departments and agencies. Such user fees shall be
20 based upon services provided by the department of information
21 technology.

22 Sec. 572. (1) The e-Michigan office may sell and accept paid adver-
23 tising for placement on any state website under its jurisdiction. The
24 office shall review and approve the content of each advertisement. The
25 office may refuse to accept advertising from any person or organization

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1 or require modification to advertisements based upon criteria determined
2 by the office. Revenue received under this subsection will be used for
3 operating costs of the office and for future technology enhancements to
4 state of Michigan e-government initiatives. Funds received under this
5 subsection shall be limited to \$250,000.00. Any funds in excess of
6 \$250,000.00 shall be deposited in the state general fund.

7 (2) The e-Michigan office may accept gifts, donations, contribu-
8 tions, bequests, and grants of money from any public or private source to
9 assist with the underwriting or sponsorship of state web pages or serv-
10 ices offered on those web pages. A private or public funding source may
11 receive recognition in the web page. The office may reject a gift, dona-
12 tion, contribution, bequest, or grant.

13 (3) The e-Michigan office may enter into agreements to supply serv-
14 ices to other principal executive departments and agencies. The
15 e-Michigan office may receive and expend funds in addition to those
16 authorized in 2000 PA 291 for providing those services. The e-Michigan
17 office may expend amounts received for salaries, supplies, services, and
18 equipment necessary to provide e-Michigan services.

19 (4) Funds accepted by the e-Michigan office under subsections (1),
20 (2), and (3) are appropriated and allotted when received and may be
21 expended upon receipt.

22 (5) Any unexpended revenue received under this section shall not
23 lapse to the general fund and shall be available for future
24 appropriations.

25 (6) The e-Michigan office shall develop a search function of all
26 state departments and agencies. This search function shall be easily
27 accessible to visitors on the front page of the state's website.

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1 (7) The privacy policy adopted by the e-Michigan office shall
2 include the following provisions:

3 (a) Instruction on how visitors can set their browsers to be warned
4 before each cookie is written to a visitor's computer.

5 (b) The e-Michigan office will also include instructions for vis-
6 itors to inform them how to view and remove cookies on their personal
7 computers.

8 (8) By April 1, the e-Michigan office shall report to the senate and
9 house of representatives standing committees on appropriations and the
10 senate and house fiscal agencies all of the following information:

11 (a) The amount of gifts, donations, contributions, bequests, and
12 grants of money received by the office under this section for the immedi-
13 ately preceding fiscal year.

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

16 (c) A listing of any gift, donation, contribution, bequest, or grant
17 of property other than funding received by the office under this section
18 for the immediately preceding year.

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

22 Sec. 573. The department of information technology may enter into
23 agreements to supply census information, spatial information, and techni-
24 cal services to other principal executive departments, state agencies,
25 local units of government, and other organizations. The department of
26 information technology may receive and expend funds in addition to those
27 authorized in part 1 for providing information and technical services,

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1 publications, maps, and other census-related products. The department of
2 information technology may expend amounts received for salaries, sup-
3 plies, and equipment necessary to provide informational products and
4 technical services.

5 Sec. 574. The legislature shall have access to all historical and
6 current data contained within MAIN pertaining to state departments.
7 State departments shall have access to all historical and current data
8 contained within MAIN.

9 Sec. 575. Recognizing that all records, personnel, property, equip-
10 ment, grants, and unexpended balances of appropriations, allocations, and
11 other funds used, held, employed, available, or to be made available to
12 any entity for the activities, powers, duties, functions, and responsi-
13 bilities are transferred to the department of information technology from
14 other state departments and agencies, it is the intent of the legislature
15 that the department of information technology will transfer their employ-
16 ees from the other state departments and agencies within a reasonable
17 time frame.

[Sec. 576. When used in this act, "information technology services"
means services involving all aspects of managing and processing information
including, but not limited to, all of the following:

- (a) Application development and maintenance.
- (b) Desktop computer support and management.
- (c) Mainframe computer support and management.
- (d) Server support and management.
- (e) Local area network support and management.
- (f) Information technology contract, project, and procurement
management.
- (g) Information technology planning and budget management.
- (h) Telecommunication services, security, infrastructure, and
support.]

18 LEGISLATURE

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

22 Sec. 601. (1) Funds appropriated in part 1 to an entity within the
23 legislative branch shall not be expended or transferred to another
24 account without written approval of the authorized agent of the
25 legislative entity. If the authorized agent of the legislative entity

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1 notifies the state budget director of its approval of an expenditure or
2 transfer, the state budget director shall immediately make the expendi-
3 ture or transfer. The authorized legislative entity agency shall be des-
4 ignated by the speaker of the house of representatives for house enti-
5 ties, the senate majority leader for senate entities, and the legislative
6 council for legislative council entities.

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

11 Sec. 602. The senate may charge rent and assess charges for utility
12 costs. The amounts received for rent charges and utility assessments are
13 appropriated to the senate for the renovation, operation, and maintenance
14 of the Farnum building and adjoining property.

15 Sec. 603. The appropriation contained in part 1 for national asso-
16 ciation dues is to be distributed in the following manner by the legisla-
17 tive council:

18	National conference of state legislatures.....	\$	175,700
19	Council of state governments.....		157,900
20	National conference of insurance legislators.....		9,500
21	National conference of commissioners on uniform state		
22	laws.....		42,400

23 Sec. 604. (1) The appropriation in part 1 to the legislative coun-
24 cil includes funds to operate the legislative parking facilities in the
25 capitol area. The legislative council shall establish rules regarding
26 the operation of the legislative parking facilities.

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

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

11 Sec. 606. The appropriation in part 1 to the legislative branch,
12 for property management, is considered a work project account. The unex-
13 pended portion remaining on September 30 shall not lapse and shall be
14 carried forward into the subsequent fiscal year for the use for which it
15 was intended.

16 Sec. 607. In addition to funds appropriated in part 1, the Michigan
17 capitol committee publications save the flags fund account may accept
18 contributions, gifts, bequests, devises, grants, and donations. Those
19 funds that are not expended in the fiscal year ending September 30 shall
20 not lapse at the close of the fiscal year and shall be carried forward
21 for expenditure in the following fiscal years.

22 Sec. 608. Funds appropriated in part 1 for e-Law, the legislative
23 council's technology enhancement project, shall be used to support tech-
24 nology improvements for legislative functions performed by the legisla-
25 tive council agencies and to provide greater access to the public regard-
26 ing legislative information. These funds, along with funds previously
27 appropriated for the legislative session integration system, are

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1 designated as a work project and shall not lapse at the end of the fiscal
2 year, and shall continue to be available for expenditure until the
3 project has been completed. The total cost is estimated at
4 \$3,992,750.00, and the tentative completion date is September 30, 2003.

5 Sec. 609. The funds appropriated in part 1 shall not be used to pay
6 for health insurance benefits for unmarried domestic partners of legisla-
7 tors or legislative employees.

8 Sec. 610. In addition to the funds appropriated in part 1 for the
9 legislative auditor general, there is appropriated an amount not to
10 exceed \$500,000.00 for state restricted contingency funds. These funds
11 are not available for expenditure until they have been transferred to
12 another line item in this act under section 393(2) of the management and
13 budget act, 1984 PA 431, MCL 18.1393.

14 Sec. 611. Pursuant to section 53 of article IV of the state consti-
15 tution of 1963, the auditor general shall conduct audits of the judicial
16 branch. The audits may include the supreme court and its administrative
17 units, the court of appeals, and trial courts.

18 Sec. 612. (1) The auditor general shall take all reasonable steps
19 to ensure that certified minority- and women-owned and operated account-
20 ing firms, and accounting firms owned and operated by persons with dis-
21 abilities participate in the audits of the books, accounts, and financial
22 affairs of each principal executive department, branch, institution,
23 agency, and office of this state.

24 (2) The auditor general shall strongly encourage firms with which
25 the auditor general contracts to perform audits of the principal execu-
26 tive departments and state agencies to subcontract with certified

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1 minority- and women-owned and operated accounting firms, and accounting
2 firms owned and operated by persons with disabilities.

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

10 Sec. 613. (1) From the funds appropriated in part 1 to the legisla-
11 tive auditor general, there is appropriated the amounts necessary for the
12 auditing of school district financial and pupil accounting records uti-
13 lized for state school aid distributions. The auditor general may con-
14 duct audits under this section on a contractual basis.

15 (2) The auditor general shall continue to perform an oversight func-
16 tion of the state aid membership reporting and auditing process including
17 the department of education's quality assurance system.

18 (3) The auditor general shall submit a report for the fiscal year
19 ending September 30, 2003, to the department of education, the state
20 budget director, and the senate and house of representatives standing
21 committees on appropriations on or before January 31, 2004. The report
22 shall contain the results of the auditor general's assessment of the
23 internal control structure for the state's membership reporting and
24 auditing process, and recommendations to improve the internal control
25 structure. The report shall also state the names of the contractors, the
26 contract cost, the dollar amount of audit citations for any membership

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1 audits that may be conducted, and other pertinent information relating to
2 the determination of whether this audit function should be continued.

3 Sec. 614. The auditor general shall report to the state budget
4 director, the senate and house of representatives standing committees on
5 appropriations, and the senate and house fiscal agencies on all recommen-
6 dations made by the auditor general, in all audit reports, that are not
7 complied with by the audited agencies.

8 Sec. 615. From the funds appropriated in part 1 to the legislative
9 auditor general, the legislative auditor general's salary shall be
10 \$127,400.00. Funding for the remaining 2.0 FTE unclassified positions is
11 limited to an aggregate amount of \$138,400.00.

12 Sec. 617. A hiring freeze is imposed on the office of the auditor
13 general. The auditor general shall not hire new employees other than to
14 fill vacancies as they arise. The leadership of the senate and house of
15 representatives may grant exceptions to this hiring freeze when they
16 determine it is in the best interest of the state.

17 DEPARTMENT OF MANAGEMENT AND BUDGET

18 OPERATIONS

19 Sec. 700. (1) In addition to the funds appropriated in part 1,
20 there is appropriated an amount not to exceed \$2,000,000.00 for federal
21 contingency funds. These funds are not available for expenditure until
22 they have been transferred to another line item in this act under section
23 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

24 (2) In addition to the funds appropriated in part 1, there is
25 appropriated an amount not to exceed \$3,000,000.00 for state restricted

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

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

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

16 Sec. 702. The department of management and budget may receive and
17 expend funds in addition to those authorized in part 1 for conducting
18 training and orientation workshops and seminars that are consistent with
19 the programmatic mission of the individual unit sponsoring or coordinat-
20 ing the program.

21 Sec. 703. (1) The department of management and budget may receive
22 and expend funds in addition to those authorized by part 1 for mainte-
23 nance and operation services provided specifically to other principal
24 executive departments or state agencies, the legislative branch, or the
25 judicial branch or provided in connection with facilities transferred to
26 the operational jurisdiction of the department of management and budget.

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1 (2) The department of management and budget may receive and expend
2 funds in addition to those authorized by part 1 for real estate,
3 architectural, design, and engineering services provided specifically to
4 other principal executive departments or state agencies, the legislative
5 branch, or the judicial branch.

6 (3) The department of management and budget may receive and expend
7 funds in addition to those authorized in part 1 for mail pickup and
8 delivery services provided specifically to other principal executive
9 departments and state agencies, the legislative branch, or the judicial
10 branch.

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

15 Sec. 704. The department of management and budget may enter into
16 agreements to supply census information, spatial information, and techni-
17 cal services to other principal executive departments, state agencies,
18 local units of government, and other organizations. The department of
19 management and budget may receive and expend funds in addition to those
20 authorized in part 1 for providing information and technical services,
21 publications, maps, and other census-related products. The department of
22 management and budget may expend amounts received for salaries, supplies,
23 and equipment necessary to provide informational products and technical
24 services.

25 Sec. 705. (1) The appropriation in part 1 to the department of man-
26 agement and budget, for statewide appropriations from employer
27 contributions, represents amounts included within the various

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

12 (2) From the funds appropriated in part 1 to the department of man-
13 agement and budget for professional development funds and child care
14 information and referral services, the department of management and
15 budget may expend funds for staff support associated with administration
16 of the professional development funds and child care information and
17 referral services in amounts as may be specified in joint
18 labor/management agreements or through the coordinated compensation hear-
19 ings process.

20 (3) In addition to the funds appropriated in part 1 for severance
21 pay funds, the department of management and budget may receive and expend
22 funds from other state agencies for staff support associated with the
23 administration of these funds.

24 (4) In addition to the funds appropriated in part 1 to the depart-
25 ment of management and budget, for statewide appropriations from employer
26 contributions, the department of management and budget may receive and
27 expend funds in such additional amounts as may be specified in joint

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1 labor/management agreements or through the coordinated compensation
2 hearings process in the same manner and subject to the same conditions as
3 prescribed in subsections (1), (2), and (3).

4 Sec. 706. To the extent a specific appropriation is required for a
5 detail source of financing included in part 1 for the department of man-
6 agement and budget appropriations financed from special revenue and
7 internal service and pension trust funds, or MAIN user charges, the spe-
8 cific amounts are appropriated within the special revenue internal serv-
9 ice and pension trust funds in portions not to exceed the aggregate
10 amount appropriated in part 1.

11 Sec. 707. The per diem amounts authorized for the following boards
12 within the department of management and budget are as follows:

13 (a) Judges retirement board.....	\$	50.00
14 (b) Public school employees retirement board.....		50.00
15 (c) State police retirement board.....		50.00

16 Sec. 708. In addition to the funds appropriated in part 1 to the
17 department of management and budget, the department may receive and
18 expend funds from other principal executive departments and state agen-
19 cies to implement donated annual leave and administrative leave bank
20 transfer provisions as may be specified in joint labor/management
21 agreements. The amounts may also be transferred to other principal exec-
22 utive departments and state agencies under the joint agreement and any
23 amounts transferred under the joint agreement are authorized for receipt
24 and expenditure by the receiving principal executive department or state
25 agency. Any amounts received by the department of management and budget
26 under this section and intended, under the joint labor/management
27 agreements, to be available for use beyond the close of the fiscal year

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1 and any unencumbered funds may be carried over into the succeeding fiscal
2 year.

3 Sec. 709. The appropriation in part 1 for the Michigan administra-
4 tive information network shall be funded by proportionate charges
5 assessed against the respective state funds benefiting from this project
6 in the amounts determined by the department.

7 Sec. 710. (1) Deposits against the interdepartmental grant from
8 building occupancy and parking charges appropriated in part 1 shall be
9 collected, in part, from state agencies, the legislative branch, and the
10 judicial branch based on estimated costs associated with maintenance and
11 operation of buildings managed by the department of management and
12 budget. To the extent excess revenues are collected due to estimates of
13 building occupancy charges exceeding actual costs, the excess revenues
14 may be carried forward into succeeding fiscal years for the purpose of
15 returning funds to state agencies.

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

20 Sec. 711. The appropriation in part 1 to the department of manage-
21 ment and budget, for state-sponsored group insurance, flexible spending
22 accounts, and COBRA, represents amounts, in part, included within the
23 various appropriations throughout state government for the current fiscal
24 year to fund the flexible spending account program included within man-
25 agement and budget services. Deposits against state-sponsored group
26 insurance, flexible spending accounts, and COBRA for the flexible
27 spending account program shall be made from assessments levied during the

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1 current fiscal year in a manner prescribed by the department of
2 management and budget. Unspent employee contributions to the flexible
3 spending accounts may be used to offset administrative costs for the
4 flexible spending account program, with any remaining balance of unspent
5 employee contributions to be lapsed to the general fund.

6 Sec. 712. In accordance with section 52 of the state employees'
7 retirement act, 1943 PA 240, MCL 38.52, \$0 is appropriated in part 1 to
8 the health insurance reserve fund of the state employees' retirement
9 system created by section 11(8) of the state employees' retirement act,
10 1943 PA 240, MCL 38.11, representing the estimated general fund/general
11 purpose savings from implementing the defined contribution retirement
12 plan for the period October 1, 2000 through September 30, 2001.

13 Sec. 713. The department of management and budget shall notify the
14 chairpersons of the senate and house of representatives standing commit-
15 tees on appropriations and the chairpersons of the senate and house of
16 representatives standing committees on appropriations subcommittees on
17 general government on any revisions exceeding \$500,000.00 to current con-
18 tracts for computer software development, hardware acquisition, or qual-
19 ity assurance at least 14 days before the department of management and
20 budget finalizes the revisions.

21 Sec. 714. By February 15 of each fiscal year, the department of
22 management and budget together with the department of treasury shall pro-
23 vide to the state budget director, the senate and house of representa-
24 tives standing committees on appropriations, and the senate and house
25 fiscal agencies a report on restricted fund balances, projected revenues,
26 and projected expenditures for each restricted fund appropriated in part

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1 1 for the immediately preceding, current, and immediately subsequent
2 fiscal years.

3 Sec. 715. The department of management and budget shall maintain an
4 internet website that contains notice of all invitations for bids and
5 requests for proposals over \$50,000.00 issued by the department or by any
6 state agency operating under delegated authority. The department shall
7 not accept an invitation for bid or request for proposal in less than 14
8 days after the notice is made available on the internet website, except
9 in situations where it would be in the best interest of the state and
10 documented by the department. In addition to the requirements of this
11 section, the department may advertise the invitations for bids and
12 requests for proposals in any manner the department determines appropri-
13 ate, in order to give the greatest number of individuals and businesses
14 the opportunity to make bids or requests for proposals.

15 Sec. 716. The department of management and budget may receive and
16 expend funds from the Vietnam veterans memorial monument fund for mainte-
17 nance of the Vietnam veterans memorial monument and the Vietnam memorial
18 park, as provided in 1988 PA 234, MCL 35.1051 to 35.1057. Funds are
19 appropriated and allocated when received and may be expended upon
20 receipt.

21 Sec. 717. The Michigan veterans' memorial park commission may
22 receive and expend money from any source, public or private, including,
23 but not limited to, gifts, grants, donations of money, and government
24 appropriations, for the purposes described in Executive Order
25 No. 2001-10. Funds are appropriated and allocated when received and may
26 be expended upon receipt. Any deposits made under this section and

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1 unencumbered funds are restricted revenues and may be carried over into
2 succeeding fiscal years.

[Sec. 718. From the funds appropriated in part 1 to the department of management and budget, the department of management and budget shall not, after the forms that are presently in stock are depleted and new forms are to be ordered, print or authorize the printing of a form that references a city or village, unless that form also references a township in the same size print and same font as the city or village is referenced.]

3 DEPARTMENT OF STATE

4 Sec. 800. (1) In addition to the funds appropriated in part 1,
5 there is appropriated an amount not to exceed \$1,000,000.00 for federal
6 contingency funds. These funds are not available for expenditure until
7 they have been transferred to another line item in this act under
8 section 393(2) of the management and budget act, 1984 PA 431,
9 MCL 18.1393.

10 (2) In addition to the funds appropriated in part 1, there is appro-
11 priated an amount not to exceed \$7,500,000.00 for state restricted con-
12 tingency funds. These funds are not available for expenditure until they
13 have been transferred to another line item in this act under
14 section 393(2) of the management and budget act, 1984 PA 431,
15 MCL 18.1393.

16 (3) In addition to the funds appropriated in part 1, there is appro-
17 priated an amount not to exceed \$50,000.00 for local contingency funds.
18 These funds are not available for expenditure until they have been trans-
19 ferred to another line item in this act under section 393(2) of the man-
20 agement and budget act, 1984 PA 431, MCL 18.1393.

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

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

7 Sec. 802. From the funds appropriated in part 1, the department of
8 state shall sell copies of records including, but not limited to, records
9 of motor vehicles, off-road vehicles, snowmobiles, watercraft, mobile
10 homes, personal identification cardholders, drivers, and boat operators
11 and shall charge \$6.55 per record sold only as authorized in section 208b
12 of the Michigan vehicle code, 1949 PA 300, MCL 257.208b, section 7 of
13 1972 PA 222, MCL 28.297, and sections 80130, 80315, 81114, and 82156 of
14 the natural resources and environmental protection act, 1994 PA 451,
15 MCL 324.80130, 324.80315, 324.81114, and 324.82156. The department shall
16 use the revenue received from the sale of records for necessary expenses
17 as appropriated in part 1. The balance of the fee revenue remaining on
18 September 30 shall revert to the general fund.

19 Sec. 803. From the funds appropriated in part 1, the secretary of
20 state may enter into agreements with the department of corrections for
21 the manufacture of vehicle registration plates 15 months before the reg-
22 istration year in which the registration plates will be used.

23 Sec. 804. (1) The department of state may accept gifts, donations,
24 contributions, and grants of money and other property from any private or
25 public source to underwrite, in whole or in part, the cost of a depart-
26 mental publication that is prepared and disseminated under the Michigan
27 vehicle code, 1949 PA 300, MCL 257.1 to 257.923. A private or public

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1 funding source may receive written recognition in the publication and may
2 furnish a traffic safety message, subject to departmental approval, for
3 inclusion in the publication. The department may reject a gift, dona-
4 tion, contribution, or grant. The department may furnish copies of a
5 publication underwritten, in whole or in part, by a private source to the
6 underwriter at no charge.

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

15 (3) Pending expenditure, the funds received under this section shall
16 be deposited in the Michigan department of state publications fund cre-
17 ated by section 211 of the Michigan vehicle code, 1949 PA 300,
18 MCL 257.211. Funds given, donated, or contributed to the department from
19 a private source are appropriated and allocated for the purpose for which
20 the revenue is furnished. Funds granted to the department from a public
21 source are allocated and may be expended upon receipt. The department
22 shall not accept a gift, donation, contribution, or grant if receipt is
23 conditioned upon a commitment of state funding at a future date. Revenue
24 received from the sale of advertising is appropriated and may be expended
25 upon receipt.

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1 (4) Any unexpended revenues received under this section shall be
2 carried over into subsequent fiscal years and shall be available for
3 appropriation for the purposes described in this section.

4 (5) On March 1 of each year, the department of state shall file a
5 report with the senate and house of representatives standing committees
6 on appropriations, the senate and house fiscal agencies, and the state
7 budget director. The report shall include all of the following
8 information:

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

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

14 (c) A listing of any gift, donation, contribution, or grant of prop-
15 erty other than funding received by the department under this section for
16 the prior year.

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

20 (6) In addition to copies delivered without charge as the secretary
21 of state considers necessary, the department of state may sell copies of
22 manuals and other publications regarding the sale, ownership, or opera-
23 tion or regulation of motor vehicles, with amendments, at prices to be
24 established by the secretary of state. As used in this subsection, the
25 term "manuals and other publications" means videos and proprietary elec-
26 tronic publications. All funds received from sales of these manuals and

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1 other publications shall be credited to the Michigan department of state
2 publications fund.

3 Sec. 805. Funds collected by the department of state under section
4 211 of the Michigan vehicle code, 1949 PA 300, MCL 257.211, are appropri-
5 ated for all expenses necessary to provide for the costs of the
6 publication. Funds are allotted for expenditure when they are received
7 by the department of treasury and shall not lapse to the general fund at
8 the end of the fiscal year.

9 Sec. 806. From the funds appropriated in part 1, the department of
10 state shall use available balances at the end of the state fiscal year to
11 provide payment to the department of state police in the amount of
12 \$307,900.00 for the services provided by the traffic accident records
13 program as first appropriated in 1990 PA 196 and 1990 PA 208.

14 Sec. 807. From the funds appropriated in part 1, the department of
15 state may restrict funds from miscellaneous revenue to cover cash short-
16 ages created from normal branch office operations. This amount shall not
17 exceed \$50,000.00 of the total funds available in miscellaneous revenue.

18 Sec. 808. (1) Commemorative and specialty license plate fee revenue
19 collected by the department of state and deposited into the Michigan
20 transportation fund is authorized for expenditure up to the amount of
21 revenue collected but not to exceed the amount appropriated to the
22 department of state in part 1 to administer commemorative and specialty
23 license plate programs.

24 (2) Commemorative and specialty license plate fee revenue collected
25 by the department of state and deposited in the Michigan transportation
26 fund in addition to the amount appropriated in part 1 to the department

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1 of state shall be available for other Michigan transportation
2 fund-supported programs.

3 Sec. 809. Funds or revenues in the Olympic education training
4 center fund, after deducting manufacturing and administrative costs, are
5 appropriated for distribution to the Olympic education training center at
6 Northern Michigan University. Distributions shall occur on a quarterly
7 basis. Any undistributed revenue remaining at the end of the fiscal year
8 shall be carried over into the next fiscal year.

9 Sec. 810. The department of state may produce and sell copies of a
10 training video designed to inform registered automotive repair facilities
11 of their obligations under Michigan law. The price shall not exceed the
12 cost of production and distribution. The money received from the sale of
13 training videos shall revert to the department of state and be placed in
14 the auto repair facility account.

15 Sec. 811. (1) The department of state, in collaboration with the
16 gift of life transplantation society or its successor federally desig-
17 nated organ procurement organization, may develop and administer a public
18 information campaign concerning the Michigan organ donor program.

19 (2) The department may solicit funds from any private or public
20 source to underwrite, in whole or in part, the public information cam-
21 paign authorized by this section. The department may accept gifts, dona-
22 tions, contributions, and grants of money and other property from private
23 and public sources for this purpose. A private or public funding source
24 underwriting the public information campaign, in whole or in substantial
25 part, shall receive sponsorship credit for its financial backing.

26 (3) Funds received under this section, including grants from state
27 and federal agencies, shall not lapse to the general fund at the end of

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1 the fiscal year but shall remain available in fiscal year 2004 for
2 expenditure for the purposes described in this section.

3 Sec. 812. Collector plate and fund-raising registration plate reve-
4 nues collected by the department of state are appropriated and allotted
5 for distribution to the recipient university or public or private agency
6 overseeing a state-sponsored goal when received. Distributions shall
7 occur on a quarterly basis or as otherwise authorized by law. Any reve-
8 nues remaining at the end of the fiscal year shall not lapse to the gen-
9 eral fund but shall remain available for distribution to the university
10 or agency in the next fiscal year.

11 Sec. 813. (1) Funding appropriated in part 1 for the organ donor
12 program shall be used for producing a pamphlet to be distributed with
13 driver licenses and personal identification cards regarding organ
14 donations. The funds shall be used to update and print a pamphlet that
15 will explain the organ donor program and encourage people to become
16 donors by marking a checkoff on driver license and personal identifica-
17 tion card applications.

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

21 Sec. 814. The department shall reimburse municipalities with voting
22 populations over 5,000 in any calendar year for qualified voter file sys-
23 tems, subject to the appropriations of funds to the department by the
24 legislature for this purpose.

25 Sec. 815. The appropriation to the department of state for adminis-
26 trative expenses associated with the collection of Michigan
27 transportation fund revenues, excluding the appropriation for expenses

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1 associated with the collection of commemorative and specialty license
2 plate fee revenue, is \$90,000,000.00 for the fiscal year ending September
3 30, 2003.

4 Sec. 816. The department shall consult with the senate and house of
5 representatives standing committees on appropriations subcommittees on
6 general government regarding the projected closing or consolidation of
7 any secretary of state branch offices.

8 DEPARTMENT OF TREASURY

9 **OPERATIONS**

10 Sec. 900. (1) In addition to the funds appropriated in part 1,
11 there is appropriated an amount not to exceed \$1,000,000.00 for federal
12 contingency funds. These funds are not available for expenditure until
13 they have been transferred to another line item in this act under section
14 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

15 (2) In addition to the funds appropriated in part 1, there is appro-
16 priated an amount not to exceed \$10,000,000.00 for state restricted con-
17 tingency funds. These funds are not available for expenditure until they
18 have been transferred to another line item in this act under
19 section 393(2) of the management and budget act, 1984 PA 431,
20 MCL 18.1393.

21 (3) In addition to the funds appropriated in part 1, there is appro-
22 priated an amount not to exceed \$200,000.00 for local contingency funds.
23 These funds are not available for expenditure until they have been trans-
24 ferred to another line item in this act under section 393(2) of the
25 management and budget act, 1984 PA 431, MCL 18.1393.

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

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

14 (2) In addition to the amount appropriated to the department of
15 treasury for debt service in part 1, there is appropriated an amount for
16 fiscal year cash-flow borrowing costs to pay for interest on interfund
17 borrowing made under 1967 PA 55, MCL 12.51 to 12.53.

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

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1 constitutionally dedicated for a specific purpose, the appropriation of
2 collection costs and fees are from the general purpose account of the
3 general fund.

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

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

21 (2) In addition to the funds appropriated in part 1 from the retire-
22 ment funds to the department of treasury, there is appropriated from
23 retirement funds an amount sufficient to pay for the services of money
24 managers, investment advisors, investment consultants, custodians and
25 other outside professionals, the state treasurer considers necessary to
26 prudently manage the retirement funds' investment portfolios. The state
27 treasurer shall report annually to the senate and house of

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1 representatives standing committees on appropriations concerning the
2 performance of each portfolio by investment advisor.

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 revenue
7 received from the sale of preparation and local government assistance
8 manuals shall revert to the department of treasury and be placed in the
9 local government assistance manual revolving fund.

10 Sec. 905. The department of treasury may provide receipt, warrant
11 and cash processing, data, collection, investment, fiscal agent, levy and
12 warrant cost assessment, writ of garnishment, and other user services on
13 a contractual basis for other principal executive departments and state
14 agencies. Funds for the services provided are appropriated and shall be
15 expended for salaries and wages, fees, supplies, and equipment necessary
16 to provide the services. Any unobligated balance of the funds received
17 shall revert to the general 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 part 1 to the department of treasury, for
25 state compliance audits, shall be used to cover the cost of the state
26 audits performed by independent certified public accountants or
27 department of treasury auditors. The scope of the state audit shall be

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1 defined by the state treasurer. The state audits shall be performed by
2 independent certified public accountants contracted with by the state
3 treasurer or by department of treasury auditors, if the county has agreed
4 to contract with and pay the department for their financial single
5 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 is created in the department of treasury. The assessor
14 certification and training fund shall be used to organize and operate a
15 property assessor certification and training program. Each participant
16 certified and trained shall pay to the department of treasury an examina-
17 tion fee of \$25.00, an initial certification fee of \$35.00, an annual
18 renewal fee of \$50.00 for levels 1 and 2 and \$95.00 for levels 3 and 4 to
19 offset the cost of administering the certification and training program.
20 Training courses shall be offered in assessment administration. Each
21 participant shall pay a fee to cover the expenses incurred in offering
22 the optional programs to certified assessing personnel and other individ-
23 uals interested in an assessment career opportunity. The fees collected
24 shall be credited to the assessor certification and training fund.

25 Sec. 908. The department of treasury may expend revenues received
26 under the hospital finance authority act, 1969 PA 38, MCL 331.31 to
27 331.84, for necessary salaries, wages, supplies, contractual services,

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

7 Sec. 909. The department of treasury may enter into agreements to
8 supply data or collection services to other executive principal depart-
9 ments or state agencies, the United States department of treasury, or
10 local units of government within this state. The department of treasury
11 shall charge for this tax data service and amounts received are appropri-
12 ated and shall be expended for salaries and wages, fees, supplies, and
13 equipment necessary to provide the service.

14 Sec. 910. The amount appropriated in part 1 to the department of
15 treasury, home heating assistance program, is to cover the costs, includ-
16 ing data processing, of administering the federal home heating credits to
17 eligible claimants and to administer the supplemental fuel cost payment
18 program for eligible tax credit and welfare recipients.

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

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1 that are determined by the department of treasury to be surplus to the
2 actual cost of collections.

3 (2) The department of treasury shall submit a report for fiscal year
4 ending September 30, 2002, to the state budget director and the senate
5 and house fiscal agencies not later than November 30, 2002, stating the
6 principal executive departments and state agencies served, funds col-
7 lected, and costs of collection under subsection (1).

8 Sec. 912. The department of treasury may expend revenue received
9 under the shared credit rating act, 1985 PA 227, MCL 141.1051 to
10 141.1076, for necessary salaries, wages, supplies, contractual services,
11 equipment, worker's compensation insurance premiums, and grants to the
12 civil service commission and state employees' retirement fund.

13 Sec. 913. Revenue received under the Michigan education trust act,
14 1986 PA 316, MCL 390.1421 to 390.1444, may be expended by the board of
15 directors of the Michigan education trust for necessary salaries, wages,
16 supplies, contractual services, equipment, worker's compensation insur-
17 ance premiums, and grants to the civil service commission and state
18 employees' retirement fund.

19 Sec. 914. Revenue from the airport parking tax act, 1987 PA 248,
20 MCL 207.371 to 207.383, is appropriated and shall be distributed under
21 section 7 of the airport parking tax act, 1987 PA 248, MCL 207.377.

22 Sec. 915. The disbursement by the department of treasury from the
23 bottle deposit fund to dealers as required by section 3c(2) of the
24 Initiated Law of 1976, MCL 445.573c, is appropriated.

25 Sec. 916. The appropriation in part 1 to the department of trea-
26 sury, for treasury fees, shall be assessed against all restricted funds
27 that contribute to the total value of state managed investments in the

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1	ratio each restricted fund contributes to the total value of state	
2	managed investments and shall be comprised of the following fees and	
3	amounts:	
4	1989 trunkline bond proceeds.....	\$ 800
5	1992 comprehensive transportation bond proceeds.....	2,600
6	1992 trunkline bond proceeds.....	2,700
7	1992 trunkline/bridge bond proceeds.....	500
8	1994 trunkline bond proceeds.....	1,200
9	1996 trunkline bond proceeds.....	400
10	Aboveground storage tank.....	600
11	Armory construction.....	700
12	Asbestos abatement.....	400
13	Auto theft prevention fees.....	2,300
14	Bankrupt self-insured worker's diecast.....	200
15	Bankrupt self-insured worker's disability no. 1.....	300
16	Blue Water Bridge.....	3,100
17	Boiler inspection.....	1,200
18	Bottle deposit.....	12,900
19	Children's institute.....	100
20	Children's trust fund.....	2,300
21	Clean MI initiative bond - environmental project.....	8,900
22	Clean MI initiative bond - state programs.....	2,800
23	Community dispute resolution fees.....	900
24	Comprehensive transportation bond and interest	
25	reduction.....	500
26	Comprehensive transportation.....	5,300

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1	Compulsive gambling prevention.....	900
2	Construction lien recovery.....	1,100
3	Crime victims benefits.....	2,700
4	Debt service - MUSTFA.....	700
5	DOJ, local law enforcement block grant.....	100
6	Drunk driving caseflow.....	2,500
7	Drunk driving prevention and training fund.....	300
8	Emission control.....	900
9	Environmental education.....	200
10	Environmental pollution prevention.....	1,100
11	Environmental protection bond.....	4,600
12	Farmland and open space withdrawal.....	2,300
13	Forensic science.....	400
14	Forest development.....	2,100
15	Game and fish protection.....	4,200
16	Game and fish trust.....	11,000
17	Gasoline inspection and testing.....	900
18	Gifts, bequests, deposits.....	7,000
19	Great Lakes protection.....	1,400
20	Groundwater and freshwater protection.....	1,200
21	Hazardous and solid waste.....	1,000
22	Hazardous materials transportation permit.....	200
23	Health professions regulatory.....	1,200
24	Healthy Michigan fund.....	4,100
25	Hospital patient's trust.....	300
26	Land and water permit fees.....	500

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1	Land exchange facilitation.....	100
2	Landfill maintenance.....	100
3	Liquor purchasing revolving.....	12,100
4	Marine safety.....	1,700
5	MDOT, federal transportation funds.....	1,300
6	Medical waste emergency response.....	100
7	MESA contingent fund.....	11,900
8	Michigan higher education facilities authority.....	100
9	Michigan higher education assistance authority.....	700
10	Michigan underground storage tank.....	600
11	Michigan conservation endowment trust.....	4,000
12	Michigan merit award trust.....	9,300
13	Michigan natural resources trust fund.....	27,200
14	Michigan state park endowment.....	12,100
15	Michigan veterans benefit.....	7,600
16	Michigan health initiative fund.....	1,000
17	Michigan justice training.....	2,100
18	Motor vehicle accident claims fund.....	600
19	Narcotics investigation revenues.....	200
20	Nongame fish and wildlife.....	1,500
21	Nurse professions regulatory.....	800
22	Oil and gas regulation fee.....	1,000
23	Orphan well subfund.....	700
24	Peet packing corporation worker's compensation.....	200
25	Recreation bond - local project.....	1,400
26	Recreation bond - state projects.....	1,300

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1	Remonumentation fees.....	2,100
2	RETAP - retired engineering technical assistance.....	2,400
3	Safety, education, and training.....	1,000
4	Scrap tire regulatory.....	800
5	Second injury.....	3,900
6	Self-insurers security.....	1,100
7	Sewage sludge land applications.....	200
8	Silicosis and dust disease.....	2,000
9	Small business pollution prevention revolving loans..	1,500
10	Snowmobile registration fee.....	700
11	Snowmobile trail improvement.....	1,000
12	Solid waste management fee perpetuity.....	500
13	Solid waste management fee staff.....	200
14	State water pollution control.....	3,400
15	State aeronautics.....	2,400
16	State construction code.....	2,700
17	State court.....	2,100
18	State lottery.....	105,800
19	State park improvement.....	3,000
20	State sponsored group insurance.....	12,100
21	State trunkline.....	29,100
22	State waterways.....	9,100
23	Stormwater permit fees.....	100
24	Tobacco settlement trust funds.....	18,900
25	Trunkline bond and interest redemption.....	400
26	Underground storage tank fees.....	1,100

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1	Utility consumer representation.....	600
2	Vietnam veterans memorial.....	300
3	WIC food program formula rebate.....	300
4	Worker's compensation administration revolving fund..	<u>1,200</u>
5	TOTAL..... \$	413,300

6 Sec. 917. (1) There is appropriated an amount sufficient to recog-
7 nize and pay refundable income tax credits as provided by the management
8 and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

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

12 Sec. 918. A plaintiff in a garnishment action involving this state
13 shall pay to the state treasurer 1 of the following:

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

17 (b) A fee of \$6.00 at the time any other writ of garnishment is
18 served upon the state treasurer, except that the fee shall be reduced to
19 \$5.00 for each writ of garnishment for individual income tax refunds or
20 credits filed by magnetic media.

21 Sec. 919. The department of treasury shall establish a separate
22 account for the funds related to the Michigan higher education facilities
23 authority. The department of treasury may expend revenue received under
24 the higher education facilities authority act, 1969 PA 295, MCL 390.921
25 to 390.934, for necessary salaries, wages, supplies, contractual serv-
26 ices, equipment, worker's compensation insurance premiums, and grants to
27 the civil service commission and state employees' retirement fund. The

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1 department of treasury shall maintain accounting records in sufficient
2 detail to enable the educational institution clients to be reimbursed
3 periodically for fees that are determined by the department to be surplus
4 to needs.

5 Sec. 920. (1) The department of treasury may contract with private
6 firms to appraise and, if necessary, appeal the assessments of senior
7 citizen cooperative housing units. Payment for this service shall be
8 from savings resulting from the appraisal or appeal process.

9 (2) Of the funds appropriated in part 1 to the department of trea-
10 sury for the senior citizens' cooperative housing tax exemption program,
11 a portion is to be utilized for a program audit of the program. The
12 department of treasury shall forward copies of the audit report to the
13 senate and house of representatives standing committees on appropriations
14 subcommittees on general government. The department of treasury may uti-
15 lize up to 1% of the funds for program administration and auditing.

16 Sec. 921. The state treasurer may make loans to local units of gov-
17 ernment from the state's common cash fund to implement local government
18 infrastructure and private facility projects that will ultimately use
19 long-term debt to finance the costs. These loans may be made at any time
20 and shall be repaid, in full, not later than 12 months after the date of
21 the loan. In addition to the full repayment of the loan principal, the
22 borrowing unit shall pay interest at the average rate earned on common
23 cash investments during the period of the loan. The total of all out-
24 standing loans shall not exceed \$50,000,000.00 in the aggregate and no
25 single loan shall exceed \$7,500,000.00.

26 Sec. 922. The department of treasury may provide a \$200.00 annual
27 prize from the Ehlers internship award account in the gifts, bequests,

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1 and deposit fund to the runner-up of the Rosenthal prize for interns.

2 The Ehlers internship award account is interest bearing.

3 Sec. 923. Pursuant to section 61 of the Michigan campaign finance
4 act, 1976 PA 388, MCL 169.261, there is appropriated from the general
5 fund to the state campaign fund an amount equal to the amounts designated
6 for tax year 2001. Except as otherwise provided in this section, the
7 amount appropriated shall not revert to the general fund and shall remain
8 in the state campaign fund. Any amounts remaining in the state campaign
9 fund in excess of \$10,000,000.00 on December 31, 2002 shall revert to the
10 general fund.

11 Sec. 924. The department of treasury may develop a technology
12 investment plan to maintain and upgrade current tax management technology
13 applications.

14 Sec. 925. Revenue collected by the Michigan gaming control board
15 regarding the wagering tax imposed on adjusted gross receipts received by
16 the licensee from gaming authorized under the Michigan gaming control and
17 revenue act, the Initiated Law of 1996, MCL 432.201 to 432.226, at the
18 rate of 8.15% is appropriated and shall be deposited in the state school
19 aid fund to provide additional funds for K-12 classroom education.

20 Sec. 926. From the revenue collected by the Michigan gaming control
21 board regarding the total annual assessment of each casino licensee,
22 \$2,000,000.00 is appropriated and shall be deposited in the compulsive
23 gaming prevention fund as described in section 12a(5) of 1997 PA 69.

24 Sec. 927. In addition to the funds appropriated in part 1, funds
25 distributed by the Michigan gaming control board to the department of
26 treasury for oversight of casino gaming are appropriated upon receipt.

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1 These funds may be used to pay for costs incurred for casino gaming
2 oversight activities.

3 Sec. 928. (1) From the funds appropriated in part 1 for the
4 Michigan merit award board/MEAP administration, the department shall pro-
5 vide tests to nonpublic schools and home-schooled students upon request.
6 The department shall notify nonpublic schools that they are eligible to
7 receive the tests without cost to them.

8 (2) The department shall release test results at the same time to
9 all private schools and public school districts taking the tests.

10 Sec. 929. The department of treasury may make available to inter-
11 ested entities otherwise unavailable customized unclaimed property list-
12 ings of nonconfidential information in its possession. The charge for
13 this information is as follows: 1 to 100,000 records at 2.5 cents per
14 record and 100,001 or more records at .5 cents per record. The revenue
15 received from this service shall be deposited to the appropriate revenue
16 account or fund. The department shall submit an annual report on or
17 before June 1, 2002, to the state budget director and the senate and
18 house of representatives standing committees on appropriations that
19 states the amount of revenue received from the sale of information.

20 Sec. 930. (1) Funds appropriated in part 1 for local government
21 programs may be used to provide assistance to a local revenue sharing
22 board referenced in an agreement authorized by the Indian gaming regula-
23 tory act, Public Law 100-497, 102 Stat. 2467, which agreement is vali-
24 dated, ratified, and confirmed.

25 (2) A local revenue sharing board described in subsection (1) shall
26 comply with the open meetings act, 1976 PA 267, MCL 15.261 to 15.275, and
27 the freedom of information act, 1976 PA 442, MCL 15.231 to 15.246.

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1 (3) A county treasurer is authorized to receive and administer funds
2 received for and on behalf of a local revenue sharing board. Funds
3 appropriated in part 1 for local government programs may be used to audit
4 local revenue sharing board funds held by a county treasurer. This sec-
5 tion does not limit the ability of local units of government to enter
6 into agreements with federally recognized Indian tribes to provide finan-
7 cial assistance to local units of government or to jointly provide public
8 services.

9 (4) The director of the department of state police and the executive
10 director of the Michigan gaming control board are authorized to assist
11 the local revenue sharing boards in determining allocations to be made to
12 local public safety organizations.

13 (5) The department of treasury shall submit a report by September
14 30, 2002, to the senate and house of representatives standing committees
15 on appropriations on the receipts and distribution of revenues by local
16 revenue sharing boards.

17 Sec. 931. The funds appropriated from the Michigan merit award
18 trust fund in part 1 consist of a portion of the tobacco settlement reve-
19 nue received by the state as provided under the Michigan merit award
20 scholarship act, 1999 PA 94, MCL 390.1451 to 390.1459.

21 Sec. 932. (1) There is appropriated for write-offs and advances an
22 amount equal to total write-offs and advances for departmental programs,
23 but not to exceed current year authorizations that would otherwise lapse
24 to the general fund.

25 (2) The department of treasury shall submit a report for the fiscal
26 year ending September 30, 2002, to the state budget director and the
27 senate and house fiscal agencies not later than November 30, 2002,

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1 stating the amounts appropriated for write-offs and advances under
2 subsection (1).

3 Sec. 933. In addition to funds appropriated in part 1, the depart-
4 ment of treasury may receive and expend funds for conducting tax orienta-
5 tion workshops and seminars. Funds received may not exceed costs
6 incurred in conducting the workshops and seminars.

7 Sec. 934. The department of treasury shall submit billings to the
8 Michigan department of transportation for payment of transportation
9 related tax collection and audit activities performed by the department
10 of treasury up to an amount not to exceed \$8,000,000.00 for the fiscal
11 year ending September 30, 2003.

12 Sec. 935. (1) From funds appropriated in part 1, the department of
13 treasury may contract with private auditing firms to audit for and col-
14 lect unclaimed property due this state in accordance with the Michigan
15 uniform unclaimed property act. In addition to the amounts appropriated
16 in part 1, to the department of treasury, there are appropriated amounts
17 necessary to fund auditing and collection costs and fees not to exceed
18 12% of the collections, or a lesser amount as prescribed by the
19 contract. The appropriation to fund collection costs and fees for the
20 auditing and collection of unclaimed property due this state is from the
21 fund or account to which the revenues being collected are recorded or
22 dedicated.

23 (2) The department of treasury shall submit a report for the immedi-
24 ately preceding fiscal year ending September 30 to the state budget
25 director and the senate and house standing committees on appropriations
26 not later than November 30 stating the auditing firms employed, the
27 amount of collections for each, the costs of collection, and other

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1 pertinent information relating to determining whether this authority
2 should be continued.

3 Sec. 936. (1) The appropriation in part 1 for grants to local gov-
4 ernmental units will be distributed to counties, cities, villages, and
5 townships if total revenue sharing payments received by a county, city,
6 village, or township in fiscal year 2002-2003 are less than the total
7 revenue sharing payments received by that county, city, village, or town-
8 ship in fiscal year 2001-2002 pursuant to the Glenn Steil state revenue
9 sharing act of 1971, 1971 PA 140, MCL 141.901 to 141.921.

10 (2) Of the amount appropriated in part 1 for grants to local govern-
11 mental units, not more than \$5,400,000.00 shall be distributed to coun-
12 ties and not more than \$4,600,000.00 shall be distributed to cities, vil-
13 lages, and townships. The department of treasury shall reduce grant pay-
14 ments proportionally if the amount appropriated in part 1 is insufficient
15 to fully fund grant payments.

16 GRANTS

17 Sec. 950. Payments from the appropriation in part 1 to the depart-
18 ment of treasury for grants to counties in lieu of taxes for lands trans-
19 ferred to the federal government include a payment for Sleeping Bear
20 Dunes national lakeshore under 1974 PA 359, MCL 3.901 to 3.909.

21 Sec. 951. All of the revenue collected under section 12(3)(a) of
22 the tobacco products tax act, 1993 PA 327, MCL 205.432, is appropriated
23 to the health and safety fund of this state for distribution as set forth
24 in the health and safety fund act, 1987 PA 264, MCL 141.471 to 141.479.

25 Sec. 952. Revenue collected in accordance with article IX, section
26 10 of the Michigan constitution of 1963 in excess of the amount
27 appropriated in part 1 for constitutional revenue sharing is appropriated

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1 for distribution to townships, cities, and villages on a population basis
2 as specified by law. The appropriation in part 1 for statutory state
3 general revenue sharing grants to townships, cities, and villages shall
4 be reduced by an amount equal to any additional constitutional revenue
5 sharing appropriations authorized in this section.

6 Sec. 953. (1) The \$1,000,000.00 appropriated in part 1 for the
7 Michigan education savings program is from the Michigan merit award trust
8 fund to fund an incentive program for the Michigan education savings pro-
9 gram created under the Michigan education savings program act, 2000
10 PA 161, MCL 390.1471 to 390.1486.

11 (2) The funds appropriated for the Michigan education savings pro-
12 gram shall be used to provide a state match to dollars invested on behalf
13 of each child named as a designated beneficiary in the Michigan education
14 savings program who is 6 years of age or less, who is a Michigan resi-
15 dent, and whose family's income is \$80,000.00 or less.

16 (3) During fiscal year 2002, the state shall provide \$1.00 of match-
17 ing funds for each \$3.00 of individual contributions to the educational
18 savings accounts. The maximum state match for each designated benefi-
19 ciary shall be \$200.00.

20 (4) The state match shall be available only in the first year the
21 child is enrolled in the Michigan education savings program.

22 Sec. 954. County treasurers shall comply with section 151 of the
23 state school aid act of 1979, 1979 PA 94, MCL 388.1751, to receive funds
24 under part 1 for the statutory state general revenue sharing grant pay-
25 ments in excess of the constitutional state general revenue sharing grant
26 payments. The payment of funds under part 1 for the statutory state
27 general revenue sharing grant payments in excess of the constitutional

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1 state general revenue sharing grant payments shall not be withheld if a
2 local unit of government or the department of treasury fails to provide a
3 county treasurer with information necessary to comply with section 151 of
4 the state school aid act of 1979, 1979 PA 94, MCL 388.1751.

5 Sec. 955. The department of treasury may expend revenues received
6 under the Michigan public educational facilities authority, Executive
7 Order No. 2001-11, for necessary salaries, wages, supplies, contractual
8 services, equipment, worker's compensation insurance premiums, and grants
9 to the civil service commission and state employees' retirement fund.

10 **LOTTERY**

11 Sec. 970. In addition to the funds appropriated in part 1 to the
12 bureau of state lottery, there is appropriated from lottery revenues the
13 amount necessary for, and directly related to, implementing and operating
14 lottery games. Appropriations under this section shall only be expended
15 for contractually mandated payments for vendor commissions, contractually
16 mandated payments for instant tickets intended for resale, the contrac-
17 tual costs of providing and maintaining the on-line system communications
18 network, and incentive and bonus payments to lottery retailers.

19 Sec. 971. The funds appropriated in part 1 to the bureau of state
20 lottery shall not be used for any promotional efforts directed towards
21 individuals who are less than 18 years of age.

22 Sec. 972. The funds appropriated in part 1 to the bureau of state
23 lottery shall not be used to conduct a lottery drawing held on Sunday.

24 Sec. 973. The funds appropriated in part 1 to the bureau of state
25 lottery shall not be used to directly or indirectly associate profes-
26 sional or amateur sports figures with the lottery or its products.

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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 2001-2002

8			Beginning		
9		Fund	Unreserved		
10		#	Fund	Estimated	Ending
11			Balance	Revenue	Balance
12					
13	OPERATING FUNDS				
14	General	0110	0.0	21,847.1	0.4
15	Special Revenue Funds:				
16	Countercyclical budget and eco-				
17	nomic stabilization	0111	1,198.7	71.6	1,048.3
18	Game and fish protection	0112	0.0	55.2	0.0
19	Michigan employment security act				
20	administration	0113	0.0	169.7	0.0
21	State aeronautics	0114	0.0	116.4	0.0
22	Michigan veterans' benefit trust	0115	0.0	0.4	0.0
23	State trunkline	0116	0.0	1,087.5	0.0
24	Michigan state waterways	0117	17.0	23.7	2.7
25	Blue Water Bridge	0118	0.0	13.1	0.0
26	Michigan transportation	0119	0.0	1,987.9	0.0

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1	Comprehensive transportation	0120	27.6	294.2	0.0
2	School aid	0122	509.3	10,631.7	0.0
3	Marine safety	0123	3.1	5.4	2.3
4	Game and fish protection trust	0124	4.3	5.0	1.5
5	State park improvement	0125	5.3	27.9	2.5
6	Forest development	0126	4.4	20.5	2.0
7	Michigan civilian conservation				
8	corps endowment	0128	0.7	1.1	0.5
9	Michigan natural resources trust	0129	0.0	43.2	0.0
10	Michigan state parks endowment	0130	6.3	16.0	6.4
11	Safety education and training	0131	3.1	4.4	2.2
12	Uninsured employers' security	0135	22.9	0.0	0.5
13	Bottle deposit	0136	0.0	39.4	0.0
14	School bond loan	0137	80.9	0.0	15.7
15	State construction code	0138	12.1	10.2	5.0
16	Children's trust	0139	0.0	1.2	0.0
17	State casino gaming	0140	(1.9)	26.6	6.4
18	Homeowner construction lien				
19	recovery	0141	3.0	0.5	5.9
20	Michigan nongame fish and				
21	wildlife	0143	0.7	0.8	0.6
22	Michigan merit award trust	0154	4.8	254.2	95.5
23	Tobacco settlement trust	0155	91.5	86.9	24.4
24	Michigan underground storage tank				
25	finance assurance	0160	0.0	61.0	0.0
26	State building authority	0165	0.0	0.5	0.0

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1 TOTALS \$1,993.8 \$36,903.3 \$1,222.8

2

3

4

PART 2A

5

PROVISIONS CONCERNING APPROPRIATIONS FOR FISCAL YEAR 2001-2002

6

GENERAL SECTIONS

7

Sec. 1201. For the fiscal year ending September 30, 2002, all gen-

8

eral fund-general purpose unreserved balances at the final close of the

9

fiscal year are appropriated and shall be transferred to the countercyc-

10

lical budget and economic stabilization fund pursuant to section 354(4)

11

of the management and budget act, 1984 PA 431, MCL 18.1354.

12

Sec. 1202. If total state revenues for the fiscal year ending

13

September 30, 2002 have exceeded the revenue limit established under sec-

14

tion 26 of article IX of the state constitution of 1963 by less than 1%,

15

the appropriations contained in section 1201 shall be considered a

16

deposit into the countercyclical budget and economic stabilization fund

17

pursuant to the provisions of section 26 of article IX of the state con-

18

stitution of 1963.

19

Sec. 1203. If total state revenues for the fiscal year ending

20

September 30, 2002 have exceeded the revenue limit established under sec-

21

tion 26 of article IX of the state constitution of 1963 by 1% or more,

22

the appropriations contained in section 1201 to the countercyclical

23

budget and economic stabilization fund are appropriated and transferred

24

back to the general fund. This transfer shall occur before the final

25

bookclosing for the fiscal year ending September 30, 2002 is completed.

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1 DEPARTMENT OF ATTORNEY GENERAL

2 Sec. 1301. In addition to the funds appropriated in 2001 PA 83,
3 there is appropriated up to \$500,000.00 from litigation expense reim-
4 bursements awarded to the state. The funds may be expended for the pay-
5 ment of attorney fees assessed against the governor or the attorney gen-
6 eral when acting in an official capacity as the named party in litigation
7 against the state. The funds may also be expended for the payment of
8 state costs incurred under section 16 of chapter X of the code of crimi-
9 nal procedure, 1927 PA 175, MCL 770.16. Unexpended funds at the end of
10 the fiscal year are carried forward for expenditure in the following
11 year, up to a maximum authorization of \$500,000.00.