

FIRST CONFERENCE REPORT

The Committee of Conference on the matters of difference between the two Houses concerning

House Bill No. 4323, entitled

A bill to make, supplement, adjust, and consolidate appropriations for various state departments and agencies, the judicial branch, and the legislative branch for the fiscal year ending September 30, 2018; to provide for certain conditions on appropriations; and to provide for the expenditure of the appropriations.

Recommends:

First: That the Senate recede from the Substitute of the Senate as passed by the Senate.

Second: That the Senate and House agree to the Substitute of the House as passed by the House, amended to read as follows:

(attached)

Third: That the Senate and House agree to the title of the bill to read as follows:

A bill to make, supplement, adjust, and consolidate appropriations for various state departments and agencies, capital outlay, the judicial branch, and the legislative branch for the fiscal years ending September 30, 2017 and September 30, 2018 and for other fiscal years; to provide for certain conditions on

appropriations; to provide for the expenditure of the
appropriations; and to repeal acts and parts of acts.

Laura Cox

Dave Hildenbrand

Rob VerHeulen

Peter MacGregor

Fred Durhal III

Vincent Gregory

Conferees for the House

Conferees for the Senate

1 September 30, 2018, from the following funds:

2 **DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT**

3 APPROPRIATION SUMMARY

4	Full-time equated unclassified positions	6.0	
5	Full-time equated classified positions	493.5	
6	GROSS APPROPRIATION		\$ 114,698,600
7	Interdepartmental grant revenues:		
8	IDG from department of licensing and regulatory		
9	affairs, liquor quality testing fees		221,800
10	IDG from department of environmental quality,		
11	biosolids		88,500
12	Total interdepartmental grants and intradepartmental		
13	transfers		310,300
14	ADJUSTED GROSS APPROPRIATION		\$ 114,388,300
15	Federal revenues:		
16	USDA, multiple grants		6,133,100
17	EPA, multiple grants		1,268,100
18	HHS-FDA		3,733,900
19	Department of interior		238,800
20	Total federal revenues		11,373,900
21	Special revenue funds:		
22	Total local revenues		0
23	Private - slow-the-spread foundation		21,100
24	Private - commodity group revenue		80,500
25	Total private revenues		101,600
26	Agriculture equine industry development fund		3,667,200
27	Agriculture licensing and inspection fees		4,065,800

1	Agriculture preservation fund	1,427,800
2	Animal welfare fund	193,300
3	Commodity inspection fees	710,700
4	Consumer and industry food safety education fund	355,800
5	Dairy and food safety fund	5,925,300
6	Drinking water declaration of emergency reserve fund .	100
7	Feed control fund	1,243,200
8	Fertilizer control fund	849,900
9	Freshwater protection fund	7,914,500
10	Gasoline inspection and testing fund	1,504,700
11	Grain dealers fee fund	580,000
12	Horticulture fund	38,800
13	Industry support funds	444,900
14	Migratory labor housing fund	167,800
15	Nonretail liquor fees	908,900
16	Private forestland enhancement fund	480,200
17	Refined petroleum fund	3,197,100
18	Rural development fund	2,000,000
19	Testing fees	265,000
20	Weights and measures regulation fees	720,000
21	Total other state restricted revenues	36,661,000
22	State general fund/general purpose	\$ 66,251,800
23	State general fund/general purpose schedule:	
24	Ongoing state general fund/general	
25	purpose	\$54,501,800
26	One-time state general fund/general	
27	purpose	\$11,750,000

1	Sec. 102. DEPARTMENTAL ADMINISTRATION AND SUPPORT		
2	Full-time equated unclassified positions	6.0	
3	Full-time equated classified positions	24.0	
4	Unclassified salaries--6.0 FTE positions	\$	562,300
5	Accounting service center		1,150,400
6	Commissions and boards		23,800
7	Emergency management--4.0 FTE positions		1,079,600
8	Executive direction--20.0 FTE positions		2,216,900
9	Property management		<u>709,000</u>
10	GROSS APPROPRIATION	\$	5,742,000
11	Appropriated from:		
12	Federal revenues:		
13	HHS-FDA		434,400
14	Special revenue funds:		
15	Agriculture licensing and inspection fees		127,700
16	Agriculture preservation fund		17,000
17	Freshwater protection fund		25,300
18	Industry support funds		54,300
19	Nonretail liquor fees		30,500
20	State general fund/general purpose	\$	5,052,800
21	Sec. 103. INFORMATION AND TECHNOLOGY		
22	Information technology services and projects	\$	<u>1,778,500</u>
23	GROSS APPROPRIATION	\$	1,778,500
24	Appropriated from:		
25	Interdepartmental grant revenues:		
26	IDG from department of licensing and regulatory		
27	affairs, liquor quality testing fees		3,200

1	Special revenue funds:		
2	Agriculture licensing and inspection fees		93,800
3	Agriculture preservation fund		200
4	Dairy and food safety fund		61,200
5	Freshwater protection fund		100
6	Gasoline inspection testing fund		31,800
7	Nonretail liquor fees		500
8	State general fund/general purpose	\$	1,587,700
9	Sec. 104. FOOD AND DAIRY		
10	Full-time equated classified positions	125.0	
11	Food safety and quality assurance--94.0 FTE positions	\$	16,798,400
12	Milk safety and quality assurance--31.0 FTE positions		<u>4,510,300</u>
13	GROSS APPROPRIATION	\$	21,308,700
14	Appropriated from:		
15	Federal revenues:		
16	HHS-FDA		2,301,500
17	USDA, multiple grants		136,300
18	Special revenues funds:		
19	Consumer and industry food safety education fund		355,800
20	Dairy and food safety fund		5,373,900
21	State general fund/general purpose	\$	13,141,200
22	Sec. 105. ANIMAL INDUSTRY		
23	Full-time equated classified positions	61.0	
24	Animal disease prevention and response--61.0 FTE		
25	positions	\$	9,267,300
26	Indemnification - livestock depredation		<u>50,000</u>
27	GROSS APPROPRIATION	\$	9,317,300

1	Appropriated from:	
2	Federal revenues:	
3	Department of interior	40,800
4	HHS-FDA	46,600
5	USDA, multiple grants	528,600
6	Special revenue funds:	
7	Private - commodity group revenue	30,500
8	Agriculture licensing and inspection fees	69,700
9	Animal welfare fund	193,300
10	State general fund/general purpose	\$ 8,407,800
11	Sec. 106. PESTICIDE AND PLANT PEST MANAGEMENT	
12	Full-time equated classified positions	94.0
13	Pesticide and plant pest management--88.0 FTE	
14	positions	\$ 14,073,800
15	Producer security/grain dealers--6.0 FTE positions ...	<u>618,500</u>
16	GROSS APPROPRIATION	\$ 14,692,300
17	Appropriated from:	
18	Federal revenues:	
19	Department of interior	101,700
20	EPA, multiple grants	536,700
21	HHS-FDA	325,100
22	USDA, multiple grants	715,000
23	Special revenue funds:	
24	Private - slow-the-spread foundation	21,100
25	Agriculture licensing and inspection fees	3,543,200
26	Commodity inspection fees	709,600
27	Feed control fund	1,056,600

1	Fertilizer control fund	825,900
2	Freshwater protection fund	154,600
3	Grain dealers fee fund	572,100
4	Horticulture fund	38,800
5	Industry support funds	248,000
6	State general fund/general purpose	\$ 5,843,900
7	Sec. 107. ENVIRONMENTAL STEWARDSHIP	
8	Full-time equated classified positions	65.5
9	Environmental stewardship - MAEAP--25.0 FTE positions	\$ 10,236,600
10	Farmland and open space preservation--10.0 FTE	
11	positions.....	1,623,100
12	Intercounty drain--6.0 FTE positions	802,900
13	Migrant labor housing--9.0 FTE positions	1,206,800
14	Qualified forest program--9.0 FTE positions	2,697,300
15	Right-to-farm--6.5 FTE positions	<u>950,800</u>
16	GROSS APPROPRIATION	\$ 17,517,500
17	Appropriated from:	
18	Interdepartmental grant revenues:	
19	IDG from department of environmental quality,	
20	biosolids.....	88,500
21	Federal revenues:	
22	Department of interior	96,300
23	EPA, multiple grants	558,700
24	USDA, multiple grants	822,300
25	Special revenue funds:	
26	Agriculture preservation fund	1,410,600
27	Freshwater protection fund	7,689,500

1	Migratory labor housing fund	139,200
2	Private forestland enhancement fund	480,200
3	State general fund/general purpose	\$ 6,232,200
4	Sec. 108. LABORATORY SERVICES	
5	Full-time equated classified positions	107.0
6	Central licensing and customer service call	
7	center--11.0 FTE positions	\$ 1,218,000
8	Consumer protection program--41.0 FTE positions	6,711,200
9	Laboratory services--42.0 FTE positions	6,829,000
10	USDA monitoring--13.0 FTE positions	<u>1,622,100</u>
11	GROSS APPROPRIATION	\$ 16,380,300
12	Appropriated from:	
13	Interdepartmental grant revenues:	
14	IDG from department of licensing and regulatory	
15	affairs, liquor quality testing fees	218,600
16	Federal revenues:	
17	EPA, multiple grants	172,700
18	HHS-FDA	626,300
19	USDA, multiple grants	1,623,200
20	Special revenue funds:	
21	Agriculture licensing and inspection fees	231,400
22	Commodity inspection fees	1,100
23	Dairy and food safety fund	490,200
24	Feed control fund	186,600
25	Fertilizer control fund	24,000
26	Freshwater protection fund	45,000
27	Gasoline inspection and testing fund	1,472,900

1	Grain dealers fee fund	7,900
2	Migratory labor housing fund	28,600
3	Refined petroleum fund	3,197,100
4	Testing fees	265,000
5	Weights and measures regulation fees	720,000
6	State general fund/general purpose	\$ 7,069,700
7	Sec. 109. AGRICULTURE DEVELOPMENT	
8	Full-time equated classified positions	17.0
9	Agriculture development--12.0 FTE positions	\$ 4,019,800
10	Food and agriculture investment program	4,743,900
11	Grape and wine program--3.0 FTE positions	927,000
12	Rural development fund grant program--1.0 FTE	
13	position.....	2,000,000
14	Statistical reporting service--1.0 FTE position	<u>204,700</u>
15	GROSS APPROPRIATION	\$ 11,895,400
16	Appropriated from:	
17	Federal revenues:	
18	USDA, multiple grants	2,307,700
19	Special revenue funds:	
20	Private - commodity group revenue	50,000
21	Industry support funds	142,600
22	Nonretail liquor fees	877,900
23	Rural development fund	2,000,000
24	State general fund/general purpose	\$ 6,517,200
25	Sec. 110. FAIRS AND EXPOSITIONS	
26	County fairs, shows, and expositions grants	\$ 649,300
27	Fairs and racing	256,600

1	Licensed tracks - light horse racing	40,300
2	Light horse racing - breeders' awards	20,000
3	Purses and supplements - fairs/licensed tracks	708,300
4	Standardbred breeders' awards	345,900
5	Standardbred purses and supplements - licensed tracks	671,800
6	Standardbred sire stakes	275,000
7	Thoroughbred breeders' awards	368,600
8	Thoroughbred sire stakes	378,800
9	Thoroughbred supplements - licensed tracks	<u>601,900</u>
10	GROSS APPROPRIATION	\$ 4,316,500
11	Appropriated from:	
12	Special revenue funds:	
13	Agriculture equine industry development fund	3,667,200
14	State general fund/general purpose	\$ 649,300
15	Sec. 111. ONE-TIME APPROPRIATIONS	
16	Drinking water declaration of emergency	\$ 100
17	Enhanced wildlife risk management project	1,000,000
18	Intercounty drain	250,000
19	Agriculture industry research and development	8,400,000
20	Food bank council of Michigan	2,000,000
21	Albion equestrian center	<u>100,000</u>
22	GROSS APPROPRIATION	\$ 11,750,100
23	Appropriated from:	
24	Special revenue funds:	
25	Drinking water declaration of emergency reserve fund .	100
26	State general fund/general purpose	\$ 11,750,000

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FOR FISCAL YEAR 2017-2018

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2017-2018 is \$102,912,800.00 and state spending from state resources to be paid to local units of government for fiscal year 2017-2018 is \$7,350,000.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT

Environmental stewardship/MAEAP	\$	4,250,000
Enhanced wildlife risk management project		1,000,000
Qualified forest program		1,500,000
Rural development fund grant program		<u>600,000</u>
TOTAL	\$	7,350,000

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

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

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

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

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

(d) "FDA" means the United States Food and Drug

1 Administration.

2 (e) "Fiscal agencies" means the Michigan house fiscal agency
3 and the Michigan senate fiscal agency.

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

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

7 (h) "IDG" means interdepartmental grant.

8 (i) "LARA" means the Michigan department of licensing and
9 regulatory affairs.

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

11 (k) "MAEAP" means the Michigan agriculture environmental
12 assurance program.

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

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

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

17 (o) "Subcommittees" means all members of the subcommittees of
18 the house and senate appropriations committees with jurisdiction
19 over the budget for the department.

20 (p) "TB" means tuberculosis.

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

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

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

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

18 Sec. 207. The departments and agencies receiving
19 appropriations in part 1 shall prepare a report on out-of-state
20 travel expenses not later than January 1 of each year. The travel
21 report shall be a listing of all travel by classified and
22 unclassified employees outside this state in the immediately
23 preceding fiscal year that was funded in whole or in part with
24 funds appropriated in the department's budget. The report shall be
25 submitted to the house and senate appropriations committees, the
26 house and senate fiscal agencies, and the state budget director.
27 The report shall include the following information:

1 (a) The dates of each travel occurrence.

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

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

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

22 Sec. 210. (1) In addition to the funds appropriated in part 1,
23 there is appropriated an amount not to exceed \$5,000,000.00 for
24 federal contingency funds. These funds are not available for
25 expenditure until they have been transferred to another line item
26 in part 1 under section 393(2) of the management and budget act,
27 1984 PA 431, MCL 18.1393.

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

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

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

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

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

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

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

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

3 (e) Job specifications and wage rates.

4 Sec. 212. Within 14 days after the release of the executive
5 budget recommendation, the department shall cooperate with the
6 state budget office to provide the senate and house appropriations
7 chairs, the subcommittees, respectively, and the senate and house
8 fiscal agencies with an annual report on estimated state restricted
9 fund balances, state restricted fund projected revenues, and state
10 restricted fund expenditures for the fiscal years ending September
11 30, 2017 and September 30, 2018.

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

16 Sec. 214. Total authorized appropriations from all sources
17 under part 1 for legacy costs for the fiscal year ending September
18 30, 2018 is \$12,400,000.00. From this amount, total agency
19 appropriations for pension-related legacy costs are estimated at
20 \$6,381,100.00. Total agency appropriations for retiree health care
21 legacy costs are estimated at \$6,018,900.00.

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

25 Sec. 234. The department and agencies receiving appropriations
26 in part 1 shall receive and retain copies of all reports funded
27 from appropriations in part 1. Federal and state guidelines for

1 short-term and long-term retention of records shall be followed.
2 The department may electronically retain copies of reports unless
3 otherwise required by federal and state guidelines.

4 **DEPARTMENTAL ADMINISTRATION AND SUPPORT**

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

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

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

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

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

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

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

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

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

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

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

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

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

1 the department notifies contract or grant recipients.

2 **FOOD AND DAIRY**

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

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

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

16 Sec. 402. From the funds appropriated in part 1 for food
17 safety and quality assurance fund the department shall issue a
18 grant of \$150,000.00 to a third-party entity for the purposes of
19 providing education and training as it relates to proper management
20 of draft beer delivery systems. The grant issued under this section
21 shall be focused on providing education and training to the new
22 entities that were given the ability by 2016 PA 514 to fill
23 growlers for off-premises consumption under section 537 of the
24 Michigan liquor control code of 1998, 1998 PA 58, MCL 436.1537.

25 Sec. 403. It is the intent of the legislature that the
26 department work with the FDA and representatives of agriculture

1 producers to develop on-farm food safety education and training
2 programs to assist producers in implementing the food safety
3 modernization act, Public Law 111-353, requirements. The department
4 may receive and expend federal revenues in excess of the federal
5 revenue appropriated in part 1, section 104, for food safety
6 modernization act, Public Law 111-353, education and training
7 program activities. The department shall notify the subcommittees
8 and the fiscal agencies prior to expending federal revenues
9 authorized under this section.

10 **ANIMAL INDUSTRY**

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

17 Sec. 452. The department shall report on the previous calendar
18 year's activities of the animal industry division. The report shall
19 be transmitted to the subcommittees, the fiscal agencies, and the
20 state budget office and posted to the department's website on or
21 before April 1 of each year.

22 Sec. 453. (1) From the funds appropriated in part 1 for animal
23 disease prevention and response, the department may provide for
24 indemnity pursuant to the animal industry act, 1988 PA 466, MCL
25 287.701 to 287.746, not to exceed \$100,000.00 per order. Any
26 indemnification agreement between the department and an owner of

1 livestock that exceeds \$100,000.00 shall be subject to specific
2 appropriation by the legislature.

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

8 (a) The reason for the indemnification.

9 (b) The amount of the indemnification.

10 (3) From the funds appropriated in part 1 for indemnification
11 - livestock depredation, the department shall make indemnification
12 payments for livestock killed by a wolf, coyote, or cougar pursuant
13 to the wildlife depredation indemnification act, 2012 PA 487, MCL
14 285.361 to 285.365.

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

19 (a) The reason for the indemnification.

20 (b) The amount of the indemnification.

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

22 Sec. 454. The department shall use its resources to
23 collaborate with the USDA to monitor bovine TB, consistent with the
24 May 2016 memorandum of understanding between the department and the
25 USDA.

26 Sec. 457. (1) On or before October 15, 2017, the department
27 shall provide to the subcommittees, the fiscal agencies, and the

1 state budget office a report on bovine TB status and department
2 activities.

3 (2) For each fiscal quarter following the report required in
4 subsection (1), the department shall provide an update to the
5 subcommittees, the fiscal agencies, and the state budget office.
6 The quarterly update reports shall identify significant impacts to
7 the program, including new incidence of bovine TB in this state,
8 department activity associated with specific new incidence of
9 bovine TB, any changes in USDA requirements or movement orders, and
10 information and data on wildlife risk mitigation plan
11 implementation in the modified accredited zone; implementation of a
12 movement certificate process; progress toward annual surveillance
13 test requirements; efforts to work with slaughter facilities in
14 this state, as well as those that slaughter a significant number of
15 animals from this state; educational programs and information for
16 this state's livestock community; and any other item the
17 legislature should be aware of that will promote or hinder efforts
18 to achieve bovine TB-free status for this state.

19 Sec. 458. From the funds appropriated in part 1 for animal
20 industry, the department shall provide inspection and testing of
21 aquaculture facilities and aquaculture researchers as provided
22 under section 7 of the Michigan aquaculture development act, 1996
23 PA 199, MCL 286.877.

24 Sec. 459. It is the intent of the legislature that the
25 department shall not conduct whole herd bovine TB testing on any 1
26 herd in a TB-free zone more often than every 4 years or re-test
27 until all other herds in their county have been tested, unless

involved in an epidemiological investigation, there is an outbreak within a 10-radius-mile area, or is not on a verified wildlife risk mitigated premises. If there is an outbreak within a 10-radius-mile area, protocols outlined by the current memorandum of understanding with the USDA shall be used.

Sec. 461. (1) From the funds appropriated in part 1 for bovine TB risk mitigation, the department shall establish a program to identify and mitigate risks related to the transmission of bovine TB from the wildlife to cattle. Risk mitigation activities shall include grants to livestock producers to implement risk mitigation projects. Grants under this section may be made only for risk mitigation projects identified and approved by the department prior to the start of project activity. The department may work with local conservation districts in implementing the bovine TB risk mitigation program.

(2) From the funds appropriated in part 1 for bovine TB risk mitigation, not to exceed \$20,000.00, the department shall establish a grant program to assist in the construction of protective systems for apiaries. The department may make grants under this program to reimburse apiary owners for costs of projects designed to protect apiaries from damage by wildlife, subject to all of the following:

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

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

(3) The department shall report on grants issued under this

1 section as provided in section 302 of this part.

2 **PESTICIDE AND PLANT PEST MANAGEMENT**

3 Sec. 501. The department shall report on the previous calendar
4 year's activities of the pesticide and plant pest management
5 division. The report shall be transmitted to the subcommittees, the
6 fiscal agencies, and the state budget office and posted to the
7 department's website on or before April 1 of each year.

8 **ENVIRONMENTAL STEWARDSHIP**

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

16 Sec. 602. The department shall report on the previous calendar
17 year's activities of the environmental stewardship division. The
18 report shall be transmitted to the subcommittees, the fiscal
19 agencies, and the state budget office and posted to the
20 department's website on or before April 1 of each year.

21 Sec. 604. The department may receive and expend federal
22 revenues in excess of the federal revenue appropriated in section
23 107 of part 1 for environmental stewardship and MAEAP activities.
24 The department shall notify the subcommittees, the fiscal agencies,
25 and the state budget office prior to expending federal revenues

1 authorized under this section.

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

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

11 **LABORATORY PROGRAM**

12 Sec. 651. The department shall report on the previous calendar
13 year's activities of the laboratory division. The report shall be
14 transmitted to the subcommittees, the fiscal agencies, and the
15 state budget office and posted to the department's website on or
16 before April 1 of each year.

17 **AGRICULTURE DEVELOPMENT**

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

21 (2) The food and agriculture investment program shall expand
22 the Michigan food and agriculture sector, grow Michigan exports,
23 promote the development of value-added agricultural production,
24 food hubs, food incubators, and community-based processing
25 facilities, and the expansion of farm markets and urban

1 agriculture, and increase food processing activities within the
2 state by accelerating projects and infrastructure development that
3 support growth in the food and agriculture processing industry.

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

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

17 (5) The department shall include in the agriculture
18 development annual report a report on the food and agriculture
19 investment program for the previous fiscal year that includes a
20 listing of the grantees, award amounts, match funding, project
21 locations, and project outcomes.

22 (6) The food and agriculture investment program shall be
23 administered by the department and provide support for food and
24 agriculture projects that will enable growth in the industry and
25 this state's economy.

26 (7) The unexpended portion of the food and agriculture
27 investment program is a work project appropriation in accordance

1 with section 451a(1) of the management and budget act, 1984 PA 431,
2 MCL 18.1451a. All of the following apply to the project:

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

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

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

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

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

16 (a) Grants.

17 (b) Loans or loan guarantees.

18 (c) Infrastructure development.

19 (d) Other economic assistance.

20 (e) Program administration.

21 (f) Export assistance.

22 (9) The department shall expend no more than 10% from the
23 funds appropriated in part 1 for the food and agriculture
24 investment program for administrative purposes.

25 Sec. 702. The department shall work with the rural development
26 fund board to establish a process and criteria for funding projects
27 as well as establishing metrics and measurable outcomes for the

1 program. Funds appropriated from the rural development fund shall
2 be used in accordance with the provisions of the rural development
3 fund act, 2012 PA 411, MCL 286.941 to 286.947.

4 Sec. 706. (1) The department shall report on the previous
5 calendar year's activities of the agriculture development division.
6 The report shall be transmitted to the subcommittees, the fiscal
7 agencies, and the state budget office and posted to the
8 department's website on or before April 1 of each year.

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

11 (a) The name of the grantee.

12 (b) The amount of the grant.

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

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

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

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

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

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

26 (b) Council expenditures for the previous fiscal year by
27 category of administration, industry support, research and

1 education grants, and promotion and consumer education.

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

5 **FAIRS AND EXPOSITIONS**

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

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

18 Sec. 804. It is the intent of the legislature that the
19 Michigan gaming control board shall use actual expenditure data in
20 determining the actual regulatory costs of conducting racing dates
21 and shall provide that data to the senate and house of
22 representatives appropriations subcommittees on agriculture and
23 rural development and general government and the fiscal agencies by
24 November 1 of the current fiscal year. The Michigan gaming control
25 board shall not be reimbursed for more than the actual regulatory
26 cost of conducting race dates. If a certified horsemen's

1 organization funds more than the actual regulatory cost, the
2 balance shall remain in the agriculture equine industry development
3 fund to be used to fund subsequent race dates conducted by race
4 meeting licensees with which the certified horsemen's organization
5 has contracts. If a certified horsemen's organization funds less
6 than the actual regulatory costs of the additional horse racing
7 dates, the Michigan gaming control board shall reduce the number of
8 future race dates conducted by race meeting licensees with which
9 the certified horsemen's organization has contracts. Prior to the
10 reduction in the number of authorized race dates due to budget
11 deficits, the executive director of the Michigan gaming control
12 board shall provide notice to the certified horsemen's
13 organizations with an opportunity to respond with alternatives. In
14 determining actual costs, the Michigan gaming control board shall
15 take into account that each specific breed may require different
16 regulatory mechanisms.

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

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

22 (b) Provide financial support, promotion, prizes, and premiums
23 of equine, livestock, and other agricultural commodity expositions
24 in the state.

25 (2) The department shall award grants on a competitive basis
26 to county fairs or other organizations from the funds appropriated
27 in part 1 for county fairs, shows, and expositions grants. Grantees

1 will be required to provide a dollar-for-dollar cash match with
2 grant awards and identify measurable project outcomes. A county
3 fair organization that received a county fair capital improvement
4 grant in the prior fiscal year shall not receive a grant from the
5 appropriation in part 1.

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

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

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

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

22 (7) The unexpended portion of the county fairs, shows, and
23 expositions grants is considered a work project appropriation in
24 accordance with section 451a of the management and budget act, 1984
25 PA 431, MCL 18.1451a. The following apply to the project:

26 (a) The purpose of the project is to support building
27 improvements or other capital improvements at county fairgrounds of

1 the state.

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

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

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

9 (8) The department shall provide a year-end report on the
10 county fairs, shows, and expositions grants no later than December
11 1, 2018 to the subcommittees, the fiscal agencies, and the state
12 budget director that includes a listing of the grantees, award
13 amounts, match funding, and project outcomes.

14 **ONE-TIME APPROPRIATIONS**

15 Sec. 901. From the appropriations in part 1 for agriculture
16 industry research and development, funds shall be expended as
17 follows:

18	Animal agriculture initiative	\$	2,500,000
19	Fruit and vegetable campus/mobile labs		3,200,000
20	Fruit and vegetable campus/mobile labs workforce		
21	development initiative		1,200,000
22	Tree fruit commission		1,500,000

23 PART 2A

24 PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS

FOR FISCAL YEAR 2018-2019

GENERAL SECTIONS

Sec. 1201. It is the intent of the legislature to provide appropriations for the fiscal year ending on September 30, 2019 for the line items listed in part 1. The fiscal year 2018-2019 appropriations are anticipated to be the same as those for fiscal year 2017-2018, except that the line items will be adjusted for changes in caseload and related costs, federal fund match rates, economic factors, and available revenue. These adjustments will be determined after the January 2018 consensus revenue estimating conference.

ARTICLE II

CAPITAL OUTLAY

PART 1

LINE-ITEM APPROPRIATIONS

FOR FISCAL YEAR 2016-2017

Sec. 101. There is appropriated for the various state departments and agencies and capital outlay to supplement appropriations for the fiscal year ending September 30, 2017, from the following funds:

APPROPRIATION SUMMARY

GROSS APPROPRIATION.....	\$	2,400
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental		
transfers.....		0

1	ADJUSTED GROSS APPROPRIATION	\$	2,400
2	Federal revenues:		
3	Total federal revenues		0
4	Special revenue funds:		
5	Total local revenues		0
6	Total private revenues		0
7	Total other state restricted revenues		0
8	State general fund/general purpose	\$	2,400
9	Sec. 102. CAPITAL OUTLAY		
10	(1) APPROPRIATION SUMMARY		
11	GROSS APPROPRIATION	\$	2,400
12	Interdepartmental grant revenues:		
13	Total interdepartmental grants and intradepartmental		
14	transfers.....		0
15	ADJUSTED GROSS APPROPRIATION	\$	2,400
16	Federal revenues:		
17	Total federal revenues		0
18	Special revenue funds:		
19	Total local revenues		0
20	Total private revenues		0
21	Total other state restricted revenues		0
22	State general fund/general purpose	\$	2,400
23	(2) STATE AGENCY, COMMUNITY COLLEGE, AND UNIVERSITY		
24	PLANNING AUTHORIZATIONS		
25	Michigan State University - STEM Teaching and		
26	Learning Facility - for program and planning to be		
27	paid for from university resources (estimated total		

1	authorized cost \$72,500,000; state share	
2	\$29,870,000; university share \$42,630,000) \$	100
3	Saginaw Valley State University - College of	
4	Business and Management expansion - for program and	
5	planning to be paid for from university resources	
6	(estimated total authorized cost \$17,500,000;	
7	state share \$9,800,000; university share	
8	\$7,700,000) 100	
9	Wayne State University - STEM Innovation Learning	
10	Center - for program and planning to be paid for	
11	from university resources (estimated total	
12	authorized cost \$29,500,000; state share	
13	\$14,750,000; university share \$14,750,000) 100	
14	Alpena Community College - Center for Health	
15	Sciences and Student Success - for program and	
16	planning to be paid for from community college	
17	resources (estimated total authorized cost	
18	\$6,700,000; state share \$3,350,000; community	
19	college share \$3,350,000) 100	
20	Grand Rapids Community College - Applied Technology	
21	Center renovation and expansion - for program and	
22	planning to be paid for from community college	
23	resources (estimated total authorized cost	
24	\$12,734,500; state share \$6,367,200; community	
25	college share \$6,367,300) 100	
26	Mott Community College - Southern Lakes Branch	
27	Center rehabilitation/renovation - for program and	

1	planning to be paid for from community college	
2	resources (estimated total authorized cost	
3	\$8,112,200; state share \$4,056,100; community	
4	college share \$4,056,100)	100
5	North Central Michigan College - AD/CL Classroom	
6	renovation and expanded learning space - for	
7	program and planning to be paid for from college	
8	resources (estimated total authorized cost	
9	\$6,800,000; state share \$3,400,000; college share	
10	\$3,400,000)	100
11	Schoolcraft College - Applied Science renovation and	
12	expansion - for program and planning to be paid for	
13	from college resources (estimated total authorized	
14	cost \$20,000,000; state share \$10,000,000; college	
15	share \$10,000,000)	100
16	St. Clair County Community College - Health Sciences	
17	A.J. Theisen Building renovation - for program and	
18	planning to be paid for from community college	
19	resources (estimated total authorized cost	
20	\$9,800,000; state share \$4,900,000; community	
21	college share \$4,900,000)	100
22	Washtenaw Community College - Advanced	
23	Transportation Center addition and remodeling - for	
24	program and planning to be paid for from community	
25	college resources (estimated total authorized cost	
26	\$4,000,000; state share \$2,000,000; community	
27	college share \$2,000,000)	100

1	Department of Health and Human Services, new		
2	Northern Satellite Psychiatric Facility - for		
3	program and planning to be paid for from state		
4	resources.....		100
5	GROSS APPROPRIATION	\$	1,100
6	Appropriated from:		
7	State general fund/general purpose	\$	1,100
8	(3) STATE BUILDING AUTHORITY FINANCED CONSTRUCTION		
9	AUTHORIZATIONS		
10	Central Michigan University - Center for Integrated		
11	Health Studies (total authorized cost \$26,000,000;		
12	state building authority share \$19,499,800;		
13	university share \$6,500,000; state general fund		
14	share \$200)	\$	100
15	Eastern Michigan University - Strong Hall renovation		
16	(total authorized cost \$39,536,000; state building		
17	authority share \$29,651,800; university share		
18	\$9,884,000; state general fund share \$200)		100
19	Grand Valley State University - Health and Medical		
20	Sciences Laboratory and Classroom Building (total		
21	authorized cost \$70,000,000; state building		
22	authority share \$28,999,800; university share		
23	\$41,000,000; state general fund share \$200)		100
24	University of Michigan - Ann Arbor - School of		
25	Dentistry renovation and addition (total authorized		
26	cost \$139,998,000; state building authority share		
27	\$29,999,800; university share \$109,998,000; state		

1	general fund share \$200)	100
2	University of Michigan - Dearborn - Engineering	
3	Laboratory Building replacement (total authorized	
4	cost \$90,000,000; state building authority share	
5	\$29,999,800; university share \$60,000,000; state	
6	general fund share \$200)	100
7	University of Michigan - Flint - Murchie Science	
8	Building expansion (total authorized cost	
9	\$39,000,000; state building authority share	
10	\$29,249,800; university share \$9,750,000; state	
11	general fund share \$200)	100
12	Delta College - Saginaw Center (total authorized	
13	cost \$12,739,000; state building authority share	
14	\$6,369,300; college share \$6,369,500; state general	
15	fund share \$200)	100
16	Kirtland Community College - Michigan Forest	
17	Products Institute Building (total authorized	
18	cost \$6,100,000; state building authority	
19	share \$3,049,900; community college share	
20	\$3,050,000; state general fund share \$100)	100
21	Muskegon Community College - Health and Wellness	
22	Center (total authorized cost \$14,100,000; state	
23	building authority share \$5,639,800; community	
24	college share \$8,460,000; state general fund share	
25	\$200)	100
26	Northwestern Michigan College - West Hall Innovation	
27	Center renovation and expansion (total authorized	

1	cost \$14,398,000; state building authority share	
2	\$7,198,800; college share \$7,199,000; state general	
3	fund share \$200)	100
4	West Shore Community College - Technical Center	
5	renovation and addition (total authorized cost	
6	\$5,378,800; state building authority share	
7	\$2,151,100; community college share \$3,227,500;	
8	state general fund share \$200)	100
9	Michigan State Capitol Commission - State Capitol	
10	restoration/infrastructure upgrade project (total	
11	authorized cost \$70,009,400; state building	
12	authority share \$70,009,300; state general fund	
13	share \$100)	100
14	Department of health and human services, Caro Center	
15	replacement - new state psychiatric hospital (total	
16	authorized cost \$115,000,000; state building	
17	authority share \$114,999,900; state general	
18	fund share \$100)	100
19	GROSS APPROPRIATION	\$ 1,300
20	Appropriated from:	
21	State general fund/general purpose	\$ 1,300

22 PART 2

23 PROVISIONS CONCERNING APPROPRIATIONS

24 FOR FISCAL YEAR 2016-2017

25 GENERAL SECTIONS

1 Sec. 201. In accordance with the provisions of section 30 of
2 article IX of the state constitution of 1963, total state spending
3 from state sources in this part for the fiscal year ending
4 September 30, 2017 is \$2,400.00 and total state spending from state
5 sources paid to local units of government is \$1,200.00.

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

9 **CAPITAL OUTLAY**

10 Sec. 301. For the state building authority financed
11 construction authorizations in part 1, the legislature hereby
12 determines that the leases of the facilities from the authority are
13 for a public purpose as authorized by 1964 PA 183, MCL 830.411 to
14 830.425. The legislature approves and authorizes the leases and
15 conveyances of the property to the state building authority, the
16 state building authority acquiring the facilities and leasing them
17 to the state and the educational institutions, as applicable, and
18 the governor and secretary of state executing the leases for and on
19 behalf of the state pursuant to the requirements of 1964 PA 183,
20 MCL 830.411 to 830.425. Per the requirements of the leases, it is
21 the intent of the legislature to annually appropriate sufficient
22 amounts to pay the rent as obligated pursuant to the leases.

23 ARTICLE V

24 DEPARTMENT OF CORRECTIONS

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of corrections for the fiscal year ending September 30, 2018, from the following funds:

DEPARTMENT OF CORRECTIONS

APPROPRIATION SUMMARY

Average population	42,286	
Full-time equated unclassified positions	16.0	
Full-time equated classified positions	13,803.9	
GROSS APPROPRIATION		\$ 2,001,919,200
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers.....		0
ADJUSTED GROSS APPROPRIATION		\$ 2,001,919,200
Federal revenues:		
Total federal revenues		5,293,800
Special revenue funds:		
Total local revenues		8,842,400
Total private revenues		0
Total other state restricted revenues		41,149,400
State general fund/general purpose		\$ 1,946,633,600
Sec. 102. DEPARTMENTAL ADMINISTRATION AND SUPPORT		
Full-time equated unclassified positions	16.0	
Full-time equated classified positions	270.0	
Unclassified salaries--16.0 FTE positions		\$ 1,847,600
Administrative hearings officers		3,231,400

1	Budget and operations administration--188.0 FTE	
2	positions.....	25,322,500
3	Compensatory buyout and union leave bank	100
4	County jail reimbursement program	15,064,600
5	Equipment and special maintenance	1,559,700
6	Executive direction--20.0 FTE positions	4,238,300
7	Judicial data warehouse user fees	50,600
8	New custody staff training	9,411,200
9	Prison industries operations--62.0 FTE positions	9,893,600
10	Property management	2,413,100
11	Prosecutorial and detainer expenses	5,001,000
12	Sheriffs' coordinating and training office	100,000
13	Worker's compensation	<u>10,482,200</u>
14	GROSS APPROPRIATION	\$ 88,615,900
15	Appropriated from:	
16	Federal revenues:	
17	DOJ, prison rape elimination act grant	674,700
18	Special revenue funds:	
19	Correctional industries revolving fund	9,893,600
20	Correctional industries revolving fund 110	614,900
21	Jail reimbursement program fund	5,900,000
22	Local corrections officer training fund	100,000
23	Program and special equipment fund	100
24	State general fund/general purpose	\$ 71,432,600
25	Sec. 103. PRISONER REENTRY AND COMMUNITY SUPPORT	
26	Full-time equated classified positions..... 338.4	
27	Community corrections comprehensive plans and services	\$ 12,158,000

1	Education program--266.4 FTE positions	38,739,100
2	Federally qualified health center pilot	75,000
3	Felony drunk driver jail reduction and community	
4	treatment program.....	1,440,100
5	Goodwill Flip the Script	1,500,000
6	Prisoner reentry federal grants	751,000
7	Prisoner reentry local service providers	13,208,600
8	Prisoner reentry MDOC programs	9,624,100
9	Public safety initiative	4,000,000
10	Reentry services--72.0 FTE positions	15,264,300
11	Residential services	<u>15,475,500</u>
12	GROSS APPROPRIATION	\$ 112,235,700
13	Appropriated from:	
14	Federal revenues:	
15	DOJ, prisoner reintegration	751,000
16	Federal education funding	1,523,600
17	Special revenue funds:	
18	Program and special equipment fund	10,213,200
19	State general fund/general purpose	\$ 99,747,900
20	Sec. 104. FIELD OPERATIONS ADMINISTRATION	
21	Full-time equated classified positions	2,192.6
22	Criminal justice reinvestment	\$ 5,498,400
23	Detroit Detention Center--63.1 FTE positions	8,567,400
24	Detroit Reentry Center--223.0 FTE positions	28,129,400
25	Field operations--1,873.5 FTE positions	214,438,600
26	Parole board operations--33.0 FTE positions	3,850,100
27	Parole/probation services	940,000

1	Residential alternative to prison program	1,500,000
2	Substance abuse parole certain sanction program	1,440,000
3	Supervising region incentive program	<u>1,000,000</u>
4	GROSS APPROPRIATION	\$ 265,363,900
5	Appropriated from:	
6	Special revenue funds:	
7	Local - community tether program reimbursement	275,000
8	Local funds	8,567,400
9	Parole and probation oversight fees	4,428,000
10	Parole and probation oversight fees set-aside	940,000
11	Reentry center offender reimbursements	10,000
12	Tether program, participant contributions	2,480,500
13	State general fund/general purpose	\$ 248,663,000
14	Sec. 105. CORRECTIONAL FACILITIES ADMINISTRATION	
15	Full-time equated classified positions 311.0	
16	Central records--44.0 FTE positions	\$ 5,178,100
17	Correctional facilities administration--21.0 FTE	
18	positions.....	5,084,000
19	Housing inmates in federal institutions	611,000
20	Inmate housing fund	100
21	Inmate legal services	590,900
22	Leased beds and alternatives to leased beds	100
23	Prison food service	57,163,500
24	Prison store operations--34.0 FTE positions	3,323,600
25	Public works programs	1,000,000
26	Transportation--212.0 FTE positions	<u>25,570,300</u>
27	GROSS APPROPRIATION	\$ 98,521,600

1	Appropriated from:		
2	Federal revenues:		
3	DOJ-BOP, federal prisoner reimbursement	411,000	
4	SSA-SSI, incentive payment	272,000	
5	Special revenue funds:		
6	Correctional industries revolving fund 110	570,900	
7	Public works user fees	1,000,000	
8	Resident stores	3,323,600	
9	State general fund/general purpose	\$ 92,944,100	
10	Sec. 106. HEALTH CARE		
11	Full-time equated classified positions	1,466.1	
12	Clinical complexes--1,052.1 FTE positions	\$ 144,082,600	
13	Health care administration--22.0 FTE positions	3,818,700	
14	Healthy Michigan plan administration--12.0 FTE		
15	positions.....	1,107,300	
16	Hepatitis C treatment	6,735,500	
17	Interdepartmental grant to health and human		
18	services, eligibility specialists	116,000	
19	Mental health services and support--372.0 FTE		
20	positions.....	60,606,400	
21	Prisoner health care services	71,636,400	
22	Substance abuse testing and treatment services--8.0		
23	FTE positions.....	21,596,300	
24	Vaccination program	<u>691,200</u>	
25	GROSS APPROPRIATION	\$ 310,390,400	
26	Appropriated from:		
27	Federal revenues:		

1	DOJ, Office of Justice programs, RSAT	250,200
2	Federal revenues and reimbursements	376,500
3	Special revenue funds:	
4	Prisoner health care copayments	257,200
5	State general fund/general purpose	\$ 309,506,500
6	Sec. 107. CORRECTIONAL FACILITIES	
7	Average population.....	42,286
8	Full-time equated classified positions.....	9,225.8
9	Alger Correctional Facility - Munising--260.0 FTE	
10	positions.....	\$ 30,945,800
11	Baraga Correctional Facility - Baraga--294.8 FTE	
12	positions.....	35,688,200
13	Bellamy Creek Correctional Facility - Ionia--390.2	
14	FTE positions.....	44,219,200
15	Carson City Correctional Facility - Carson	
16	City--425.4 FTE positions.....	47,451,300
17	Central Michigan Correctional Facility - St.	
18	Louis--388.6 FTE positions.....	46,460,300
19	Charles E. Egeler Correctional Facility - Jackson--382.6	
20	FTE positions.....	45,690,000
21	Chippewa Correctional Facility - Kincheloe--445.6	
22	FTE positions.....	51,628,100
23	Cooper Street Correctional Facility - Jackson--263.1	
24	FTE positions.....	29,999,800
25	Earnest C. Brooks Correctional Facility - Muskegon--440.9	
26	FTE positions.....	51,192,500
27	G. Robert Cotton Correctional Facility - Jackson--394.0	

1	FTE positions.....	44,304,100
2	Gus Harrison Correctional Facility - Adrian--442.6	
3	FTE positions.....	48,770,900
4	Ionia Correctional Facility - Ionia--286.3 FTE	
5	positions.....	34,259,900
6	Kinross Correctional Facility - Kincheloe--257.6 FTE	
7	positions.....	32,747,300
8	Lakeland Correctional Facility - Coldwater--278.4	
9	FTE positions.....	33,505,000
10	Macomb Correctional Facility - New Haven--294.8 FTE	
11	positions.....	35,016,900
12	Marquette Branch Prison - Marquette--321.7 FTE	
13	positions.....	37,588,100
14	Michigan Reformatory - Ionia--310.7 FTE positions	34,519,200
15	Muskegon Correctional Facility - Muskegon--205.0 FTE	
16	positions.....	25,637,900
17	Newberry Correctional Facility - Newberry--200.1 FTE	
18	positions.....	24,618,700
19	Oaks Correctional Facility - Eastlake--290.4 FTE	
20	positions.....	34,425,900
21	Ojibway Correctional Facility - Marenisco--203.1 FTE	
22	positions.....	23,689,900
23	Parnall Correctional Facility - Jackson--262.1 FTE	
24	positions.....	28,947,300
25	Richard A. Handlon Correctional Facility - Ionia--252.7	
26	FTE positions.....	30,442,600
27	Saginaw Correctional Facility - Freeland--274.9 FTE	

1	positions.....	33,291,500
2	Special Alternative Incarceration Program - Cassidy	
3	Lake--119.0 FTE positions.....	13,869,400
4	St. Louis Correctional Facility - St. Louis--303.6	
5	FTE positions.....	37,497,500
6	Thumb Correctional Facility - Lapeer--283.6 FTE	
7	positions.....	33,353,100
8	Womens Huron Valley Correctional Complex -	
9	Ypsilanti--506.1 FTE positions.....	60,163,400
10	Woodland Correctional Facility - Whitmore	
11	Lake--278.9 FTE positions.....	32,824,200
12	Northern region administration and support--48.0 FTE	
13	positions.....	4,789,600
14	Southern region administration and support--121.0	
15	FTE positions.....	23,503,100
16	Future facility and staff transition costs	<u>1,000,000</u>
17	GROSS APPROPRIATION	\$ 1,092,040,700
18	Appropriated from:	
19	Federal revenues:	
20	DOJ, state criminal assistance program	1,034,800
21	Special revenue funds:	
22	State restricted fees, revenues and reimbursements ...	102,100
23	State general fund/general purpose	\$ 1,090,903,800
24	Sec. 108. INFORMATION TECHNOLOGY	
25	Information technology services and projects	\$ <u>30,392,000</u>
26	GROSS APPROPRIATION	\$ 30,392,000
27	Appropriated from:	

1 Special revenue funds:
 2 Correctional industries revolving fund 110 177,500
 3 Parole and probation oversight fees set-aside 696,600
 4 Program and special equipment fund 441,200
 5 State general fund/general purpose \$ 29,076,700
 6 **Sec. 109. ONE-TIME APPROPRIATIONS**
 7 New custody staff training--one time \$ 4,359,000
 8 GROSS APPROPRIATION \$ 4,359,000
 9 Appropriated from:
 10 Special revenue funds:
 11 State general fund/general purpose \$ 4,359,000

12 PART 2
 13 PROVISIONS CONCERNING APPROPRIATIONS
 14 FOR FISCAL YEAR 2017-2018

15 **GENERAL SECTIONS**

16 Sec. 201. Pursuant to section 30 of article IX of the state
 17 constitution of 1963, total state spending from state sources under
 18 part 1 for fiscal year 2017-2018 is \$1,987,783,000.00 and state
 19 spending from state sources to be paid to local units of government
 20 for fiscal year 2017-2018 is \$113,888,800.00. The itemized
 21 statement below identifies appropriations from which spending to
 22 local units of government will occur:

23 DEPARTMENT OF CORRECTIONS

24 Field operations \$ 62,750,500
 25 Community corrections comprehensive plans

1	and services.....	12,158,000
2	Reentry services	1,500,000
3	Residential services	15,475,500
4	County jail reimbursement program	15,064,600
5	Felony drunk driver jail reduction and	
6	community treatment program.....	1,440,100
7	Residential alternative to prison program	1,500,000
8	Leased beds and alternatives to leased beds	100
9	Public safety initiative	<u>4,000,000</u>
10	TOTAL.....	\$ 113,888,800

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

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

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

19 (b) "Cost per prisoner" means the sum total of the funds
20 appropriated under part 1 for the following, divided by the
21 projected prisoner population in fiscal year 2017-2018:

- 22 (i) Correctional facilities.
- 23 (ii) Northern and southern region administration and support.
- 24 (iii) Clinical and mental health services and support.
- 25 (iv) Prisoner health care services.
- 26 (v) Vaccination program.
- 27 (vi) Prison food service.

1 (vii) Transportation.

2 (viii) Inmate legal services.

3 (ix) Correctional facilities administration.

4 (x) Central records.

5 (xi) Worker's compensation.

6 (xii) New custody staff training.

7 (xiii) Prison store operations.

8 (xiv) Education program.

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

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

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

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

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

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

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

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

27 (k) "Jail" means a facility operated by a local unit of

1 government for the physical detention and correction of persons
2 charged with or convicted of criminal offenses.

3 (l) "MDHHS" means the Michigan department of health and human
4 services.

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

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

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

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

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

27 (r) "Offender target populations" means felons or

1 misdemeanants who would likely be sentenced to imprisonment in a
2 state correctional facility or jail, who would not likely increase
3 the risk to the public safety based on an objective risk and needs
4 assessment that indicates that the offender can be safely treated
5 and supervised in the community.

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

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

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

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

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

22 (ii) Obtained housing.

23 (iii) Obtained a state identification card.

24 (u) "Recidivism" means that term as defined in 2017 PA 5.

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

26 (w) "Serious emotional disturbance" means that term as defined
27 in section 100d(2) of the mental health code, 1974 PA 328, MCL

1 330.1100d.

2 (x) "Serious mental illness" means that term as defined in
3 section 100d(3) of the mental health code, 1974 PA 328, MCL
4 330.1100d.

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

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

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

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

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

26 Sec. 207. The department shall prepare a report on out-of-
27 state travel expenses not later than January 1 of each year. The

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

8 (a) The dates of each travel occurrence.

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

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

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

27 Sec. 210. (1) In addition to the funds appropriated in part 1,

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

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

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

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

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

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

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

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

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

8 (e) Job specifications and wage rates.

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

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

22 Sec. 214. Total authorized appropriations from all sources
23 under part 1 for legacy costs for the fiscal year ending September
24 30, 2018 are estimated at \$283,300,700.00. From this amount, total
25 department appropriations for pension-related legacy costs are
26 estimated at \$145,788,300.00. Total department appropriations for
27 retiree health care legacy costs are estimated at \$137,512,400.00.

1 Sec. 216. On a quarterly basis, the department shall report on
2 the number of full-time equated positions in pay status by civil
3 service classification to the senate and house appropriations
4 subcommittees on corrections, the legislative corrections
5 ombudsman, the senate and house fiscal agencies, and the state
6 budget office. This report shall include a detailed accounting of
7 the long-term vacancies that exist within the department. As used
8 in this section, "long-term vacancy" means any full-time equated
9 position that has not been filled at any time during the past 24
10 calendar months.

11 Sec. 217. The department shall receive and retain copies of
12 all reports funded from appropriations in part 1. Federal and state
13 guidelines for short-term and long-term retention of records shall
14 be followed. The department may electronically retain copies of
15 reports unless otherwise required by federal and state guidelines.

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

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

1 subsequent fiscal years.

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

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

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

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

20 Sec. 220. The department may charge fees and collect revenues
21 in excess of appropriations in part 1 not to exceed the cost of
22 offender services and programming, employee meals, parolee loans,
23 academic/vocational services, custody escorts, compassionate
24 visits, union steward activities, and public works programs and
25 services provided to local units of government or private nonprofit
26 organizations. The revenues and fees collected are appropriated for
27 all expenses associated with these services and activities.

1 Sec. 239. It is the intent of the legislature that the
2 department establish and maintain a management-to-staff ratio of
3 not more than 1 supervisor for each 8 employees at the department's
4 central office in Lansing and at both the northern and southern
5 region administration offices.

6 Sec. 247. In cooperation with the state court administrative
7 office, the department shall assist with the data compilation for
8 the swift and sure sanctions program.

9 Sec. 248. At the May 2018 consensus revenue estimating
10 conference, the senate and house fiscal agencies and the state
11 budget director, or state treasurer, shall establish a projected
12 prisoner population for fiscal year 2018-2019, and a projected
13 number of available beds based on the population projection.

14 DEPARTMENTAL ADMINISTRATION AND SUPPORT

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

24 Sec. 304. The department shall maintain a staff savings
25 initiative program in conjunction with the EPIC program for
26 employees to submit suggestions for efficiencies for the

1 department. The department shall consider each suggestion in a
2 timely manner. By March 1, the department shall report to the
3 senate and house appropriations subcommittees on corrections, the
4 legislative corrections ombudsman, the senate and house fiscal
5 agencies, and the state budget office on process improvements that
6 were implemented based on suggestions that were recommended for
7 implementation from the staff savings initiative and EPIC programs.

8 Sec. 305. From the funds appropriated in part 1 for
9 prosecutorial and detainer expenses, the department shall reimburse
10 counties for housing and custody of parole violators and offenders
11 being returned by the department from community placement who are
12 available for return to institutional status and for prisoners who
13 volunteer for placement in a county jail.

14 Sec. 306. Funds included in part 1 for the sheriffs'
15 coordinating and training office are appropriated for and may be
16 expended to defray costs of continuing education, certification,
17 recertification, decertification, and training of local corrections
18 officers, the personnel and administrative costs of the sheriffs'
19 coordinating and training office, the local corrections officers
20 advisory board, and the sheriffs' coordinating and training council
21 under the local corrections officers training act, 2003 PA 125, MCL
22 791.531 to 791.546.

23 Sec. 307. The department shall issue a biannual report for all
24 vendor contracts to the senate and house appropriations
25 subcommittees on corrections, the senate and house fiscal agencies,
26 the legislative corrections ombudsman, and the state budget office.
27 The report shall cover service contracts with a value of

1 \$500,000.00 or more and include all of the following:

2 (a) The original start date and the current expiration date of
3 each contract.

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

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

9 Sec. 308. The department shall provide for the training of all
10 custody staff in effective and safe ways of handling prisoners with
11 mental illness and referring prisoners to mental health treatment
12 programs. Mental health awareness training shall be incorporated
13 into the training of new custody staff.

14 Sec. 309. The department shall issue a report for all
15 correctional facilities to the senate and house appropriations
16 subcommittees on corrections, the senate and house fiscal agencies,
17 the legislative corrections ombudsman, and the state budget office
18 by January 1 setting forth the following information for each
19 facility: its name, street address, and date of construction; its
20 current maintenance costs; any maintenance planned; its current
21 utility costs; its expected future capital improvement costs; the
22 current unspent balance of any authorized capital outlay projects,
23 including the original authorized amount; and its expected future
24 useful life.

25 Sec. 310. (1) By February 1, the department shall provide a
26 report to the senate and house appropriations subcommittees on
27 corrections, the senate and house fiscal agencies, the legislative

1 corrections ombudsman, and the state budget office which details
2 the strategic plan of the department. The report shall contain
3 strategies to decrease the overall recidivism rate, measurable
4 plans to increase the rehabilitative function of correctional
5 facilities, metrics to track and ensure prisoner readiness to
6 reenter society, and constructive actions for providing prisoners
7 with life skills development.

8 (2) The intent of this report is to express that the mission
9 of the department is to provide an action plan before reentry to
10 society that ensures prisoners' readiness for meeting parole
11 requirements and ensures a reduction in the total number of
12 released inmates who reenter the criminal justice system.

13 Sec. 311. By December 1, the department shall provide a report
14 on the Michigan state industries program to the senate and house
15 appropriations subcommittees on corrections, the senate and house
16 fiscal agencies, the legislative corrections ombudsman, and the
17 state budget office. The report shall include, but not be limited
18 to, the locations of the programs, the total number of participants
19 at each location, description of job duties and typical inmate
20 schedules, what products are produced, and how the program provides
21 marketable skills that lead to employable outcomes after release
22 from a department facility.

23 **PRISONER REENTRY AND COMMUNITY SUPPORT**

24 Sec. 401. The department shall submit 3-year and 5-year prison
25 population projection updates concurrent with submission of the
26 executive budget recommendation to the senate and house

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

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

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

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

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

26 Sec. 404. From the funds appropriated in part 1 for reentry
27 services, the department, when reasonably possible, shall ensure

1 that inmates have potential employer matches in the communities to
2 which they will return prior to each inmate's initial parole
3 hearing.

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

11 Sec. 406. The department will work with the organization
12 representing federally qualified health centers (FQHCs) to
13 implement a pilot project to ensure that behavioral and physical
14 health needs among parolees and probationers are addressed. The
15 pilot project will position FQHCs to ensure that parolees and
16 probationers are enrolled in and maintain access to benefits for
17 which they qualify, are linked to the health care services they
18 need, follow up with providers, stay on their medications, are
19 engaged in services, and have barriers to care addressed. The
20 department will make necessary accommodations to perform the
21 transition planning to allow for a direct referral to the FQHC
22 organization to patients in relevant areas. The pilot shall begin
23 October 1, 2017. The FQHC organization may submit annual reports
24 detailing these outcomes to the senate and house appropriations
25 subcommittees on corrections, the legislative corrections
26 ombudsman, the senate and house fiscal agencies, and the state
27 budget office.

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

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

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

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

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

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

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

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

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

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

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

26 (f) Contribute to offender success.

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

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

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

13 Sec. 411. The comprehensive corrections plans shall also
14 include, where appropriate, descriptive information on the full
15 range of sanctions and services that are available and utilized
16 within the local jurisdiction and an explanation of how jail beds,
17 residential services, the special alternative incarceration
18 program, probation detention centers, the electronic monitoring
19 program for probationers, and treatment and rehabilitative services
20 will be utilized to support the objectives and priorities of the
21 comprehensive corrections plans and the purposes and priorities of
22 section 8(4) of the community corrections act, 1988 PA 511, MCL
23 791.408, that contribute to the success of offenders. The plans
24 shall also include, where appropriate, provisions that detail how
25 the local communities plan to respond to sentencing guidelines
26 found in chapter XVII of the code of criminal procedure, 1927 PA
27 175, MCL 777.1 to 777.69, and use the county jail reimbursement

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

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

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

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

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

26 (d) Data on residential services, including participant data,
27 participant sentencing guideline scores, program expenditures,

1 average length of stay, and bed utilization data.

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

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

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

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

16 (2) The department is responsible for the collection,
17 analysis, and reporting of all state-required jail data.

18 (3) As a prerequisite to participation in the programs and
19 services offered through the department, counties shall provide
20 necessary jail data to the department.

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

25 (2) The county jail reimbursement program shall reimburse
26 counties for convicted felons in the custody of the sheriff if the
27 conviction was for a crime committed on or after January 1, 1999

1 and 1 of the following applies:

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

9 (b) The felon's minimum sentencing guidelines range minimum is
10 more than 12 months under the sentencing guidelines described in
11 subdivision (a).

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

17 (3) State reimbursement under this subsection shall be \$65.00
18 per diem per diverted offender for offenders with a presumptive
19 prison guideline score, \$55.00 per diem per diverted offender for
20 offenders with a straddle cell guideline for a group 1 crime, and
21 \$40.00 per diem per diverted offender for offenders with a straddle
22 cell guideline for a group 2 crime. Reimbursements shall be paid
23 for sentences up to a 1-year total.

24 (4) As used in this subsection:

25 (a) "Group 1 crime" means a crime in 1 or more of the
26 following offense categories: arson, assault, assaultive other,
27 burglary, criminal sexual conduct, homicide or resulting in death,

1 other sex offenses, robbery, and weapon possession as determined by
2 the department of corrections based on specific crimes for which
3 counties received reimbursement under the county jail reimbursement
4 program in fiscal year 2007 and fiscal year 2008, and listed in the
5 county jail reimbursement program document titled "FY 2007 and FY
6 2008 Group One Crimes Reimbursed", dated March 31, 2009.

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

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

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

24 (6) Any county that receives funding under this section for
25 the purpose of housing in jails certain felons who otherwise would
26 have been sentenced to prison shall, as a condition of receiving
27 the funding, report by September 30 an annual average jail capacity

1 and annual average jail occupancy for the immediately preceding
2 fiscal year.

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

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

15 (a) The county jail reimbursement program.

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

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

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

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

27 (b) Expenditures by location.

1 (c) The impact on jail utilization.

2 (d) The impact on prison admissions.

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

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

12 (2) The department shall cooperate with MDHHS to create and
13 maintain a process by which prisoners can obtain their Michigan
14 birth certificates if necessary. The department shall describe a
15 process for obtaining birth certificates from other states, and in
16 situations where the prisoner's effort fails, the department shall
17 assist in obtaining the birth certificate.

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

22 Sec. 419. (1) The department shall provide weekly electronic
23 mail reports to the senate and house appropriations subcommittees
24 on corrections, the legislative corrections ombudsman, the senate
25 and house fiscal agencies, and the state budget office on prisoner
26 populations by security levels by facility, prison facility
27 capacities, and parolee and probationer populations.

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

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

(b) Parole populations.

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

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

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

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

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

(h) Prison intake and returns, including probation violators, new court commitments, violators with new sentences, escaper new

1 sentences, total prison intake, returns from court with additional
2 sentences, community placement returns, technical parole violator
3 returns, and total returns to prison and camp.

4 Sec. 421. (1) Funds appropriated in part 1 for the substance
5 abuse parole certain sanction program shall be distributed to an
6 American Correctional Association accredited rehabilitation
7 organization operating in any of the following counties: Berrien,
8 Calhoun, Genesee, Kalamazoo, Kent, Macomb, Muskegon, Oakland,
9 Saginaw, and Wayne for operations and administration of the
10 program. The program may be utilized as a condition of parole for
11 technical parole violators to ensure public safety and justice
12 through a program based on evidence-based tactics and programs.

13 (2) The program or programs selected shall report by March 30
14 to the department, the senate and house appropriations
15 subcommittees on corrections, the senate and house fiscal agencies,
16 the legislative corrections ombudsman, and the state budget office.
17 The report shall include program performance measurements, the
18 number of individuals who participate in the program, the number of
19 individuals who return to prison after participating, and outcomes
20 of participants who complete the program.

21 Sec. 422. On a quarterly basis, the department shall issue a
22 report to the senate and house appropriations subcommittees on
23 corrections, the senate and house fiscal agencies, the legislative
24 corrections ombudsman, and the state budget office, for the
25 previous 4 quarters detailing the outcomes of prisoners who have
26 been reviewed for parole. The report shall include all of the
27 following:

1 (a) How many prisoners in each quarter were reviewed.

2 (b) How many prisoners were granted parole.

3 (c) How many prisoners were denied parole.

4 (d) How many parole decisions were deferred.

5 (e) The distribution of the total number of prisoners reviewed
6 during that quarter grouped by whether the prisoner had been
7 interviewed for the first, second, third, fourth, fifth, sixth, or
8 more than sixth time.

9 (f) The number of paroles granted, denied, or deferred for
10 each of the parole guideline scores of low, average, and high.

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

12 Sec. 425. (1) From the funds appropriated in part 1, the
13 department shall establish medication-assisted treatment reentry
14 pilot programs to provide prerelease treatment and postrelease
15 referral for opioid-addicted and alcohol-addicted offenders who
16 voluntarily participate in the medication-assisted treatment
17 reentry pilot programs. The department shall collaborate with
18 residential and nonresidential substance abuse treatment providers
19 and with community-based clinics to provide postrelease treatment.
20 The programs shall employ a multifaceted approach to treatment,
21 including a long-acting nonaddictive medication approved by the
22 Food and Drug Administration for the treatment of opioid and
23 alcohol dependence, counseling, and postrelease referral to
24 community-based providers.

25 (2) The manufacturer of a long-acting nonaddictive medication
26 approved by the Food and Drug Administration for opioid and alcohol
27 dependence shall provide the department with samples of the

1 medication, at no cost to the department, during the duration of
2 the medication-assisted treatment reentry pilot programs. Offenders
3 shall receive 1 injection prior to being released from custody and
4 shall be connected with an aftercare plan and assistance with
5 obtaining insurance to cover subsequent injections.

6 (3) Participants of the programs shall be required to attend
7 substance abuse treatment programming as directed by their agent,
8 including coordination of both direct or indirect services through
9 federally qualified health centers in Wayne, Washtenaw, Genesee,
10 Berrien, Van Buren, and Allegan Counties, but not limited to only
11 those counties, shall be subject to routine drug and alcohol
12 testing, shall not be allowed to consume drugs or alcohol, and
13 shall possess a strong will to overcome addiction.

14 (4) The department shall submit a report by September 30 to
15 the senate and house appropriations subcommittees on corrections,
16 the senate and house fiscal agencies, the legislative corrections
17 ombudsman, and the state budget office on the number of offenders
18 who received injections upon release, the number of offenders who
19 received injections and tested positive for drugs or alcohol, the
20 number of offenders who received injections in the community for a
21 duration of at least 3 months, and the number of offenders who
22 received injections and were subsequently returned to prison.

23 Sec. 426. From the funds appropriated in part 1, the
24 department shall ensure that any inmate with a diagnosed mental
25 illness is referred to a local mental health care provider that is
26 able and willing to treat the inmate upon parole or discharge. The
27 department shall ensure that the provider is informed of the

1 inmate's current treatment plan including any medications that are
2 currently prescribed to the inmate.

3 Sec. 437. (1) Funds appropriated in part 1 for Goodwill Flip
4 the Script shall be distributed to a Michigan-chartered 501(c)(3)
5 nonprofit corporation operating in a county with greater than
6 1,500,000 people for administration and expansion of a program
7 which serves a population of persons aged 16 to 39. The program
8 shall target those who are entering the criminal justice system for
9 the first or second time and shall assist those individuals through
10 the following program types:

11 (a) Alternative sentencing programs in partnership with a
12 local district or circuit court.

13 (b) Educational recovery for special adult populations with
14 high rates of illiteracy.

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

16 (2) The program selected shall report by March 30 to the
17 department, the senate and house appropriations subcommittees on
18 corrections, the senate and house fiscal agencies, the legislative
19 corrections ombudsman, and the state budget office. The report
20 shall include program performance measurements, the number of
21 individuals diverted from incarceration, the number of individuals
22 served, and outcomes of participants who complete the program.

23 **FIELD OPERATIONS ADMINISTRATION**

24 Sec. 601. (1) From the funds appropriated in part 1, the
25 department shall conduct a statewide caseload audit of field
26 agents. The audit shall address public protection issues and assess

1 the ability of the field agents to complete their professional
2 duties. The complete audit shall be submitted to the senate and
3 house appropriations subcommittees on corrections, the legislative
4 corrections ombudsman, the senate and house fiscal agencies, and
5 the state budget office by March 1.

6 (2) It is the intent of the legislature that the department
7 maintain a number of field agents sufficient to meet supervision
8 and workload standards.

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

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

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

24 (3) Included in the appropriation in part 1 is adequate
25 funding to implement the curfew monitoring program to be
26 administered by the department. The curfew monitoring program is
27 intended to provide sentencing judges and county sheriffs in

1 coordination with local community corrections advisory boards
2 access to the state's curfew monitoring program to reduce prison
3 admissions and improve local jail utilization. The department shall
4 determine the appropriate distribution of the curfew monitor units
5 throughout the state based upon locally developed comprehensive
6 corrections plans under the community corrections act, 1988 PA 511,
7 MCL 791.401 to 791.414.

8 (4) For a fee determined by the department, the department
9 shall provide counties with the curfew monitor equipment,
10 replacement parts, administrative oversight of the equipment's
11 operation, notification of violators, and periodic reports
12 regarding county program participants. Counties are responsible for
13 curfew monitor equipment installation and service. For an
14 additional fee as determined by the department, the department
15 shall provide staff to install and service the equipment. Counties
16 are responsible for the coordination and apprehension of program
17 violators.

18 (5) Any county with curfew monitor charges outstanding over 60
19 days shall be considered in violation of the community curfew
20 monitor program agreement and lose access to the program.

21 Sec. 604. (1) The funds appropriated in part 1 for criminal
22 justice reinvestment shall be used only to fund data collection and
23 evidence-based programs designed to reduce recidivism among
24 probationers and parolees.

25 (2) Of the funds appropriated in part 1 for criminal justice
26 reinvestment, at least \$600,000.00 shall be allocated to an
27 organization that provides county jail inmates with programming and

1 services to prepare them to get and keep jobs. Examples of eligible
2 programs and services are, but are not limited to: adult education,
3 tutoring, manufacturing skills training, participation in a
4 simulated work environment, mentoring, cognitive therapy groups,
5 life skills classes, substance abuse recovery groups, fatherhood
6 programs, classes in understanding the legal system, family
7 literacy, health and wellness, finance management, employer
8 presentations, and classes on job retention. Programming and
9 support services should begin before release and continue after
10 release from the county jail. To be eligible for funding, an
11 organization must show at least 2 years' worth of data that
12 demonstrate program success.

13 Sec. 611. The department shall prepare by March 1 individual
14 reports for the community reentry program, the electronic
15 monitoring program, and the special alternative to incarceration
16 program. The reports shall be submitted to the senate and house
17 appropriations subcommittees on corrections, the legislative
18 corrections ombudsman, the senate and house fiscal agencies, and
19 the state budget office. Each program's report shall include
20 information on all of the following:

21 (a) Monthly new participants by type of offender. Community
22 reentry program participants shall be categorized by reason for
23 placement. For technical rule violators, the report shall sort
24 offenders by length of time since release from prison, by the most
25 recent violation, and by the number of violations occurring since
26 release from prison.

27 (b) Monthly participant unsuccessful terminations, including

1 cause.

2 (c) Number of successful terminations.

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

4 (e) Average length of placement.

5 (f) Return to prison statistics.

6 (g) Description of each program location or locations,
7 capacity, and staffing.

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

10 (i) Comparison with prior year statistics.

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

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

24 (2) By April 1, the department shall provide a report to the
25 senate and house appropriations subcommittees on corrections, the
26 legislative corrections ombudsman, the senate and house fiscal
27 agencies, and the state budget office on the number of all parolees

1 returned to prison and probationers sentenced to prison for either
2 a technical violation or new sentence during the preceding fiscal
3 year. The report shall include the following information for
4 probationers, for parolees after their first parole, and for
5 parolees who have been paroled more than once:

6 (a) The numbers of parole and probation violators returned to
7 or sent to prison for a new crime with a comparison of original
8 versus new offenses by major offense type: assaultive,
9 nonassaultive, drug, and sex.

10 (b) The numbers of parole and probation violators returned to
11 or sent to prison for a technical violation and the type of
12 violation, including, but not limited to, zero gun tolerance and
13 substance abuse violations. For parole technical rule violators,
14 the report shall list violations by type, by length of time since
15 release from prison, by the most recent violation, and by the
16 number of violations occurring since release from prison.

17 (c) The educational history of those offenders, including how
18 many had a high school equivalency or high school diploma prior to
19 incarceration in prison, how many received a high school
20 equivalency while in prison, and how many received a vocational
21 certificate while in prison.

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

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

27 Sec. 615. (1) The department shall submit a report detailing

1 the number of prisoners who have received life imprisonment
2 sentences with the possibility of parole and who are currently
3 eligible for parole to the senate and house appropriations
4 subcommittees on corrections, the senate and house fiscal agencies,
5 the legislative corrections ombudsman, and the state budget office
6 by April 30.

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

15 Sec. 617. From the funds appropriated in part 1 for the
16 residential alternative to prison program, the department shall
17 provide vocational, educational, and cognitive programming in a
18 secure environment to enhance existing alternative sentencing
19 options, increase employment readiness and successful placement
20 rates, and reduce new criminal behavior for the west Michigan
21 probation violator population. The department shall measure and set
22 the following metric goals:

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

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

27 (c) Of the participants that complete the program, 100% will

1 earn a certificate of completion for cognitive programming.

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

5 **HEALTH CARE**

6 Sec. 802. As a condition of expenditure of the funds
7 appropriated in part 1, the department shall provide the senate and
8 house of representatives appropriations subcommittees on
9 corrections, the legislative corrections ombudsman, the senate and
10 house fiscal agencies, and the state budget office with quarterly
11 reports on physical and mental health care detailing quarterly and
12 fiscal year-to-date expenditures itemized by vendor, allocations,
13 status of payments from contractors to vendors, and projected year-
14 end expenditures from accounts for prisoner health care, mental
15 health care, pharmaceutical services, and durable medical
16 equipment.

17 Sec. 803. (1) The department shall assure that all prisoners,
18 upon any health care treatment, are given the opportunity to sign a
19 release of information form designating a family member or other
20 individual to whom the department shall release records information
21 regarding a prisoner. A release of information form signed by a
22 prisoner shall remain in effect for 1 year, and the prisoner may
23 elect to withdraw or amend the release form at any time.

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

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

3 Sec. 804. The department shall report quarterly to the senate
4 and house appropriations subcommittees on corrections, the
5 legislative corrections ombudsman, the senate and house fiscal
6 agencies, and the state budget office on prisoner health care
7 utilization. The report shall include the number of inpatient
8 hospital days, outpatient visits, emergency room visits, and
9 prisoners receiving off-site inpatient medical care in the previous
10 quarter, by facility.

11 Sec. 807. The funds appropriated in part 1 for Hepatitis C
12 treatment shall be used only to purchase specialty medication for
13 Hepatitis C treatment in the prison population. In addition to the
14 above appropriation, any rebates received from the medications used
15 shall be used only to purchase specialty medication for Hepatitis C
16 treatment. On a quarterly basis, the department shall issue a
17 report to the senate and house appropriations subcommittees on
18 corrections, the senate and house fiscal agencies, the legislative
19 corrections ombudsman, and the state budget office, showing for the
20 previous 4 quarters the total amount spent on specialty medication
21 for the treatment of Hepatitis C, the number of prisoners that were
22 treated, the amount of any rebates that were received from the
23 purchase of specialty medication, and what outstanding rebates are
24 expected to be received.

25 Sec. 812. (1) The department shall provide the department of
26 health and human services with a monthly list of prisoners newly
27 committed to the department of corrections. The department and the

1 department of health and human services shall enter into an
2 interagency agreement under which the department of health and
3 human services provides the department of corrections with monthly
4 lists of newly committed prisoners who are eligible for Medicaid
5 benefits in order to maintain the process by which Medicaid
6 benefits are suspended rather than terminated. The department shall
7 assist prisoners who may be eligible for Medicaid benefits after
8 release from prison with the Medicaid enrollment process prior to
9 release from prison.

10 (2) The department shall provide the senate and house
11 appropriations subcommittees on corrections, the legislative
12 corrections ombudsman, the senate and house fiscal agencies, and
13 the state budget office with quarterly updates on the utilization
14 of Medicaid benefits for prisoners.

15 Sec. 816. By April 1, the department shall provide the members
16 of the senate and house appropriations subcommittees on
17 corrections, the senate and house fiscal agencies, the state budget
18 office, and the legislative corrections ombudsman with a report on
19 pharmaceutical expenditures and prescribing practices. In
20 particular, the report shall provide the following information:

21 (a) A detailed accounting of expenditures on antipsychotic
22 medications.

23 (b) Any changes that have been made to the prescription drug
24 formularies.

25 **CORRECTIONAL FACILITIES ADMINISTRATION**

26 Sec. 902. From the funds appropriated in part 1 for future

1 facility and staff transition costs, \$1,000,000.00 shall be used
2 for staff transition costs.

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

19 Sec. 905. (1) From the funds appropriated in part 1 for leased
20 beds and alternatives to leased beds, the department may implement
21 a county jail bed program to house eligible prisoners sentenced to
22 the custody of the department in county jails rather than in state
23 correctional facilities.

24 (2) A county may volunteer to participate in the county jail
25 bed program and house eligible prisoners sentenced to the custody
26 of the department in its county jails.

27 (3) If a county participating in the county jail bed program

1 has available bed space in its county jail and the department has
2 prisoners in its custody meeting the eligibility requirements under
3 this section, the department may place the eligible prisoners in
4 the county jail.

5 (4) A prisoner shall meet all of the following eligibility
6 requirements to be placed in a county jail under this section:

7 (a) The prisoner has been given a level I classification by a
8 department classification committee on a scale of 6 levels in which
9 level I is the least restrictive level.

10 (b) The prisoner is not serving a sentence for conviction of a
11 violation or attempted violation of section 520b, 520c, 520d, 520e,
12 or 520g of the Michigan penal code, 1931 PA 328, MCL 750.520b,
13 750.520c, 750.520d, 750.520e, and 750.520g.

14 (c) The prisoner is serving a fixed sentence with a determined
15 discharge date.

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

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

27 (a) The number of instructors and the number of instructor

1 vacancies, by program and facility.

2 (b) The number of prisoners enrolled in each program, the
3 number of prisoners completing each program, the number of
4 prisoners who do not complete each program and are not subsequently
5 reenrolled, and the reason for not completing the program, the
6 number of prisoners transferred to another facility while enrolled
7 in a program and the reason for transfer, the number of prisoners
8 enrolled who are repeating the program, and the number of prisoners
9 on waiting lists for each program, all itemized by facility.

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

13 (d) The number of prisoners paroled without a high school
14 diploma and the number of prisoners paroled without a high school
15 equivalency.

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

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

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

24 Sec. 908. From the funds appropriated in part 1, the
25 department shall establish a pilot online career high school
26 education program to serve up to 400 inmates through a regionally
27 accredited public or private school district that offers career-

1 based online high school diplomas designed to prepare adult inmates
2 for transition into the workplace. The district chosen for the
3 pilot shall be paid a specified amount per inmate per course
4 successfully completed by the inmate. The department may use
5 federal funds provided to educate inmates to expand this pilot
6 beyond 400 inmates. The department shall provide an initial report
7 no later than June 1 regarding the progress of the inmates in the
8 online high school diploma and career certificate programs to the
9 senate and house appropriations subcommittees on corrections, the
10 legislative corrections ombudsman, the senate and house fiscal
11 agencies, and the state budget office.

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

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

27 Sec. 912. The department shall report monthly to the senate

1 and house appropriations subcommittees on corrections, the
2 legislative corrections ombudsman, the senate and house fiscal
3 agencies, and the state budget office on the ratio of correctional
4 officers to prisoners for each correctional institution, the ratio
5 of shift command staff to line custody staff, and the ratio of
6 noncustody institutional staff to prisoners for each correctional
7 institution.

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

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

25 (3) The department shall submit a quarterly report to the
26 members of the senate and house appropriations subcommittees on
27 corrections, the senate and house fiscal agencies, the state budget

1 office, and the legislative corrections ombudsman detailing
2 enrollment in sex offender programming, assaultive offender
3 programming, violent offender programming, and thinking for a
4 change programming. At a minimum, the report shall include the
5 following:

6 (a) A full accounting, from the date of entrance to prison, of
7 the number of individuals who are required to complete the
8 programming, but have not yet done so.

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

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

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

1 than every 12 hours.

2 Sec. 925. By March 1, the department shall report to the
3 senate and house appropriations subcommittees on corrections, the
4 senate and house fiscal agencies, the legislative corrections
5 ombudsman, and the state budget office on the annual number of
6 prisoners in administrative segregation between October 1, 2016 and
7 September 30, 2017, and the annual number of prisoners in
8 administrative segregation between October 1, 2016 and September
9 30, 2017 who at any time during the current or prior prison term
10 were diagnosed with serious mental illness or have a developmental
11 disorder and the number of days each of the prisoners with serious
12 mental illness or a developmental disorder have been confined to
13 administrative segregation.

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

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

25 (b) Provide appropriate placement for prisoners less than 18
26 years of age who have serious mental illness, serious emotional
27 disturbance, or a serious developmental disorder and need to be

1 housed separately from the general population. Prisoners less than
2 18 years of age who have serious mental illness, serious emotional
3 disturbance, or a serious developmental disorder shall not be
4 removed from an existing placement as a punitive response to
5 behavior caused by their serious mental illness, serious emotional
6 disturbance, or a serious developmental disorder. Due to persistent
7 high violence risk or severe disruptive behavior that is
8 unresponsive to treatment, prisoners less than 18 years of age with
9 serious emotional disturbance, serious mental illness, or serious
10 developmental disorders may be placed in secure residential housing
11 programs that will facilitate access to institutional programming
12 and ongoing mental health services. A prisoner less than 18 years
13 of age with serious mental illness, serious emotional disturbance,
14 or a serious developmental disorder who is confined in these
15 specialized housing programs shall be evaluated or monitored by a
16 medical professional at a frequency of not less than every 12
17 hours.

18 (c) Implement a specialized reentry program that recognizes
19 the needs of prisoners less than 18 years old for supervised
20 reentry.

21 Sec. 930. The department shall submit a quarterly report to
22 the senate and house subcommittees on corrections, the senate and
23 house fiscal agencies, the legislative corrections ombudsman, and
24 the state budget office on the number of youth in prison. The
25 report shall include, but not be limited to, the following
26 information:

27 (a) The total number of inmates under age 18 who are not on

1 Holmes youthful trainee act status.

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

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

6 Sec. 937. The department shall not issue a request for
7 proposal (RFP) for a contract in excess of \$5,000,000.00, unless
8 the department has first considered issuing a request for
9 information (RFI) or a request for qualification (RFQ) relative to
10 that contract to better enable the department to learn more about
11 the market for the products or services that are the subject of the
12 future RFP. The department shall notify the department of
13 technology, management, and budget of the evaluation process used
14 to determine if an RFI or RFQ was not necessary prior to issuing
15 the RFP.

16 Sec. 940. (1) Any lease, rental, contract, or other legal
17 agreement that includes a provision allowing a private person or
18 entity to use state-owned facilities or other property to conduct a
19 for-profit business enterprise shall require the lessee to pay fair
20 market value for the use of the state-owned property.

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

26 Sec. 942. The department shall ensure that any contract with a
27 public or private party to operate a facility to house state

1 prisoners includes a provision to allow access by both the office
2 of the legislative auditor general and the office of the
3 legislative corrections ombudsman to the facility and to
4 appropriate records and documents related to the operation of the
5 facility. These access rights for both offices shall be the same
6 for the contracted facility as for a general state-operated
7 correctional facility.

8 Sec. 943. The department shall submit a report by May 1 to the
9 senate and house subcommittees on corrections, the senate and house
10 fiscal agencies, the legislative corrections ombudsman, and the
11 state budget office on the actual and projected savings achieved by
12 closing correctional facilities. Savings amounts shall be itemized
13 by facility. Information required by this section shall start with
14 the closure of the Pugsley Correctional Facility, which closed in
15 September of 2016.

16 Sec. 944. When the department is planning to close a
17 correctional facility, the department shall fully consider the
18 potential economic impact of the prison closure on the community
19 where the facility is located. The department, when weighing all
20 factors related to the closure of a facility, shall also consider
21 the impact on the local community where the facility to be closed
22 is located.

23 Sec. 945. The department shall provide notice to the
24 legislature and the senate and house fiscal agencies, by July 1, of
25 its intent to renew or rebid the prisoner food service contract.

26 **MISCELLANEOUS**

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

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

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

1 including faith-based initiatives.

2 **ONE-TIME APPROPRIATIONS**

3 Sec. 1100. From the funds appropriated in part 1 for new
4 custody staff training, the department shall increase the training
5 capacity for new custody staff by 177 officers. The purpose of this
6 academy is to address higher than normal attrition of correction
7 officers and to decrease overtime costs.

8 PART 2A
9 PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS
10 FOR FISCAL YEAR 2018-2019

11 **GENERAL SECTIONS**

12 Sec. 1201. It is the intent of the legislature to provide
13 appropriations for the fiscal year ending on September 30, 2019 for
14 the line items listed in part 1. Fiscal year 2018-2019
15 appropriations are anticipated to be the same as those for fiscal
16 year 2017-2018, except that the line items will be adjusted for
17 changes in caseload and related costs, federal fund match rates,
18 economic factors, and available revenue. These adjustments will be
19 determined after the January 2018 consensus revenue estimating
20 conference.

21 ARTICLE VI
22 DEPARTMENT OF EDUCATION

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of education for the fiscal year ending September 30, 2018, from the following funds:

DEPARTMENT OF EDUCATION

APPROPRIATION SUMMARY

Full-time equated unclassified positions 6.0

Full-time equated classified positions 603.5

GROSS APPROPRIATION \$ 351,181,200

Interdepartmental grant revenues:

Total interdepartmental grants and intradepartmental transfers 0

ADJUSTED GROSS APPROPRIATION \$ 351,181,200

Federal revenues:

Total federal revenues 254,084,700

Special revenue funds:

Total local revenues 5,817,200

Total private revenues 2,034,300

Total other state restricted revenues 8,567,600

State general fund/general purpose \$ 80,677,400

Sec. 102. STATE BOARD OF EDUCATION/OFFICE OF THE SUPERINTENDENT

Full-time equated unclassified positions 6.0

Full-time equated classified positions 11.0

Unclassified positions--6.0 FTE positions \$ 851,900

Education commission of the states 120,800

1	State board of education, per diem payments	24,400
2	State board/superintendent operations--11.0 FTE	
3	positions.....	<u>2,104,200</u>
4	GROSS APPROPRIATION	\$ 3,101,300
5	Appropriated from:	
6	Federal revenues:	
7	Federal revenues	234,800
8	Special revenue funds:	
9	Private foundations	28,100
10	Certification fees	773,300
11	State general fund/general purpose	\$ 2,065,100
12	Sec. 103. DEPARTMENTAL ADMINISTRATION AND SUPPORT	
13	Full-time equated classified positions..... 23.6	
14	Central support operations--23.6 FTE positions	\$ 3,712,000
15	Federal and private grants	3,000,000
16	Property management	3,181,700
17	Terminal leave payments	353,300
18	Training and orientation workshops	150,000
19	Worker's compensation	<u>25,100</u>
20	GROSS APPROPRIATION	\$ 10,422,100
21	Appropriated from:	
22	Federal revenues:	
23	Federal revenues	3,628,500
24	Federal indirect funds	2,445,800
25	Special revenue funds:	
26	Private foundations	1,000,000
27	Certification fees	400,000

1	Teacher testing fees	4,000
2	Training and orientation workshop fees	150,000
3	State general fund/general purpose	\$ 2,793,800
4	Sec. 104. INFORMATION TECHNOLOGY	
5	Information technology services and projects	\$ <u>4,225,200</u>
6	GROSS APPROPRIATION	\$ 4,225,200
7	Appropriated from:	
8	Federal revenues:	
9	Federal revenues	621,700
10	Federal indirect funds	1,838,500
11	Special revenue funds:	
12	Certification fees	400,600
13	State general fund/general purpose	\$ 1,364,400
14	Sec. 105. SPECIAL EDUCATION SERVICES	
15	Full-time equated classified positions	47.0
16	Special education operations--47.0 FTE positions	\$ <u>9,164,800</u>
17	GROSS APPROPRIATION	\$ 9,164,800
18	Appropriated from:	
19	Federal revenues:	
20	Federal revenues	8,584,200
21	Special revenue funds:	
22	Private foundations	110,100
23	Certification fees	44,700
24	State general fund/general purpose	\$ 425,800
25	Sec. 106. MICHIGAN SCHOOLS FOR THE DEAF AND BLIND	
26	Full-time equated classified positions	82.0
27	Camp Tuhsmeheeta--1.0 FTE position	\$ 296,100

1	Low incidence outreach program	450,000
2	Michigan schools for the deaf and blind operations--	
3	81.0 FTE positions	13,456,000
4	Private gifts - blind	200,000
5	Private gifts - deaf	<u>150,000</u>
6	GROSS APPROPRIATION	\$ 14,552,100
7	Appropriated from:	
8	Federal revenues:	
9	Federal revenues	7,431,900
10	Special revenue funds:	
11	Local cost sharing (schools for deaf/blind)	5,805,500
12	Gifts, bequests, and donations	646,100
13	Low incidence outreach fund	450,000
14	Student insurance revenue	218,600
15	State general fund/general purpose	\$ 0
16	Sec. 107. PROFESSIONAL PREPARATION SERVICES	
17	Full-time equated classified positions 33.0	
18	Professional preparation operations--33.0 FTE	
19	positions	\$ <u>5,679,600</u>
20	GROSS APPROPRIATION	\$ 5,679,600
21	Appropriated from:	
22	Federal revenues:	
23	Federal revenues	1,465,900
24	Special revenue funds:	
25	Certification fees	3,623,900
26	Teacher testing fees	364,900
27	State general fund/general purpose	\$ 224,900

1 Sec. 108. MICHIGAN OFFICE OF GREAT START

2 Full-time equated classified positions 66.0

3 Child development and care external support \$ 28,368,900

4 Child development and care public assistance 162,396,100

5 Head start collaboration office--1.0 FTE position 310,600

6 Office of great start operations--65.0 FTE positions . 25,598,400

7 GROSS APPROPRIATION \$ 216,674,000

8 Appropriated from:

9 Federal revenues:

10 Federal revenues 175,056,100

11 Special revenue funds:

12 Private foundations 250,000

13 Certification fees 64,600

14 State general fund/general purpose \$ 41,303,300

15 Sec. 109. STATE AID AND SCHOOL FINANCE SERVICES

16 Full-time equated classified positions 11.5

17 State aid and school finance operations--11.5 FTE

18 positions..... \$ 1,648,600

19 GROSS APPROPRIATION \$ 1,648,600

20 Appropriated from:

21 State general fund/general purpose \$ 1,648,600

22 Sec. 110. AUDIT SERVICES

23 Full-time equated classified positions 4.5

24 Audit operations--4.5 FTE positions \$ 615,300

25 GROSS APPROPRIATION \$ 615,300

26 Appropriated from:

27 Federal revenues:

1	Federal indirect funds	488,800
2	Special revenue funds:	
3	Certification fees	62,500
4	State general fund/general purpose \$	64,000
5	Sec. 111. ADMINISTRATIVE LAW SERVICES	
6	Full-time equated classified positions 2.0	
7	Administrative law operations--2.0 FTE positions \$	<u>1,375,400</u>
8	GROSS APPROPRIATION	\$ 1,375,400
9	Appropriated from:	
10	Federal revenues:	
11	Federal revenues	568,000
12	Special revenue funds:	
13	Certification fees	707,700
14	State general fund/general purpose \$	99,700
15	Sec. 112. ACCOUNTABILITY SERVICES	
16	Full-time equated classified positions 64.6	
17	Accountability services operations--64.6 FTE positions \$	<u>14,666,300</u>
18	GROSS APPROPRIATION	\$ 14,666,300
19	Appropriated from:	
20	Federal revenues:	
21	Federal revenues	12,517,200
22	State general fund/general purpose \$	2,149,100
23	Sec. 113. SCHOOL SUPPORT SERVICES	
24	Full-time equated classified positions 83.6	
25	School support services operations--83.6 FTE positions \$	<u>15,571,200</u>
26	GROSS APPROPRIATION	\$ 15,571,200
27	Appropriated from:	

1	Federal revenues:	
2	Federal revenues	14,522,300
3	Special revenue funds:	
4	Local school district service fees	11,700
5	Certification fees	87,600
6	Commodity distribution fees	71,700
7	State general fund/general purpose	\$ 877,900
8	Sec. 114. FIELD SERVICES	
9	Full-time equated classified positions	47.0
10	Field services operations--47.0 FTE positions	\$ <u>9,400,800</u>
11	GROSS APPROPRIATION	\$ 9,400,800
12	Appropriated from:	
13	Federal revenues:	
14	Federal revenues	8,636,300
15	Special revenue funds:	
16	Certification fees	37,300
17	State general fund/general purpose	\$ 727,200
18	Sec. 115. EDUCATIONAL IMPROVEMENT AND INNOVATION	
19	SERVICES	
20	Full-time equated classified positions	44.7
21	Educational improvement and innovation operations--	
22	44.7 FTE positions	\$ <u>9,010,100</u>
23	GROSS APPROPRIATION	\$ 9,010,100
24	Appropriated from:	
25	Federal revenues:	
26	Federal revenues	5,898,200
27	Special revenue funds:	

1	Certification fees	565,100
2	State general fund/general purpose	\$ 2,546,800
3	Sec. 116. CAREER AND TECHNICAL EDUCATION	
4	Full-time equated classified positions	29.0
5	Career and technical education operations--29.0 FTE	
6	positions.....	\$ <u>5,252,700</u>
7	GROSS APPROPRIATION	\$ 5,252,700
8	Appropriated from:	
9	Federal revenues:	
10	Federal revenues	3,904,900
11	State general fund/general purpose	\$ 1,347,800
12	Sec. 117. LIBRARY OF MICHIGAN	
13	Full-time equated classified positions	33.0
14	Library of Michigan operations--31.0 FTE positions ...	\$ 4,826,400
15	Library services and technology program--1.0 FTE	
16	position.....	5,611,400
17	Michigan eLibrary--1.0 FTE position	1,753,100
18	Renaissance zone reimbursements	3,300,000
19	State aid to libraries	<u>11,067,700</u>
20	GROSS APPROPRIATION	\$ 26,558,600
21	Appropriated from:	
22	Federal revenues:	
23	Federal revenues	5,611,400
24	Special revenue funds:	
25	Library fees	300,000
26	State general fund/general purpose	\$ 20,647,200
27	Sec. 118. EDUCATOR TALENT AND POLICY COORDINATION	

1	Full-time equated classified positions	17.0	
2	Educator talent and policy coordination operations--		
3	17.0 FTE positions		\$ <u>2,621,200</u>
4	GROSS APPROPRIATION		\$ 2,621,200
5	Appropriated from:		
6	Federal revenues:		
7	Federal revenues		630,200
8	Special revenue funds:		
9	Certification fees		241,000
10	State general fund/general purpose		\$ 1,750,000
11	Sec. 119. PARTNERSHIP DISTRICT SUPPORT		
12	Full-time equated classified positions	4.0	
13	Partnership district support operations--4.0 FTE		
14	positions		\$ <u>641,800</u>
15	GROSS APPROPRIATION		\$ 641,800
16	Appropriated from:		
17	State general fund/general purpose		\$ 641,800
18	Sec. 120. ONE-TIME APPROPRIATIONS		
19	Drinking water declaration of emergency		\$ <u>100</u>
20	GROSS APPROPRIATION		\$ 100
21	Appropriated from:		
22	Special revenue funds:		
23	Drinking water emergency reserve fund		100
24	State general fund/general purpose		\$ 0

25

PART 2

PROVISIONS CONCERNING APPROPRIATIONS
FOR FISCAL YEAR 2017-2018

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2017-2018 is \$89,245,000.00 and state spending from state resources to be paid to local units of government for fiscal year 2017-2018 is \$14,367,700.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF EDUCATION

State aid to libraries.....	\$	11,067,700
Renaissance zone reimbursements.....		<u>3,300,000</u>
Total department of education	\$	14,367,700

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

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

(a) "ACT" means the American College Testing Corporation.

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

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

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

Sec. 204. The departments and agencies receiving appropriations in part 1 shall use the internet to fulfill the

1 reporting requirements of this part. This requirement may include
2 transmission of reports via electronic mail to the recipients
3 identified for each reporting requirement, or it may include
4 placement of reports on an internet or intranet site.

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

15 Sec. 206. The state superintendent of public instruction shall
16 take all reasonable steps to ensure businesses in deprived and
17 depressed communities compete for and perform contracts to provide
18 services or supplies, or both. The state superintendent of public
19 instruction shall strongly encourage firms with which the
20 department contracts to subcontract with certified businesses in
21 depressed and deprived communities for services, supplies, or both.

22 Sec. 207. The departments and agencies receiving
23 appropriations in part 1 shall prepare a report on out-of-state
24 travel expenses not later than January 1 of each year. The travel
25 report shall be a listing of all travel by classified and
26 unclassified employees outside this state in the immediately
27 preceding fiscal year that was funded in whole or in part with

1 funds appropriated in the department's budget. The report shall be
2 submitted to the senate and house appropriations committees, the
3 house and senate fiscal agencies, and the state budget director.

4 The report must include the following information:

5 (a) The dates of each travel occurrence.

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

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

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

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

1 expenditure until they have been transferred to another line item
2 in part 1 under section 393(2) of the management and budget act,
3 1984 PA 431, MCL 18.1393.

4 (2) In addition to the funds appropriated in part 1, there is
5 appropriated an amount not to exceed \$700,000.00 for state
6 restricted contingency funds. These funds are not available for
7 expenditure until they have been transferred to another line item
8 in part 1 under section 393(2) of the management and budget act,
9 1984 PA 431, MCL 18.1393.

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

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

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

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

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

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

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

6 (e) Job specifications and wage rates.

7 Sec. 212. Within 14 days after the release of the executive
8 budget recommendation, the department shall cooperate with the
9 state budget office to provide the senate and house appropriations
10 chairpersons, the chairpersons of the senate and house
11 appropriations subcommittees responsible for the department budget,
12 and the senate and house fiscal agencies with an annual report on
13 estimated state restricted fund balances, state restricted fund
14 projected revenues, and state restricted fund expenditures for the
15 fiscal years ending September 30, 2017 and September 30, 2018.

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

20 Sec. 214. Total authorized appropriations from all sources
21 under part 1 for legacy costs for the fiscal year ending September
22 30, 2018 are estimated at \$15,429,100.00. From this amount, total
23 agency appropriations for pension-related legacy costs are
24 estimated at \$7,939,900.00. Total agency appropriations for retiree
25 health care legacy costs are estimated at \$7,489,200.00.

26 Sec. 215. The department shall provide through the internet
27 the state board of education agenda and all supporting documents,

1 and shall notify the state budget director and the senate and house
2 fiscal agencies that the agenda and supporting documents are
3 available on the internet, at the time the agenda and supporting
4 documents are provided to state board of education members.

5 Sec. 217. The department may assist the department of health
6 and human services, other departments, and local school districts
7 to secure reimbursement for eligible services provided in Michigan
8 schools from the federal Medicaid program. The department may
9 submit reports of direct expenses related to this effort to the
10 department of health and human services for reimbursement.

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

15 Sec. 220. The department shall post on its website a link to
16 the federal Institute of Education Sciences' What Works
17 Clearinghouse. The department also shall work to disseminate
18 knowledge about the What Works Clearinghouse to districts and
19 intermediate districts so that it may be used to improve reading
20 proficiency for pupils in grades K to 3.

21 Sec. 221. The department shall require all districts and
22 intermediate school districts to maintain complete records within
23 the personnel file of a teacher or school employee of any
24 disciplinary actions taken by the governing board against the
25 teacher or employee for sexual misconduct. The records shall not be
26 destroyed or removed from the teacher's or employee's personnel
27 file except as required by a court order.

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

4 Sec. 223. The department and agencies receiving appropriations
5 in part 1 shall receive and retain copies of all reports funded
6 from appropriations in part 1. Federal and state guidelines for
7 short-term and long-term retention of records shall be followed.
8 The department may electronically retain copies of reports unless
9 otherwise required by federal and state guidelines.

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

11 (a) Not later than October 1, 2017, send districts and post on
12 its publicly accessible website a list of the grants available in
13 the 2017-2018 state fiscal year under article 1 of the state school
14 aid act of 1979, 1979 PA 94, MCL 388.1601 to 388.1772.

15 (b) Not later than December 1, 2017, open the grant
16 application process for grant funds appropriated in the 2017-2018
17 state fiscal year under article 1 of the state school aid act of
18 1979, 1979 PA 94, MCL 388.1601 to 388.1772.

19 (2) If the department fails to comply with either subdivision
20 (a) or subdivision (b), the state money appropriated in part 1 for
21 state board/superintendent operations shall be reduced by 1%.

22 Sec. 226. From the funds appropriated in part 1, the
23 department shall coordinate with the other departments to
24 streamline state services and resources, reduce duplication, and
25 increase efficiency. This includes, but is not limited to, working
26 with the department of technology, management, and budget to
27 coordinate with the school reform office, working with the

1 department of treasury to coordinate with the financial
2 independence team and overseeing deficit districts, and working
3 with the department of health and human services and department of
4 licensing and regulatory affairs to coordinate with early childhood
5 programs and overseeing child care providers.

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

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

17 Sec. 229. The department shall not enter into a contract
18 funded under part 1 that exceeds \$1,000,000.00, submit federal
19 accountability plans, or request amendments to federal
20 accountability plans until after notification of the content to
21 both the house and senate appropriations committees and the state
22 budget director.

23 Sec. 230. From the funds appropriated in part 1, the
24 department shall compile a report that identifies any new, or lack
25 thereof, mandates required of nonpublic schools. In compiling the
26 report, the department may consult with relevant statewide
27 education associations in Michigan. The report compiled by the

department shall indicate the type of mandate, including, but not limited to, student health, student or building safety, accountability, and educational requirements, and shall indicate whether a school has to report on the specified mandates. The report required under this section shall be completed by April 1, 2018 and transmitted to the state budget director, the house and senate appropriations subcommittees responsible for the department of education, and the senate and house fiscal agencies not later than April 15, 2018.

STATE BOARD OF EDUCATION/OFFICE OF THE SUPERINTENDENT

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

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

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

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

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

CENTRAL SUPPORT

Sec. 325. Within 10 days of the receipt of a grant

1 appropriated in the federal and private grants line item in part 1,
2 the department shall notify the house and senate chairpersons of
3 the appropriations subcommittees responsible for the department
4 budget, the house and senate fiscal agencies, and the state budget
5 director of the receipt of the grant, including the funding source,
6 purpose, and amount of the grant.

7 **SPECIAL EDUCATION SERVICES**

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

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

20 (b) Train mediators who are knowledgeable about the dispute
21 resolution system and state and federal mandates pertaining to the
22 rights and protections of students with disabilities outlined in
23 the federal individuals with disabilities education act, 20 USC
24 1400 to 1482, and the Michigan administrative rules for special
25 education programs and services, R 340.1701 to R 340.1862 of the
26 Michigan Administrative Code. This annual training will include

1 coursework, resources, and materials.

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

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

7 Sec. 402. For each student enrolled at the Michigan Schools
8 for the Deaf and Blind, the department shall assess the
9 intermediate school district of residence 100% of the cost of
10 operating the student's instructional program. The amount shall
11 exclude room and board related costs and the cost of weekend
12 transportation between the school and the student's home.

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

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

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

1 Sec. 407. Revenue received by the Michigan Schools for the
2 Deaf and Blind from gifts, bequests, donations, and local district
3 service fees that is unexpended at the end of the state fiscal year
4 may be carried over to the succeeding fiscal year and shall not
5 revert to the general fund.

6 Sec. 408. (1) The funds appropriated in part 1 for the low
7 incidence outreach fund are appropriated from money collected by
8 the Michigan Schools for the Deaf and Blind and the low incidence
9 outreach program for providing qualified services and may be used
10 for any expenses necessary to provide the qualified services. Any
11 money that is unexpended at the end of the current fiscal year may
12 be carried forward into the succeeding fiscal year.

13 (2) As used in this section, "qualified services" means
14 document reproduction and services; conducting conferences,
15 workshops, and training classes; and providing specialized
16 equipment, facilities, and software.

17 **PROFESSIONAL PREPARATION SERVICES**

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

22 Sec. 502. The department shall authorize teacher preparation
23 institutions to provide an alternative program by which up to 1/2
24 of the required student internship or student teaching credits may
25 be earned through substitute teaching. The department shall require
26 that teacher preparation institutions collaborate with school

1 districts to ensure that the quality of instruction provided to
2 student teachers is comparable to that required in a traditional
3 student teaching program.

4 Sec. 503. From the funds appropriated in part 1, the
5 department shall, upon request, consult with the Michigan Virtual
6 Research Institute and external stakeholders in connection with the
7 department's implementation and administration of professional
8 development training described in section 35a of the state school
9 aid act of 1979, 1979 PA 94, MCL 388.1635a, including, but not
10 limited to, the online training of educators of pupils in grades K
11 to 3 described in that section.

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

16 Sec. 507. From the funds appropriated in part 1, the
17 department shall adopt a teacher certification test that ensures
18 that all newly certified elementary teachers have the skills to
19 deliver evidence-based literacy instruction. The department may use
20 teacher certification or teacher testing fee revenue to the extent
21 allowable under law to implement this section, or may pass along
22 increased testing fees to teachers as allowable and appropriate.

23 **FIELD SERVICES**

24 Sec. 701. (1) From the funds appropriated in part 1 for field
25 services operations, the department shall produce a report
26 detailing the progress made by districts with grades K to 3

1 receiving at-risk funding under section 31a of the state school aid
2 act of 1979, 1979 PA 94, MCL 388.1631a, in implementing multitiered
3 systems of supports in the prior school fiscal year for grades 4 to
4 8, and in providing reading intervention services described in
5 section 1280f of the revised school code, 1976 PA 451, MCL
6 380.1280f, for pupils in grades K to 3.

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

9 (a) A description of the training, coaching, and technical
10 assistance offered by the department to districts to support the
11 implementation of effective multitiered systems of supports and
12 reading intervention programs.

13 (b) A list of districts determined by the department to have
14 successfully implemented multitiered systems of supports and
15 reading intervention programs.

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

19 (d) Other information the department determines would be
20 useful to understanding the status of districts' implementation of
21 effective multitiered systems of supports and reading intervention
22 programs.

23 (3) The department shall provide the report described in
24 subsection (1) to the state budget director, the house and senate
25 subcommittees that oversee the department of education and school
26 aid budgets, and the house and senate fiscal agencies by September
27 30, 2018.

1 **LIBRARY OF MICHIGAN**

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

8 (2) As used in this section, "qualified services" means
9 document reproduction and services; conducting conferences,
10 workshops, and training classes; and providing specialized
11 equipment, facilities, and software.

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

16 Sec. 804. (1) The funds appropriated in part 1 for renaissance
17 zone reimbursements shall be used to reimburse public libraries
18 under section 12 of the Michigan renaissance zone act, 1996 PA 376,
19 MCL 125.2692, for taxes levied in 2017. The allocations shall be
20 made not later than 60 days after the department of treasury
21 certifies to the department and to the state budget director that
22 the department of treasury has received all necessary information
23 to properly determine the amounts due to each eligible recipient.

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

1 **MICHIGAN OFFICE OF GREAT START**

2 Sec. 1001. By November 1, 2017, the department shall submit a
3 report to the house and senate appropriations subcommittees on the
4 department of education budget and the house and senate fiscal
5 agencies on the average number of eligible child care providers by
6 type receiving payment for child care services from the department
7 for the fiscal year ending September 30, 2017.

8 Sec. 1002. (1) From the funds appropriated in part 1 for child
9 development and care public assistance, there is allocated
10 \$19,430,000.00 for the following purposes:

11 (a) To increase the provider reimbursement rates for child
12 care centers under the following guidelines:

13 (i) Increase the reimbursement rate for child care center
14 providers with an empty star rating by \$0.25 per hour for each
15 child.

16 (ii) Increase the reimbursement rate for child care center
17 providers with a 1-star rating by \$0.25 per hour for each child.

18 (iii) Increase the reimbursement rate for child care center
19 providers with a 2-star rating by \$0.25 per hour for each child.

20 (iv) Increase the reimbursement rate for child care center
21 providers with a 3-star rating by \$0.50 per hour for each child.

22 (v) Increase the reimbursement rate for child care center
23 providers with a 4-star rating by \$0.50 per hour for each child.

24 (vi) Increase the reimbursement rate for child care center
25 providers with a 5-star rating by \$0.75 per hour for each child.

26 (b) To increase the provider reimbursement rates for group
27 home providers under the following guidelines:

1 (i) Increase the reimbursement rate for group home providers
2 with an empty star rating by \$0.25 per hour for each child.

3 (ii) Increase the reimbursement rate for group home providers
4 with a 1-star rating by \$0.25 per hour for each child.

5 (iii) Increase the reimbursement rate for group home providers
6 with a 2-star rating by \$0.25 per hour for each child.

7 (iv) Increase the reimbursement rate for group home providers
8 with a 3-star rating by \$0.50 per hour for each child.

9 (v) Increase the reimbursement rate for group home providers
10 with a 4-star rating by \$0.50 per hour for each child.

11 (vi) Increase the reimbursement rate for group home providers
12 with a 5-star rating by \$0.75 per hour for each child.

13 (c) To increase the provider reimbursement rates for
14 registered family homes under the following guidelines:

15 (i) Increase the reimbursement rate for registered family home
16 providers with an empty star rating by \$0.25 per hour for each
17 child.

18 (ii) Increase the reimbursement rate for registered family
19 home providers with a 1-star rating by \$0.25 per hour for each
20 child.

21 (iii) Increase the reimbursement rate for registered family
22 home providers with a 2-star rating by \$0.25 per hour for each
23 child.

24 (iv) Increase the reimbursement rate for registered family
25 home providers with a 3-star rating by \$0.50 per hour for each
26 child.

27 (v) Increase the reimbursement rate for registered family home

1 providers with a 4-star rating by \$0.50 per hour for each child.

2 (vi) Increase the reimbursement rate for registered family
3 home providers with a 5-star rating by \$0.75 per hour for each
4 child.

5 (d) To increase the provider reimbursement rates for
6 unlicensed providers under the following guidelines:

7 (i) Increase the reimbursement rate for unlicensed providers
8 with a tier 1 rating by \$0.25 per hour for each child.

9 (ii) Increase the reimbursement rate for unlicensed providers
10 with a tier 2 rating by \$0.75 per hour for each child.

11 (2) The department shall ensure that the final provider
12 reimbursement rates determined under this section are published on
13 the department and great start to quality webpages by the date that
14 the new rates take effect.

15 Sec. 1003. (1) The department shall provide the house and
16 senate appropriations subcommittees on the department budget with
17 an annual report on all funding appropriated to the Early Childhood
18 Investment Corporation by the state during the previous fiscal
19 year. The report is due by February 15 and must contain at least
20 the following information:

21 (a) Total funding appropriated to the Early Childhood
22 Investment Corporation by the state during the previous fiscal
23 year.

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

25 (c) The grant recipients.

26 (d) The activities funded by each grant.

27 (e) An analysis of each grant recipient's success in

1 addressing the development of a comprehensive system of early
2 childhood services and supports.

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

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

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

12 (b) Providers that are seeking to increase their great start
13 to quality star rating and are only restricted from receiving the
14 increased rating because they lack employees with the proper
15 education level.

16 Sec. 1005. From the additional funds appropriated in part 1
17 for the child development and care external support, the department
18 shall work with the department of licensing and regulatory affairs
19 to provide fingerprinting services and background checks of
20 employees of child care providers as required under the terms of
21 the federal child care and development block grant.

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

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

1 those activities are performed by the licensing consultants.

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

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

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

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

15 (2) The progress reports shall be sent to the state budget
16 director, the house and senate subcommittees that oversee the
17 department of education, and the house and senate fiscal agencies
18 by April 1, 2018 and September 30, 2018.

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

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

1 \$5,500,000.00 to raise the entrance threshold of the child
2 development and care program from 125% of the federal poverty
3 guidelines to 130% of the federal poverty guidelines.

4 **ACCOUNTABILITY SERVICES**

5 Sec. 1021. Using the funds appropriated in part 1, the
6 department shall work in collaboration with the department of
7 technology, management, and budget to renegotiate the contract with
8 the ACT to ensure that it registers, issues, and ships to schools a
9 printed national career readiness certificate (NCRC) to each
10 Michigan student who takes the ACT WorkKeys test, successfully
11 completes the exam, qualifies for the certificate, and ensures that
12 the renegotiated contract results in minimal or no additional costs
13 to the state. If a renegotiation cannot be completed that results
14 in minimal or no additional costs to the state, the department
15 shall rebid the contract for the workskills portion of the Michigan
16 merit exam (MME).

17 **ONE-TIME APPROPRIATIONS**

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

24 (a) Pilot the expansion of the child development and care
25 eligibility to children ages 0 to 3 for 1/2-day child care services

1 by increasing the household income entrance threshold to 300% of
2 the federal poverty guidelines.

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

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

9 (3) Each month, the department shall create a report
10 concerning each city where there is a drinking water declaration of
11 emergency or where a drinking water declaration of emergency has
12 been lifted and the department continues to spend funds under this
13 section. The report shall include, but is not limited to, all of
14 the following:

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

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

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

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

26 (e) The number of children receiving referrals for additional
27 screenings, assessments, or services that are ages 0 to 3 in the

1 city served by the child development and care program.

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

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

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

11 (i) The number of child care providers that were provided
12 training on identifying the impacts of lead exposure, as well as
13 related developmental delays that are serving children ages 0 to 3
14 in the city participating in the child development and care
15 program.

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

23 (4) The report created under subsection (3) shall be sent to
24 the state budget director, the house and senate appropriations
25 subcommittees that oversee the department's budget, and the house
26 and senate fiscal agencies by the first of every month until the
27 department has spent all of the money appropriated in part 1 for a

1 drinking water declaration of emergency.

2 ARTICLE VII

3 DEPARTMENT OF ENVIRONMENTAL QUALITY

4 PART 1

5 LINE-ITEM APPROPRIATIONS

6 Sec. 101. There is appropriated for the department of
7 environmental quality for the fiscal year ending September 30,
8 2018, from the following funds:

9 **DEPARTMENT OF ENVIRONMENTAL QUALITY**

10	Full-time equated unclassified positions.....	6.0	
11	Full-time equated classified positions.....	1,239.0	
12	GROSS APPROPRIATION		\$ 509,267,700
13	Interdepartmental grant revenues:		
14	Total interdepartmental grants and intradepartmental		
15	transfers.....		3,100,500
16	ADJUSTED GROSS APPROPRIATION		\$ 506,167,200
17	Federal revenues:		
18	Total federal revenues		170,042,600
19	Special revenue funds:		
20	Total local revenues		0
21	Total private revenues		555,300
22	Total other state restricted revenues		287,825,300
23	State general fund/general purpose		\$ 47,744,000
24	FUND SOURCE SUMMARY		
25	Full-time equated unclassified positions.....	6.0	

1	Full-time equated classified positions	1,239.0	
2	GROSS APPROPRIATION		\$ 509,267,700
3	Interdepartmental grant revenues:		
4	IDG from department of state police		1,754,600
5	IDG from state transportation department		1,345,900
6	Total interdepartmental grants and intradepartmental		
7	transfers.....		3,100,500
8	ADJUSTED GROSS APPROPRIATION		\$ 506,167,200
9	Federal revenues:		
10	Federal funds		170,042,600
11	Total federal revenues		170,042,600
12	Special revenue funds:		
13	Private funds		555,300
14	Total private revenues		555,300
15	Air emissions fees		12,224,200
16	Aquatic nuisance control fund		918,800
17	Campground fund		319,300
18	Clean Michigan initiative - clean water fund		3,417,100
19	Clean Michigan initiative - contaminated sediment		1,565,000
20	Clean Michigan initiative - nonpoint source		2,000,000
21	Cleanup and redevelopment fund		19,583,600
22	Community pollution prevention fund		250,000
23	Drinking water declaration of emergency reserve fund .		100
24	Electronic waste recycling fund		329,200
25	Environmental education fund		168,500
26	Environmental pollution prevention fund		6,676,100
27	Environmental protection fund		2,447,600

1	Environmental response fund	3,776,600
2	Fees and collections	391,900
3	Financial instruments	9,455,900
4	Great Lakes protection fund	392,800
5	Groundwater discharge permit fees	1,762,000
6	Infrastructure construction fund	50,900
7	Laboratory services fees	4,237,900
8	Land and water permit fees	3,247,600
9	Landfill maintenance trust fund	31,000
10	Lawsuit settlement proceeds fund	3,000,000
11	Medical waste emergency response fund	332,600
12	Metallic mining surveillance fee revenue	100,600
13	Mineral well regulatory fee revenue	220,400
14	Nonferrous metallic mineral surveillance	358,900
15	NPDES fees	4,567,100
16	Oil and gas regulatory fund	5,164,500
17	Orphan well fund	2,415,200
18	Public swimming pool fund	655,000
19	Public utility assessments	413,500
20	Public water supply fees	4,938,700
21	Refined petroleum fund	56,612,900
22	Revitalization revolving loan fund	103,100
23	Revolving loan revenue bonds	15,000,000
24	Sand extraction fee revenue	92,600
25	Scrap tire regulatory fund	5,095,100
26	Septage waste contingency fund	3,400
27	Septage waste program fund	525,900

1	Settlement funds	426,100
2	Sewage sludge land application fee	994,500
3	Small business pollution prevention revolving loan	
4	fund.....	165,700
5	Soil erosion and sedimentation control training fund .	169,900
6	Solid waste management fund - staff account	5,114,600
7	Stormwater permit fees	3,024,800
8	Strategic water quality initiatives fund	81,196,000
9	Underground storage tank cleanup fund	20,016,800
10	Wastewater operator training fees	588,600
11	Water analysis fees	2,249,300
12	Water pollution control revolving fund	647,300
13	Water quality protection fund	100,000
14	Water use reporting fees	286,100
15	Total other state restricted revenues	287,825,300
16	State general fund/general purpose	\$ 47,744,000
17	Sec. 102. DEPARTMENTAL ADMINISTRATION AND SUPPORT	
18	Full-time equated unclassified positions 6.0	
19	Full-time equated classified positions 51.0	
20	Unclassified salaries--6.0 FTE positions	\$ 776,600
21	Accounting service center	1,401,300
22	Administrative hearings	383,900
23	Central support services--34.0 FTE positions	7,184,100
24	Communications and community outreach--4.0 FTE	
25	positions.....	655,400
26	Environmental support projects	5,000,000
27	Executive direction--13.0 FTE positions	2,117,800

1	Facilities management	1,000,000
2	Property management	<u>7,070,500</u>
3	GROSS APPROPRIATION	\$ 25,589,600
4	Appropriated from:	
5	Interdepartmental grant revenues:	
6	IDG from department of state police	61,000
7	Federal revenues:	
8	Federal funds	27,600
9	Special revenue funds:	
10	Air emissions fees	1,309,700
11	Campground fund	14,700
12	Cleanup and redevelopment fund	1,516,900
13	Electronic waste recycling fund	15,300
14	Environmental pollution prevention fund	802,700
15	Environmental protection fund	319,800
16	Environmental response fund	525,500
17	Fees and collections	27,900
18	Financial instruments	7,298,800
19	Great Lakes protection fund	14,100
20	Groundwater discharge permit fees	209,200
21	Laboratory services fees	155,300
22	Land and water permit fees	590,400
23	Lawsuit settlement proceeds fund	3,000,000
24	Medical waste emergency response fund	16,700
25	Metallic mining surveillance fee revenue	4,700
26	Mineral well regulatory fee revenue	8,400
27	Nonferrous metallic mineral surveillance	800

1	NPDES fees	260,700
2	Oil and gas regulatory fund	1,004,800
3	Orphan well fund	49,100
4	Public swimming pool fund	25,500
5	Public utility assessments	20,200
6	Public water supply fees	274,800
7	Refined petroleum fund	2,497,500
8	Sand extraction fee revenue	3,900
9	Scrap tire regulatory fund	157,700
10	Septage waste program fund	18,700
11	Settlement funds	49,500
12	Sewage sludge land application fee	120,700
13	Small business pollution prevention revolving loan	
14	fund.....	18,000
15	Soil erosion and sedimentation control training fund .	17,600
16	Solid waste management fund - staff account	314,800
17	Stormwater permit fees	255,400
18	Wastewater operator training fees	32,100
19	Water analysis fees	141,300
20	Water use reporting fees	23,000
21	State general fund/general purpose	\$ 4,384,800
22	Sec. 103. OFFICE OF THE GREAT LAKES	
23	Full-time equated classified positions 11.0	
24	Coastal management grants	\$ 1,250,000
25	Office of the Great Lakes--11.0 FTE positions	<u>2,033,700</u>
26	GROSS APPROPRIATION	\$ 3,283,700
27	Appropriated from:	

1	Federal revenues:	
2	Federal funds	2,043,600
3	Special revenue funds:	
4	Great Lakes protection fund	371,100
5	Settlement funds	113,700
6	State general fund/general purpose	\$ 755,300
7	Sec. 104. GREAT LAKES RESTORATION INITIATIVE	
8	Full-time equated classified positions	6.0
9	Great Lakes restoration initiative--6.0 FTE positions	\$ <u>15,095,600</u>
10	GROSS APPROPRIATION	\$ 15,095,600
11	Appropriated from:	
12	Federal revenues:	
13	Federal funds	15,095,600
14	Special revenue funds:	
15	State general fund/general purpose	\$ 0
16	Sec. 105. OFFICE OF ENVIRONMENTAL ASSISTANCE	
17	Full-time equated classified positions	37.0
18	Office of environmental assistance--37.0 FTE positions	\$ 6,140,700
19	Pollution prevention local grants	<u>250,000</u>
20	GROSS APPROPRIATION	\$ 6,390,700
21	Appropriated from:	
22	Federal revenues:	
23	Federal funds	704,700
24	Special revenue funds:	
25	Private funds	364,200
26	Air emissions fees	138,500
27	Community pollution prevention fund	250,000

1	Environmental education fund	168,500
2	Environmental pollution prevention fund	1,507,300
3	Fees and collections	120,100
4	Settlement funds	262,900
5	Small business pollution prevention revolving loan	
6	fund.....	134,400
7	State general fund/general purpose \$	2,740,100
8	Sec. 106. WATER RESOURCES DIVISION	
9	Full-time equated classified positions 316.0	
10	Aquatic nuisance control program--6.0 FTE positions .. \$	918,800
11	Contaminated lake and river sediment cleanup program .	1,565,000
12	Expedited water/wastewater permits--1.0 FTE position .	50,900
13	Federal - Great Lakes remedial action plan grants	583,800
14	Federal - nonpoint source water pollution grants	4,083,300
15	Fish contaminant monitoring	316,100
16	Groundwater discharge permit program--22.0 FTE	
17	positions.....	3,214,800
18	Land and water interface permit programs--82.0 FTE	
19	positions.....	11,671,500
20	Nonpoint source pollution prevention and control	
21	project program.....	2,000,000
22	NPDES nonstormwater program--83.0 FTE positions	13,060,600
23	Program direction and project assistance--27.0 FTE	
24	positions.....	3,055,100
25	Real-time beach monitoring program	500,000
26	Surface water--86.0 FTE positions	15,557,000
27	Water quality and use initiative/general--5.0 FTE	

1	positions.....	1,645,700
2	Water quality protection grants	100,000
3	Water withdrawal assessment program--4.0 FTE positions	1,428,600
4	Wetland mitigation banking grants and loans	3,000,000
5	Wetlands program.....	<u>1,000,000</u>
6	GROSS APPROPRIATION	\$ 63,751,200
7	Appropriated from:	
8	Interdepartmental grant revenues:	
9	IDG from state transportation department	1,259,800
10	Federal revenues:	
11	Federal funds	20,268,800
12	Special revenue funds:	
13	Aquatic nuisance control fund	918,800
14	Clean Michigan initiative fund - clean water fund	3,417,100
15	Clean Michigan initiative fund - contaminated sediment	1,565,000
16	Clean Michigan initiative fund - nonpoint source	2,000,000
17	Environmental response fund	204,800
18	Groundwater discharge permit fees	1,457,300
19	Infrastructure construction fund	50,900
20	Land and water permit fees	2,313,200
21	NPDES fees	4,133,100
22	Refined petroleum fund	442,000
23	Sewage sludge land application fee	838,700
24	Soil erosion and sedimentation control training fund .	139,300
25	Stormwater permit fees	2,681,000
26	Strategic water quality initiatives fund	3,000,000
27	Wastewater operator training fees	283,700

1	Water pollution control revolving fund	140,100
2	Water quality protection fund	100,000
3	Water use reporting fees	246,700
4	State general fund/general purpose	\$ 18,290,900
5	Sec. 107. LAW ENFORCEMENT	
6	Full-time equated classified positions	14.0
7	Environmental investigations--14.0 FTE positions	\$ <u>2,830,100</u>
8	GROSS APPROPRIATION	\$ 2,830,100
9	Appropriated from:	
10	Federal revenues:	
11	Federal funds	575,600
12	Special revenue funds:	
13	Air emissions fees	57,200
14	Campground fund	2,100
15	Cleanup and redevelopment fund	188,200
16	Electronic waste recycling fund	1,600
17	Environmental pollution prevention fund	108,000
18	Environmental response fund	41,200
19	Fees and collections	4,100
20	Financial instruments	521,600
21	Great Lakes protection fund	1,500
22	Groundwater discharge permit fees	18,800
23	Laboratory services fees	15,800
24	Land and water permit fees	78,300
25	Medical waste emergency response fund	2,400
26	Metallic mining surveillance fee revenue	700
27	Mineral well regulatory fee revenue	1,200

1	NPDES fees	32,300
2	Oil and gas regulatory fund	87,300
3	Orphan well fund	7,100
4	Public swimming pool fund	3,700
5	Public utility assessments	2,000
6	Public water supply fees	26,500
7	Refined petroleum fund	364,700
8	Sand extraction fee revenue	600
9	Scrap tire regulatory fund	29,400
10	Septage waste program fund	2,700
11	Sewage sludge land application fee	12,200
12	Small business pollution prevention revolving loan	
13	fund.....	2,600
14	Soil erosion and sedimentation control training fund .	2,600
15	Solid waste management fund - staff account	41,700
16	Stormwater permit fees	17,500
17	Wastewater operator training fees	4,600
18	Water analysis fees	18,200
19	Water use reporting fees	3,100
20	State general fund/general purpose	\$ 553,000
21	Sec. 108. AIR QUALITY DIVISION	
22	Full-time equated classified positions	189.0
23	Air quality programs--189.0 FTE positions	\$ <u>27,132,400</u>
24	GROSS APPROPRIATION	\$ 27,132,400
25	Appropriated from:	
26	Federal revenues:	
27	Federal funds	7,196,800

1	Special revenue funds:	
2	Air emissions fees	10,052,400
3	Fees and collections	205,300
4	Oil and gas regulatory fund	136,400
5	Public utility assessments	150,000
6	Refined petroleum fund	3,577,500
7	State general fund/general purpose	\$ 5,814,000
8	Sec. 109. RESOURCE MANAGEMENT DIVISION	
9	Full-time equated classified positions	314.0
10	Drinking water and environmental health--115.0 FTE	
11	positions.....	\$ 16,282,500
12	Drinking water program grants	830,000
13	Hazardous waste management program--45.0 FTE positions	6,506,900
14	Low-level radioactive waste authority--2.0 FTE	
15	positions.....	233,400
16	Medical waste program--2.0 FTE positions	303,500
17	Municipal assistance--29.0 FTE positions	4,818,800
18	Noncommunity water grants	1,905,700
19	Oil, gas, and mineral services--59.0 FTE positions ...	6,680,900
20	Radiological protection program--12.0 FTE positions ..	1,977,200
21	Recycling initiative--3.0 FTE positions	1,011,800
22	Scrap tire grants	3,500,000
23	Scrap tire regulatory program--10.0 FTE positions	1,343,700
24	Septage waste compliance grants	275,000
25	Solid waste management program--37.0 FTE positions ...	5,077,800
26	Strategic water quality initiative grants and loans ..	62,000,000
27	Water state revolving funds	<u>120,000,000</u>

1	GROSS APPROPRIATION	\$ 232,747,200
2	Appropriated from:	
3	Interdepartmental grant revenues:	
4	IDG from department of state police	1,667,800
5	Federal revenues:	
6	Federal funds	116,450,300
7	Special revenue funds:	
8	Campground fund	294,100
9	Electronic waste recycling fund	305,800
10	Environmental pollution prevention fund	3,798,700
11	Fees and collections	34,500
12	Medical waste emergency response fund	303,500
13	Metallic mining surveillance fee revenue	92,500
14	Mineral well regulatory fee revenue	205,900
15	Nonferrous metallic mineral surveillance	357,800
16	Oil and gas regulatory fund	3,609,400
17	Orphan well fund	2,329,500
18	Public swimming pool fund	610,700
19	Public utility assessments	233,400
20	Public water supply fees	4,178,900
21	Refined petroleum fund	688,700
22	Revolving loan revenue bonds	15,000,000
23	Sand extraction fee revenue	85,800
24	Scrap tire regulatory fund	4,843,700
25	Septage waste contingency fund	3,400
26	Septage waste program fund	493,200
27	Solid waste management fund - staff account	4,586,900

1	Strategic water quality initiatives fund	63,196,000
2	Wastewater operator training fees	249,000
3	Water pollution control revolving fund	499,800
4	State general fund/general purpose	\$ 8,627,900
5	Sec. 110. REMEDIATION AND REDEVELOPMENT DIVISION	
6	Full-time equated classified positions 296.0	
7	Contaminated site investigations, cleanup and	
8	revitalization--132.0 FTE positions	\$ 15,397,800
9	Emergency cleanup actions	3,000,000
10	Environmental cleanup and redevelopment program	15,000,000
11	Environmental cleanup support	1,840,000
12	Federal cleanup project management--40.0 FTE positions	6,986,500
13	Laboratory services--39.0 FTE positions	6,328,000
14	Refined petroleum product cleanup program--85.0 FTE	
15	positions.....	34,491,100
16	Superfund cleanup	<u>1,000,000</u>
17	GROSS APPROPRIATION	\$ 84,043,400
18	Appropriated from:	
19	Federal revenues:	
20	Federal funds	6,354,900
21	Special revenue funds:	
22	Private funds	191,100
23	Cleanup and redevelopment fund	17,086,300
24	Environmental protection fund	2,040,400
25	Environmental response fund	2,839,500
26	Laboratory services fees	4,002,000
27	Landfill maintenance trust fund	31,000

1	Public water supply fees	310,500
2	Refined petroleum fund	32,457,100
3	Revitalization revolving loan fund	103,100
4	Strategic water quality initiatives fund	15,000,000
5	Water analysis fees	2,015,500
6	State general fund/general purpose	\$ 1,612,000
7	Sec. 111. UNDERGROUND STORAGE TANK AUTHORITY	
8	Full-time equated classified positions	5.0
9	Underground storage tank cleanup program--5.0 FTE	
10	positions	\$ <u>20,016,800</u>
11	GROSS APPROPRIATION	\$ 20,016,800
12	Appropriated from:	
13	Special revenue funds:	
14	Underground storage tank cleanup fund	20,016,800
15	State general fund/general purpose	\$ 0
16	Sec. 112. INFORMATION TECHNOLOGY	
17	Information technology services and projects	\$ <u>8,986,900</u>
18	GROSS APPROPRIATION	\$ 8,986,900
19	Appropriated from:	
20	Interdepartmental grant revenues:	
21	IDG from department of state police	25,800
22	IDG from state transportation department	86,100
23	Federal revenues:	
24	Federal funds	1,324,700
25	Special revenue funds:	
26	Air emission fees	666,400
27	Campground fund	8,400

1	Cleanup and redevelopment fund	792,200
2	Electronic waste recycling fund	6,500
3	Environmental pollution prevention fund	459,400
4	Environmental protection fund	87,400
5	Environmental response fund	165,600
6	Financial instruments	1,635,500
7	Great Lakes protection fund	6,100
8	Groundwater discharge permit fees	76,700
9	Laboratory services fees	64,800
10	Land and water permit fees	265,700
11	Medical waste emergency response fund	10,000
12	Metallic mining surveillance fee revenue	2,700
13	Mineral well regulatory fee revenue	4,900
14	Nonferrous metallic mineral surveillance	300
15	NPDES fees	141,000
16	Oil and gas regulatory fund	326,600
17	Orphan well fund	29,500
18	Public swimming pool fund	15,100
19	Public utility assessments	7,900
20	Public water supply fees	148,000
21	Refined petroleum fund	1,685,400
22	Sand extraction fee revenue	2,300
23	Scrap tire regulatory fund	64,300
24	Septage waste program fund	11,300
25	Sewage sludge land application fee	22,900
26	Small business pollution prevention revolving loan	
27	fund.....	10,700

1	Soil erosion and sedimentation control training fund .	10,400
2	Solid waste management fund - staff account	171,200
3	Stormwater permit fees	70,900
4	Wastewater operator training fees	19,200
5	Water analysis fees	74,300
6	Water pollution control revolving fund	7,400
7	Water use reporting fees	13,300
8	State general fund/general purpose \$	466,000
9	Sec. 113. ONE-TIME APPROPRIATIONS	
10	Drill core storage facility \$	500,000
11	Drinking water declaration of emergency	100
12	Oil, gas, and mineral services (one-time)	4,000,000
13	Refined petroleum product cleanup program	<u>14,900,000</u>
14	GROSS APPROPRIATION \$	19,400,100
15	Appropriated from:	
16	Special revenue funds:	
17	Drinking water declaration of emergency reserve fund .	100
18	Refined petroleum fund	14,900,000
19	State general fund/general purpose \$	4,500,000

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FOR FISCAL YEAR 2017-2018

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources

under part 1 for fiscal year 2017-2018 is \$335,569,300.00 and state spending from state resources to be paid to local units of government for fiscal year 2017-2018 is \$4,531,000.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF ENVIRONMENTAL QUALITY

Drinking water program grants	\$	600,000
Emergency cleanup actions.		106,000
Noncommunity water grants.		1,800,000
Scrap tire grants.		500,000
Pollution prevention local grants.		250,000
Real-time beach monitoring program.		500,000
Septage waste compliance grants.		100,000
Recycling initiative.		450,000
Medical waste program.		65,000
Surface water.		<u>160,000</u>
TOTAL	\$	4,531,000

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

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

- (a) "Department" means the department of environmental quality.
- (b) "Director" means the director of the department.
- (c) "FTE" means full-time equated.
- (d) "IDG" means interdepartmental grant.
- (e) "NPDES" means national pollution discharge elimination

1 system.

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

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

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

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

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

7 (a) The dates of each travel occurrence.

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

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

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

27 Sec. 210. (1) In addition to the funds appropriated in part 1,

1 there is appropriated an amount not to exceed \$30,000,000.00 for
2 federal contingency funds. These funds are not available for
3 expenditure until they have been transferred to another line item
4 in part 1 under section 393(2) of the management and budget act,
5 1984 PA 431, MCL 18.1393.

6 (2) In addition to the funds appropriated in part 1, there is
7 appropriated an amount not to exceed \$5,000,000.00 for state
8 restricted contingency funds. These funds are not available for
9 expenditure until they have been transferred to another line item
10 in part 1 under section 393(2) of the management and budget act,
11 1984 PA 431, MCL 18.1393.

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

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

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

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

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

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

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

8 (e) Job specifications and wage rates.

9 Sec. 212. Within 14 days after the release of the executive
10 budget recommendation, the department shall cooperate with the
11 state budget office to provide the senate and house appropriations
12 chairs, the senate and house appropriations subcommittee chairs,
13 and the senate and house fiscal agencies with an annual report on
14 estimated state restricted fund balances, state restricted fund
15 projected revenues, and state restricted fund expenditures for the
16 fiscal years ending September 30, 2017 and September 30, 2018.

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

21 Sec. 214. Total authorized appropriations from all sources
22 under part 1 for legacy costs for the fiscal year ending September
23 30, 2018 are \$32,219,000.00. From this amount, total agency
24 appropriations for pension-related legacy costs are estimated at
25 \$16,580,100.00. Total agency appropriations for retiree health care
26 legacy costs are estimated at \$15,638,900.00.

27 Sec. 216. (1) The department shall report all of the following

1 information relative to allocations made from appropriations for
2 the environmental cleanup and redevelopment program, state cleanup,
3 emergency actions, superfund cleanup, the revitalization revolving
4 loan program, the brownfield grants and loans program, the leaking
5 underground storage tank cleanup program, the contaminated lake and
6 river sediments cleanup program, the refined petroleum product
7 cleanup program, and the environmental protection bond projects
8 under section 19508(7) of the natural resources and environmental
9 protection act, 1994 PA 451, MCL 324.19508, to the state budget
10 director, the senate and house appropriations subcommittees on
11 environmental quality, and the senate and house fiscal agencies:

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

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

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

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

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

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

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

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

27 (a) The status of all state-owned facilities that are on the

1 list compiled under part 201 of the natural resources and
2 environmental protection act, 1994 PA 451, MCL 324.20101 to
3 324.20142.

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

7 (c) The total amount of bonds issued for the environmental
8 protection bond program pursuant to part 193 of the natural
9 resources and environmental protection act, 1994 PA 451, MCL
10 324.19301 to 324.19306, and bonds issued pursuant to the clean
11 Michigan initiative act, 1998 PA 284, MCL 324.95101 to 324.95108.

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

14 Sec. 217. (1) The department may expend amounts remaining from
15 the current and prior fiscal year appropriations to meet funding
16 needs of legislatively approved sites for the environmental cleanup
17 and redevelopment program, the refined petroleum product cleanup
18 program, brownfield grants and loans, waterfront grants, and the
19 environmental bond site reclamation program.

20 (2) Unexpended and unencumbered amounts remaining from
21 appropriations from the environmental protection bond fund
22 contained in 2003 PA 173, 2005 PA 109, 2006 PA 343, 2011 PA 63, and
23 2012 PA 236 are appropriated for expenditure for any site listed in
24 this part and part 1 and any site listed in the public acts
25 referenced in this section.

26 (3) Unexpended and unencumbered amounts remaining from
27 appropriations from the clean Michigan initiative fund - response

activities contained in 2000 PA 52, 2004 PA 309, 2005 PA 11, 2006 PA 343, 2007 PA 121, 2011 PA 63, 2013 PA 59, 2014 PA 252, 2015 PA 84, and 2016 PA 268 are appropriated for expenditure for any site listed in this part and part 1 and any site listed in the public acts referenced in this section.

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

(5) Unexpended and unencumbered amounts remaining from the appropriations from the strategic water quality initiatives fund contained in 2011 PA 50, 2011 PA 63, 2012 PA 200, 2013 PA 59, 2014 PA 252, 2015 PA 84, and 2016 PA 268 are appropriated for expenditure for any site listed in this part and part 1 and any site listed in the public acts referenced in this section.

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

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

Sec. 221. (1) Funds appropriated in part 1 shall not be used by the department to promulgate a rule that will apply to a small

1 business and that will have a disproportionate economic impact on
2 small businesses because of the size of those businesses if the
3 department fails to reduce the disproportionate economic impact of
4 the rule on small businesses as provided under section 40 of the
5 administrative procedures act of 1969, 1969 PA 306, MCL 24.240.

6 (2) As used in this section:

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

9 (b) "Small business" means that term as defined under section
10 7a of the administrative procedures act of 1969, 1969 PA 306, MCL
11 24.207a.

12 Sec. 235. The department shall prepare an annual report to the
13 legislature by January 1, 2018 that details all of the following
14 for each of the allocations from the clean Michigan initiative bond
15 fund as described in section 19607(1)(a) to (i) of the natural
16 resources and environmental protection act, 1994 PA 451, MCL
17 324.19607:

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

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

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

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

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

1 Sec. 236. The department shall provide a report detailing the
2 expenditure of departmental funds appropriated in 2015 PA 143, 2016
3 PA 3, 2016 PA 268, and 2016 PA 340. The report shall include the
4 following:

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

6 (b) The purpose for each expenditure.

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

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

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

12 Sec. 237. From the funds appropriated in part 1, the
13 department shall be responsible for the necessary and reasonable
14 attorney fees and costs incurred by private and independent legal
15 counsel chosen by current and former classified and unclassified
16 department employees in the defense of the department employees
17 named as a party in any state or federal lawsuits or investigations
18 related to the city of Flint municipal water system.

19 REMEDIATION DIVISION

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

23 Sec. 302. The unexpended funds appropriated in part 1 for
24 emergency cleanup actions, the environmental cleanup and
25 redevelopment program, and the refined petroleum product cleanup
26 program are considered work project appropriations and any

1 unencumbered or unallotted funds are carried forward into the
2 succeeding fiscal year. The following is in compliance with section
3 451a(1) of the management and budget act, 1984 PA 431, MCL
4 18.1451a:

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

7 (b) The projects will be accomplished by contract.

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

10 (d) The tentative completion date is September 30, 2022.

11 Sec. 303. Effective October 1, 2017, surplus funds not to
12 exceed \$1,000,000.00 in the cleanup and redevelopment trust fund
13 are appropriated to the environmental protection fund created in
14 section 503a of the natural resources and environmental protection
15 act, 1994 PA 451, MCL 324.503a.

16 Sec. 304. Effective October 1, 2017, surplus funds not to
17 exceed \$1,000,000.00 in the community pollution prevention fund
18 created in section 3f of 1976 IL 1, MCL 445.573f, are appropriated
19 to the environmental protection fund created in section 503a of the
20 natural resources and environmental protection act, 1994 PA 451,
21 MCL 324.503a.

22 Sec. 305. It is the intent of the legislature to repay the
23 refined petroleum fund for the \$70,000,000.00 that was transferred
24 to the environmental protection fund created in section 503a of the
25 natural resources and environmental protection act, 1994 PA 451,
26 MCL 324.503a, as part of the resolution for the fiscal year 2006-
27 2007 budget.

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

6 (2) By November 1, the department shall provide a report to
7 the house and senate subcommittees on environmental quality and the
8 state budget director on the refined petroleum product cleanup
9 program containing the following information:

10 (a) A list of sites the department intends to work on during
11 the current fiscal year, including the fiscal year the project
12 began.

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

15 (c) A list of sites the department closed during the previous
16 fiscal year.

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

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

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

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

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

4 Sec. 313. From the funds appropriated in part 1 for the vapor
5 intrusion program, the department shall investigate sites to
6 determine whether chemical vapors have migrated from the original
7 location of exposure. The purpose of this program is to evaluate,
8 investigate, and mitigate sites statewide where vapor intrusion
9 issues are or may be present.

10 Sec. 314. (1) From the funds appropriated in part 1 from the
11 refined petroleum fund for the refined petroleum product cleanup
12 program, the department shall expend an amount not to exceed
13 \$36,000,000.00 for reimbursements to owners and operators of
14 underground storage tank systems that have performed corrective
15 actions but do not qualify for reimbursement under section 21510 of
16 the natural resources and environmental protection act, 1994 PA
17 451, MCL 324.21510, due to the date the release was discovered and
18 reported.

19 (2) As used in this section:

20 (a) "Corrective action" means that term as defined in section
21 21302 of the natural resources and environmental protection act,
22 1994 PA 451, MCL 324.21302.

23 (b) "Operator", "owner", and "underground storage tank system"
24 mean those terms as defined in section 21303 of the natural
25 resources and environmental protection act, 1994 PA 451, MCL
26 324.21303.

1 **WATER RESOURCES DIVISION**

2 Sec. 405. If a certified health department does not exist in a
3 city, county, or district or does not fulfill its responsibilities
4 under part 117 of the natural resources and environmental
5 protection act, 1994 PA 451, MCL 324.11701 to 324.11720, then the
6 department may spend funds appropriated in part 1 under the septage
7 waste compliance program in accordance with section 11716 of the
8 natural resources and environmental protection act, 1994 PA 451,
9 MCL 324.11716.

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

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

18 (b) The projects will be accomplished by contract.

19 (c) The total estimated cost of all projects is \$1,565,000.00.

20 (d) The tentative completion date is September 30, 2022.

21 Sec. 410. From the funds appropriated in part 1, the
22 department shall compile a report on the status of the
23 implementation plan for the western Lake Erie basin collaborative
24 agreement. In an effort to learn more about the presence and timing
25 of harmful algal blooms, the report shall contain all of the
26 following:

27 (a) An estimated cost of removal of total phosphorus per pound

1 at the 4 major wastewater treatment plants.

2 (b) A description of the grants that have been awarded.

3 (c) A description of the work that has commenced on the issue
4 of dissolved reactive phosphorus, the expected objectives and
5 outcomes of that work, and a list of the parties involved in that
6 effort.

7 (d) A description of the efforts and outcomes aimed at the
8 total phosphorus reduction for the River Raisin watershed.

9 Sec. 411. For the state fiscal year ending September 30, 2018,
10 there is appropriated from the clean Michigan initiative bond fund
11 \$150,000.00 of revenues allocated for remediation of contaminated
12 lake and river sediments under sections 19607 and 19608 of the
13 natural resources and environmental protection act, 1994 PA 451,
14 MCL 324.19607 and 324.19608, for an engineering study pertaining to
15 the Allied Paper, Inc./Portage Creek/Kalamazoo River Superfund
16 site. This study may be conducted under contract by a private
17 engineering firm.

18 **RESOURCE MANAGEMENT DIVISION**

19 Sec. 603. From the funds appropriated in part 1, by December
20 31, 2017, the department shall compile and make available to the
21 public on a publicly accessible website a report containing a
22 summary document of each completed asset management plan for any
23 stormwater, asset management, or wastewater grant awarded to a
24 local unit of government to fund the development of a plan. As a
25 condition of receiving a stormwater, asset management, or
26 wastewater grant, a local unit of government shall make its asset

1 management plan available to the department upon request when
2 completed and shall retain copies of the plan that can be made
3 available to the public for a minimum of 15 years. The department
4 shall make available a summary document of each plan on a publicly
5 accessible website by September 30 of the year it was completed.
6 The summary document shall include a summary of the plan and
7 contact information for the local unit of government.

8 Sec. 604. From the funds appropriated in part 1, the
9 department will host training sessions to public water supply
10 owners and operators to provide technical assistance on the lead
11 and copper rule (LCR) of the safe drinking water act and contact
12 100% of public water supplies that are subject to the lead and
13 copper rule with information on current LCR requirements including
14 any modifications to Michigan's LCR and associated guidance and
15 policies. The purpose of the program is to ensure that water is in
16 accordance with the safe drinking water act.

17 **UNDERGROUND STORAGE TANK AUTHORITY**

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

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

26 (b) The projects will be accomplished by contract.

1 (c) The total estimated cost of all projects is
2 \$20,000,000.00.

3 (d) The tentative completion date is September 30, 2022.

4 ARTICLE VIII
5 GENERAL GOVERNMENT
6 PART 1
7 LINE-ITEM APPROPRIATIONS

8 Sec. 101. There is appropriated for the legislature, the
9 executive, the department of attorney general, the department of
10 state, the department of treasury, the department of technology,
11 management, and budget, the department of civil rights, the
12 department of talent and economic development, and certain state
13 purposes related thereto for the fiscal year ending September 30,
14 2018, from the following funds:

15 **TOTAL GENERAL GOVERNMENT**

16 APPROPRIATION SUMMARY

17	Full-time equated unclassified positions	50.0
18	Full-time equated classified positions	8,541.7
19	GROSS APPROPRIATION	\$ 5,043,406,200
20	Interdepartmental grant revenues:	
21	Total interdepartmental grants and intradepartmental	
22	transfers.....	782,493,800
23	ADJUSTED GROSS APPROPRIATION	\$ 4,260,912,400
24	Federal revenues:	
25	Total federal revenues	807,906,500

1 Special revenue funds:

2	Total local revenues	17,332,700
3	Total private revenues	6,244,900
4	Total other state restricted revenues	2,183,798,700
5	State general fund/general purpose	\$ 1,245,629,600

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

7 **(1) APPROPRIATION SUMMARY**

8 Full-time equated unclassified positions 6.0

9 Full-time equated classified positions 530.0

10	GROSS APPROPRIATION	\$ 101,198,800
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11 Interdepartmental grant revenues:

12	Total interdepartmental grants and intradepartmental	
13	transfers.....	29,915,300

14	ADJUSTED GROSS APPROPRIATION	\$ 71,283,500
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15 Federal revenues:

16	Total federal revenues	9,518,000
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17 Special revenue funds:

18	Total local revenues	0
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19	Total private revenues	0
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20	Total other state restricted revenues	21,516,900
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21	State general fund/general purpose	\$ 40,248,600
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22 **(2) ATTORNEY GENERAL OPERATIONS**

23 Full-time equated unclassified positions 6.0

24 Full-time equated classified positions 530.0

25	Attorney general	\$ 112,500
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26	Unclassified positions--5.0 FTE positions	776,600
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1	Attorney general operations--487.0 FTE positions	89,145,900
2	Child support enforcement--25.0 FTE positions	3,525,000
3	Prosecuting attorneys coordinating council--12.0 FTE	
4	positions.....	2,155,500
5	Public safety initiative--1.0 FTE position	906,200
6	Sexual assault law enforcement--5.0 FTE positions	<u>1,716,400</u>
7	GROSS APPROPRIATION	\$ 98,338,100
8	Appropriated from:	
9	Interdepartmental grant revenues:	
10	IDG from MDOC	664,500
11	IDG from MDE	599,200
12	IDG from MDEQ	2,020,000
13	IDG from MDHHS, health policy	208,400
14	IDG from MDHHS, human services	5,975,300
15	IDG from MDHHS, medical services administration	694,200
16	IDG from MDHHS, WIC	154,500
17	IDG from MDIFS, financial and insurance services	1,218,700
18	IDG from MDLARA, fireworks safety fund	83,600
19	IDG from MDLARA, health professions	3,055,400
20	IDG from MDLARA, licensing and regulation fees	337,300
21	IDG from MDLARA, Michigan occupational safety and	
22	health administration.....	107,700
23	IDG from MDLARA, remonumentation fees	106,700
24	IDG from MDLARA, securities fees	189,600
25	IDG from MDLARA, unlicensed builders	1,071,500
26	IDG from MDMVA	166,100
27	IDG from MDOS, children's protection registry	45,000

1	IDG from MDOT, comprehensive transportation fund	205,000
2	IDG from MDOT, state aeronautics fund	179,400
3	IDG from MDOT, state trunkline fund	2,447,600
4	IDG from MDSP	260,100
5	IDG from MDTED, workforce development agency	89,800
6	IDG from MDTMB	466,500
7	IDG from MDTMB, civil service commission	307,400
8	IDG from MDTMB, risk management revolving fund	1,478,100
9	IDG from Michigan state housing development authority	682,100
10	IDG from treasury	6,920,600
11	IDG from TED, Michigan strategic fund	181,000
12	Federal revenues:	
13	DAG, state administrative match grant/food stamps	137,000
14	Federal funds	3,163,600
15	HHS, medical assistance, medigraunt	386,500
16	HHS-OS, state Medicaid fraud control units	5,709,700
17	National criminal history improvement program	121,200
18	Special revenue funds:	
19	Antitrust enforcement collections	766,100
20	Attorney general's operations fund	767,000
21	Auto repair facilities fees	328,900
22	Franchise fees	384,900
23	Game and fish protection fund	756,300
24	Human trafficking commission fund	390,000
25	Lawsuit settlement proceeds fund	2,180,000
26	Liquor purchase revolving fund	1,470,500
27	Marihuana regulatory fund	375,000

1	Merit award trust fund	499,500
2	Michigan employment security act - administrative fund	2,255,100
3	Michigan state waterways fund	141,000
4	Mobile home code fund	251,300
5	Prisoner reimbursement	627,400
6	Prosecuting attorneys training fees	411,900
7	Public utility assessments	2,090,100
8	Real estate enforcement fund	100,700
9	Reinstatement fees	259,700
10	Retirement funds	1,051,200
11	Second injury fund	824,400
12	Self-insurers security fund	572,900
13	Silicosis and dust disease fund	226,100
14	State building authority revenue	121,600
15	State casino gaming fund	1,875,300
16	State lottery fund	348,700
17	Student safety fund	470,000
18	Utility consumers fund	1,000,000
19	Worker's compensation administrative revolving fund ..	371,300
20	State general fund/general purpose	\$ 37,987,900
21	(3) INFORMATION TECHNOLOGY	
22	Information technology services and projects	\$ <u>1,560,700</u>
23	GROSS APPROPRIATION	\$ 1,560,700
24	Appropriated from:	
25	State general fund/general purpose	\$ 1,560,700
26	(4) ONE-TIME APPROPRIATIONS	
27	Prosecuting attorneys coordinating council juvenile	

1	life without parole.....	\$	700,000
2	Prosecuting attorneys coordinating council NextGen IT		
3	system.....		<u>600,000</u>
4	GROSS APPROPRIATION	\$	1,300,000
5	Appropriated from:		
6	Special revenue funds:		
7	Lawsuit settlement proceeds fund		600,000
8	State general fund/general purpose	\$	700,000
9	Sec. 103. DEPARTMENT OF CIVIL RIGHTS		
10	(1) APPROPRIATION SUMMARY		
11	Full-time equated unclassified positions.....	6.0	
12	Full-time equated classified positions.....	110.0	
13	GROSS APPROPRIATION	\$	16,249,600
14	Interdepartmental grant revenues:		
15	Total interdepartmental grants and intradepartmental		
16	transfers.....		296,600
17	ADJUSTED GROSS APPROPRIATION	\$	15,953,000
18	Federal revenues:		
19	Total federal revenues		2,775,800
20	Special revenue funds:		
21	Total local revenues		0
22	Total private revenues		18,700
23	Total other state restricted revenues		151,900
24	State general fund/general purpose	\$	13,006,600
25	(2) CIVIL RIGHTS OPERATIONS		
26	Full-time equated unclassified positions.....	6.0	

1	Full-time equated classified positions	110.0	
2	Unclassified positions--6.0 FTE positions		\$ 680,100
3	Civil rights operations--104.0 FTE positions		13,906,500
4	Division on deaf, deaf/blind, and hard of hearing--6.0		
5	FTE positions		<u>800,400</u>
6	GROSS APPROPRIATION		\$ 15,387,000
7	Appropriated from:		
8	Interdepartmental grant revenues:		
9	IDG from DTMB		296,600
10	Federal revenues:		
11	EEOC, state and local antidiscrimination agency		
12	contracts		1,217,300
13	HUD, grant		1,543,500
14	Special revenue funds:		
15	Private revenues		18,700
16	Division on deafness fund		93,400
17	State restricted indirect funds		58,500
18	State general fund/general purpose		\$ 12,159,000
19	(3) INFORMATION TECHNOLOGY		
20	Information technology services and projects		\$ <u>712,600</u>
21	GROSS APPROPRIATION		\$ 712,600
22	Appropriated from:		
23	Federal revenues:		
24	EEOC, state and local antidiscrimination agency		
25	contracts		15,000
26	State general fund/general purpose		\$ 697,600
27	(4) ONE-TIME APPROPRIATIONS		

1	Deaf, deaf/blind, and hard of hearing needs assessment	\$	<u>150,000</u>
2	GROSS APPROPRIATION	\$	150,000
3	Appropriated from:		
4	State general fund/general purpose	\$	150,000
5	Sec. 104. EXECUTIVE OFFICE		
6	(1) APPROPRIATION SUMMARY		
7	Full-time equated unclassified positions	10.0	
8	Full-time equated classified positions	79.2	
9	GROSS APPROPRIATION	\$	6,848,500
10	Interdepartmental grant revenues:		
11	Total interdepartmental grants and intradepartmental		
12	transfers		0
13	ADJUSTED GROSS APPROPRIATION	\$	6,848,500
14	Federal revenues:		
15	Total federal revenues		0
16	Special revenue funds:		
17	Total local revenues		0
18	Total private revenues		0
19	Total other state restricted revenues		0
20	State general fund/general purpose	\$	6,848,500
21	(2) EXECUTIVE OFFICE OPERATIONS		
22	Full-time equated unclassified positions	10.0	
23	Full-time equated classified positions	79.2	
24	Governor	\$	159,300
25	Lieutenant governor		111,600
26	Unclassified positions--8.0 FTE positions		1,307,300

1	Executive office--79.2 FTE positions	<u>5,270,300</u>
2	GROSS APPROPRIATION	\$ 6,848,500
3	Appropriated from:	
4	State general fund/general purpose	\$ 6,848,500
5	Sec. 105. LEGISLATURE	
6	(1) APPROPRIATION SUMMARY	
7	GROSS APPROPRIATION	\$ 179,561,000
8	Interdepartmental grant revenues:	
9	Total interdepartmental grants and intradepartmental	
10	transfers.....	5,709,200
11	ADJUSTED GROSS APPROPRIATION	\$ 173,851,800
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	6,247,100
18	State general fund/general purpose	\$ 167,204,700
19	(2) LEGISLATURE	
20	Senate	\$ 35,835,600
21	Senate automated data processing	2,600,000
22	Senate fiscal agency	3,874,100
23	House of representatives	55,113,500
24	House automated data processing	2,600,000
25	House fiscal agency	<u>3,874,100</u>
26	GROSS APPROPRIATION	\$ 103,897,300

1	Appropriated from:		
2	State general fund/general purpose	\$	103,897,300
3	(3) LEGISLATIVE COUNCIL		
4	Legislative corrections ombudsman	\$	958,400
5	Worker's compensation		151,400
6	Legislative service bureau automated data processing .		1,690,000
7	Legislative council		12,421,300
8	National association dues		454,700
9	Michigan veterans facility ombudsman		<u>300,000</u>
10	GROSS APPROPRIATION	\$	15,975,800
11	Appropriated from:		
12	Special revenue funds:		
13	Private - gifts and bequests revenues		400,000
14	State general fund/general purpose	\$	15,575,800
15	(4) LEGISLATIVE RETIREMENT SYSTEM		
16	General nonretirement expenses	\$	<u>5,062,100</u>
17	GROSS APPROPRIATION	\$	5,062,100
18	Appropriated from:		
19	Special revenue funds:		
20	Court fees		1,177,700
21	State general fund/general purpose	\$	3,884,400
22	(5) PROPERTY MANAGEMENT		
23	Cora Anderson Building	\$	11,769,500
24	Senate Office Building and other properties		<u>8,030,000</u>
25	GROSS APPROPRIATION	\$	19,799,500
26	Appropriated from:		
27	State general fund/general purpose	\$	19,799,500

1 **(6) STATE CAPITOL HISTORIC SITE**

2	General operations	\$	4,440,000
3	Bond/lease obligations		100
4	Restoration, renewal, and maintenance		<u>3,100,000</u>
5	GROSS APPROPRIATION	\$	7,540,100
6	Appropriated from:		
7	Special revenue funds:		
8	Capitol historic site fund		3,100,000
9	State general fund/general purpose	\$	4,440,100

10 **(7) OFFICE OF THE AUDITOR GENERAL**

11	Unclassified positions	\$	339,200
12	Field operations		<u>23,947,000</u>
13	GROSS APPROPRIATION	\$	24,286,200
14	Appropriated from:		
15	Interdepartmental grant revenues:		
16	IDG from MDHHS, human services		30,600
17	IDG from MDLARA, liquor purchase revolving fund		28,700
18	IDG from MDOT, comprehensive transportation fund		39,000
19	IDG from MDOT, Michigan transportation fund		315,800
20	IDG from MDOT, state aeronautics fund		30,300
21	IDG from MDOT, state trunkline fund		733,500
22	IDG, legislative retirement system		29,200
23	IDG, single audit act		2,913,100
24	IDG, commercial mobile radio system emergency		
25	telephone fund.....		36,800
26	IDG, contract audit administration fees		50,000
27	IDG, deferred compensation funds		60,000

1	IDG, Michigan finance authority	330,800
2	IDG, Michigan economic development corporation	96,300
3	IDG, Michigan education trust fund	70,800
4	IDG, Michigan justice training commission fund	40,900
5	IDG, Michigan strategic fund	169,100
6	IDG, office of retirement services	550,000
7	IDG, other restricted funding sources	184,300
8	Special revenue funds:	
9	21st century jobs trust fund	96,300
10	Brownfield development fund	28,100
11	Clean Michigan initiative implementation bond fund ...	54,500
12	Game and fish protection fund	31,300
13	MDTMB, civil service commission	166,200
14	Michigan state housing development authority fees	113,500
15	Michigan veterans' trust fund	35,500
16	Motor transport revolving fund	7,400
17	Office services revolving fund	10,000
18	State disbursement unit, office of child support	57,400
19	State services fee fund	1,357,900
20	Waterways fund	11,300
21	State general fund/general purpose	\$ 16,607,600
22	(8) ONE-TIME APPROPRIATIONS	
23	Legislative information technology systems design	
24	project.....	\$ <u>3,000,000</u>
25	GROSS APPROPRIATION	\$ 3,000,000
26	Appropriated from:	
27	State general fund/general purpose	\$ 3,000,000

Sec. 106. DEPARTMENT OF STATE

(1) APPROPRIATION SUMMARY

Full-time equated unclassified positions 6.0

Full-time equated classified positions 1,586.0

GROSS APPROPRIATION \$ 249,358,500

Interdepartmental grant revenues:

Total interdepartmental grants and intradepartmental

transfers 20,000,000

ADJUSTED GROSS APPROPRIATION \$ 229,358,500

Federal revenues:

Total federal revenues 1,460,000

Special revenue funds:

Total local revenues 0

Total private revenues 50,100

Total other state restricted revenues 208,709,400

State general fund/general purpose \$ 19,139,000

(2) DEPARTMENTAL ADMINISTRATION AND SUPPORT

Full-time equated unclassified positions 6.0

Full-time equated classified positions 140.0

Secretary of state \$ 112,500

Unclassified positions--5.0 FTE positions 647,700

Executive direction--30.0 FTE positions 4,590,000

Operations--110.0 FTE positions 25,420,300

GROSS APPROPRIATION \$ 30,770,500

Appropriated from:

Special revenue funds:

Abandoned vehicle fees 239,800

1	Children's protection registry fund	270,700
2	Driver fees	1,794,600
3	Driver improvement course fund	308,200
4	Enhanced driver license and enhanced official state	
5	personal identification card fund	548,800
6	Personal identification card fees	289,800
7	Reinstatement fees - operator licenses	791,700
8	Scrap tire fund	78,600
9	Transportation administration collection fund	24,258,000
10	State general fund/general purpose	\$ 2,190,300
11	(3) LEGAL SERVICES	
12	Full-time equated classified positions	94.0
13	Operations--94.0 FTE positions	\$ <u>14,940,200</u>
14	GROSS APPROPRIATION	\$ 14,940,200
15	Appropriated from:	
16	Special revenue funds:	
17	Auto repair facilities fees	2,941,100
18	Driver fees	2,145,000
19	Driver responsibility fees	1,000,000
20	Enhanced driver license and enhanced official state	
21	personal identification card fund	505,600
22	Reinstatement fees - operator licenses	959,400
23	Transportation administration collection fund	4,393,800
24	Vehicle theft prevention fees	1,089,200
25	State general fund/general purpose	\$ 1,906,100
26	(4) CUSTOMER DELIVERY SERVICES	
27	Full-time equated classified positions	1,307.0

1	Branch operations--925.0 FTE positions	\$	87,887,700
2	Central operations--380.0 FTE positions		50,617,300
3	Motorcycle safety education administration--2.0 FTE		
4	positions.....		337,500
5	Motorcycle safety education grants		1,800,000
6	Credit and debit assessment services		8,000,000
7	Organ donor program		<u>129,100</u>
8	GROSS APPROPRIATION	\$	148,771,600
9	Appropriated from:		
10	Interdepartmental grant revenues:		
11	IDG from MDOT, Michigan transportation fund		20,000,000
12	Federal revenues:		
13	Federal funds		1,460,000
14	Special revenue funds:		
15	Private funds		100
16	Thomas Daley gift of life fund		50,000
17	Abandoned vehicle fees		450,900
18	Auto repair facilities fees		901,900
19	Child support clearance fees		363,600
20	Credit and debit assessment service fee revenue		8,000,000
21	Driver education provider and instructor fund		75,000
22	Driver fees		24,616,300
23	Driver improvement course fund		1,227,600
24	Enhanced driver license and enhanced official state		
25	personal identification card fund.....		9,017,200
26	Expedient service fees		2,943,500
27	Marine safety fund		1,540,200

1	Michigan state police auto theft fund	123,700
2	Mobile home commission fees	507,500
3	Motorcycle safety fund	1,837,500
4	Off-road vehicle title fees	170,700
5	Parking ticket court fines	1,639,600
6	Personal identification card fees	2,362,500
7	Recreation passport fee revenue	1,000,000
8	Reinstatement fees - operator licenses	2,357,300
9	Snowmobile registration fee revenue	390,000
10	State lottery fund	1,015,800
11	Transportation administration collection fund	61,960,100
12	Vehicle theft prevention fees	786,000
13	State general fund/general purpose	\$ 3,974,600
14	(5) ELECTION REGULATION	
15	Full-time equated classified positions	45.0
16	Election administration and services--45.0 FTE	
17	positions	\$ 7,209,800
18	County clerk education and training fund	100,000
19	Fees to local units	<u>109,800</u>
20	GROSS APPROPRIATION	\$ 7,419,600
21	Appropriated from:	
22	Special revenue funds:	
23	Notary education and training fund	100,000
24	Notary fee fund	343,500
25	State general fund/general purpose	\$ 6,976,100
26	(6) DEPARTMENTWIDE APPROPRIATIONS	
27	Property management	\$ 9,758,300

1	Worker's compensation	<u>246,200</u>
2	GROSS APPROPRIATION	\$ 10,004,500
3	Appropriated from:	
4	Special revenue funds:	
5	Auto repair facilities fees	133,000
6	Driver fees	704,600
7	Enhanced driver license and enhanced official state	
8	personal identification card fund	325,800
9	Parking ticket court fines	440,800
10	Transportation administration collection fund	5,899,800
11	State general fund/general purpose	\$ 2,500,500
12	(7) INFORMATION TECHNOLOGY	
13	Information technology services and projects	\$ <u>37,452,100</u>
14	GROSS APPROPRIATION	\$ 37,452,100
15	Appropriated from:	
16	Special revenue funds:	
17	Administrative order processing fee	11,700
18	Auto repair facilities fees	129,000
19	Driver fees	785,700
20	Enhanced driver license and enhanced official state	
21	personal identification card fund	326,800
22	Expedient service fees	1,082,800
23	Parking ticket court fines	88,800
24	Personal identification card fees	172,900
25	Reinstatement fees - operator licenses	591,000
26	Transportation administration collection fund	32,491,400
27	Vehicle theft prevention fees	180,600

1 State general fund/general purpose \$ 1,591,400

2 **Sec. 107. DEPARTMENT OF TECHNOLOGY, MANAGEMENT, AND**

3 **BUDGET**

4 **(1) APPROPRIATION SUMMARY**

5 Full-time equated unclassified positions 6.0

6 Full-time equated classified positions 2,937.0

7 GROSS APPROPRIATION \$ 1,412,543,200

8 Interdepartmental grant revenues:

9 Total interdepartmental grants and intradepartmental
10 transfers 713,959,000

11 ADJUSTED GROSS APPROPRIATION \$ 698,584,200

12 Federal revenues:

13 Total federal revenues 4,985,300

14 Special revenue funds:

15 Total local revenues 2,316,700

16 Total private revenues 127,700

17 Total other state restricted revenues 111,399,300

18 State general fund/general purpose \$ 579,755,200

19 **(2) DEPARTMENTAL ADMINISTRATION AND SUPPORT**

20 Full-time equated unclassified positions 6.0

21 Full-time equated classified positions 791.5

22 Unclassified positions--6.0 FTE positions \$ 1,031,500

23 Administrative services--133.5 FTE positions 17,551,800

24 Budget and financial management--203.0 FTE positions . 38,842,600

25 Executive operations--12.0 FTE positions 2,387,400

26 Office of the state employer--14.0 FTE positions 1,708,900

1	Design and construction services--40.0 FTE positions .	6,520,000
2	Business support services--98.0 FTE positions	11,679,700
3	Building operation services--212.0 FTE positions	92,591,700
4	Property management	7,679,900
5	Motor vehicle fleet--35.0 FTE positions	74,299,300
6	Bureau of labor market information and strategies--	
7	44.0 FTE positions.....	<u>5,772,400</u>
8	GROSS APPROPRIATION	\$ 260,065,200
9	Appropriated from:	
10	Interdepartmental grant revenues:	
11	IDG from accounting service centers user charges	3,920,500
12	IDG from building occupancy and parking charges	94,358,500
13	IDG from MDHHS, community health	489,700
14	IDG from MDHHS, human services	220,600
15	IDG from MDLARA	100,000
16	IDG from motor transport fund	74,299,300
17	IDG from technology user fees	9,616,200
18	IDG from user fees	6,584,200
19	Federal revenues:	
20	Federal funds	4,985,300
21	Special revenue funds:	
22	Local - MPSCS subscriber and maintenance fees	51,900
23	Local revenues	35,000
24	Health management funds	408,700
25	MAIN user charges	2,060,600
26	Other agency charges	1,209,300
27	Private funds	127,700

1	Special revenue, internal service, and pension trust	
2	funds.....	15,255,500
3	State restricted indirect funds	2,826,200
4	State general fund/general purpose	\$ 43,516,000
5	(3) TECHNOLOGY SERVICES	
6	Full-time equated classified positions	1,484.5
7	Education services--29.0 FTE positions	\$ 4,148,000
8	Health and human services--617.5 FTE positions	297,460,500
9	Public protection--155.5 FTE positions	57,780,400
10	Resources services--146.5 FTE positions	20,716,900
11	Transportation services--89.5 FTE positions	32,873,300
12	General services--315.5 FTE positions	107,508,000
13	Information technology investment fund	65,000,000
14	Homeland security initiative/cyber security--25.0 FTE	
15	positions.....	16,169,300
16	Michigan public safety communication system--100.0 FTE	
17	positions.....	40,174,500
18	Enterprise identity management--6.0 FTE positions	<u>7,748,600</u>
19	GROSS APPROPRIATION	\$ 649,579,500
20	Appropriated from:	
21	Interdepartmental grant revenues:	
22	IDG from technology user fees	520,487,100
23	Special revenue funds:	
24	Local - MPSCS subscriber and maintenance fees	2,229,800
25	State general fund/general purpose	\$ 126,862,600
26	(4) STATEWIDE APPROPRIATIONS	
27	Professional development fund - NERE	\$ 250,000

1	Professional development fund - UAW	<u>700,000</u>
2	GROSS APPROPRIATION	\$ 950,000
3	Appropriated from:	
4	Interdepartmental grant revenues:	
5	IDG from employer contributions	950,000
6	State general fund/general purpose	\$ 0
7	(5) SPECIAL PROGRAMS	
8	Full-time equated classified positions	192.0
9	Building occupancy charges - property management	
10	services for executive/legislative building	
11	occupancy.....	\$ 1,223,400
12	Retirement services--167.0 FTE positions	29,277,600
13	Office of children's ombudsman--14.0 FTE positions ...	1,814,900
14	School reform office operations--11.0 FTE positions ..	3,115,100
15	Public private partnership	1,500,000
16	Regional prosperity grants	<u>2,500,000</u>
17	GROSS APPROPRIATION	\$ 39,431,000
18	Appropriated from:	
19	Special revenue funds:	
20	Deferred compensation	2,800,000
21	Pension trust funds	21,073,800
22	Public private partnership investment fund	1,500,000
23	State general fund/general purpose	\$ 14,057,200
24	(6) STATE BUILDING AUTHORITY RENT	
25	State building authority rent - state agencies	\$ 49,665,800
26	State building authority rent - department of	
27	corrections.....	21,029,900

1	State building authority rent - universities	144,995,300
2	State building authority rent - community colleges ...	<u>30,879,600</u>
3	GROSS APPROPRIATION	\$ 246,570,600
4	Appropriated from:	
5	State general fund/general purpose	\$ 246,570,600
6	(7) CIVIL SERVICE COMMISSION	
7	Full-time equated classified positions 459.0	
8	Agency services--74.0 FTE positions	\$ 13,186,400
9	Executive direction--40.0 FTE positions	9,428,500
10	Employee benefits--25.0 FTE positions	7,627,100
11	Human resources operations--320.0 FTE positions	38,323,700
12	Information technology services and projects	<u>3,427,000</u>
13	GROSS APPROPRIATION	\$ 71,992,700
14	Appropriated from:	
15	Special revenue funds:	
16	State restricted funds 1%	29,129,300
17	State restricted indirect funds	8,679,800
18	State sponsored group insurance	10,629,100
19	State general fund/general purpose	\$ 23,554,500
20	(8) CAPITAL OUTLAY	
21	Major special maintenance, remodeling, and addition	
22	for state agencies	\$ 2,000,000
23	Enterprisewide special maintenance for state	
24	facilities	<u>26,000,000</u>
25	GROSS APPROPRIATION	\$ 28,000,000
26	Appropriated from:	
27	Interdepartmental grant revenues:	

1	IDG from building occupancy charges	2,000,000
2	State general fund/general purpose	\$ 26,000,000
3	(9) INFORMATION TECHNOLOGY	
4	Information technology services and projects	\$ <u>26,429,100</u>
5	GROSS APPROPRIATION	\$ 26,429,100
6	Appropriated from:	
7	Interdepartmental grant revenues:	
8	IDG from building occupancy and parking charges	723,200
9	IDG from user fees	209,700
10	Special revenue funds:	
11	Deferred compensation	2,600
12	MAIN user charges	2,407,200
13	Pension trust funds	10,126,800
14	Special revenue, internal service, and pension trust	
15	funds.....	2,706,500
16	State restricted indirect funds	583,900
17	State general fund/general purpose	\$ 9,669,200
18	(10) ONE-TIME APPROPRIATIONS	
19	Full-time equated classified positions.....	10.0
20	ITIF augmentation	\$ 7,500,000
21	Citizen centric IT initiative	2,000,000
22	MAIN Operations for fiscal year 2017 closeout	2,087,600
23	Michigan infrastructure fund	35,000,000
24	Homeland security initiative/cyber security	3,700,000
25	Drinking water declaration of emergency reserve fund .	25,000,000
26	Michigan public safety communication system lifecycle	
27	replacement.....	5,000,000

1	Michigan.gov content management system	6,171,300
2	School reform office - performance information system	353,000
3	SIGMA transition support--10.0 FTE positions	2,413,200
4	Vendor data tracking pilot program	<u>300,000</u>
5	GROSS APPROPRIATION	\$ 89,525,100
6	Appropriated from:	
7	State general fund/general purpose	\$ 89,525,100
8	Sec. 108. DEPARTMENT OF TREASURY	
9	(1) APPROPRIATION SUMMARY	
10	Full-time equated unclassified positions	10.0
11	Full-time equated classified positions	1,852.5
12	GROSS APPROPRIATION	\$ 1,898,224,800
13	Interdepartmental grant revenues:	
14	Total interdepartmental grants and intradepartmental	
15	transfers.....	12,613,700
16	ADJUSTED GROSS APPROPRIATION	\$ 1,885,611,100
17	Federal revenues:	
18	Total federal revenues	27,022,600
19	Special revenue funds:	
20	Total local revenues	14,516,000
21	Total private revenues	27,500
22	Total other state restricted revenues	1,629,717,400
23	State general fund/general purpose	\$ 214,327,600
24	(2) DEPARTMENTAL ADMINISTRATION AND SUPPORT	
25	Full-time equated unclassified positions	10.0
26	Full-time equated classified positions	414.5

1	Unclassified positions--10.0 FTE positions	\$	1,025,300
2	Department services--75.0 FTE positions		9,251,600
3	Executive direction and operations--52.5 FTE positions		7,867,200
4	Office of accounting services--24.0 FTE positions		2,786,400
5	Office of collections--198.0 FTE positions		27,881,600
6	Office of financial services--37.0 FTE positions		4,513,600
7	Property management		6,253,700
8	Unclaimed property--28.0 FTE positions		4,852,900
9	Worker's compensation		<u>26,500</u>
10	GROSS APPROPRIATION	\$	64,458,800
11	Appropriated from:		
12	IDG, data/collection services fees		336,600
13	IDG from accounting service center user charges		497,700
14	IDG from MDHHS, title IV-D		778,500
15	IDG, levy/warrant cost assessment fees		3,643,300
16	IDG, state agency collection fees		4,372,400
17	Federal revenues:		
18	DED-OPSE, federal lenders allowance		20,600
19	DED-OPSE, higher education act of 1965, insured loans		46,300
20	Special revenue funds:		
21	Local - city income tax fund		102,500
22	Delinquent tax collection revenue		32,728,400
23	Escheats revenue		4,852,900
24	Garnishment fees		2,650,400
25	Justice system fund		429,200
26	Marihuana regulatory fund		187,500
27	State lottery fund		293,900

1	State restricted indirect funds	278,600
2	State services fee fund	334,300
3	Treasury fees	47,200
4	State general fund/general purpose	\$ 12,858,500
5	(3) LOCAL GOVERNMENT PROGRAMS	
6	Full-time equated classified positions	100.0
7	Financial independence teams--9.0 FTE positions	\$ 4,245,800
8	Local finance--18.0 FTE positions	2,622,800
9	Property tax assessor training--1.0 FTE position	1,041,700
10	Supervision of the general property tax law--72.0 FTE	
11	positions.....	<u>13,878,700</u>
12	GROSS APPROPRIATION	\$ 21,789,000
13	Appropriated from:	
14	Special revenue funds:	
15	Local - assessor training fees	1,041,700
16	Local - audit charges	829,000
17	Local - equalization study chargebacks	40,000
18	Local - revenue from local government	100,000
19	Delinquent tax collection revenue	1,521,900
20	Land reutilization fund	2,046,400
21	Municipal finance fees	546,800
22	State general fund/general purpose	\$ 15,663,200
23	(4) TAX PROGRAMS	
24	Full-time equated classified positions	752.0
25	Bottle act implementation	\$ 250,000
26	Health insurance claims fund program--13.0 FTE	
27	positions.....	2,080,800

1	Home heating assistance	3,089,300
2	Office of revenue and tax analysis--19.0 FTE positions	3,643,600
3	Tax and economic policy--43.0 FTE positions	8,002,300
4	Tax compliance--320.0 FTE positions	45,680,400
5	Tax processing--346.0 FTE positions	38,826,300
6	Tobacco tax enforcement--11.0 FTE positions	<u>1,518,600</u>
7	GROSS APPROPRIATION	\$ 103,091,300
8	Appropriated from:	
9	Interdepartmental grant revenues:	
10	IDG from MDOT, Michigan transportation fund	2,301,700
11	IDG from MDOT, state aeronautics fund	72,200
12	Federal revenues:	
13	HHS-SSA, low-income energy assistance	3,089,300
14	Special revenue funds:	
15	Bottle deposit fund	250,000
16	Delinquent tax collection revenue	71,065,600
17	Emergency 911 fund	158,700
18	Health insurance claims fund	2,080,800
19	Marihuana regulatory fund	487,500
20	Michigan state waterways fund	107,100
21	Tobacco tax revenue	4,116,900
22	State general fund/general purpose	\$ 19,361,500
23	(5) FINANCIAL PROGRAMS	
24	Full-time equated classified positions 177.0	
25	Common cash and debt management--11.0 FTE positions ..	\$ 1,676,500
26	Dual enrollment payments	2,007,600
27	Investments--81.0 FTE positions	20,713,700

1	John R. Justice grant program	288,100
2	Michigan finance authority - bond finance--64.0 FTE	
3	positions.....	25,962,900
4	Student financial assistance programs--21.0 FTE	
5	positions.....	<u>2,704,300</u>
6	GROSS APPROPRIATION	\$ 53,353,100
7	Appropriated from:	
8	Interdepartmental grant revenues:	
9	IDG, fiscal agent service fees	211,300
10	Federal revenues:	
11	DED-OPSE, federal lenders allowance	3,718,400
12	DED-OPSE, higher education act of 1965, insured loans	19,232,100
13	Federal - John R. Justice grant	288,100
14	Special revenue funds:	
15	Defined contribution administrative fee revenue	100,000
16	Michigan finance authority bond and loan program	
17	revenue.....	3,012,400
18	Michigan merit award trust fund	1,172,200
19	Retirement funds	18,981,000
20	School bond fees	858,300
21	Treasury fees	1,850,900
22	State general fund/general purpose	\$ 3,928,400
23	(6) DEBT SERVICE	
24	Clean Michigan initiative	\$ 62,751,000
25	Great Lakes water quality bond	22,865,000
26	Quality of life bond	<u>21,964,000</u>
27	GROSS APPROPRIATION	\$ 107,580,000

1	Appropriated from:		
2	State general fund/general purpose	\$	107,580,000
3	(7) GRANTS		
4	Beat the streets	\$	100,000
5	Convention facility development distribution		90,950,000
6	Emergency 911 payments		27,000,000
7	Financial data analytic tool reimbursement		500,000
8	Health and safety fund grants		1,500,000
9	Medical marihuana excise fund grants		3,960,000
10	Senior citizen cooperative housing tax exemption		
11	program.....		<u>10,720,000</u>
12	GROSS APPROPRIATION	\$	134,730,000
13	Appropriated from:		
14	Special revenue funds:		
15	Convention facility development fund		90,950,000
16	Emergency 911 fund		27,000,000
17	Health and safety fund		1,500,000
18	Medical marihuana excise fund		3,960,000
19	State general fund/general purpose	\$	11,320,000
20	(8) BUREAU OF STATE LOTTERY		
21	Full-time equated classified positions		191.0
22	Lottery information technology services and projects .	\$	5,254,500
23	Lottery operations--191.0 FTE positions		<u>25,619,700</u>
24	GROSS APPROPRIATION	\$	30,874,200
25	Appropriated from:		
26	Special revenue funds:		
27	State lottery fund		30,874,200

1	State general fund/general purpose	\$	0
2	(9) CASINO GAMING		
3	Full-time equated classified positions	143.0	
4	Casino gaming control operations--133.0 FTE positions	\$	26,457,300
5	Gaming information technology services and projects ..		2,526,000
6	Horse racing--10.0 FTE positions		2,021,400
7	Michigan gaming control board		<u>50,000</u>
8	GROSS APPROPRIATION	\$	31,054,700
9	Appropriated from:		
10	Special revenue funds:		
11	Casino gambling agreements		950,500
12	Equine development fund		2,144,100
13	Laboratory fees		701,800
14	State services fee fund		27,258,300
15	State general fund/general purpose	\$	0
16	(10) PAYMENTS IN LIEU OF TAXES		
17	Commercial forest reserve	\$	3,368,100
18	Purchased lands		8,677,900
19	Swamp and tax reverted lands		<u>15,305,600</u>
20	GROSS APPROPRIATION	\$	27,351,600
21	Appropriated from:		
22	Special revenue funds:		
23	Private funds		27,500
24	Game and fish protection fund		3,007,400
25	Michigan natural resources trust fund		2,064,700
26	Michigan state waterways fund		260,800
27	State general fund/general purpose	\$	21,991,200

1 (11) REVENUE SHARING

2	City, village, and township revenue sharing	\$	243,040,000
3	Constitutional state general revenue sharing grants ..		798,087,800
4	County incentive program		43,160,400
5	County revenue sharing payments		176,926,800
6	Financially distressed cities, villages, or townships		<u>5,000,000</u>
7	GROSS APPROPRIATION	\$	1,266,215,000

8 Appropriated from:

9 Special revenue funds:

10	Sales tax		1,264,035,900
11	State general fund/general purpose	\$	2,179,100

12 (12) STATE BUILDING AUTHORITY

13 Full-time equated classified positions 3.0

14	State building authority--3.0 FTE positions	\$	<u>732,000</u>
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15	GROSS APPROPRIATION	\$	732,000
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16 Appropriated from:

17 Special revenue funds:

18	State building authority revenue		732,000
19	State general fund/general purpose	\$	0

20 (13) CITY INCOME TAX ADMINISTRATION PROGRAM

21 Full-time equated classified positions 72.0

22 City income tax administration program--72.0 FTE

23	positions	\$	<u>9,685,300</u>
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24	GROSS APPROPRIATION	\$	9,685,300
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25 Appropriated from:

26 Special revenue funds:

27	Local - city income tax fund		9,685,300
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1	State general fund/general purpose	\$	0
2	(14) INFORMATION TECHNOLOGY		
3	Treasury operations information technology services		
4	and projects.....	\$	<u>30,909,800</u>
5	GROSS APPROPRIATION	\$	30,909,800
6	Appropriated from:		
7	Interdepartmental grant revenues:		
8	IDG from MDOT, Michigan transportation fund		400,000
9	Federal revenues:		
10	DED-OPSE, federal lender allowance		627,800
11	Special revenue funds:		
12	Local - city income tax fund		1,217,500
13	Delinquent tax collection revenue		17,420,700
14	Retirement funds		768,700
15	Tobacco tax revenue		129,400
16	State general fund/general purpose	\$	10,345,700
17	(15) ONE-TIME APPROPRIATIONS		
18	City income tax administration program	\$	1,500,000
19	City, village, and township revenue sharing		5,800,000
20	Treasury operations information technology services		
21	and projects.....		2,000,000
22	Urban search and rescue		900,000
23	Supplemental city, village, and township revenue		
24	sharing.....		<u>6,200,000</u>
25	GROSS APPROPRIATION	\$	16,400,000
26	Appropriated from:		
27	Special revenue funds:		

1	Local - city income tax fund	1,500,000
2	Sales tax	5,800,000
3	State general fund/general purpose	\$ 9,100,000

4 **Sec. 109. DEPARTMENT OF TALENT AND ECONOMIC**
5 **DEVELOPMENT**

6 **(1) APPROPRIATION SUMMARY**

7	Full-time equated unclassified positions	6.0
8	Full-time equated classified positions	1,447.0
9	GROSS APPROPRIATION	\$ 1,179,421,800
10	Interdepartmental grant revenues:	
11	Total interdepartmental grants and intradepartmental	
12	transfers	0
13	ADJUSTED GROSS APPROPRIATION	\$ 1,179,421,800
14	Federal revenues:	
15	Total federal revenues	762,144,800
16	Special revenue funds:	
17	Total local revenues	500,000
18	Total private revenues	5,620,900
19	Total other state restricted revenues	206,056,700
20	State general fund/general purpose	\$ 205,099,400

21 **(2) DEPARTMENTAL ADMINISTRATION AND SUPPORT**

22	Full-time equated unclassified positions	6.0
23	Full-time equated classified positions	3.0
24	Unclassified positions--6.0 FTE positions	\$ 1,086,900
25	Executive direction and operations--3.0 FTE positions	<u>1,397,100</u>
26	GROSS APPROPRIATION	\$ 2,484,000

1	Appropriated from:	
2	Federal revenues:	
3	DOL-ETA, unemployment insurance	1,436,900
4	DOL, federal funds	366,100
5	Special revenue funds:	
6	Michigan state housing development authority fees and	
7	charges.....	487,100
8	State general fund/general purpose \$	193,900
9	(3) MICHIGAN STRATEGIC FUND	
10	Full-time equated classified positions 157.0	
11	Administrative services--37.0 FTE positions \$	6,212,900
12	Arts and cultural program	10,150,000
13	Business attraction and community revitalization	115,500,000
14	Community college skilled trades equipment program	
15	debt service.....	4,600,000
16	Community development block grants	47,000,000
17	Entrepreneurship ecosystem	20,400,000
18	Facility for rare isotope beams	7,300,000
19	Job creation services--120.0 FTE positions	22,298,000
20	Pure Michigan	<u>35,000,000</u>
21	GROSS APPROPRIATION \$	268,460,900
22	Appropriated from:	
23	Federal revenues:	
24	DOL, federal funds	2,825,800
25	DOL-ETA, unemployment insurance	287,000
26	HUD-CPD community development block grant	49,773,300
27	NFAH-NEA, promotion of the arts, partnership	

1	agreements.....	1,050,000
2	Special revenue funds:	
3	Private - special project advances	250,000
4	Private - Michigan council for the arts fund	100,000
5	21st century jobs trust fund	75,000,000
6	Michigan film promotion fund	402,200
7	Michigan state housing development authority fees and	
8	charges.....	4,649,300
9	State general fund/general purpose	\$ 134,123,300
10	(4) TALENT INVESTMENT AGENCY	
11	Full-time equated classified positions	991.0
12	Executive direction--14.0 FTE positions	\$ 1,991,400
13	Information technology services and projects - TIA ...	22,501,000
14	Workforce program administration--200.0 FTE positions	32,339,500
15	Workforce development programs	385,822,900
16	Community ventures--7.0 FTE positions	9,806,700
17	Going pro	30,908,300
18	Unemployment insurance agency--770.0 FTE positions ...	<u>137,953,400</u>
19	GROSS APPROPRIATION	\$ 621,323,200
20	Appropriated from:	
21	Federal revenues:	
22	DAG, employment and training	3,499,400
23	DED-OESE, GEAR-UP	4,730,700
24	DED-OVAE, adult education	20,000,000
25	DED-OVAE, basic grants to states	19,000,000
26	DOL, federal funds	108,735,800
27	DOL-ETA, workforce investment act	173,988,600

1	DOL-ETA, unemployment insurance	138,952,200
2	Federal funds	5,940,200
3	Social security act, temporary assistance to needy	
4	families.....	63,698,800
5	Special revenue funds:	
6	Local revenues	500,000
7	Private funds	5,270,900
8	Contingent fund, penalty and interest account	63,129,400
9	Defaulted loan collection fees	152,700
10	State general fund/general purpose	\$ 13,724,500
11	(5) LAND BANK FAST TRACK AUTHORITY	
12	Full-time equated classified positions 6.0	
13	Land bank fast track authority--6.0 FTE positions	\$ <u>5,259,100</u>
14	GROSS APPROPRIATION	\$ 5,259,100
15	Appropriated from:	
16	Federal revenues:	
17	Federal revenues	1,000,000
18	Special revenue funds:	
19	Land bank fast track fund	298,400
20	State general fund/general purpose	\$ 3,960,700
21	(6) MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY	
22	Full-time equated classified positions 290.0	
23	Property management	\$ 3,659,600
24	Michigan state housing development authority	
25	technology services and projects	3,598,500
26	Housing and rental assistance--290.0 FTE positions ...	44,372,000
27	Lighthouse preservation program	307,500

1	Payments on behalf of tenants	<u>166,860,000</u>
2	GROSS APPROPRIATION	\$ 218,797,600
3	Appropriated from:	
4	Federal revenues:	
5	HUD, lower income housing assistance	166,860,000
6	Special revenue funds:	
7	Michigan state housing development authority fees and	
8	charges.....	51,630,100
9	Michigan lighthouse preservation program	307,500
10	State general fund/general purpose	\$ 0
11	(7) ONE-TIME APPROPRIATIONS	
12	Arts and cultural program	\$ 1,000,000
13	DTED - grants	2,700,000
14	Going pro	15,500,000
15	Michigan enhancement grants	35,897,000
16	Project rising tide	2,000,000
17	Protect and grow	1,000,000
18	Talent marketing	<u>5,000,000</u>
19	GROSS APPROPRIATION	\$ 63,097,000
20	Appropriated from:	
21	Special revenue funds:	
22	Contingent fund, penalty and interest account	10,000,000
23	State general fund/general purpose	\$ 53,097,000

24 PART 2

25 PROVISIONS CONCERNING APPROPRIATIONS

FOR FISCAL YEAR 2017-2018

GENERAL SECTIONS

Sec. 201. (1) Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state sources under part 1 for fiscal year 2017-2018 is \$3,429,428,300.00 and state spending from state sources to be paid to local units of government for fiscal year 2017-2018 is \$1,476,814,400.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF STATE

Fees to local units	\$	109,800
Motorcycle safety grants		<u>1,106,100</u>
Subtotal	\$	1,215,900

DEPARTMENT OF TREASURY

Senior citizen cooperative housing tax exemption	\$	10,720,000
Health and safety fund grants		1,500,000
Constitutional state general revenue sharing grants ..		798,087,800
City, village, and township revenue sharing		248,840,000
Medical marihuana excise fund grants		3,960,000
Supplemental city, village, and township revenue sharing.....		6,200,000
Convention facility development fund distribution		90,950,000
Emergency 9-1-1 payments		27,000,000
Financially distressed cities, villages, or townships		5,000,000
Airport parking distribution pursuant to section 909 .		24,601,900
County incentive program		43,160,400
County revenue sharing payments		176,926,800

1	Payments in lieu of taxes	<u>27,351,600</u>
2	Subtotal	\$ 1,464,298,500
3	DEPARTMENT OF TALENT AND ECONOMIC DEVELOPMENT	
4	Welfare-to-work programs	\$ <u>11,300,000</u>
5	Subtotal	\$ <u>11,300,000</u>
6	TOTAL GENERAL GOVERNMENT	\$ 1,476,814,400

7 (2) Pursuant to section 30 of article IX of the state
8 constitution of 1963, total state spending from state sources for
9 fiscal year 2017-2018 is estimated at \$32,136,524,600.00 in the
10 2017-2018 appropriations acts and total state spending from state
11 sources paid to local units of government for fiscal year 2017-2018
12 is estimated at \$17,967,424,300.00. The state-local proportion is
13 estimated at 55.9% of total state spending from state sources.

14 (3) If payments to local units of government and state
15 spending from state sources for fiscal year 2017-2018 are different
16 than the amounts estimated in subsection (2), the state budget
17 director shall report the payments to local units of government and
18 state spending from state sources that were made for fiscal year
19 2017-2018 to the senate and house of representatives standing
20 committees on appropriations within 30 days after the final book-
21 closing for fiscal year 2017-2018.

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

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

26 (a) "ATM" means automated teller machine.

27 (b) "COBRA" means the consolidated omnibus budget

1 reconciliation act of 1985, Public Law 99-272, 100 Stat 82.

2 (c) "DAG" means the United States Department of Agriculture.

3 (d) "DED" means the United States Department of Education.

4 (e) "DED-OESE" means the DED Office of Elementary and
5 Secondary Education.

6 (f) "DED-OPSE" means the DED Office of Postsecondary
7 Education.

8 (g) "DED-OVAE" means the DED Office of Vocational and Adult
9 Education.

10 (h) "DOE-OEERE" means the United States Department of Energy,
11 Office of Energy Efficiency and Renewable Energy.

12 (i) "DOL" means the United States Department of Labor.

13 (j) "DOL-ETA" means the United States Department of Labor,
14 Employment and Training Administration.

15 (k) "EEOC" means the United States Equal Employment
16 Opportunity Commission.

17 (l) "FTE" means full-time equated.

18 (m) "Fund" means the Michigan strategic fund.

19 (n) "GEAR-UP" means gaining early awareness and readiness for
20 undergraduate programs.

21 (o) "GED" means a general educational development certificate.

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

23 (q) "HHS" means the United States Department of Health and
24 Human Services.

25 (r) "HHS-OS" means the HHS Office of the Secretary.

26 (s) "HHS-SSA" means the HHS Social Security Administration.

27 (t) "HUD" means the United States Department of Housing and

1 Urban Development.

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

4 (v) "IDG" means interdepartmental grant.

5 (w) "JCOS" means the joint capital outlay subcommittee.

6 (x) "MAIN" means the Michigan administrative information
7 network.

8 (y) "MCL" means the Michigan Compiled Laws.

9 (z) "MDE" means the Michigan department of education.

10 (aa) "MDLARA" means the Michigan department of licensing and
11 regulatory affairs.

12 (bb) "MDEQ" means the Michigan department of environmental
13 quality.

14 (cc) "MDHHS" means the Michigan department of health and human
15 services.

16 (dd) "MDMVA" means the Michigan department of military and
17 veterans affairs.

18 (ee) "MDOT" means the Michigan department of transportation.

19 (ff) "MDSP" means the Michigan department of state police.

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

22 (hh) "MEDC" means the Michigan economic development
23 corporation, which is the public body corporate created under
24 section 28 of article VII of the state constitution of 1963 and the
25 urban cooperation act of 1967, 1967 (Ex Sess) PA 7, MCL 124.501 to
26 124.512, by contractual interlocal agreement effective April 5,
27 1999, between local participating economic development corporations

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

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

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

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

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

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

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

11 (oo) "PA" means public act.

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

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

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

15 (ss) "SIGMA" means statewide integrated governmental
16 management applications.

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

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

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

25 Sec. 205. Funds appropriated in part 1 shall not be used for
26 the purchase of foreign goods or services, or both, if
27 competitively priced and of comparable quality American goods or

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

8 Sec. 206. The director of each department and agency receiving
9 appropriations in part 1 shall take all reasonable steps to ensure
10 businesses in deprived and depressed communities compete for and
11 perform contracts to provide services or supplies, or both. Each
12 director shall strongly encourage firms with which the department
13 contracts to subcontract with certified businesses in depressed and
14 deprived communities for services, supplies, or both.

15 Sec. 207. The departments and agencies receiving
16 appropriations in part 1 shall prepare a report on out-of-state
17 travel expenses not later than January 1 of each year. The travel
18 report shall be a listing of all travel by classified and
19 unclassified employees outside this state in the immediately
20 preceding fiscal year that was funded in whole or in part with
21 funds appropriated in the department's budget. The report shall be
22 submitted to the house and senate standing committees on
23 appropriations, the chairpersons of the relevant appropriations
24 subcommittees, the house and senate fiscal agencies, and the state
25 budget director. The report shall include the following
26 information:

27 (a) The dates of each travel occurrence.

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

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

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

Sec. 210. (1) Pursuant to section 352 of the management and budget act, 1984 PA 431, MCL 18.1352, which provides for a transfer of state general fund revenue into or out of the countercyclical budget and economic stabilization fund, the calculations required by section 352 of the management and budget act, 1984 PA 431, MCL 18.1352, are determined as follows:

	<u>2016</u>	<u>2017</u>	<u>2018</u>
Michigan personal income (millions).	\$440,292	\$455,702	\$476,665

1	less: transfer payments.....	<u>94,033</u>	<u>97,823</u>	<u>103,281</u>
2	Subtotal	\$346,259	\$357,879	\$373,384
3	Divided by: Detroit consumer price			
4	index for 12 months ending June 30	2.202	2.250	2.290
5	Equals: real adjusted Michigan			
6	personal income.....	\$157,247	\$159,057	\$163,046
7	Percentage change.....	N/A	1.2%	2.5%
8	Growth rate in excess of 2%?.....	N/A	NO	0.5%
9	Equals: countercyclical budget and			
10	economic stabilization fund pay-in			
11	calculation for the fiscal year ending			
12	September 30, 2018 (millions).....	N/A	\$0.0	N/A
13	Growth rate less than 0%?.....	N/A	NO	NO
14	Equals: countercyclical budget and			
15	economic stabilization fund pay-out			
16	calculation for the fiscal year ending			
17	September 30, 2018 (millions).....	N/A	N/A	\$0.0

18 (2) Notwithstanding subsection (1), there is appropriated for
19 the fiscal year ending September 30, 2018, from GF/GP revenue for
20 deposit into the countercyclical budget and economic stabilization
21 fund the sum of \$150,000,000.00.

22 Sec. 211. The departments and agencies receiving
23 appropriations in part 1 shall cooperate with the department of
24 technology, management, and budget to maintain a searchable website
25 that is updated at least quarterly and that is accessible by the
26 public at no cost that includes, but is not limited to, all of the
27 following for each department or agency:

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

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

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

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

8 (e) Job specifications and wage rates.

9 Sec. 212. Within 14 days after the release of the executive
10 budget recommendation, the departments and agencies receiving
11 appropriations in part 1 shall cooperate with the state budget
12 director to provide the chairs of the senate and house of
13 representatives standing committees on appropriations, the chairs
14 of the senate and house of representatives standing committees on
15 appropriations subcommittees on general government, and the senate
16 and house fiscal agencies with an annual report on estimated state
17 restricted fund balances, state restricted fund projected revenues,
18 and state restricted fund expenditures for the fiscal years ending
19 September 30, 2017 and September 30, 2018.

20 Sec. 213. The departments and agencies receiving
21 appropriations in part 1 shall maintain, on a publicly accessible
22 website, a department or agency scorecard that identifies, tracks,
23 and regularly updates key metrics that are used to monitor and
24 improve the department's or agency's performance.

25 Sec. 215. Funds appropriated in part 1 shall not be used by
26 this state, a department, an agency, or an authority of this state
27 to purchase an ownership interest in a casino enterprise or a

1 gambling operation as those terms are defined in the Michigan
2 gaming control and revenue act, 1996 IL 1, MCL 432.201 to 432.226.

3 Sec. 216. The departments and agencies receiving
4 appropriations in part 1 shall receive and retain copies of all
5 reports funded from appropriations in part 1. Federal and state
6 guidelines for short-term and long-term retention of records shall
7 be followed. The department may electronically retain copies of
8 reports unless otherwise required by federal and state guidelines.

9 Sec. 217. General fund appropriations in part 1 shall not be
10 expended for items in cases where federal funding or private grant
11 funding is available for the same expenditures.

12 Sec. 218. A department or state agency shall not take
13 disciplinary action against an employee for communicating with a
14 member of the legislature or his or her staff.

15 Sec. 221. Each department and agency shall report no later
16 than April 1 on each specific policy change made to implement a
17 public act affecting the department that took effect during the
18 prior calendar year to the senate and house of representatives
19 standing committees on appropriations subcommittees on general
20 government, the joint committee on administrative rules, and the
21 senate and house fiscal agencies.

22 Sec. 229. (1) If the office of the auditor general has
23 identified an initiative or made a recommendation that is related
24 to savings and efficiencies in an audit report for an executive
25 branch department or agency, the department or agency shall report
26 within 6 months of the release of the audit on their efforts and
27 progress made toward achieving the savings and efficiencies

1 identified in the audit report. The report shall be submitted to
2 the chairs of the senate and house of representatives standing
3 committees on appropriations, the chairs of the senate and house of
4 representatives standing committees with jurisdiction over matters
5 relating to the department that is audited, and the senate and
6 house fiscal agencies.

7 (2) If the office of the auditor general does not receive the
8 required report regarding initiatives related to savings and
9 efficiencies within the 6-month time frame, the office of the
10 auditor general may charge noncompliant executive branch
11 departments and agencies for the cost of performing a subsequent
12 audit to ensure that the initiatives related to savings and
13 efficiencies have been implemented.

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

22 Sec. 240. (1) Concurrently with the submission of the fiscal
23 year 2018-2019 executive budget recommendations, the state budget
24 office shall provide the senate and house appropriations
25 committees, the chairpersons of the relevant appropriations
26 subcommittees, the senate and house fiscal agencies, and the policy
27 offices a report that lists each new program or program enhancement

1 for which funds in excess of \$500,000.00 are appropriated in part 1
2 of each departmental appropriation act.

3 (2) By July 1, 2018, the state budget director and the chairs
4 of the senate and house appropriations committees shall identify
5 new programs or program enhancements identified under subsection
6 (1) for measurement using program-specific metrics, in addition to
7 the metrics required under section 447 of the management and budget
8 act, 1984 PA 431, MCL 18.1447.

9 (3) By September 30, 2019, the state budget office shall
10 provide a report on the specific metrics and the progress in
11 meeting the estimated performance for each program identified under
12 subsection (2) to the senate and house appropriations committees,
13 the senate and house appropriations subcommittees on each state
14 department, and the senate and house fiscal agencies and policy
15 offices. It is the intent of the legislature that the governor
16 consider the estimated performance of the new program or program
17 enhancement as the basis for any increase in funds appropriated
18 from the prior year.

19 **DEPARTMENT OF ATTORNEY GENERAL**

20 Sec. 301. (1) In addition to the funds appropriated in part 1,
21 there is appropriated an amount not to exceed \$1,500,000.00 for
22 federal contingency funds. These funds are not available for
23 expenditure until they have been transferred to another line item
24 in part 1 under section 393(2) of the management and budget act,
25 1984 PA 431, MCL 18.1393.

26 (2) In addition to the funds appropriated in part 1, there is

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

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

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

18 Sec. 301a. (1) From the funds appropriated in part 1 for
19 attorney general operations, the attorney general must maintain a
20 minimum of 24 drug investigations and may prosecute when sufficient
21 evidence is obtained. The purpose of this investment is to
22 establish a specialized drug investigation and prosecution unit.

23 (2) The attorney general's office must submit a report to the
24 house and senate appropriations subcommittees on general
25 government, the senate and house fiscal agencies, and the state
26 budget director by March 1 detailing the activities and the results
27 of the investigations and prosecutions of the unit established in

1 subsection (1).

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

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

14 (3) The attorney general shall perform the duties specified in
15 1846 RS 12, MCL 14.28 to 14.35, and 1919 PA 232, MCL 14.101 to
16 14.102, and as otherwise provided by law.

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

25 Sec. 304. The department of attorney general is responsible
26 for the legal representation for state of Michigan state employee
27 worker's disability compensation cases. The risk management

1 revolving fund revenue appropriation in part 1 is to be satisfied
2 by billings from the department of attorney general for the actual
3 costs of legal representation, including salaries and support
4 costs.

5 Sec. 305. In addition to the funds appropriated in part 1, not
6 more than \$400,000.00 shall be reimbursed per fiscal year for food
7 stamp fraud cases heard by the third circuit court of Wayne County
8 that were initiated by the department of attorney general pursuant
9 to the existing contract between the department of health and human
10 services, the Prosecuting Attorneys Association of Michigan, and
11 the department of attorney general. The source of this funding is
12 money earned by the department of attorney general under the
13 agreement after the allowance for reimbursement to the department
14 of attorney general for costs associated with the prosecution of
15 food stamp fraud cases. It is recognized that the federal funds are
16 earned by the department of attorney general for its documented
17 progress on the prosecution of food stamp fraud cases according to
18 the United States Department of Agriculture regulations and that,
19 once earned by this state, the funds become state funds.

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

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

1 antitrust, securities fraud, and consumer protection or class
2 action enforcement cases.

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

8 (3) The attorney general's office shall make available upon
9 request information detailing the amount of revenue from subsection
10 (1) recovered by the attorney general, including a description of
11 the source of the revenue and the carryforward amount.

12 Sec. 308. (1) In addition to the funds appropriated in part 1,
13 there is appropriated up to \$1,000,000.00 from litigation expense
14 reimbursements awarded to the state.

15 (2) The funds may be expended for the payment of court
16 judgments, settlements, arbitration awards or other administrative
17 and litigation decisions, attorney fees, and litigation costs,
18 assessed against the office of the governor, the department of the
19 attorney general, the governor, or the attorney general when acting
20 in an official capacity as the named party in litigation against
21 the state. The funds may also be expended for the payment of state
22 costs incurred under section 16 of chapter X of the code of
23 criminal procedure, 1927 PA 175, MCL 770.16.

24 (3) Unexpended funds at the end of the fiscal year may be
25 carried forward for expenditure in the following year, up to a
26 maximum authorization of \$250,000.00.

27 Sec. 309. (1) From the prisoner reimbursement funds

1 appropriated in part 1, the department may spend up to \$627,400.00
2 on activities related to the state correctional facility
3 reimbursement act, 1935 PA 253, MCL 800.401 to 800.406. In addition
4 to the funds appropriated in part 1, if the department collects in
5 excess of \$1,131,000.00 in gross annual prisoner reimbursement
6 receipts provided to the general fund, the excess, up to a maximum
7 of \$1,000,000.00, is appropriated to the department of attorney
8 general and may be spent on the representation of the department of
9 corrections and its officers, employees, and agents, including, but
10 not limited to, the defense of litigation against the state, its
11 departments, officers, employees, or agents in civil actions filed
12 by prisoners.

13 (2) The attorney general's office shall make available upon
14 request information on the dollar amount of prisoner reimbursements
15 collected from subsection (1) as well as descriptions of all
16 expenditures made from the reimbursements, including what
17 activities related to the state correctional facility reimbursement
18 act, 1935 PA 253, MCL 800.401 to 800.406, funds were spent on.

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

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

1 child support.

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

8 Sec. 314. (1) From the lawsuit settlement proceeds fund
9 appropriated in part 1, the department may spend the funds for the
10 costs of all associated expenses related to the declaration of
11 emergency due to drinking water contamination up to \$2,000,000.00.

12 (2) From the lawsuit settlement proceeds fund appropriated in
13 part 1, the prosecuting attorneys coordinating council may spend up
14 to \$600,000.00 to upgrade its NextGen information technology case
15 management system.

16 (3) From the lawsuit settlement proceeds fund appropriated in
17 part 1, \$180,000.00 shall be used by the department of attorney
18 general for costs associated with implementing the duties and
19 responsibilities prescribed to the attorney general's office under
20 the bad-faith patent infringement claims act, 2016 PA 550, MCL
21 446.161 to 446.173. related to bad-faith patent infringement
22 claims.

23 (4) The attorney general's office must submit a quarterly
24 report to the house and senate standing committees on
25 appropriations, the house and senate appropriations subcommittees
26 on general government, the senate and house fiscal agencies, and
27 the state budget director, detailing how funds in subsection (1)

1 and all other currently and previously budgeted funds associated
2 with legal costs pertaining to the Flint water declaration of
3 emergency were expended. The report must itemize expenditures by
4 case, purpose, and department involved.

5 Sec. 314a. (1) From the funds appropriated in part 1 for one-
6 time appropriations for the attorney general, the department of
7 attorney general shall allocate \$700,000.00 for investigations,
8 crime victim rights, prosecutions, and appeals for retroactive
9 juvenile life without parole cases.

10 (2) The attorney general's office shall submit a detailed
11 expenditure report to the house and senate appropriations
12 subcommittees on general government and the judiciary, the senate
13 and house fiscal agencies, and the state budget director by
14 September 30 detailing how the funds provided in subsection (1)
15 were expended.

16 Sec. 315. Total authorized appropriations from all sources
17 under part 1 for legacy costs for the fiscal year ending September
18 30, 2018 are \$17,281,300.00. From this amount, total agency
19 appropriations for pension-related legacy costs are estimated at
20 \$8,893,100.00. Total agency appropriations for retiree health care
21 legacy costs are estimated at \$8,388,200.00.

22 Sec. 316. (1) From the funds appropriated in part 1 for sexual
23 assault law enforcement efforts, the department shall use the funds
24 for testing of backlogged sexual assault kits across this state.
25 The funding provided in part 1 shall be distributed in the
26 following order of priority:

27 (a) To eliminate all county sexual assault kit backlogs across

1 this state.

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

4 (c) To provide victim services.

5 (2) The department of the attorney general shall provide a
6 report by February 1. The report shall include the following
7 information:

8 (a) The number of sexual assault kits across this state that
9 remain untested as of January 31.

10 (b) A detailed work plan outlining the department's action
11 plan to eliminate all outstanding sexual assault kits and the time
12 frame for completion of testing of all untested sexual assault
13 kits.

14 (c) A detailed work and spending plan outlining anticipated
15 litigation action and expenditures resulting from findings of the
16 sexual assault kit testing. The report shall be submitted to the
17 state budget office, the senate and house fiscal agencies, and the
18 senate and house of representatives standing committees on
19 appropriations subcommittees on general government.

20 (3) Any funds remaining after the department has met the
21 obligations required under subsection (1) may be used for the
22 purpose of retesting any previously tested sexual assault kits
23 across this state using currently available DNA testing. Funds only
24 may be used for DNA testing on previously tested kits that were not
25 tested for DNA. If there are remaining untested sexual assault kits
26 on January 31, 2018, funds appropriated in part 1 shall only be
27 used for the testing of those kits.

1 Sec. 317. (1) The department of attorney general shall report
2 all legal costs and associated expenses related to the declaration
3 of emergency due to drinking water contamination, and the
4 investigations and any resulting prosecutions, for publication in
5 the Flint water emergency-financial and activities tracking and
6 reporting document that is posted by the state budget director on
7 the public website, michigan.gov/flintwater. The tracking and
8 reporting documents shall include the budget line item source for
9 each expenditure.

10 (2) At the conclusion of all attorney general investigations
11 related to the declaration of emergency due to drinking water
12 contamination, all materials related to any investigations shall be
13 preserved pursuant to applicable document retention policies.

14 **DEPARTMENT OF CIVIL RIGHTS**

15 Sec. 401. (1) In addition to the funds appropriated in part 1,
16 there is appropriated an amount not to exceed \$2,000,000.00 for
17 federal contingency funds. These funds are not available for
18 expenditure until they have been transferred to another line item
19 in part 1 under section 393(2) of the management and budget act,
20 1984 PA 431, MCL 18.1393.

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

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

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

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

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

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

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

13 (f) Workshops, seminars, and recognition or award programs
14 consistent with the programmatic mission of the individual unit
15 sponsoring or coordinating the programs.

16 (g) Staffing costs for all activities included in this
17 subsection.

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

24 Sec. 403. The department of civil rights may contract with
25 local units of government to review equal employment opportunity
26 compliance of potential contractors and may charge for and expend
27 amounts received from local units of government for the purpose of

1 developing and providing these contractual services.

2 Sec. 404. (1) The department of civil rights shall prepare and
3 transmit a detailed report that includes, but is not limited to,
4 the following information for the most recent fiscal year:

5 (a) A detailed description of the department operations.

6 (b) A detailed description of all subunits within the
7 department, including FTE positions associated with each subunit,
8 responsibilities of each subunit, and all revenues and expenditures
9 for each subunit.

10 (c) The number of complaints by type of complaint.

11 (d) The average cost of, and time expended, investigating
12 complaints.

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

16 (f) A listing of amounts awarded to claimants.

17 (g) Expenditures associated with complaint investigation and
18 enforcement.

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

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

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

27 (k) Revenues and expenditures associated with section 403 of

1 this part by local unit.

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

8 Sec. 405. The department of civil rights shall notify the
9 office of the state budget, senate and house of representatives
10 standing committees on appropriations, the chairpersons of the
11 appropriations subcommittees on general government, and senate and
12 house fiscal agencies prior to submitting a report or complaint to
13 the United States Commission on Civil Rights or other federal
14 departments.

15 Sec. 406. (1) From the funds appropriated in part 1 for deaf,
16 deaf/blind, and hard of hearing needs assessment, the department of
17 civil rights may use the funds for 1 or more of the following:

18 (a) To conduct a survey or census of the deaf, deaf/blind, and
19 hard of hearing community to determine the accurate size of the
20 population of this community across the state.

21 (b) To determine the needs of necessary government services
22 such as education, employment, and health care within the deaf,
23 deaf/blind, and hard of hearing community.

24 (c) To identify the barriers that prevent equal access to
25 necessary government services from reaching the deaf, deaf/blind,
26 and hard of hearing community.

27 (d) To use the acquired data to develop an evidence-based

1 long-term strategic plan to meet the actual needs of the deaf,
2 deaf/blind, and hard of hearing community in the most effective
3 manner possible.

4 (2) The survey or census and required strategic plan described
5 in subsection (1) must first be completed in Genesee County before
6 expanding the survey or census and strategic plan to the rest of
7 this state.

8 Sec. 410. Total authorized appropriations from all sources
9 under part 1 for legacy costs for the fiscal year ending September
10 30, 2018 are \$2,695,600.00. From this amount, total agency
11 appropriations for pension-related legacy costs are estimated at
12 \$1,387,200.00. Total agency appropriations for retiree health care
13 legacy costs are estimated at \$1,308,400.00.

14 **LEGISLATURE**

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

18 Sec. 601. (1) Funds appropriated in part 1 to an entity within
19 the legislative branch shall not be expended or transferred to
20 another account without written approval of the authorized agent of
21 the legislative entity. If the authorized agent of the legislative
22 entity notifies the state budget director of its approval of an
23 expenditure or transfer before the year-end book-closing date for
24 that legislative entity, the state budget director shall
25 immediately make the expenditure or transfer. The authorized
26 legislative entity agency shall be designated by the speaker of the

1 house of representatives for house entities, the senate majority
2 leader for senate entities, and the legislative council for
3 legislative council entities.

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

8 Sec. 602. The senate may charge rent and assess charges for
9 utility costs. The amounts received for rent charges and utility
10 assessments are appropriated to the senate for the renovation,
11 operation, and maintenance of the Senate Office Building and other
12 properties.

13 Sec. 603. (1) From the appropriation contained in part 1 for
14 national association dues, the first \$34,800.00 shall be paid to
15 the National Conference of Commissioners of Uniform State Laws. The
16 remaining funds shall be distributed accordingly by the legislative
17 council.

18 (2) If any funds remain after all required dues payments have
19 been made as specified in subsection (1), the Legislative Council
20 may approve the use of up to \$10,000.00 to pay for the registration
21 fees of any state employees who serve as board members to any of
22 the national associations receiving state funds for annual dues to
23 attend that national association's annual conference. If any of the
24 \$10,000.00 remains after national board member's registration fees
25 are paid, the remaining funds may be used to pay for the
26 registration fees for any other state employees to attend the
27 annual conference of any of the national associations receiving

1 state funds for annual dues as prescribed in subsection (1).

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

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

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

18 Sec. 606. The appropriations in part 1 to the legislative
19 branch, for property management, shall be used to purchase
20 equipment and services for building maintenance in order to ensure
21 a safe and productive work environment. These funds are designated
22 as work project appropriations and shall not lapse at the end of
23 the fiscal year, and shall continue to be available for expenditure
24 until the project has been completed. The total cost is estimated
25 at \$2,000,000.00, and the tentative completion date is September
26 30, 2021.

27 Sec. 607. The appropriations in part 1 to the legislative

1 branch, for automated data processing, shall be used to purchase
2 equipment, software, and services in order to support and implement
3 data processing requirements and technology improvements. These
4 funds are designated as work project appropriations in accordance
5 with section 451a of the management and budget act, 1984 PA 431,
6 MCL 18.1451a, and shall not lapse at the end of the fiscal year,
7 and shall continue to be available for expenditure until the
8 project has been completed. The total cost is estimated at
9 \$2,000,000.00, and the tentative completion date is September 30,
10 2021.

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

18 Sec. 615. Total authorized appropriations from all sources
19 under part 1 for legacy costs for the fiscal year ending September
20 30, 2018 are \$21,252,700.00. From this amount, total agency
21 appropriations for pension-related legacy costs are estimated at
22 \$10,936,800.00. Total agency appropriations for retiree health care
23 legacy costs are estimated at \$10,315,900.00.

24 Sec. 616. The appropriation in part 1 for the legislative IT
25 systems design project shall be used for the design, development,
26 and implementation of a legislative computer system. Funds
27 described in this section shall not be expended without written

1 approval of the senate majority leader or his or her designee, the
2 speaker of the house of representatives or his or her designee, and
3 the legislative council administrator or his or her designee. The
4 appropriations described in this section are designated as work
5 project appropriations in accordance with section 451a of the
6 management and budget act, 1984 PA 431, MCL 18.1451a, and shall not
7 lapse at the end of the fiscal year. The unexpended portion of
8 these funds shall continue to be available for expenditure until
9 the project has been completed. The total cost is estimated at
10 \$12,000,000.00 and the tentative completion date is September 30,
11 2020.

12 **LEGISLATIVE AUDITOR GENERAL**

13 Sec. 620. Pursuant to section 53 of article IV of the state
14 constitution of 1963, the auditor general shall conduct audits of
15 the judicial branch. The audits may include the supreme court and
16 its administrative units, the court of appeals, and trial courts.

17 Sec. 621. (1) The auditor general shall take all reasonable
18 steps to ensure that certified minority- and women-owned and
19 operated accounting firms, and accounting firms owned and operated
20 by persons with disabilities participate in the audits of the
21 books, accounts, and financial affairs of each principal executive
22 department, branch, institution, agency, and office of this state.

23 (2) The auditor general shall strongly encourage firms with
24 which the auditor general contracts to perform audits of the
25 principal executive departments and state agencies to subcontract
26 with certified minority- and women-owned and operated accounting

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

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

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

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

26 Sec. 624. If the auditor general conducts a subsequent audit
27 pursuant to section 229 of this part, the auditor general may

1 charge fees and collect revenues in excess of appropriations in
2 part 1 not to exceed the cost of any audit conducted pursuant to
3 section 229 of this part. Any revenues and fees collected pursuant
4 to this section are appropriated for expenditure for all expenses
5 associated with an audit conducted pursuant to section 229 of this
6 part.

7 **DEPARTMENT OF STATE**

8 Sec. 701. (1) In addition to the funds appropriated in part 1,
9 there is appropriated an amount not to exceed \$2,000,000.00 for
10 federal contingency funds. These funds are not available for
11 expenditure until they have been transferred to another line item
12 in part 1 under section 393(2) of the management and budget act,
13 1984 PA 431, MCL 18.1393.

14 (2) In addition to the funds appropriated in part 1, there is
15 appropriated an amount not to exceed \$7,500,000.00 for state
16 restricted contingency funds. These funds are not available for
17 expenditure until they have been transferred to another line item
18 in part 1 under section 393(2) of the management and budget act,
19 1984 PA 431, MCL 18.1393.

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

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

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

6 Sec. 703. From the funds appropriated in part 1, the
7 department of state shall sell copies of records including, but not
8 limited to, records of motor vehicles, off-road vehicles,
9 snowmobiles, watercraft, mobile homes, personal identification
10 cardholders, drivers, and boat operators and shall charge \$11.00
11 per record sold only as authorized in section 208b of the Michigan
12 vehicle code, 1949 PA 300, MCL 257.208b, section 7 of 1972 PA 222,
13 MCL 28.297, and sections 80130, 80315, 81114, and 82156 of the
14 natural resources and environmental protection act, 1994 PA 451,
15 MCL 324.80130, 324.80315, 324.81114, and 324.82156. The revenue
16 received from the sale of records shall be credited to the
17 transportation administration collection fund created under section
18 810b of the Michigan vehicle code, 1949 PA 300, MCL 257.810b. The
19 department of state shall provide quarterly reports to the
20 legislature, the chairpersons of the relevant appropriations
21 subcommittees, and the senate and house fiscal agencies. The report
22 shall be provided within 15 days of the close of the quarter and
23 shall include the number of records sold and the revenues
24 collected.

25 Sec. 704. From the funds appropriated in part 1, the secretary
26 of state may enter into agreements with the department of
27 corrections for the manufacture of vehicle registration plates 15

1 months before the registration year in which the registration
2 plates will be used.

3 Sec. 705. (1) The department of state may accept gifts,
4 donations, contributions, and grants of money and other property
5 from any private or public source to underwrite, in whole or in
6 part, the cost of a departmental publication that is prepared and
7 disseminated under the Michigan vehicle code, 1949 PA 300, MCL
8 257.1 to 257.923. A private or public funding source may receive
9 written recognition in the publication and may furnish a traffic
10 safety message, subject to departmental approval, for inclusion in
11 the publication. The department may reject a gift, donation,
12 contribution, or grant. The department may furnish copies of a
13 publication underwritten, in whole or in part, by a private source
14 to the underwriter at no charge.

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

24 (3) Pending expenditure, the funds received under this section
25 shall be deposited in the Michigan department of state publications
26 fund created by section 211 of the Michigan vehicle code, 1949 PA
27 300, MCL 257.211. Funds given, donated, or contributed to the

1 department from a private source are appropriated and allocated for
2 the purpose for which the revenue is furnished. Funds granted to
3 the department from a public source are allocated and may be
4 expended upon receipt. The department shall not accept a gift,
5 donation, contribution, or grant if receipt is conditioned upon a
6 commitment of state funding at a future date. Revenue received from
7 the sale of advertising is appropriated and may be expended upon
8 receipt.

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

12 (5) On March 1 of each year, the department of state shall
13 file a report with the senate and house of representatives standing
14 committees on appropriations, the chairpersons of the relevant
15 appropriations subcommittees, the senate and house fiscal agencies,
16 and the state budget director. The report shall include all of the
17 following information:

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

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

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

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

1 total number of advertising transactions.

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

12 Sec. 707. Funds collected by the department of state under
13 section 211 of the Michigan vehicle code, 1949 PA 300, MCL 257.211,
14 are appropriated for all expenses necessary to provide for the
15 costs of the publication. Funds are allotted for expenditure when
16 they are received by the department of treasury and shall not lapse
17 to the general fund at the end of the fiscal year.

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

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

1 funds available in miscellaneous revenue.

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

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

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

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

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

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

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

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

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

22 (7) The department must submit a report to the house and
23 senate appropriations subcommittees on general government, the
24 senate and house fiscal agencies, and the state budget director by
25 March 1 that provides the amount of revenue collected by the
26 department of state authorized under this section, the purpose of
27 each expenditure, and the amount of revenue carried forward.

1 Sec. 714. (1) Except as otherwise provided under subsection
2 (2), at least 180 days before closing a branch office or
3 consolidating a branch office and at least 60 days before
4 relocating a branch office, the department of state shall inform
5 members of the senate and house of representatives standing
6 committees on appropriations and legislators who represent affected
7 areas regarding the details of the proposal. The information
8 provided shall be in written form and include all analyses done
9 regarding criteria for changes in the location of branch offices,
10 including, but not limited to, branch transactions, revenue, and
11 the impact on citizens of the affected area. The impact on citizens
12 shall include information regarding additional distance to branch
13 office locations resulting from the plan. The written notice
14 provided by the department of state shall also include detailed
15 estimates of costs and savings that will result from the overall
16 changes made to the branch office structure and the same level of
17 detail regarding costs for new leased facilities and expansions of
18 current leased space.

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

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

27 Sec. 715. (1) Any service assessment collected by the

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

6 (2) The service assessment imposed by the department of state
7 for credit and debit card services may be based either on a
8 percentage of each individual credit or debit card transaction, or
9 on a flat rate per transaction, or both, scaled to the amount of
10 the transaction. However, the department shall not charge any
11 amount for a service assessment which exceeds the costs billable to
12 the department for service assessments.

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

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

21 Sec. 716b. The department of state shall provide a report that
22 calculates the total amount of funds expended for the business
23 application modernization project to date from the inception of the
24 program. The report shall contain information on the original start
25 and completion dates for the project, the original cost to complete
26 the project, and a listing of all revisions to project completion
27 dates and costs. The report shall include the total amount of funds

1 paid to the state by the contract provider for penalties. The
2 report shall be submitted to the senate and house of
3 representatives standing committees on appropriations, the
4 chairpersons of the relevant appropriations subcommittees, the
5 senate and house fiscal agencies, and the state budget director by
6 January 1.

7 Sec. 717. (1) The department of state may accept nonmonetary
8 gifts, donations, or contributions of property from any private or
9 public source to support, in whole or in part, the operation of a
10 departmental function relating to licensing, regulation, or safety.
11 The department may recognize a private or public contributor for
12 making the contribution. The department may reject a gift,
13 donation, or contribution.

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

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

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

1 Vista Township.

2 Sec. 719. From the funds appropriated in part 1, the office of
3 investigative services may use available funds to conduct
4 investigations of any reported irregularities in a local, state, or
5 national election.

6 Sec. 722. (1) From the funds appropriated in part 1 for
7 information technology services and projects, the department of
8 state shall continue implementation of a legacy modernization
9 project. The purpose of this project is modernization of the entire
10 system and removal of existing programs from the legacy mainframes.

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

23 Sec. 725. Total authorized appropriations from all sources
24 under part 1 for legacy costs for the fiscal year ending September
25 30, 2018 are estimated at \$31,170,200.00. From this amount, total
26 agency appropriations for pension-related legacy costs are
27 estimated at \$16,040,400.00. Total agency appropriations for

1 retiree health care legacy costs are estimated at \$15,129,800.00.

2 **DEPARTMENT OF TECHNOLOGY, MANAGEMENT, AND BUDGET**

3 Sec. 801. (1) In addition to the funds appropriated in part 1,
4 there is appropriated an amount not to exceed \$4,000,000.00 for
5 federal contingency funds. These funds are not available for
6 expenditure until they have been transferred to another line item
7 in part 1 under section 393(2) of the management and budget act,
8 1984 PA 431, MCL 18.1393.

9 (2) In addition to the funds appropriated in part 1, there is
10 appropriated an amount not to exceed \$8,000,000.00 for state
11 restricted contingency funds. These funds are not available for
12 expenditure until they have been transferred to another line item
13 in part 1 under section 393(2) of the management and budget act,
14 1984 PA 431, MCL 18.1393.

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

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

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

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

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

21 (3) The department may receive and expend funds in addition to
22 those authorized in part 1 for mail pickup and delivery services
23 provided specifically to other principal executive departments and
24 state agencies, the legislative branch, or the judicial branch.

25 (4) The department may receive and expend funds in addition to
26 those authorized in part 1 for purchasing services provided
27 specifically to other principal executive departments and state

1 agencies, the legislative branch, or the judicial branch.

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

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

17 Sec. 805. To the extent a specific appropriation is required
18 for a detailed source of financing included in part 1 for the
19 department appropriations financed from special revenue and
20 internal service and pension trust funds, or MAIN user charges, the
21 specific amounts are appropriated within the special revenue
22 internal service and pension trust funds in portions not to exceed
23 the aggregate amount appropriated in part 1.

24 Sec. 806. In addition to the funds appropriated in part 1 to
25 the department, the department may receive and expend funds from
26 other principal executive departments and state agencies to
27 implement administrative leave bank transfer provisions as may be

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

11 Sec. 807. The source of financing in part 1 for the Michigan
12 administrative information network and statewide integrated
13 governmental management applications shall be funded by
14 proportionate charges assessed against the respective state funds
15 benefiting from this project in the amounts determined by the
16 department.

17 Sec. 808. (1) Deposits against the interdepartmental grant
18 from building occupancy and parking charges appropriated in part 1
19 shall be collected, in part, from state agencies, the legislative
20 branch, and the judicial branch based on estimated costs associated
21 with maintenance and operation of buildings managed by the
22 department. To the extent excess revenues are collected due to
23 estimates of building occupancy charges exceeding actual costs, the
24 excess revenues may be carried forward into succeeding fiscal years
25 for the purpose of returning funds to state agencies.

26 (2) Appropriations in part 1 to the department, for management
27 and budget services from building occupancy charges and parking

1 charges, may be increased to return excess revenue collected to
2 state agencies.

3 Sec. 809. On a quarterly basis, the department shall notify
4 the chairpersons of the senate and house of representatives
5 standing committees on appropriations, the chairpersons of the
6 senate and house of representatives standing committees on
7 appropriations subcommittees on general government, the house and
8 senate fiscal agencies, and the state budget director on any
9 revisions either individually or in the aggregate that increase or
10 decrease current contracts by more than \$500,000.00 for computer
11 software development, hardware acquisition, or quality assurance.

12 Sec. 810. The department shall maintain an internet website
13 that contains notice of all invitations for bids and requests for
14 proposals over \$50,000.00 issued by the department or by any state
15 agency operating under delegated authority. The information must
16 appear on the first page of each department or state agency
17 dashboard. The department shall not accept an invitation for bid or
18 request for proposal in less than 14 days after the notice is made
19 available on the internet website, except in situations where it
20 would be in the best interest of the state and documented by the
21 department. In addition to the requirements of this section, the
22 department may advertise the invitations for bids and requests for
23 proposals in any manner the department determines appropriate, in
24 order to give the greatest number of individuals and businesses the
25 opportunity to make bids or requests for proposals.

26 Sec. 810a. (1) From the funds appropriated in part 1, the
27 department shall create a pilot program, in conjunction with a

1 third-party vendor, to provide comprehensive information on vendors
2 with which this state conducts business. The goal of the pilot
3 program will be to improve operational efficiency and reduce fraud
4 and risk when entering into contracts or agreements with vendors
5 and ensuring oversight and compliance with, but not limited to,
6 state tax programs and services provided through this state's
7 social services agencies. This pilot program must commence by
8 January 1, 2018.

9 (2) The selected vendor must maintain a business data
10 repository to provide information on all vendor financials,
11 products, operations, and competition. The department must review
12 this information prior to, during, and after entering into any
13 contract or other agreement and for compliance oversight. The pilot
14 program must be available for use by all state departments,
15 agencies, and local units of government.

16 (3) The selected third-party vendor must gather and provide
17 metrics on all of the following:

18 (a) A comprehensive database of commercial business
19 information.

20 (b) Whether a vendor has been identified as financially at-
21 risk.

22 (c) Whether a vendor has been identified as having ethics,
23 labor, or corruption issues that may affect its ability to do
24 business with this state.

25 (d) Economic trends in this state, including identifying
26 business growth areas.

27 (e) The performance of health care providers indicted for or

1 convicted of fraud along with a performance risk score and
2 cumulative percentage of at-risk providers.

3 (f) Vendor buying activity as an indicator of vendor
4 viability.

5 (4) The department shall notify the chairpersons of the
6 appropriations subcommittees on general government, senate and
7 house fiscal agencies, and state budget director once a vendor has
8 been selected.

9 Sec. 811. The department may receive and expend funds from the
10 Vietnam veterans memorial monument fund as provided in the Michigan
11 Vietnam veterans memorial act, 1988 PA 234, MCL 35.1051 to 35.1057.
12 Funds are appropriated and allocated when received and may be
13 expended upon receipt.

14 Sec. 812. The Michigan veterans' memorial park commission may
15 receive and expend money from any source, public or private,
16 including, but not limited to, gifts, grants, donations of money,
17 and government appropriations, for the purposes described in
18 Executive Order No. 2001-10. Funds are appropriated and allocated
19 when received and may be expended upon receipt. Any deposits made
20 under this section and unencumbered funds are restricted revenues
21 and may be carried over into succeeding fiscal years.

22 Sec. 813. (1) Funds in part 1 for motor vehicle fleet are
23 appropriated to the department for administration and for the
24 acquisition, lease, operation, maintenance, repair, replacement,
25 and disposal of state motor vehicles.

26 (2) The appropriation in part 1 for motor vehicle fleet shall
27 be funded by revenue from rates charged to principal executive

1 departments and agencies for utilizing vehicle travel services
2 provided by the department. Revenue in excess of the amount
3 appropriated in part 1 from the motor transport fund and any
4 unencumbered funds are restricted revenues and may be carried over
5 into the succeeding fiscal year.

6 (3) Pursuant to the department's authority under sections 213
7 and 215 of the management and budget act, 1984 PA 431, MCL 18.1213
8 and 18.1215, the department shall maintain a plan regarding the
9 operation of the motor vehicle fleet. The plan shall include the
10 number of vehicles assigned to, or authorized for use by, state
11 departments and agencies, efforts to reduce travel expenditures,
12 the number of cars in the motor vehicle fleet, the number of miles
13 driven by fleet vehicles, and the number of gallons of fuel
14 consumed by fleet vehicles. The plan shall include a calculation of
15 the amount of state motor vehicle fuel taxes that would have been
16 incurred by fleet vehicles if fleet vehicles were required by law
17 to pay motor fuel taxes. The plan shall include a description of
18 fleet garage operations, the goods sold and services provided by
19 the fleet garage, the cost to operate the fleet garage, the number
20 of fleet garage locations, and the number of employees assigned to
21 each fleet garage. The plan may be adjusted during the fiscal year
22 based on needs and cost savings to achieve the maximum value and
23 efficiency from the state motor fleet. Within 60 days after the
24 close of the fiscal year, the department shall provide a report to
25 the senate and house of representatives standing committees on
26 appropriations, the chairpersons of the relevant appropriations
27 subcommittees, the senate and house fiscal agencies, and the state

1 budget director detailing the current plan and changes made to the
2 plan during the fiscal year. The plan shall also be posted on the
3 department website.

4 (4) The department may charge state agencies for fuel cost
5 increases that exceed \$3.04 per gallon of unleaded gasoline. The
6 department shall notify state agencies, in writing or by electronic
7 mail, at least 30 days before implementing additional charges for
8 fuel cost increases. Revenues received from these charges are
9 appropriated upon receipt.

10 (5) The state budget director, upon notification to the senate
11 and house of representatives standing committees on appropriations,
12 may adjust spending authorization and the IDG from motor transport
13 fund in the department in order to ensure that the appropriations
14 for motor vehicle fleet in the department budget equal the
15 expenditures for motor vehicle fleet in the budgets for all
16 executive branch agencies.

17 Sec. 814. The department shall develop a plan regarding the
18 use of the funds appropriated in part 1 for the information
19 technology investment fund. The plan shall include, but not be
20 limited to, a description of proposed information technology
21 investment projects, the time frame for completion of the
22 information technology investment projects, the proposed cost of
23 the information technology investment projects, the number of
24 employees assigned to implement each information technology
25 investment project, the contracts entered into for each information
26 technology investment project, and any other information the
27 department deems necessary. The plan shall be distributed to the

1 senate and house of representatives standing committees on
2 appropriations subcommittees on general government, as well as the
3 senate and house fiscal agencies, and the state budget director on
4 a quarterly basis. The submitted plan shall also include
5 anticipated spending reductions or overages for each of the
6 proposed information technology investment projects. The department
7 shall notify the senate and house of representatives standing
8 committees on appropriations subcommittees on general government,
9 the senate and house fiscal agencies, and the state budget director
10 when a project funded under an information technology investment
11 project line item in part 1 is expected to require a transfer of
12 dollars from another project in excess of \$500,000.00.

13 Sec. 814a. The funds appropriated in part 1 for information
14 technology investment fund shall be used for the modernization of
15 state information technology systems, improvement of the state's
16 cyber security framework, and to achieve efficiencies.

17 Sec. 816. An RFP issued for the purpose of privatization shall
18 include all factors used in evaluating and determining price.

19 Sec. 818. In addition to the funds appropriated in part 1, the
20 department may receive and expend money from the Michigan law
21 enforcement officers memorial monument fund as provided in the
22 Michigan law enforcement officers memorial act, 2004 PA 177, MCL
23 28.781 to 28.787.

24 Sec. 820. The department shall make available to the public a
25 list of all parcels of real property owned by the state that are
26 available for purchase. The list shall be posted on the internet
27 through the department's website.

1 Sec. 822. The department shall compile a report by January 1
2 pertaining to the salaries of unclassified employees, as well as
3 gubernatorial appointees, within all state departments and
4 agencies. The report shall enumerate each unclassified employee and
5 gubernatorial appointee and his or her annual salary individually.
6 The report shall be distributed to the chairs of the senate and
7 house of representatives standing committees on appropriations
8 subcommittees on general government, as well as the senate and
9 house fiscal agencies and be made available electronically.

10 Sec. 822b. (1) A public-private partnership investment fund is
11 created in the department. Subject to subsections (2) and (3),
12 public-private partnership investments shall include, but are not
13 limited to, all of the following:

14 (a) Capital asset improvements including buildings, land, or
15 structures.

16 (b) Energy resource exploration, extraction, generation, and
17 sales.

18 (c) Financial and investment incentive opportunities.

19 (d) Infrastructure construction, maintenance, and operation.

20 (e) Public-private sector joint ventures that provide economic
21 benefit to an area or to the state.

22 (2) Public-private investments shall not include projects,
23 consultant expenses, staff effort, or any other activity related to
24 the development, financing, construction, operation, or
25 implementation of the Detroit River International Crossing or any
26 successor project unless the project is approved by the legislature
27 and signed into law.

1 (3) The state budget director shall determine whether or not a
2 specific public-private partnership investment opportunity
3 qualifies for funding under subsection (1).

4 (4) Investment development revenue, including a portion of the
5 proceeds from the sale of any public-private partnership investment
6 designated in subsection (1), shall be deposited into the fund
7 created in subsection (1) and shall be available for
8 administration, development, financing, marketing, and operating
9 expenditures associated with public-private partnerships, unless
10 otherwise provided by law. Public-private partnership investments
11 authorized in subsection (1) are authorized for public or private
12 operation or sale consistent with state law. Expenditures from the
13 fund are authorized for investment purposes as designated in
14 subsection (1) to enhance the marketable value of each investment.
15 The unencumbered balance remaining in the fund at the end of the
16 fiscal year may be carried forward for appropriation in future
17 years.

18 (5) An annual report shall be transmitted to the senate and
19 house of representatives standing committees on appropriations, the
20 chairpersons of the relevant appropriations subcommittees, the
21 senate and house fiscal agencies, and the state budget office not
22 later than December 31 of each year. This report shall detail both
23 of the following:

24 (a) The revenue and expenditure activity in the fund for the
25 preceding fiscal year.

26 (b) Public-private partnership investments as identified under
27 subsection (1).

1 (6) The department shall monitor the revenue deposited in the
2 public-private partnership investment fund created in subsection
3 (1). If the revenue in the fund is insufficient to pay the amount
4 appropriated in part 1 for public-private partnership investment,
5 then the department shall propose a legislative transfer to fund
6 the line from the appropriations in part 1.

7 Sec. 822c. The funds appropriated in part 1 shall not be used
8 to support any staff effort, projects, consultant expenses, or any
9 other activity related to the development, financing, construction,
10 operation, or implementation of the Detroit River International
11 Crossing or any successor project unless the project is approved by
12 the legislature and signed into law.

13 Sec. 822d. By December 31, the department shall provide a
14 report to the senate and house appropriations subcommittees on
15 general government and the senate and house fiscal agencies that
16 identifies fee and rate schedules to be used by state departments
17 and agencies for services, including information technology,
18 provided by the department during fiscal year 2017-2018. The report
19 shall also identify changes from fees and rates charged in fiscal
20 year 2016-2017 and include an explanation of the factors that
21 justify each fee and rate increase.

22 Sec. 822e. Total authorized appropriations from all sources
23 under part 1 for legacy costs for the fiscal year ending September
24 30, 2018 are estimated at \$84,145,300.00. From this amount, total
25 agency appropriations for pension-related legacy costs are
26 estimated at \$43,301,700.00. Total agency appropriations for
27 retiree health care legacy costs are estimated at \$40,843,600.00.

1 Sec. 822f. (1) The funds appropriated in part 1 for the
2 regional prosperity initiative are to be used as competitive grants
3 to eligible regional planning organizations qualifying for funding
4 as a regional prosperity collaborative, a regional prosperity
5 council, or a regional prosperity board. A regional planning
6 organization may not qualify for funding under more than 1 category
7 in the same state fiscal year. As used in this section:

8 (a) "Eligible regional planning organization" means any of the
9 following:

10 (i) An existing regional planning commission created pursuant
11 to 1945 PA 281, MCL 125.11 to 125.25.

12 (ii) An existing regional economic development commission
13 created pursuant to 1966 PA 46, MCL 125.1231 to 125.1237.

14 (iii) An existing metropolitan area council formed pursuant to
15 the metropolitan councils act, 1989 PA 292, MCL 124.651 to 124.729.

16 (iv) A Michigan metropolitan planning organization established
17 pursuant to the moving ahead for progress in the 21st century act,
18 Public Law 112-141.

19 (b) "Freedom of information act" means the freedom of
20 information act, 5 USC 552.

21 (c) "Open meetings act" means the open meetings act, 1976 PA
22 267, MCL 15.261 to 15.275.

23 (d) "Regional prosperity board" means a regional body that has
24 a singular governing board with representation from private,
25 public, and nonprofit entities engaged in joint decision-making
26 practices for the purpose of creating or maintaining a phase three:
27 regional prosperity plan.

1 (e) "Regional prosperity collaborative" means any committee
2 developed by a regional planning organization or a metropolitan
3 planning organization that serves to bring organizational
4 representation together from private, public, and nonprofit
5 entities within a region for the purpose of creating or maintaining
6 a phase one: regional prosperity plan.

7 (f) "Regional prosperity council" means a regional body with
8 representation from private, public, and nonprofit entities with
9 shared administrative services and an executive governing entity,
10 as demonstrated by a formal local agreement or agreements for the
11 purpose of creating or maintaining a phase two: regional prosperity
12 plan.

13 (2) Regional planning organizations may qualify to receive not
14 more than \$250,000.00 of incentive-based funding as a regional
15 prosperity collaborative subject to meeting all of the following
16 requirements:

17 (a) The regional prosperity collaborative has created a phase
18 one: regional prosperity plan, as follows:

19 (i) The regional prosperity collaborative must include
20 regional representatives from adult education, workforce
21 development, community development, economic development,
22 transportation, and higher education organizations.

23 (ii) The plan is required, at a minimum, to include a 5-year
24 plan focused on economic growth and vitality for the region, as
25 well as a performance dashboard and measurable annual goals to
26 support the 5-year plan.

27 (iii) The 5-year plan shall address regional strategies

1 related to adult education, workforce development, economic
2 development, transportation, higher education, and business
3 development.

4 (iv) The regional prosperity collaborative shall adopt the
5 plan by a minimum 2/3 majority vote of its members.

6 (b) The regional prosperity collaborative adheres to
7 accountability and transparency measures required in the open
8 meetings act and the freedom of information act.

9 (c) The regional prosperity collaborative convenes monthly
10 meetings, open to the public, to consider and discuss issues
11 leading to a common vision of economic prosperity for the region,
12 including, but not limited to, community development, economic
13 development, talent, and infrastructure opportunities.

14 (d) The regional prosperity collaborative makes available on
15 the grant recipient's publicly accessible internet site pertinent
16 documents, including, but not limited to, monthly meeting agendas,
17 minutes of monthly meetings, voting records, and the regional
18 prosperity plan and performance dashboard.

19 (e) The regional prosperity collaborative keeps a status
20 report detailing the spending associated with previous regional
21 prosperity initiative grants. Organizations that have successfully
22 received grant awards in previous fiscal years shall be required to
23 make available to the department and on a publicly accessible
24 internet site information regarding the use of those grant dollars.

25 (3) Regional planning organizations eligible to receive a
26 payment as a regional prosperity collaborative under subsection (2)
27 may qualify to receive a 1-time grant of not more than \$75,000.00

1 to produce a plan to transform the regional prosperity
2 collaborative into a regional prosperity council or regional
3 prosperity board, including necessary local formal agreements, to
4 make recommendations that eliminate duplicative efforts and
5 administrative functions, and to leverage resources through
6 cooperation, collaboration, and consolidations of organizations or
7 programs throughout the region. Plans produced to transform the
8 regional prosperity collaborative into a regional prosperity
9 council or regional prosperity board shall be made available on the
10 grant recipient's publicly accessible internet site.

11 (4) Regional planning organizations may qualify to receive not
12 more than \$375,000.00 of incentive-based funding as a regional
13 prosperity council subject to meeting all of the following
14 requirements:

15 (a) A regional prosperity council has been formed and includes
16 regional representatives from adult education, workforce
17 development, community development, economic development,
18 transportation, and higher education organizations.

19 (b) An eligible regional prosperity council will demonstrate
20 shared administrative services between 2 public regional entities
21 included in subdivision (a). In addition, the council must have and
22 maintain an executive governing entity, as demonstrated by a formal
23 local agreement or agreements.

24 (c) The regional prosperity council has created a phase two:
25 regional prosperity plan, as follows:

26 (i) The regional prosperity council shall identify
27 opportunities for shared administrative services and decision-

1 making among the private, public, and nonprofit entities within the
2 region and shall continue collaboration with regional prosperity
3 council members, including, but not limited to, representatives
4 from adult education providers, workforce development agencies,
5 community development agencies, economic development agencies,
6 transportation service providers, and higher education
7 institutions.

8 (ii) The plan is required to include, but is not limited to,
9 all of the following:

10 (A) A status report of the approved 5-year plan.

11 (B) The addition of a 10-year plan for the region which builds
12 upon prior work and is focused on economic growth and vitality in
13 the region.

14 (C) A prioritized list of regional projects.

15 (D) A performance dashboard with measurable annual goals.

16 (iii) The regional prosperity council shall adopt the plan by
17 a minimum 2/3 vote of its members.

18 (d) The regional prosperity council adheres to accountability
19 and transparency measures required in the open meetings act and the
20 freedom of information act.

21 (e) The regional prosperity council convenes monthly meetings,
22 open to the public, to consider and discuss issues leading to a
23 common vision of economic prosperity for the region, including, but
24 not limited to, community development, economic development,
25 talent, and infrastructure opportunities.

26 (f) The regional prosperity council makes available on the
27 grant recipient's publicly accessible internet site pertinent

1 documents, including, but not limited to, monthly meeting agendas,
2 minutes of monthly meetings, voting records, and the regional
3 prosperity plan and performance dashboard.

4 (g) The regional prosperity council keeps a status report
5 detailing the spending associated with previous regional prosperity
6 initiative grants. Organizations that have successfully received
7 grant awards in previous fiscal years shall be required to make
8 available to the department and on a publicly accessible internet
9 site information regarding the use of those grant dollars.

10 (5) Regional planning organizations eligible to receive a
11 payment as a regional prosperity council under subsection (4) may
12 qualify to receive a 1-time grant of not more than \$75,000.00 to
13 produce a plan to transform the regional prosperity council into a
14 regional prosperity board, including a singular private/public
15 governance structure that comports with federal guidelines for
16 governance under the workforce investment act, Public Law 105-220,
17 the moving ahead for progress in the 21st century act, Public Law
18 112-141, the economic development administration and Appalachian
19 regional development reform act of 1998, Public Law 105-393, and
20 recommendations to eliminate duplicative efforts, administrative
21 functions, and leverage resources through cooperation,
22 collaboration, and consolidations of organizations or programs
23 throughout the region.

24 (6) Regional planning organizations may qualify to receive not
25 more than \$500,000.00 of incentive-based funding as a regional
26 prosperity board subject to meeting all of the following
27 requirements:

1 (a) The regional prosperity board has been formed and, at a
2 minimum, must demonstrate the consolidation of a regional
3 metropolitan planning organization, where one exists, state
4 designated regional planning agency boards, workforce development
5 boards, and federally designated regional economic development
6 districts within a region.

7 (b) The regional prosperity board has created a phase three:
8 regional prosperity plan, as follows:

9 (i) The regional prosperity board shall create a regional
10 services recommendations report prioritizing the list of state-
11 funded services and programs provided to the region, and
12 recommendations for state-regional partnerships to support the
13 adopted regional prosperity plan.

14 (ii) The plan is required to include a status report of the
15 approved 10-year plan for the creation of an updated regional
16 prosperity plan.

17 (iii) The regional prosperity board shall adopt the plan by a
18 minimum 2/3 vote of its members.

19 (c) The regional prosperity board adheres to accountability
20 and transparency measures required in the open meetings act and the
21 freedom of information act.

22 (d) The regional prosperity board convenes monthly meetings,
23 open to the public, to consider and discuss issues leading to a
24 common vision of economic prosperity for the region, including, but
25 not limited to, community development, economic development,
26 talent, and infrastructure opportunities.

27 (e) The regional prosperity board makes available on the grant

1 recipient's publicly accessible internet site pertinent documents,
2 including, but not limited to, monthly meeting agendas, minutes of
3 monthly meetings, voting records, and the regional prosperity plan
4 and performance dashboard.

5 (7) Regional planning organizations eligible to receive a
6 payment as a regional prosperity board under subsection (6) may
7 qualify to receive not more than \$125,000.00, to implement the
8 prioritized regional prosperity plan projects.

9 (8) Regional planning organizations eligible to receive a
10 payment as a regional prosperity collaborative, board, or council
11 may partner with other eligible regional planning organizations to
12 submit joint applications. In the instance of a joint application,
13 1 regional planning organization shall be utilized as the overall
14 applicant. The department may award a joint application award of no
15 greater than the sum of potential application dollars which would
16 have otherwise been available through individual applications.

17 (9) The department shall develop an application process and
18 method of grant distribution for the regional prosperity
19 initiative. Funding applications from regional planning
20 organizations shall be due to the department by December 1, 2017.
21 The department shall notify regional planning organizations of
22 grant application status by January 1, 2018. The department shall
23 ensure that processes are established to verify that qualifying
24 regional planning organizations meet the requirements under
25 subsections (2), (3), (4), (5), (6), and (7), as applicable.

26 (10) Unexpended funds appropriated in part 1 for the regional
27 prosperity initiative are designated as work project

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

7 (a) The purpose of the projects is to provide incentive-based
8 grants to recipients under this section.

9 (b) The projects will be accomplished by grants to qualified
10 regional planning organizations.

11 (c) The total estimated cost of all projects is \$2,500,000.00.

12 (d) The estimated completion date is September 30, 2022.

13 Sec. 822g. The department shall report quarterly to the senate
14 and house of representatives standing committees on appropriations,
15 the senate and house appropriations subcommittees on general
16 government, and the senate and house fiscal agencies on legal
17 service fund expenditures. The report shall itemize expenditures by
18 case, purpose, and department involved and shall include
19 expenditures related to all previously appropriated funds.

20 Sec. 822i. (1) From the funds appropriated in part 1, the
21 department shall assure all of the following:

22 (a) That public schools that are placed in the state school
23 reform/redesign school district or under a chief executive officer
24 under section 1280c of the revised school code, 1976 PA 451, MCL
25 380.1280c, remain in compliance with all applicable state and
26 federal law concerning special education.

27 (b) That students at public schools described in subdivision

1 (a) with individualized education programs are afforded special
2 education services in accordance with applicable state and federal
3 law concerning special education.

4 (2) The department shall report to the legislature on the
5 number of students in public schools described in subsection (1) (a)
6 who have an individualized education program and the performance
7 results of those students after the change in governance of the
8 public school.

9 Sec. 822l. From the funds appropriated in part 1 for the
10 school reform office, the school reform office shall conduct 1
11 public hearing in the school district of priority schools that the
12 school reform office has determined require an intervention
13 authorized by section 1280c(6) or (7) of the revised school code,
14 1976 PA 451, MCL 380.1280c. The school reform office shall give
15 notice to the district prior to the public hearing. The public
16 hearing shall include an outline of the plan for academic
17 improvement of the schools and a projected time frame of the school
18 reform office's involvement with the schools. The public hearing
19 must occur prior to the release of funds or dissolution proceedings
20 of a school building.

21 Sec. 822m. From the funds appropriated in part 1, the
22 department shall establish a system that collaborates with other
23 departments to keep track of the performance of vendors in
24 fulfilling contract obligations. The performance of these vendors
25 shall be recorded and used as a factor to determine future
26 contracts awarded in the procurement process.

27 Sec. 822n. From the funds appropriated in part 1, beginning on

1 October 1, the department shall ensure that all new requests for
2 proposals that are publicly displayed on the webpage include the
3 proposal's corresponding department and agency for the purpose of
4 searching for requests for proposals by department and agency.

5 Sec. 822o. From the funds appropriated in part 1 for the
6 school reform office, the school reform office shall make an effort
7 to coordinate with the department of education to streamline state
8 services and resources, reduce duplication, and increase
9 efficiency.

10 **INFORMATION TECHNOLOGY**

11 Sec. 823. (1) The department may sell and accept paid
12 advertising for placement on any state website under its
13 jurisdiction. The department shall review and approve the content
14 of each advertisement. The department may refuse to accept
15 advertising from any person or organization or require modification
16 to advertisements based upon criteria determined by the department.
17 Revenue received under this subsection shall be used for operating
18 costs of the department and for future technology enhancements to
19 state of Michigan e-government initiatives. Funds received under
20 this subsection shall be limited to \$250,000.00. Any funds in
21 excess of \$250,000.00 shall be deposited in the state general fund.

22 (2) The department may accept gifts, donations, contributions,
23 bequests, and grants of money from any public or private source to
24 assist with the underwriting or sponsorship of state webpages or
25 services offered on those webpages. A private or public funding
26 source may receive recognition in the webpage. The department may

1 reject any gift, donation, contribution, bequest, or grant.

2 (3) Funds accepted by the department under subsection (1) or
3 (2) are appropriated and allotted when received and may be expended
4 upon approval of the state budget director. The state budget office
5 shall notify the senate and house of representatives standing
6 committees on appropriations subcommittees on general government
7 and the senate and house fiscal agencies within 10 days after the
8 approval is given. The department shall provide a report to the
9 senate and house of representatives appropriations subcommittees on
10 general government and senate and house fiscal agencies that
11 details the funds accepted for the prior fiscal year by November 1.

12 Sec. 824. The department may enter into agreements to supply
13 spatial information and technical services to other principal
14 executive departments, state agencies, local units of government,
15 and other organizations. The department may receive and expend
16 funds in addition to those authorized in part 1 for providing
17 information and technical services, publications, maps, and other
18 products. The department may expend amounts received for salaries,
19 supplies, and equipment necessary to provide informational products
20 and technical services. Prior to December 1 of each year, the
21 department shall provide a report to the senate and house of
22 representatives standing committees on appropriations subcommittees
23 on general government and the state budget director detailing the
24 sources of funding and expenditures made under this section.

25 Sec. 825. The legislature shall have access to all historical
26 and current data contained within MAIN, or its successor,
27 pertaining to state departments. State departments shall have

1 access to all historical and current data contained within MAIN, or
2 its successor.

3 Sec. 826. When used in this part and part 1, "information
4 technology services" means services involving all aspects of
5 managing and processing information, including, but not limited to,
6 all of the following:

7 (a) Application and mobile development and maintenance.

8 (b) Desktop computer support and management.

9 (c) Cyber security.

10 (d) Social media.

11 (e) Mainframe computer support and management.

12 (f) Server support and management.

13 (g) Local area network support and management, including, but
14 not limited to, wired and wireless network build-out, support, and
15 management.

16 (h) Information technology project management.

17 (i) Information technology planning and budget management.

18 (j) Telecommunication services, infrastructure, and support.

19 Sec. 827. (1) Funds appropriated in part 1 for the Michigan
20 public safety communications system shall be expended upon approval
21 of an expenditure plan by the state budget director.

22 (2) The department shall assess all subscribers of the
23 Michigan public safety communications system reasonable access and
24 maintenance fees and shall deposit the fees in the Michigan public
25 safety communications systems fees fund.

26 (3) All money received by the department under this section
27 shall be expended for the support and maintenance of the Michigan

1 public safety communications system.

2 Sec. 828. The department shall submit a report for the
3 immediately preceding fiscal year ending September 30 to the senate
4 and house of representatives standing committees on appropriations
5 subcommittees on general government and the senate and house fiscal
6 agencies by March 1. The report shall include the following:

7 (a) The total amount of funding appropriated for information
8 technology services and projects, by funding source, for all
9 principal executive departments and agencies.

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

12 Sec. 829. The department shall provide a report that analyzes
13 and makes recommendations on the life-cycle of information
14 technology hardware and software. The report shall be submitted to
15 the senate and house of representatives standing committees on
16 appropriations subcommittees on general government and the senate
17 and house fiscal agencies by March 1.

18 Sec. 830. By December 31, the department shall provide a
19 report that lists all information technology-related change orders
20 and follow-on contracts, greater than \$50,000.00, whether they are
21 bid, exercise options, or no-bid, and the amount of each change
22 order or contract extension contract entered into by the department
23 to the senate and house of representatives standing committees on
24 appropriations subcommittees on general government, the senate and
25 house fiscal agencies, and the state budget director.

26 Sec. 832. (1) The department shall inform the senate and house
27 appropriations subcommittees on general government and the senate

1 and house fiscal agencies within 30 days of any potential or actual
2 penalties assessed by the federal government for failure of the
3 Michigan child support enforcement system to achieve certification
4 by the federal government.

5 (2) If potential penalties are assessed by the federal
6 government, the department shall submit a report to the senate and
7 house appropriations subcommittees on general government and the
8 senate and house fiscal agencies within 90 days specifying the
9 department's plans to avoid actual penalties and ensure federal
10 certification of the Michigan child support enforcement system.

11 Sec. 833. (1) The state budget director, upon notification to
12 the senate and house of representatives standing committees on
13 appropriations, may adjust spending authorization and user fees in
14 the department in order to ensure that the appropriations for
15 information technology in the department budget equal the
16 appropriations for information technology in the budgets for all
17 executive branch agencies.

18 (2) If during the course of the fiscal year a transfer or
19 supplemental to or from the information technology line item within
20 an agency budget is made under section 393 of the management and
21 budget act, 1984 PA 431, MCL 18.1393, there is appropriated an
22 equal amount of user fees in the department budget to accommodate
23 an increase or decrease in spending authorization.

24 Sec. 834. (1) Revenue collected from licenses issued under the
25 antenna site management project shall be deposited into the antenna
26 site management revolving fund created for this purpose in the
27 department. The department may receive and expend money from the

1 fund for costs associated with the antenna site management project,
2 including the cost of a third-party site manager. Any excess
3 revenue remaining in the fund at the close of the fiscal year shall
4 be proportionately transferred to the appropriate state restricted
5 funds as designated in statute or by constitution.

6 (2) An antenna shall not be placed on any site pursuant to
7 this section without complying with the respective local zoning
8 codes and local unit of government processes.

9 Sec. 835. (1) In addition to the funds appropriated in part 1,
10 the funds collected by the department for supplying census-related
11 information and technical services, publications, statistical
12 studies, population projections and estimates, and other
13 demographic products are appropriated for all expenses necessary to
14 provide the required services. These funds are available for
15 expenditure when they are received and may be carried forward into
16 the next succeeding fiscal year.

17 (2) The department must submit a report to the house and
18 senate appropriations subcommittees on general government, the
19 senate and house fiscal agencies, and the state budget director by
20 March 1 that provides the amount of revenue collected by the
21 department from the authorization in subsection (1) and the amount
22 of revenue carried forward.

23 Sec. 836. From the increased funds appropriated in part 1 for
24 the information technology investment fund, the department of
25 technology, management, and budget shall provide for the
26 modernization of state information technology systems, and
27 integrate state system interfaces to improve customer service.

1 Sec. 836a. (1) From the funds appropriated in part 1 for cyber
2 security staffing, hardware, and support costs, the department
3 shall identify specific outcomes and performance measures,
4 including, but not limited to, the following:

5 (a) Reduce the number of cyber threats based on the daily
6 attacks to prevent data breaches during the fiscal year ending
7 September 30, 2018.

8 (b) Reduce the risk of cyber vulnerabilities for application,
9 data, and network during the fiscal year ending September 30, 2018.

10 (c) Increase awareness of cyber threats and the preventative
11 steps for citizens, businesses, and employees during the fiscal
12 year ending September 30, 2018.

13 (2) The department must submit a report to the house and
14 senate appropriations subcommittees on general government, the
15 senate and house fiscal agencies, and the state budget director by
16 March 15. The report must describe the specific outcomes and
17 measures required in subsection (1) and provide the results and
18 data related to these outcomes and measures for the prior fiscal
19 year if related information is available for the prior fiscal year.

20 Sec. 837. (1) From the funds appropriated in part 1 for
21 citizen-centric government, the department shall identify specific
22 outcomes and performance measures, including, but not limited to,
23 the following:

24 (a) Begin integration of MiLogin with at least 10 high-value
25 systems to provide seamless access to those systems with 1 set of
26 credentials during the fiscal year ending September 30, 2018.

27 (b) Increase the number of high-value systems that citizens

1 and businesses can log into with 1 login during the fiscal year
2 ending September 30, 2018.

3 (2) The department must submit a report to the house and
4 senate appropriations subcommittees on general government, the
5 senate and house fiscal agencies, and the state budget director by
6 March 15. The report must describe the specific outcomes and
7 measures required in subsection (1) and provide the results and
8 data related to these outcomes and measures.

9 **STATE BUILDING AUTHORITY RENT**

10 Sec. 842. (1) The state building authority rent appropriations
11 in part 1 may also be expended for the payment of required premiums
12 for insurance on facilities owned by the state building authority
13 or payment of costs that may be incurred as the result of any
14 deductible provisions in such insurance policies.

15 (2) If the amount appropriated in part 1 for state building
16 authority rent is not sufficient to pay the rent obligations and
17 insurance premiums and deductibles identified in subsection (1) for
18 state building authority projects, there is appropriated from the
19 general fund of the state the amount necessary to pay such
20 obligations.

21 **CIVIL SERVICE COMMISSION**

22 Sec. 850. (1) In accordance with section 5 of article XI of
23 the state constitution of 1963, all restricted funds shall be
24 assessed a sum not less than 1% of the total aggregate payroll paid
25 from those funds for financing the civil service commission on the

1 basis of actual 1% restricted sources total aggregate payroll of
2 the classified service for the preceding fiscal year. This
3 includes, but is not limited to, restricted funds appropriated in
4 part 1 of any appropriations act. Unexpended 1% appropriated funds
5 shall be returned to each 1% fund source at the end of the fiscal
6 year.

7 (2) The appropriations in part 1 are estimates of actual
8 charges based on payroll appropriations. With the approval of the
9 state budget director, the commission is authorized to adjust
10 financing sources for civil service charges based on actual payroll
11 expenditures, provided that such adjustments do not increase the
12 total appropriation for the civil service commission.

13 (3) The financing from restricted sources shall be credited to
14 the civil service commission by the end of the second fiscal
15 quarter.

16 Sec. 851. Except where specifically appropriated for this
17 purpose, financing from restricted sources shall be credited to the
18 civil service commission. For restricted sources of funding within
19 the general fund that have the legislative authority for carryover,
20 if current spending authorization or revenues are insufficient to
21 accept the charge, the shortage shall be taken from carryforward
22 balances of that funding source. Restricted revenue sources that do
23 not have carryforward authority shall be utilized to satisfy
24 commission operating deducts first and civil service obligations
25 second. General fund dollars are appropriated for any shortfall,
26 pursuant to approval by the state budget director.

27 Sec. 852. The appropriation in part 1 to the civil service

commission, for state-sponsored group insurance, flexible spending accounts, and COBRA, represents amounts, in part, included within the various appropriations throughout state government for the current fiscal year to fund the flexible spending account program included within the civil service commission. Deposits against state-sponsored group insurance, flexible spending accounts, and COBRA for the flexible spending account program shall be made from assessments levied during the current fiscal year in a manner prescribed by the civil service commission. Unspent employee contributions to the flexible spending accounts may be used to offset administrative costs for the flexible spending account program, with any remaining balance of unspent employee contributions to be lapsed to the general fund.

CAPITAL OUTLAY

Sec. 860. As used in sections 861 through 867 of this part:

(a) "Board" means the state administrative board.

(b) "Community college" means a community college organized under the community college act of 1966, 1966 PA 331, MCL 389.1 to 389.195, or under part 25 of the revised school code, 1976 PA 451, MCL 380.1601 to 380.1607, and does not include a state agency or university.

(c) "Department" means the department of technology, management, and budget.

(d) "Director" means the director of the department of technology, management, and budget.

(e) "Fiscal agencies" means the senate fiscal agency and the

1 house fiscal agency.

2 (f) "State agency" means an agency of state government. State
3 agency does not include a community college or university.

4 (g) "State building authority" means the authority created
5 under 1964 PA 183, MCL 830.411 to 830.425.

6 (h) "University" means a 4-year university supported by the
7 state. University does not include a community college or a state
8 agency.

9 Sec. 861. Each capital outlay project authorized in this part
10 and part 1 or any previous capital outlay act shall comply with the
11 procedures required by the management and budget act, 1984 PA 431,
12 MCL 18.1101 to 18.1594.

13 Sec. 862. (1) The department shall provide the JCOS, state
14 budget director, and the senate and house fiscal agencies with
15 reports as considered necessary relative to the status of each
16 planning or construction project financed by the state building
17 authority, by this part and part 1, or by previous acts.

18 (2) Before the end of each fiscal year, the department shall
19 report to the JCOS, state budget director, and the senate and house
20 fiscal agencies for each capital outlay project other than lump
21 sums all of the following:

22 (a) The account number and name of each construction project.

23 (b) The balance remaining in each account.

24 (c) The date of the last expenditure from the account.

25 (d) The anticipated date of occupancy if the project is under
26 construction.

27 (e) The appropriations history for the project.

1 (f) The professional service contractor.

2 (g) The amount of the project financed with federal funds.

3 (h) The amount of the project financed through the state
4 building authority.

5 (i) The total authorized cost for the project and the state
6 authorized share if different than the total.

7 (3) Before the end of each fiscal year, the department shall
8 report the following for each project by a state agency,
9 university, or community college that is authorized for planning
10 but is not yet authorized for construction:

11 (a) The name of the project and account number.

12 (b) Whether a program statement is approved.

13 (c) Whether schematics are approved by the department.

14 (d) Whether preliminary plans are approved by the department.

15 (e) The name of the professional service contractor.

16 (4) As used in this section, "project" includes appropriation
17 line items made for purchase of real estate.

18 Sec. 864. The appropriations in part 1 for capital outlay
19 shall be carried forward at the end of the fiscal year consistent
20 with the provisions of section 248 of the management and budget
21 act, 1984 PA 431, MCL 18.1248.

22 Sec. 865. (1) A site preparation economic development fund is
23 created in the department. As used in this section, "economic
24 development sites" means those state-owned sites declared as
25 surplus property pursuant to section 251 of the management and
26 budget act, 1984 PA 431, MCL 18.1251, that would provide economic
27 benefit to the area or to the state. The MEDC board and the state

1 budget director shall determine whether or not a specific state-
2 owned site qualifies for inclusion in the fund created under this
3 subsection.

4 (2) Proceeds from the sale of any sites designated in
5 subsection (1) shall be deposited into the fund created in
6 subsection (1) and shall be available for site preparation
7 expenditures, unless otherwise provided by law. The economic
8 development sites authorized in subsection (1) are authorized for
9 sale consistent with state law. Expenditures from the fund are
10 authorized for site preparation activities that enhance the
11 marketable sale value of the sites. Site preparation activities
12 include, but are not limited to, demolition, environmental studies
13 and abatement, utility enhancement, and site excavation.

14 (3) A cash advance in an amount of not more than
15 \$25,000,000.00 is authorized from the general fund to the site
16 preparation economic development fund.

17 (4) An annual report shall be transmitted to the senate and
18 house of representatives standing committees on appropriations not
19 later than December 31 of each year. This report shall detail both
20 of the following:

21 (a) The revenue and expenditure activity in the fund for the
22 preceding fiscal year.

23 (b) The sites identified as economic development sites under
24 subsection (1).

25 Sec. 867. Proceeds from the sale of the Farnum Building shall
26 be subsequently appropriated to the department in accordance with
27 any legislation enacted that authorizes the sale of that property.

1 If the net proceeds from the sale of the Farnum Building are less
2 than the \$7,000,000.00 authorized for senate relocation costs in
3 section 896 of article VIII of 2014 PA 252, an amount equal to the
4 difference between the net sale proceeds and \$7,000,000.00 shall be
5 appropriated by the legislature to the department.

6 **CAPITAL OUTLAY - UNIVERSITIES AND COMMUNITY COLLEGES**

7 Sec. 873. (1) This section applies only to projects for
8 community colleges.

9 (2) State support is directed towards the remodeling and
10 additions, special maintenance, or construction of certain
11 community college buildings. The community college shall obtain or
12 provide for site acquisition and initial main utility installation
13 to operate the facility. Funding shall be composed of local and
14 state shares and not more than 50% of a capital outlay project, not
15 including a lump-sum special maintenance project or remodeling and
16 addition project, for a community college shall be appropriated
17 from state and federal funds, unless otherwise appropriated by the
18 legislature.

19 (3) An expenditure under this part and part 1 is authorized
20 when the release of the appropriation is approved by the board upon
21 the recommendation of the director. The director may recommend to
22 the board the release of any appropriation in part 1 only after the
23 director is assured that the legal entity operating the community
24 college to which the appropriation is made has complied with this
25 part and part 1 and has matched the amounts appropriated as
26 required by this part and part 1. A release of funds in part 1

1 shall not exceed 50% of the total cost of planning and construction
2 of any project, not including lump-sum remodeling and additions and
3 special maintenance, unless otherwise appropriated by the
4 legislature. Further planning and construction of a project
5 authorized by this part and part 1 or applicable sections of the
6 management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594,
7 shall be in accordance with the purpose and scope as defined and
8 delineated in the approved program statements and planning
9 documents. This part and part 1 are applicable to all projects for
10 which planning appropriations were made in previous acts.

11 (4) The community college shall take the steps necessary to
12 secure available federal construction and equipment money for
13 projects funded for construction in this part and part 1 if an
14 application was not previously made. If there is a reasonable
15 expectation that a prior year unfunded application may receive
16 federal money in a subsequent year, the college shall take whatever
17 action necessary to keep the application active.

18 Sec. 874. If university and community college matching
19 revenues are received in an amount less than the appropriations for
20 capital projects contained in this part and part 1, the state funds
21 shall be reduced in proportion to the amount of matching revenue
22 received.

23 Sec. 875. (1) The director may require that community colleges
24 and universities that have an authorized project listed in part 1
25 submit documentation regarding the project match and governing
26 board approval of the authorized project not more than 60 days
27 after the beginning of the fiscal year.

(2) If the documentation required by the director under subsection (1) is not submitted, or does not adequately authenticate the availability of the project match or board approval of the authorized project, the authorization may terminate. The authorization terminates 30 days after the director notifies the JCOS of the intent to terminate the project unless the JCOS convenes to extend the authorization.

ONE-TIME APPROPRIATIONS

Sec. 880. (1) The drinking water declaration of emergency reserve fund is created within the department of treasury.

(2) From the funds appropriated in part 1 for the drinking water declaration of emergency reserve fund, \$25,000,000.00 shall be deposited into the drinking water declaration of emergency reserve fund.

(3) Funds may only be spent from the drinking water declaration of emergency reserve fund upon appropriation, or legislative transfer pursuant to section 393 of the management and budget act, 1984 PA 431, MCL 18.1393.

(4) Interest and earnings from the investment of funds deposited in the drinking water declaration of emergency reserve fund shall be deposited in the general fund.

(5) Funds in the drinking water declaration of emergency reserve fund at the close of a fiscal year shall remain in the drinking water declaration of emergency reserve fund and shall not lapse to the general fund.

1 **DEPARTMENT OF TREASURY**

2 **OPERATIONS**

3 Sec. 901. (1) In addition to the funds appropriated in part 1,
4 there is appropriated an amount not to exceed \$1,000,000.00 for
5 federal contingency funds. These funds are not available for
6 expenditure until they have been transferred to another line item
7 in part 1 under section 393(2) of the management and budget act,
8 1984 PA 431, MCL 18.1393.

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

15 (3) In addition to the funds appropriated in part 1, there is
16 appropriated an amount not to exceed \$200,000.00 for local
17 contingency funds. These funds are not available for expenditure
18 until they have been transferred to another line item in part 1
19 under section 393(2) of the management and budget act, 1984 PA 431,
20 MCL 18.1393.

21 (4) In addition to the funds appropriated in part 1, there is
22 appropriated an amount not to exceed \$40,000.00 for private
23 contingency funds. These funds are not available for expenditure
24 until they have been transferred to another line item in part 1
25 under section 393(2) of the management and budget act, 1984 PA 431,
26 MCL 18.1393.

27 Sec. 902. (1) Amounts needed to pay for interest, fees,

1 principal, mandatory and optional redemptions, arbitrage rebates as
2 required by federal law, and costs associated with the payment,
3 registration, trustee services, credit enhancements, and issuing
4 costs in excess of the amount appropriated to the department of
5 treasury in part 1 for debt service on notes and bonds that are
6 issued by the state under sections 14, 15, and 16 of article IX of
7 the state constitution of 1963 as implemented by 1967 PA 266, MCL
8 17.451 to 17.455, are appropriated.

9 (2) In addition to the amount appropriated to the department
10 of treasury for debt service in part 1, there is appropriated an
11 amount for fiscal year cash-flow borrowing costs to pay for
12 interest on interfund borrowing made under 1967 PA 55, MCL 12.51 to
13 12.53.

14 (3) In addition to the amount appropriated to the department
15 of treasury for debt service in part 1, there is appropriated all
16 repayments received by the state on loans made from the school bond
17 loan fund not required to be deposited in the school loan revolving
18 fund by or pursuant to section 4 of 1961 PA 112, MCL 388.984, to
19 the extent determined by the state treasurer, for the payment of
20 debt service, including, without limitation, optional and mandatory
21 redemptions, on bonds, notes or commercial paper issued by the
22 state pursuant to 1961 PA 112, MCL 388.981 to 388.985.

23 Sec. 902a. The department of treasury shall notify the senate
24 and house of representatives standing committees on appropriations,
25 the chairpersons of the relevant appropriations subcommittees, the
26 senate and house fiscal agencies, and the state budget office not
27 more than 30 days after a refunding or restructuring bond issue is

1 sold. The notification shall compare the annual debt service prior
2 to the refinancing or restructuring, the annual debt service after
3 the refinancing or restructuring, the change in the principal and
4 interest over the duration of the debt, and the projected change in
5 the present value of the debt service due to the refinancing and
6 restructuring.

7 Sec. 903. (1) From the funds appropriated in part 1, the
8 department of treasury may contract with private collection
9 agencies and law firms to collect taxes and other accounts due this
10 state. In addition to the amounts appropriated in part 1 to the
11 department of treasury, there are appropriated amounts necessary to
12 fund collection costs and fees not to exceed 25% of the collections
13 or 2.5% plus operating costs, whichever amount is prescribed by
14 each contract. The appropriation to fund collection costs and fees
15 for the collection of taxes or other accounts due this state are
16 from the fund or account to which the revenues being collected are
17 recorded or dedicated. However, if the taxes collected are
18 constitutionally dedicated for a specific purpose, the
19 appropriation of collection costs and fees are from the general
20 purpose account of the general fund.

21 (2) From the funds appropriated in part 1, the department of
22 treasury may contract with private collections agencies and law
23 firms to collect defaulted student loans and other accounts due the
24 Michigan guaranty agency. In addition to the amounts appropriated
25 in part 1 to the department of treasury, there are appropriated
26 amounts necessary to fund collection costs and fees not to exceed
27 24.34% of the collection or a lesser amount as prescribed by the

1 contract. The appropriation to fund collection costs and fees for
2 the auditing and collection of defaulted student loans due the
3 Michigan guaranty agency is from the fund or account to which the
4 revenues being collected are recorded or dedicated.

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

13 (4) From the funds appropriated in part 1 for collection
14 services, the department of treasury shall issue an RFP for the
15 provision of collection services. The RFP shall allow for a
16 multiple collection contract approach. It shall also allow a bidder
17 to bid on the entire contract, or for individual components of the
18 contract. The RFP shall include an option for a secondary placement
19 collections program. The department shall issue a request for
20 competitive proposals from service providers interested in
21 providing collection services, including secondary placement
22 collections services. The competitive proposal for secondary
23 placement services shall meet all of the following requirements:

24 (a) Be issued no later than November 30, 2017 with responses
25 due
26 by January 30, 2017.

27 (b) The department shall make a determination regarding the

1 RFP by May 30, 2018.

2 (c) Establish criteria for when delinquent accounts will be
3 referred to the secondary placement service.

4 (d) Provide information to the department of treasury
5 necessary to evaluate the performance of the program.

6 (e) Demonstrate that the vendor has the ability to interface
7 its technology systems with the existing technology framework of
8 the department of treasury.

9 Sec. 904. (1) The department of treasury, through its bureau
10 of investments, may charge an investment service fee against the
11 applicable retirement funds. The fees may be expended for necessary
12 salaries, wages, contractual services, supplies, materials,
13 equipment, travel, worker's compensation insurance premiums, and
14 grants to the civil service commission and state employees'
15 retirement funds. Service fees shall not exceed the aggregate
16 amount appropriated in part 1. The department of treasury shall
17 maintain accounting records in sufficient detail to enable the
18 retirement funds to be reimbursed periodically for fee revenue that
19 is determined by the department of treasury to be surplus.

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

1 committees on appropriations, the chairpersons of the relevant
2 appropriations subcommittees, and the state budget office
3 concerning the performance of each portfolio by investment advisor.

4 Sec. 904a. (1) There is appropriated an amount sufficient to
5 recognize and pay expenditures for financial services provided by
6 financial institutions or equivalent vendors that perform these
7 services including treasury as provided under section 1 of 1861 PA
8 111, MCL 21.181.

9 (2) The appropriations under subsection (1) shall be funded by
10 restricting revenues from common cash interest earnings and
11 investment earnings in an amount sufficient to record these
12 expenditures. If the amounts of common cash interest earnings are
13 insufficient to cover these costs, then miscellaneous revenues
14 shall be used to fund the remaining balance of these expenditures.

15 Sec. 905. A revolving fund known as the municipal finance fee
16 fund is created in the department of treasury. Fees are established
17 under the revised municipal finance act, 2001 PA 34, MCL 141.2101
18 to 141.2821, and the fees collected shall be credited to the
19 municipal finance fee fund and may be carried forward for future
20 appropriation.

21 Sec. 906. (1) The department of treasury shall charge for
22 audits as permitted by state or federal law or under contractual
23 arrangements with local units of government, other principal
24 executive departments, or state agencies. However, the charge shall
25 not be more than the actual cost for performing the audit. A report
26 detailing audits performed and audit charges for the immediately
27 preceding fiscal year shall be submitted to the state budget

1 director, the chairpersons of the relevant appropriations
2 subcommittees, and the senate and house fiscal agencies not later
3 than November 30.

4 (2) A revolving fund known as the audit charges fund is
5 created in the department of treasury. The contractual charges
6 collected shall be credited to the audit charges fund and may be
7 carried forward for future appropriation.

8 Sec. 907. A revolving fund known as the assessor certification
9 and training fund is created in the department of treasury. The
10 assessor certification and training fund shall be used to organize
11 and operate a property assessor certification and training program.
12 Each participant certified and trained shall pay to the department
13 of treasury examination fees not to exceed \$50.00 per examination
14 and certification fees not to exceed \$175.00. Training courses
15 shall be offered in assessment administration. Each participant
16 shall pay a fee to cover the expenses incurred in offering the
17 optional programs to certified assessing personnel and other
18 individuals interested in an assessment career opportunity. The
19 fees collected shall be credited to the assessor certification and
20 training fund.

21 Sec. 908. The amount appropriated in part 1 to the department
22 of treasury, home heating assistance program, is to cover the
23 costs, including data processing, of administering federal home
24 heating credits to eligible claimants and to administer the
25 supplemental fuel cost payment program for eligible tax credit and
26 welfare recipients.

27 Sec. 909. Revenue from the airport parking tax act, 1987 PA

1 248, MCL 207.371 to 207.383, is appropriated and shall be
2 distributed under section 7a of the airport parking tax act, 1987
3 PA 248, MCL 207.377a.

4 Sec. 910. The disbursement by the department of treasury from
5 the bottle deposit fund to dealers as required by section 3c(2) of
6 1976 IL 1, MCL 445.573c, is appropriated.

7 Sec. 911. There is appropriated an amount sufficient to
8 recognize and pay refundable income tax credits as provided by law.

9 Sec. 912. A plaintiff in a garnishment action involving this
10 state shall pay to the state treasurer 1 of the following:

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

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

19 Sec. 913. (1) The department of treasury may contract with
20 private firms to appraise and, if necessary, appeal the assessments
21 of senior citizen cooperative housing units. Payment for this
22 service shall be from savings resulting from the appraisal or
23 appeal process.

24 (2) Of the funds appropriated in part 1 to the department of
25 treasury for the senior citizens' cooperative housing tax exemption
26 program, a portion may be utilized for a program audit of the
27 program. The department of treasury shall forward copies of any

1 audit report completed to the senate and house of representatives
2 standing committees on appropriations subcommittees on general
3 government and to the state budget office. The department of
4 treasury may utilize up to 1% of the funds for program
5 administration and auditing.

6 Sec. 914. The department of treasury may provide a \$200.00
7 annual prize from the Ehlers internship award account in the gifts,
8 bequests, and deposit fund to the runner-up of the Rosenthal prize
9 for interns. The Ehlers internship award account is interest
10 bearing.

11 Sec. 915. Pursuant to section 61 of the Michigan campaign
12 finance act, 1976 PA 388, MCL 169.261, there is appropriated from
13 the general fund to the state campaign fund an amount equal to the
14 amounts designated for tax year 2016. Except as otherwise provided
15 in this section, the amount appropriated shall not revert to the
16 general fund and shall remain in the state campaign fund. Any
17 amounts remaining in the state campaign fund in excess of
18 \$10,000,000.00 on December 31 shall revert to the general fund.

19 Sec. 916. The department of treasury may make available to
20 interested entities otherwise unavailable customized unclaimed
21 property listings of nonconfidential information in its possession.
22 The charge for this information is as follows: 1 to 100,000 records
23 at 2.5 cents per record and 100,001 or more records at .5 cents per
24 record. The revenue received from this service shall be deposited
25 to the appropriate revenue account or fund. The department shall
26 submit an annual report on or before June 1 to the state budget
27 director and the senate and house of representatives standing

1 committees on appropriations that states the amount of revenue
2 received from the sale of information.

3 Sec. 917. (1) There is appropriated for write-offs and
4 advances an amount equal to total write-offs and advances for
5 departmental programs, but not to exceed current year
6 authorizations that would otherwise lapse to the general fund.

7 (2) The department of treasury shall submit a report for the
8 immediately preceding fiscal year to the state budget director, the
9 chairpersons of the relevant appropriations subcommittees, and the
10 senate and house fiscal agencies not later than November 30 stating
11 the amounts appropriated for write-offs and advances under
12 subsection (1).

13 Sec. 919. (1) From funds appropriated in part 1, the
14 department of treasury may contract with private auditing firms to
15 audit for and collect unclaimed property due this state in
16 accordance with the uniform unclaimed property act, 1995 PA 29, MCL
17 567.221 to 567.265. In addition to the amounts appropriated in part
18 1 to the department of treasury, there are appropriated amounts
19 necessary to fund auditing and collection costs and fees not to
20 exceed 12% of the collections, or a lesser amount as prescribed by
21 the contract. The appropriation to fund collection costs and fees
22 for the auditing and collection of unclaimed property due this
23 state is from the fund or account to which the revenues being
24 collected are recorded or dedicated.

25 (2) The department of treasury shall submit a report for the
26 immediately preceding fiscal year ending September 30 to the state
27 budget director, the senate and house of representatives standing

1 committees on appropriations, and the chairpersons of the relevant
2 appropriations subcommittees not later than November 30 stating the
3 auditing firms employed, the amount of collections for each, the
4 costs of collection, and other pertinent information relating to
5 determining whether this authority should be continued.

6 Sec. 920. (1) The department of treasury shall produce a
7 listing of all personal property tax reimbursement payments to be
8 distributed by the local community stabilization authority related
9 to property taxes levied in the current calendar year and shall
10 post the list of payments on the department website by September
11 30.

12 (2) The department of treasury shall prepare a written notice
13 that describes the potential for adjustments in personal property
14 tax reimbursement payments that will affect the subsequent payment.
15 The department shall provide the notice to the local community
16 stabilization authority by March 31.

17 (3) The local community stabilization authority shall
18 distribute the notice prepared under subsection (2) to all
19 municipalities by April 30. The notice may be distributed
20 electronically.

21 Sec. 924. (1) In addition to the funds appropriated in part 1,
22 the department of treasury may receive and expend principal
23 residence audit fund revenue for administration of principal
24 residence audits under the general property tax act, 1893 PA 206,
25 MCL 211.1 to 211.155.

26 (2) The department of treasury shall submit a report for the
27 immediately preceding fiscal year to the state budget director, the

1 chairpersons of the relevant appropriations subcommittees, and the
2 senate and house fiscal agencies not later than December 31 stating
3 the amount of exemptions denied and the revenue received under the
4 program.

5 Sec. 926. Unexpended appropriations of the John R. Justice
6 grant program are designated as work project appropriations and
7 shall not lapse at the end of the fiscal year and shall continue to
8 be available for expenditure until the project has been completed.
9 The following is in compliance with section 451a of the management
10 and budget act, 1984 PA 431, MCL 18.1451a:

11 (a) The purpose of the project is to provide student loan
12 forgiveness to qualified public defenders and prosecutors.

13 (b) The project will be accomplished by utilizing state
14 employees or contracts with private vendors, or both.

15 (c) The total estimated cost of the project is \$288,100.00.

16 (d) The tentative completion date is September 30, 2019.

17 Sec. 927. The department of treasury shall submit annual
18 progress reports to the senate and house of representatives
19 standing committees on appropriations subcommittees on general
20 government and the senate and house fiscal agencies, regarding
21 personal property tax audits. The report shall include the number
22 of audits, revenue generated, and number of complaints received by
23 the department related to the audits.

24 Sec. 928. The department of treasury may provide receipt,
25 warrant and cash processing, data, collection, investment, fiscal
26 agent, levy and warrant cost assessment, writ of garnishment, and
27 other user services on a contractual basis for other principal

1 executive departments and state agencies. Funds for the services
2 provided are appropriated and shall be expended for salaries and
3 wages, fees, supplies, and equipment necessary to provide the
4 services. Any unobligated balance of the funds received shall
5 revert to the general fund of this state as of September 30.

6 Sec. 930. (1) The department of treasury shall provide
7 accounts receivable collections services to other principal
8 executive departments and state agencies under 1927 PA 375, MCL
9 14.131 to 14.134. The department of treasury shall deduct a fee
10 equal to the cost of collections from all receipts except
11 unrestricted general fund collections. Fees shall be credited to a
12 restricted revenue account and appropriated to the department of
13 treasury to pay for the cost of collections. The department of
14 treasury shall maintain accounting records in sufficient detail to
15 enable the respective accounts to be reimbursed periodically for
16 fees deducted that are determined by the department of treasury to
17 be surplus to the actual cost of collections.

18 (2) The department of treasury shall submit a report for the
19 immediately preceding fiscal year to the state budget director, the
20 chairpersons of the relevant appropriations subcommittees, and the
21 senate and house fiscal agencies not later than November 30 stating
22 the principal executive departments and state agencies served,
23 funds collected, and costs of collection under subsection (1).

24 Sec. 931. (1) The appropriation in part 1 to the department of
25 treasury for treasury fees shall be assessed against all restricted
26 funds that receive common cash earnings or other investment income.
27 Treasury fees include all costs, including administrative overhead,

1 relating to the investment of each restricted fund. The fee
2 assessed against each restricted fund will be based on the size of
3 the restricted fund (the absolute value of the average daily cash
4 balance plus the market value of investments in the prior fiscal
5 year) and the level of effort necessary to maintain the restricted
6 fund as required by each department. The department of treasury
7 shall provide a report to the state budget director, the senate and
8 house of representatives standing committees on appropriations
9 subcommittees on general government, and the senate and house
10 fiscal agencies by November 30 of each year identifying the fees
11 assessed against each restricted fund and the methodology used for
12 assessment.

13 (2) In addition to the funds appropriated in part 1, the
14 department of treasury may receive and expend investment fees
15 relating to new restricted funding sources that participate in
16 common cash earnings or other investment income during the current
17 fiscal year. When a new restricted fund is created starting on or
18 after October 1, that restricted fund shall be assessed a fee using
19 the same criteria identified in subsection (1).

20 Sec. 932. Revenue received under the Michigan education trust
21 act, 1986 PA 316, MCL 390.1421 to 390.1442, may be expended by the
22 board of directors of the Michigan education trust for necessary
23 salaries, wages, supplies, contractual services, equipment,
24 worker's compensation insurance premiums, and grants to the civil
25 service commission and state employees' retirement fund.

26 Sec. 934. (1) The department of treasury may expend revenues
27 received under the hospital finance authority act, 1969 PA 38, MCL

331.31 to 331.84, the shared credit rating act, 1985 PA 227, MCL 141.1051 to 141.1076, the higher education facilities authority act, 1969 PA 295, MCL 390.921 to 390.934, the Michigan public educational facilities authority, Executive Reorganization Order No. 2002-3, MCL 12.192, the Michigan tobacco settlement finance authority act, 2005 PA 226, MCL 129.261 to 129.279, the land bank fast track act, 2003 PA 258, MCL 124.751 to 124.774, part 505 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.50501 to 324.50522, the state housing development authority act of 1966, 1966 PA 346, MCL 125.1401 to 125.1499c, and the Michigan finance authority, Executive Reorganization Order No. 2010-2, MCL 12.194, for necessary salaries, wages, supplies, contractual services, equipment, worker's compensation insurance premiums, grants to the civil service commission and state employees' retirement fund, and other expenses as allowed under those acts.

(2) The department of treasury shall report by January 31 to the senate and house appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget director on the amount and purpose of expenditures made under subsection (1) from funds received in addition to those appropriated in part 1. The report shall also include a listing of reimbursement of revenue, if any. The report shall cover the previous fiscal year.

Sec. 935. The funds appropriated in part 1 for dual enrollment payments for an eligible student enrolled in a state-approved nonpublic school shall be distributed as provided under the

1 postsecondary enrollment options act, 1996 PA 160, MCL 388.511 to
2 388.524, and the career and technical preparation act, 2000 PA 258,
3 MCL 388.1901 to 388.1913, in a form and manner as determined by the
4 department of treasury.

5 Sec. 936. (1) From the funds appropriated in part 1 for
6 financial data analytic tool reimbursement, there is allocated an
7 amount not to exceed \$500,000.00 for reimbursements to cities,
8 villages, townships, and counties for the licensing of data
9 analytic tools as described under this section. Reimbursements are
10 for cities, villages, townships, and counties that choose to use a
11 data analytic tool with 1 of the vendors approved by the MDTMB
12 under subsection (2). Funds allocated under this section are
13 intended to provide cities, villages, townships, and counties with
14 financial forecasting and transparency reporting tools to improve
15 the financial health of cities, villages, townships, and counties
16 and to improve communication with the public.

17 (2) Not later than October 15, 2017, the MDTMB shall review
18 vendors for data analytic tools and provide cities, villages,
19 townships, and counties with a list of up to 2 approved vendors
20 that cities, villages, townships, and counties may use to qualify
21 for a reimbursement under this section. An approved data analytic
22 tool supplied by the vendor must do all of the following:

- 23 (a) Analyze financial data.
- 24 (b) Analyze pension and other postemployment benefit trends.
- 25 (c) Provide early warning indicators of financial stress.
- 26 (d) Provide peer community comparisons of financial data.
- 27 (e) Provide financial projections for at least 3 subsequent

1 fiscal years.

2 (3) Funds allocated under this section shall be paid to
3 cities, villages, townships, and counties as a reimbursement for
4 already having a licensing agreement or for entering into a
5 licensing agreement not later than December 1, 2017 with a vendor
6 approved under subsection (2) to implement a data analytic
7 agreement. Reimbursement under this section shall be made as
8 follows:

9 (a) All cities, villages, townships, and counties seeking
10 reimbursement shall submit requests not later than December 1, 2017
11 indicating the cost paid for the financial data analytic tool.

12 (b) The department shall determine the sum of the funding
13 requested by all cities, villages, townships, and counties under
14 subdivision (a) and, if there are sufficient funds, shall reimburse
15 1/2 of the costs submitted by each city, village, township, and
16 county under subdivision (a). If there are insufficient funds to
17 pay 1/2 of the costs submitted under subdivision (a), the
18 reimbursement shall be made on an equal percentage basis.

19 (c) Any funds remaining after the calculation and payment of
20 reimbursements under this subsection shall be available for
21 expenditure under the program for financially distressed cities,
22 villages, or townships after the approval of transfers by the
23 legislature pursuant to section 393(2) of the management and budget
24 act, 1984 PA 431, MCL 18.1393.

25 (d) The reimbursement to a city, village, township, or county
26 shall not be greater than the amount paid for a data analytic
27 application.

1 (e) A city, village, township, or county shall not be
2 reimbursed for the purchase of more than 1 software application.

3 (4) Payments under this section shall be made on a schedule
4 determined by the department.

5 (5) Within 30 days after the department has made all payments
6 under subsection (3), the department shall report the following to
7 the senate and house of representatives standing committees on
8 appropriations subcommittees on general government, the state
9 budget director, and the fiscal agencies:

10 (a) The total amount of payments made.

11 (b) If the payments were prorated, the amount of proration.

12 (c) A list of each payment made to cities, villages,
13 townships, and counties.

14 Sec. 937. From the funds appropriated in part 1, the
15 department of treasury shall submit a report to the state budget
16 director, the senate and house standing committees on
17 appropriations, the chairpersons of the relevant appropriations
18 subcommittees, and the senate and house fiscal agencies not later
19 than March 31 regarding the performance of the Michigan accounts
20 receivable collections system. The report shall include, but is not
21 limited to:

22 (a) Information regarding the effectiveness of the
23 department's current collection strategies, including use of
24 vendors or contractors.

25 (b) The amount of delinquent accounts and collection referrals
26 to vendors and contractors.

27 (c) The liquidation rates for declining delinquent accounts.

1 (d) The profile of uncollected delinquent accounts, including
2 specific uncollected amounts by category.

3 (e) The department's strategy to manage delinquent accounts
4 once those accounts exceed the vendor's or contractor's contracted
5 collectible period.

6 (f) A summary of the strategies used in other states,
7 including, but not limited to, secondary placement services, and
8 assessing the benefits of those strategies.

9 Sec. 941. (1) The department of treasury, in conjunction with
10 the Michigan strategic fund, shall report to the senate and house
11 of representatives standing committees on appropriations, the
12 senate and house of representatives appropriations subcommittees on
13 general government, the senate and house fiscal agencies, and the
14 state budget office by November 1 on the annual cost of the
15 Michigan economic growth authority tax credits. The report shall
16 include for each year the board-approved credit amount, adjusted
17 for credit amendments where applicable, and the actual and
18 projected value of tax credits for each year from 1995 to the
19 expiration of the credit program. For years for which credit claims
20 are complete, the report shall include the total of actual
21 certificated credit amounts. For years for which claims are still
22 pending or not yet submitted, the report shall include a
23 combination of actual credits where available and projected
24 credits. Credit projections shall be based on updated estimates of
25 employees, wages, and benefits for eligible companies.

26 (2) In addition to the report under subsection (1), the
27 department of treasury, in conjunction with the Michigan strategic

1 fund, shall report to the senate and house of representatives
2 standing committees on appropriations, the senate and house of
3 representatives appropriations subcommittees on general government,
4 the senate and house fiscal agencies, and the state budget office
5 by November 1 on the annual cost of all other certificated credits
6 by program, for each year until the credits expire or can no longer
7 be collected. The report shall include estimates on the brownfield
8 redevelopment credit, film credits, MEGA photovoltaic technology
9 credit, MEGA polycrystalline silicon manufacturing credit, MEGA
10 vehicle battery credit, and other certificated credits.

11 Sec. 942. As a condition of receiving funds appropriated in
12 part 1 for supervision of the general property tax law, the
13 department of treasury shall prioritize maintaining existing
14 contracts related to the property services division.

15 Sec. 943. From the funds appropriated in part 1, the
16 department of treasury may establish a closed-loop payment
17 processing and digital patient identification delivery and
18 authentication system under which the department creates accounts
19 to be used only by registered patients and caregivers at licenses
20 dispensaries as well as by all license holders and licensed
21 marihuana businesses, vendors, and other approved participants in
22 the state program.

23 Sec. 944. If the department of treasury hires a pension plan
24 consultant using any of the funds appropriated in part 1, the
25 department shall retain any report provided to the department by
26 that consultant, notify the senate and house of representatives
27 appropriations subcommittees on general government, the senate and

1 house fiscal agencies, and the state budget director, and shall
2 make that report available upon request to the senate and house of
3 representatives standing committees on appropriations subcommittees
4 on general government, the senate and house fiscal agencies, and
5 the state budget director. A rationale for retention of a pension
6 plan consultant shall be included in the notification of retention.

7 Sec. 945. Reviews of local unit assessment administration
8 practices, procedures, and records, also known as the audit of
9 minimal assessing requirements, shall be conducted in each
10 assessment jurisdiction a minimum of once every 5 years.

11 Sec. 946. Revenue collected in the convention facility
12 development fund is appropriated and shall be distributed under
13 sections 8 and 9 of the state convention facility development act,
14 1985 PA 106, MCL 207.628 and 207.629.

15 Sec. 947. Financial independence teams shall cooperate with
16 the financial responsibility section to coordinate and streamline
17 efforts in identifying and addressing fiscal emergencies in school
18 districts and intermediate school districts.

19 Sec. 948. Total authorized appropriations from all department
20 of treasury sources under part 1 for legacy costs for the fiscal
21 year ending September 30, 2018 are \$43,024,600.00. From this
22 amount, total agency appropriations for pension-related legacy
23 costs are estimated at \$22,140,700.00. Total agency appropriations
24 for retiree health care legacy costs are estimated at
25 \$20,883,900.00.

26 Sec. 949. (1) From the funds appropriated in part 1, the
27 department of treasury may contract with private agencies to

1 prevent the disbursement of fraudulent tax refunds. In addition to
2 the amounts appropriated in part 1 to the department of treasury,
3 there are appropriated amounts necessary to pay contract costs or
4 fund operations designed to reduce fraudulent income tax refund
5 payments not to exceed \$1,200,000.00 of the refunds identified as
6 potentially fraudulent and for which payment of the refund is
7 denied. The appropriation to fund fraud prevention efforts is from
8 the fund or account to which the revenues being collected are
9 recorded or dedicated.

10 (2) The department of treasury shall submit a report for the
11 immediately preceding fiscal year ending September 30 to the state
12 budget director, the senate and house of representatives standing
13 committees on appropriations, and the chairpersons of the relevant
14 appropriations subcommittees not later than November 30 stating the
15 number of refund claims denied due to the fraud prevention
16 operations, the amount of refunds denied, the costs of the fraud
17 prevention operations, and other pertinent information relating to
18 determining whether this authority should be continued.

19 Sec. 949a. From the funds appropriated in part 1 for
20 additional staff in city income tax administration, the department
21 shall expand individual income tax return administration to 1
22 additional city to leverage the department's capabilities to assist
23 cities with their taxation efforts.

24 Sec. 949d. (1) From the funds appropriated in part 1 for
25 financial review commission, the department shall continue
26 financial review commission efforts in the current fiscal year. The
27 purpose of the funding is to cover ongoing costs associated with

1 the operation of the commission.

2 (2) The department shall identify specific outcomes and
3 performance measures for this initiative, including, but not
4 limited to, the department's ability to perform a critical fiscal
5 review to ensure the city of Detroit does not reenter distress
6 following its exit from bankruptcy and to ensure that the community
7 district does not enter distress and maintains a balanced budget.

8 (3) The department must submit a report to the house and
9 senate appropriations subcommittees on general government, the
10 senate and house fiscal agencies, and the state budget director by
11 March 15. The report must describe the specific outcomes and
12 measures required in subsection (1) and provide the results and
13 data related to these outcomes and measures.

14 Sec. 949e. From the funds appropriated in part 1 for the state
15 essential services assessment program, the department of treasury
16 shall administer the state essential services assessment program.
17 The program will provide the department the ability to collect the
18 state essential services assessment which is a phased-in
19 replacement of locally collected personal property taxes on
20 eligible manufacturing personal property.

21 Sec. 949f. Revenue from the tobacco products tax act, 1993 PA
22 327, MCL 205.421 to 205.436, related to counties with a 2000
23 population of more than 2,000,000 is appropriated and shall be
24 distributed under section 12(4)(d) of the tobacco products tax act,
25 1993 PA 327, MCL 205.432.

26 Sec. 949g. From the one-time funds appropriated in part 1 for
27 urban search and rescue task force, \$900,000.00 shall be expended

1 to support the urban search and rescue task force. In distributing
2 funds under this section, the department of treasury shall require
3 the task force to provide to the department the following
4 information:

5 (a) A final year-end report providing information on all
6 revenue received by source and expenditures by categories, with the
7 funds distributed to the task force under section 949g of article
8 VIII of 2016 PA 268 discretely presented.

9 (b) Detail on the proposed expenditure of the funds
10 distributed under this section.

11 (c) A final year-end report providing information on all
12 revenue received by source and expenditures by categories, with the
13 funds distributed under this section discretely presented.

14 Sec. 949h. Revenue from part 6 of the medical marihuana
15 facilities licensing act, 2016 PA 281, MCL 333.27601 to 333.27605,
16 is appropriated and distributed pursuant to part 6 of the medical
17 marihuana facilities licensing act, 2016 PA 281, MCL 333.27601 to
18 333.27605.

19 Sec. 949j. All funds in the wrongful imprisonment compensation
20 fund created in the wrongful imprisonment compensation act, 2016 PA
21 343, MCL 691.1751 to 691.1757, are appropriated and available for
22 expenditure. Expenditures are limited to support wrongful
23 imprisonment compensation payments pursuant to section 6 of the
24 wrongful imprisonment compensation act, 2016 PA 343, MCL 691.1756.

25 **REVENUE SHARING**

26 Sec. 950. The funds appropriated in part 1 for constitutional
27 revenue sharing shall be distributed by the department of treasury

1 to cities, villages, and townships, as required under section 10 of
2 article IX of the state constitution of 1963. Revenue collected in
3 accordance with section 10 of article IX of the state constitution
4 of 1963 in excess of the amount appropriated in part 1 for
5 constitutional revenue sharing is appropriated for distribution to
6 cities, villages, and townships, on a population basis as required
7 under section 10 of article IX of the state constitution of 1963.

8 Sec. 952. (1) The funds appropriated in part 1 for city,
9 village, and township revenue sharing are for grants to cities,
10 villages, and townships such that, subject to fulfilling the
11 requirements under subsection (3), each city, village, or township
12 is eligible to receive 100% of its eligible payment under section
13 952 of article VIII of 2016 PA 268. For purposes of this
14 subsection, any city, village, or township that completely merges
15 with another city, village, or township will be treated as a single
16 entity, such that when determining the eligible payment under
17 section 952 of article VIII of 2016 PA 268 for the combined single
18 entity, the amount each of the merging local units was eligible to
19 receive under section 952 of article VIII of 2016 PA 268 is summed.
20 For purposes of this subsection, population is determined in the
21 same manner as under section 3 of the Glenn Steil state revenue
22 sharing act of 1971, 1971 PA 140, MCL 141.903. In addition, any
23 city or village that according to the 2010 federal decennial census
24 is determined to have population in more than 1 county shall be
25 treated as a single entity when determining the eligible payment
26 under section 952 of article VIII of 2016 PA 268.

27 (2) The funds appropriated in part 1 for the county incentive

1 program are to be used for grants to counties such that each county
2 is eligible to receive an amount equal to 20% of the amount by
3 which the balance in its revenue sharing reserve fund under section
4 44a of the general property tax act, 1893 PA 206, MCL 211.44a, for
5 the county's most recent fiscal year that ends prior to the January
6 1 of the state's fiscal year is less than the amount calculated
7 under section 44a(14) of the general property tax act, 1893 PA 206,
8 MCL 211.44a, for the county fiscal year that begins in the state's
9 fiscal year. The amount calculated under this subsection shall be
10 adjusted as necessary to reflect partial county fiscal years and
11 prorated based on the total amount appropriated for distribution to
12 all eligible counties. Except as otherwise provided under this
13 subsection, payments under this subsection will be distributed to
14 an eligible county subject to the county's fulfilling the
15 requirements under subsection (3).

16 (3) For purposes of accountability and transparency, each
17 eligible city, village, township, or county shall certify by
18 December 1, or the first day of a payment month, that it has
19 produced a citizen's guide of its most recent local finances,
20 including a recognition of its unfunded liabilities; a performance
21 dashboard; a debt service report containing a detailed listing of
22 its debt service requirements, including, at a minimum, the
23 issuance date, issuance amount, type of debt instrument, a listing
24 of all revenues pledged to finance debt service by debt instrument,
25 and a listing of the annual payment amounts until maturity; and a
26 projected budget report, including, at a minimum, the current
27 fiscal year and a projection for the immediately following fiscal

1 year. The projected budget report shall include revenues and
2 expenditures and an explanation of the assumptions used for the
3 projections. Each eligible city, village, township, or county shall
4 include in any mailing of general information to its citizens the
5 internet website address location for its citizen's guide,
6 performance dashboard, debt service report, and projected budget
7 report or the physical location where these documents are available
8 for public viewing in the city, village, township, or county
9 clerk's office. Each city, village, township, and county applying
10 for a payment under this subsection shall submit a copy of the
11 performance dashboard, a copy of the debt service report, and a
12 copy of the projected budget report to the department of treasury.
13 In addition, each eligible city, village, township, or county
14 applying for a payment under this subsection shall either submit a
15 copy of the citizen's guide or certify that the city, village,
16 township, or county will be utilizing treasury's online citizen's
17 guide. The department of treasury shall develop detailed guidance
18 for a city, village, township, or county to follow to meet the
19 requirements of this subsection. The detailed guidance shall be
20 posted on the department of treasury website and distributed to
21 cities, villages, townships, and counties by October 1.

22 (4) City, village, and township revenue sharing payments and
23 county incentive program payments are subject to the following
24 conditions:

25 (a) The city, village, township, or county shall certify to
26 the department that it has met the required criteria for subsection
27 (3) and submitted the required citizen's guide, performance

1 dashboard, debt service report, and projected budget report as
2 required by subsection (3). A department of treasury review of the
3 citizen's guide, dashboard, or reports is not required in order for
4 a city, village, township, or county to receive a payment under
5 subsection (1) or (2). The department shall develop a certification
6 process and method for cities, villages, townships, and counties to
7 follow.

8 (b) Subject to subdivisions (c), (d), and (e), if a city,
9 village, township, or county meets the requirements of subsection
10 (3), the city, village, township, or county shall receive its full
11 potential payment under this section.

12 (c) Cities, villages, and townships eligible to receive a
13 payment under subsection (1) shall receive 1/6 of their eligible
14 payment on the last business day of October, December, February,
15 April, June, and August. Payments under subsection (1) shall be
16 issued to cities, villages, and townships until the specified due
17 date for subsection (3). After the specified due date for
18 subsection (3), payments shall be made to a city, village, or
19 township only if that city, village, or township has complied with
20 subdivision (a).

21 (d) Payments under subsection (2) shall be issued to counties
22 until the specified due date for subsection (3). After the
23 specified due date for subsection (3), payments shall be made to a
24 county only if that county has complied with subdivision (a).

25 (e) If a city, village, township, or county does not submit
26 the required certification, citizen's guide, performance dashboard,
27 debt service report, and projected budget report by the first day

1 of a payment month, the city, village, township, or county shall
2 forfeit the payment in that payment month.

3 (f) Any city, village, township, or county that falsifies
4 certification documents shall forfeit any future city, village, and
5 township revenue sharing payments or county incentive program
6 payments and shall repay to this state all payments it has received
7 under this section.

8 (g) City, village, and township revenue sharing payments and
9 county incentive program payments under this section shall be
10 distributed on the last business day of October, December,
11 February, April, June, and August.

12 (h) Payments distributed under this section may be withheld
13 pursuant to sections 17a and 21 of the Glenn Steil state revenue
14 sharing act of 1971, 1971 PA 140, MCL 141.917a and 141.921.

15 (5) The unexpended funds appropriated in part 1 for city,
16 village, and township revenue sharing and the county incentive
17 program shall be available for expenditure under the program for
18 financially distressed cities, villages, or townships after the
19 approval of transfers by the legislature pursuant to section 393(2)
20 of the management and budget act, 1984 PA 431, MCL 18.1393.

21 Sec. 955. (1) The funds appropriated in part 1 for county
22 revenue sharing shall be distributed by the department of treasury
23 so that each eligible county receives a payment equal to 101.986%
24 of the amount determined pursuant to the Glenn Steil state revenue
25 sharing act of 1971, 1971 PA 140, MCL 141.901 to 141.921, less the
26 amount for which the county is eligible under section 952(2) of
27 this part. The amount calculated under this subsection shall be

1 adjusted as necessary to reflect partial county fiscal years and
2 prorated based on the total amount appropriated for distribution to
3 all eligible counties.

4 (2) The department of treasury shall annually certify to the
5 state budget director the amount each county is authorized to
6 expend from its revenue sharing reserve fund.

7 Sec. 956. (1) The funds appropriated in part 1 for financially
8 distressed cities, villages, or townships shall be granted by the
9 department of treasury to cities, villages, and townships that have
10 1 or more conditions that indicate probable financial distress, as
11 determined by the department of treasury. A city, village, or
12 township with 1 or more conditions that indicate probable financial
13 distress may apply in a manner determined by the department of
14 treasury for a grant to pay for specific projects or services that
15 move the city, village, or township toward financial stability.
16 Grants are to be used for specific projects or services that move
17 the city, village, or township toward financial stability. The
18 city, village, or township must use the grants under this section
19 to make payments to reduce unfunded accrued liability; to repair or
20 replace critical infrastructure and equipment owned or maintained
21 by the city, village, or township; to reduce debt obligations; or
22 for costs associated with a transition to shared services with
23 another jurisdiction. The department of treasury shall award no
24 more than \$2,000,000.00 to any city, village, or township under
25 this section.

26 (2) The department of treasury shall provide a report to the
27 senate and house of representatives appropriations subcommittees on

1 general government, the senate and house fiscal agencies, and the
2 state budget office by March 31. The report shall include a list by
3 grant recipient of the date each grant was approved, the amount of
4 the grant, and a description of the project or projects that will
5 be paid by the grant.

6 (3) The unexpended funds appropriated in part 1 for
7 financially distressed cities, villages, or townships are
8 designated as a work project appropriation, and any unencumbered or
9 unallotted funds shall not lapse at the end of the fiscal year and
10 shall be available for expenditure for projects under this section
11 until the projects have been completed. The following is in
12 compliance with section 451a of the management and budget act, 1984
13 PA 431, MCL 18.1451a:

14 (a) The purpose of the project is to provide assistance to
15 financially distressed cities, villages, and townships under this
16 section.

17 (b) The projects will be accomplished by grants to cities,
18 villages, and townships approved by the department of treasury.

19 (c) The total estimated cost of all projects is \$5,000,000.00.

20 (d) The tentative completion date is September 30, 2022.

21 Sec. 957. (1) From the 1-time funds appropriated in part 1 for
22 supplemental revenue sharing, a city, village, or township eligible
23 for a payment under section 952 of this part shall receive a
24 payment equal to the population of the city, village, or township
25 multiplied by \$0.81198, rounded to the nearest dollar. For purposes
26 of this section, population is determined in the same manner as
27 under section 3 of the Glenn Steil state revenue sharing act of

1 1971, 1971 PA 140, MCL 141.903. In addition, any city or village
2 that according to the 2010 federal decennial census is determined
3 to have population in more than 1 county shall be treated as a
4 single entity when determining the payment received under this
5 section.

6 (2) Cities, villages, and townships eligible to receive a
7 payment under subsection (1) shall receive 1/6 of their eligible
8 payment on the last business day of October, December, February,
9 April, June, and August.

10 **BUREAU OF STATE LOTTERY**

11 Sec. 960. In addition to the funds appropriated in part 1 to
12 the bureau of state lottery, there is appropriated from state
13 lottery fund revenues the amount necessary for, and directly
14 related to, implementing and operating lottery games under the
15 McCauley-Traxler-Law-Bowman-McNeely lottery act, 1972 PA 239, MCL
16 432.1 to 432.47, and activities under the Traxler-McCauley-Law-
17 Bowman bingo act, 1972 PA 382, MCL 432.101 to 432.120, including
18 expenditures for contractually mandated payments for vendor
19 commissions, contractually mandated payments for instant tickets
20 intended for resale, the contractual costs of providing and
21 maintaining the online system communications network, and incentive
22 and bonus payments to lottery retailers.

23 Sec. 964. For the bureau of state lottery, there is
24 appropriated 1% of the lottery's prior fiscal year's gross sales or
25 \$30,000,000.00, whichever is less, for promotion and advertising.

26 **CASINO GAMING**

27 Sec. 971. From the revenue collected by the Michigan gaming

1 control board regarding the total annual assessment of each casino
2 licensee, \$2,000,000.00 is appropriated and shall be deposited in
3 the compulsive gaming prevention fund as described in section
4 12a(5) of the Michigan gaming control and revenue act, 1996 IL 1,
5 MCL 432.212a.

6 Sec. 973. (1) Funds appropriated in part 1 for local
7 government programs may be used to provide assistance to a local
8 revenue sharing board referenced in an agreement authorized by the
9 Indian gaming regulatory act, Public Law 100-497.

10 (2) A local revenue sharing board described in subsection (1)
11 shall comply with the open meetings act, 1976 PA 267, MCL 15.261 to
12 15.275, and the freedom of information act, 1976 PA 442, MCL 15.231
13 to 15.246.

14 (3) A county treasurer is authorized to receive and administer
15 funds received for and on behalf of a local revenue sharing board.
16 Funds appropriated in part 1 for local government programs may be
17 used to audit local revenue sharing board funds held by a county
18 treasurer. This section does not limit the ability of local units
19 of government to enter into agreements with federally recognized
20 Indian tribes to provide financial assistance to local units of
21 government or to jointly provide public services.

22 (4) A local revenue sharing board described in subsection (1)
23 shall comply with all applicable provisions of any agreement
24 authorized by the Indian gaming regulatory act, Public Law 100-497,
25 in which the local revenue sharing board is referenced, including,
26 but not limited to, the disbursement of tribal casino payments
27 received under applicable provisions of the tribal-state class III

1 gaming compact in which those funds are received.

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

7 (6) The Michigan gaming control board shall submit a report by
8 September 30 to the senate and house of representatives standing
9 committees on appropriations and the state budget director on the
10 receipts and distribution of revenues by local revenue sharing
11 boards.

12 Sec. 974. If revenues collected in the state services fee fund
13 are less than the amounts appropriated from the fund, available
14 revenues shall be used to fully fund the appropriation in part 1
15 for casino gaming regulation activities before distributions are
16 made to other state departments and agencies. If the remaining
17 revenue in the fund is insufficient to fully fund appropriations to
18 other state departments or agencies, the shortfall shall be
19 distributed proportionally among those departments and agencies.

20 Sec. 976. The executive director of the Michigan gaming
21 control board may pay rewards of not more than \$5,000.00 to a
22 person who provides information that results in the arrest and
23 conviction on a felony or misdemeanor charge for a crime that
24 involves the horse racing industry. A reward paid pursuant to this
25 section shall be paid out of the appropriation in part 1 for the
26 racing commission.

27 Sec. 977. All appropriations from the Michigan agriculture

1 equine industry development fund, except for the racing commission
2 appropriations, shall be reduced proportionately if revenues to the
3 Michigan agriculture equine industry development fund decline
4 during the current fiscal year to a level lower than the amount
5 appropriated in part 1.

6 Sec. 978. The Michigan gaming control board shall use actual
7 expenditure data in determining the actual regulatory costs of
8 conducting racing dates and shall provide that data to the senate
9 and house appropriations subcommittees on agriculture and general
10 government, the state budget office, and the senate and house
11 fiscal agencies. The Michigan gaming control board shall not be
12 reimbursed for more than the actual regulatory cost of conducting
13 race dates. If a certified horsemen's organization funds more than
14 the actual regulatory cost, the balance shall remain in the
15 agriculture equine industry development fund to be used to fund
16 subsequent race dates conducted by race meeting licensees with
17 which the certified horsemen's organization has contracts. If a
18 certified horsemen's organization funds less than the actual
19 regulatory costs of the additional horse racing dates, the Michigan
20 gaming control board shall reduce the number of future race dates
21 conducted by race meeting licensees with which the certified
22 horsemen's organization has contracts. Prior to the reduction in
23 the number of authorized race dates due to budget deficits, the
24 executive director of the Michigan gaming control board shall
25 provide notice to the certified horsemen's organizations with an
26 opportunity to respond with alternatives. In determining actual
27 costs, the Michigan gaming control board shall take into account

1 that each specific breed may require different regulatory
2 mechanisms.

3 Sec. 979. In addition to the funds appropriated in part 1, the
4 Michigan gaming control board may receive and expend state lottery
5 fund revenue in an amount not to exceed \$3,000,000.00 for necessary
6 expenses incurred in the licensing and regulation of millionaire
7 parties pursuant to Executive Order No. 2012-4. In accordance with
8 section 8 of the Traxler-McCauley-Law-Bowman bingo act, 1972 PA
9 382, MCL 432.108, the amount of necessary expenses shall not exceed
10 the amount of revenue received under that act. The Michigan gaming
11 control board shall provide a report to the senate and house of
12 representatives appropriations subcommittees on general government,
13 the senate and house fiscal agencies, and the state budget office
14 by April 15. The report shall include, but not be limited to, total
15 expenditures related to the licensing and regulating of millionaire
16 parties, steps taken to ensure charities are receiving revenue due
17 to them, progress on promulgating rules to ensure compliance with
18 the Traxler-McCauley-Law-Bowman bingo act, 1972 PA 382, MCL 432.101
19 to 432.120, and any enforcement actions taken.

20 **DEPARTMENT OF TALENT AND ECONOMIC DEVELOPMENT**

21 Sec. 980. (1) In addition to the funds appropriated in part 1,
22 there is appropriated an amount not to exceed \$30,000,000.00 for
23 federal contingency funds. These funds are not available for
24 expenditure until they have been transferred to another line item
25 in part 1 under section 393(2) of the management and budget act,
26 1984 PA 431, MCL 18.1393.

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

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

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

19 Sec. 981. Total authorized appropriations from all sources
20 under part 1 for legacy costs for the fiscal year ending September
21 30, 2018 are \$32,357,000.00. From this amount, total agency
22 appropriations for pension-related legacy costs are estimated at
23 \$16,651,100.00. Total agency appropriations for retiree health care
24 legacy costs are estimated at \$15,705,900.00.

25 Sec. 982. Federal pass-through funds to local institutions and
26 governments that are received in amounts in addition to those
27 included in part 1 and that do not require additional state

1 matching funds are appropriated for the purposes intended. The
2 department may carry forward into the succeeding fiscal year
3 unexpended federal pass-through funds to local institutions and
4 governments that do not require additional state matching funds.
5 The department shall report the amount and source of the funds to
6 the senate and house appropriation subcommittees on general
7 government, the senate and house fiscal agencies, and the state
8 budget office within 10 business days after receiving any
9 additional pass-through funds.

10 **MICHIGAN STRATEGIC FUND - HOUSING AND COMMUNITY DEVELOPMENT**

11 Sec. 990. MSHDA shall annually present a report to the state
12 budget office and the subcommittees on the status of the
13 authority's housing production goals under all financing programs
14 established or administered by the authority. The report shall give
15 special attention to efforts to raise affordable multifamily
16 housing production goals.

17 Sec. 994. In addition to the funds appropriated in part 1, the
18 funds collected by state historic preservation programs for
19 document reproduction and services and application fees are
20 appropriated for all expenses necessary to provide the required
21 services. These funds are available for expenditure when they are
22 received and may be carried forward into the succeeding fiscal
23 year.

24 Sec. 995. In addition to the amounts appropriated in part 1,
25 the land bank fast track authority may expend revenues received
26 under the land bank fast track act, 2003 PA 258, MCL 124.751 to
27 124.774, for the purposes authorized by the act, including, but not

1 limited to, the acquisition, lease, management, demolition,
2 maintenance, or rehabilitation of real or personal property,
3 payment of debt service for notes or bonds issued by the authority,
4 and other expenses to clear or quiet title property held by the
5 authority.

6 **MICHIGAN STRATEGIC FUND**

7 Sec. 1005. In addition to the appropriations in part 1, Travel
8 Michigan may receive and expend private revenue related to the use
9 of "Pure Michigan" and all other copyrighted slogans and images.

10 This revenue may come from the direct licensing of the name and
11 image or from the royalty payments from various merchandise sales.
12 Revenue collected is appropriated for the marketing of the state as
13 a travel destination. The funds are available for expenditure when
14 they are received by the department of treasury. The fund shall
15 provide a report that lists the revenues by source received from
16 the use of "Pure Michigan" and all other copyrighted slogans and
17 images. The report shall provide a detailed list of expenditures of
18 revenues received under this section. The report shall be provided
19 to the appropriations subcommittees on general government, the
20 fiscal agencies, and the state budget office by March 15.

21 Sec. 1007. (1) The fund shall provide reports to the relevant
22 subcommittees, the state budget director, and the fiscal agencies
23 concerning the activities of the MEDC grants and investment
24 programs financed from the fund using investment, Indian gaming
25 revenues, or other revenues. The report shall provide a list of
26 individual grants, loans, and investments made from the fund or by
27 the MEDC from the funds appropriated in part 1 and shall include

1 the name of the recipient, the amount awarded to the recipient, and
2 the purpose of the grant. The activities report shall also include,
3 but not be limited to, the following programs funded in part 1:

4 (a) Travel Michigan, including any expenditures authorized
5 under section 89b of the Michigan strategic fund act, 1984 PA 270,
6 MCL 125.2089b, to supplement the Michigan promotion program or Pure
7 Michigan programs. The report shall include the number of
8 commercials produced, the types of media purchased, and the target
9 of tourism promotion used in Michigan tourism promotion material.

10 (b) Business attraction, retention, and growth, including any
11 expenditures authorized under section 89b of the Michigan strategic
12 fund act, 1984 PA 270, MCL 125.2089b, to supplement the Michigan
13 business marketing program. The report shall include the number of
14 commercials produced, the markets in which media buys have been
15 made, and any web-based products that were created as a result of
16 this appropriation.

17 (c) Community development block grants.

18 (d) Strategic fund administration.

19 (e) Renaissance zones.

20 (f) 21st century investment program.

21 (g) Michigan business development program.

22 (h) Community revitalization program.

23 (i) Core community fund.

24 (j) Any other programs of the fund.

25 (k) The budget of the MSF and MEDC for the previous fiscal
26 year, including a list of all corporate revenue received by source,
27 all expenditures by core focus and grouped by line-item

1 appropriation for the year, the number of FTE positions at the
2 MEDC, the corporate fund balance remaining at the end of the fiscal
3 year, the total amount of work project funding spent during the
4 previous fiscal year, all work projected funding that is being
5 carried forward, and the difference between the enacted budget and
6 final expenditures for the previous fiscal year.

7 (2) As a condition of the expenditure of funds appropriated in
8 part 1 for business attraction and community revitalization, the
9 fund shall submit a report to the chairpersons of the senate and
10 house of representatives standing committees on appropriations, the
11 chairpersons of the senate and house of representatives standing
12 committees on appropriations subcommittees on general government,
13 the senate and house fiscal agencies, and the state budget office
14 that provides performance metrics for the Michigan business
15 development program and community revitalization program. The
16 report shall include, but is not limited to, all of the following
17 for all appropriated funds that are available during the fiscal
18 year:

19 (a) Total verified jobs created, as required by statute,
20 compared to total committed jobs.

21 (b) Total actual private investment compared to total
22 projected private investment.

23 (c) An estimate of the return on investment to the state as a
24 result of the incentives.

25 (d) A listing of projects previously awarded incentives that
26 were revoked and the reason for revocation.

27 (e) A listing of projects that had incentive contracts amended

1 by the fund or MEDC. The listing shall include a detailed listing
2 of the amendments made to the contract.

3 (3) The reports in subsections (1) and (2) shall be submitted
4 by March 15. The report for each program in subsection (1) (a)
5 through (k) shall include details on all revenue sources, actual
6 expenditures, and number of FTEs for that program for the previous
7 fiscal year.

8 Sec. 1008. As a condition of receiving funds under part 1, any
9 interlocal agreement entered into by the fund shall include
10 language which states that if a local unit of government has a
11 contract or memorandum of understanding with a private economic
12 development agency, the MEDC will work cooperatively with that
13 private organization in that local area.

14 Sec. 1009. (1) Of the funds appropriated to the fund or
15 through grants to the MEDC, no funds shall be expended for the
16 purchase of options on land or the purchase of land unless at least
17 1 of the following conditions applies:

18 (a) The land is located in an economically distressed area.

19 (b) The land is obtained through a purchase or exercise of an
20 option at the invitation of the local unit of government and local
21 economic development agency.

22 (2) Consideration may be given to purchases where the proposed
23 use of the land is consistent with a regional land use plan, will
24 result in the redevelopment of an economically distressed area, can
25 be supported by existing infrastructure, and will not cause shifts
26 in population away from the area's population centers.

27 (3) As used in this section, "economically distressed area"

1 means an area in a city, village, or township that has been
2 designated as blighted; a city, village, or township that shows
3 negative population change from 1970 and a poverty rate and
4 unemployment rate greater than the statewide average; or an area
5 certified as a neighborhood enterprise zone under the neighborhood
6 enterprise zone act, 1992 PA 147, MCL 207.771 to 207.786.

7 (4) The fund shall provide a report to the senate and house of
8 representatives appropriations subcommittees on general government,
9 the senate and house fiscal agencies, and the state budget office
10 that provides a list of all properties purchased, all options on
11 land purchased, the location of the land purchased, and the
12 purchase price if the fund purchases options on land or land. The
13 report must be submitted before March 15.

14 Sec. 1010. As a condition for receiving funds in part 1, not
15 later than March 15, the fund shall provide a report for the
16 immediately preceding fiscal year on the jobs for Michigan
17 investment fund, created in section 88h of the Michigan strategic
18 fund act, 1984 PA 270, MCL 125.2088h. The report shall be submitted
19 to the chairpersons of the senate and house of representatives
20 standing committees on appropriations, the chairpersons of the
21 senate and house of representatives standing committees on
22 appropriations subcommittees on general government, the senate and
23 house fiscal agencies, and the state budget office. The report
24 shall include, but is not limited to, all of the following:

25 (a) A detailed listing of revenues, by fund source, to the
26 jobs for Michigan investment fund. The listing shall include the
27 manner and reason for which the funds were appropriated to the jobs

1 for Michigan investment fund.

2 (b) A detailed listing of expenditures, by project, from the
3 jobs for Michigan investment fund.

4 (c) A fiscal year-end balance of the jobs for Michigan
5 investment fund.

6 Sec. 1011. (1) From the appropriations in part 1 to the fund
7 and granted or transferred to the MEDC, any unexpended or
8 unencumbered balance shall be disposed of in accordance with the
9 requirements in the management and budget act, 1984 PA 431, MCL
10 18.1101 to 18.1594, unless carryforward authorization has been
11 otherwise provided for.

12 (2) Any encumbered funds shall be used for the same purposes
13 for which funding was originally appropriated in this part and part
14 1.

15 Sec. 1012. (1) As a condition of receiving funds under part 1,
16 the fund shall ensure that the MEDC and the fund comply with all of
17 the following:

18 (a) The freedom of information act, 1976 PA 442, MCL 15.231 to
19 15.246.

20 (b) The open meetings act, 1976 PA 267, MCL 15.261 to 15.275.

21 (c) Annual audits of all financial records by the auditor
22 general or his or her designee.

23 (d) All reports required by law to be submitted to the
24 legislature.

25 (2) If the MEDC is unable for any reason to perform duties
26 under this part, the fund may exercise those duties.

27 Sec. 1013. As a condition for receiving the appropriations in

1 part 1, any staff of the MEDC involved in private fund-raising
2 activities shall not be party to any decisions regarding the
3 awarding of grants, incentives, or tax abatements from the fund,
4 the MEDC, or the Michigan economic growth authority.

5 Sec. 1024. From the funds appropriated in part 1 for business
6 attraction and community revitalization, not less than
7 \$20,000,000.00 shall be granted by the fund board for brownfield
8 redevelopment and historic preservation projects under the
9 community revitalization program authorized by chapter 8C of the
10 Michigan strategic fund act, 1984 PA 270, MCL 125.2090 to
11 125.2090d.

12 Sec. 1032. (1) The department shall report to the relevant
13 subcommittees, the state budget director, and the fiscal agencies
14 on the status of the film incentives at the same time as it submits
15 the annual report required under section 455 of the Michigan
16 business tax act, 2007 PA 36, MCL 208.1455. The department of
17 treasury shall provide the department of talent and economic
18 development with the data necessary to prepare the report.
19 Incentives included in the report shall include all of the
20 following:

21 (a) The tax credit provided under section 455 of the Michigan
22 business tax act, 2007 PA 36, MCL 208.1455.

23 (b) The tax credit provided under section 457 of the Michigan
24 business tax act, 2007 PA 36, MCL 208.1457.

25 (c) The tax credit provided under section 459 of the Michigan
26 business tax act, 2007 PA 36, MCL 208.1459.

27 (d) The amount of any tax credit claimed under former section

1 367 of the income tax act of 1967, 1967 PA 281.

2 (e) Any tax credits provided for film and digital media
3 production under the Michigan economic growth authority act, 1995
4 PA 24, MCL 207.801 to 207.810.

5 (f) Loans to an eligible production company or film and
6 digital media private equity fund authorized under section 88d(3),
7 (4), and (5) of the Michigan strategic fund act, 2005 PA 225, MCL
8 125.2088d.

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

10 (a) For each tax credit, the number of contracts signed, the
11 projected expenditures qualifying for the credit, and the estimated
12 value of the credits. For loans, the number of loans made under
13 each section, the interest rate of those loans, the loan amount,
14 the percent of the projected budget of each production financed by
15 those loans, and the estimated interest earnings from the loan.

16 (b) For credits authorized under section 455 of the Michigan
17 business tax act, 2007 PA 36, MCL 208.1455, for productions
18 completed by December 31, the expenditures of each production
19 eligible for the credit that has filed a request for certificate of
20 completion with the film office, broken down into expenditures for
21 goods, services, or salaries and wages and showing separately
22 expenditures in each local unit of government, including
23 expenditures for personnel, whether or not they were made to a
24 Michigan entity, and whether or not they were taxable under the
25 laws of this state. For loans, the report shall include the number
26 of loans that have been fully repaid, with principal and interest
27 shown separately, and the number of loans that are delinquent or in

1 default, and the amount of principal that is delinquent or is in
2 default.

3 (c) For each of the tax credit incentives and loan incentives
4 listed in subsection (1), a breakdown for each project or
5 production showing each of the following:

6 (i) The number of temporary jobs created.

7 (ii) The number of permanent jobs created.

8 (iii) The number of persons employed in Michigan as a result
9 of the incentive, on a full-time equated basis.

10 (3) For any information not included in the report due to the
11 provisions of section 455(6), 457(6), or 459(6) of the Michigan
12 business tax act, 2007 PA 36, MCL 208.1455, 208.1457, and 208.1459,
13 the report shall do all of the following:

14 (a) Indicate how the information would describe the commercial
15 and financial operations or intellectual property of the company.

16 (b) Attest that the information has not been publicly
17 disseminated at any time.

18 (c) Describe how disclosure of the information may put the
19 company at a competitive disadvantage.

20 (4) Any information not disclosed due to the provisions of
21 section 455(6), 457(6), or 459(6) of the Michigan business tax act,
22 2007 PA 36, MCL 208.1455, 208.1457, and 208.1459, shall be
23 presented at the lowest level of aggregation that would no longer
24 describe the commercial and financial operations or intellectual
25 property of the company.

26 Sec. 1033. As a condition of receiving funds in part 1, not
27 later than March 15, the department of talent and economic

1 development shall provide a report on the activities of the
2 Michigan film and digital media office for the immediately
3 preceding fiscal year. The report shall be submitted to the
4 chairpersons of the senate and house of representatives
5 subcommittees on general government, the senate and house fiscal
6 agencies, and the state budget office. The report shall include,
7 but not be limited to, a listing of all projects the Michigan film
8 and digital media office provided assistance on, a listing of the
9 services provided for each project, and an estimate of investment
10 leveraged.

11 Sec. 1034. Each business incubator or accelerator that
12 received an award from the fund shall maintain and update a
13 dashboard of indicators to measure the effectiveness of the
14 business incubator and accelerator programs. Indicators shall
15 include the direct jobs created, new companies launched as a direct
16 result of business incubator or accelerator involvement, businesses
17 expanded as a direct result of business incubator or accelerator
18 involvement, direct investment in client companies, private equity
19 financing obtained by client companies, grant funding obtained by
20 client companies, and other measures developed by the recipient
21 business incubators and accelerators in conjunction with the MEDC.
22 Dashboard indicators shall be reported for the prior fiscal year
23 and cumulatively, if available. Each recipient shall submit a copy
24 of their dashboard indicators to the fund by March 1. The fund
25 shall transmit the local reports to the senate and house of
26 representatives appropriations subcommittees on general government,
27 the senate and house fiscal agencies, and the state budget office

1 by March 15.

2 Sec. 1035. (1) From the appropriation in part 1, the Michigan
3 council for arts and cultural affairs shall administer an arts and
4 cultural grant program that maintains an equitable geographic
5 distribution of funding and utilizes past arts and cultural grant
6 programs as a guideline for administering this program. The council
7 shall do all of the following:

8 (a) On or before October 1, the fund shall publish proposed
9 application criteria, instructions, and forms for use by eligible
10 applicants. The fund shall provide at least a 2-week period for
11 public comment before finalizing the application criteria,
12 instructions, and forms.

13 (b) A nonrefundable application fee may be assessed for each
14 application. Application fees shall be deposited in the council for
15 the arts fund and are appropriated for expenses necessary to
16 administer the programs. These funds are available for expenditure
17 when they are received and may be carried forward to the following
18 fiscal year.

19 (c) Grants are to be made to public and private arts and
20 cultural entities.

21 (d) Within 1 business day after the award announcements, the
22 council shall provide to each member of the legislature and the
23 fiscal agencies a list of all grant recipients and the total award
24 given to each recipient, sorted by county.

25 (e) In addition to the information in subdivision (d), the
26 council shall report on the number of applications received, number
27 of grants awarded, total amount requested from applications

1 received, and total amount of grants awarded.

2 (2) The appropriation in part 1 for arts and cultural program
3 shall not be used for the administration of the grant program.

4 Sec. 1036. (1) The general fund/general purpose funds
5 appropriated in part 1 to the fund for business attraction and
6 community revitalization shall be transferred to the 21st century
7 jobs trust fund per section 90b(3) of the Michigan strategic fund
8 act, 1984 PA 270, MCL 125.2090b.

9 (2) Funds transferred to the 21st century jobs trust fund
10 under subsection (1) are appropriated and available for allocation
11 as authorized in the Michigan strategic fund act, 1984 PA 270, MCL
12 125.2001 to 125.2094.

13 Sec. 1038. (1) From the funds appropriated in part 1, the
14 department shall work with Michigan State University to gather
15 information and create an annual progress report on the
16 construction of the Facility for Rare Isotope Beams. The report
17 shall include, but is not limited to, the following information:

18 (a) If construction is ahead of the scheduled timeline made
19 with the United States Department of Energy at the end of the
20 previous fiscal year and the number of weeks.

21 (b) If the cost of construction is under or over the amount
22 projected for the previous fiscal year and the amount.

23 (c) The number of Michigan companies that have been contracted
24 for the project, the total amount of those contracts, and number of
25 permanent and temporary employees employed in the previous fiscal
26 year.

27 (2) The department shall report to the state budget director,

1 appropriations subcommittees, senate and house appropriation
2 subcommittees on general government, and senate and house fiscal
3 agencies by March 15. If information is not provided by Michigan
4 State University by March 15, the department shall provide notice
5 of steps taken to get the required information and when it will be
6 available.

7 Sec. 1040. As a condition of receiving funds in part 1, the
8 department of talent and economic development shall utilize MAIN,
9 or a successor MDTMB-administered administrative information system
10 used across state government, as an appropriation and expenditure
11 reporting system to track all financial transactions with
12 individual vendors, contractual partners, grantees, recipients of
13 business incentives, and recipients of other economic assistance.
14 Encumbrances and expenditures shall be reported in a timely manner.

15 Sec. 1041. From the funds appropriated in part 1 for business
16 attraction and community revitalization, the fund shall request the
17 transfer by the state treasurer of not more than 60% of the funds
18 prior to April 1.

19 Sec. 1042. For the funds appropriated in part 1 for business
20 attraction and community revitalization, the fund shall report
21 quarterly on the amount of funds considered appropriated, pre-
22 encumbered, encumbered, and expended. The report shall also include
23 a listing of all previous appropriations for business attraction
24 and community revitalization, or a predecessor, that were
25 considered appropriated, pre-encumbered, encumbered, or expended
26 that have lapsed back to the fund for any purpose. The report shall
27 be submitted to the chairpersons of the senate and house of

1 representatives standing committees on appropriations, the
2 chairpersons of the senate and house of representatives standing
3 committees on appropriations subcommittees on general government,
4 the senate and house fiscal agencies, and the state budget office.

5 Sec. 1043. (1) The fund, in conjunction with the department of
6 treasury, shall report to the senate and house of representatives
7 appropriations subcommittees on general government, the senate and
8 house fiscal agencies, and the state budget office by November 1 on
9 the annual cost of the Michigan economic growth authority tax
10 credits. The report shall include for each year the board-approved
11 credit amount, adjusted for credit amendments where applicable, and
12 the actual and projected value of tax credits for each year from
13 1995 to the expiration of the credit program. For years for which
14 credit claims are complete, the report shall include the total of
15 actual certificated credit amounts. For years for which claims are
16 still pending or not yet submitted, the report shall include a
17 combination of actual credits where available and projected
18 credits. Credit projections shall be based on updated estimates of
19 employees, wages, and benefits for eligible companies.

20 (2) In addition to the report under subsection (1), the fund,
21 in conjunction with the department of treasury, shall report to the
22 senate and house of representatives appropriations subcommittees on
23 general government, the senate and house fiscal agencies, and the
24 state budget office by November 1 on the annual cost of all other
25 certificated credits by program, for each year until the credits
26 expire or can no longer be collected. The report shall include
27 estimates on the brownfield redevelopment credit, film credits,

1 MEGA photovoltaic technology credit, MEGA polycrystalline silicon
2 manufacturing credit, MEGA vehicle battery credit, and other
3 certificated credits.

4 Sec. 1044. As a condition of receiving appropriations in part
5 1, prior to authorizing the transfer of any previously authorized
6 tax credit that would increase the liability to this state, the
7 department of talent and economic development, on behalf of the
8 Michigan strategic fund board, shall notify the chairpersons of the
9 senate and house of representatives standing committees on
10 appropriations, the chairpersons of the relevant appropriations
11 subcommittees, the senate and house fiscal agencies, and the state
12 budget office not fewer than 30 days prior to the authorization of
13 the tax credit transfer.

14 Sec. 1047. (1) From the one-time funds appropriated in part 1
15 for Michigan enhancement grants, \$100,000.00 shall be awarded for
16 the construction of an all-inclusive playground in a park located
17 in a county with a population of between 1,200,000 and 1,205,000
18 and in a charter township with a population of between 40,000 and
19 40,300 according to the most recent federal decennial census.

20 (2) From the one-time funds appropriated in part 1 for
21 Michigan enhancement grants, \$35,000.00 shall be awarded for a
22 birthing barn at a county fairgrounds located in a county with a
23 population of between 43,000 and 43,300 according to the most
24 recent federal decennial census.

25 (3) From the one-time funds appropriated in part 1 for
26 Michigan enhancement grants, \$500,000.00 shall be awarded for a
27 seawall repair project located in a county with a population of

1 between 163,000 and 163,200 and in a city with a population of
2 between 4,100 and 4,200 according to the most recent federal
3 decennial census.

4 (4) From the one-time funds appropriated in part 1 for
5 Michigan enhancement grants, \$2,700,000.00 shall be awarded for a
6 highway bridge repair project located in a county with a population
7 of between 163,000 and 163,200 and in a township with a population
8 of between 3,455 and 3,555 according to the most recent federal
9 decennial census.

10 (5) From the one-time funds appropriated in part 1 for
11 Michigan enhancement grants, \$100,000.00 shall be awarded to a
12 private, not-for-profit organization focused on alleviating hunger
13 located in a county with a population of between 1,200,000 and
14 1,205,000 and in a charter township with a population of between
15 70,000 and 75,000 according to the most recent federal decennial
16 census.

17 (6) From the one-time funds appropriated in part 1 for
18 Michigan enhancement grants, \$800,000.00 shall be awarded for a
19 retirement funding shortfall at an association established to
20 provide services and support to Michigan's workforce development
21 system located in a county with a population of between 38,000 and
22 39,000 according to the most recent federal decennial census.

23 (7) From the one-time funds appropriated in part 1 for
24 Michigan enhancement grants, \$1,000,000.00 shall be awarded for a
25 deepwater docking facility project located in a county with a
26 population of between 38,000 and 39,000 and in a city with a
27 population of between 14,000 and 15,000 according to the most

1 recent federal decennial census.

2 (8) From the one-time funds appropriated in part 1 for
3 Michigan enhancement grants, \$12,000.00 shall be awarded for a
4 scholarship program associated with a veteran affairs association
5 located in a county with a population of between 46,500 and 47,000
6 and in a city with a population of between 8,000 and 9,000
7 according to the most recent federal decennial census.

8 (9) From the one-time funds appropriated in part 1 for
9 Michigan enhancement grants, \$1,000,000.00 shall be awarded for a
10 road intersection safety upgrade project located in a county with a
11 population of greater than 1,600,000 and a charter township with a
12 population of between 27,000 and 28,000 according to the most
13 recent federal decennial census.

14 (10) From the one-time funds appropriated in part 1 for
15 Michigan enhancement grants, \$500,000.00 shall be awarded for a
16 water tower infrastructure repair project located in a county with
17 a population of between 136,000 and 137,000 and a city with a
18 population of between 8,600 and 8,700 according to the most recent
19 federal decennial census.

20 (11) From the one-time funds appropriated in part 1 for
21 Michigan enhancement grants, \$1,500,000.00 shall be awarded to a
22 private, not-for-profit provider of child services that has more
23 than 20 centers within this state and that currently has license
24 agreements with the department of health and human services.

25 (12) From the one-time funds appropriated in part 1 for
26 Michigan enhancement grants, \$100,000.00 shall be awarded to a
27 private, not-for-profit pregnancy and parenting residence located

1 in a county with a population of between 840,000 and 842,000 and a
2 city with a population of between 32,000 and 33,000 according to
3 the most recent federal decennial census.

4 (13) From the one-time funds appropriated in part 1 for
5 Michigan enhancement grants, \$300,000.00 shall be awarded for a
6 universal playground at a park located in a county with a
7 population of greater than 1,600,000 and a city with a population
8 of between 96,500 and 97,500 according to the most recent federal
9 decennial census.

10 (14) From the one-time funds appropriated in part 1 for
11 Michigan enhancement grants, \$70,000.00 shall be awarded for pool
12 upgrades at a park located in a county with a population of greater
13 than 1,600,000 and a city with a population of between 96,500 and
14 97,500 according to the most recent federal decennial census.

15 (15) From the one-time funds appropriated in part 1 for
16 Michigan enhancement grants, \$1,500,000.00 shall be awarded for the
17 remediation of property that was formerly a correctional facility
18 located in a county with a population of greater than 1,600,000 and
19 a charter township with a population of between 27,000 and 28,000
20 according to the most recent federal decennial census.

21 (16) From the one-time funds appropriated in part 1 for
22 Michigan enhancement grants, \$800,000.00 shall be awarded to a
23 career and technology education center that serves both students
24 and adults and has joint cooperation and funding from a local
25 school district, intermediate school district, Michigan Works!, and
26 Michigan manufacturing companies located in a county with a
27 population of between 99,000 and 100,000 according to the most

1 recent federal decennial census.

2 (17) From the one-time funds appropriated in part 1 for
3 Michigan enhancement grants, \$250,000.00 shall be awarded to a
4 county department established to coordinate and administer health,
5 educational, youth, veteran, senior, and social services to
6 residents and communities located in a county with a population of
7 greater than 1,600,000. Funds shall be used for a project to
8 expand outreach and access to health and human services through a
9 new service delivery model.

10 (18) From the one-time funds appropriated in part 1 for
11 Michigan enhancement grants, \$300,000.00 shall be awarded for a
12 statewide child restraint safety program awareness campaign.

13 (19) From the one-time funds appropriated in part 1 for
14 Michigan enhancement grants, \$300,000.00 shall be awarded for
15 baseball diamond upgrades at a park located in a county with a
16 population of greater than 1,600,000 and a city with a population
17 of between 84,000 and 84,500 according to the most recent federal
18 decennial census.

19 (20) From the one-time funds appropriated in part 1 for
20 Michigan enhancement grants, \$10,000,000.00 shall be awarded to a
21 township with a population between 5,500 and 6,000, according to
22 the most recent federal decennial census, that is located in a
23 county with a population between 340,000 and 380,000, according to
24 the most recent federal decennial census, to encourage economic
25 development and future growth of the urban services district.

26 (21) From the one-time funds appropriated in part 1 for
27 Michigan enhancement grants, \$1,000,000.00 shall be awarded to a

1 woonerf community redevelopment project that has begun construction
2 prior to the start of the fiscal year.

3 (22) From the one-time funds appropriated in part 1 for
4 Michigan enhancement grants, \$1,000,000.00 shall be awarded to a
5 civic theater in a county with a population between 600,000 and
6 610,000 and in a city with a population over 185,000 according to
7 the most recent federal decennial census.

8 (23) From the one-time funds appropriated in part 1 for
9 Michigan enhancement grants, \$1,000,000.00 shall be awarded to a
10 city to rebuild a historic showboat that has been closed to the
11 public and is located in a city with a population between 3,700 and
12 3,800 according to the most recent federal decennial census.

13 (24) From the one-time funds appropriated in part 1 for
14 Michigan enhancement grants, \$1,000,000.00 shall be awarded to a
15 county road commission in a county with a population between
16 200,000 and 201,000 according to the most recent federal decennial
17 census.

18 (25) From the one-time funds appropriated in part 1 for
19 Michigan enhancement grants, \$2,000,000.00 shall be awarded to
20 Kalamazoo Valley Community College to support the healthy living
21 campus.

22 (26) From the one-time funds appropriated in part 1 for
23 Michigan enhancement grants, \$750,000.00 shall be awarded as a road
24 infrastructure improvement grant for a township with a population
25 between 30,000 and 31,000 located in a county with a population
26 between 1,200,000 and 1,300,000 according to the most recent
27 federal decennial census.

1 (27) From the one-time funds appropriated in part 1 for
2 Michigan enhancement grants, \$2,500,000.00 shall be awarded as a
3 cross-county wastewater treatment improvement grant for 2 counties,
4 1 county with a population between 172,000 and 173,000 and another
5 county with a population between 263,000 and 264,000 according to
6 the most recent federal decennial census.

7 (28) From the one-time funds appropriated in part 1 for
8 Michigan enhancement grants, \$40,000.00 shall be awarded to an
9 intermediate school district, career and technical education
10 program that is located in a county with a population between
11 152,000 and 153,000 according to the most recent federal decennial
12 census.

13 (29) From the one-time funds appropriated in part 1 for
14 Michigan enhancement grants, \$70,000.00 shall be awarded to a
15 computer-aided design program located in a school district that is
16 the primary server to a township with a population between 4,960
17 and 4,970 according to the most recent federal decennial census.

18 (30) From the one-time funds appropriated in part 1 for
19 Michigan enhancement grants, \$350,000.00 shall be awarded as a
20 grant for rebuilding a historic covered bridge that has been lost
21 due to fire located in a county with a population between 63,000
22 and 64,000 according to the most recent federal decennial census.

23 (31) From the one-time funds appropriated in part 1 for
24 Michigan enhancement grants, \$120,000.00 shall be awarded to a
25 village to conduct a master plan in a village with a population
26 between 1,100 and 1,200 according to the most recent federal
27 decennial census.

1 (32) From the one-time funds appropriated in part 1 for
2 Michigan enhancement grants, \$1,500,000.00 shall be awarded to a
3 city for removal of dams in a county with a population between
4 600,000 and 610,000 and in a city with a population over 185,000
5 according to the most recent federal decennial census.

6 (33) From the one-time funds appropriated in part 1 for
7 Michigan enhancement grants, \$300,000.00 shall be awarded to a city
8 to support repainting a decommissioned ice-cutting vessel located
9 in a city with a population between 800 and 900 according to the
10 most recent federal decennial census.

11 (34) From the one-time funds appropriated in part 1 for
12 Michigan enhancement grants, \$300,000.00 shall be awarded to Lake
13 Superior State University to support power grid improvements.

14 (35) From the one-time funds appropriated in part 1 for
15 Michigan enhancement grants, \$2,000,000.00 shall be awarded to a
16 city for upgrades to a highway interchange located in a city with a
17 population between 5,500 and 5,600 and a township with a population
18 between 7,600 and 7,700 according to the most recent federal
19 decennial census.

20 (36) From the one-time funds appropriated in part 1 for
21 Michigan enhancement grants, \$100,000.00 shall be awarded to the
22 Congressional Sportsmen's Foundation to support the National
23 Assembly of Sportsmen's Caucuses annual summit during October 2017.

24 Sec. 1048. From the funds appropriated in part 1 for
25 entrepreneurship eco-system, \$1,000,000.00 shall be awarded to an
26 independent biomedical research and science education organization

1 in a county with a population between 600,000 and 610,000 and in a
2 city with a population over 185,000 according to the most recent
3 federal decennial census to be used for matching federal funds,
4 private and nonprofit grants, and private contributions.

5 Sec. 1050. (1) From the funds appropriated in part 1 for
6 business attraction and community revitalization, the department
7 shall identify specific outcomes and performance measures,
8 including, but not limited to, the following:

9 (a) Total verified jobs created during the fiscal year ending
10 September 30, 2018.

11 (b) Total private investment obtained during the fiscal year
12 ending September 30, 2018.

13 (c) Amount of private and public square footage created and
14 reactivated during the fiscal year ending September 30, 2018.

15 (2) The department must submit a report to the house and
16 senate appropriations subcommittees on general government, the
17 senate and house fiscal agencies, and the state budget director by
18 March 15. The report must describe the specific outcomes and
19 measures required in subsection (1) and provide the results and
20 data related to these outcomes and measures for the prior fiscal
21 year if related information is available for the prior fiscal year.

22 Sec. 1051. From the funds appropriated in part 1 for talent
23 marketing, the department shall identify specific outcomes and
24 performance measures, including, but not limited to, the following:

25 (a) Number of active job seeker accounts and number of active
26 employer accounts through the Mitalent.org portal during the fiscal
27 year ending September 30, 2018.

1 (b) Number of website visits through Mitalent.org and total
2 employment numbers by job sector as tracked by labor market
3 information during the fiscal year ending September 30, 2018.

4 Sec. 1052. From the one-time funds appropriated in part 1 for
5 project rising tide, the department shall identify specific
6 outcomes and performance measures including, but not limited to,
7 the following:

8 (a) Number of communities participating in and completing the
9 redevelopment ready communities best practices evaluation during
10 the fiscal year ending September 30, 2018.

11 (b) Number of technical assistance projects completed during
12 the fiscal year ending September 30, 2018.

13 Sec. 1053. From the increased funds appropriated in part 1 for
14 the arts and cultural program, the department shall identify
15 specific outcomes and performance measures, including, but not
16 limited to, the following:

17 (a) Number of applications received during the fiscal year
18 ending September 30, 2018.

19 (b) Number of grants awarded during the fiscal year ending
20 September 30, 2018.

21 (c) Number of FTEs supported by grants during the fiscal year
22 ending September 30, 2018.

23 Sec. 1054. (1) For the funds appropriated in part 1 for
24 protect and grow, the department shall identify specific outcomes
25 and performance measures, including, but not limited to, the
26 following:

27 (a) Funding commitments made by federal and private sources

1 during the fiscal year ending September 30, 2018.

2 (b) Dollar amount invested, by location, in Michigan defense
3 infrastructure during the fiscal year ending September 30, 2018.

4 (2) The department must submit a report to the house and
5 senate appropriations subcommittees on general government, the
6 senate and house fiscal agencies, and the state budget director by
7 March 15. The report must describe the specific outcomes and
8 measures required in subsection (1) and provide the results and
9 data related to these outcomes and measures for the prior fiscal
10 year if related information is available for the prior fiscal year.

11 Sec. 1055. From the one-time funds appropriated in part 1 for
12 DTED - grants, \$500,000.00 shall be awarded as a matching grant to
13 a park development project located in a county with a population of
14 between 1,100,000 and 1,300,000 and a city with a population of
15 between 70,500 and 71,500 according to the most recent federal
16 decennial census.

17 **TALENT INVESTMENT AGENCY**

18 Sec. 1060. The talent investment agency shall administer the
19 PATH training program in accordance with the requirements of
20 section 407(d) of title IV of the social security act, 42 USC 607,
21 the state social welfare act, 1939 PA 280, MCL 400.1 to 400.119b,
22 and all other applicable laws and regulations.

23 Sec. 1061. From the funds appropriated in part 1 for workforce
24 programs subgrantees, the talent investment agency may allocate
25 funding for grants to nonprofit organizations that offer programs
26 pursuant to the workforce investment act of 1998, Public Law 105-
27 220, or the workforce innovation and opportunity act, 29 USC 3101

1 to 3361, eligible youth focusing on apprenticeship readiness, pre-
2 apprenticeship and apprenticeship activities, entrepreneurship,
3 work-readiness skills, job shadowing, and financial literacy.
4 Organizations eligible for funding under this section must have the
5 capacity to provide similar programs in urban areas, as determined
6 by the United States Bureau of the Census according to the most
7 recent federal decennial census. Additionally, programs eligible
8 for funding under this section must include the participation of
9 local business partners. The talent investment agency shall develop
10 other appropriate eligibility requirements to ensure compliance
11 with applicable federal rules and regulations.

12 Sec. 1062. The talent investment agency shall make available,
13 in person or by telephone, 1 disabled veterans outreach program
14 specialist or local veterans employment representative to Michigan
15 Works! service centers, as resources permit, during hours of
16 operation, and shall continue to make the appropriate placement of
17 veterans and disabled veterans a priority.

18 Sec. 1063. (1) In addition to the funds appropriated in part
19 1, any unencumbered and unrestricted federal workforce investment
20 act of 1998, Public Law 105-220, workforce innovation and
21 opportunity act, 29 USC 3101 to 3361, or trade adjustment
22 assistance funds available from prior fiscal years are appropriated
23 for the purposes originally intended.

24 (2) The talent investment agency shall report by February 15
25 to the subcommittees, the fiscal agencies, and the state budget
26 office on the amount by fiscal year of federal workforce investment
27 act of 1998, Public Law 105-220, and workforce innovation and

1 opportunity act, 29 USC 3101 to 3361, funds appropriated under this
2 section.

3 Sec. 1065. The talent investment agency shall publish data and
4 reports on March 15 and September 30 on the agency website
5 concerning the status of career technology and Going Pro funded in
6 part 1. The report shall include the following:

7 (a) The number of awardees participating in the program and
8 the names of those awardees organized by major industry group.

9 (b) The amount of funding received by each awardee under the
10 program.

11 (c) Amount of funding leveraged from each awardee or other
12 funding source for each awardee project.

13 (d) Training models established by each awardee.

14 (e) The number of individuals enrolled in a skilled trades
15 training program by awardee.

16 (f) The number of individuals who completed the program and
17 were hired by awardee.

18 (g) The number of applications received and the number of
19 applications approved for each region.

20 (h) The talent investment agency shall expand workforce
21 training and reemployment services to better connect workers to in-
22 demand jobs and identify specific outcomes with performance metrics
23 for this initiative, including, but not limited to, new
24 apprenticeships, jobs created, jobs retained, training completed,
25 and employment retention rate at 6 months, and hourly wage at 6
26 months.

27 Sec. 1066. As a condition of receiving funds in part 1 for

1 Going Pro, the talent investment agency shall administer the
2 program as follows:

3 (a) The talent investment agency shall work cooperatively with
4 grantees to maximize the amount of funds from part 1 that are
5 available for direct training.

6 (b) The talent investment agency, workforce development
7 partners, including regional Michigan Works! agencies, and
8 employers shall collaborate and work cooperatively to prioritize
9 and streamline the expenditure of the funds appropriated in part 1.
10 The talent investment agency shall ensure that Going Pro provides a
11 collaborative statewide network of workforce and employee skill
12 development partners that addresses the employee talent needs
13 throughout the state.

14 (c) The talent investment agency shall ensure that grants are
15 utilized for individual skill enhancement and to address in-demand
16 talent needs in Michigan.

17 (d) The talent investment agency shall develop program goals
18 and detailed guidance for prospective participants to follow to
19 qualify under the program. The program goals and detailed guidance
20 shall be posted on the talent investment agency website and
21 distributed to workforce development partners, including local
22 Michigan Works! agencies, by October 1. Periodic assessments of
23 employer and employee needs shall be evaluated on a regional basis,
24 and the talent investment agency shall identify solutions and goals
25 to be implemented to satisfy those needs. The talent investment
26 agency shall notify the senate and house of representatives
27 standing committees on appropriations, the senate and house of

1 representatives standing committees on appropriations subcommittees
2 on general government, the senate and house fiscal agencies, and
3 the state budget office on any program goal, solution, or guidance
4 changes not fewer than 14 days prior to the finalization and
5 publication of the changes. Revenue received by the talent
6 investment agency for Going Pro may be expended for the purpose of
7 those programs.

8 (e) Up to \$5,000,000.00 of the funds may be expended to match
9 federal funds. The intent of these funds will involve improving and
10 increasing the skill level of employees in skilled trades in the
11 automotive industry and the manufacturing processes within the
12 changing manufacturing environment.

13 Sec. 1067. From the one-time funds appropriated in part 1 for
14 DTED - grants, \$200,000.00 shall be awarded to a national,
15 nonprofit program that connects National Guard, reserve, retired,
16 and transitioning active-duty military service members with skilled
17 training and quality career opportunities in the construction
18 industry. Grant funding must be used to recruit and assist
19 military veterans to transition into apprenticeship programs in
20 this state.

21 Sec. 1068. (1) Of the funds appropriated in part 1 for the
22 workforce training programs, the talent investment agency shall
23 provide a report by March 15 to the senate and house of
24 representatives standing committees on appropriations subcommittees
25 on general government, the state budget director, and the fiscal
26 agencies on the status of the workforce training programs. The
27 report shall include the following:

1 (a) The amount of funding allocated to each Michigan Works!
2 agency and the total funding allocated to the workforce training
3 programs statewide by fund source.

4 (b) The number of participants enrolled in education or
5 training programs by each Michigan Works! agency.

6 (c) The average duration of training for training program
7 participants by each Michigan Works! agency.

8 (d) The number of participants enrolled in remedial education
9 programs and the number of participants enrolled in literacy
10 programs.

11 (e) The number of participants enrolled in programs at 2-year
12 institutions.

13 (f) The number of participants enrolled in 4-year
14 institutions.

15 (g) The number of participants enrolled in proprietary schools
16 or other technical training programs.

17 (h) The number of participants that have completed education
18 or training programs.

19 (i) The number of participants who secured employment in
20 Michigan within 1 year of completing a training program.

21 (j) The number of participants who completed a training
22 program and secured employment in a field related to their
23 training.

24 (k) The average wage earned by participants who completed a
25 training program and secured employment within 1 year.

26 (l) The actual revenues received by the fund source and fund
27 appropriated for each discrete workforce development program area.

1 (2) Data collection for the report shall be for the prior
2 state fiscal year.

3 Sec. 1069. From the one-time funds appropriated in part 1 for
4 DTED - grants, \$2,000,000.00 shall be awarded to a nonprofit
5 organization that currently provides career connections, food
6 distribution, and community building throughout the state in order
7 to support workforce program and training activities in multiple
8 cities and has a spending and operation plan developed by April 1,
9 2017 in consultation with Michigan businesses and the MEDC.

10 Sec. 1070. (1) From the one-time funds appropriated in part 1
11 for Going pro, \$1,500,000.00 must be awarded for a pilot program to
12 assist adults over the age of 23 in obtaining high school diplomas
13 and placement in career training programs.

14 (2) For purposes of this section, an eligible program provider
15 may be a public, nonprofit, or private accredited diploma-granting
16 institution, but must have at least 2 years of experience providing
17 dropout recovery services in the state of Michigan.

18 (3) The department of talent and economic development shall
19 issue a request for qualifications for eligible program providers
20 to participate in the pilot program. To be considered a qualified
21 program provider, the institution must possess all of the
22 following:

23 (a) Experience providing dropout reengagement services.

24 (b) Ability to provide academic intake assessments.

25 (c) Capacity to provide an integrated learning plan.

26 (d) Course catalog that includes access to all graduation
27 requirements.

1 (e) Capability to provide remediation coursework.

2 (f) Means to provide academic resilience assessment and
3 intervention.

4 (g) Capacity to provide employability skills development.

5 (h) Ability to provide WorkKeys preparation.

6 (i) Ability to provide industry credentials.

7 (j) Capability to provide credit for on-the-job training.

8 (k) Access to a robust support framework, including
9 technology, social support, and academic support accredited by a
10 recognized accrediting body.

11 (3) The department shall announce qualified program providers
12 no later than January 1, 2018. Qualified program providers must
13 start providing programming by February 1, 2018.

14 (4) The department of talent and economic development shall
15 reimburse qualified program providers for each month of
16 satisfactory monthly progress as described in section 23a of the
17 state school aid act, 1979 PA 94, MCL 388.1623a, at a rate of
18 \$500.00 per month. A payment shall be made to a qualified program
19 provider for the completion of the following by a pupil:

20 (a) \$500.00 for the completion of an employability skills
21 certification program equal to at least 1 Carnegie unit.

22 (b) \$250.00 for the attainment of an industry-recognized
23 credential requiring up to 50 hours of training.

24 (c) \$500.00 for the attainment of an industry-recognized
25 credential requiring 50 to 100 hours of training.

26 (d) \$750.00 for the attainment of an industry-recognized
27 credential requiring more than 100 hours of training.

1 (e) \$1,000.00 for attainment of a high school diploma.

2 (f) \$2,500.00 for placement in a job in an in-demand career
3 pathway.

4 (5) The department of talent and economic development shall
5 develop policies and guidelines to implement this section.

6 Sec. 1071. From the one-time funds appropriated in part 1 for
7 Going pro, \$3,000,000.00 must be awarded to an existing dropout
8 prevention and recovery program for youth. The funds must support a
9 program that helps Michigan youth who are at risk of dropping out
10 of high school, or who have already dropped out, to graduate and
11 make successful transitions to postsecondary education or
12 employment.

13 Sec. 1076. The department of talent and economic development
14 shall provide a quarterly report to the members of the senate and
15 house committees on appropriations, the senate and house fiscal
16 agencies, and the state budget director that includes, but is not
17 limited to, the following:

18 (a) The number of new fraudulent cases that have been
19 identified or issued by the unemployment insurance agency,
20 classified by employer or claimant, during the quarter.

21 (b) The total amount of penalties and interest issued on
22 fraudulent cases during the quarter.

23 (c) The total amount of penalties and interest dollars
24 received during the quarter.

25 (d) The total amount of penalties and interest still owed to
26 the state.

27 (e) The number of fraudulent cases that have been appealed by

1 an employer or claimant during the quarter.

2 Sec. 1078. (1) From the funds appropriated in part 1 for the
3 unemployment insurance agency, the talent investment agency shall
4 maintain customer service standards for employers and claimants
5 making use of the various means by which they can access the
6 system.

7 (2) The talent investment agency shall identify specific
8 outcomes and performance metrics for this initiative, including,
9 but not limited to, the following:

10 (a) Unemployment benefit fund balance.

11 (b) Process improvement - fiscal integrity.

12 (c) Process improvement - determination timeliness.

13 (d) Process improvement - determination quality.

14 Sec. 1079. (1) The talent investment agency shall extend the
15 interagency agreement with the department of health and human
16 services for the duration of the current fiscal year, which
17 concerns TANF funding to provide job readiness and welfare-to-work
18 programming. The interagency agreement shall include specific
19 outcome and performance reporting requirements as described in this
20 section. TANF funding provided to the talent investment agency in
21 the current fiscal year is contingent on compliance with the data
22 and reporting requirements described in this section. The
23 interagency agreement shall require the talent investment agency to
24 provide all of the following items for the previous year to the
25 senate and house appropriations committees by January 1 of the
26 current fiscal year:

27 (a) An itemized spending report on TANF funding, including all

1 of the following:

2 (i) Direct services to clients.

3 (ii) Administrative expenditures.

4 (b) The number of family independence program clients served
5 through the TANF funding, including all of the following:

6 (i) The number and percentage who obtained employment through
7 Michigan Works!.

8 (ii) The number and percentage who fulfilled their TANF work
9 requirement through other job readiness programming.

10 (iii) Average TANF spending per client.

11 (iv) The number and percentage of clients who were referred to
12 Michigan Works! but did not receive a job or job readiness
13 placement and the reasons why.

14 (2) Not later than March 15 of the current fiscal year, the
15 department shall provide to the senate and house appropriations
16 subcommittees on the department budget, the senate and house fiscal
17 agencies, and the senate and house policy offices an annual report
18 on the following matters itemized by Michigan Works! agency: the
19 number of referrals to Michigan Works! job readiness programs, the
20 number of referrals to Michigan Works! job readiness programs who
21 became a participant in the Michigan Works! job readiness programs,
22 the number of participants who obtained employment, and the cost
23 per participant case.

24 Sec. 1080. (1) From the funds appropriated in part 1 for
25 community ventures, the department of talent and economic
26 development may expend not more than \$2,000,000.00 of the funds as
27 matching funds upon the commitment of matching dollars from private

1 sources. For every \$1.00 the department of talent and economic
2 development elects to receive from a private source for the
3 purposes of a community ventures program match, the department of
4 talent and economic development shall expend \$1.00 from the
5 appropriation in part 1 up to \$2,000,000.00. Funds received from
6 private sources for a community ventures program match are
7 appropriated upon receipt and shall be expended for the purposes of
8 the community ventures program.

9 (2) The department shall identify specific outcomes and
10 performance measures for this initiative, including, but not
11 limited to, the following:

12 (a) The number of commitments from private sources, including
13 the dollar amount committed and source.

14 (b) Additional participants served with challenge funds.

15 (c) Jobs created and the average wage.

16 Sec. 1081. (1) The department shall provide a status update on
17 the statewide system for data integration that established new
18 information technology systems to integrate data for talent and
19 pipeline development to track and report workforce development
20 activities and provide for sustained and expanded longitudinal data
21 analysis between state departments.

22 (2) The department shall provide a report by March 15 for the
23 current and prior fiscal years on specific outcomes and performance
24 metrics for this initiative, including, but not limited to, the
25 following:

26 (a) Job placements and retention at 6 months.

27 (b) Apprenticeships completed.

1 (c) Average wage.

2 Sec. 1082. As a condition of receiving funds in part 1, the
3 department shall provide a status update by March 15 on the usage
4 of the funds appropriated for the sustainable employment pilot
5 program in 2016 PA 268 and 2016 PA 340. The status update shall
6 include, but not be limited to, all of the following:

7 (a) A description of the sustainable employment initiatives
8 supported with the funds appropriated, including the location of
9 the initiatives.

10 (b) Number of individuals participating in the program
11 supported with the funds appropriated.

12 (c) A listing of performance measures the department uses to
13 measure program effectiveness.

14 (d) Specific outcomes related to the performance measures
15 developed by the department.

16 Sec. 1084. (1) From the funds appropriated in part 1 for Going
17 Pro, the department shall identify specific outcomes and
18 performance measures, including, but not limited to, all of the
19 following:

20 (a) Number of job training grants awarded to employers during
21 the fiscal year ending September 30, 2018.

22 (b) Number of individuals enrolled in and completing training
23 during the fiscal year ending September 30, 2018.

24 (c) Number of new jobs and apprenticeships created during the
25 fiscal year ending September 30, 2018.

26 **STATE BUILDING AUTHORITY**

1 Sec. 1100. (1) Subject to section 242 of the management and
2 budget act, 1984 PA 431, MCL 18.1242, and upon the approval of the
3 state building authority, the department of treasury may expend
4 from the general fund of the state during the fiscal year an amount
5 to meet the cash flow requirements of those state building
6 authority projects solely for lease to a state agency identified in
7 both part 1 and this section, and for which state building
8 authority bonds or notes have not been issued, and for the sole
9 acquisition by the state building authority of equipment and
10 furnishings for lease to a state agency as permitted by 1964 PA
11 183, MCL 830.411 to 830.425, for which the issuance of bonds or
12 notes is authorized by a legislative appropriation act that is
13 effective for the immediately preceding fiscal year. Any general
14 fund advances for which state building authority bonds have not
15 been issued shall bear an interest cost to the state building
16 authority at a rate not to exceed that earned by the state
17 treasurer's common cash fund during the period in which the
18 advances are outstanding and are repaid to the general fund of the
19 state.

20 (2) Upon sale of bonds or notes for the projects identified in
21 part 1 or for equipment as authorized by a legislative
22 appropriation act and in this section, the state building authority
23 shall credit the general fund of the state an amount equal to that
24 expended from the general fund plus interest, if any, as defined in
25 this section.

26 (3) For state building authority projects for which bonds or
27 notes have been issued and upon the request of the state building

1 authority, the state treasurer shall make advances without interest
2 from the general fund as necessary to meet cash flow requirements
3 for the projects, which advances shall be reimbursed by the state
4 building authority when the investments earmarked for the financing
5 of the projects mature.

6 (4) In the event that a project identified in part 1 is
7 terminated after final design is complete, advances made on behalf
8 of the state building authority for the costs of final design shall
9 be repaid to the general fund in a manner recommended by the
10 director.

11 Sec. 1102. (1) State building authority funding to finance
12 construction or renovation of a facility that collects revenue in
13 excess of money required for the operation of that facility shall
14 not be released to a university or community college unless the
15 institution agrees to reimburse that excess revenue to the state
16 building authority. The excess revenue shall be credited to the
17 general fund to offset rent obligations associated with the
18 retirement of bonds issued for that facility. The auditor general
19 shall annually identify and present an audit of those facilities
20 that are subject to this section. Costs associated with the
21 administration of the audit shall be charged against money
22 recovered pursuant to this section.

23 (2) As used in this section, "revenue" includes state
24 appropriations, facility opening money, other state aid, indirect
25 cost reimbursement, and other revenue generated by the activities
26 of the facility.

27 Sec. 1103. The state building authority shall provide to the

JCOS and senate and house fiscal agencies a report relative to the status of construction projects associated with state building authority bonds as of September 30 of each year, on or before October 15, or not more than 30 days after a refinancing or restructuring bond issue is sold. The report shall include, but is not limited to, the following:

(a) A list of all completed construction projects for which state building authority bonds have been sold, and which bonds are currently active.

(b) A list of all projects under construction for which sale of state building authority bonds is pending.

(c) A list of all projects authorized for construction or identified in an appropriations act for which approval of schematic/preliminary plans or total authorized cost is pending that have state building authority bonds identified as a source of financing.

REVENUE STATEMENT

Sec. 1201. Pursuant to section 18 of article V of the state constitution of 1963, fund balances and estimates are presented in the following statement:

BUDGET RECOMMENDATIONS BY OPERATING FUNDS

(Amounts in millions)

Fiscal Year 2017-2018

Beginning	Estimated	Ending
<u>Balance</u>	<u>Revenue</u>	<u>Balance</u>

1	OPERATING FUNDS			
2	General fund/general purpose	300.7	9,943.4	356.1
3	School aid fund	303.7	14,769.4	315.0
4	Federal aid	0.0	20,128.1	0.0
5	Transportation funds	0.0	5,604.6	0.0
6	Special revenue funds	0.0	6,906.9	0.0
7	Countercyclical economic and			
8	budget stabilization fund	707.8	160.8	868.6
9	TOTALS	\$1,312.2	\$57,513.2	\$1,539.7

10 ARTICLE X

11 DEPARTMENT OF HEALTH AND HUMAN SERVICES

12 PART 1

13 LINE-ITEM APPROPRIATIONS

14 Sec. 101. There is appropriated for the department of health

15 and human services for the fiscal year ending September 30, 2018,

16 from the following funds:

17 **DEPARTMENT OF HEALTH AND HUMAN SERVICES**

18 APPROPRIATION SUMMARY

19	Full-time equated unclassified positions	6.0
20	Full-time equated classified positions	15,611.5
21	Average population	770.0
22	GROSS APPROPRIATION	\$ 25,447,631,600
23	Interdepartmental grant revenues:	
24	Total interdepartmental grants and intradepartmental	
25	transfers	13,640,900

1	ADJUSTED GROSS APPROPRIATION	\$ 25,433,990,700
2	Federal revenues:	
3	Social security act, temporary assistance for needy	
4	families.....	541,915,400
5	Capped federal revenues	594,360,700
6	Total other federal revenues	17,229,471,900
7	Special revenue funds:	
8	Total local revenues	116,545,300
9	Total private revenues	149,875,700
10	Michigan merit award trust fund	50,268,700
11	Total other state restricted revenues	2,384,171,100
12	State general fund/general purpose	\$ 4,367,381,900
13	Sec. 102. DEPARTMENTAL ADMINISTRATION AND SUPPORT	
14	Full-time equated unclassified positions 6.0	
15	Full-time equated classified positions 758.1	
16	Unclassified salaries--6.0 FTE positions	\$ 1,153,000
17	Administrative hearings officers	11,219,700
18	Demonstration projects--7.0 FTE positions	7,355,100
19	Departmental administration and management--564.1 FTE	
20	positions.....	109,342,700
21	Developmental disabilities council and projects--10.0	
22	FTE positions.....	3,573,700
23	Office of inspector general--177.0 FTE positions	21,892,200
24	Property management	64,339,500
25	Terminal leave payments	5,686,100
26	Worker's compensation	<u>7,502,800</u>
27	GROSS APPROPRIATION	\$ 232,064,800

1	Appropriated from:	
2	Interdepartmental grant revenues:	
3	IDG from department of education	1,919,500
4	Federal revenues:	
5	Social security act, temporary assistance for needy	
6	families.....	22,973,500
7	Capped federal revenues	20,349,200
8	Total other federal revenues	85,801,800
9	Special revenue funds:	
10	Total local revenues	16,400
11	Total private revenues	3,843,200
12	Total other state restricted revenues	841,400
13	State general fund/general purpose	\$ 96,319,800
14	Sec. 103. CHILD SUPPORT ENFORCEMENT	
15	Full-time equated classified positions	185.7
16	Child support enforcement operations--179.7 FTE	
17	positions.....	\$ 22,312,200
18	Child support incentive payments	24,409,600
19	Legal support contracts	113,607,100
20	State disbursement unit--6.0 FTE positions	<u>8,112,800</u>
21	GROSS APPROPRIATION	\$ 168,441,700
22	Appropriated from:	
23	Federal revenues:	
24	Capped federal revenues	1,735,000
25	Total other federal revenues	142,644,500
26	State general fund/general purpose	\$ 24,062,200
27	Sec. 104. COMMUNITY SERVICES AND OUTREACH	

1	Full-time equated classified positions	74.6	
2	Bureau of community services and outreach--20.0 FTE		
3	positions.....	\$	2,529,300
4	Child advocacy centers--0.5 FTE position		1,500,000
5	Community services and outreach administration--11.0		
6	FTE positions.....		1,465,000
7	Community services block grant		25,840,000
8	Crime victim grants administration services--13.0 FTE		
9	positions.....		2,177,100
10	Crime victim justice assistance grants		59,279,300
11	Crime victim rights services grants		16,870,000
12	Domestic violence prevention and treatment--14.6 FTE		
13	positions.....		15,817,200
14	Homeless programs		19,466,700
15	Housing and support services		13,031,000
16	Michigan community service commission--15.0 FTE		
17	positions.....		11,628,700
18	Rape prevention and services--0.5 FTE position		5,097,300
19	School success partnership program		450,000
20	Weatherization assistance		<u>16,340,000</u>
21	GROSS APPROPRIATION	\$	191,491,600
22	Appropriated from:		
23	Federal revenues:		
24	Social security act, temporary assistance for needy		
25	families.....		13,188,400
26	Capped federal revenues		66,676,300
27	Total other federal revenues		75,829,400

1	Special revenue funds:	
2	Private - collections	44,100
3	Compulsive gambling prevention fund	1,040,500
4	Sexual assault victims' prevention and treatment fund	3,000,000
5	Child advocacy centers fund	1,500,000
6	Crime victim's rights fund	15,337,000
7	State general fund/general purpose	\$ 14,875,900
8	Sec. 105. CHILDREN'S SERVICES AGENCY - CHILD	
9	WELFARE	
10	Full-time equated classified positions	3,844.2
11	Adoption subsidies	\$ 210,409,600
12	Adoption support services--10.0 FTE positions	27,283,500
13	Attorney general contract	4,366,500
14	Child abuse and neglect - children's justice act--1.0	
15	FTE position	622,600
16	Child care fund	192,526,200
17	Child protection	800,300
18	Child welfare administration travel	375,000
19	Child welfare field staff - caseload compliance--	
20	2,461.0 FTE positions	229,613,400
21	Child welfare field staff - noncaseload compliance--	
22	330.0 FTE positions	34,559,000
23	Child welfare first line supervisors--578.0 FTE	
24	positions	72,890,500
25	Child welfare institute--45.0 FTE positions	8,203,600
26	Child welfare licensing--59.0 FTE positions	6,914,000
27	Child welfare medical/psychiatric evaluations	10,435,500

1	Children's services administration--172.2 FTE	
2	positions.....	20,075,100
3	Children's trust fund--12.0 FTE positions	3,327,700
4	Contractual services, supplies, and materials	9,300,000
5	Education planners--15.0 FTE positions	1,530,100
6	Family preservation and prevention services	
7	administration--9.0 FTE positions	1,299,300
8	Family preservation programs--13.0 FTE positions	38,877,000
9	Family support subsidy	16,951,400
10	Foster care payments	198,388,100
11	Guardianship assistance program	11,505,400
12	Interstate compact	179,600
13	Peer coaches--45.5 FTE positions	5,737,300
14	Performance based funding implementation--3.0 FTE	
15	positions.....	1,444,800
16	Permanency resource managers--28.0 FTE positions	3,197,900
17	Prosecuting attorney contracts	3,879,500
18	Psychotropic oversight	618,200
19	Second line supervisors and technical staff--54.0 FTE	
20	positions.....	8,912,000
21	Settlement monitor	1,885,800
22	Strong families/safe children	12,350,100
23	Title IV-E compliance and accountability office--4.0	
24	FTE positions.....	424,700
25	Youth in transition--4.5 FTE positions	<u>15,306,300</u>
26	GROSS APPROPRIATION	\$ 1,154,190,000
27	Appropriated from:	

1	Interdepartmental grant revenues:	
2	IDG from department of education	90,200
3	Federal revenues:	
4	Social security act, temporary assistance for needy	
5	families.....	348,865,400
6	Capped federal revenues	112,559,700
7	Total other federal revenues	245,805,300
8	Special revenue funds:	
9	Private - collections	2,929,800
10	Local funds - county chargeback	14,244,900
11	Children's trust fund	2,091,900
12	State general fund/general purpose	\$ 427,602,800
13	Sec. 106. CHILDREN'S SERVICES AGENCY - JUVENILE	
14	JUSTICE	
15	Full-time equated classified positions 120.5	
16	Bay Pines Center--47.0 FTE positions	\$ 5,468,900
17	Committee on juvenile justice administration--2.5 FTE	
18	positions.....	351,400
19	Committee on juvenile justice grants	3,000,000
20	Community support services--3.0 FTE positions	2,116,600
21	County juvenile officers	3,904,300
22	Juvenile justice, administration and maintenance--21.0	
23	FTE positions.....	3,739,300
24	Shawono Center--47.0 FTE positions	5,565,400
25	W.J. Maxey Training School	<u>250,000</u>
26	GROSS APPROPRIATION	\$ 24,395,900
27	Appropriated from:	

1	Federal revenues:	
2	Capped federal revenues	8,330,600
3	Special revenue funds:	
4	Local funds - state share education funds	1,339,000
5	Local funds - county chargeback	5,037,000
6	State general fund/general purpose	\$ 9,689,300
7	Sec. 107. PUBLIC ASSISTANCE	
8	Full-time equated classified positions 8.0	
9	Emergency services local office allocations	\$ 9,357,500
10	Family independence program	82,350,800
11	Food assistance program benefits	2,348,117,400
12	Food Bank Council of Michigan	2,045,000
13	Indigent burial	4,375,000
14	Low-income home energy assistance program	177,451,600
15	Michigan corner store initiative	100
16	Michigan energy assistance program--1.0 FTE position .	50,000,000
17	Multicultural integration funding	15,303,800
18	Refugee assistance program--7.0 FTE positions	27,993,400
19	State disability assistance payments	9,360,100
20	State supplementation	60,489,100
21	State supplementation administration	<u>2,381,100</u>
22	GROSS APPROPRIATION	\$ 2,789,224,900
23	Appropriated from:	
24	Federal revenues:	
25	Social security act, temporary assistance for needy	
26	families.....	60,526,700
27	Capped federal revenues	203,129,500

1	Total other federal revenues	2,342,627,400
2	Special revenue funds:	
3	Child support collections	10,979,000
4	Supplemental security income recoveries	4,142,700
5	Public assistance recoupment revenue	6,290,000
6	Low-income energy assistance fund	50,000,000
7	State general fund/general purpose	\$ 111,529,600
8	Sec. 108. FIELD OPERATIONS AND SUPPORT SERVICES	
9	Full-time equated classified positions	6,390.5
10	Administrative support workers--221.0 FTE positions ..	\$ 12,872,400
11	Adult services field staff--520.0 FTE positions	56,171,200
12	Contractual services, supplies, and materials	16,521,400
13	Donated funds positions--288.0 FTE positions	32,702,700
14	Elder Law of Michigan MiCAFE contract	350,000
15	Electronic benefit transfer (EBT)	8,509,000
16	Employment and training support services	4,219,100
17	Field policy and administration--66.0 FTE positions ..	11,103,600
18	Field staff travel	8,103,900
19	Independent living	12,031,600
20	Medical/psychiatric evaluations	1,420,100
21	Michigan rehabilitation services--526.0 FTE positions	128,750,800
22	Nutrition education--2.0 FTE positions	33,045,300
23	Public assistance field staff--4,747.5 FTE positions .	482,974,800
24	SSI advocacy legal services	250,000
25	Training and program support--20.0 FTE positions	2,448,000
26	Volunteer services and reimbursement	<u>942,400</u>
27	GROSS APPROPRIATION	\$ 812,416,300

1	Appropriated from:	
2	Interdepartmental grant revenues:	
3	IDG from department of corrections	116,000
4	IDG from department of education	7,769,500
5	Federal revenues:	
6	Social security act, temporary assistance for needy	
7	families.....	67,495,500
8	Capped federal revenues	158,349,600
9	Federal supplemental security income	8,588,600
10	Total other federal revenues	260,668,300
11	Special revenue funds:	
12	Local funds - donated funds	5,783,500
13	Local vocational rehabilitation match	5,300,000
14	Private funds - donated funds	9,600,500
15	Private funds - gifts, bequests, and donations	531,500
16	Rehabilitation service fees	40,000
17	Second injury fund	38,300
18	State general fund/general purpose	\$ 288,135,000
19	Sec. 109. DISABILITY DETERMINATION SERVICES	
20	Full-time equated classified positions.....	587.4
21	Disability determination operations--583.3 FTE	
22	positions.....	\$ 112,005,400
23	Retirement disability determination--4.1 FTE positions	<u>608,500</u>
24	GROSS APPROPRIATION	\$ 112,613,900
25	Appropriated from:	
26	Interdepartmental grant revenues:	
27	IDG from DTMB - office of retirement services	785,600

1	Federal revenues:	
2	Total other federal revenues	108,362,800
3	State general fund/general purpose	\$ 3,465,500
4	Sec. 110. BEHAVIORAL HEALTH PROGRAM ADMINISTRATION	
5	AND SPECIAL PROJECTS	
6	Full-time equated classified positions	100.0
7	Behavioral health program administration--80.0 FTE	
8	positions.....	\$ 58,916,400
9	Federal and other special projects	2,535,600
10	Gambling addiction--1.0 FTE position	3,006,500
11	Office of recipient rights--19.0 FTE positions	2,721,900
12	Protection and advocacy services support	<u>194,400</u>
13	GROSS APPROPRIATION	\$ 67,374,800
14	Appropriated from:	
15	Federal revenues:	
16	Total other federal revenues	35,313,800
17	Special revenue funds:	
18	Total private revenues	1,004,700
19	Total other state restricted revenues	3,006,500
20	State general fund/general purpose	\$ 28,049,800
21	Sec. 111. BEHAVIORAL HEALTH SERVICES	
22	Full-time equated classified positions	9.5
23	Autism services	\$ 105,097,300
24	Children with serious emotional disturbance waiver ...	10,000,000
25	Children's waiver home care program	20,241,100
26	Civil service charges	399,300
27	Community mental health non-Medicaid services	120,050,400

1	Community substance use disorder prevention,	
2	education, and treatment	77,380,000
3	Federal mental health block grant--2.5 FTE positions .	15,457,300
4	Health homes	3,369,000
5	Healthy Michigan plan - behavioral health	288,655,200
6	Medicaid mental health services	2,315,608,800
7	Medicaid substance use disorder services	52,408,500
8	Nursing home PAS/ARR-OBRA--7.0 FTE positions	12,274,100
9	State disability assistance program substance use	
10	disorder services	<u>2,018,800</u>
11	GROSS APPROPRIATION	\$ 3,022,959,800
12	Appropriated from:	
13	Federal revenues:	
14	Total other federal revenues	1,996,579,100
15	Special revenue funds:	
16	Total local revenues	25,475,800
17	Total other state restricted revenues	23,881,400
18	State general fund/general purpose	\$ 977,023,500
19	Sec. 112. STATE PSYCHIATRIC HOSPITALS AND FORENSIC	
20	MENTAL HEALTH SERVICES	
21	Total average population	770.0
22	Full-time equated classified positions	2,292.9
23	Caro Regional Mental Health Center - psychiatric	
24	hospital - adult--474.3 FTE positions	\$ 59,211,600
25	Average population	145.0
26	Center for forensic psychiatry--607.3 FTE positions ..	82,823,400
27	Average population	240.0

1	Gifts and bequests for patient living and treatment	
2	environment.....	1,000,000
3	Hawthorn Center - psychiatric hospital - children and	
4	adolescents--289.4 FTE positions.....	31,793,100
5	Average population..... 55.0	
6	IDEA, federal special education	120,000
7	Kalamazoo Psychiatric Hospital - adult--482.1 FTE	
8	positions.....	68,057,700
9	Average population..... 170.0	
10	Purchase of medical services for residents of	
11	hospitals and centers.....	445,600
12	Revenue recapture	750,000
13	Special maintenance	924,600
14	Walter P. Reuther Psychiatric Hospital - adult--439.8	
15	FTE positions.....	59,603,400
16	Average population..... 160.0	
17	GROSS APPROPRIATION	\$ 304,729,400
18	Appropriated from:	
19	Federal revenues:	
20	Total other federal revenues	37,938,500
21	Special revenue funds:	
22	Total local revenues	20,000,500
23	Total private revenues	1,000,000
24	Total other state restricted revenues	19,376,600
25	State general fund/general purpose	\$ 226,413,800
26	Sec. 113. HEALTH POLICY	
27	Full-time equated classified positions..... 42.9	

1	Bone marrow transplant registry	\$	250,000
2	Certificate of need program administration--12.3 FTE		
3	positions.....		2,825,300
4	Health policy administration--25.2 FTE positions		13,065,200
5	Human trafficking intervention services		200,000
6	Michigan essential health provider		3,591,300
7	Minority health grants and contracts		612,700
8	Nurse education and research program--3.0 FTE		
9	positions.....		784,400
10	Primary care services--1.4 FTE positions		5,268,700
11	Rural health services--1.0 FTE position		<u>1,555,500</u>
12	GROSS APPROPRIATION	\$	28,153,100
13	Appropriated from:		
14	Interdepartmental grant revenues:		
15	IDG from the department of licensing and regulatory		
16	affairs.....		784,400
17	IDG from the department of treasury, Michigan state		
18	hospital finance authority.....		117,700
19	Federal revenues:		
20	Social security act, temporary assistance for needy		
21	families.....		30,400
22	Capped federal revenues		18,700
23	Total other federal revenues		16,851,200
24	Special revenue funds:		
25	Total private revenues		865,000
26	Total other state restricted revenues		2,709,400
27	State general fund/general purpose	\$	6,776,300

1	Sec. 114. LABORATORY SERVICES	
2	Full-time equated classified positions	100.0
3	Laboratory services--100.0 FTE positions	\$ <u>20,812,100</u>
4	GROSS APPROPRIATION	\$ 20,812,100
5	Appropriated from:	
6	Interdepartmental grant revenues:	
7	IDG from the department of environmental quality	991,000
8	Federal revenues:	
9	Total other federal revenues	2,340,100
10	Special revenue funds:	
11	Total other state restricted revenues	10,633,400
12	State general fund/general purpose	\$ 6,847,600
13	Sec. 115. DISEASE CONTROL, PREVENTION, AND	
14	EPIDEMIOLOGY	
15	Full-time equated classified positions	114.9
16	Childhood lead program--4.5 FTE positions	\$ 2,048,300
17	Epidemiology administration--75.1 FTE positions	21,009,400
18	Healthy homes program--12.0 FTE positions	27,740,400
19	Immunization program--12.8 FTE positions	16,886,600
20	Newborn screening follow-up and treatment services--	
21	10.5 FTE positions	<u>7,427,500</u>
22	GROSS APPROPRIATION	\$ 75,112,200
23	Appropriated from:	
24	Federal revenues:	
25	Total other federal revenues	53,683,100
26	Special revenue funds:	
27	Total private revenues	339,900

1	Total other state restricted revenues	12,896,400
2	State general fund/general purpose	\$ 8,192,800
3	Sec. 116. LOCAL HEALTH AND ADMINISTRATIVE SERVICES	
4	Full-time equated classified positions	228.2
5	AIDS prevention, testing, and care programs--37.7 FTE	
6	positions.....	\$ 70,623,800
7	Cancer prevention and control program--13.0 FTE	
8	positions.....	15,064,100
9	Chronic disease control and health promotion	
10	administration--27.4 FTE positions	8,461,300
11	Dental programs--3.8 FTE positions	3,753,500
12	Diabetes and kidney program--8.0 FTE positions	3,251,600
13	Essential local public health services	40,886,100
14	Health and wellness initiatives--11.7 FTE positions ..	9,008,400
15	Implementation of 1993 PA 133, MCL 333.17015	20,000
16	Injury control intervention project	1,000,000
17	Local health services--1.3 FTE positions	1,955,100
18	Medicaid outreach cost reimbursement to local health	
19	departments.....	12,500,000
20	Public health administration--9.0 FTE positions	1,945,400
21	Sexually transmitted disease control program--20.0 FTE	
22	positions.....	6,295,000
23	Smoking prevention program--12.0 FTE positions	2,148,300
24	Violence prevention--2.9 FTE positions	3,124,100
25	Vital records and health statistics--81.4 FTE	
26	positions.....	<u>10,049,700</u>
27	GROSS APPROPRIATION	\$ 190,086,400

1	Appropriated from:	
2	Federal revenues:	
3	Capped federal revenues	81,100
4	Total other federal revenues	79,856,800
5	Special revenue funds:	
6	Total local revenues	5,150,000
7	Total private revenues	39,279,600
8	Total other state restricted revenues	18,672,700
9	State general fund/general purpose	\$ 47,046,200
10	Sec. 117. FAMILY, MATERNAL, AND CHILD HEALTH	
11	Full-time equated classified positions 112.3	
12	Family, maternal, and child health administration--	
13	53.3 FTE positions	\$ 9,103,600
14	Family planning local agreements	8,310,700
15	Local MCH services	7,018,100
16	Pregnancy prevention program	602,100
17	Prenatal care outreach and service delivery support--	
18	14.0 FTE positions	19,578,800
19	Special projects	6,289,100
20	Sudden and unexpected infant death and suffocation	
21	prevention program	321,300
22	Women, infants, and children program administration	
23	and special projects--45.0 FTE positions	18,045,000
24	Women, infants, and children program local agreements	
25	and food costs	<u>256,285,000</u>
26	GROSS APPROPRIATION	\$ 325,553,700
27	Appropriated from:	

1	Federal revenues:	
2	Social security act, temporary assistance for needy	
3	families.....	650,000
4	Total other federal revenues	252,926,000
5	Special revenue funds:	
6	Total local revenues	75,000
7	Total private revenues	61,702,400
8	Total other state restricted revenues	595,900
9	State general fund/general purpose	\$ 9,604,400
10	Sec. 118. EMERGENCY MEDICAL SERVICES, TRAUMA, AND	
11	PREPAREDNESS	
12	Full-time equated classified positions	76.0
13	Bioterrorism preparedness--53.0 FTE positions	\$ 30,398,600
14	Emergency medical services program--23.0 FTE positions	<u>6,773,600</u>
15	GROSS APPROPRIATION	\$ 37,172,200
16	Appropriated from:	
17	Federal revenues:	
18	Total other federal revenues	31,366,100
19	Special revenue funds:	
20	Total other state restricted revenues	4,020,500
21	State general fund/general purpose	\$ 1,785,600
22	Sec. 119. CHILDREN'S SPECIAL HEALTH CARE SERVICES	
23	Full-time equated classified positions	46.8
24	Bequests for care and services--2.8 FTE positions	\$ 1,535,300
25	Children's special health care services	
26	administration--44.0 FTE positions	6,028,300
27	Medical care and treatment	239,278,900

1	Nonemergency medical transportation	905,900
2	Outreach and advocacy	<u>5,510,000</u>
3	GROSS APPROPRIATION	\$ 253,258,400
4	Appropriated from:	
5	Federal revenues:	
6	Total other federal revenues	137,819,600
7	Special revenue funds:	
8	Total private revenues	1,013,700
9	Total other state restricted revenues	3,382,900
10	State general fund/general purpose	\$ 111,042,200
11	Sec. 120. AGING AND ADULT SERVICES AGENCY	
12	Full-time equated classified positions 48.0	
13	Aging and adult services administration--48.0 FTE	
14	positions.....	\$ 9,394,700
15	Community services	43,567,300
16	Employment assistance	3,500,000
17	Nutrition services	42,254,200
18	Respite care program	6,468,700
19	Senior volunteer service programs	<u>4,465,300</u>
20	GROSS APPROPRIATION	\$ 109,650,200
21	Appropriated from:	
22	Federal revenues:	
23	Capped federal revenues	371,500
24	Total other federal revenues	59,627,100
25	Special revenue funds:	
26	Total private revenues	520,000
27	Michigan merit award trust fund	4,068,700

1	Total other state restricted revenues	2,000,000
2	State general fund/general purpose	\$ 43,062,900
3	Sec. 121. MEDICAL SERVICES ADMINISTRATION	
4	Full-time equated classified positions	466.5
5	Electronic health record incentive program--24.0 FTE	
6	positions.....	\$ 144,328,000
7	Healthy Michigan plan administration--30.0 FTE	
8	positions.....	48,550,000
9	Medical services administration--384.5 FTE positions .	82,810,400
10	Technology supporting integrated service--28.0 FTE	
11	positions.....	<u>40,242,400</u>
12	GROSS APPROPRIATION	\$ 315,930,800
13	Appropriated from:	
14	Federal revenues:	
15	Social security act, temporary assistance for needy	
16	families.....	749,600
17	Capped federal revenues	910,700
18	Total other federal revenues	264,800,900
19	Special revenue funds:	
20	Total local revenues	107,300
21	Total private revenues	101,300
22	Total other state restricted revenues	336,300
23	State general fund/general purpose	\$ 48,924,700
24	Sec. 122. MEDICAL SERVICES	
25	Adult home help services	\$ 316,947,200
26	Ambulance services	20,794,700
27	Auxiliary medical services	6,061,200

1	Dental clinic program	1,000,000
2	Dental services	315,662,300
3	Federal Medicare pharmaceutical program	275,196,900
4	Health plan services	5,036,901,800
5	Healthy Michigan plan	3,862,759,700
6	Home health services	6,163,600
7	Hospice services	115,496,000
8	Hospital disproportionate share payments	45,000,000
9	Hospital services and therapy	770,000,000
10	Integrated care organizations	185,712,300
11	Long-term care services	1,794,419,600
12	Maternal and child health	20,279,500
13	Medicaid home- and community-based services waiver ...	348,087,400
14	Medicare premium payments	541,623,900
15	Personal care services	9,491,200
16	Pharmaceutical services	423,004,600
17	Physician services	287,642,400
18	Program of all-inclusive care for the elderly	106,289,100
19	School-based services	109,937,200
20	Special Medicaid reimbursement	308,796,100
21	Transportation	<u>22,717,800</u>
22	GROSS APPROPRIATION	\$ 14,929,984,500
23	Appropriated from:	
24	Federal revenues:	
25	Total other federal revenues	10,876,331,000
26	Special revenue funds:	
27	Total local revenues	34,015,900

1	Total private revenues	2,100,000
2	Michigan merit award trust fund	46,200,000
3	Total other state restricted revenues	2,176,510,800
4	State general fund/general purpose	\$ 1,794,826,800
5	Sec. 123. INFORMATION TECHNOLOGY	
6	Child support automation	\$ 41,877,600
7	Information technology services and projects	159,088,200
8	Michigan Medicaid information system	<u>55,634,400</u>
9	GROSS APPROPRIATION	\$ 256,600,200
10	Appropriated from:	
11	Interdepartmental grant revenues:	
12	IDG from department of education	1,067,000
13	Federal revenues:	
14	Social security act, temporary assistance for needy	
15	families.....	23,935,900
16	Capped federal revenues	21,848,800
17	Total other federal revenues	109,752,500
18	Special revenue funds:	
19	Total private revenues	25,000,000
20	Total other state restricted revenues	1,985,800
21	State general fund/general purpose	\$ 73,010,200
22	Sec. 124. ONE-TIME BASIS ONLY APPROPRIATIONS	
23	Full-time equated classified positions	4.5
24	Autism navigator	\$ 565,000
25	Child lead poisoning elimination board	1,250,000
26	Dental clinic program	1,000,000
27	Direct primary care pilot program	5,724,000

1	Drinking water declaration of emergency--4.5 FTE	
2	positions.....	14,041,700
3	Farmer's market wireless equipment purchases	500,000
4	Food Bank Council of Michigan	184,000
5	Food pantry grant	100,000
6	Prenatal diagnosis clearinghouse website	150,000
7	Primary care and dental health services	300,000
8	Primary care hospital grant	850,000
9	Refugee assistance grant	150,000
10	Special Olympics Michigan	100,000
11	University autism programs	500,000
12	GROSS APPROPRIATION	\$ 25,414,700
13	Appropriated from:	
14	Federal revenues:	
15	Social security act, temporary assistance for needy	
16	families.....	3,500,000
17	Total other federal revenues	3,958,000
18	Special revenue funds:	
19	Total other state restricted revenues	8,861,700
20	State general fund/general purpose	\$ 9,095,000

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FOR FISCAL YEAR 2017-2018

GENERAL SECTIONS

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

constitution of 1963, total state spending from state resources under part 1 for fiscal year 2017-2018 is \$6,801,821,700.00 and state spending from state resources to be paid to local units of government for fiscal year 2017-2018 is \$1,356,864,000.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF HEALTH AND HUMAN SERVICES

COMMUNITY SERVICES AND OUTREACH

Crime victim rights services grants \$ 7,216,000

Housing and support services 637,300

CHILDREN'S SERVICES AGENCY - CHILD WELFARE

Child care fund \$ 156,751,100

PUBLIC ASSISTANCE

Family independence program \$ 5,100

Multicultural integration funding 5,478,200

State disability assistance payments 742,600

BEHAVIORAL HEALTH PROGRAM ADMINISTRATION AND SPECIAL PROJECTS

Behavioral health program administration \$ 3,132,000

BEHAVIORAL HEALTH SERVICES

Autism services \$ 35,409,700

Children with serious emotional disturbance waiver ... 3,522,000

Children's waiver home care program 6,500,000

Community mental health non-Medicaid services 120,050,400

Community substance use disorder prevention,

education, and treatment 14,553,400

Health homes 70,700

Healthy Michigan plan - behavioral health 16,597,900

1	Medicaid mental health services	757,887,000
2	Medicaid substance use disorder services	18,117,100
3	Nursing home PAS/ARR-OBRA	2,728,200
4	State disability assistance program substance use	
5	disorder services.....	2,018,800
6	HEALTH POLICY	
7	Primary care services	\$ 87,300
8	LABORATORY SERVICES	
9	Laboratory services	\$ 5,300
10	DISEASE CONTROL, PREVENTION, AND EPIDEMIOLOGY	
11	Childhood lead program	\$ 314,800
12	Epidemiology administration	154,800
13	Immunization program	1,039,300
14	LOCAL HEALTH AND ADMINISTRATIVE SERVICES	
15	AIDS prevention, testing, and care programs	\$ 1,809,300
16	Essential local public health services	35,736,100
17	Health and wellness initiatives	2,189,900
18	Public health administration	1,000
19	Sexually transmitted disease control program	701,300
20	FAMILY, MATERNAL, AND CHILD HEALTH	
21	Family, maternal, and child health administration	\$ 8,800
22	Prenatal care outreach and service delivery support ..	2,997,600
23	CHILDREN'S SPECIAL HEALTH CARE SERVICES	
24	Medical care and treatment	\$ 1,236,200
25	Outreach and advocacy	2,755,000
26	AGING AND ADULT SERVICES AGENCY	
27	Community services	\$ 21,286,900

1	Nutrition services	12,597,200
2	Respite care program	6,468,700
3	Senior volunteer service programs	940,800
4	MEDICAL SERVICES	
5	Dental services	\$ 2,141,200
6	Hospital services and therapy	1,575,500
7	Long-term care services	102,419,500
8	Physician services	8,926,800
9	Transportation	<u>53,200</u>
10	TOTAL OF PAYMENTS TO LOCAL UNITS OF GOVERNMENT	\$ 1,356,864,000

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

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

15 (a) "AIDS" means acquired immunodeficiency syndrome.

16 (b) "CMHSP" means a community mental health services program
17 as that term is defined in section 100a of the mental health code,
18 1974 PA 258, MCL 330.1100a.

19 (c) "CMS" means the Centers for Medicare and Medicaid
20 Services.

21 (d) "Current fiscal year" means the fiscal year ending
22 September 30, 2018.

23 (e) "Department" means the department of health and human
24 services.

25 (f) "Director" means the director of the department.

26 (g) "DSH" means disproportionate share hospital.

27 (h) "EPSDT" means early and periodic screening, diagnosis, and

1 treatment.

2 (i) "Federal poverty level" means the poverty guidelines
3 published annually in the Federal Register by the United States
4 Department of Health and Human Services under its authority to
5 revise the poverty line under 42 USC 9902.

6 (j) "FTE" means full-time equated.

7 (k) "GME" means graduate medical education.

8 (l) "Health plan" means, at a minimum, an organization that
9 meets the criteria for delivering the comprehensive package of
10 services under the department's comprehensive health plan.

11 (m) "HEDIS" means healthcare effectiveness data and
12 information set.

13 (n) "HMO" means health maintenance organization.

14 (o) "IDEA" means the individuals with disabilities education
15 act, 20 USC 1400 to 1482.

16 (p) "IDG" means interdepartmental grant.

17 (q) "MCH" means maternal and child health.

18 (r) "Medicaid" means subchapter XIX of the social security
19 act, 42 USC 1396 to 1396w-5.

20 (s) "Medicare" means subchapter XVIII of the social security
21 act, 42 USC 1395 to 1395III.

22 (t) "MiCAFE" means Michigan's coordinated access to food for
23 the elderly.

24 (u) "MiChild" means the program described in section 1670 of
25 this part.

26 (v) "MiSACWIS" means Michigan statewide automated child
27 welfare information system.

1 (w) "PAS/ARR-OBRA" means the preadmission screening and annual
2 resident review required under the omnibus budget reconciliation
3 act of 1987, section 1919(e)(7) of the social security act, 42 USC
4 1396r.

5 (x) "PIHP" means an entity designated by the department as a
6 regional entity or a specialty prepaid inpatient health plan for
7 Medicaid mental health services, services to individuals with
8 developmental disabilities, and substance use disorder services.
9 Regional entities are described in section 204b of the mental
10 health code, 1974 PA 258, MCL 330.1204b. Specialty prepaid
11 inpatient health plans are described in section 232b of the mental
12 health code, 1974 PA 258, MCL 330.1232b.

13 (y) "Previous fiscal year" means the fiscal year ending
14 September 30, 2017.

15 (z) "Settlement" means the settlement agreement entered in the
16 case of Dwayne B. v Snyder, docket no. 2:06-cv-13548 in the United
17 States District Court for the Eastern District of Michigan.

18 (aa) "SSI" means supplemental security income.

19 (bb) "Temporary assistance for needy families" or "TANF" or
20 "title IV-A" means part A of subchapter IV of the social security
21 act, 42 USC 601 to 619.

22 (cc) "Title IV-B" means part B of title IV of the social
23 security act, 42 USC 620 to 629m.

24 (dd) "Title IV-D" means part D of title IV of the social
25 security act, 42 USC 651 to 669b.

26 (ee) "Title IV-E" means part E of title IV of the social
27 security act, 42 USC 670 to 679c.

1 (ff) "Title X" means subchapter VIII of the public health
2 service act, 42 USC 300 to 300a-8, which establishes grants to
3 states for family planning services.

4 Sec. 204. Unless otherwise specified, the departments and
5 agencies receiving appropriations in part 1 shall use the internet
6 to fulfill the reporting requirements of this part and part 1. This
7 requirement shall include transmission of reports via electronic
8 mail to the recipients identified for each reporting requirement,
9 and it shall include placement of reports on the internet.

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

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

26 Sec. 207. The departments and agencies receiving
27 appropriations in part 1 shall prepare a report on out-of-state

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

9 (a) The dates of each travel occurrence.

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

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

21 Sec. 209. By November 30, the state budget office shall
22 prepare and transmit a report that provides for estimates of the
23 total general fund/general purpose appropriation lapses at the
24 close of the prior fiscal year. This report shall summarize the
25 projected year-end general fund/general purpose appropriation
26 lapses by major departmental program or program areas. The report
27 shall be transmitted to the chairpersons of the senate and house

1 appropriations committees, and the senate and house fiscal
2 agencies.

3 Sec. 210. (1) In addition to the funds appropriated in part 1,
4 there is appropriated an amount not to exceed \$400,000,000.00 for
5 federal contingency funds. These funds are not available for
6 expenditure until they have been transferred to another line item
7 in part 1 under section 393(2) of the management and budget act,
8 1984 PA 431, MCL 18.1393. These funds shall not be made available
9 to increase TANF authorization.

10 (2) In addition to the funds appropriated in part 1, there is
11 appropriated an amount not to exceed \$45,000,000.00 for state
12 restricted contingency funds. These funds are not available for
13 expenditure until they have been transferred to another line item
14 in part 1 under section 393(2) of the management and budget act,
15 1984 PA 431, MCL 18.1393.

16 (3) In addition to the funds appropriated in part 1, there is
17 appropriated an amount not to exceed \$40,000,000.00 for local
18 contingency funds. These funds are not available for expenditure
19 until they have been transferred to another line item in part 1
20 under section 393(2) of the management and budget act, 1984 PA 431,
21 MCL 18.1393.

22 (4) In addition to the funds appropriated in part 1, there is
23 appropriated an amount not to exceed \$60,000,000.00 for private
24 contingency funds. These funds are not available for expenditure
25 until they have been transferred to another line item in part 1
26 under section 393(2) of the management and budget act, 1984 PA 431,
27 MCL 18.1393.

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

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

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

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

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

12 (e) Job specifications and wage rates.

13 Sec. 212. Within 14 days after the release of the executive
14 budget recommendation, the department shall cooperate with the
15 state budget office to provide the senate and house appropriations
16 chairs, the senate and house appropriations subcommittees chairs on
17 the department budget, and the senate and house fiscal agencies
18 with an annual report on estimated state restricted fund balances,
19 state restricted fund projected revenues, and state restricted fund
20 expenditures for the previous fiscal year and the current fiscal
21 year.

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

26 Sec. 214. Total authorized appropriations from all sources
27 under part 1 for legacy costs for the current fiscal year are

1 estimated at \$335,657,300.00. From this amount, total agency
2 appropriations for pension-related legacy costs are estimated at
3 \$172,731,300.00. Total agency appropriations for retiree health
4 care legacy costs are estimated at \$162,926,000.00.

5 Sec. 215. If either of the following events occur, within 30
6 days the department shall notify the state budget director, the
7 chairs of the house and senate subcommittees on the department
8 budget, and the house and senate fiscal agencies and policy offices
9 of that fact:

10 (a) A legislative objective of this part or of a bill or
11 amendment to a bill to amend the social welfare act, 1939 PA 280,
12 MCL 400.1 to 400.119b, cannot be implemented because implementation
13 would conflict with or violate federal regulations.

14 (b) A federal grant, for which a notice of an award has been
15 received, cannot be used, or will not be used.

16 Sec. 216. (1) In addition to funds appropriated in part 1 for
17 all programs and services, there is appropriated for write-offs of
18 accounts receivable, deferrals, and for prior year obligations in
19 excess of applicable prior year appropriations, an amount equal to
20 total write-offs and prior year obligations, but not to exceed
21 amounts available in prior year revenues.

22 (2) The department's ability to satisfy appropriation fund
23 sources in part 1 shall not be limited to collections and accruals
24 pertaining to services provided in the current fiscal year, but
25 shall also include reimbursements, refunds, adjustments, and
26 settlements from prior years.

27 Sec. 217. (1) By February 1 of the current fiscal year, the

1 department shall report to the house and senate appropriations
2 subcommittees on the department budget, the house and senate fiscal
3 agencies, and the state budget director on the detailed name and
4 amounts of estimated federal, restricted, private, and local
5 sources of revenue that support the appropriations in each of the
6 line items in part 1.

7 (2) Upon the release of the next fiscal year executive budget
8 recommendation, the department shall report to the same parties in
9 subsection (1) on the amounts and detailed sources of federal,
10 restricted, private, and local revenue proposed to support the
11 total funds appropriated in each of the line items in part 1 of the
12 next fiscal year executive budget proposal.

13 Sec. 218. The department shall include, but not be limited to,
14 the following in its annual list of proposed basic health services
15 as required in part 23 of the public health code, 1978 PA 368, MCL
16 333.2301 to 333.2321:

17 (a) Immunizations.

18 (b) Communicable disease control.

19 (c) Sexually transmitted disease control.

20 (d) Tuberculosis control.

21 (e) Prevention of gonorrhea eye infection in newborns.

22 (f) Screening newborns for the conditions listed in section
23 5431 of the public health code, 1978 PA 368, MCL 333.5431, or
24 recommended by the newborn screening quality assurance advisory
25 committee created under section 5430 of the public health code,
26 1978 PA 368, MCL 333.5430.

27 (g) Health and human services annex of the Michigan emergency

1 management plan.

2 (h) Prenatal care.

3 Sec. 219. (1) The department may contract with the Michigan
4 Public Health Institute for the design and implementation of
5 projects and for other public health-related activities prescribed
6 in section 2611 of the public health code, 1978 PA 368, MCL
7 333.2611. The department may develop a master agreement with the
8 Michigan Public Health Institute to carry out these purposes for up
9 to a 3-year period. The department shall report to the house and
10 senate appropriations subcommittees on the department budget, the
11 house and senate fiscal agencies, and the state budget director on
12 or before January 1 of the current fiscal year all of the
13 following:

14 (a) A detailed description of each funded project.

15 (b) The amount allocated for each project, the appropriation
16 line item from which the allocation is funded, and the source of
17 financing for each project.

18 (c) The expected project duration.

19 (d) A detailed spending plan for each project, including a
20 list of all subgrantees and the amount allocated to each
21 subgrantee.

22 (2) On or before December 30 of the current fiscal year, the
23 department shall provide to the same parties listed in subsection
24 (1) a copy of all reports, studies, and publications produced by
25 the Michigan Public Health Institute, its subcontractors, or the
26 department with the funds appropriated in the department's budget
27 in the previous fiscal year and allocated to the Michigan Public

1 Health Institute.

2 Sec. 220. The department shall ensure that faith-based
3 organizations are able to apply and compete for services, programs,
4 or contracts that they are qualified and suitable to fulfill. The
5 department shall not disqualify faith-based organizations solely on
6 the basis of the religious nature of their organization or their
7 guiding principles or statements of faith.

8 Sec. 221. According to section 1b of the social welfare act,
9 1939 PA 280, MCL 400.1b, the department shall treat part 1 and this
10 part as a time-limited addendum to the social welfare act, 1939 PA
11 280, MCL 400.1 to 400.119b.

12 Sec. 222. (1) The department shall make the entire policy and
13 procedures manual available and accessible to the public via the
14 department website.

15 (2) The department shall report by April 1 of the current
16 fiscal year on each specific policy change made to implement a
17 public act affecting the department that took effect during the
18 prior calendar year to the house and senate appropriations
19 subcommittees on the budget for the department, the joint committee
20 on administrative rules, the senate and house fiscal agencies, and
21 policy offices. The department shall attach each policy bulletin
22 issued during the prior calendar year to this report.

23 Sec. 223. The department may establish and collect fees for
24 publications, videos and related materials, conferences, and
25 workshops. Collected fees are appropriated when received and shall
26 be used to offset expenditures to pay for printing and mailing
27 costs of the publications, videos and related materials, and costs

1 of the workshops and conferences. The department shall not collect
2 fees under this section that exceed the cost of the expenditures.
3 When collected fees are appropriated under this section in an
4 amount that exceeds the current fiscal year appropriation, within
5 30 days the department shall notify the chairs of the house and
6 senate subcommittees on the department budget, the house and senate
7 fiscal agencies and policy offices, and the state budget director
8 of that fact.

9 Sec. 224. The department may retain all of the state's share
10 of food assistance overissuance collections as an offset to general
11 fund/general purpose costs. Retained collections shall be applied
12 against federal funds deductions in all appropriation units where
13 department costs related to the investigation and recoupment of
14 food assistance overissuances are incurred. Retained collections in
15 excess of such costs shall be applied against the federal funds
16 deducted in the departmental administration and support
17 appropriation unit.

18 Sec. 225. (1) Sanctions, suspensions, conditions for
19 provisional license status, and other penalties shall not be more
20 stringent for private service providers than for public entities
21 performing equivalent or similar services.

22 (2) Neither the department nor private service providers or
23 licensees shall be granted preferential treatment or considered
24 automatically to be in compliance with administrative rules based
25 on whether they have collective bargaining agreements with direct
26 care workers. Private service providers or licensees without
27 collective bargaining agreements shall not be subjected to

1 additional requirements or conditions of licensure based on their
2 lack of collective bargaining agreements.

3 Sec. 226. If the revenue collected by the department from fees
4 and collections exceeds the amount appropriated in part 1, the
5 revenue may be carried forward with the approval of the state
6 budget director into the subsequent fiscal year. The revenue
7 carried forward under this section shall be used as the first
8 source of funds in the subsequent fiscal year.

9 Sec. 227. The state departments, agencies, and commissions
10 receiving tobacco tax funds and Healthy Michigan fund revenue from
11 part 1 shall report by April 1 of the current fiscal year to the
12 senate and house appropriations committees, the senate and house
13 fiscal agencies, and the state budget director on the following:

14 (a) Detailed spending plan by appropriation line item
15 including description of programs and a summary of organizations
16 receiving these funds.

17 (b) Description of allocations or bid processes including need
18 or demand indicators used to determine allocations.

19 (c) Eligibility criteria for program participation and maximum
20 benefit levels where applicable.

21 (d) Outcome measures used to evaluate programs, including
22 measures of the effectiveness of these programs in improving the
23 health of Michigan residents.

24 Sec. 229. (1) The department shall extend the interagency
25 agreement with the Michigan talent investment agency for the
26 duration of the current fiscal year, which concerns TANF funding to
27 provide job readiness and welfare-to-work programming. The

1 interagency agreement shall include specific outcome and
2 performance reporting requirements as described in this section.
3 TANF funding provided to the Michigan talent investment agency in
4 the current fiscal year is contingent on compliance with the data
5 and reporting requirements described in this section. The
6 interagency agreement must require the Michigan talent investment
7 agency to provide all of the following items by January 1 of the
8 current fiscal year for the previous fiscal year to the senate and
9 house appropriations subcommittees on the department budget and the
10 state budget office:

11 (a) An itemized spending report on TANF funding, including all
12 of the following:

13 (i) Direct services to recipients.

14 (ii) Administrative expenditures.

15 (b) The number of family independence program (FIP) recipients
16 served through the TANF funding, including all of the following:

17 (i) The number and percentage who obtained employment through
18 Michigan Works!

19 (ii) The number and percentage who fulfilled their TANF work
20 requirement through other job readiness programming.

21 (iii) Average TANF spending per recipient.

22 (iv) The number and percentage of recipients who were referred
23 to Michigan Works! but did not receive a job or job readiness
24 placement and the reasons why.

25 (2) By March 1 of the current fiscal year, the department
26 shall provide to the senate and house appropriations subcommittees
27 on the department budget, the senate and house fiscal agencies, the

senate and house policy offices, and the state budget office an annual report on the following matters itemized by Michigan Works! agency: the number of referrals to Michigan Works! job readiness programs, the number of referrals to Michigan Works! job readiness programs who became a participant in the Michigan Works! job readiness programs, the number of participants who obtained employment, and the cost per participant case.

Sec. 231. From the funds appropriated in part 1 for travel reimbursements to employees, the department shall allocate up to \$100,000.00 toward reimbursing counties for the out-of-pocket travel costs of the local county department board members and county department directors to attend 1 meeting per year of the Michigan County Social Services Association.

Sec. 232. (1) The department shall provide the approved spending plan for each line item receiving an appropriation in the current fiscal year to the senate and house appropriations subcommittees on the department budget and the senate and house fiscal agencies within 60 days of approval by the department but not later than January 15 of the current fiscal year. The spending plan shall include the following information regarding planned expenditures for each category: allocation in the previous period, change in the allocation, and new allocation. The spending plan shall include the following information regarding each revenue source for the line item: category of the fund source indicated by general fund/general purpose, state restricted, local, private or federal. Figures included in the approved spending plan shall not be assumed to constitute the actual final expenditures, as line

1 items may be updated on an as-needed basis to reflect changes in
2 projected expenditures and projected revenue. The department shall
3 supplement the spending plan information by providing a list of all
4 active contract and grants in the department's contract systems.

5 (2) Notwithstanding any other appropriation authority granted
6 in part 1, the department shall not appropriate any additional
7 general fund/general purpose funds or any related federal and state
8 restricted funds without providing a written 30-day notice to the
9 senate and house appropriations subcommittees on the department
10 budget, the senate and house fiscal agencies, and the senate and
11 house policy offices.

12 Sec. 252. The appropriations in part 1 for Healthy Michigan
13 plan - behavioral health, Healthy Michigan plan administration, and
14 Healthy Michigan plan are contingent on the provisions of the
15 social welfare act, 1939 PA 280, MCL 400.1 to 400.119b, that were
16 contained in 2013 PA 107 not being amended, repealed, or otherwise
17 altered to eliminate the Healthy Michigan plan. If that occurs,
18 then, upon the effective date of the amendatory act that amends,
19 repeals, or otherwise alters those provisions, the remaining funds
20 in the Healthy Michigan plan - behavioral health, Healthy Michigan
21 plan administration, and Healthy Michigan plan line items shall
22 only be used to pay previously incurred costs and any remaining
23 appropriations shall not be allotted to support those line items.

24 Sec. 263. (1) Except as otherwise provided in this subsection,
25 before submission of a waiver, a state plan amendment, or a similar
26 proposal to CMS or other federal agency, the department shall
27 provide written notification of the planned submission to the house

1 and senate appropriations subcommittees on the department budget,
2 the house and senate fiscal agencies and policy offices, and the
3 state budget office. This subsection does not apply to the
4 submission of a waiver, a state plan amendment, or similar proposal
5 that does not propose a material change or is outside of the
6 ordinary course of waiver, state plan amendment, or similar
7 proposed submissions.

8 (2) The department shall provide written biannual reports to
9 the senate and house appropriations subcommittees on the department
10 budget, the senate and house fiscal agencies, and the state budget
11 office summarizing the status of any new or ongoing discussions
12 with CMS or the United States Department of Health and Human
13 Services or other federal agency regarding potential or future
14 waiver applications as well as the status of submitted waivers that
15 have not yet received federal approval. If, at the time a biannual
16 report is due, there are no reportable items, then no report is
17 required to be provided.

18 Sec. 264. The department shall not take disciplinary action
19 against an employee for communicating with a member of the
20 legislature or his or her staff.

21 Sec. 270. The department shall advise the legislature of the
22 receipt of a notification from the attorney general's office of a
23 legal action in which expenses had been recovered pursuant to
24 section 106(4) of the social welfare act, 1939 PA 280, MCL 400.106,
25 or any other statute under which the department has the right to
26 recover expenses. By November 1 and May 1 of the current fiscal
27 year, the department shall submit a written report to the house and

1 senate appropriations subcommittees on the department budget, the
2 house and senate fiscal agencies, and the state budget office that
3 includes, at a minimum, all of the following:

4 (a) The total amount recovered from the legal action.

5 (b) The program or service for which the money was originally
6 expended.

7 (c) Details on the disposition of the funds recovered such as
8 the appropriation or revenue account in which the money was
9 deposited.

10 (d) A description of the facts involved in the legal action.

11 Sec. 274. (1) The department, in collaboration with the state
12 budget office, shall submit to the house and senate appropriations
13 subcommittees on the department budget, the house and senate fiscal
14 agencies, and the house and senate policy offices 1 week after the
15 day the governor submits to the legislature the budget for the
16 ensuing fiscal year a report on spending and revenue projections
17 for each of the capped federal funds listed below. The report shall
18 contain actual spending and revenue in the previous fiscal year,
19 spending and revenue projections for the current fiscal year as
20 enacted, and spending and revenue projections within the executive
21 budget proposal for the fiscal year beginning October 1, 2018 for
22 each individual line item for the department budget. The report
23 shall also include federal funds transferred to other departments.
24 The capped federal funds shall include, but not be limited to, all
25 of the following:

26 (a) TANF.

27 (b) Title XX social services block grant.

1 (c) Title IV-B part I child welfare services block grant.

2 (d) Title IV-B part II promoting safe and stable families
3 funds.

4 (e) Low-income home energy assistance program.

5 (2) It is the intent of the legislature that the department,
6 in collaboration with the state budget office, not utilize capped
7 federal funding for economics adjustments for FTEs or other
8 economics costs that are included as part of the budget submitted
9 to the legislature by the governor for the ensuing fiscal year,
10 unless there is a reasonable expectation for increased federal
11 funding to be available to the department from that capped revenue
12 source in the ensuing fiscal year.

13 (3) By February 15 of the current fiscal year, the department
14 shall prepare an annual report of its efforts to identify
15 additional TANF maintenance of effort sources and rationale for any
16 increases or decreases from all of the following, but not limited
17 to:

18 (a) Other departments.

19 (b) Local units of government.

20 (c) Private sources.

21 Sec. 275. (1) As part of the year-end closing process, the
22 department, with the approval of the state budget director, is
23 authorized to realign sources between other federal, TANF, and
24 capped federal financing authorizations in order to maximize
25 federal revenues. This realignment of financing shall not produce a
26 gross increase or decrease in the department's total individual
27 line item authorizations, nor will it produce a net increase or

1 decrease in total federal revenues, or a net increase in TANF
2 authorization.

3 (2) Not later than November 30, the department shall submit to
4 the house and senate appropriations subcommittees on the department
5 budget, the house and senate fiscal agencies, and the house and
6 senate policy offices a report on the realignment of federal fund
7 sources that took place as part of the year-end closing process for
8 the previous fiscal year.

9 Sec. 279. (1) All master contracts relating to human services
10 as funded by the appropriations in sections 103, 104, 105, 106,
11 107, 108, and 109 of part 1 shall be performance-based contracts
12 that employ a client-centered results-oriented process that is
13 based on measurable performance indicators and desired outcomes and
14 includes the annual assessment of the quality of services provided.

15 (2) By February 1 of the current fiscal year, the department
16 shall provide the senate and house appropriations subcommittees on
17 the department budget, the senate and house fiscal agencies and
18 policy offices, and the state budget office a report detailing
19 measurable performance indicators, desired outcomes, and an
20 assessment of the quality of services provided by the department
21 during the previous fiscal year.

22 Sec. 280. On a semiannual basis, the department shall provide
23 a report to the house and senate appropriations committees, the
24 house and senate fiscal agencies, the house and senate policy
25 offices, and the state budget director that provides all of the
26 following for each line item in part 1 containing personnel-related
27 costs, including the specific individual amounts for salaries and

1 wages, payroll taxes, and fringe benefits:

2 (a) FTE authorization.

3 (b) Spending authorization for personnel-related costs, by
4 fund source, under the spending plan.

5 (c) Actual year-to-date expenditures for personnel-related
6 costs, by fund source, through the end of the prior month.

7 (d) The projected year-end balance or shortfall for personnel-
8 related costs, by fund source, based on actual monthly spending
9 levels through the end of the prior month.

10 (e) A specific plan for addressing any projected shortfall for
11 personnel-related costs at either the gross or fund source level.

12 Sec. 288. (1) Beginning October 1 of the current fiscal year,
13 no less than 90% of a new department contract supported solely from
14 state restricted funds or general fund/general purpose funds and
15 designated in this part or part 1 for a specific entity for the
16 purpose of providing services to individuals shall be expended for
17 such services after the first year of the contract.

18 (2) The department may allow a contract to exceed the
19 limitation on administrative and services costs if it can be
20 demonstrated that an exception should be made to the provision in
21 subsection (1).

22 (3) By September 30 of the current fiscal year, the department
23 shall report to the house and senate appropriations subcommittees
24 on the department budget, house and senate fiscal agencies, and
25 state budget office on the rationale for all exceptions made to the
26 provision in subsection (1) and the number of contracts terminated
27 due to violations of subsection (1).

1 Sec. 289. By March 1 of the current fiscal year, the
2 department shall provide to the senate and house appropriations
3 subcommittees on the department budget, the senate and house fiscal
4 agencies, and the senate and house policy offices an annual report
5 on the supervisor-to-staff ratio by department divisions and
6 subdivisions.

7 Sec. 290. Any public advertisement for state assistance shall
8 also inform the public of the welfare fraud hotline operated by the
9 department.

10 Sec. 291. The department shall verify, using the e-verify
11 system, that all new department employees, and new hire employees
12 of contractors and subcontractors paid from funds appropriated in
13 part 1, are legally present in the United States. The department
14 may verify this information directly or may require contractors and
15 subcontractors to verify the information and submit a certification
16 to the department.

17 Sec. 295. (1) From the funds appropriated in part 1 to
18 agencies providing physical and behavioral health services to
19 multicultural populations, the department shall award grants in
20 accordance with the requirements of subsection (2). The state is
21 not liable for any spending above the contract amount. Funds shall
22 not be released until reporting requirements under section 295 of
23 article X of 2016 PA 268 are satisfied.

24 (2) The department shall require each contractor described in
25 subsection (1) that receives greater than \$1,000,000.00 in state
26 grant funding to comply with performance-related metrics to
27 maintain their eligibility for funding. The organizational metrics

1 shall include, but not be limited to, all of the following:

2 (a) Each contractor or subcontractor shall have accreditations
3 that attest to their competency and effectiveness as behavioral
4 health and social service agencies.

5 (b) Each contractor or subcontractor shall have a mission that
6 is consistent with the purpose of the multicultural agency.

7 (c) Each contractor shall validate that any subcontractors
8 utilized within these appropriations share the same mission as the
9 lead agency receiving funding.

10 (d) Each contractor or subcontractor shall demonstrate cost-
11 effectiveness.

12 (e) Each contractor or subcontractor shall ensure their
13 ability to leverage private dollars to strengthen and maximize
14 service provision.

15 (f) Each contractor or subcontractor shall provide timely and
16 accurate reports regarding the number of clients served, units of
17 service provision, and ability to meet their stated goals.

18 (3) The department shall require an annual report from the
19 contractors described in subsection (2). The annual report, due 60
20 days following the end of the contract period, shall include
21 specific information on services and programs provided, the client
22 base to which the services and programs were provided, information
23 on any wraparound services provided, and the expenditures for those
24 services. The department shall provide the annual reports to the
25 senate and house appropriations subcommittees on health and human
26 services, the senate and house fiscal agencies, and the state
27 budget office.

1 Sec. 297. By March 1 and August 1 of the current fiscal year,
2 the department shall report on the number of FTEs in pay status by
3 type of staff. The report shall include a comparison by line item
4 of the number of FTEs authorized from funds appropriated in part 1
5 to the actual number of FTEs employed by the department at the end
6 of the reporting period.

7 Sec. 298. (1) Before implementing the pilot projects and
8 demonstration models described in subsections (2) and (3), the
9 department shall enter into an agreement with an independent
10 project facilitator with at least 5 years of project management
11 experience to establish performance outcome metrics of the pilot
12 projects and demonstration models, finalize each pilot project's or
13 demonstration model's implementation milestones, determine and
14 manage the critical path to the pilot project's or demonstration
15 model's completion, provide independent guidance on resolving
16 conflicts between parties, and perform other necessary oversight
17 and implementation functions as determined by the department. These
18 performance metrics shall evaluate how the pilot projects and
19 demonstration models impact, at a minimum, each of the following
20 categories:

21 (a) Improvement of the coordination between behavioral health
22 and physical health.

23 (b) Improvement of services available to individuals with
24 mental illness, intellectual or developmental disabilities, or
25 substance use disorders.

26 (c) Benefits associated with full access to community-based
27 services and supports.

1 (d) Customer health status.

2 (e) Customer satisfaction.

3 (f) Provider network stability.

4 (g) Treatment and service efficacies before and after the
5 pilot projects and demonstration models.

6 (h) Use of best practices.

7 (i) Financial efficiencies.

8 (j) Any other relevant categories.

9 (2) The department shall work with a willing CMHSP in Kent
10 County and all willing Medicaid health plans in the county to pilot
11 a full physical and behavioral health integrated service
12 demonstration model. The department shall ensure that the pilot
13 project described in this subsection is implemented in a manner
14 that ensures at least all of the following:

15 (a) That any changes made to a Medicaid waiver or Medicaid
16 state plan to implement the pilot project described in this
17 subsection must only be in effect for the duration of the pilot
18 project described in this subsection.

19 (b) That the project is consistent with the stated core values
20 as identified in the final report of the workgroup established in
21 section 298 of article X of 2016 PA 268.

22 (c) That updates are provided to the medical care advisory
23 council, behavioral health advisory council, and developmental
24 disabilities council.

25 (3) In addition to the pilot project described in subsection
26 (2), the department shall implement up to 3 pilot projects to
27 achieve fully financially integrated Medicaid behavioral health and

1 physical health benefit and financial integration demonstration
2 models. These demonstration models shall use single contracts
3 between the state and each licensed Medicaid health plan that is
4 currently contracted to provide Medicaid services in the geographic
5 area of the pilot project. The department shall ensure that the
6 pilot projects described in this subsection are implemented in a
7 manner that ensures at least all of the following:

8 (a) That allows the CMHSP in the geographic area of the pilot
9 project to be a provider of behavioral health supports and
10 services.

11 (b) That any changes made to a Medicaid waiver or Medicaid
12 state plan to implement the pilot projects described in this
13 subsection must only be in effect for the duration of the pilot
14 projects described in this subsection.

15 (c) That the project is consistent with the stated core values
16 as identified in the final report of the workgroup described in
17 subsection (2).

18 (d) That updates are provided to the medical care advisory
19 council, behavioral health advisory council, and developmental
20 disabilities council.

21 (4) The department shall begin to implement the pilot projects
22 and demonstration models described in subsections (2) and (3) by no
23 later than October 1, 2017 and shall work toward implementing the
24 pilot projects and demonstration models described in subsections
25 (2) and (3) by no later than March 1, 2018. Each pilot project
26 shall be designed to last at least 2 years.

27 (5) For the duration of any pilot projects and demonstration

1 models, any and all realized benefits and cost savings of
2 integrating the physical health and behavioral health systems shall
3 be reinvested in services and supports for individuals having or at
4 risk of having a mental illness, an intellectual or developmental
5 disability, or a substance use disorder. Any and all realized
6 benefits and cost savings shall be specifically reinvested in the
7 counties where the savings occurred.

8 (6) It is the intent of the legislature that the primary
9 purpose of the pilot projects and demonstration models is to test
10 how the state may better integrate behavioral and physical health
11 delivery systems in order to improve behavioral and physical health
12 outcomes, maximize efficiencies, minimize unnecessary costs, and
13 achieve material increases in behavioral health services without
14 increases in overall Medicaid spending.

15 (7) The department shall contract with 1 of the state's
16 research universities at least 6 months before the completion of
17 each pilot project or demonstration model to evaluate the pilot
18 project or demonstration model. The evaluation shall include
19 information on the pilot project's or demonstration model's success
20 in meeting the performance metrics developed in subsection (1) and
21 information on whether the pilot project could be replicated into
22 other geographic areas with similar performance metric outcomes.
23 The evaluation shall be completed within 6 months of the end of the
24 pilot project or demonstration model and shall be provided to the
25 department, the house and senate appropriations subcommittees on
26 the department budget, the house and senate fiscal agencies, the
27 house and senate policy offices, and the state budget office.

1 (8) From the funds appropriated in part 1, \$3,088,200.00 shall
2 support the implementation of the pilot projects and demonstration
3 models described in this section, including funding for an
4 independent project facilitator, evaluation of the pilot projects
5 and demonstration models, modifications to state contracts, and the
6 hiring of state staff to support the implementation of this
7 section. By December 1 of the current fiscal year, the department
8 shall provide a spending plan of these funds to the house and
9 senate appropriations subcommittees on the department budget, the
10 house and senate fiscal agencies, the house and senate policy
11 offices, and the state budget office.

12 (9) By November 1 of the current fiscal year, the department
13 shall report to the house and senate appropriations subcommittees
14 on the department budget, the house and senate fiscal agencies, the
15 house and senate policy offices, and the state budget office on
16 progress, a time frame for implementation, and any identified
17 barriers to implementation and the remedies to address any
18 identified barriers of the items described in subsections (2) and
19 (3). The report shall also include information on policy changes
20 and any other efforts made to improve the coordination of supports
21 and services for individuals having or at risk of having a mental
22 illness, an intellectual or developmental disability, a substance
23 use disorder, or a physical health need.

24 (10) Upon completion of any pilot projects or demonstration
25 models advanced under this section, the managing entity of the
26 pilot project or demonstration model shall submit a report to the
27 senate and house appropriations subcommittees on the department

1 budget, the senate and house fiscal agencies, the senate and house
2 policy offices, and the state budget office within 30 days of
3 completion of that pilot project or demonstration model detailing
4 their experience, lessons learned, efficiencies and savings
5 revealed, increases in investment on behavioral health services,
6 and recommendations for extending pilot projects to full
7 implementation or discontinuation.

8 Sec. 299. (1) No state department or agency shall issue a
9 request for proposal (RFP) for a contract in excess of
10 \$5,000,000.00, unless the department or agency has first considered
11 issuing a request for information (RFI) or a request for
12 qualification (RFQ) relative to that contract to better enable the
13 department or agency to learn more about the market for the
14 products or services that are the subject of the RFP. The
15 department or agency shall notify the department of technology,
16 management, and budget of the evaluation process used to determine
17 if an RFI or RFQ was not necessary prior to issuing the RFP.

18 (2) From funds appropriated in part 1, for all RFPs issued
19 during the current fiscal year where an existing service received
20 proposals by multiple vendors, the department shall notify all
21 vendors within 30 days of the RFP decision. The notification to
22 vendors shall include details on the RFP process, including the
23 respective RFP scores and the respective cost for each vendor. If
24 the highest scored RFP or lowest cost RFP does not receive the
25 contract for an existing service offered by the department, the
26 notification shall issue an explanation for the reasons that the
27 highest scored RFP or lowest cost RFP did not receive the contract

1 and detail the incremental cost target amount or service level
2 required that was required to migrate the service to a new vendor.
3 Additionally, the department shall include in the notification
4 details as to why a cost or service difference is justifiable if
5 the highest scored or lowest cost vendor does not receive the
6 contract.

7 (3) The department shall submit to the senate and house
8 appropriations subcommittees on the department budget, the senate
9 and house fiscal agencies, the senate and house policy offices, and
10 the state budget office by September 30 of the current fiscal year
11 a report that summarizes all RFPs during the current fiscal year
12 where an existing service received proposals by multiple vendors.
13 The report shall list all finalized RFPs where there was a
14 divergence from awarding the contract to the lowest cost or highest
15 scoring vendor. The report shall also include the cost or service
16 threshold required by department policy that must be satisfied in
17 order for an existing contract to be received by new vendor.

18 **DEPARTMENTAL ADMINISTRATION AND SUPPORT**

19 Sec. 307. (1) From the funds appropriated in part 1 for
20 demonstration projects, \$950,000.00 shall be distributed as
21 provided in subsection (2). The amount distributed under this
22 subsection shall not exceed 50% of the total operating expenses of
23 the program described in subsection (2), with the remaining 50%
24 paid by local United Way organizations and other nonprofit
25 organizations and foundations.

26 (2) Funds distributed under subsection (1) shall be

1 distributed to Michigan 2-1-1, a nonprofit corporation organized
2 under the laws of this state that is exempt from federal income tax
3 under section 501(c)(3) of the internal revenue code of 1986, 26
4 USC 501, and whose mission is to coordinate and support a statewide
5 2-1-1 system. Michigan 2-1-1 shall use the funds only to fulfill
6 the Michigan 2-1-1 business plan adopted by Michigan 2-1-1 in
7 January 2005.

8 (3) Michigan 2-1-1 shall refer to the department any calls
9 received reporting fraud, waste, or abuse of state-administered
10 public assistance.

11 (4) Michigan 2-1-1 shall report annually to the department and
12 the house and senate standing committees with primary jurisdiction
13 over matters relating to human services and telecommunications on
14 2-1-1 system performance, the senate and house appropriations
15 subcommittees on the department budget, and the senate and house
16 fiscal agencies, including, but not limited to, call volume by
17 health and human service needs and unmet needs identified through
18 caller data and customer satisfaction metrics.

19 Sec. 310. It is the intent of the legislature that the
20 department shall work with youth-oriented nonprofit organizations
21 to provide mentoring programming for children of incarcerated
22 parents and other at-risk children.

23 Sec. 315. From the funds appropriated in part 1 for
24 developmental disabilities council and projects, \$500,000.00 is
25 appropriated to support the objectives stated in Executive Order
26 No. 2015-15, by providing the service provider community with
27 technical assistance in the process of provider transformation

1 among community rehabilitation organizations and restructuring the
2 reimbursement rates for employment supports and services among
3 those who provide job preparation, job placement, and job retention
4 supports and services. Additionally, the department shall ensure
5 technical assistance to promote seamless transition outcomes from
6 education to employment for individuals with disabilities and
7 providing education and outreach to clients and their families,
8 including information on benefits coordination and planning for the
9 promotion of successful employment outcomes.

10 Sec. 316. From the funds appropriated in part 1 for terminal
11 leave payments, the department shall not spend in excess of its
12 annual gross appropriation unless it identifies and requests a
13 legislative transfer from another budgetary line item supporting
14 administrative costs, as provided by section 393(2) of the
15 management and budget act, 1984 PA 431, MCL 18.1393.

16 **CHILD SUPPORT ENFORCEMENT**

17 Sec. 401. (1) The appropriations in part 1 assume a total
18 federal child support incentive payment of \$26,500,000.00.

19 (2) From the federal money received for child support
20 incentive payments, \$12,000,000.00 shall be retained by the state
21 and expended for child support program expenses.

22 (3) From the federal money received for child support
23 incentive payments, \$14,500,000.00 shall be paid to the counties
24 based on each county's performance level for each of the federal
25 performance measures as established in 45 CFR 305.2.

26 (4) If the child support incentive payment to the state from

1 the federal government is greater than \$26,500,000.00, then 100% of
2 the excess shall be retained by the state and is appropriated until
3 the total retained by the state reaches \$15,397,400.00.

4 (5) If the child support incentive payment to the state from
5 the federal government is greater than the amount needed to satisfy
6 the provisions identified in subsections (1), (2), (3), and (4),
7 the additional funds shall be subject to appropriation by the
8 legislature.

9 (6) If the child support incentive payment to the state from
10 the federal government is less than \$26,500,000.00, then the state
11 and county share shall each be reduced by 50% of the shortfall.

12 Sec. 409. (1) If statewide retained child support collections
13 exceed \$38,300,000.00, 75% of the amount in excess of
14 \$38,300,000.00 is appropriated to legal support contracts. This
15 excess appropriation may be distributed to eligible counties to
16 supplement and not supplant county title IV-D funding.

17 (2) Each county whose retained child support collections in
18 the current fiscal year exceed its fiscal year 2004-2005 retained
19 child support collections, excluding tax offset and financial
20 institution data match collections in both the current fiscal year
21 and fiscal year 2004-2005, shall receive its proportional share of
22 the 75% excess.

23 Sec. 410. (1) If title IV-D-related child support collections
24 are escheated, the state budget director is authorized to adjust
25 the sources of financing for the funds appropriated in part 1 for
26 legal support contracts to reduce federal authorization by 66% of
27 the escheated amount and increase general fund/general purpose

1 authorization by the same amount. This budget adjustment is
2 required to offset the loss of federal revenue due to the escheated
3 amount being counted as title IV-D program income in accordance
4 with federal regulations at 45 CFR 304.50.

5 (2) The department shall notify the chairs of the house and
6 senate appropriations subcommittees on the department budget and
7 the house and senate fiscal agencies within 15 days of the
8 authorization adjustment in subsection (1).

9 **COMMUNITY SERVICES AND OUTREACH**

10 Sec. 450. (1) From the funds appropriated in part 1 for school
11 success partnership program, the department shall allocate
12 \$450,000.00 by December 1 of the current fiscal year to support the
13 Northeast Michigan Community Service Agency programming, which will
14 take place in each county in the Governor's Prosperity Region 3.
15 The department shall require the following performance objectives
16 be measured and reported for the duration of the state funding for
17 the school success partnership program:

18 (a) Increasing school attendance and decreasing chronic
19 absenteeism.

20 (b) Increasing academic performance based on grades with
21 emphasis on math and reading.

22 (c) Identifying barriers to attendance and success and
23 connecting families with resources to reduce these barriers.

24 (d) Increasing parent involvement with the parent's child's
25 school and community.

26 (2) The Northeast Michigan Community Service Agency shall

1 provide reports to the department on January 31 and June 30 of the
2 current fiscal year on the number of children and families served
3 and the services that were provided to families to meet the
4 performance objectives identified in this section. The department
5 shall distribute the reports within 1 week after receipt to the
6 senate and house appropriations subcommittees on the department
7 budget, the senate and house fiscal agencies, the senate and house
8 policy offices, and the state budget office.

9 Sec. 452. From the funds appropriated in part 1 for crime
10 victim justice assistance grants, the department shall continue to
11 support forensic nurse examiner programs to facilitate training for
12 improved evidence collection for the prosecution of sexual assault.
13 The funds shall be used for program coordination and training.

14 Sec. 453. From the funds appropriated in part 1 for homeless
15 programs, the department shall increase emergency shelter program
16 per diem rates to \$16.00 per bed night to support efforts of
17 shelter providers to move homeless individuals and households into
18 permanent housing as quickly as possible. The purpose of this
19 enhancement is to increase the number of shelter discharges to
20 stable housing destinations, decrease recidivism rates for shelter
21 clients, and reduce the average length of stay in emergency
22 shelters.

23 Sec. 454. The department shall allocate the full amount of
24 funds appropriated in part 1 for homeless programs to provide
25 services for homeless individuals and families, including, but not
26 limited to, third-party contracts for emergency shelter services.

27 Sec. 455. As a condition of receipt of federal TANF funds,

1 homeless shelters and human services agencies shall collaborate
2 with the department to obtain necessary TANF eligibility
3 information on families as soon as possible after admitting a
4 family to the homeless shelter. From the funds appropriated in part
5 1 for homeless programs, the department is authorized to make
6 allocations of TANF funds only to the homeless shelters and human
7 services agencies that report necessary data to the department for
8 the purpose of meeting TANF eligibility reporting requirements.
9 Homeless shelters or human services agencies that do not report
10 necessary data to the department for the purpose of meeting TANF
11 eligibility reporting requirements will not receive reimbursements
12 that exceed the per diem amount they received in fiscal year 2000.
13 The use of TANF funds under this section is not an ongoing
14 commitment of funding.

15 **CHILDREN'S SERVICES AGENCY - CHILD WELFARE**

16 Sec. 501. (1) A goal is established that not more than 25% of
17 all children in foster care at any given time during the current
18 fiscal year will have been in foster care for 24 months or more.

19 (2) By March 1 of the current fiscal year, the department
20 shall provide to the senate and house appropriations subcommittees
21 on the department budget, the senate and house fiscal agencies, the
22 senate and house policy offices, and the state budget office a
23 report describing the steps that will be taken to achieve the
24 specific goal established in this section and on the percentage of
25 children who currently are in foster care and who have been in
26 foster care a total of 24 or more months.

1 Sec. 502. From the funds appropriated in part 1 for foster
2 care, the department shall provide 50% reimbursement to Indian
3 tribal governments for foster care expenditures for children who
4 are under the jurisdiction of Indian tribal courts and who are not
5 otherwise eligible for federal foster care cost sharing.

6 Sec. 503. (1) In accordance with the final report of the
7 Michigan child welfare performance-based funding task force issued
8 in response to section 503 of article X of 2013 PA 59, the
9 department shall continue to develop actuarially sound case rates
10 for necessary out-of-home child welfare services that achieve
11 permanency by the department and private child placing agencies in
12 a prospective payment system under a performance-based funding
13 model.

14 (2) The department shall continue to develop a prospective
15 rate payment system for private agencies that includes funding for
16 adoption incentive payments. The full cost prospective rate payment
17 system will identify and cover contractual costs paid through the
18 case rate developed by an independent actuary.

19 (3) By March 1 of the current fiscal year, the department
20 shall provide to the senate and house appropriations committees on
21 the department budget, the senate and house fiscal agencies and
22 policy offices, and the state budget office a report on the full
23 cost analysis of the performance-based funding model. The report
24 shall include background information on the project and give
25 details about the contractual costs covered through the case rate.

26 (4) In accordance with the final report of the Michigan child
27 welfare performance-based funding task force issued in response to

1 section 503 of article X of 2013 PA 59, the department shall
2 continue an independent, third-party evaluation of the performance-
3 based funding model. The evaluator shall be selected through a
4 competitive process by a rating committee that includes, but is not
5 limited to, representatives from the department and private child
6 placing agencies.

7 (5) The department shall only implement the performance-based
8 funding model into additional counties where the department,
9 private child welfare agencies, the county, and the court operating
10 within that county have signed a memorandum of understanding that
11 incorporates the intentions of the concerned parties in order to
12 implement the performance-based funding model.

13 (6) The department, in conjunction with members from both the
14 house of representatives and senate, private child placing
15 agencies, the courts, and counties shall implement the
16 recommendations that are described in the workgroup report that was
17 provided in section 503 of article X of 2013 PA 59 to establish a
18 performance-based funding for public and private child welfare
19 services providers. The department shall provide a quarterly report
20 on the status of the performance-based contracting model to the
21 senate and house appropriations subcommittees on the department
22 budget, the senate and house standing committees on families and
23 human services, and the senate and house fiscal agencies and policy
24 offices.

25 (7) From the funds appropriated in part 1 for the performance-
26 based funding model pilot, the department shall continue to work
27 with the West Michigan Partnership for Children Consortium on the

1 implementation of the performance-based funding model pilot. The
2 consortium shall accept and comprehensively assess referred youth,
3 assign cases to members of its continuum or leverage services from
4 other entities, and make appropriate case management decisions
5 during the duration of a case. The consortium shall operate an
6 integrated continuum of care structure, with services provided by
7 both private and public agencies, based on individual case needs.
8 The consortium shall demonstrate significant organizational
9 capacity and competencies, including experience with managing risk-
10 based contracts, financial strength, experienced staff and
11 leadership, and appropriate governance structure.

12 Sec. 504. (1) The department may establish a master agreement
13 with the West Michigan Partnership for Children Consortium for a
14 performance-based child welfare contracting pilot program. The
15 consortium shall consist of a network of affiliated child welfare
16 service providers that will accept and comprehensively assess
17 referred youth, assign cases to members of its continuum or
18 leverage services from other entities, and make appropriate case
19 management decisions during the duration of a case.

20 (2) The consortium shall operate an integrated continuum of
21 care structure, with services provided by private or public
22 agencies, based on individual case needs.

23 (3) By March 1 of the current fiscal year, the consortium
24 shall provide to the department and the house and senate
25 appropriations subcommittees on the department budget a report on
26 the consortium, including, but not limited to, actual expenditures,
27 number of children placed by agencies in the consortium, fund

1 balance of the consortium, and the status of the consortium
2 evaluation.

3 Sec. 505. By March 1 of the current fiscal year, the
4 department shall provide to the senate and house appropriations
5 subcommittees on the department budget, the senate and house fiscal
6 agencies and policy offices, and the state budget office a report
7 for youth referred or committed to the department for care or
8 supervision in the previous fiscal year and in the first quarter of
9 the current fiscal year outlining the number of youth within the
10 juvenile justice system, the type of setting for each youth,
11 performance outcomes, and financial costs or savings.

12 Sec. 507. The department's ability to satisfy appropriation
13 deducts in part 1 for foster care private collections shall not be
14 limited to collections and accruals pertaining to services provided
15 only in the current fiscal year but may include revenues collected
16 during the current fiscal year for services provided in prior
17 fiscal years.

18 Sec. 508. (1) In addition to the amount appropriated in part 1
19 for children's trust fund grants, money granted or money received
20 as gifts or donations to the children's trust fund created by 1982
21 PA 249, MCL 21.171 to 21.172, is appropriated for expenditure.

22 (2) The department and the child abuse and neglect prevention
23 board shall collaborate to ensure that administrative delays are
24 avoided and the local grant recipients and direct service providers
25 receive money in an expeditious manner. The department and board
26 shall make available the children's trust fund contract funds to
27 grantees within 31 days of the start date of the funded project.

1 Sec. 511. The department shall provide semiannual reports to
2 the senate and house appropriations subcommittees on the department
3 budget, the senate and house standing committees on families and
4 human services, and the senate and house fiscal agencies and policy
5 offices on the number and percentage of children who received
6 timely health examinations after entry into foster care and the
7 number and percentage of children entering foster care who received
8 a required mental health examination after entry into foster care.

9 Sec. 512. (1) As required by the settlement, by March 1 of the
10 current fiscal year, the department shall report to the senate and
11 house appropriations subcommittees on the department budget, the
12 senate and house fiscal agencies, the senate and house policy
13 offices, and the state budget office on the following information
14 for cases of child abuse or child neglect from the previous fiscal
15 year:

16 (a) The total number of relative care placements.

17 (b) The total number of relatives with a placement who became
18 licensed.

19 (c) The number of waivers of foster care licensure granted to
20 relative care providers.

21 (d) The number of waivers of foster care denied to relative
22 care providers.

23 (e) A list of the reasons from a sample of cases the
24 department denied granting a waiver of foster care licensure for a
25 relative care provider.

26 (f) A list of the reasons from a sample of cases where
27 relatives were declined foster care licensure as documented by the

1 department.

2 (2) The caseworker shall request a waiver of foster care
3 licensure if both of the following apply:

4 (a) The caseworker has fully informed the relative of the
5 benefits of licensure and the option of a licensure waiver.

6 (b) The caseworker has assessed the relative and the
7 relative's home using the department's initial relative safety
8 screen and the department's relative home assessment and has
9 determined that the relative's home is safe and placement there is
10 in the child's best interest.

11 Sec. 513. (1) The department shall not expend funds
12 appropriated in part 1 to pay for the direct placement by the
13 department of a child in an out-of-state facility unless all of the
14 following conditions are met:

15 (a) There is no appropriate placement available in this state
16 as determined by the department interstate compact office.

17 (b) An out-of-state placement exists that is nearer to the
18 child's home than the closest appropriate in-state placement as
19 determined by the department interstate compact office.

20 (c) The out-of-state facility meets all of the licensing
21 standards of this state for a comparable facility.

22 (d) The out-of-state facility meets all of the applicable
23 licensing standards of the state in which it is located.

24 (e) The department has done an on-site visit to the out-of-
25 state facility, reviewed the facility records, reviewed licensing
26 records and reports on the facility, and believes that the facility
27 is an appropriate placement for the child.

1 (2) The department shall not expend money for a child placed
2 in an out-of-state facility without approval of the executive
3 director of the children's services agency.

4 (3) The department shall submit an annual report to the state
5 court administrative office, the house and senate appropriations
6 subcommittees on the department budget, the house and senate fiscal
7 agencies, the house and senate policy offices, and the state budget
8 office on the number of Michigan children residing in out-of-state
9 facilities at the time of the report, the total cost and average
10 per diem cost of these out-of-state placements to this state, and a
11 list of each such placement arranged by the Michigan county of
12 residence for each child.

13 (4) It is the intent of the legislature that the department
14 shall work in conjunction with the courts and the state court
15 administrative office to identify data needed to calculate
16 statewide recidivism rates for adjudicated youth placed in either
17 residential secure or nonsecure facilities, defined at 6 months
18 after a youth is released from placement.

19 (5) By March 1 of the current fiscal year, the department
20 shall notify the legislature on the status of efforts to accomplish
21 the intent of subsection (4).

22 Sec. 514. The department shall make a comprehensive report
23 concerning children's protective services (CPS) to the legislature,
24 including the senate and house policy offices and the state budget
25 director, by March 1 of the current fiscal year, that shall include
26 all of the following:

27 (a) Statistical information including, but not limited to, all

1 of the following:

2 (i) The total number of reports of child abuse or child
3 neglect investigated under the child protection law, 1975 PA 238,
4 MCL 722.621 to 722.638, and the number of cases classified under
5 category I or category II and the number of cases classified under
6 category III, category IV, or category V.

7 (ii) Characteristics of perpetrators of child abuse or child
8 neglect and the child victims, such as age, relationship, race, and
9 ethnicity and whether the perpetrator exposed the child victim to
10 drug activity, including the manufacture of illicit drugs, that
11 exposed the child victim to substance abuse, a drug house, or
12 methamphetamine.

13 (iii) The mandatory reporter category in which the individual
14 who made the report fits, or other categorization if the individual
15 is not within a group required to report under the child protection
16 law, 1975 PA 238, MCL 722.621 to 722.638.

17 (iv) The number of cases that resulted in the separation of
18 the child from the parent or guardian and the period of time of
19 that separation, up to and including termination of parental
20 rights.

21 (v) For the reported complaints of child abuse or child
22 neglect by teachers, school administrators, and school counselors,
23 the number of cases classified under category I or category II and
24 the number of cases classified under category III, category IV, or
25 category V.

26 (vi) For the reported complaints of child abuse or child
27 neglect by teachers, school administrators, and school counselors,

1 the number of cases that resulted in separation of the child from
2 the parent or guardian and the period of time of that separation,
3 up to and including termination of parental rights.

4 (b) New policies related to children's protective services
5 including, but not limited to, major policy changes and court
6 decisions affecting the children's protective services system
7 during the immediately preceding 12-month period.

8 (c) Statistical information regarding families that were
9 classified in category III, including, but not limited to, all of
10 the following:

11 (i) The total number of cases classified in category III.

12 (ii) The number of cases in category III referred to voluntary
13 community services and closed with no additional monitoring.

14 (iii) The number of cases in category III referred to
15 voluntary community services and monitored for up to 90 days.

16 (iv) The number of cases in category III for which the
17 department entered more than 1 determination that there was
18 evidence of child abuse or child neglect.

19 (v) The number of cases in category III that the department
20 reclassified from category III to category II.

21 (vi) The number of cases in category III that the department
22 reclassified from category III to category I.

23 (vii) The number of cases in category III that the department
24 reclassified from category III to category I that resulted in a
25 removal.

26 (d) The department policy, or changes to the department
27 policy, regarding children who have been exposed to the production

1 or manufacture of methamphetamines.

2 Sec. 519. The department shall permit any private agency that
3 has an existing contract with this state to provide foster care
4 services to be also eligible to provide treatment foster care
5 services.

6 Sec. 520. To the extent that the data are available, the
7 department shall submit a report to the house and senate
8 appropriations subcommittees on the department budget, the house
9 and senate fiscal agencies, the house and senate policy offices,
10 and the state budget office by February 15 of the current fiscal
11 year on the number of days of care and expenditures by funding
12 source for the previous year for out-of-home placements by specific
13 placement programs for child abuse or child neglect, including, but
14 not limited to, paid relative placement, department direct family
15 foster care, private agency supervised foster care, private child
16 caring institutions, county-supervised facilities, court-supervised
17 facilities, and independent living. The report shall also identify
18 days of care for department-operated residential juvenile justice
19 facilities by security classification.

20 Sec. 522. (1) From the funds appropriated in part 1 for youth
21 in transition, the department shall allocate \$750,000.00 for
22 college scholarships through the fostering futures scholarship
23 program in the Michigan education trust to youths who were in
24 foster care because of child abuse or child neglect and are
25 attending a college located in this state. Of the funds
26 appropriated, 100% shall be used to fund scholarships for the
27 youths described in this section.

1 (2) By March 1 of the current fiscal year, the department
2 shall provide a report to the senate and house appropriations
3 subcommittees on the department budget, the senate and house fiscal
4 agencies, the senate and house policy offices, and the state budget
5 office that includes the number of youths who received scholarships
6 and the amount of each scholarship, and the total amount of funds
7 spent or encumbered in the current fiscal year.

8 Sec. 523. (1) By February 15 of the current fiscal year, the
9 department shall report on the families first, family
10 reunification, and families together building solutions family
11 preservation programs to the senate and house appropriations
12 subcommittees on the department budget, the senate and house fiscal
13 agencies, the senate and house policy offices, and the state budget
14 office. The report shall provide an estimate of total costs savings
15 as a result of avoiding placement of children in foster care for
16 families who received family preservation services and shall
17 include information for each program on any innovations that may
18 increase savings or reductions in administrative costs.

19 (2) From the funds appropriated in part 1 for youth in
20 transition and domestic violence prevention and treatment, the
21 department is authorized to make allocations of TANF funds only to
22 agencies that report necessary data to the department for the
23 purpose of meeting TANF eligibility reporting requirements.

24 Sec. 524. As a condition of receiving funds appropriated in
25 part 1 for strong families/safe children, counties must submit the
26 service spending plan to the department by October 1 of the current
27 fiscal year for approval. The department shall approve the service

1 spending plan within 30 calendar days after receipt of a properly
2 completed service spending plan.

3 Sec. 525. The department shall implement the same on-site
4 evaluation processes for privately operated child welfare and
5 juvenile justice residential facilities as is used to evaluate
6 state-operated facilities. Penalties for noncompliance shall be the
7 same for privately operated child welfare and juvenile justice
8 residential facilities and state-operated facilities.

9 Sec. 526. From the funds appropriated in part 1 for foster
10 care payments and related administrative costs, the department may
11 implement the federally approved title IV-E child welfare waiver
12 demonstration project. As required under the waiver, any savings
13 resulting from the demonstration project must be quantified and
14 reinvested into child welfare programming.

15 Sec. 531. The department shall notify the house and senate
16 appropriations subcommittees on the department budget, the house
17 and senate fiscal agencies, and the house and senate policy offices
18 of any changes to a child welfare master contract template,
19 including the adoption master contract template, the independent
20 living plus master contract template, the child placing agency
21 foster care master contract template, and the residential foster
22 care juvenile justice master contract template, not less than 30
23 days before the change takes effect.

24 Sec. 532. The department, in collaboration with
25 representatives of private child and family agencies, shall revise
26 and improve the annual licensing review process and the annual
27 contract compliance review process for child placing agencies and

1 child caring institutions. The improvement goals shall be safety
2 and care for children. Improvements to the review process shall be
3 directed toward alleviating administrative burdens so that agency
4 resources may be focused on children. The revision shall include
5 identification of duplicative staff activities and information
6 sought from child placing agencies and child caring institutions in
7 the annual review process. The department shall report to the
8 senate and house appropriations subcommittees on the department
9 budget, the senate and house fiscal agencies and policy offices,
10 and the state budget director on or before January 15 of the
11 current fiscal year on the findings of the annual licensing review
12 and include summaries of actions undertaken to revise, improve, and
13 identify weaknesses in the current annual licensing process and
14 annual contract compliance.

15 Sec. 533. (1) The department shall make payments to child
16 placing facilities for in-home and out-of-home care services and
17 adoption services within 30 days of receiving all necessary
18 documentation from those agencies. It is the intent of the
19 legislature that the burden of ensuring that these payments are
20 made in a timely manner and no payments are in arrears is upon the
21 department.

22 (2) By March 1 of the current fiscal year, the department
23 shall submit a report to the senate and house appropriations
24 subcommittees on the department budget, the senate and house fiscal
25 agencies, the senate and house policy offices, and the state budget
26 office that details each private child placing agency and the
27 percentage of payments that were in excess of 30 days during the

1 entire prior fiscal year and the first quarter of the current
2 fiscal year.

3 Sec. 537. (1) The department, in collaboration with child
4 placing agencies, shall develop a strategy to implement section
5 115o of the social welfare act, 1939 PA 280, MCL 400.115o. The
6 strategy shall include a requirement that a department caseworker
7 responsible for preparing a recommendation to a court concerning a
8 juvenile placement shall provide, as part of the recommendation,
9 information regarding the requirements of section 115o of the
10 social welfare act, 1939 PA 280, MCL 400.115o.

11 (2) By March 1 of the current fiscal year, the department
12 shall provide to the senate and house appropriations subcommittees
13 on the department budget, the senate and house fiscal agencies, the
14 senate and house policy offices, and the state budget office a
15 report on the strategy described in subsection (1).

16 Sec. 540. If a physician or psychiatrist who is providing
17 services to state or court wards placed in a residential facility
18 submits a formal request to the department to change the
19 psychotropic medication of a ward, the department shall, if the
20 ward is a state ward, make a determination on the proposed change
21 within 7 business days after the request or, if the ward is a
22 temporary court ward, seek parental consent within 7 business days
23 after the request. If parental consent is not provided within 7
24 business days, the department shall petition the court on the
25 eighth business day.

26 Sec. 546. (1) From the funds appropriated in part 1 for foster
27 care payments and from child care fund, the department shall pay

1 providers of general foster care, independent living, and trial
2 reunification services not less than a \$37.00 administrative rate.

3 (2) From the funds appropriated in part 1, the department
4 shall pay providers of independent living plus services statewide
5 per diem rates for staff-supported housing and host-home housing
6 based on proposals submitted in response to a solicitation for
7 pricing. The independent living plus program provides staff-
8 supported housing and services for foster youth ages 16 through 19
9 who, because of their individual needs and assessments, are not
10 initially appropriate for general independent living foster care.

11 (3) From the funds appropriated in part 1, the department
12 shall pay providers of foster care services an additional \$9.20
13 administrative rate, if section 117a of the social welfare act,
14 1939 PA 280, MCL 400.117a, is amended to eliminate the county match
15 rate for the additional administrative rate provided in this
16 subsection. Payments under this subsection shall be made, not less
17 than, on a monthly basis.

18 (4) If required by the federal government to meet title IV-E
19 requirements, providers of foster care services shall submit
20 quarterly expenditure reports to the department to identify actual
21 costs of providing foster care services.

22 (5) From the funds appropriated in part 1, the department
23 shall provide an increase to each private provider of residential
24 services, if section 117a of the social welfare act, 1939 PA 280,
25 MCL 400.117a, is amended to eliminate the county match rate for the
26 additional rate provided in this section.

27 Sec. 547. From the funds appropriated in part 1 for the

1 guardianship assistance program, the department shall pay a minimum
2 rate that is not less than the approved age-appropriate payment
3 rates for youth placed in family foster care.

4 Sec. 550. (1) The department shall not offset against
5 reimbursement payments to counties or seek reimbursement from
6 counties for charges that were received by the department more than
7 12 months before the department seeks to offset against
8 reimbursement. A county shall not request reimbursement for and
9 reimbursement payments shall not be paid for a charge that is more
10 than 12 months after the date of service or original status
11 determination when initially submitted by the county.

12 (2) Subsequent to any original funding source determination
13 made by the department for the status of a youth, the department
14 shall not seek reimbursement from a county if the funding source
15 status of a youth has changed.

16 Sec. 551. The department shall respond to counties within 30
17 days regarding any request for a clarification requested through
18 the department's child care fund management unit electronic mail
19 address.

20 Sec. 552. Sixty days after a county's child care fund on-site
21 review is completed, the department shall provide the results of
22 the review to the county.

23 Sec. 558. By January 1 of the current fiscal year, the
24 department shall provide to the senate and house appropriations
25 subcommittees on the department budget, the senate and house fiscal
26 agencies, the senate and house policy offices, and the state budget
27 office a report that identifies the policies, procedures, and other

1 relevant issues related to the modernization of the child welfare
2 training program.

3 Sec. 559. (1) From the funds appropriated in part 1 for
4 adoption support services, the department shall allocate
5 \$250,000.00 to the Adoptive Family Support Network by December 1 of
6 the current fiscal year to operate and expand its adoptive parent
7 mentor program to provide a listening ear, knowledgeable guidance,
8 and community connections to adoptive parents and children who were
9 adopted in this state or another state.

10 (2) The Adoptive Family Support Network shall submit to the
11 senate and house appropriations subcommittees on the department
12 budget, the senate and house fiscal agencies, the senate and house
13 policy offices, and the state budget office by March 1 of the
14 current fiscal year a report on the program described in subsection
15 (1), including, but not limited to, the number of cases served and
16 the number of cases in which the program prevented an out-of-home
17 placement.

18 Sec. 562. The department shall provide time and travel
19 reimbursements for foster parents who transport a foster child to
20 parent-child visitations. As part of the foster care parent
21 contract, the department shall provide written confirmation to
22 foster parents that states that the foster parents have the right
23 to request these reimbursements for all parent-child visitations.
24 The department shall provide these reimbursements within 60 days of
25 receiving a request for eligible reimbursements from a foster
26 parent.

27 Sec. 564. (1) The department shall develop a clear policy for

1 parent-child visitations. The local county offices, caseworkers,
2 and supervisors shall meet an 85% success rate, after accounting
3 for factors outside of the caseworkers' control.

4 (2) Per the court-ordered number of required meetings between
5 caseworkers and a parent, the caseworkers shall achieve a success
6 rate of 85%, after accounting for factors outside of the
7 caseworkers' control.

8 (3) By March 1 of the current fiscal year, the department
9 shall provide to the senate and house appropriations subcommittees
10 on the department budget, the senate and house fiscal agencies, the
11 senate and house policy offices, and the state budget office a
12 report on the following:

13 (a) The percentage of success rate for parent-child
14 visitations and court-ordered required meetings between caseworkers
15 referenced in subsections (1) and (2) for the previous year.

16 (b) The barriers to achieve the success rates in subsections
17 (1) and (2) and how this information is tracked.

18 Sec. 567. The department shall submit to the senate and house
19 appropriations subcommittees on the department budget, the senate
20 and house fiscal agencies, the senate and house policy offices, and
21 the state budget office by March 1 of the current fiscal year a
22 report on completion of medical passports for children in foster
23 care, including the following:

24 (a) The percentage of medical passports that were properly
25 filled out.

26 (b) From the total medical passports transferred, the
27 percentage that transferred within 2 weeks from the date of

1 placement or return to the home.

2 (c) From the total school records, the percentage that
3 transferred within 2 weeks from the date of placement or return to
4 the home.

5 (d) The implementation steps that have been taken to improve
6 the outcomes for the measures in subdivisions (a) and (b).

7 Sec. 569. The department shall reimburse private child placing
8 agencies that complete adoptions at the rate according to the date
9 on which the petition for adoption and required support
10 documentation was accepted by the court and not according to the
11 date the court's order placing for adoption was entered.

12 Sec. 573. The department may pay providers of foster care
13 services a per diem daily administrative rate for every case on a
14 caseworker's caseload for the duration of a case from referral
15 acceptance to the discharge of wardship.

16 Sec. 574. (1) From the funds appropriated in part 1 for foster
17 care payments, \$3,500,000.00 is allocated to support performance-
18 based contracts with child placing agencies to facilitate the
19 licensure of relative caregivers as foster parents. Agencies shall
20 receive \$4,500.00 for each facilitated licensure if completed
21 within 180 days after case acceptance, or, if a waiver was
22 previously approved, 180 days from the referral date. If the
23 facilitated licensure, or approved waiver, is completed after 180
24 days, the agency shall receive up to \$3,500.00. The agency
25 facilitating the licensure would retain the placement and continue
26 to provide case management services for the newly licensed cases
27 for which the placement was appropriate to the agency.

1 (2) From the funds appropriated for foster care payments,
2 \$375,000.00 is allocated to support family incentive grants to
3 private and community-based foster care service providers to assist
4 with home improvements or payment for physical exams for applicants
5 needed by foster families to accommodate foster children.

6 Sec. 583. By February 1 of the current fiscal year, the
7 department shall provide to the senate and house appropriations
8 subcommittees on the department budget, the senate and house
9 standing committees on families and human services, the senate and
10 house fiscal agencies and policy offices, and the state budget
11 office a report that includes:

12 (a) The number and percentage of foster parents that dropped
13 out of the program in the previous fiscal year and the reasons the
14 foster parents left the program and how those figures compare to
15 prior fiscal years.

16 (b) The number and percentage of foster parents successfully
17 retained in the previous fiscal year and how those figures compare
18 to prior fiscal years.

19 Sec. 585. The department shall make available at least 1 pre-
20 service training class each month in which new caseworkers for
21 private foster care and adoption agencies can enroll.

22 Sec. 588. (1) Concurrently with public release, the department
23 shall transmit all reports from the court-appointed settlement
24 monitor, including, but not limited to, the needs assessment and
25 period outcome reporting, to the state budget office, the senate
26 and house appropriations subcommittees on the department budget,
27 and the senate and house fiscal agencies and policy offices,

1 without revision.

2 (2) The department shall report quarterly to the state budget
3 office, the senate and house appropriations subcommittees on the
4 department budget, the senate and house fiscal agencies, and the
5 senate and house policy offices on the number of children enrolled
6 in the guardianship assistance and foster care - children with
7 serious emotional disturbance waiver programs.

8 Sec. 589. (1) From the funds appropriated in part 1 for child
9 care fund, the department shall pay 100% of the administrative rate
10 for all new cases referred to providers of foster care services.

11 (2) On a monthly basis, the department shall report on the
12 number of all foster care cases administered by the department and
13 all foster care cases administered by private providers.

14 Sec. 590. From funds appropriated in part 1 for youth in
15 transition, \$280,000.00 shall be awarded to a charter high school
16 for students ages 16 to 22 who have previously dropped out or are
17 at risk of not graduating on time operating in a county with a
18 population of greater than 172,000 but less than 175,000 according
19 to the most recent federal decennial census. It is the intent of
20 the legislature that this is the second year out of 3 years that
21 funding is to be provided by the legislature for the charter high
22 school described in this section.

23 Sec. 593. The department may allow residential service
24 providers for child abuse and child neglect cases to implement a
25 staff ratio during working hours of 1 staff to 5 children.

26 Sec. 594. From the funds appropriated in part 1 for foster
27 care payments, the department shall support regional resource teams

1 to provide for the recruitment, retention, and training of foster
2 and adoptive parents and shall expand the Michigan youth
3 opportunities initiative to all Michigan counties. The purpose of
4 this investment is to increase the number of annual inquiries from
5 prospective foster parents, increase the number of nonrelative
6 foster homes that achieve licensure each year, increase the annual
7 retention rate of nonrelative foster homes, reduce the number of
8 older foster youth placed outside of family settings, and provide
9 older youth with enhanced support in transitioning to adulthood.

10 **PUBLIC ASSISTANCE**

11 Sec. 601. Whenever a client agrees to the release of his or
12 her name and address to the local housing authority, the department
13 shall request from the local housing authority information
14 regarding whether the housing unit for which vendoring has been
15 requested meets applicable local housing codes. Vendoring shall be
16 terminated for those units that the local authority indicates in
17 writing do not meet local housing codes until such time as the
18 local authority indicates in writing that local housing codes have
19 been met.

20 Sec. 602. The department shall establish a policy to conduct a
21 full evaluation of an individual's assistance needs if the
22 individual has applied for disability more than 1 time within a 1-
23 year period.

24 Sec. 603. By March 1 of the current fiscal year, the
25 department shall provide to the senate and house appropriations
26 subcommittees on the department budget, the senate and house fiscal

1 agencies, the senate and house policy offices, and the state budget
2 office a report on continued work effort on the action plan
3 developed by the Medicaid claim workgroup established in section
4 603 of article X of 2014 PA 252, including the steps taken to
5 implement the action plan developed by the workgroup, and the
6 department's ongoing efforts to maximize Medicaid claims for foster
7 children and adjudicated youths and any developments to the
8 Medicaid program that could affect foster children and adjudicated
9 youths.

10 Sec. 604. (1) The department shall operate a state disability
11 assistance program. Except as provided in subsection (3), persons
12 eligible for this program shall include needy citizens of the
13 United States or aliens exempted from the supplemental security
14 income citizenship requirement who are at least 18 years of age or
15 emancipated minors meeting 1 or more of the following requirements:

16 (a) A recipient of supplemental security income, social
17 security, or medical assistance due to disability or 65 years of
18 age or older.

19 (b) A person with a physical or mental impairment that meets
20 federal supplemental security income disability standards, except
21 that the minimum duration of the disability shall be 90 days.
22 Substance use disorder alone is not defined as a basis for
23 eligibility.

24 (c) A resident of an adult foster care facility, a home for
25 the aged, a county infirmary, or a substance use disorder treatment
26 center.

27 (d) A person receiving 30-day postresidential substance use

1 disorder treatment.

2 (e) A person diagnosed as having acquired immunodeficiency
3 syndrome.

4 (f) A person receiving special education services through the
5 local intermediate school district.

6 (g) A caretaker of a disabled person who meets the
7 requirements specified in subdivision (a), (b), (e), or (f).

8 (2) Applicants for and recipients of the state disability
9 assistance program shall be considered needy if they:

10 (a) Meet the same asset test as is applied for the family
11 independence program.

12 (b) Have a monthly budgetable income that is less than the
13 payment standards.

14 (3) Except for a person described in subsection (1)(c) or (d),
15 a person is not disabled for purposes of this section if his or her
16 drug addiction or alcoholism is a contributing factor material to
17 the determination of disability. "Material to the determination of
18 disability" means that, if the person stopped using drugs or
19 alcohol, his or her remaining physical or mental limitations would
20 not be disabling. If his or her remaining physical or mental
21 limitations would be disabling, then the drug addiction or
22 alcoholism is not material to the determination of disability and
23 the person may receive state disability assistance. Such a person
24 must actively participate in a substance abuse treatment program,
25 and the assistance must be paid to a third party or through vendor
26 payments. For purposes of this section, substance abuse treatment
27 includes receipt of inpatient or outpatient services or

1 participation in alcoholics anonymous or a similar program.

2 Sec. 605. The level of reimbursement provided to state
3 disability assistance recipients in licensed adult foster care
4 facilities shall be the same as the prevailing supplemental
5 security income rate under the personal care category.

6 Sec. 606. County department offices shall require each
7 recipient of family independence program and state disability
8 assistance who has applied with the social security administration
9 for supplemental security income to sign a contract to repay any
10 assistance rendered through the family independence program or
11 state disability assistance program upon receipt of retroactive
12 supplemental security income benefits.

13 Sec. 607. (1) The department's ability to satisfy
14 appropriation deductions in part 1 for state disability
15 assistance/supplemental security income recoveries and public
16 assistance recoupment revenues shall not be limited to recoveries
17 and accruals pertaining to state disability assistance, or family
18 independence assistance grant payments provided only in the current
19 fiscal year, but may include revenues collected during the current
20 year that are prior year related and not a part of the department's
21 accrued entries.

22 (2) The department may use supplemental security income
23 recoveries to satisfy the deduct in any line in which the revenues
24 are appropriated, regardless of the source from which the revenue
25 is recovered.

26 Sec. 608. Adult foster care facilities providing domiciliary
27 care or personal care to residents receiving supplemental security

1 income or homes for the aged serving residents receiving
2 supplemental security income shall not require those residents to
3 reimburse the home or facility for care at rates in excess of those
4 legislatively authorized. To the extent permitted by federal law,
5 adult foster care facilities and homes for the aged serving
6 residents receiving supplemental security income shall not be
7 prohibited from accepting third-party payments in addition to
8 supplemental security income if the payments are not for food,
9 clothing, shelter, or result in a reduction in the recipient's
10 supplemental security income payment.

11 Sec. 609. The state supplementation level under the
12 supplemental security income program for the personal care/adult
13 foster care and home for the aged categories shall not be reduced
14 during the current fiscal year. The legislature shall be notified
15 not less than 30 days before any proposed reduction in the state
16 supplementation level.

17 Sec. 610. (1) In developing good cause criteria for the state
18 emergency relief program, the department shall grant exemptions if
19 the emergency resulted from unexpected expenses related to
20 maintaining or securing employment.

21 (2) For purposes of determining housing affordability
22 eligibility for state emergency relief, a group is considered to
23 have sufficient income to meet ongoing housing expenses if their
24 total housing obligation does not exceed 75% of their total net
25 income.

26 (3) State emergency relief payments shall not be made to
27 individuals who have been found guilty of fraud in regard to

1 obtaining public assistance.

2 (4) State emergency relief payments shall not be made
3 available to persons who are out-of-state residents or illegal
4 immigrants.

5 (5) State emergency relief payments for rent assistance shall
6 be distributed directly to landlords and shall not be added to
7 Michigan bridge cards.

8 Sec. 611. The state supplementation level under the
9 supplemental security income program for the living independently
10 or living in the household of another categories shall not exceed
11 the minimum state supplementation level as required under federal
12 law or regulations.

13 Sec. 613. (1) The department shall provide reimbursements for
14 the final disposition of indigent persons. The reimbursements shall
15 include the following:

16 (a) The maximum allowable reimbursement for the final
17 disposition is \$800.00.

18 (b) The adult burial with services allowance is \$725.00.

19 (c) The adult burial without services allowance is \$490.00.

20 (d) The infant burial allowance is \$170.00.

21 (2) Reimbursement for a cremation permit fee of up to \$75.00
22 and for mileage at the standard rate will be made available for an
23 eligible cremation. The reimbursements under this section shall
24 take into consideration religious preferences that prohibit
25 cremation.

26 Sec. 614. The department shall report to the senate and house
27 of representatives appropriations subcommittees on the department

1 budget, the senate and house fiscal agencies, and the senate and
2 house policy offices by January 15 of the current fiscal year on
3 the number and percentage of state disability assistance recipients
4 who were determined to be eligible for federal supplemental
5 security income benefits in the previous fiscal year.

6 Sec. 615. Except as required by federal law or regulations,
7 funds appropriated in part 1 shall not be used to provide public
8 assistance to a person who is an illegal alien. This section shall
9 not prohibit the department from entering into contracts with food
10 banks, emergency shelter providers, or other human services
11 agencies who may, as a normal part of doing business, provide food
12 or emergency shelter.

13 Sec. 616. The department shall require retailers that
14 participate in the electronic benefits transfer program to charge
15 no more than \$2.50 in fees for cash back as a condition of
16 participation.

17 Sec. 618. By March 1 of the current fiscal year, the
18 department shall report to the senate and house appropriations
19 subcommittees on the department budget, the senate and house fiscal
20 agencies, the senate and house policy offices, and the state budget
21 office the status of the implementation of section 84 of the
22 corrections code of 1953, 1953 PA 232, MCL 791.284.

23 Sec. 619. (1) Subject to subsection (2), the department shall
24 exempt from the denial of title IV-A assistance and food assistance
25 benefits under 21 USC 862a any individual who has been convicted of
26 a felony that included the possession, use, or distribution of a
27 controlled substance, after August 22, 1996, if the individual is

1 not in violation of his or her probation or parole requirements.

2 Benefits shall be provided to such individuals as follows:

3 (a) A third-party payee or vendor shall be required for any
4 cash benefits provided.

5 (b) An authorized representative shall be required for food
6 assistance receipt.

7 (2) Subject to federal approval, an individual is not entitled
8 to the exemption in this section if the individual was convicted in
9 2 or more separate cases of a felony that included the possession,
10 use, or distribution of a controlled substance after August 22,
11 1996.

12 Sec. 620. (1) The department shall make a determination of
13 Medicaid eligibility not later than 90 days if disability is an
14 eligibility factor. For all other Medicaid applicants, including
15 patients of a nursing home, the department shall make a
16 determination of Medicaid eligibility within 45 days of
17 application.

18 (2) The department shall report on a quarterly basis to the
19 senate and house appropriations subcommittees on the department
20 budget, the senate and house standing committees on families and
21 human services, the senate and house fiscal agencies, the senate
22 and house policy offices, and the state budget office on the
23 average Medicaid eligibility standard of promptness for each of the
24 required standards of promptness under subsection (1) and for
25 medical review team reviews achieved statewide and at each local
26 office.

27 Sec. 625. From the funds appropriated in part 1 for SSI

1 advocacy legal services, the department shall allocate \$250,000.00
2 to contract with the Legal Services Association of Michigan to
3 provide assistance to individuals who have applied for or wish to
4 apply for SSI or other federal disability benefits. The Legal
5 Services Association of Michigan shall provide a list of new
6 recipients accepted to the department to verify that services have
7 been provided to department recipients. The Legal Services
8 Association of Michigan and the department shall work together to
9 develop release forms to share information in appropriate cases.
10 The Legal Services Association of Michigan shall provide quarterly
11 reports indicating cases opened, cases closed, level of services
12 provided on closed cases, and case outcomes on closed cases.

13 Sec. 645. An individual or family is considered homeless, for
14 purposes of eligibility for state emergency relief, if living
15 temporarily with others in order to escape domestic violence. For
16 purposes of this section, domestic violence is defined and verified
17 in the same manner as in the department's policies on good cause
18 for not cooperating with child support and paternity requirements.

19 Sec. 650. The department shall apply the food assistance
20 eligibility requirements as prescribed in 7 CFR 273.24(a) to (d) on
21 a statewide basis beginning May 1, 2018.

22 Sec. 651. (1) From the funds appropriated in part 1, the
23 department shall allocate up to \$1,500,000.00 to Michigan State
24 University (MSU) Extension for the Michigan corner store
25 initiative. Funds provided for the Michigan corner store initiative
26 shall be used to provide grants to small food retailers to increase
27 the availability and sales of fresh and nutritious food in low- and

1 moderate-income areas of the state. In determining qualified
2 projects to fund, the MSU Extension shall consider the level of
3 need in the area to be served. The MSU Extension shall report
4 annually to the department on the projects funded, the geographic
5 distribution of the projects, the costs of the program, and the
6 outcomes, including the number and type of jobs created and health
7 impacts associated with the program. The department shall provide
8 the annual report described in this section to the house and senate
9 appropriations subcommittees on the department budget, the house
10 and senate fiscal agencies, and the house and senate policy
11 offices. To qualify, grant applicants must do all of the following:

12 (a) Be a small food retailer.

13 (b) Be located in a low- or moderate-income area.

14 (c) Accept or agree to accept, as a condition of receiving
15 assistance, food assistance program benefits.

16 (d) Agree to apply to accept special supplemental nutrition
17 program for women, infants, and children (WIC) benefits and accept
18 WIC benefits, if eligible.

19 (e) Agree to abide by the conditions for receiving assistance.

20 (f) Collect and provide data and other information required by
21 the department and MSU Extension for monitoring, accountability,
22 and evaluation purposes.

23 (2) Grant money disbursed under the Michigan corner store
24 initiative may be used for the following purposes:

25 (a) Salary and associated costs of employees or contractors
26 providing education, advice, or other assistance on food safety and
27 handling, nutrition education, business operations, and promotion

1 to small food retailers.

2 (b) Refrigeration, display shelving, or other equipment for
3 small food retailers necessary for stocking healthy foods and fresh
4 produce, at a cost of less than \$5,000.00 per retailer.

5 (c) Materials and supplies for nutrition education and healthy
6 food promotion.

7 (d) Mini-grants to retailers of no more than \$100.00 per
8 retailer to meet initial expenses incurred with participation in
9 the program.

10 Sec. 653. From the funds appropriated in part 1 for food
11 assistance, an individual who is the victim of domestic violence
12 and does not qualify for any other exemption may be exempt from the
13 3-month in 36-month limit on receiving food assistance under 7 USC
14 2015. This exemption can be extended an additional 3 months upon
15 demonstration of continuing need.

16 Sec. 654. The department shall notify recipients of food
17 assistance program benefits that their benefits can be spent with
18 their bridge cards at many farmers' markets in the state. The
19 department shall also notify recipients about the Double Up Food
20 Bucks program that is administered by the Fair Food Network.
21 Recipients shall receive information about the Double Up Food Bucks
22 program, including information that when the recipient spends
23 \$20.00 at participating farmers' markets through the program, the
24 recipient can receive an additional \$20.00 to buy Michigan produce.

25 Sec. 655. Within 14 days after the spending plan for low-
26 income home energy assistance program is approved by the state
27 budget office, the department shall provide the spending plan,

1 including itemized projected expenditures, to the chairpersons of
2 the senate and house appropriations subcommittees on the department
3 budget, the senate and house fiscal agencies, the senate and house
4 policy offices, and the state budget office.

5 Sec. 660. From the funds appropriated in part 1 for Food Bank
6 Council of Michigan, the department is authorized to make
7 allocations of TANF funds only to the agencies that report
8 necessary data to the department for the purpose of meeting TANF
9 eligibility reporting requirements. The agencies that do not report
10 necessary data to the department for the purpose of meeting TANF
11 eligibility reporting requirements will not receive allocations in
12 excess of those received in fiscal year 2000. The use of TANF funds
13 under this section is not an ongoing commitment of funding.

14 Sec. 669. The department shall allocate \$6,270,000.00 for the
15 annual clothing allowance. The allowance shall be granted to all
16 eligible children in a family independence program group.

17 Sec. 672. (1) The department's office of inspector general
18 shall report to the senate and house of representatives
19 appropriations subcommittees on the department budget, the senate
20 and house fiscal agencies, and the senate and house policy offices
21 by February 15 of the current fiscal year on department efforts to
22 reduce inappropriate use of Michigan bridge cards. The department
23 shall provide information on the number of recipients of services
24 who used their electronic benefit transfer card inappropriately and
25 the current status of each case, the number of recipients whose
26 benefits were revoked, whether permanently or temporarily, as a
27 result of inappropriate use, and the number of retailers that were

1 fined or removed from the electronic benefit transfer program for
2 permitting inappropriate use of the cards. The report shall
3 distinguish between savings and cost avoidance. Savings include
4 receivables established from instances of fraud committed. Cost
5 avoidance includes expenditures avoided due to front-end
6 eligibility investigations and other preemptive actions undertaken
7 in the prevention of fraud.

8 (2) It shall be the policy of the department that the
9 department shall require an explanation from a recipient if a
10 bridge card is replaced more than 2 times over any 3-month period.

11 (3) As used in this section, "inappropriate use" means not
12 used to meet a family's ongoing basic needs, including food,
13 clothing, shelter, utilities, household goods, personal care items,
14 and general incidentals.

15 Sec. 677. (1) The department shall establish a state goal for
16 the percentage of family independence program cases involved in
17 employment activities. The percentage established shall not be less
18 than 50%. The goal for long-term employment shall be 15% of cases
19 for 6 months or more.

20 (2) On a quarterly basis, the department shall report to the
21 senate and house appropriations subcommittees on the department
22 budget, the senate and house fiscal agencies and policy offices,
23 and the state budget director on the number of cases referred to
24 Partnership. Accountability. Training. Hope. (PATH), the current
25 percentage of family independence program cases involved in PATH
26 employment activities, an estimate of the current percentage of
27 family independence program cases that meet federal work

1 participation requirements on the whole, and an estimate of the
2 current percentage of the family independence program cases that
3 meet federal work participation requirements for those cases
4 referred to PATH.

5 (3) The department shall submit to the senate and house
6 appropriations subcommittees on the department budget, the senate
7 and house fiscal agencies, the senate and house policy offices, and
8 the state budget office a quarterly report that includes all of the
9 following:

10 (a) The number and percentage of nonexempt family independence
11 program recipients who are employed.

12 (b) The average and range of wages of employed family
13 independence program recipients.

14 (c) The number and percentage of employed family independence
15 program recipients who remain employed for 6 months or more.

16 Sec. 686. (1) The department shall ensure that program policy
17 requires caseworkers to confirm that individuals presenting
18 personal identification issued by another state seeking assistance
19 through the family independence program, food assistance program,
20 state disability assistance program, or medical assistance program
21 are not receiving benefits from any other state.

22 (2) The department shall require caseworkers to confirm the
23 address provided by any individual seeking family independence
24 program benefits or state disability assistance benefits.

25 (3) The department shall prohibit individuals with property
26 assets assessed at a value higher than \$200,000.00 from accessing
27 assistance through department-administered programs, unless such a

1 prohibition would violate federal rules and guidelines.

2 (4) The department shall require caseworkers to obtain an up-
3 to-date telephone number during the eligibility determination or
4 redetermination process for individuals seeking medical assistance
5 benefits.

6 Sec. 687. (1) The department shall, on a quarterly basis by
7 February 1, May 1, August 1, and November 1, compile and make
8 available on its website all of the following information about the
9 family independence program, state disability assistance, the food
10 assistance program, Medicaid, and state emergency relief:

11 (a) The number of applications received.

12 (b) The number of applications approved.

13 (c) The number of applications denied.

14 (d) The number of applications pending and neither approved
15 nor denied.

16 (e) The number of cases opened.

17 (f) The number of cases closed.

18 (g) The number of cases at the beginning of the quarter and
19 the number of cases at the end of the quarter.

20 (2) The information provided under subsection (1) shall be
21 compiled and made available for the state as a whole and for each
22 county and reported separately for each program listed in
23 subsection (1).

24 (3) The department shall, on a quarterly basis by February 1,
25 May 1, August 1, and November 1, compile and make available on its
26 website the family independence program information listed as
27 follows:

1 (a) The number of new applicants who successfully met the
2 requirements of the 21-day assessment period for PATH.

3 (b) The number of new applicants who did not meet the
4 requirements of the 21-day assessment period for PATH.

5 (c) The number of cases sanctioned because of the school
6 truancy policy.

7 (d) The number of cases closed because of the 48-month and 60-
8 month lifetime limits.

9 (e) The number of first-, second-, and third-time sanctions.

10 (f) The number of children ages 0-5 living in FIP-sanctioned
11 households.

12 (4) The department shall notify the state budget office, the
13 senate and house appropriations subcommittees on the department
14 budget, the senate and house fiscal agencies, and the senate and
15 house policy offices when the reports required in this section are
16 made available on the department's website.

17 Sec. 688. From the funds appropriated in part 1 for the low-
18 income home energy assistance program, up to \$6,766,800.00 of
19 federal funding shall be allocated to provide an additional \$20.01
20 payment to food assistance program cases that are not currently
21 eligible for the standard utility allowance to enable these cases
22 to receive expanded food assistance benefits through the program
23 commonly known as the heat and eat program.

24 **CHILDREN'S SERVICES AGENCY - JUVENILE JUSTICE**

25 Sec. 701. Unless required from changes to federal or state law
26 or at the request of a provider, the department shall not alter the

1 terms of any signed contract with a private residential facility
2 serving children under state or court supervision without written
3 consent from a representative of the private residential facility.

4 Sec. 706. Counties shall be subject to 50% chargeback for the
5 use of alternative regional detention services, if those detention
6 services do not fall under the basic provision of section 117e of
7 the social welfare act, 1939 PA 280, MCL 400.117e, or if a county
8 operates those detention services programs primarily with
9 professional rather than volunteer staff.

10 Sec. 707. In order to be reimbursed for child care fund
11 expenditures, counties are required to submit department-developed
12 reports to enable the department to document potential federally
13 claimable expenditures. This requirement is in accordance with the
14 reporting requirements specified in section 117a(7) of the social
15 welfare act, 1939 PA 280, MCL 400.117a.

16 Sec. 708. (1) As a condition of receiving funds appropriated
17 in part 1 for the child care fund line item, by December 15 of the
18 current fiscal year, counties shall have an approved service
19 spending plan for the current fiscal year. Counties must submit the
20 service spending plan to the department by October 1 of the current
21 fiscal year for approval. Upon submission of the county service
22 spending plan, the department shall approve within 30 calendar days
23 after receipt of a properly completed service plan that complies
24 with the requirements of the social welfare act, 1939 PA 280, MCL
25 400.1 to 400.119b. The department shall notify and submit county
26 service spending plan revisions to any county whose county service
27 spending plan is not accepted upon initial submission. The

1 department shall not request any additional revisions to a county
2 service spending plan outside of the requested revision
3 notification submitted to the county by the department. The
4 department shall notify a county within 30 days after approval that
5 its service plan was approved.

6 (2) The department shall submit a report to the house and
7 senate appropriations subcommittees on the department budget, the
8 house and senate fiscal agencies, the house and senate policy
9 offices, and the state budget office by February 15 of the current
10 fiscal year on the number of counties that fail to submit a service
11 spending plan by October 1 and the number of service spending plans
12 not approved by December 15. The report shall include the number of
13 county service spending plans that were not approved as first
14 submitted by the counties, as well as the number of plans that were
15 not approved by the department after being resubmitted by the
16 county with the first revisions that were requested by the
17 department.

18 Sec. 709. The department's master contract for juvenile
19 justice residential foster care services shall be amended to
20 prohibit contractors from denying a referral for placement of a
21 youth, or terminating a youth's placement, if the youth's assessed
22 treatment needs are in alignment with the facility's residential
23 program type, as identified by the court or the department. In
24 addition, the master contract shall require that youth placed in
25 juvenile justice residential foster care facilities must have
26 regularly scheduled treatment sessions with a licensed psychologist
27 or psychiatrist, or both, and access to the licensed psychologist

1 or psychiatrist as needed.

2 Sec. 721. If the demand for placements at state-operated
3 juvenile justice residential facilities exceeds capacity, the
4 department shall not increase the available occupancy or services
5 at the facilities, and shall post a request for proposals for a
6 contract with not less than 1 private provider of residential
7 services for juvenile justice youth to be a residential facility of
8 last resort.

9 **FIELD OPERATIONS AND SUPPORT SERVICES**

10 Sec. 801. (1) Funds appropriated in part 1 for independent
11 living shall be used to support the general operations of centers
12 for independent living in delivering mandated independent living
13 services in compliance with federal rules and regulations for the
14 centers, by existing centers for independent living to serve
15 underserved areas, and for projects to build the capacity of
16 centers for independent living to deliver independent living
17 services. Applications for the funds shall be reviewed in
18 accordance with criteria and procedures established by the
19 department. The funds appropriated in part 1 may be used to
20 leverage federal vocational rehabilitation innovation and expansion
21 funds consistent with 34 CFR 361.35 up to \$5,543,000.00, if
22 available. If the possibility of matching federal funds exists, the
23 centers for independent living network will negotiate a mutually
24 beneficial contractual arrangement with Michigan rehabilitation
25 services. Funds shall be used in a manner consistent with the state
26 plan for independent living. Services provided should assist people

1 with disabilities to move toward self-sufficiency, including
2 support for accessing transportation and health care, obtaining
3 employment, community living, nursing home transition, information
4 and referral services, education, youth transition services,
5 veterans, and stigma reduction activities and community education.
6 This includes the independent living guide project that
7 specifically focuses on economic self-sufficiency.

8 (2) The Michigan centers for independent living shall provide
9 a report by March 1 of the current fiscal year to the house and
10 senate appropriations subcommittees on the department budget, the
11 house and senate fiscal agencies, the house and senate policy
12 offices, and the state budget office on direct customer and system
13 outcomes and performance measures.

14 Sec. 802. The Michigan rehabilitation services shall work
15 collaboratively with the bureau of services for blind persons,
16 service organizations, and government entities to identify
17 qualified match dollars to maximize use of available federal
18 vocational rehabilitation funds.

19 Sec. 803. The department shall provide an annual report by
20 February 1 to the house and senate appropriations subcommittees on
21 the department budget, the house and senate fiscal agencies, the
22 house and senate policy offices, and the state budget office on
23 efforts taken to improve the Michigan rehabilitation services. The
24 report shall include all of the following items:

25 (a) Reductions and changes in administration costs and
26 staffing.

27 (b) Service delivery plans and implementation steps achieved.

1 (c) Reorganization plans and implementation steps achieved.

2 (d) Plans to integrate Michigan rehabilitative services
3 programs into other services provided by the department.

4 (e) Quarterly expenditures by major spending category.

5 (f) Employment and job retention rates from both Michigan
6 rehabilitation services and its nonprofit partners.

7 (g) Success rate of each district in achieving the program
8 goals.

9 Sec. 804. (1) From the funds appropriated in part 1 for
10 Michigan rehabilitation services, the department shall allocate
11 \$50,000.00 along with available federal match to support the
12 provision of vocational rehabilitation services to eligible
13 agricultural workers with disabilities. Authorized services shall
14 assist agricultural workers with disabilities in acquiring or
15 maintaining quality employment and independence.

16 (2) By March 1 of the current fiscal year, the department
17 shall report to the senate and house appropriations subcommittees
18 on the department budget, the senate and house fiscal agencies, the
19 senate and house policy offices, and the state budget office on the
20 total number of clients served and the total amount of federal
21 matching funds obtained throughout the duration of the program.

22 Sec. 805. It is the intent of the legislature that Michigan
23 rehabilitation services shall not implement an order of selection
24 for vocational and rehabilitative services. If the department is at
25 risk of entering into an order of selection for services, the
26 department shall notify the chairs of the senate and house
27 subcommittees on the department budget and the senate and house

1 fiscal agencies and policy offices within 2 weeks of receiving
2 notification.

3 Sec. 806. From the funds appropriated in part 1 for Michigan
4 rehabilitation services, the department shall allocate
5 \$6,100,300.00, including federal matching funds, to service
6 authorizations with community-based rehabilitation organizations
7 for an array of needed services throughout the rehabilitation
8 process.

9 Sec. 807. From the funds appropriated in part 1 for Elder Law
10 of Michigan MiCAFE contract, the department shall allocate not less
11 than \$350,000.00 to the Elder Law of Michigan MiCAFE to assist this
12 state's elderly population in participating in the food assistance
13 program. Of the \$350,000.00 allocated under this section, the
14 department shall use \$175,000.00, which are general fund/general
15 purpose funds, as state matching funds for not less than
16 \$175,000.00 in United States Department of Agriculture funding to
17 provide outreach program activities, such as eligibility screening
18 and information services, as part of a statewide food assistance
19 hotline.

20 Sec. 808. By March 1 of the current fiscal year, the
21 department shall provide a report to the senate and house
22 appropriations subcommittees on the department budget, the senate
23 and house fiscal agencies, the senate and house policy offices, and
24 the state budget office on the nutrition education program. The
25 report shall include planned allocation and actual expenditures for
26 the supplemental nutrition assistance program education funding,
27 planned and actual grant amounts for the supplemental nutrition

1 assistance program education funding, the total amount of expected
2 carryforward balance at the end of the current fiscal year for the
3 supplemental nutrition assistance program education funding, a list
4 of all supplemental nutrition assistance program education funding
5 programs by implementing agency, and the stated purpose of each
6 program.

7 Sec. 809. (1) The purpose of the pathways to potential program
8 is to reduce chronic absenteeism by 20%, decrease the number of
9 students who repeat grades by 15%, decrease the rate of dropouts by
10 10%, and increase graduation by 20% for schools that are current
11 participants in the pathways to potential program and to reduce
12 chronic absenteeism by 25%, decrease the number of students who
13 repeat grades by 20%, decrease the rate of dropouts by 15%, and
14 increase graduation by 25% for schools that are new participants in
15 the pathways to potential program. The funding priority for the
16 pathways to potential program shall be based on schools achieving
17 successful outcomes on the above measurements.

18 (2) From the funds appropriated in part 1 for public
19 assistance field staff intended for the pathways to potential
20 program, the department shall allocate \$75,000.00 by December 1 of
21 the current fiscal year to support the Northeast Michigan Community
22 Service Agency programming, which will take place in each county in
23 the governor's prosperity region 3.

24 (3) From the funds appropriated in part 1 for public
25 assistance field staff intended for the pathways to potential
26 program, the department shall allocate \$60,000.00 to the Early
27 Neighborhood Learning Collaborative to improve the attendance and

1 retention of students enrolled in an early neighborhood learning
2 collaborative great start readiness program approved classroom. It
3 is the intent of the legislature that these funds shall be
4 allocated on a one-time basis only.

5 Sec. 825. From the funds appropriated in part 1, the
6 department shall provide individuals not more than \$500.00 for
7 vehicle repairs, including any repairs done in the previous 12
8 months. However, the department may in its discretion pay for
9 repairs up to \$900.00. Payments under this section shall include
10 the combined total of payments made by the department and work
11 participation program.

12 Sec. 850. (1) The department shall maintain out-stationed
13 eligibility specialists in community-based organizations, community
14 mental health agencies, nursing homes, adult placement and
15 independent living settings, federally qualified health centers,
16 and hospitals unless a community-based organization, community
17 mental health agency, nursing home, adult placement and independent
18 living setting, federally qualified health centers, or hospital
19 requests that the program be discontinued at its facility.

20 (2) From the funds appropriated in part 1 for donated funds
21 positions, the department shall enter into contracts with agencies
22 that are able and eligible under federal law to provide the
23 required matching funds for federal funding, as determined by
24 federal statute and regulations.

25 (3) A contract for an assistance payments donated funds
26 position must include, but not be limited to, the following
27 performance metrics:

1 (a) Meeting a standard of promptness for processing
2 applications for Medicaid and other public assistance programs
3 under state law.

4 (b) Meeting required standards for error rates in determining
5 programmatic eligibility as determined by the department.

6 (4) The department shall only fill additional donated funds
7 positions after a new contract has been signed. That position shall
8 also be abolished when the contract expires or is terminated.

9 (5) The department shall classify as limited-term FTEs any new
10 employees who are hired to fulfill the donated funds position
11 contracts or are hired to fill any vacancies from employees who
12 transferred to a donated funds position.

13 (6) By March 1 of the current fiscal year, the department
14 shall submit a report to the senate and house appropriations
15 subcommittees on the department budget, the senate and house fiscal
16 agencies and policy offices, and the state budget office detailing
17 information on the donated funds positions, including the total
18 number of occupied positions, the total private contribution of the
19 positions, and the total cost to the state for any nonsalary
20 expenditure for the donated funds position employees.

21 Sec. 851. From the funds appropriated in part 1 for adult
22 services field staff, the department shall improve staffing ratios
23 in adult protective services programs with the goal of reducing the
24 number of older adults who are victims of crime and fraud. The
25 purpose of the staffing enhancement is to increase the standard of
26 promptness in every county, as measured by commencing an
27 investigation within 24 hours, establishing face-to-face contact

1 with the client within 72 hours, and completing the investigation
2 within 30 days.

3 **BEHAVIORAL HEALTH SERVICES**

4 Sec. 901. Except for the pilot projects and demonstration
5 models described in section 298 of this part, the funds
6 appropriated in part 1 are intended to support a system of
7 comprehensive community mental health services under the full
8 authority and responsibility of local CMHSPs or PIHPs in accordance
9 with the mental health code, 1974 PA 258, MCL 330.1001 to 330.2106,
10 the Medicaid provider manual, federal Medicaid waivers, and all
11 other applicable federal and state laws.

12 Sec. 902. (1) Except for the pilot projects and demonstration
13 models described in section 298 of this part, from the funds
14 appropriated in part 1, final authorizations to CMHSPs or PIHPs
15 shall be made upon the execution of contracts between the
16 department and CMHSPs or PIHPs. The contracts shall contain an
17 approved plan and budget as well as policies and procedures
18 governing the obligations and responsibilities of both parties to
19 the contracts. Each contract with a CMHSP or PIHP that the
20 department is authorized to enter into under this subsection shall
21 include a provision that the contract is not valid unless the total
22 dollar obligation for all of the contracts between the department
23 and the CMHSPs or PIHPs entered into under this subsection for the
24 current fiscal year does not exceed the amount of money
25 appropriated in part 1 for the contracts authorized under this
26 subsection.

1 (2) The department shall immediately report to the senate and
2 house appropriations subcommittees on the department budget, the
3 senate and house fiscal agencies, and the state budget director if
4 either of the following occurs:

5 (a) Any new contracts the department has entered into with
6 CMHSPs or PIHPs that would affect rates or expenditures.

7 (b) Any amendments to contracts the department has entered
8 into with CMHSPs or PIHPs that would affect rates or expenditures.

9 (3) The report required by subsection (2) shall include
10 information about the changes and their effects on rates and
11 expenditures.

12 Sec. 904. (1) By May 31 of the current fiscal year, the
13 department shall provide a report on the CMHSPs, PIHPs, regional
14 entities designated by the department as PIHPs, and managing
15 entities for substance use disorders to the members of the house
16 and senate appropriations subcommittees on the department budget,
17 the house and senate fiscal agencies, and the state budget director
18 that includes the information required by this section.

19 (2) The report shall contain information for each CMHSP, PIHP,
20 regional entity designated by the department as a PIHP, and
21 managing entity for substance use disorders and a statewide
22 summary, each of which shall include at least the following
23 information:

24 (a) A demographic description of service recipients that,
25 minimally, shall include reimbursement eligibility, client
26 population, age, ethnicity, housing arrangements, and diagnosis.

27 (b) Per capita expenditures in total and by client population

1 group and cultural and ethnic groups of the services area,
2 including the deaf and hard of hearing population.

3 (c) Financial information that, minimally, includes a
4 description of funding authorized; expenditures by diagnosis group,
5 service category, and reimbursement eligibility; and cost
6 information by Medicaid, Healthy Michigan plan, state appropriated
7 non-Medicaid mental health services, local funding, and other fund
8 sources, including administration and funds specified for all
9 outside contracts for services and products. Financial information
10 must include the amount of funding, from each fund source, used to
11 cover clinical services and supports. Service category includes all
12 department-approved services.

13 (d) Data describing service outcomes that include, but are not
14 limited to, an evaluation of consumer satisfaction, consumer
15 choice, and quality of life concerns including, but not limited to,
16 housing and employment.

17 (e) Information about access to CMHSPs that includes, but is
18 not limited to, the following:

19 (i) The number of people receiving requested services.

20 (ii) The number of people who requested services but did not
21 receive services.

22 (f) The number of second opinions requested under the mental
23 health code, 1974 PA 258, MCL 330.1001 to 330.2106, and the
24 determination of any appeals.

25 (g) Lapses and carryforwards during the immediately preceding
26 fiscal year for CMHSPs, PIHPs, regional entities designated by the
27 department as PIHPs, and managing entities for substance use

1 disorders.

2 (h) Performance indicator information required to be submitted
3 to the department in the contracts with CMHSPs, PIHPs, regional
4 entities designated by the department as PIHPs, and managing
5 entities for substance use disorders.

6 (i) Administrative expenditures of each CMHSP, PIHP, regional
7 entity designated by the department as a PIHP, and managing entity
8 for substance use disorders that includes a breakout of the salary,
9 benefits, and pension of each executive level staff and shall
10 include the director, chief executive, and chief operating officers
11 and other members identified as executive staff.

12 (3) The department shall include data reporting requirements
13 listed in subsection (2) in the annual contract with each
14 individual CMHSP, PIHP, regional entity designated by the
15 department as a PIHP, and managing entity for substance use
16 disorders.

17 (4) The department shall take all reasonable actions to ensure
18 that the data required are complete and consistent among all
19 CMHSPs, PIHPs, regional entities designated by the department as
20 PIHPs, and managing entities for substance use disorders.

21 Sec. 905. (1) From the funds appropriated in part 1 for
22 behavioral health program administration, the department shall
23 maintain a psychiatric transitional unit and children's behavioral
24 action team. These services will augment the continuum of
25 behavioral health services for high-need youth and provide
26 additional continuity of care and transition into supportive
27 community-based services.

1 (2) Outcomes and performance measures for this initiative
2 include, but are not limited to, the following:

3 (a) The rate of rehospitalization for youth served through the
4 program at 30 and 180 days.

5 (b) Measured change in the Child and Adolescent Functional
6 Assessment Scale for children served through the program.

7 Sec. 906. (1) The funds appropriated in part 1 for the state
8 disability assistance substance use disorder services program shall
9 be used to support per diem room and board payments in substance
10 use disorder residential facilities. Eligibility of clients for the
11 state disability assistance substance use disorder services program
12 shall include needy persons 18 years of age or older, or
13 emancipated minors, who reside in a substance use disorder
14 treatment center.

15 (2) The department shall reimburse all licensed substance use
16 disorder programs eligible to participate in the program at a rate
17 equivalent to that paid by the department to adult foster care
18 providers. Programs accredited by department-approved accrediting
19 organizations shall be reimbursed at the personal care rate, while
20 all other eligible programs shall be reimbursed at the domiciliary
21 care rate.

22 Sec. 907. (1) The amount appropriated in part 1 for substance
23 use disorder prevention, education, and treatment grants shall be
24 expended to coordinate care and services provided to individuals
25 with severe and persistent mental illness and substance use
26 disorder diagnoses.

27 (2) The department shall approve managing entity fee schedules

1 for providing substance use disorder services and charge
2 participants in accordance with their ability to pay.

3 (3) The managing entity shall continue current efforts to
4 collaborate on the delivery of services to those clients with
5 mental illness and substance use disorder diagnoses with the goal
6 of providing services in an administratively efficient manner.

7 Sec. 908. (1) By April 1 of the current fiscal year, the
8 department shall report the following data from the prior fiscal
9 year on substance use disorder prevention, education, and treatment
10 programs to the senate and house appropriations subcommittees on
11 the department budget, the senate and house fiscal agencies, and
12 the state budget office:

13 (a) Expenditures stratified by department-designated community
14 mental health entity, by central diagnosis and referral agency, by
15 fund source, by subcontractor, by population served, and by service
16 type. Additionally, data on administrative expenditures by
17 department-designated community mental health entity shall be
18 reported.

19 (b) Expenditures per state client, with data on the
20 distribution of expenditures reported using a histogram approach.

21 (c) Number of services provided by central diagnosis and
22 referral agency, by subcontractor, and by service type.
23 Additionally, data on length of stay, referral source, and
24 participation in other state programs.

25 (d) Collections from other first- or third-party payers,
26 private donations, or other state or local programs, by department-
27 designated community mental health entity, by subcontractor, by

1 population served, and by service type.

2 (2) The department shall take all reasonable actions to ensure
3 that the required data reported are complete and consistent among
4 all department-designated community mental health entities.

5 Sec. 909. From the funds appropriated in part 1 for community
6 substance use disorder prevention, education, and treatment, the
7 department shall use available revenue from the marihuana
8 regulatory fund established in section 604 of the medical marihuana
9 facilities licensing act, 2016 PA 281, MCL 333.27604, to improve
10 physical health; expand access to substance use disorder prevention
11 and treatment services; and strengthen the existing prevention,
12 treatment, and recovery systems.

13 Sec. 910. The department shall ensure that substance use
14 disorder treatment is provided to applicants and recipients of
15 public assistance through the department who are required to obtain
16 substance use disorder treatment as a condition of eligibility for
17 public assistance.

18 Sec. 911. (1) The department shall ensure that each contract
19 with a CMHSP or PIHP requires the CMHSP or PIHP to implement
20 programs to encourage diversion of individuals with serious mental
21 illness, serious emotional disturbance, or developmental disability
22 from possible jail incarceration when appropriate.

23 (2) Each CMHSP or PIHP shall have jail diversion services and
24 shall work toward establishing working relationships with
25 representative staff of local law enforcement agencies, including
26 county prosecutors' offices, county sheriffs' offices, county
27 jails, municipal police agencies, municipal detention facilities,

1 and the courts. Written interagency agreements describing what
2 services each participating agency is prepared to commit to the
3 local jail diversion effort and the procedures to be used by local
4 law enforcement agencies to access mental health jail diversion
5 services are strongly encouraged.

6 Sec. 912. The department shall contract directly with the
7 Salvation Army Harbor Light program to provide non-Medicaid
8 substance use disorder services if the local coordinating agency or
9 the department confirms the Salvation Army Harbor Light program
10 meets the standard of care. The standard of care shall include, but
11 is not limited to, utilization of the medication assisted treatment
12 option.

13 Sec. 915. (1) From the funds appropriated in part 1 for
14 behavioral health program administration and intended to support
15 the mental health and wellness commission, the department shall
16 maintain the funding level for Special Olympics Michigan at the
17 level in effect during the fiscal year ending September 30, 2017.

18 (2) By March 1 of the current fiscal year, the department
19 shall report the following information on the mental health and
20 wellness commission to the house and senate appropriations
21 subcommittees on the department budget, the house and senate fiscal
22 agencies, the house and senate policy offices, and the state budget
23 office:

24 (a) Previous fiscal year expenditures by actionable
25 recommendation of the mental health and wellness commission.

26 (b) Programs utilized during the previous fiscal year to
27 address each actionable recommendation of the mental health and

1 wellness commission.

2 (c) Outcomes and performance measures achieved during the
3 previous fiscal year by actionable recommendation of the mental
4 health and wellness commission.

5 (d) Current fiscal year funding by actionable recommendation
6 of the mental health and wellness commission.

7 (e) Current fiscal year funding by program utilized to address
8 each actionable recommendation of the mental health and wellness
9 commission.

10 (f) Funding within the executive budget proposal for the
11 fiscal year ending September 30, 2019, by actionable recommendation
12 of the mental health and wellness commission.

13 Sec. 916. From the funds appropriated in part 1 for community
14 substance use disorder prevention, education, and treatment,
15 \$305,000.00 shall be allocated to a pilot project to create an
16 investigative pediatric standard of care in early detection of
17 pediatric opioid abuse and to reduce opioid dependency and
18 addiction in adult patients.

19 Sec. 918. On or before the twenty-fifth of each month, the
20 department shall report to the senate and house appropriations
21 subcommittees on the department budget, the senate and house fiscal
22 agencies, and the state budget director on the amount of funding
23 paid to PIHPs to support the Medicaid managed mental health care
24 program in the preceding month. The information shall include the
25 total paid to each PIHP, per capita rate paid for each eligibility
26 group for each PIHP, and number of cases in each eligibility group
27 for each PIHP, and year-to-date summary of eligibles and

1 expenditures for the Medicaid managed mental health care program.

2 Sec. 920. (1) As part of the Medicaid rate-setting process for
3 behavioral health services, the department shall work with PIHP
4 network providers and actuaries to include any state and federal
5 wage and compensation increases that directly impact staff who
6 provide Medicaid-funded community living supports, personal care
7 services, respite services, skill-building services, and other
8 similar supports and services as part of the Medicaid rate.

9 (2) It is the intent of the legislature that any increased
10 Medicaid rate related to state minimum wage increases shall also be
11 distributed to direct care employees.

12 Sec. 928. (1) Each PIHP shall provide, from internal
13 resources, local funds to be used as a part of the state match
14 required under the Medicaid program in order to increase capitation
15 rates for PIHPs. These funds shall not include either state funds
16 received by a CMHSP for services provided to non-Medicaid
17 recipients or the state matching portion of the Medicaid capitation
18 payments made to a PIHP.

19 (2) It is the intent of the legislature that any funds that
20 lapse from the funds appropriated in part 1 for Medicaid mental
21 health services shall be redistributed to individual CMHSPs as a
22 reimbursement of local funds on a proportional basis to those
23 CMHSPs whose local funds were used as state Medicaid match. By
24 April 1 of the current fiscal year, the department shall report to
25 the senate and house appropriations subcommittees on the department
26 budget, the senate and house fiscal agencies, the senate and house
27 policy offices, and the state budget office on the lapse by PIHP

1 from the previous fiscal year and the projected lapse by PIHP in
2 the current fiscal year.

3 Sec. 935. A county required under the provisions of the mental
4 health code, 1974 PA 258, MCL 330.1001 to 330.2106, to provide
5 matching funds to a CMHSP for mental health services rendered to
6 residents in its jurisdiction shall pay the matching funds in equal
7 installments on not less than a quarterly basis throughout the
8 fiscal year, with the first payment being made by October 1 of the
9 current fiscal year.

10 Sec. 940. (1) According to section 236 of the mental health
11 code, 1974 PA 258, MCL 330.1236, the department shall do both of
12 the following:

13 (a) Review expenditures for each CMHSP to identify CMHSPs with
14 projected allocation surpluses and to identify CMHSPs with
15 projected allocation shortfalls. The department shall encourage the
16 board of a CMHSP with a projected allocation surplus to concur with
17 the department's recommendation to reallocate those funds to CMHSPs
18 with projected allocation shortfalls.

19 (b) Withdraw unspent funds that have been allocated to a CMHSP
20 if other reallocated funds were expended in a manner not provided
21 for in the approved contract, including expending funds on services
22 and programs provided to individuals residing outside of the
23 CMHSP's geographic region.

24 (2) A CMHSP that has its funding allocation transferred out or
25 withdrawn during the current fiscal year as described in subsection
26 (1) is not eligible for any additional funding reallocations during
27 the remainder of the current fiscal year, unless that CMHSP is

1 responding to a public health emergency as determined by the
2 department.

3 (3) CMHSPs shall report to the department on any proposed
4 reallocations described in this section at least 30 days before any
5 reallocations take effect.

6 (4) The department shall notify the chairs of the
7 appropriation subcommittees on the department budget when a request
8 is made and when the department grants approval for reallocation or
9 withdraw as described in subsection (1). By September 30 of the
10 current fiscal year, the department shall provide a report on the
11 amount of funding reallocated or withdrawn to the senate and house
12 appropriation subcommittees on the department budget, the senate
13 and house fiscal agencies, the senate and house policy offices, and
14 the state budget office.

15 Sec. 942. A CMHSP shall provide at least 30 days' notice
16 before reducing, terminating, or suspending services provided by a
17 CMHSP to CMHSP clients, with the exception of services authorized
18 by a physician that no longer meet established criteria for medical
19 necessity.

20 Sec. 943. The department shall study the viability of using
21 telemedicine to perform competency examinations by a forensic
22 psychiatrist. By January 1 of the current fiscal year, the
23 department shall report to the senate and house appropriations
24 subcommittees on the department budget, the senate and house fiscal
25 agencies, and the state budget office on the findings of the
26 viability study, the total transportation costs by county for the
27 previous fiscal year, and any savings, by county, from the use of

1 telemedicine.

2 Sec. 950. The department, in collaboration with the Michigan
3 Association of Community Mental Health Boards, shall determine the
4 best payment method and financial cost of providing \$95.00 per
5 month to court-appointed guardians and conservators that are
6 providing services to individuals receiving community mental health
7 services. By March 1 of the current fiscal year, the department
8 shall provide a report to the house and senate appropriations
9 subcommittees on the department budget, the house and senate fiscal
10 agencies, the house and senate policy offices, and the state budget
11 office on the proposed payment method and financial cost of
12 providing \$95.00 per month to court-appointed guardians and
13 conservators that are providing services to individuals receiving
14 community mental health services.

15 Sec. 958. Medicaid services shall include treatment for autism
16 spectrum disorders as defined in the federally approved Medicaid
17 state plan. These services may be coordinated with the Medicaid
18 health plans and the Michigan Association of Health Plans.

19 Sec. 994. (1) By January 1 of the current fiscal year, the
20 department shall seek, if necessary, federal approval through
21 either a waiver request or state plan amendment to allow a CMHSP,
22 PIHP, or subcontracting provider agency that is reviewed and
23 accredited by a national accrediting entity for behavioral health
24 care services to be considered in compliance with state program
25 review and audit requirements that are addressed and reviewed by
26 that national accrediting entity.

27 (2) By April 1 of the current fiscal year, the department

1 shall report to the house and senate appropriations subcommittees
2 on the department budget, the house and senate fiscal agencies, and
3 the state budget office all of the following:

4 (a) The status of the federal approval process required in
5 subsection (1).

6 (b) A list of each CMHSP, PIHP, and subcontracting provider
7 agency that is considered to be in compliance with state program
8 review and audit requirements under subsection (1).

9 (c) For each CMHSP, PIHP, or subcontracting provider agency
10 described in subdivision (b), both of the following:

11 (i) The state program review and audit requirements that the
12 CMHSP, PIHP, or subcontracting provider agency is considered to be
13 in compliance with.

14 (ii) The national accrediting entity that reviewed and
15 accredited the CMHSP, PIHP, or subcontracting provider agency.

16 (3) The department shall continue to comply with state and
17 federal law and shall not initiate an action that negatively
18 impacts beneficiary safety. Any cost savings attributed to this
19 action shall be reinvested back into services.

20 (4) As used in this section, "national accrediting entity"
21 means the Joint Commission, formerly known as the Joint Commission
22 on Accreditation of Healthcare Organizations, the Commission on
23 Accreditation of Rehabilitation Facilities, the Council on
24 Accreditation, the URAC, formerly known as the Utilization Review
25 Accreditation Commission, the National Committee for Quality
26 Assurance, or another appropriate entity, as approved by the
27 department.

1 Sec. 995. From the funds appropriated in part 1 for behavioral
2 health program administration, \$4,350,000.00 is intended to address
3 the recommendations of the mental health diversion council.

4 Sec. 997. The population data used in determining the
5 distribution of substance use disorder block grant funds shall be
6 from the most recent federal census.

7 Sec. 998. For distribution of state general funds to CMHSPs,
8 if the department decides to use census data, the department shall
9 use the most recent federal census data available.

10 Sec. 1003. The department shall notify the Michigan
11 Association of Community Mental Health Boards when developing
12 policies and procedures that will impact PIHPs or CMHSPs.

13 Sec. 1004. The department shall provide the senate and house
14 appropriations subcommittee on the department budget, the senate
15 and house fiscal agencies, and the state budget office any rebased
16 formula changes to either Medicaid behavioral health services or
17 non-Medicaid mental health services 90 days before implementation.
18 The notification shall include a table showing the changes in
19 funding allocation by PIHP for Medicaid behavioral health services
20 or by CMHSP for non-Medicaid mental health services.

21 Sec. 1005. For the purposes of special projects involving
22 high-need children or adults, including the not guilty by reason of
23 insanity population, the department may contract directly with
24 providers of services to these identified populations.

25 Sec. 1008. The PIHP shall do all of the following:

26 (a) Work to reduce administration costs by ensuring that PIHP
27 responsible functions are efficient in allowing optimal transition

1 of dollars to those direct services considered most effective in
2 assisting individuals served. Any consolidation of administrative
3 functions must be demonstrated by independent analysis, a reduction
4 in dollars spent on administration resulting in greater dollars
5 spent on direct services. Savings resulting from increased
6 efficiencies shall not be applied to PIHP net assets, internal
7 service fund increases, building costs, increases in the number of
8 PIHP personnel, or other areas not directly related to the delivery
9 of improved services.

10 (b) Take an active role in managing mental health care by
11 ensuring consistent and high-quality service delivery throughout
12 its network and promote a conflict-free care management
13 environment.

14 (c) Ensure that direct service rate variances are related to
15 the level of need or other quantifiable measures to ensure that the
16 most money possible reaches direct services.

17 (d) Whenever possible, promote fair and adequate direct care
18 reimbursement, including fair wages for direct service workers.

19 Sec. 1009. (1) From the funds appropriated in part 1 for
20 Medicaid mental health services and Healthy Michigan plan -
21 behavioral health, the department shall allocate up to
22 \$45,000,000.00 to increase hourly wages by \$0.50 for direct care
23 workers providing Medicaid behavioral health supports and services.
24 The department shall contractually mandate these funds be fully
25 passed through to agencies directly responsible for paying the
26 direct care workers' wages and shall contractually mandate that the
27 agencies provide the department by February 1 of the current fiscal

1 year with ending wages at the end of the previous fiscal year and
2 the new increased wages provided in the current fiscal year. The
3 purpose of this allocation is to increase access to direct care
4 services as reported in CMHSP sub-element cost reports, to reduce
5 the turnover rate among direct care workers, and to improve the
6 quality of direct care workers providing Medicaid behavioral health
7 supports and services.

8 (2) To receive the funds described in subsection (1), each
9 PIHP shall do the following:

10 (a) Each PIHP shall report to the department by February 1 of
11 the current fiscal year the actual expenditures of such funds in
12 the format to be determined by the department.

13 (b) Each PIHP shall report to the department by February 1 of
14 the current fiscal year the range of wages paid to workers impacted
15 by the wage pass-through, including information on the number of
16 workers at each wage level.

17 (3) Any of the funds provided in this section not utilized by
18 a PIHP for increasing direct care worker wages or for the
19 employer's share of federal insurance contributions act costs shall
20 be deducted from the base allocation to that PIHP in the subsequent
21 fiscal year.

22 (4) The department shall report the information required to be
23 reported according to subsection (2) to the senate and house
24 appropriations subcommittees on the department budget, the senate
25 and house fiscal agencies, the senate and house policy offices, and
26 the state budget office by March 1 of the current fiscal year.

27 Sec. 1010. From the funds appropriated in part 1 for

1 behavioral health program administration, up to \$2,000,000.00 shall
2 be allocated to address the implementation of court-ordered
3 assisted outpatient treatment as provided under chapter 4 of the
4 mental health code, 1974 PA 258, MCL 330.1400 to 330.1490.

5 Sec. 1011. From the funds available in part 1 through the
6 state targeted response to the opioid crisis grant, the department
7 shall provide \$850,000.00 for the development of a genomic based
8 demonstration program to predict opioid response and abuse and
9 analyze cost savings to the state Medicaid population. The
10 demonstration program shall be operated by a CMHSP located in a
11 county with a population between 245,000 and 255,000 according to
12 the most recent decennial census and shall identify relevant
13 biomarkers that predict risk of opioid abuse and overdose by
14 analyzing test results from the Medicaid population served by the
15 CMHSP. The demonstration program shall utilize a custom screening
16 panel developed by a Michigan based genomics lab that is certified
17 under the clinical laboratory improvement amendments of 1988,
18 Public Law 100-578. The CMHSP shall analyze data and compile
19 results relating to relevant biomarkers and their impact on cost to
20 the Medicaid population in the demonstration program and present a
21 final report to the department, the senate and house appropriations
22 subcommittees on the department budget, and the senate and house
23 fiscal agencies by June 1 of the current fiscal year.

24 Sec. 1012. By March 1 of the current fiscal year, the
25 department shall submit a report to the senate and house
26 appropriations subcommittees on the department budget, the senate
27 and house fiscal agencies, the senate and house policy offices, and

1 the state budget office addressing the challenge of meeting monthly
2 deductible requirements in the Medicaid program and establish
3 policy recommendations. The report shall include, but not be
4 limited to, all of the following items:

5 (a) The average number of individuals who do not meet their
6 monthly Medicaid deductibles in this state each year.

7 (b) How the reduction in general fund investment to CMHSPs for
8 non-Medicaid services has played a role in the inability of many
9 individuals to meet their spenddown.

10 (c) What currently counts as the protected income level and
11 countable asset limit and how that compares to other states.

12 (d) An action plan for implementation of any proposed changes.

13 (e) An estimate of the costs that may be incurred from
14 adoption of recommendations included in the report.

15 **STATE PSYCHIATRIC HOSPITALS AND FORENSIC MENTAL HEALTH SERVICES**

16 Sec. 1051. The department shall continue a revenue recapture
17 project to generate additional revenues from third parties related
18 to cases that have been closed or are inactive. A portion of
19 revenues collected through project efforts may be used for
20 departmental costs and contractual fees associated with these
21 retroactive collections and to improve ongoing departmental
22 reimbursement management functions.

23 Sec. 1052. The purpose of gifts and bequests for patient
24 living and treatment environments is to use additional private
25 funds to provide specific enhancements for individuals residing at
26 state-operated facilities. Use of the gifts and bequests shall be

1 consistent with the stipulation of the donor. The expected
2 completion date for the use of gifts and bequests donations is
3 within 3 years unless otherwise stipulated by the donor.

4 Sec. 1055. (1) The department shall not implement any closures
5 or consolidations of state hospitals, centers, or agencies until
6 CMHSPs or PIHPs have programs and services in place for those
7 individuals currently in those facilities and a plan for service
8 provision for those individuals who would have been admitted to
9 those facilities.

10 (2) All closures or consolidations are dependent upon adequate
11 department-approved CMHSP and PIHP plans that include a discharge
12 and aftercare plan for each individual currently in the facility. A
13 discharge and aftercare plan shall address the individual's housing
14 needs. A homeless shelter or similar temporary shelter arrangements
15 are inadequate to meet the individual's housing needs.

16 (3) Four months after the certification of closure required in
17 section 19(6) of the state employees' retirement act, 1943 PA 240,
18 MCL 38.19, the department shall provide a closure plan to the house
19 and senate appropriations subcommittees on the department budget
20 and the state budget director.

21 (4) Upon the closure of state-run operations and after
22 transitional costs have been paid, the remaining balances of funds
23 appropriated for that operation shall be transferred to CMHSPs or
24 PIHPs responsible for providing services for individuals previously
25 served by the operations.

26 Sec. 1056. The department may collect revenue for patient
27 reimbursement from first- and third-party payers, including

1 Medicaid and local county CMHSP payers, to cover the cost of
2 placement in state hospitals and centers. The department is
3 authorized to adjust financing sources for patient reimbursement
4 based on actual revenues earned. If the revenue collected exceeds
5 current year expenditures, the revenue may be carried forward with
6 approval of the state budget director. The revenue carried forward
7 shall be used as a first source of funds in the subsequent year.

8 Sec. 1057. The department shall work with the department of
9 technology, management, and budget to evaluate the condition of the
10 Hawthorn Center, the cost-effectiveness of improvements and
11 investments and make recommendations to improve the quality of the
12 facility needed by the patients.

13 Sec. 1058. Effective October 1 of the current fiscal year, the
14 department, in consultation with the department of technology,
15 management, and budget, may maintain a bid process to identify 1 or
16 more private contractors to provide food service and custodial
17 services for the administrative areas at any state hospital
18 identified by the department as capable of generating savings
19 through the outsourcing of such services.

20 Sec. 1059. The department shall identify specific outcomes and
21 performance measures for the center for forensic psychiatry,
22 including, but not limited to, the following:

23 (a) The average wait time for persons determined incompetent
24 to stand trial before admission to the center for forensic
25 psychiatry.

26 (b) The average wait time for persons determined incompetent
27 to stand trial before admission to other state-operated psychiatric

1 facilities.

2 (c) The number of persons waiting to receive services at the
3 center for forensic psychiatry.

4 (d) The number of persons waiting to receive services at other
5 state-operated hospitals and centers.

6 Sec. 1060. (1) The department shall convene a workgroup in
7 collaboration with the chairs of the house and senate
8 appropriations subcommittees on the department budget or their
9 designees, labor union representation, civil service, and any other
10 appropriate parties to recommend solutions to address mandatory
11 overtime, staff turnover, and staff retention at the state
12 psychiatric hospitals and centers, including, but not limited to,
13 permitting retired workers to return and permitting hiring of part-
14 time workers.

15 (2) By March 1 of the current fiscal year, the department
16 shall provide the workgroup's recommendations to the senate and
17 house appropriations subcommittees on the department budget, the
18 senate and house fiscal agencies, and the state budget office.

19 Sec. 1061. The funds appropriated in part 1 for Caro Regional
20 Mental Health Center shall only be utilized to support a
21 psychiatric hospital located at its current location. It is the
22 intent of the legislature that the Caro Regional Mental Health
23 Center shall remain open and operational at its current location on
24 an ongoing basis, and that any capital outlay funding shall be
25 utilized for planning and construction at the current location
26 instead of at a new location.

1 **HEALTH POLICY**

2 Sec. 1140. From the funds appropriated in part 1 for primary
3 care services, \$250,000.00 shall be allocated to free health
4 clinics operating in the state. The department shall distribute the
5 funds equally to each free health clinic. For the purpose of this
6 appropriation, "free health clinics" means nonprofit organizations
7 that use volunteer health professionals to provide care to
8 uninsured individuals.

9 Sec. 1142. The department shall continue to seek means to
10 increase retention of Michigan medical school students for
11 completion of their primary care residency requirements within this
12 state and ultimately, for some period of time, to remain in this
13 state and serve as primary care physicians. The department is
14 encouraged to work with Michigan institutions of higher education.

15 Sec. 1144. (1) From the funds appropriated in part 1 for
16 health policy administration, the department shall allocate the
17 federal state innovation model grant funding that supports
18 implementation of the health delivery system innovations detailed
19 in this state's "Reinventing Michigan's Health Care System:
20 Blueprint for Health Innovation" document. This initiative will
21 test new payment methodologies, support improved population health
22 outcomes, and support improved infrastructure for technology and
23 data sharing and reporting. The funds will be used to provide
24 financial support directly to regions participating in the model
25 test and to support statewide stakeholder guidance and technical
26 support.

27 (2) Outcomes and performance measures for the initiative under

1 subsection (1) include, but are not limited to, the following:

2 (a) Increasing the number of physician practices fulfilling
3 patient-centered medical home functions.

4 (b) Reducing inappropriate health utilization, specifically
5 reducing preventable emergency department visits, reducing the
6 proportion of hospitalizations for ambulatory sensitive conditions,
7 and reducing this state's 30-day hospital readmission rate.

8 (3) By March 1 and September 1 of the current fiscal year, the
9 department shall submit a written report to the house and senate
10 appropriations subcommittees on the department budget, the house
11 and senate fiscal agencies, and the state budget office on the
12 status of the program and progress made since the prior report.

13 (4) From the funds appropriated in part 1 for health policy
14 administration, any data aggregator created as part of the
15 allocation of the federal state innovation model grant funds must
16 meet the following standards:

17 (a) The primary purpose of the data aggregator must be to
18 increase the quality of health care delivered in this state, while
19 reducing costs.

20 (b) The data aggregator must be governed by a nonprofit
21 entity.

22 (c) All decisions regarding the establishment, administration,
23 and modification of the database must be made by an advisory board.
24 The membership of the advisory board must include the director of
25 the department or a designee of the director and representatives of
26 health carriers, consumers, and purchasers.

27 (d) The Michigan Data Collaborative shall be the data

1 aggregator to receive health care claims information from, without
2 limitation, commercial health carriers, nonprofit health care
3 corporations, health maintenance organizations, and third party
4 administrators that process claims under a service contract.

5 (e) The data aggregator must use existing data sources and
6 technological infrastructure, to the extent possible.

7 Sec. 1145. The department will take steps necessary to work
8 with Indian Health Service, tribal health program facilities, or
9 Urban Indian Health Program facilities that provide services under
10 a contract with a Medicaid managed care entity to ensure that those
11 facilities receive the maximum amount allowable under federal law
12 for Medicaid services.

13 Sec. 1146. From the funds appropriated in part 1 for bone
14 marrow transplant registry, \$250,000.00 shall be allocated to
15 Michigan Blood, the partner of the match registry of the national
16 marrow donor program. The funds shall be used to offset ongoing
17 tissue typing expenses associated with donor recruitment and
18 collection services and to expand those services to better serve
19 the citizens of this state.

20 Sec. 1147. (1) From the funds appropriated in part 1 for
21 primary care services, \$1,000,000.00 shall be appropriated for the
22 first year of a 6-year early primary care pilot program to
23 facilitate the placement of physicians in medically underserved
24 areas of this state. The early primary care pilot program format
25 includes all of the following:

26 (a) Recruitment of interested physicians before completion of
27 first year of residency.

1 (b) To participate in the pilot program, a physician must do
2 all of the following:

3 (i) Complete 1 year of post-graduate education.

4 (ii) Complete and pass all 3 parts of a national licensing
5 board examination.

6 (iii) Obtain an unrestricted license to engage in the practice
7 of osteopathic medicine and surgery or an unrestricted license to
8 engage in the practice of medicine in this state.

9 (c) A participating physician shall enter into a contract to
10 work with an employer for no less than 2 years in a federally
11 underserved rural or urban area in this state, beginning the year
12 following completion of 1 year of post-graduate education.

13 (d) The employer shall employ the physician at a competitive
14 salary. A contractual employer may include, but is not limited to,
15 a private practice physician or physician group, a hospital or
16 hospital system, a community clinic, or a federally qualified
17 health center.

18 (e) Assistance with repayment of medical education loans of
19 the participating physician shall be provided through local, state,
20 federal, or other sources during the employment period, with a
21 target assistance amount of \$50,000.00 over 2 years.

22 (f) Upon completion of the 2-year employment period,
23 participating physicians may reenter and complete a post-graduate
24 residency program.

25 (2) The department shall seek philanthropic support for the
26 early primary care pilot program to achieve increased participation
27 and may use state funds to match philanthropic contributions.

1 (3) The department shall contract with the Michigan Health
2 Council for the purpose of administering the early primary care
3 pilot program. Funds shall be disbursed by the department to the
4 Michigan Health Council by December 1 of the current fiscal year
5 for this purpose.

6 (4) Use of funds for administration of the early primary care
7 pilot program is limited to no more than 10% of the total of all
8 sources of funding.

9 (5) The department shall prepare a report on the status of the
10 early primary care pilot program that shall include, but is not
11 limited to, the number of physicians placed, location of placement,
12 type of employer, average student loan burden of the participating
13 physicians, and average loan relief provided under the program. By
14 April 1 of the current fiscal year, the department shall provide
15 the report described in this subsection to the house and senate
16 appropriations subcommittees on the department budget, the house
17 and senate fiscal agencies and policy offices, and the state budget
18 office.

19 (6) Unexpended and unencumbered funds up to a maximum of
20 \$1,000,000.00 general fund/general purpose revenue in part 1 for
21 primary care services are designated as work project
22 appropriations, and any unencumbered or unallotted funds shall not
23 lapse at the end of the fiscal year and shall be available for
24 expenditures for the early primary care pilot program under this
25 section until the project has been completed. All of the following
26 are in compliance with section 451a of the management and budget
27 act, 1984 PA 431, MCL 18.1451a:

1 (a) The purpose of the work project is to fund the cost of an
2 early primary care program as provided by this section.

3 (b) The work project will be accomplished by administering the
4 partnering of participating physicians with qualifying employers
5 and coordinating the negotiation of medical school loan repayment
6 assistance for the participating physician.

7 (c) The total estimated cost of the work project is
8 \$1,000,000.00 of general fund/general purpose revenue.

9 (d) The tentative completion date of the work project is
10 September 30, 2022.

11 Sec. 1150. From the funds appropriated in part 1 for health
12 policy administration, the department shall dedicate 1.0 FTE
13 position to coordinate with the department of licensing and
14 regulatory affairs, the department of the attorney general, all
15 appropriate law enforcement agencies, and the Medicaid health plans
16 to reduce fraud related to opioid prescribing within Medicaid, and
17 to address other appropriate recommendations of the prescription
18 drug and opioid abuse task force outlined in its report of October
19 2015. By October 1 of the current fiscal year, the department shall
20 submit a report to the senate and house appropriations
21 subcommittees on the department budget, the senate and house fiscal
22 agencies, the senate and house policy offices, and the state budget
23 office on steps the department has taken to coordinate with the
24 entities listed in this section and other stakeholders to reduce
25 fraud related to opioid prescribing, and to address other
26 appropriate recommendations of the task force.

27 Sec. 1151. From the funds appropriated in part 1 for health

1 policy administration, the department shall dedicate 1.0 FTE
2 position to coordinate with the department of licensing and
3 regulatory affairs, the department of the attorney general, all
4 appropriate law enforcement agencies, and the Medicaid health plans
5 to work with local substance use disorder agencies and addiction
6 treatment providers to help inform Medicaid beneficiaries of all
7 medically appropriate treatment options for opioid addiction when
8 their treating physician stops prescribing prescription opioid
9 medication for pain, and to address other appropriate
10 recommendations of the prescription drug and opioid abuse task
11 force outlined in its report of October 2015. By October 1 of the
12 current fiscal year, the department shall submit a report to the
13 senate and house appropriations subcommittees on the department
14 budget, the senate and house fiscal agencies, the senate and house
15 policy offices, and the state budget office on how the department
16 is working with local substance use disorder agencies and addiction
17 treatment providers to ensure that Medicaid beneficiaries are
18 informed of all available and medically appropriate treatment
19 options for opioid addiction when their treating physician stops
20 prescribing prescription opioid medication for pain, and to address
21 other appropriate recommendations of the task force. The report
22 shall include any potential barriers to medication-assisted
23 treatment, as recommended by the Michigan medication-assisted
24 treatment guidelines, for Medicaid beneficiaries in both office-
25 based opioid treatment and opioid treatment program facility
26 settings.

1 **DISEASE CONTROL, PREVENTION, AND EPIDEMIOLOGY**

2 Sec. 1180. From the funds appropriated in part 1 for
3 epidemiology administration and for childhood lead program, the
4 department shall reestablish a public health drinking water unit
5 and enhance current efforts to monitor child blood lead levels. The
6 public health drinking water unit shall ensure that appropriate
7 investigations of potential health hazards occur for all community
8 and noncommunity drinking water supplies where chemical exceedances
9 of action levels, health advisory levels, or maximum contaminant
10 limits are identified. With the fiscal year 2017-2018 increase in
11 funding, the childhood lead program shall improve the timeliness
12 and quality of care provided to children with lead exposure, to
13 achieve a long-term reduction in the percentage of children in this
14 state with elevated blood lead levels.

15 Sec. 1181. From the funds appropriated in part 1 for
16 epidemiology administration, the department shall establish and
17 maintain a vapor intrusion response unit. The vapor intrusion
18 response unit shall assess risks to public health at vapor
19 intrusion sites and respond to vapor intrusion risks where
20 appropriate. The goals of the vapor intrusion response unit shall
21 include reducing the number of residents of this state exposed to
22 toxic substances through vapor intrusion and improving health
23 outcomes for individuals that are identified as having been exposed
24 to vapor intrusion.

25 Sec. 1182. (1) From the funds appropriated in part 1 for the
26 healthy homes program, no less than \$1,750,000.00 of general
27 fund/general purpose funds and \$23,480,000.00 of federal funds

1 shall be allocated for lead abatement of homes.

2 (2) By January 1 of the current fiscal year, the department
3 shall provide a report to the house and senate appropriations
4 subcommittees on the department budget, the house and senate fiscal
5 agencies, and the state budget office on the expenditures and
6 activities undertaken by the lead abatement program in the previous
7 fiscal year from the funds appropriated in part 1 for the healthy
8 homes program. The report shall include, but is not limited to, a
9 funding allocation schedule, expenditures by category of
10 expenditure and by subcontractor, revenues received, description of
11 program elements, and description of program accomplishments and
12 progress.

13 **LOCAL HEALTH AND ADMINISTRATIVE SERVICES**

14 Sec. 1220. The amount appropriated in part 1 for
15 implementation of the 1993 additions of or amendments to sections
16 9161, 16221, 16226, 17014, 17015, and 17515 of the public health
17 code, 1978 PA 368, MCL 333.9161, 333.16221, 333.16226, 333.17014,
18 333.17015, and 333.17515, shall be used to reimburse local health
19 departments for costs incurred related to implementation of section
20 17015(18) of the public health code, 1978 PA 368, MCL 333.17015.

21 Sec. 1221. If a county that has participated in a district
22 health department or an associated arrangement with other local
23 health departments takes action to cease to participate in such an
24 arrangement after October 1 of the current fiscal year, the
25 department shall have the authority to assess a penalty from the
26 local health department's operational accounts in an amount equal

1 to no more than 6.25% of the local health department's essential
2 local public health services funding. This penalty shall only be
3 assessed to the local county that requests the dissolution of the
4 health department.

5 Sec. 1222. (1) Funds appropriated in part 1 for essential
6 local public health services shall be prospectively allocated to
7 local health departments to support immunizations, infectious
8 disease control, sexually transmitted disease control and
9 prevention, hearing screening, vision services, food protection,
10 public water supply, private groundwater supply, and on-site sewage
11 management. Food protection shall be provided in consultation with
12 the department of agriculture and rural development. Public water
13 supply, private groundwater supply, and on-site sewage management
14 shall be provided in consultation with the department of
15 environmental quality.

16 (2) Local public health departments shall be held to
17 contractual standards for the services in subsection (1).

18 (3) Distributions in subsection (1) shall be made only to
19 counties that maintain local spending in the current fiscal year of
20 at least the amount expended in fiscal year 1992-1993 for the
21 services described in subsection (1).

22 (4) By December 1 of the current fiscal year, the department
23 shall provide a report to the house and senate appropriations
24 subcommittees on the department budget, the house and senate fiscal
25 agencies, and the state budget director on the planned allocation
26 of the funds appropriated for essential local public health
27 services.

1 Sec. 1223. (1) From the funds appropriated in part 1 for
2 dental programs, \$150,000.00 shall be allocated to the Michigan
3 Dental Association for the administration of a volunteer dental
4 program that provides dental services to the uninsured.

5 (2) By December 1 of the current fiscal year, the department
6 shall report to the senate and house appropriations subcommittees
7 on the department budget, the senate and house standing committees
8 on health policy, the senate and house fiscal agencies, and the
9 state budget office the number of individual patients treated,
10 number of procedures performed, and approximate total market value
11 of those procedures from the previous fiscal year.

12 Sec. 1224. The department shall use revenue from mobile
13 dentistry facility permit fees received under section 21605 of the
14 public health code, 1978 PA 368, MCL 333.21605, to offset the cost
15 of the permit program.

16 Sec. 1225. The department shall work with the Michigan health
17 endowment fund corporation established under section 653 of the
18 nonprofit health care corporation reform act, 1980 PA 350, MCL
19 550.1653, to explore ways to fund and evaluate current and future
20 policies and programs. It is the intent of the legislature that, by
21 March 1 of the current fiscal year, the senate and house
22 appropriations subcommittees on the department budget shall hold a
23 joint hearing for the purpose of a presentation by the Michigan
24 health endowment fund corporation and the department, detailing the
25 steps taken to work together, and to report on initiatives
26 supported by the Michigan health endowment fund.

27 Sec. 1226. From the funds appropriated in part 1 for health

1 and wellness initiatives, \$1,000,000.00 shall be allocated for a
2 school children's healthy exercise program to promote and advance
3 physical health for school children in kindergarten through grade
4 8. The department shall recommend model programs for sites to
5 implement that incorporate evidence-based best practices. The
6 department shall grant no less than 1/2 of the funds appropriated
7 in part 1 for before- and after-school programs. The department
8 shall establish guidelines for program sites, which may include
9 schools, community-based organizations, private facilities,
10 recreation centers, or other similar sites. The program format
11 shall encourage local determination of site activities and shall
12 encourage local inclusion of youth in the decision-making regarding
13 site activities. Program goals shall include children experiencing
14 improved physical health and access to physical activity
15 opportunities, the reduction of obesity, providing a safe place to
16 play and exercise, and nutrition education. To be eligible to
17 participate, program sites shall provide a 20% match to the state
18 funding, which may be provided in full, or in part, by a
19 corporation, foundation, or private partner. The department shall
20 seek financial support from corporate, foundation, or other private
21 partners for the program or for individual program sites.

22 Sec. 1227. The department shall establish criteria for all
23 funds allocated under part 1 for health and wellness initiatives.
24 The criteria must include a requirement that all programs funded be
25 evidence-based and supported by research, include interventions
26 that have been shown to demonstrate outcomes that lower cost and
27 improve quality, and be designed for statewide impact. Preference

1 must be given to programs that utilize the funding as match for
2 additional resources including, but not limited to, federal
3 sources.

4 Sec. 1228. From the funds appropriated in part 1 for injury
5 control intervention project, \$1,000,000.00 shall be allocated for
6 implementation of evidence-based, real-time, quality assurance
7 decision support software in the treatment of pediatric traumatic
8 brain injury and for protocols that are to be available to all
9 hospitals providing those trauma services. The funds shall be used
10 to purchase statewide licenses for pediatric traumatic brain injury
11 treatment software and related software services and to offset
12 hospital software integration costs. The department shall seek
13 federal matching funds that may be available for implementation of
14 this section.

15 Sec. 1229. (1) From the funds appropriated in part 1 for
16 dental programs, \$1,550,000.00 shall be distributed to local health
17 departments who partner with a qualified nonprofit provider of
18 dental services for the purpose of providing high-quality dental
19 homes for seniors, children, and adults enrolled in Medicaid, and
20 low-income uninsured.

21 (2) In order to be considered a qualified nonprofit provider
22 of dental services, the provider must demonstrate an effective
23 health insurance enrollment process for uninsured patients and
24 demonstrate to the department an effective process of charging
25 patients on a sliding scale based on the patient's ability to pay.

26 (3) Outcomes and performance measures for the program under
27 this section include, but are not limited to, the following:

1 (a) The number of uninsured patients who visited a
2 participating dentist over the prior year, broken down between
3 adults and children.

4 (b) The number of patients assisted with health insurance
5 enrollment, broken down between adults and children.

6 (c) A 5-year trend of the number of uninsured patients being
7 served, broken down between adults and children.

8 Sec. 1230. The department shall consider the development and
9 implementation of a school-based pilot program for children up to
10 grade 7 that may include, but is not limited to, oral health
11 assessments, primary dental services, and referrals. The department
12 shall consult with the department of education in considering the
13 development of the school-based pilot program, and seek
14 partnerships with local entities, and dental and philanthropic
15 organizations to carry out the program. The school-based pilot
16 program shall track the number of children offered and receiving
17 services at the school sites. Program goals shall include improving
18 oral and physical health outcomes for children, improving rates of
19 children receiving dental sealants, and reduction of rates of
20 childhood tooth decay.

21 **FAMILY, MATERNAL, AND CHILD HEALTH**

22 Sec. 1301. (1) Before April 1 of the current fiscal year, the
23 department shall submit a report to the house and senate fiscal
24 agencies and the state budget director on planned allocations from
25 the amounts appropriated in part 1 for local MCH services, prenatal
26 care outreach and service delivery support, family planning local

1 agreements, and pregnancy prevention programs. Using applicable
2 federal definitions, the report shall include information on all of
3 the following:

4 (a) Funding allocations.

5 (b) Actual number of women, children, and adolescents served
6 and amounts expended for each group for the immediately preceding
7 fiscal year.

8 (c) A breakdown of the expenditure of these funds between
9 urban and rural communities.

10 (2) The department shall ensure that the distribution of funds
11 through the programs described in subsection (1) takes into account
12 the needs of rural communities.

13 (3) For the purposes of this section, "rural" means a county,
14 city, village, or township with a population of 30,000 or less,
15 including those entities if located within a metropolitan
16 statistical area.

17 Sec. 1302. Each family planning program receiving federal
18 title X family planning funds under 42 USC 300 to 300a-8 shall be
19 in compliance with all performance and quality assurance indicators
20 that the office of population affairs within the United States
21 Department of Health and Human Services specifies in the program
22 guidelines for project grants for family planning services. An
23 agency not in compliance with the indicators shall not receive
24 supplemental or reallocated funds.

25 Sec. 1303. The department shall not contract with an
26 organization that provides elective abortions, abortion counseling,
27 or abortion referrals, for services that are to be funded with

1 state restricted or state general fund/general purpose funds
2 appropriated in part 1 for family planning local agreements. An
3 organization under contract with the department shall not
4 subcontract with an organization that provides elective abortions,
5 abortion counseling, or abortion referrals, for services that are
6 to be funded with state restricted or state general fund/general
7 purpose funds appropriated in part 1 for family planning local
8 agreements.

9 Sec. 1304. The department shall not use state restricted funds
10 or state general funds appropriated in part 1 in the pregnancy
11 prevention program or family planning local agreements
12 appropriation line items for abortion counseling, referrals, or
13 services.

14 Sec. 1307. From the funds appropriated in part 1 for prenatal
15 care outreach and service delivery support, \$650,000.00 of TANF
16 revenue shall be allocated for a pregnancy and parenting support
17 services program, which program must promote childbirth,
18 alternatives to abortion, and grief counseling. The department
19 shall establish a program with a qualified contractor that will
20 contract with qualified service providers to provide free
21 counseling, support, and referral services to eligible women during
22 pregnancy through 12 months after birth. As appropriate, the goals
23 for client outcomes shall include an increase in client support, an
24 increase in childbirth choice, an increase in adoption knowledge,
25 an improvement in parenting skills, and improved reproductive
26 health through abstinence education. The contractor of the program
27 shall provide for program training, client educational material,

1 program marketing, and annual service provider site monitoring. The
2 department shall submit a report to the house and senate
3 appropriations subcommittees on the department budget and the house
4 and senate fiscal agencies by April 1 of the current fiscal year on
5 the number of clients served.

6 Sec. 1308. From the funds appropriated in part 1 for prenatal
7 care outreach and service delivery support, not less than
8 \$500,000.00 of funding shall be allocated for evidence-based
9 programs to reduce infant mortality including nurse family
10 partnership programs. The funds shall be used for enhanced support
11 and education to nursing teams or other teams of qualified health
12 professionals, client recruitment in areas designated as
13 underserved for obstetrical and gynecological services and other
14 high-need communities, strategic planning to expand and sustain
15 programs, and marketing and communications of programs to raise
16 awareness, engage stakeholders, and recruit nurses.

17 Sec. 1309. The department shall allocate funds appropriated in
18 section 117 of part 1 for family, maternal, and child health
19 according to section 1 of 2002 PA 360, MCL 333.1091.

20 Sec. 1310. The department shall continue to work jointly with
21 the Michigan state housing development authority and the joint task
22 force established under article IV of 2014 PA 252 to review housing
23 rehabilitation, energy and weatherization, and hazard abatement
24 program policies and to make recommendations for integrating and
25 coordinating project delivery with the goals of serving more
26 families and achieving better outcomes by maximizing state and
27 federal resources. The joint task force may provide recommendations

1 to the department. Recommendations of the joint task force must
2 give consideration to best practices and cost effectiveness.

3 Sec. 1311. From the funds appropriated in part 1 for prenatal
4 care outreach and service delivery support, equal consideration
5 shall be given to all eligible evidence-based providers in all
6 regions in contracting for rural home visitation services.

7 Sec. 1313. (1) The department shall continue developing an
8 outreach program on fetal alcohol syndrome services, targeting
9 health promotion, prevention, and intervention as described in the
10 Michigan fetal alcohol spectrum disorders 5-year plan 2015-2020.

11 (2) The department shall explore federal grant funding to
12 address prevention services for fetal alcohol syndrome and reduce
13 alcohol consumption among pregnant women.

14 Sec. 1314. The department shall seek to enhance education and
15 outreach efforts that encourage women of childbearing age to seek
16 confirmation at the earliest indication of possible pregnancy and
17 initiate continuous and routine prenatal care upon confirmation of
18 pregnancy. The department shall seek to ensure that department
19 programs, policies, and practices promote prenatal and obstetrical
20 care by doing the following:

21 (a) Supporting access to care.

22 (b) Reducing and eliminating barriers to care.

23 (c) Supporting recommendations for best practices.

24 (d) Encouraging optimal prenatal habits such as prenatal
25 medical visits, use of prenatal vitamins, and cessation of use of
26 tobacco, alcohol, or drugs.

27 (e) Tracking of birth outcomes to study improvements in

1 prevalence of fetal drug addiction, fetal alcohol syndrome, and
2 other preventable neonatal disease.

3 (f) Tracking of maternal increase in healthy behaviors
4 following childbirth.

5 Sec. 1340. The department shall include national brand peanut
6 butter on the list of approved women, infants, and children special
7 supplemental nutrition program basket items.

8 **EMERGENCY MEDICAL SERVICES, TRAUMA, AND PREPAREDNESS**

9 Sec. 1350. From the funds appropriated in part 1 for emergency
10 medical services, the department shall allocate \$182,000.00 for
11 emergency medical services in the Upper Peninsula for the provision
12 of emergency medical services in rural counties.

13 **CHILDREN'S SPECIAL HEALTH CARE SERVICES**

14 Sec. 1360. The department may do 1 or more of the following:

15 (a) Provide special formula for eligible clients with
16 specified metabolic and allergic disorders.

17 (b) Provide medical care and treatment to eligible patients
18 with cystic fibrosis who are 21 years of age or older.

19 (c) Provide medical care and treatment to eligible patients
20 with hereditary coagulation defects, commonly known as hemophilia,
21 who are 21 years of age or older.

22 (d) Provide human growth hormone to eligible patients.

23 Sec. 1361. From the funds appropriated in part 1 for medical
24 care and treatment, the department is authorized to spend those
25 funds for the continued development and expansion of telemedicine

1 capacity to allow families with children in the children's special
2 health care services program to access specialty providers more
3 readily and in a more timely manner.

4 **AGING AND ADULT SERVICES AGENCY**

5 Sec. 1402. The department may encourage the Food Bank Council
6 of Michigan to collaborate directly with each area agency on aging
7 and any other organizations that provide senior nutrition services
8 to secure the food access of vulnerable seniors.

9 Sec. 1403. (1) By February 1 of the current fiscal year, the
10 aging and adult services agency shall require each region to report
11 to the aging and adult services agency and to the legislature home-
12 delivered meals waiting lists based upon standard criteria.

13 Determining criteria shall include all of the following:

14 (a) The recipient's degree of frailty.

15 (b) The recipient's inability to prepare his or her own meals
16 safely.

17 (c) Whether the recipient has another care provider available.

18 (d) Any other qualifications normally necessary for the
19 recipient to receive home-delivered meals.

20 (2) Data required in subsection (1) shall be recorded only for
21 individuals who have applied for participation in the home-
22 delivered meals program and who are initially determined as likely
23 to be eligible for home-delivered meals.

24 Sec. 1417. The department shall provide to the senate and
25 house appropriations subcommittees on the department budget, senate
26 and house fiscal agencies, and state budget director a report by

1 March 30 of the current fiscal year that contains all of the
2 following:

3 (a) The total allocation of state resources made to each area
4 agency on aging by individual program and administration.

5 (b) Detail expenditure by each area agency on aging by
6 individual program and administration including both state-funded
7 resources and locally-funded resources.

8 Sec. 1421. From the funds appropriated in part 1 for community
9 services, \$1,100,000.00 shall be allocated to area agencies on
10 aging for locally determined needs.

11 Sec. 1422. (1) From the funds appropriated in part 1 for aging
12 and adult services administration, not less than \$300,000.00 shall
13 be allocated for the department to contract with the Prosecuting
14 Attorneys Association of Michigan to provide the support and
15 services necessary to increase the capability of the state's
16 prosecutors, adult protective service system, and criminal justice
17 system to effectively identify, investigate, and prosecute elder
18 abuse and financial exploitation.

19 (2) By March 1 of the current fiscal year, the Prosecuting
20 Attorneys Association of Michigan shall provide a report on the
21 efficacy of the contract to the state budget office, the house and
22 senate appropriations subcommittees on the department budget, the
23 house and senate fiscal agencies, and the house and senate policy
24 offices.

25 Sec. 1425. The department shall coordinate with the department
26 of licensing and regulatory affairs to ensure that, upon receipt of
27 the order of suspension of a licensed adult foster care home, home

1 for the aged, or nursing home, the department of licensing and
2 regulatory affairs shall provide notice to the department, to the
3 house and senate appropriations subcommittees on the department
4 budget, and to the members of the house and senate that represent
5 the legislative districts of the county in which the facility lies.

6 **MEDICAL SERVICES ADMINISTRATION**

7 Sec. 1501. The unexpended funds appropriated in part 1 for the
8 electronic health records incentive program are considered work
9 project appropriations, and any unencumbered or unallotted funds
10 are carried forward into the following fiscal year. The following
11 is in compliance with section 451a(1) of the management and budget
12 act, 1984 PA 431, MCL 18.1451a:

13 (a) The purpose of the project to be carried forward is to
14 implement the Medicaid electronic health record program that
15 provides financial incentive payments to Medicaid health care
16 providers to encourage the adoption and meaningful use of
17 electronic health records to improve quality, increase efficiency,
18 and promote safety.

19 (b) The projects will be accomplished according to the
20 approved federal advanced planning document.

21 (c) The estimated cost of this project phase is identified in
22 the appropriation line item.

23 (d) The tentative completion date for the work project is
24 September 30, 2021.

25 Sec. 1502. The department shall spend available work project
26 revenue and any associated federal match to create and develop a

1 transparency database website. This funding is contingent upon
2 enactment of enabling legislation.

3 Sec. 1503. From the funds appropriated in part 1 for Healthy
4 Michigan plan administration, the department shall maintain an
5 accounting structure within the statewide integrated governmental
6 management applications that will allow expenditures associated
7 with the administration of the Healthy Michigan plan to be
8 identified.

9 Sec. 1505. By March 1 and September 1 of the current fiscal
10 year, the department shall submit a report to the senate and house
11 appropriations subcommittees on the department budget, the senate
12 and house fiscal agencies, and the state budget office including
13 both of the following:

14 (a) The department's projected annual increase in
15 reimbursement savings and cost offsets that will result from the
16 funds appropriated in part 1 for the office of inspector general
17 and third party liability efforts.

18 (b) The actual increase in reimbursement savings and cost
19 offsets that have resulted from the funds appropriated in part 1
20 for the office of inspector general and third party liability
21 efforts.

22 Sec. 1506. The department shall submit to the senate and house
23 appropriations subcommittees on the department budget, the senate
24 and house fiscal agencies, the senate and house policy offices, and
25 the state budget office a quarterly report on the implementation
26 status of the public assistance call center that includes all of
27 the following information:

1 (a) Call volume during the prior quarter.

2 (b) Percentage of calls resolved through the public assistance
3 call center.

4 (c) Percentage of calls transferred to a local department
5 office or other office for resolution.

6 (d) Number of Medicaid applications completed by the public
7 assistance call center staff and submitted on behalf of clients.

8 Sec. 1507. (1) From the funds appropriated for integrated
9 service delivery in part 1 in the technology supporting integrated
10 service and departmental administration and management line items,
11 the department shall establish new information technology tools and
12 enhance existing systems to improve the eligibility and enrollment
13 process for citizens accessing department administered programs.
14 This information technology system will consolidate beneficiary
15 information, support department caseworker efforts in building a
16 success plan for beneficiaries, and better support department staff
17 in supporting enrollees in assistance programs.

18 (2) Outcomes and performance measures for the initiative under
19 subsection (1) include, but are not limited to, the following:

20 (a) Successful consolidation of data warehouses maintained by
21 the department.

22 (b) The amount of time a department caseworker devotes to data
23 entry when initiating an enrollee application.

24 (c) A reduction in wait times for persons enrolled in
25 assistance programs to speak with department staff and get
26 necessary changes made.

27 (d) A reduction in department caseworker workload.

1 Sec. 1508. From the funds appropriated in part 1 for medical
2 services administration, \$500,000.00 is appropriated for the
3 operation and maintenance of the Michigan dental registry in
4 support of the enhanced dental benefit for the Healthy Kids Dental
5 program. Additionally, the department shall explore the expansion
6 of the scope of the Michigan dental registry to enhance the
7 Medicaid adult dental benefit for pregnant women.

8 **MEDICAL SERVICES**

9 Sec. 1601. The cost of remedial services incurred by residents
10 of licensed adult foster care homes and licensed homes for the aged
11 shall be used in determining financial eligibility for the
12 medically needy. Remedial services include basic self-care and
13 rehabilitation training for a resident.

14 Sec. 1603. (1) The department may establish a program for
15 individuals to purchase medical coverage at a rate determined by
16 the department.

17 (2) The department may receive and expend premiums for the
18 buy-in of medical coverage in addition to the amounts appropriated
19 in part 1.

20 (3) The premiums described in this section shall be classified
21 as private funds.

22 Sec. 1605. The protected income level for Medicaid coverage
23 determined pursuant to section 106(1)(b)(iii) of the social welfare
24 act, 1939 PA 280, MCL 400.106, shall be 100% of the related public
25 assistance standard.

26 Sec. 1606. For the purpose of guardian and conservator

1 charges, the department may deduct up to \$95.00 per month as an
2 allowable expense against a recipient's income when determining
3 medical services eligibility and patient pay amounts.

4 Sec. 1607. (1) An applicant for Medicaid, whose qualifying
5 condition is pregnancy, shall immediately be presumed to be
6 eligible for Medicaid coverage unless the preponderance of evidence
7 in her application indicates otherwise. The applicant who is
8 qualified as described in this subsection shall be allowed to
9 select or remain with the Medicaid participating obstetrician of
10 her choice.

11 (2) An applicant qualified as described in subsection (1)
12 shall be given a letter of authorization to receive Medicaid
13 covered services related to her pregnancy. All qualifying
14 applicants shall be entitled to receive all medically necessary
15 obstetrical and prenatal care without preauthorization from a
16 health plan. All claims submitted for payment for obstetrical and
17 prenatal care shall be paid at the Medicaid fee-for-service rate in
18 the event a contract does not exist between the Medicaid
19 participating obstetrical or prenatal care provider and the managed
20 care plan. The applicant shall receive a listing of Medicaid
21 physicians and managed care plans in the immediate vicinity of the
22 applicant's residence.

23 (3) In the event that an applicant, presumed to be eligible
24 pursuant to subsection (1), is subsequently found to be ineligible,
25 a Medicaid physician or managed care plan that has been providing
26 pregnancy services to an applicant under this section is entitled
27 to reimbursement for those services until such time as they are

1 notified by the department that the applicant was found to be
2 ineligible for Medicaid.

3 (4) If the preponderance of evidence in an application
4 indicates that the applicant is not eligible for Medicaid, the
5 department shall refer that applicant to the nearest public health
6 clinic or similar entity as a potential source for receiving
7 pregnancy-related services.

8 (5) The department shall develop an enrollment process for
9 pregnant women covered under this section that facilitates the
10 selection of a managed care plan at the time of application.

11 (6) The department shall mandate enrollment of women, whose
12 qualifying condition is pregnancy, into Medicaid managed care
13 plans.

14 (7) The department shall encourage physicians to provide
15 women, whose qualifying condition for Medicaid is pregnancy, with a
16 referral to a Medicaid participating dentist at the first
17 pregnancy-related appointment.

18 Sec. 1611. (1) For care provided to medical services
19 recipients with other third-party sources of payment, medical
20 services reimbursement shall not exceed, in combination with such
21 other resources, including Medicare, those amounts established for
22 medical services-only patients. The medical services payment rate
23 shall be accepted as payment in full. Other than an approved
24 medical services co-payment, no portion of a provider's charge
25 shall be billed to the recipient or any person acting on behalf of
26 the recipient. Nothing in this section shall be considered to
27 affect the level of payment from a third-party source other than

1 the medical services program. The department shall require a
2 nonenrolled provider to accept medical services payments as payment
3 in full.

4 (2) Notwithstanding subsection (1), medical services
5 reimbursement for hospital services provided to dual
6 Medicare/medical services recipients with Medicare part B coverage
7 only shall equal, when combined with payments for Medicare and
8 other third-party resources, if any, those amounts established for
9 medical services-only patients, including capital payments.

10 Sec. 1620. (1) According to the federal covered outpatient
11 drug final rule with comment (CMS-2345-FC), the department shall
12 establish a professional pharmaceutical dispensing fee for pharmacy
13 benefits that are reimbursed on a fee-for-service basis. In
14 establishing this fee, the department shall comply with federal law
15 while taking into consideration the state's long-term financial
16 exposure and Medicaid beneficiaries' access to care. The
17 established fee shall not be lower than the amount in effect on
18 October 1, 2015.

19 (2) The department shall require a prescription co-payment for
20 Medicaid recipients not enrolled in the Healthy Michigan plan or
21 with an income less than 100% of the federal poverty level of \$1.00
22 for a generic drug and \$3.00 for a brand-name drug, except as
23 prohibited by federal or state law or regulation.

24 (3) The department shall require a prescription co-payment for
25 Medicaid recipients enrolled in the Healthy Michigan plan with an
26 income of at least 100% of the federal poverty level of \$4.00 for a
27 generic drug and \$8.00 for a brand-name drug, except as prohibited

1 by federal or state law or regulation.

2 Sec. 1621. The department shall report to the house and senate
3 appropriations subcommittees on the department budget, the house
4 and senate fiscal agencies, and the state budget office on
5 strategies the department is using to minimize the state cost of
6 specialty drugs. Also, the department may take additional measures
7 in order to further reduce state costs, while also ensuring that
8 appropriate clinical care is being utilized. The report shall also
9 include information on savings generated as a result of these
10 additional measures that may include additional cost sharing, step
11 therapy, and prior authorization.

12 Sec. 1629. The department shall utilize maximum allowable cost
13 pricing for generic drugs that is based on wholesaler pricing to
14 providers that is available from at least 2 wholesalers who deliver
15 in this state.

16 Sec. 1631. (1) The department shall require co-payments on
17 dental, podiatric, and vision services provided to Medicaid
18 recipients, except as prohibited by federal or state law or
19 regulation.

20 (2) Except as otherwise prohibited by federal or state law or
21 regulation, the department shall require Medicaid recipients not
22 enrolled in the Healthy Michigan plan or with an income less than
23 100% of the federal poverty level to pay not less than the
24 following co-payments:

25 (a) Two dollars for a physician office visit.

26 (b) Three dollars for a hospital emergency room visit.

27 (c) Fifty dollars for the first day of an inpatient hospital

1 stay.

2 (d) One dollar for an outpatient hospital visit.

3 (3) Except as otherwise prohibited by federal or state law or
4 regulation, the department shall require Medicaid recipients
5 enrolled in the Healthy Michigan plan with an income of at least
6 100% of the federal poverty level to pay the following co-payments:

7 (a) Four dollars for a physician office visit.

8 (b) Eight dollars for a hospital emergency room visit.

9 (c) One hundred dollars for the first day of an inpatient
10 hospital stay.

11 (d) Four dollars for an outpatient hospital visit or any other
12 medical provider visit to the extent allowed by federal or state
13 law or regulation.

14 Sec. 1641. An institutional provider that is required to
15 submit a cost report under the medical services program shall
16 submit cost reports completed in full within 5 months after the end
17 of its fiscal year.

18 Sec. 1645. The department shall consider using the most recent
19 3 years of actual days of care provided, as reported in the annual
20 cost reports, for the purpose of establishing the nursing facility
21 quality assurance assessment fee. For any year in which the
22 estimated days of care compared to the actual days of care provided
23 by each nursing home and hospital long-term care unit creates an
24 aggregate overpayment of \$1,000,000.00 or more as a result of the
25 nursing facility quality assurance assessment fee, the department
26 shall report the excess assessed amount to the senate and house
27 appropriation subcommittees on the department budget, the senate

1 and house fiscal agencies, and the state budget office. By April 1
2 of the current fiscal year, the department shall report on
3 feasibility of creating a more accurate formula for next year's
4 assessment and a recommendation if a refund can or cannot be made
5 to the senate and house appropriation subcommittees on the
6 department budget, the senate and house fiscal agencies, and the
7 state budget office.

8 Sec. 1646. (1) From the funds appropriated in part 1 for long-
9 term care services, the department shall implement a nursing
10 facility quality measure initiative program. The initiative shall
11 be financed through an increase of the quality assurance assessment
12 for nursing homes and hospital long-term care units, and the funds
13 shall be distributed according to the following criteria:

14 (a) The department shall award more dollars to nursing
15 facilities that have a higher CMS 5-star quality measure domain
16 rating, then adjusted to account for both positive and negative
17 aspects of a patient satisfaction survey.

18 (b) A nursing facility with a CMS 5-star quality measure
19 domain star rating of 1 or 2 must file an action plan with the
20 department describing how it intends to use funds appropriated
21 under this section to increase quality outcomes before funding
22 shall be released.

23 (c) The total incentive dollars must reflect the following
24 Medicaid utilization scale:

25 (i) For nursing facilities with a Medicaid participation rate
26 of above 63%, the facility shall receive 100% of the incentive
27 payment.

1 (ii) For nursing facilities with a Medicaid participation rate
2 between 50% and 63%, the facility shall receive 75% of the
3 incentive payment.

4 (iii) For nursing facilities with a Medicaid participation
5 rate of less than 50%, the facility shall receive 50% of the
6 incentive payment.

7 (iv) For nursing facilities not enrolled in Medicaid, the
8 facility shall not receive an incentive payment.

9 (d) Facilities designated as special focus facilities are not
10 eligible for any payment under this section.

11 (e) Number of licensed beds.

12 (2) It is the intent of the legislature that, beginning in the
13 fiscal year ending September 30, 2019, the department and nursing
14 facility representatives shall evaluate the program's effectiveness
15 on quality, measured by the change in the CMS 5-star quality
16 measure domain rating since the implementation of this section.

17 Sec. 1657. (1) Reimbursement for medical services to screen
18 and stabilize a Medicaid recipient, including stabilization of a
19 psychiatric crisis, in a hospital emergency room shall not be made
20 contingent on obtaining prior authorization from the recipient's
21 HMO. If the recipient is discharged from the emergency room, the
22 hospital shall notify the recipient's HMO within 24 hours of the
23 diagnosis and treatment received.

24 (2) If the treating hospital determines that the recipient
25 will require further medical service or hospitalization beyond the
26 point of stabilization, that hospital shall receive authorization
27 from the recipient's HMO prior to admitting the recipient.

1 (3) Subsections (1) and (2) do not require an alteration to an
2 existing agreement between an HMO and its contracting hospitals and
3 do not require an HMO to reimburse for services that are not
4 considered to be medically necessary.

5 Sec. 1659. The following sections of this part are the only
6 ones that shall apply to the following Medicaid managed care
7 programs, including the comprehensive plan, MIChoice long-term care
8 plan, and the mental health, substance use disorder, and
9 developmentally disabled services program: 904, 911, 918, 920, 928,
10 942, 994, 1008, 1009, 1607, 1657, 1662, 1699, 1700, 1702, 1764,
11 1809, 1810, 1820, 1850, 1875, 1882, and 1888.

12 Sec. 1662. (1) The department shall ensure that an external
13 quality review of each contracting HMO is performed that results in
14 an analysis and evaluation of aggregated information on quality,
15 timeliness, and access to health care services that the HMO or its
16 contractors furnish to Medicaid beneficiaries.

17 (2) The department shall require Medicaid HMOs to provide
18 EPSDT utilization data through the encounter data system, and HEDIS
19 well child health measures in accordance with the National
20 Committee for Quality Assurance prescribed methodology.

21 (3) The department shall provide a copy of the analysis of the
22 Medicaid HMO annual audited HEDIS reports and the annual external
23 quality review report to the senate and house of representatives
24 appropriations subcommittees on the department budget, the senate
25 and house fiscal agencies, and the state budget director, within 30
26 days of the department's receipt of the final reports from the
27 contractors.

1 Sec. 1670. (1) The appropriation in part 1 for the MICHild
2 program is to be used to provide comprehensive health care to all
3 children under age 19 who reside in families with income at or
4 below 212% of the federal poverty level, who are uninsured and have
5 not had coverage by other comprehensive health insurance within 6
6 months of making application for MICHild benefits, and who are
7 residents of this state. The department shall develop detailed
8 eligibility criteria through the medical services administration
9 public concurrence process, consistent with the provisions of this
10 part and part 1.

11 (2) The department may provide up to 1 year of continuous
12 eligibility to children eligible for the MICHild program unless the
13 family fails to pay the monthly premium, a child reaches age 19, or
14 the status of the children's family changes and its members no
15 longer meet the eligibility criteria as specified in the state
16 plan.

17 (3) The department may make payments on behalf of children
18 enrolled in the MICHild program as described in the MICHild state
19 plan approved by the United States Department of Health and Human
20 Services, or from other medical services.

21 Sec. 1673. The department may establish premiums for MICHild
22 eligible individuals in families with income at or below 212% of
23 the federal poverty level. The monthly premiums shall be \$10.00 per
24 month.

25 Sec. 1677. The MICHild program shall provide, at a minimum,
26 all benefits available under the Michigan benchmark plan that are
27 delivered through contracted providers and consistent with federal

1 law, including, but not limited to, the following medically
2 necessary services:

3 (a) Inpatient mental health services, other than substance use
4 disorder treatment services, including services furnished in a
5 state-operated mental hospital and residential or other 24-hour
6 therapeutically planned structured services.

7 (b) Outpatient mental health services, other than substance
8 use disorder services, including services furnished in a state-
9 operated mental hospital and community-based services.

10 (c) Durable medical equipment and prosthetic and orthotic
11 devices.

12 (d) Dental services as outlined in the approved MICHild state
13 plan.

14 (e) Substance use disorder treatment services that may include
15 inpatient, outpatient, and residential substance use disorder
16 treatment services.

17 (f) Care management services for mental health diagnoses.

18 (g) Physical therapy, occupational therapy, and services for
19 individuals with speech, hearing, and language disorders.

20 (h) Emergency ambulance services.

21 Sec. 1682. (1) In addition to the appropriations in part 1,
22 the department is authorized to receive and spend penalty money
23 received as the result of noncompliance with medical services
24 certification regulations. Penalty money, characterized as private
25 funds, received by the department shall increase authorizations and
26 allotments in the long-term care accounts.

27 (2) Any unexpended penalty money, at the end of the year,

1 shall carry forward to the following year.

2 Sec. 1692. (1) The department is authorized to pursue
3 reimbursement for eligible services provided in Michigan schools
4 from the federal Medicaid program. The department and the state
5 budget director are authorized to negotiate and enter into
6 agreements, together with the department of education, with local
7 and intermediate school districts regarding the sharing of federal
8 Medicaid services funds received for these services. The department
9 is authorized to receive and disburse funds to participating school
10 districts pursuant to such agreements and state and federal law.

11 (2) From the funds appropriated in part 1 for medical services
12 school-based services payments, the department is authorized to do
13 all of the following:

14 (a) Finance activities within the medical services
15 administration related to this project.

16 (b) Reimburse participating school districts pursuant to the
17 fund-sharing ratios negotiated in the state-local agreements
18 authorized in subsection (1).

19 (c) Offset general fund costs associated with the medical
20 services program.

21 Sec. 1693. The special Medicaid reimbursement appropriation in
22 part 1 may be increased if the department submits a medical
23 services state plan amendment pertaining to this line item at a
24 level higher than the appropriation. The department is authorized
25 to appropriately adjust financing sources in accordance with the
26 increased appropriation.

27 Sec. 1694. From the funds appropriated in part 1 for special

1 Medicaid reimbursement, \$386,700.00 of general fund/general purpose
2 revenue and any associated federal match shall be distributed for
3 poison control services to an academic health care system that
4 includes a children's hospital that has a high indigent care
5 volume.

6 Sec. 1699. (1) The department may make separate payments in
7 the amount of \$45,000,000.00 directly to qualifying hospitals
8 serving a disproportionate share of indigent patients and to
9 hospitals providing GME training programs. If direct payment for
10 GME and DSH is made to qualifying hospitals for services to
11 Medicaid recipients, hospitals shall not include GME costs or DSH
12 payments in their contracts with HMOs.

13 (2) The department shall allocate \$45,000,000.00 in DSH
14 funding using the distribution methodology used in fiscal year
15 2003-2004.

16 Sec. 1700. (1) By December 1 of the current fiscal year, the
17 department shall report to the senate and house appropriations
18 subcommittees on the department budget, the senate and house fiscal
19 agencies, and the state budget office on the distribution of
20 funding provided, and the net benefit if the special hospital
21 payment is not financed with general fund/general purpose revenue,
22 to each eligible hospital during the previous fiscal year from the
23 following special hospital payments:

24 (a) DSH, separated out by unique DSH pool.

25 (b) GME.

26 (c) Special rural hospital payments provided under section
27 1866 of this part.

1 (d) Lump-sum payments to rural hospitals for obstetrical care
2 provided under section 1802 of this part.

3 (2) By May 1 of the current fiscal year, the department shall
4 report to the senate and house appropriations subcommittees on the
5 department budget, the senate and house fiscal agencies, and the
6 state budget office on the projected distribution of funding, and
7 the projected net benefit if the special hospital payment is not
8 financed with general fund/general purpose revenue, to each
9 eligible hospital from the following special hospital payments:

10 (a) DSH, separated out by unique DSH pool.

11 (b) GME.

12 (c) Special rural hospital payments provided under section
13 1866 of this part.

14 (d) Lump-sum payments to rural hospitals for obstetrical care
15 provided under section 1802 of this part.

16 Sec. 1702. From the funds appropriated in part 1, the
17 department shall maintain the 15% rate increase provided during the
18 fiscal year ending September 30, 2017 for private duty nursing
19 services for Medicaid beneficiaries under the age of 21. These
20 additional funds must be used to attract and retain highly
21 qualified registered nurses and licensed practical nurses to
22 provide private duty nursing services so that medically frail
23 children can be cared for in the most homelike setting possible.

24 Sec. 1704. (1) From the funds appropriated in part 1 for
25 dental services, the department shall allocate \$2,697,300.00 to
26 support the enhancement of the Medicaid adult dental benefit for
27 pregnant women enrolled in a Medicaid program.

1 (2) The department shall report to the senate and house
2 appropriations subcommittees on the department budget, the senate
3 and house fiscal agencies, and the state budget office by October 1
4 of the current fiscal year on the steps taken by the department to
5 implement subsection (1).

6 (3) Outcomes and performance measures for the program change
7 under this section include, but are not limited to, the following:

8 (a) The number of pregnant women enrolled in Medicaid who
9 visited a dentist over the prior year.

10 (b) The number of dentists statewide who participate in
11 providing dental services to pregnant women enrolled in Medicaid.

12 Sec 1705. By January 1 of the current fiscal year, the
13 department shall provide to the senate and house appropriations
14 subcommittees on the department budget, the senate and house fiscal
15 agencies, and the state budget office a report on the top 10
16 procedures by volume in the Medicaid fee for service program that
17 were performed in hospital outpatient departments.

18 Sec. 1706. From the funds appropriated in part 1 for adult
19 home help services, the department may issue a request for proposal
20 for the purpose of implementing a pilot program to conduct criminal
21 history background checks on home help aides employed by individual
22 providers, and to require agency providers to conduct criminal
23 history background checks on their employees or subcontractors.

24 Sec. 1724. The department shall allow licensed pharmacies to
25 purchase injectable drugs for the treatment of respiratory
26 syncytial virus for shipment to physicians' offices to be
27 administered to specific patients. If the affected patients are

1 Medicaid eligible, the department shall reimburse pharmacies for
2 the dispensing of the injectable drugs and reimburse physicians for
3 the administration of the injectable drugs.

4 Sec. 1730. The department shall continue to maintain enhanced
5 assessment tools established in collaboration with the department
6 of education that promote literacy development of pregnant women
7 and new mothers in the maternal infant health program. When
8 possible, the department shall include new fathers of the infants
9 in the literacy promotion efforts that are included in the
10 assessment tools and in the subsequent services provided. The
11 assessment tools shall expand the assessment of maternal and
12 parental literacy and provide support and referrals to resources to
13 enable program participants to achieve an increase in literacy that
14 may contribute to improvements in family health, economic, and life
15 outcomes.

16 Sec. 1757. The department shall obtain proof from all Medicaid
17 recipients that they are legal United States citizens or otherwise
18 legally residing in this country and that they are residents of
19 this state before approving Medicaid eligibility.

20 Sec. 1764. The department shall annually certify whether rates
21 paid to Medicaid health plans and specialty PIHPs are actuarially
22 sound in accordance with federal requirements and shall provide a
23 copy of the rate certification and approval of rates paid to
24 Medicaid health plans and specialty PIHPs within 5 business days
25 after certification or approval to the senate and house
26 appropriations subcommittees on the department budget, the senate
27 and house fiscal agencies, and the state budget office. Following

1 the rate certification, the department shall ensure that no new or
2 revised state Medicaid policy bulletin that is promulgated
3 materially impacts the capitation rates that have been certified in
4 a negative manner.

5 Sec. 1775. (1) By March 1 of the current fiscal year, the
6 department shall report to the senate and house appropriations
7 subcommittees on the department budget, the senate and house fiscal
8 agencies, and the state budget office on progress in implementing
9 the waiver to implement managed care for individuals who are
10 eligible for both Medicare and Medicaid, known as MI Health Link,
11 including, but not limited to, a description of how the department
12 intends to ensure that service delivery is integrated, how key
13 components of the proposal are implemented effectively, and any
14 problems and potential solutions as identified by the ombudsman
15 described in subsection (2).

16 (2) The department shall ensure the existence of an ombudsman
17 program that is not associated with any project service manager or
18 provider to assist MI Health Link beneficiaries with navigating
19 complaint and dispute resolution mechanisms and to identify
20 problems in the demonstrations and in the complaint and dispute
21 resolution mechanisms.

22 Sec. 1782. Subject to federal approval, from the funds
23 appropriated in part 1 for health plan services, the department
24 shall allocate \$740,000.00 general fund/general purpose plus any
25 available work project funds and federal match to the Medicaid
26 health plans through a capitation rate increase for children. This
27 rate increase shall be used to support a statewide media campaign

1 for improving this state's immunization rates.

2 Sec. 1790. It is the intent of the legislature that any
3 restricted funds provided for ambulance provider reimbursements
4 must come from an ambulance provider quality assurance assessment
5 with a base narrowly tailored to ambulance services that does not
6 include other municipal services.

7 Sec. 1791. From the funds appropriated in part 1 for health
8 plan services and physician services, the department shall increase
9 Medicaid reimbursement rates for neonatal services to no more than
10 75% of the Medicare rate received for those services in effect on
11 the date the services are provided to eligible Medicaid recipients.
12 The current procedural terminology (CPT) codes that are eligible
13 for this reimbursement rate increase are 99468, 99469, 99471,
14 99472, 99475, 99476, 99477, 99478, 99479, and 99480.

15 Sec. 1800. For the distribution of each of the pools within
16 the \$85,000,000.00 outpatient disproportionate share hospital
17 payment, the department shall maintain a formula for the
18 distribution of each pool based on the quality of care, cost,
19 traditional disproportionate share hospital factors such as
20 Medicaid utilization and uncompensated care, and any other factor
21 that the department determines should be considered.

22 Sec. 1801. (1) From the funds appropriated in part 1 for
23 physician services and health plan services, the department shall
24 continue the increase to Medicaid rates for primary care services
25 provided only by primary care providers. For the purpose of this
26 section, a primary care provider is a physician, or a practitioner
27 working under the personal supervision of a physician, who is

1 either licensed under part 170 or part 175 of the public health
2 code, 1978 PA 368, MCL 333.17001 to 333.17084 and 333.17501 to
3 333.17556, and working as a primary care provider in general
4 practice or board-eligible or certified with a specialty
5 designation of family medicine, general internal medicine, or
6 pediatric medicine, or a provider who provides the department with
7 documentation of equivalency. Providers performing a service and
8 whose primary practice is as a non-primary-care subspecialty is not
9 eligible for the increase. The department shall establish policies
10 that most effectively limit the increase to primary care providers
11 for primary care services only.

12 (2) The department shall report by March 1 of the current
13 fiscal year to the senate and house subcommittees on the department
14 budget, the senate and house fiscal agencies, the senate and house
15 policy offices, and the state budget office the following:

16 (a) A list of medical specialties and licensed providers that
17 were paid enhanced primary care rates in the fiscal year ending
18 September 30, 2016.

19 (b) Information on the geographic distribution of specialists
20 who received enhanced rates in the fiscal year ending September 30,
21 2016.

22 Sec. 1802. From the funds appropriated in part 1, a lump-sum
23 payment shall be made to hospitals that qualified for rural
24 hospital access payments in fiscal year 2013-2014 and that provide
25 obstetrical care in the current fiscal year. The payment shall be
26 calculated as \$830.00 for each obstetrical care case payment and
27 each newborn care case payment for all such cases billed by the

1 qualified hospitals for fiscal year 2012-2013 and shall be paid
2 through the Medicaid health plan hospital rate adjustment process
3 by January 1 of the current fiscal year.

4 Sec. 1804. The department, in cooperation with the department
5 of military and veterans affairs, shall work with the federal
6 public assistance reporting information system to identify Medicaid
7 recipients who are veterans and who may be eligible for federal
8 veterans health care benefits or other benefits.

9 Sec. 1805. Hospitals receiving medical services payments for
10 graduate medical education shall submit fully completed quality
11 data to a nonprofit organization with extensive experience in
12 collecting and reporting hospital quality data on a public website.
13 The reporting must utilize consensus-based nationally endorsed
14 standards that meet National Quality Forum-endorsed safe practices.
15 The organization collecting the data must be an organization that
16 uses severity-adjusted risk models and measures that will help
17 patients and payers identify hospital campuses likely to have
18 superior outcomes. The public website shall provide information to
19 allow consumers to compare safe practices by hospital campus,
20 including, but not limited to, perinatal care, hospital-acquired
21 infection, and serious reportable events. Hospitals receiving
22 medical services payments for graduate medical education shall also
23 make their fully completed quality data available on the hospital's
24 website. The department shall withhold 25% of a hospital's graduate
25 medical education payment if the hospital does not submit the data
26 to a qualifying nonprofit organization described in this section by
27 January 1 of the current fiscal year.

1 Sec. 1806. (1) The department shall monitor the progress of
2 implementing the Medicaid health plan common formulary. As part of
3 the monitoring process, by March 1 of the current fiscal year, the
4 department shall provide a report to the house and senate
5 appropriations subcommittees on the department budget, the house
6 and senate fiscal agencies, and the state budget office on the
7 following:

8 (a) The progress of implementing the Medicaid health plan
9 common formulary.

10 (b) The participation by the Medicaid health plans in the
11 Medicaid health plan common formulary.

12 (c) The timeliness of prior authorization approvals or
13 disapprovals.

14 (d) Any areas of inconsistency across the Medicaid health
15 plans' implementation of the Medicaid health plan common formulary.

16 (2) The department shall develop policies and procedures to
17 govern the operations of the Michigan Medicaid health plan common
18 formulary so that the department is able to receive fair and full
19 public participation.

20 Sec. 1809. The department shall establish separate contract
21 performance standards for Medicaid health plans that adhere to the
22 requirements of section 105d of the social welfare act, 1939 PA
23 280, MCL 400.105d, associated with the 0.75% and 0.25% capitation
24 withhold. The determination of the performance of the 0.75%
25 capitation withhold is at the discretion of the department but must
26 include recognized concepts such as 1-year continuous enrollment
27 and the HEDIS audited data. The determination of the performance of

1 the 0.25% capitation withhold is at the discretion of the
2 department but must include the utilization of high-value services
3 and discouraging the utilization of low-value services.

4 Sec. 1810. The department shall enhance encounter data
5 reporting processes and develop rules that would make each health
6 plan's encounter data as complete as possible, provide a fair
7 measure of acuity for each health plan's enrolled population for
8 risk adjustment purposes, capitation rate setting, diagnosis-
9 related group rate setting, and research and analysis of program
10 efficiencies while minimizing health plan administrative expense.
11 The department shall notify each contracting Medicaid health plan
12 of any encounter data that have not been accepted for the purposes
13 of rate setting.

14 Sec. 1812. By June 1 of the current fiscal year, and using the
15 most recent available cost reports, the department shall complete a
16 report of all direct and indirect costs associated with residency
17 training programs for each hospital that receives funds
18 appropriated in part 1 for graduate medical education. The report
19 shall be submitted to the house and senate appropriations
20 subcommittees on the department budget, the house and senate fiscal
21 agencies, and the state budget office.

22 Sec. 1820. (1) In order to avoid duplication of efforts, the
23 department shall utilize applicable national accreditation review
24 criteria to determine compliance with corresponding state
25 requirements for Medicaid health plans that have been reviewed and
26 accredited by a national accrediting entity for health care
27 services.

1 (2) The department shall continue to comply with state and
2 federal law and shall not initiate an action that negatively
3 impacts beneficiary safety.

4 (3) As used in this section, "national accrediting entity"
5 means the National Committee for Quality Assurance, the URAC,
6 formerly known as the Utilization Review Accreditation Commission,
7 or other appropriate entity, as approved by the department.

8 Sec. 1837. The department shall continue, and expand where
9 appropriate, utilization of telemedicine and telepsychiatry as
10 strategies to increase access to services for Medicaid recipients
11 in medically underserved areas.

12 Sec. 1846. From the funds appropriated in part 1 for graduate
13 medical education, the department shall distribute the funds with
14 an emphasis on the following health care workforce goals:

15 (a) The encouragement of the training of physicians in
16 specialties, including primary care, that are necessary to meet the
17 future needs of residents of this state.

18 (b) The training of physicians in settings that include
19 ambulatory sites and rural locations.

20 Sec. 1850. The department may allow Medicaid health plans to
21 assist with the redetermination process through outreach activities
22 to ensure continuation of Medicaid eligibility and enrollment in
23 managed care. This may include mailings, telephone contact, or
24 face-to-face contact with beneficiaries enrolled in the individual
25 Medicaid health plan. Health plans may offer assistance in
26 completing paperwork for beneficiaries enrolled in their plan.

27 Sec. 1851. From the funds appropriated in part 1 for adult

1 home help services, the department shall allocate \$150,000.00 state
2 general fund/general purpose revenue plus any associated federal
3 match to develop and deploy a mobile electronic visit verification
4 solution that shall include biometric identity verification to
5 create administrative efficiencies, reduce error, and minimize
6 fraud. The development of the solution shall be predicated on input
7 from the results of the 2017 stakeholder survey.

8 Sec. 1855. From the funds appropriated in part 1 for program
9 of all-inclusive care for the elderly (PACE), to the extent that
10 funding is available in the PACE line item and unused program slots
11 are available, the department may do the following:

12 (a) Increase the number of slots for an already-established
13 local PACE program if the local PACE program has provided
14 appropriate documentation to the department indicating its ability
15 to expand capacity to provide services to additional PACE clients.

16 (b) Suspend the 10 member per month individual PACE program
17 enrollment increase cap in order to allow unused and unobligated
18 slots to be allocated to address unmet demand for PACE services.

19 Sec. 1856. (1) The funds appropriated in part 1 for hospice
20 services shall be expended to provide room and board for Medicaid
21 recipients who meet hospice eligibility requirements and receive
22 services at Medicaid enrolled hospice residences in this state. The
23 qualifying hospice residences must have been enrolled with Medicaid
24 by October 1, 2014. The department and a representation of eligible
25 recipients shall form a workgroup to determine how to better
26 streamline the current payment methodology while ensuring fiscal
27 accountability by January 1, 2018.

1 (2) By September 15 of the current fiscal year, qualifying
2 hospice residences receiving funds under this section shall submit
3 to the department, the senate and house appropriations
4 subcommittees on the department budget, the senate and house fiscal
5 agencies, and the state budget office a report that includes, but
6 is not limited to, all of the following:

7 (a) The number of patients served.

8 (b) The number of days served.

9 (c) The total cost of services provided.

10 (d) The per patient cost of services provided.

11 (e) The number of patients who did not receive care.

12 (3) At the end of the current fiscal year, any unexpended
13 funds shall lapse back to the general fund.

14 Sec. 1857. By July 1 of the current fiscal year, the
15 department shall explore the implementation of a managed care long-
16 term support service.

17 Sec. 1858. By April 1 of the current fiscal year, the
18 department shall report to the senate and house subcommittees on
19 the department budget and the senate and house fiscal agencies on
20 all of the following elements related to the current Medicaid
21 pharmacy carve-out of pharmaceutical products as provided for in
22 section 109h of the social welfare act, 1939 PA 280, MCL 400.109h:

23 (a) The number of prescriptions paid by the department during
24 the previous fiscal year and for the fiscal year ending September
25 30, 2016.

26 (b) The total amount of expenditures for prescriptions paid by
27 the department during the previous fiscal year and for the fiscal

1 year ending September 30, 2016.

2 (c) The number of and total expenditures for prescriptions
3 paid for by the department for generic equivalents during the
4 previous fiscal year and for the fiscal year ending September 30,
5 2016.

6 Sec. 1859. The department shall partner with the Michigan
7 Association of Health Plans (MAHP) and Medicaid health plans to
8 develop and implement strategies for the use of information
9 technology services for Medicaid research activities. The
10 department shall make available state medical assistance program
11 data, including Medicaid behavioral data, to MAHP and Medicaid
12 health plans or any vendor considered qualified by the department
13 for the purpose of research activities consistent with this state's
14 goals of improving health; increasing the quality, reliability,
15 availability, and continuity of care; and reducing the cost of care
16 for the eligible population of Medicaid recipients.

17 Sec. 1860. By March 1 of the current fiscal year, the
18 department shall provide a report to the senate and house
19 appropriations subcommittees, the senate and house fiscal agencies,
20 and the state budget office on uncollected co-pays and deductibles
21 in the Healthy Michigan plan. The report shall include information
22 on the number of participants who have not paid their co-pays and
23 deductibles, the total amount of uncollected co-pays and
24 deductibles, and steps taken by the department and health plans to
25 ensure greater collection of co-pays and deductibles.

26 Sec. 1861. From the funds appropriated in part 1 for
27 transportation, the department shall increase the number of

1 counties in which a local public transportation entity is the
2 primary administrator of the Medicaid nonemergency transportation
3 benefit. The purpose of this expansion is to improve Medicaid
4 beneficiary access to care, reduce the number of missed physician
5 appointments by Medicaid beneficiaries, and reduce time spent by
6 caseworkers facilitating nonemergency transportation for Medicaid
7 beneficiaries. Performance goals include an increase in utilization
8 of local public transportation, a reduction in the rate of trips
9 reported as missed to no more than 0.5%, and the successful
10 collection of data on program utilization, access, and beneficiary
11 satisfaction.

12 Sec. 1862. From the funds appropriated in part 1, the
13 department shall maintain payment rates for Medicaid obstetrical
14 services at 95% of Medicare levels effective October 1, 2014.

15 Sec. 1866. (1) From the funds appropriated in part 1 for
16 hospital services and therapy and health plan services,
17 \$12,000,000.00 in general fund/general purpose revenue and any
18 associated federal match shall be awarded to hospitals that meet
19 criteria established by the department for services to low-income
20 rural residents. One of the reimbursement components of the
21 distribution formula shall be assistance with labor and delivery
22 services.

23 (2) No hospital or hospital system shall receive more than
24 10.0% of the total funding referenced in subsection (1).

25 (3) To allow hospitals to understand their rural payment
26 amounts under this section, the department shall provide hospitals
27 with the methodology for distribution under this section and

1 provide each hospital with its applicable data that are used to
2 determine the payment amounts by August 1 of the current fiscal
3 year. The department shall publish the distribution of payments for
4 the current fiscal year and the immediately preceding fiscal year.

5 Sec. 1867. (1) The department shall convene a workgroup that
6 includes psychiatrists, other relevant prescribers, and pharmacists
7 to identify best practices and to develop a protocol for
8 psychotropic medications. Any changes proposed by the workgroup
9 shall protect a Medicaid beneficiary's current psychotropic
10 pharmaceutical treatment regimen by not requiring a physician
11 currently prescribing any treatment to alter or adjust that
12 treatment.

13 (2) By March 1 of the current fiscal year, the department
14 shall provide the workgroup's recommendations to the senate and
15 house appropriations subcommittees on the department budget, the
16 senate and house fiscal agencies, and the state budget office.

17 Sec. 1870. The department shall continue to work with the
18 MiDocs consortium to explore alternative graduate medical education
19 financing sources and mechanisms that expand residency
20 opportunities for primary care training, per approval from CMS. By
21 December 1 of the current fiscal year, the MiDocs consortium shall
22 submit a report presenting a comprehensive funding plan to the
23 senate and house appropriations subcommittees on the department
24 budget and the senate and house fiscal agencies.

25 Sec. 1873. From the funds appropriated in part 1 for long-term
26 care services, the department may allocate up to \$3,700,000.00 for
27 the purpose of outreach and education to nursing home residents and

1 the coordination of housing in order to move out of the facility.
2 In addition, any funds appropriated shall be used for other quality
3 improvement activities of the program. The department shall
4 consider working with the Area Agencies on Aging Association of
5 Michigan, the non-Area Agencies on Aging waivers, and the
6 Disability Network/Michigan to develop a plan for the ongoing
7 sustainability of the nursing facility transition initiative.

8 Sec. 1874. The department shall ensure, in counties where
9 program of all-inclusive care for the elderly or PACE services are
10 available, that the program of all-inclusive care for the elderly
11 (PACE) is included as an option in all options counseling and
12 enrollment brokering for aging services and managed care programs,
13 including, but not limited to, Area Agencies on Aging, centers for
14 independent living, and the MiChoice home and community-based
15 waiver. Such options counseling must include approved marketing and
16 discussion materials.

17 Sec. 1875. (1) The department and its contractual agents may
18 not subject Medicaid prescriptions to prior authorization
19 procedures during the current fiscal year if that drug is carved
20 out or is not subject to prior authorization procedures as of May
21 9, 2016, and is generally recognized in a standard medical
22 reference or the American Psychiatric Association's Diagnostic and
23 Statistical Manual for the Treatment of a Psychiatric Disorder.

24 (2) The department and its contractual agents may not subject
25 Medicaid prescriptions to prior authorization procedures during the
26 current fiscal year if that drug is carved out or is not subject to
27 prior authorization procedures as of May 9, 2016 and is a

1 prescription drug that is generally recognized in a standard
2 medical reference for the treatment of epilepsy or seizure disorder
3 or organ replacement therapy.

4 (3) As used in this section, "prior authorization" means a
5 process implemented by the department or its contractual agents
6 that conditions, delays, or denies delivery or particular pharmacy
7 services to Medicaid beneficiaries upon application of
8 predetermined criteria by the department or its contractual agents
9 to those pharmacy services. The process of prior authorization
10 often requires that a prescriber do 1 or both of the following:

11 (a) Obtain preapproval from the department or its contractual
12 agents before prescribing a given drug.

13 (b) Verify to the department or its contractual agents that
14 the use of a drug prescribed for an individual meets predetermined
15 criteria from the department or its contractual agents for a
16 prescription drug that is otherwise available under the Medicaid
17 program in this state.

18 Sec. 1876. (1) From the funds appropriated in part 1 for
19 Healthy Michigan plan, the department shall allocate up to
20 \$830,000.00 to facilitate the development and implementation of a
21 demonstration project in cooperation with 1 or more contracting
22 Medicaid health plans. These provisions shall be part of the
23 protocol for implementation of incentives under the Healthy
24 Michigan plan and must do all of the following:

25 (a) Target Healthy Michigan plan health plan enrollees who are
26 above 100% of the federal poverty level, in at least 2 prosperity
27 regions.

1 (b) Implement a web-based technology that links providers,
2 beneficiaries, and health plans, in real-time, for the purpose of
3 addressing deficiency in medical literacy and demonstrating that
4 personal responsibility is enhanced by technology.

5 (c) Identify specific behavioral changes that will result as
6 indicated by changes in measurable health outcomes and health care
7 utilization.

8 (2) The demonstration project shall be implemented by April 1
9 of the current fiscal year. Prior to implementation, the department
10 shall present a summary description to the senate and house
11 appropriations subcommittees on the department budget and the
12 senate and house committees on health policy that must include the
13 estimated cost of the demonstration project, identify a shared
14 savings proposal for Medicaid health plans who participate in the
15 demonstration project, and identify intended measurable results.

16 (3) It is the intent of the legislature that the demonstration
17 project shall test the cost containment capabilities of a program
18 that uses financial incentives to improve health and health care by
19 promoting health literacy and doctor-patient mutual accountability.
20 Outcomes and performance measures for this initiative shall
21 include, but are not limited to, the following:

22 (a) The total annual per capita or per-member-per-year health
23 care expenditures. This metric shall be derived by dividing the
24 total annual health care expenditures of a population by the
25 average annual number of people in that population. Claims data
26 shall be used to compute health care expenditures.

27 (b) The per-member-per-year health care expenditures of a

1 reasonably matched population not covered by the demonstration
2 project. To account for minor differences in the 2 populations,
3 each group's annual trend during the pilot shall be measured
4 against their respective baseline trends in the year before
5 implementing the program.

6 (c) In order to attribute the finding to the program, other
7 process metrics that have been found to correlate with health
8 literacy must be analyzed. These metrics may include
9 hospitalization rates, frequency of emergency room use, and the
10 percentage of health education sessions prescribed by medical
11 providers and successfully completed by patients relative to the
12 total number of possible session opportunities offered through the
13 program.

14 (4) It is the intent of the legislature that, beginning with
15 the budget for the fiscal year ending September 30, 2018, the
16 department shall submit quarterly reports to the senate and house
17 appropriations committees on the department budget, the senate and
18 house fiscal agencies, the senate and house policy offices, and the
19 state budget office detailing the information required in
20 subsection (3).

21 Sec. 1877. By March 1 of the current fiscal year, the
22 department shall evaluate and provide a report to the house and
23 senate appropriations subcommittees on the department budget on how
24 the Healthy Michigan plan has contributed to assisting individuals
25 in utilizing high-value services, minimized the use of low-value
26 services, and how individuals' lives may be improving as a result
27 of their access to services provided through the Healthy Michigan

1 plan.

2 Sec. 1878. By March 1 of the current fiscal year, the
3 department shall provide a report to the senate and house
4 appropriations subcommittees on the department budget, the senate
5 and house fiscal agencies, the senate and house policy offices, and
6 the state budget office on hepatitis C tracking data. At a minimum,
7 the report shall include information on the following for
8 individuals treated with Harvoni or any other treatment used to
9 cure hepatitis C during the current fiscal year or a previous
10 fiscal year:

11 (a) The total number of people treated broken down by those
12 treated through traditional Medicaid and those treated through the
13 Healthy Michigan plan.

14 (b) The total cost of treatment.

15 (c) The total cost of treatment broken down by those treated
16 through traditional Medicaid and those treated through the Healthy
17 Michigan plan.

18 (d) The cure rate broken down by Metavir Score, genotype,
19 Medicaid match rate, and drug used during treatment.

20 (e) The reinfection rate broken down by Metavir Score,
21 genotype, Medicaid match rate, and drug used during treatment.

22 Sec. 1882. By December 31 of the current fiscal year, the
23 department shall report to the senate and house appropriations
24 subcommittees on the department budget, the senate and house fiscal
25 agencies, and the state budget office, documentation of the
26 expenses incurred during the immediate preceding fiscal year by
27 Medicaid health plans and PIHPs for the purpose of meeting the

1 contractual requirements to join the Michigan Health Information
2 Network Shared Services and incentivizing providers to become
3 members of the Health Information Exchange Qualified Organization.
4 The report should also include an estimation of the expenses to be
5 incurred in the current fiscal year by Medicaid health plans and
6 PIHPs for the same purpose of meeting their contractual
7 obligations.

8 Sec. 1888. The department shall establish contract performance
9 standards associated with the capitation withhold provisions for
10 Medicaid health plans at least 3 months in advance of the
11 implementation of those standards. The determination of whether
12 performance standards have been met shall be based primarily on
13 recognized concepts such as 1-year continuous enrollment and the
14 healthcare effectiveness data and information set, HEDIS, audited
15 data.

16 Sec. 1894. (1) By July 1 of the current fiscal year, the
17 department shall provide a report to the senate and house
18 appropriations subcommittees on the department budget, the senate
19 and house fiscal agencies, and the state budget office on outcomes
20 and performance measures of the Healthy Kids Dental program.

21 (2) Outcomes and performance measures for the Healthy Kids
22 Dental program include, but are not limited to, the following:

23 (a) The number of children enrolled in the Healthy Kids Dental
24 program who visited the dentist during the previous fiscal year.

25 (b) The number of dentists who will accept payment from the
26 Healthy Kids Dental program.

27 (c) The annual change in dental utilization of children

1 enrolled in the Healthy Kids Dental program.

2 **INFORMATION TECHNOLOGY**

3 Sec. 1901. (1) By December 1 of the current fiscal year, the
4 department shall report to the senate and house appropriations
5 subcommittees on the department budget, the senate and house fiscal
6 agencies, the senate and house policy offices, and the state budget
7 office all of the following information:

8 (a) The process used to define requests for proposals for each
9 expansion of information technology projects, including timelines,
10 project milestones, and intended outcomes.

11 (b) If the department decides not to contract the services out
12 to design and implement each element of the information technology
13 expansion, the department shall submit its own project plan that
14 includes, at a minimum, the requirements in subdivision (a).

15 (c) A recommended project management plan with milestones and
16 time frames.

17 (d) The proposed benefits from implementing the information
18 technology expansion, including customer service improvement, form
19 reductions, potential time savings, caseload reduction, and return
20 on investment.

21 (e) Details on the implementation of the integrated service
22 delivery project.

23 (2) Once an award for an expansion of information technology
24 is made, the department shall report to the senate and house
25 appropriations subcommittees on the department budget, the senate
26 and house fiscal agencies, the senate and house policy offices, and

1 the state budget office a projected cost of the expansion broken
2 down by use and type of expense.

3 Sec. 1902. From the funds appropriated in part 1 for the
4 Michigan Medicaid information system (MMIS) line item, private
5 revenue may be received from and allocated for other states
6 interested in participating as part of the broader MMIS initiative.
7 By March 1 of the current fiscal year, the department shall provide
8 a report on the use of MMIS by other states for the previous fiscal
9 year, including a list of states, type of use, and revenue and
10 expenditures related to the agreements with the other states to use
11 the MMIS. The report shall be provided to the house and senate
12 appropriations subcommittees on the department budget, the house
13 and senate fiscal agencies, and the state budget office.

14 Sec. 1903. (1) The department shall report to the senate and
15 house appropriations subcommittees on the department budget, the
16 senate and house fiscal agencies, the senate and house policy
17 offices, and the state budget office by November 1 of the current
18 fiscal year an implementation plan regarding the appropriation in
19 part 1 to implement the MiSACWIS. The plan shall include, but not
20 be limited to, efforts to bring the system in compliance with the
21 settlement and other federal guidelines set forth by the United
22 States Department of Health and Human Services Administration for
23 Children and Families.

24 (2) The department shall report to the senate and house
25 appropriations subcommittees on the department budget, the senate
26 and house fiscal agencies, the senate and house policy offices, and
27 the state budget office by November 1 of the current fiscal year a

1 status report on the planning, implementation, and operation,
2 regardless of the current operational status, regarding the
3 appropriation in part 1 to implement the MiSACWIS. The report shall
4 provide details on the planning, implementation, and operation of
5 the system, including, but not limited to, all of the following:

- 6 (a) Areas where implementation went as planned.
- 7 (b) The number of known issues.
- 8 (c) The average number of help tickets submitted per day.
- 9 (d) Any additional overtime or other staffing costs to address
10 known issues and volume of help tickets.
- 11 (e) Any contract revisions to address known issues and volume
12 of help tickets.
- 13 (f) Other strategies undertaken to improve implementation.
- 14 (g) Progress developing cross-system trusted data exchange
15 with MiSACWIS.
- 16 (h) Progress in moving away from a statewide/tribal automated
17 child welfare information system (SACWIS/TACWIS) to a comprehensive
18 child welfare information system (CCWIS).
- 19 (i) Progress developing and implementing a program to monitor
20 data quality.
- 21 (j) Progress developing and implementing custom integrated
22 systems for private agencies and tribal governments.

23 Sec. 1904. From the funds appropriated in part 1 for
24 information technology services and projects, by March 1 of the
25 current fiscal year, the department shall make the appropriate
26 information technology modifications to MiSACWIS so that partial
27 child care fund reimbursements to counties for undisputed charges

shall be made within 45 business days of the receipt of the required forms and documentation. The department shall notify a county within 15 business days of a disputed reimbursement request. The department shall reimburse for corrected charges within 45 business days of a properly corrected submission by the county.

ONE-TIME BASIS ONLY APPROPRIATIONS

Sec. 1905. From the funds appropriated in part 1 for the drinking water declaration of emergency, the department shall allocate funds to address needs in a city in which a declaration of emergency was issued because of drinking water contamination. These funds may support, but are not limited to, the following activities:

(a) Nutrition assistance, nutritional and community education, food bank resources, and food inspections.

(b) Epidemiological analysis and case management of individuals at risk of elevated blood lead levels.

(c) Support for child and adolescent health centers, children's healthcare access program, and pathways to potential programming.

(d) Nursing services, breastfeeding education, evidence-based home visiting programs, intensive services, and outreach for children exposed to lead coordinated through local community mental health organizations.

(e) Department field operations costs.

(f) Lead poisoning surveillance, treatment, and abatement.

(g) Nutritional incentives provided to local residents through

1 the Double Up Food Bucks Expansion Program.

2 (h) Genesee County health department food inspectors to
3 perform water testing at local food service establishments.

4 Sec. 1906. (1) From the funds appropriated in part 1 for
5 university autism programs, the department shall continue a grant
6 process for autism programs. These grants are intended to increase
7 the number of applied behavioral analysts, increase the number of
8 autism diagnostic services provided, or increase employment of
9 individuals who are diagnosed with autism spectrum disorder.

10 (2) As a condition of accepting the grants described in
11 subsection (1), each university shall track and report back to the
12 department where the individuals who have completed the applied
13 behavioral analysis training are initially employed and the
14 location of the initial employment.

15 (3) Outcomes and performance measures related to this
16 initiative include, but are not limited to, the following:

17 (a) An increase in applied behavioral analysts certified from
18 university autism programs.

19 (b) The number of autism diagnostic services provided.

20 (c) The employment rate of employment program participants.

21 (d) The employment rate of applied behavioral analysts trained
22 through the university autism programs.

23 Sec. 1907. From the funds appropriated in part 1 for child
24 lead poisoning elimination board, the department shall implement
25 recommendations of the board offered in the board's report of
26 November 2016. The recommendations implemented by the department
27 under this section shall be based in science and best practices,

1 and the department shall give priority to the implementation of the
2 recommendations that are most in agreement with recommendations of
3 nationally recognized organizations and authorities.

4 Sec. 1908. From the funds appropriated in part 1 for prenatal
5 diagnosis clearinghouse website, the department shall allocate
6 \$150,000.00 to develop or contract to develop a website providing
7 information regarding prenatally diagnosed conditions consistent
8 with the requirements in section 21418 of the public health code,
9 1978 PA 368, MCL 333.21418.

10 Sec. 1910. From the funds appropriated in part 1 for food
11 pantry grant, the department shall allocate \$100,000.00 to a
12 nonprofit corporation organized under the laws of this state that
13 is exempt from federal income tax under section 501(c)(3) of the
14 internal revenue code of 1986, 26 USC 501, and that operates a food
15 pantry located in a township with a population between 71,700 and
16 71,800 according to the most recent decennial census.

17 Sec. 1911. From the funds appropriated in part 1 for Special
18 Olympics Michigan, the department shall allocate \$100,000.00 to
19 Special Olympics Michigan to operate its Healthy Athletes
20 initiative. This initiative must create community networks to
21 support physical activity and healthy food choices for athletes and
22 their families across the state.

23 Sec. 1913. (1) The department shall apply to CMS for a waiver
24 to allow the department to bill CMS for direct primary care
25 services for Medicaid enrollees. After the department receives a
26 response from CMS regarding the waiver, the department shall do 1
27 of the following:

1 (a) If CMS approves the waiver, from the funds appropriated in
2 part 1 for direct primary care pilot program, the department shall
3 expend \$710,000.00 general fund/general purpose plus associated
4 federal match for this program as part of a work project.

5 (b) If CMS does not approve the waiver, from the funds
6 appropriated in part 1 for direct primary care pilot program, the
7 department shall expend \$864,000.00 general fund/general purpose to
8 fund a direct primary care pilot program as part of a work project.

9 (2) If the waiver in subsection (1) is approved, the
10 department shall implement a direct primary care pilot program for
11 Medicaid enrollees in Wayne, Oakland, Kent, Genesee, and Livingston
12 Counties that shall run from October 1, 2017 to September 30, 2018.
13 The pilot program shall include 400 enrollees from each of the
14 following Medicaid eligibility categories:

- 15 (a) Childless adults.
- 16 (b) Children ages 0 to 6 years.
- 17 (c) Children ages 7 to 18 years.
- 18 (d) Parents.
- 19 (e) Elderly individuals.
- 20 (f) Disabled individuals.

21 (3) If the waiver in subsection (1) is not approved, the
22 department shall implement a direct primary care pilot program for
23 Medicaid enrollees in Wayne, Oakland, Kent, Genesee, and Livingston
24 Counties that shall run from October 1, 2017 to September 30, 2018.
25 The pilot program shall include 400 enrollees from each of the
26 following Medicaid eligibility categories:

- 27 (a) Childless adults.

1 (b) Children ages 0 to 18 years.

2 (c) Parents.

3 (4) For the purposes of the pilot program, each enrollee shall
4 be enrolled in a single, eligible direct primary care service
5 provider plan. The department shall maintain and publicly share a
6 list of eligible direct primary care service providers with
7 potential pilot program enrollees.

8 (5) An eligible direct primary care service provider must meet
9 the following requirements:

10 (a) The direct primary care service provider must be a
11 licensed physician in a primary care specialty.

12 (b) If the waiver in subsection (1) is approved, the monthly
13 direct primary care enrollment fee shall not exceed a weighted
14 average of \$70.00 per month across all eligibility categories. The
15 average shall be weighted by the population makeup of the pilot
16 program. If the waiver in subsection (1) is not approved, the
17 monthly direct primary care enrollment fee shall not exceed a
18 weighted average of \$60.00 per month across all eligibility
19 categories. The average shall be weighted by the population makeup
20 of the pilot program.

21 (c) The direct primary care service provider will be
22 contracted with the department and must not accept any other third-
23 party payments for providing health care services to enrollees
24 under this pilot program.

25 (d) The direct primary care service provider must only provide
26 primary care services.

27 (e) The direct primary care service provider's services must

1 include, but are not limited to, access to telemedicine and same or
2 next business day appointments.

3 (6) Managed care organizations contracted by this state to
4 provide Medicaid services within the county where a direct primary
5 care pilot program enrollee lives shall authorize direct primary
6 care service providers participating in the pilot program to serve
7 as "gateway" service providers who are able to refer pilot
8 enrollees to non-primary care services within the managed care
9 organization's provider network. The managed care provider is not
10 liable for increased costs resulting from the implementation of the
11 pilot program. The direct primary care service providers must do
12 all of the following:

13 (a) Only refer pilot program enrollees to non-primary care
14 service providers within the managed care organization's provider
15 network.

16 (b) For pharmacy services not covered in the direct primary
17 care services agreement, only authorize the use of pharmaceuticals
18 covered under the managed care organization's formulary management
19 system.

20 (c) Follow all prior authorization requirements mandated by
21 the managed care organization.

22 (7) The department shall have access to the patient records of
23 each enrollee in the pilot program for the sole purpose of
24 aggregate data collection.

25 (8) On a quarterly basis, the department shall report to the
26 senate and house appropriations subcommittees on the department
27 budget, the senate and house fiscal agencies, the senate and house

1 policy offices, and the state budget office on the implementation
2 of the direct primary care pilot program. The report shall include,
3 but is not limited to, the following performance metrics:

4 (a) The number of enrollees in the pilot program by
5 eligibility category.

6 (b) The per-member-per-month rate paid in the previous fiscal
7 year per eligibility category.

8 (c) The number of claims paid in the previous fiscal year per
9 eligibility category.

10 (d) The number of claims per category weighted to reflect 400
11 enrollees.

12 (e) The dollar value of all claims per eligibility category.

13 (f) The per-member-per-month actual cost. As used in this
14 subdivision, "per-member-per-month actual cost" means the direct
15 primary care plan costs and any managed care costs not covered
16 through the direct primary care plan, including managed care
17 provider overhead costs.

18 (g) The average direct primary care cost per enrollee per
19 eligibility category.

20 (h) The average number of actual claims per eligibility
21 category.

22 (i) The average actual dollar value of claims per eligibility
23 category.

24 (j) The number of enrollees in the pilot program during the
25 previous quarter who are no longer eligible for Medicaid in the
26 current quarter, broken down by eligibility category.

27 (k) The category savings subtotal. As used in this

subdivision, "category savings subtotal" means the per-member-per-month rate paid in fiscal year 2016-2017 minus the per-member-per-month actual cost, times the number of enrollees in the eligibility category.

(l) The total savings. As used in this subdivision, "total savings" means the per-member-per-month rate paid in the previous fiscal year minus the per-member-per-month actual cost, times the total number of enrollees in the program.

(9) Unexpended and unencumbered funds up to a maximum of \$2,016,000.00 general fund/general purpose revenue plus any associated federal match remaining in accounts appropriated in part 1 for direct primary care pilot program are designated as work project appropriations, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for the direct primary care pilot program for Medicaid enrollees in Wayne, Oakland, and Livingston Counties under this section until the work project has been completed. All of the following are in compliance with section 451a(1) of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the work project is to fund the cost of a direct primary care pilot program as provided by this section.

(b) The work project will be accomplished by contracting with a managed care organization under contract with the department to provide Medicaid services.

(c) The total estimated completion cost of the work project is \$6,048,000.00.

1 (d) The tentative completion date is September 30, 2020.

2 (10) The department may take out a stop loss policy to
3 mitigate the potential cost impact if pilot program per member per
4 month costs exceed per member per month costs for the program the
5 enrollee would have been in had they not participated in the pilot
6 program. The cost of the stop loss plan shall not be used in the
7 assessment of the success of the pilot program.

8 Sec. 1914. From the funds appropriated in part 1 for primary
9 care and dental health services, \$300,000.00 shall be allocated for
10 primary care clinic and dental health clinic services for indigent
11 individuals to be provided in clinic locations in the city of
12 Detroit and Wayne County by a public nonprofit organization that is
13 pursuing certification as a federally qualified health center and
14 is expected to be certified within 2 years.

15 Sec. 1915. From the funds appropriated in part 1 for primary
16 care hospital grant, the department shall make a one-time grant of
17 \$850,000.00 to support primary care services provided by a hospital
18 that qualifies for rural hospital access payments and is located in
19 a county with a population between 130,000 and 140,000 according to
20 the most recent decennial census.

21 Sec. 1916. From the funds appropriated in part 1 for refugee
22 assistance grant, the department shall allocate \$150,000.00 to a
23 nonprofit corporation organized under the laws of this state that
24 is exempt from federal income tax under section 501(c)(3) of the
25 internal revenue code of 1986, 26 USC 501, to operate an initiative
26 to transition low-income refugee families to self-sufficiency. To
27 be eligible to receive funding, the organization must have a stated

core purpose of providing programs that guide, support, and empower individuals to achieve self-sufficiency with dignity and hope. This initiative must utilize a measurable, evidence-based approach that integrates treatment for poverty across health care, human services, educational, faith-based, and governmental programs. The organization receiving funds under this section must report to the department by September 30 of the current fiscal year on metrics used to measure the success and viability of the initiative.

PART 2A

PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS FOR FISCAL YEAR 2018-2019

GENERAL SECTIONS

Sec. 2001. It is the intent of the legislature to provide appropriations for the fiscal year ending on September 30, 2019 for the line items listed in part 1. The fiscal year 2018-2019 appropriations are anticipated to be the same as those for fiscal year 2017-2018, except that the line items will be adjusted for changes in caseload and related costs, federal fund match rates, economic factors, and available revenue. These adjustments will be determined after the January 2018 consensus revenue estimating conference.

ARTICLE XI

DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of insurance and financial services for the fiscal year ending September 30, 2018, from the following funds:

DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES

APPROPRIATION SUMMARY

Full-time equated unclassified positions 6.0

Full-time equated classified positions 336.5

GROSS APPROPRIATION \$ 66,741,400

Interdepartmental grant revenues:

Total interdepartmental grants and intradepartmental

transfers 707,600

ADJUSTED GROSS APPROPRIATION \$ 66,033,800

Federal revenues:

Total federal revenues 2,014,700

Special revenue funds:

Total other state restricted revenues 63,869,100

State general fund/general purpose \$ 150,000

State general fund/general purpose schedule:

Ongoing state general fund/general

purpose 150,000

One-time state general fund/general

purpose 0

Sec. 102. DEPARTMENT SERVICES

Full-time equated unclassified positions 6.0

Full-time equated classified positions 22.5

1	Unclassified salaries--6.0 FTE positions	\$	769,100
2	Administrative hearings		182,500
3	Department services--19.0 FTE positions		3,752,200
4	Executive director programs--3.5 FTE positions		1,066,400
5	Property management		1,244,200
6	Worker's compensation		<u>4,700</u>
7	GROSS APPROPRIATION	\$	7,019,100
8	Appropriated from:		
9	Special revenue funds:		
10	Bank fees		615,100
11	Captive insurance regulatory and supervision fund		4,100
12	Consumer finance fees		271,400
13	Credit union fees		810,500
14	Deferred presentment service transaction fees		368,200
15	Insurance bureau fund		2,232,200
16	Insurance continuing education fees		69,600
17	Insurance licensing and regulation fees		1,860,300
18	MBLSLA fund		636,400
19	Multiple employer welfare arrangement		1,300
20	State general fund/general purpose	\$	150,000
21	Sec. 103. INSURANCE AND FINANCIAL SERVICES REGULATION		
22	Full-time equated classified positions		314.0
23	Consumer services and protection--64.0 FTE positions .	\$	8,660,800
24	Financial institutions evaluation--132.0 FTE positions		24,354,400
25	Insurance evaluation--118.0 FTE positions		<u>24,480,500</u>
26	GROSS APPROPRIATION	\$	57,495,700
27	Appropriated from:		

1	Interdepartmental grant revenues:	
2	IDG-LARA, for debt management	707,600
3	Federal revenue:	
4	Federal revenues	2,014,700
5	Special revenue funds:	
6	Bank fees	6,059,600
7	Captive insurance regulatory and supervision fund	285,100
8	Consumer finance fees	3,073,200
9	Credit union fees	8,023,300
10	Deferred presentment service transaction fees	3,306,500
11	Insurance bureau fund	21,242,800
12	Insurance continuing education fees	998,900
13	Insurance licensing and regulation fees	5,928,700
14	MBLSLA fund	5,572,900
15	Multiple employer welfare arrangement	282,400
16	State general fund/general purpose	\$ 0
17	Sec. 104. INFORMATION TECHNOLOGY	
18	Information technology services and projects	\$ <u>2,226,600</u>
19	GROSS APPROPRIATION	\$ 2,226,600
20	Appropriated from:	
21	Special revenue funds:	
22	Bank fees	197,900
23	Consumer finance fees	90,100
24	Credit union fees	261,800
25	Deferred presentment service transaction fees	108,000
26	Insurance bureau fund	634,200
27	Insurance continuing education fees	22,500

1	Insurance licensing and regulation fees	716,900
2	MBLSLA fund	195,200
3	State general fund/general purpose \$	0

4 PART 2

5 PROVISIONS CONCERNING APPROPRIATIONS

6 FOR FISCAL YEAR 2017-2018

7 **GENERAL SECTIONS**

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

9 constitution of 1963, total state spending from state resources

10 under part 1 for fiscal year 2017-2018 is \$64,019,100.00 and state

11 spending from state resources to be paid to local units of

12 government for fiscal year 2017-2018 is \$0.

13 Sec. 202. The appropriations authorized under this part and

14 part 1 are subject to the management and budget act, 1984 PA 431,

15 MCL 18.1101 to 18.1594.

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

17 (a) "Department" means the department of insurance and

18 financial services.

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

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

21 (d) "IDG" means interdepartmental grant.

22 (e) "LARA" means the department of licensing and regulatory

23 affairs.

24 (f) "MBLSLA fund" means the restricted account established

25 under section 8 of the mortgage brokers, lenders, and servicers

1 licensing act, 1987 PA 173, MCL 445.1658.

2 (g) "Subcommittees" means the subcommittees of the house of
3 representatives and senate appropriations committees with
4 jurisdiction over the budget for the department.

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

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

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

27 Sec. 207. (1) Out-of-state travel shall be limited to

1 situations where the travel is approved by a departmental
2 employee's immediate supervisor and in which 1 or more of the
3 following conditions apply:

4 (a) The travel is required by legal mandate or court order or
5 for law enforcement purposes.

6 (b) The travel is necessary to protect the health or safety of
7 Michigan citizens or visitors or to assist other states in similar
8 circumstances.

9 (c) The travel is necessary to produce budgetary savings or to
10 increase state revenues, including protecting existing federal
11 funds or securing additional federal funds.

12 (d) The travel is necessary to comply with federal
13 requirements.

14 (e) The travel is necessary to secure specialized training for
15 staff that is not available within this state.

16 (f) The travel is financed entirely by federal or nonstate
17 funds.

18 (2) The department shall not approve the travel of more than 1
19 departmental employee to a specific professional development
20 conference or training seminar that is located outside of this
21 state unless a professional development conference or training
22 seminar is funded by a federal or private funding source and
23 requires more than 1 individual from a department to attend, or the
24 conference or training seminar includes multiple issues in which 1
25 employee from the department does not have expertise.

26 (3) Not later than January 1, the department shall prepare a
27 travel report listing all travel by classified and unclassified

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

7 (a) The name of each person receiving reimbursement for travel
8 outside this state or whose travel costs were paid by this state.

9 (b) The destination of each travel occurrence.

10 (c) The dates of each travel occurrence.

11 (d) A brief statement of the reason for each travel
12 occurrence.

13 (e) The transportation and related costs of each travel
14 occurrence, including the proportion funded with state general
15 fund/general purpose revenues, the proportion funded with state
16 restricted revenues, the proportion funded with federal revenues,
17 and the proportion funded with other revenues.

18 (f) A total of all out-of-state travel funded for the
19 immediately preceding fiscal year.

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

26 Sec. 209. Not later than November 30, the state budget office
27 shall prepare and transmit a report that provides for estimates of

1 the total general fund/general purpose appropriation lapses at the
2 close of the prior fiscal year. This report must summarize the
3 projected year-end general fund/general purpose appropriation
4 lapses by major departmental program or program areas. The state
5 budget office shall transmit the report to the chairpersons of the
6 senate and house of representatives appropriations committees and
7 the senate and house fiscal agencies.

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

11 (2) In addition to the funds appropriated in part 1, there is
12 appropriated an amount not to exceed \$5,000,000.00 for state
13 restricted contingency funds.

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

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

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

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

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

27 (d) The number of active department employees by job

1 classification.

2 (e) Job specifications and wage rates.

3 Sec. 212. Within 14 days after the release of the executive
4 budget recommendation, the department shall cooperate with the
5 state budget office to provide the senate and house of
6 representatives appropriations committee chairs, the senate and
7 house appropriations subcommittees chairs, and the senate and house
8 fiscal agencies with an annual report on estimated state restricted
9 fund balances, state restricted fund projected revenues, and state
10 restricted fund expenditures for the fiscal years ending September
11 30, 2017 and September 30, 2018.

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

16 Sec. 214. Total authorized appropriations from all sources in
17 part 1 for legacy costs for the fiscal year ending September 30,
18 2018 are \$9,551,300.00. From this amount, total agency
19 appropriations for pension-related legacy costs are estimated at
20 \$4,915,200.00. Total agency appropriations for retiree health care
21 legacy costs are estimated at \$4,636,100.00.

22 Sec. 215. Unless prohibited by law, the department may accept
23 credit card or other electronic means of payment for licenses,
24 fees, or permits.

25 Sec. 218. The department shall not take disciplinary action
26 against an employee for communicating with a member of the
27 legislature or his or her staff.

1 Sec. 219. The department shall not develop or produce any
2 television or radio productions.

3 Sec. 220. The department, in conjunction with the department
4 of health and human services, shall maintain an accounting
5 structure within this state's accounting system that will allow
6 expenditures associated with the administration of the Healthy
7 Michigan plan to be identified.

8 Sec. 221. The amount appropriated from the general fund in
9 part 1 for executive director program may only be expended to
10 comply with reporting requirements regarding the Healthy Michigan
11 plan under section 105d(9) of the social welfare act, 1939 PA 280,
12 MCL 400.105d.

13 INSURANCE AND FINANCIAL SERVICES REGULATION

14 Sec. 301. The department shall provide a report to the
15 subcommittees, the senate and house fiscal agencies, and the state
16 budget director by September 30 based on the annual rate filings
17 from health insurance issuers that includes all of the following:

18 (a) The number that are approved by the department.

19 (b) The number that are denied by the department.

20 (c) The percentage of rate filings processed within the
21 applicable statutory time frames.

22 (d) The average number of calendar days to process rate
23 filings.

24 (e) An estimated percentage of this state's population that is
25 without any form of health insurance coverage for more than 6
26 months in any given calendar year.

1 Sec. 302. In addition to the funds appropriated in part 1, the
2 funds collected by the department in connection with a
3 conservatorship under section 32 of the mortgage brokers, lenders,
4 and servicers licensing act, 1987 PA 173, MCL 445.1682, and funds
5 collected by the department from corporations being liquidated
6 under the insurance code of 1956, 1956 PA 218, MCL 500.100 to
7 500.8302, must be appropriated for all expenses necessary to
8 provide for the required services. Funds are available for
9 expenditure when they are received by the department of treasury
10 and must not lapse to the general fund at the end of the fiscal
11 year.

12 Sec. 303. The department may make available to interested
13 entities customized listings of nonconfidential information in its
14 possession. The department may establish and collect a reasonable
15 charge to provide this service. The revenue from this service is
16 appropriated when received and must be used to offset expenses to
17 provide the service. Any balance of this revenue collected and
18 unexpended at the end of the fiscal year must lapse to the
19 appropriate restricted fund.

20 ARTICLE XII

21 JUDICIARY

22 PART 1

23 LINE-ITEM APPROPRIATIONS

24 Sec. 101. There is appropriated for the judiciary for the
25 fiscal year ending September 30, 2018, from the following funds:

1 **JUDICIARY**

2 APPROPRIATION SUMMARY

3 Full-time equated exempted positions 501.0

4 GROSS APPROPRIATION \$ 300,043,000

5 Interdepartmental grant revenues:

6 Total interdepartmental grants and intradepartmental

7 transfers 1,550,600

8 ADJUSTED GROSS APPROPRIATION \$ 298,492,400

9 Federal revenues:

10 Total federal revenues 6,464,100

11 Special revenue funds:

12 Total local revenues 5,955,300

13 Total private revenues 969,600

14 Total other state restricted revenues 92,529,000

15 State general fund/general purpose \$ 192,574,400

16 **Sec. 102. SUPREME COURT**

17 Full-time equated exempted positions 248.0

18 Community dispute resolution--3.0 FTE positions \$ 2,384,000

19 Direct trial court automation support--44.0 FTE

20 positions 5,955,300

21 Drug treatment courts 11,833,000

22 Foster care review board--10.0 FTE positions 1,317,100

23 Judicial information systems--22.0 FTE positions 4,379,100

24 Judicial institute--13.0 FTE positions 1,819,400

25 Mental health courts and diversion services--1.0 FTE

26 position 5,464,000

27 Next generation Michigan court system 4,116,000

1	Other federal grants	275,100
2	State court administrative office--63.0 FTE positions	12,612,100
3	Supreme court administration--92.0 FTE positions	13,765,800
4	Swift and sure sanctions program	4,000,000
5	Veterans courts	<u>936,400</u>
6	GROSS APPROPRIATION	\$ 68,857,300
7	Appropriated from:	
8	Interdepartmental grant revenues:	
9	IDG from department of corrections	50,600
10	IDG from department of state police	1,500,000
11	Federal revenues:	
12	DOJ, drug court training and evaluation	300,000
13	DOT, National Highway Traffic Safety Administration ..	2,214,400
14	HHS, access and visitation grant	622,900
15	HHS, children's justice grant	236,100
16	HHS, court improvement project	1,320,600
17	HHS, title IV-D child support program	1,031,800
18	HHS, title IV-E foster care program	395,900
19	Other federal grant revenues	275,100
20	Special revenue funds:	
21	Local - user fees	5,955,300
22	Private	193,400
23	Private - interest on lawyers trust accounts	266,100
24	Private - state justice institute	425,300
25	Community dispute resolution fund	2,384,000
26	Court of appeals filing/motion fees	1,641,800
27	Drug court fund	1,920,500

1	Justice system fund	581,000
2	Law exam fees	657,000
3	Miscellaneous revenue	275,700
4	State court fund	388,000
5	State general fund/general purpose	\$ 46,221,800
6	Sec. 103. COURT OF APPEALS	
7	Full-time equated exempted positions	175.0
8	Court of appeals operations--175.0 FTE positions	\$ <u>23,446,900</u>
9	GROSS APPROPRIATION	\$ 23,446,900
10	Appropriated from:	
11	State general fund/general purpose	\$ 23,446,900
12	Sec. 104. BRANCHWIDE APPROPRIATIONS	
13	Full-time equated exempted positions	4.0
14	Branchwide appropriations--4.0 FTE positions	\$ <u>9,123,100</u>
15	GROSS APPROPRIATION	\$ 9,123,100
16	Appropriated from:	
17	State general fund/general purpose	\$ 9,123,100
18	Sec. 105. JUSTICES' AND JUDGES' COMPENSATION	
19	Full-time judges positions	588.0
20	Supreme court justices' salaries--7.0 justices	\$ 1,152,300
21	Circuit court judges' state base salaries--214.0	
22	judges	21,364,800
23	Circuit court judicial salary standardization	9,785,000
24	Court of appeals judges' salaries--27.0 judges	4,252,700
25	District court judges' state base salaries--237.0	
26	judges	23,254,600
27	District court judicial salary standardization	10,836,700

1	Probate court judges' state base salaries--103.0	
2	judges.....	10,203,000
3	Probate court judicial salary standardization	4,669,600
4	Judges' retirement system defined contributions	4,761,200
5	OASI, social security	<u>5,954,100</u>
6	GROSS APPROPRIATION	\$ 96,234,000
7	Appropriated from:	
8	Special revenue funds:	
9	Court fee fund.....	2,702,100
10	State general fund/general purpose	\$ 93,531,900
11	Sec. 106. JUDICIAL AGENCIES	
12	Full-time equated exempted positions..... 7.0	
13	Judicial tenure commission--7.0 FTE positions	\$ <u>1,149,700</u>
14	GROSS APPROPRIATION	\$ 1,149,700
15	Appropriated from:	
16	State general fund/general purpose	\$ 1,149,700
17	Sec. 107. INDIGENT DEFENSE - CRIMINAL	
18	Full-time equated exempted positions..... 51.0	
19	Appellate public defender program--51.0 FTE positions	\$ <u>7,795,000</u>
20	GROSS APPROPRIATION	\$ 7,795,000
21	Appropriated from:	
22	Federal revenues:	
23	Other federal grant revenues	67,300
24	Special revenue funds:	
25	Private - interest on lawyers trust accounts	84,800
26	Miscellaneous revenue	136,900
27	State general fund/general purpose	\$ 7,506,000

1 Sec. 108. INDIGENT CIVIL LEGAL ASSISTANCE

2 Indigent civil legal assistance \$ 7,937,000

3 GROSS APPROPRIATION \$ 7,937,000

4 Appropriated from:

5 Special revenue funds:

6 State court fund 7,937,000

7 State general fund/general purpose \$ 0

8 Sec. 109. TRIAL COURT OPERATIONS

9 Full-time equated exempted positions 5.0

10 Court equity fund reimbursements \$ 60,815,700

11 Drug case-flow program 250,000

12 Drunk driving case-flow program 3,300,000

13 Judicial technology improvement fund 4,815,000

14 Juror compensation reimbursement 6,600,000

15 Statewide e-file system--5.0 FTE positions 8,500,000

16 GROSS APPROPRIATION \$ 84,280,700

17 Appropriated from:

18 Special revenue funds:

19 Court equity fund 50,440,000

20 Drug fund 250,000

21 Drunk driving fund 3,300,000

22 Electronic filing fee fund 8,500,000

23 Judicial technology improvement fund 4,815,000

24 Juror compensation fund 6,600,000

25 State general fund/general purpose \$ 10,375,700

26 Sec. 110. ONE-TIME APPROPRIATIONS

27 Full-time equated exempted positions 11.0

1	Compliance with <u>Montgomery v Louisiana</u> --11.0 FTE	
2	positions.....	\$ 700,000
3	Expansion of problem solving courts	219,300
4	Pretrial risk assessment	<u>300,000</u>
5	GROSS APPROPRIATION	\$ 1,219,300
6	Appropriated from:	
7	State general fund/general purpose	\$ 1,219,300

8 PART 2

9 PROVISIONS CONCERNING APPROPRIATIONS

10 FOR FISCAL YEAR 2017-2018

11 **GENERAL SECTIONS**

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

13 constitution of 1963, total state spending from state sources under

14 part 1 for fiscal year 2017-2018 is \$285,103,400.00 and state

15 spending from state sources to be paid to local units of government

16 for fiscal year 2017-2018 is \$147,230,400.00. The itemized

17 statement below identifies appropriations from which spending to

18 local units of government will occur:

19 **JUDICIARY**

20 SUPREME COURT

21	Drug treatment courts	\$ 11,833,000
22	Mental health courts and diversion services	5,331,400
23	Next generation Michigan court system	4,116,000
24	State court administrative office	300,000
25	Swift and sure sanctions program	3,900,000

1	Veterans courts	936,400
2	JUSTICES' AND JUDGES' COMPENSATION	
3	Circuit court judicial salary standardization	\$ 9,785,000
4	District court judicial salary standardization	10,836,700
5	Probate court judges' state base salaries	10,203,000
6	Probate court judicial salary standardization	4,669,600
7	Grant to OASI contribution fund, employer's share,	
8	social security.....	1,038,600
9	TRIAL COURT OPERATIONS	
10	Court equity fund reimbursements	\$ 60,815,700
11	Drug case-flow program	250,000
12	Drunk driving case-flow program	3,300,000
13	Judicial technology improvement fund	4,815,000
14	Juror compensation reimbursement	6,600,000
15	Statewide e-file system	<u>8,500,000</u>
16	TOTAL	\$ 147,230,400

17 Sec. 202. (1) The appropriations authorized under this part
18 and part 1 are subject to the management and budget act, 1984 PA
19 431, MCL 18.1101 to 18.1594.

20 (2) Funds appropriated in part 1 to an entity within the
21 judicial branch shall not be expended or transferred to another
22 account without written approval of the authorized agent of the
23 judicial entity. If the authorized agent of the judicial entity
24 notifies the state budget director of its approval of an
25 expenditure or transfer, the state budget director shall
26 immediately make the expenditure or transfer. The authorized
27 judicial entity agent shall be designated by the chief justice of

1 the supreme court.

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

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

4 (b) "DOT" means the United States Department of
5 Transportation.

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

7 (d) "HHS" means the United States Department of Health and
8 Human Services.

9 (e) "IDG" means interdepartmental grant.

10 (f) "OASI" means old age survivor's insurance.

11 (g) "SADO" means the state appellate defender office created
12 under the appellate defender act, 1978 PA 620, MCL 780.711 to
13 780.719.

14 (h) "Title IV-D" means the part of the federal social security
15 act, 42 USC 301 to 1397mm, pertaining to the child support
16 enforcement program.

17 (i) "Title IV-E" means the part of the federal social security
18 act, 42 USC 301 to 1397mm, pertaining to the foster care program.

19 Sec. 204. The reporting requirements of this part shall be
20 completed with the approval of, and at the direction of, the
21 supreme court, except as otherwise provided in this part. The
22 judicial branch shall use the internet to fulfill the reporting
23 requirements of this part. This may include transmission of reports
24 via electronic mail to the recipients identified for each reporting
25 requirement, or it may include placement of reports on an internet
26 or intranet site.

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

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

10 Sec. 207. Not later than January 1 of each year, the state
11 court administrative office shall prepare a report on out-of-state
12 travel listing all travel by judicial branch employees outside this
13 state in the immediately preceding fiscal year that was funded in
14 whole or in part with funds appropriated in the budget for the
15 judicial branch. The report shall be submitted to the senate and
16 house appropriations committees, the senate and house fiscal
17 agencies, and the state budget office. The report shall include the
18 following information:

19 (a) The dates of each travel occurrence.

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

25 Sec. 209. Not later than November 30, the state budget office
26 shall prepare and transmit a report that provides for estimates of
27 the total general fund/general purpose appropriation lapses at the

1 close of the prior fiscal year. This report shall summarize the
2 projected year-end general fund/general purpose appropriation
3 lapses by major program or program areas. The report shall be
4 transmitted to the chairpersons of the senate and house
5 appropriations committees and the senate and house fiscal agencies.

6 Sec. 211. From the funds appropriated in part 1, the judicial
7 branch shall maintain a searchable website accessible by the public
8 at no cost that includes all expenditures made by the judicial
9 branch within a fiscal year. The posting shall include the purpose
10 for which each expenditure is made. The judicial branch shall not
11 provide financial information on its website under this section if
12 doing so would violate a federal or state law, rule, regulation, or
13 guideline that establishes privacy or security standards applicable
14 to that financial information.

15 Sec. 212. Within 14 days after the release of the executive
16 budget recommendation, the judicial branch shall cooperate with the
17 state budget office to provide the senate and house appropriations
18 committee chairs, the senate and house appropriations subcommittee
19 chairs, and the senate and house fiscal agencies with an annual
20 report on estimated state restricted fund balances, state
21 restricted fund projected revenues, and state restricted fund
22 expenditures for the prior 2 fiscal years.

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

27 Sec. 214. Total authorized appropriations from all sources

1 under part 1 for legacy costs for the fiscal year ending September
2 30, 2018 are estimated at \$13,963,100.00. From this amount, total
3 judiciary appropriations for pension-related legacy costs are
4 estimated at \$7,815,500.00. Total judiciary appropriations for
5 retiree health care legacy costs are estimated at \$6,777,600.00.

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

9 Sec. 216. It is the intent of the legislature that judges who
10 are presiding over a hearing on a foster care case shall publicly
11 acknowledge and request the input of the foster parent or foster
12 parents during the hearing.

13 Sec. 217. If the judicial branch makes any changes to a foster
14 care family service plan before its finalization, it is the intent
15 of the legislature that the presiding judge provide an explanation
16 for any changes to that plan in the court record.

17 Sec. 218. From the funds appropriated in part 1, the state
18 court administrative office shall evaluate programs within the
19 department of health and human services and the department of
20 talent and economic development to establish programmatic
21 connections with the participants in the swift and sure sanctions
22 program. The purpose of this relationship is to leverage
23 collaborations and to determine avenues of success for offenders
24 who are eligible for state-provided programs. By March 1, the state
25 court administrative office shall deliver guidance to courts
26 participating in the swift and sure sanctions program under the
27 probation swift and sure sanctions act, chapter XIA of the code of

1 criminal procedure, 1927 PA 175, MCL 771A.1 to 771A.8, detailing
2 the evaluations and directing participants into available
3 programming.

4 Sec. 219. The judicial branch shall receive and retain copies
5 of all reports funded from appropriations in part 1. Federal and
6 state guidelines for short-term and long-term retention of records
7 shall be followed. The judicial branch may electronically retain
8 copies of reports unless otherwise required by federal and state
9 guidelines.

10 **JUDICIAL BRANCH**

11 Sec. 301. From the funds appropriated in part 1, the direct
12 trial court automation support program of the state court
13 administrative office shall recover direct and overhead costs from
14 trial courts by charging for services rendered. The fee shall cover
15 the actual costs incurred to the direct trial court automation
16 support program in providing the service, including development of
17 future versions of case management systems.

18 Sec. 302. Funds appropriated within the judicial branch shall
19 not be expended by any component within the judicial branch without
20 the approval of the supreme court.

21 Sec. 303. Of the amount appropriated in part 1 for the
22 judicial branch, \$711,900.00 is allocated for circuit court
23 reimbursement under section 3 of 1978 PA 16, MCL 800.453, and for
24 costs associated with the court of claims.

25 Sec. 304. A member of the legislature may request a report or
26 data from the data collected in the judicial data warehouse. The

1 data in the judicial data warehouse shall be made available to the
2 public upon request, unless disclosure is prohibited by court order
3 or state or federal law. Any data provided under this section shall
4 be public and non-identifying information.

5 Sec. 306. By February 1, the state court administrative office
6 shall produce a statistical report, categorized by county,
7 regarding both the collected and uncollected amounts of restitution
8 payments, court fees, and any other applicable judgments placed
9 upon persons within the county, reported for the year 2016.

10 Sec. 307. From the funds appropriated in part 1 for mental
11 health courts and diversion services, \$1,730,000.00 is intended to
12 address the recommendations of the mental health diversion council.

13 Sec. 308. If sufficient funds are not available from the court
14 fee fund to pay judges' compensation, the difference between the
15 appropriated amount from that fund for judges' compensation and the
16 actual amount available after the amount appropriated for trial
17 court reimbursement is made shall be appropriated from the state
18 general fund for judges' compensation. If an appropriation is made
19 under this section, the state court administrative office shall
20 notify, within 14 days of the appropriation, the senate and house
21 standing committees on appropriations, the senate and house
22 appropriations subcommittees on judiciary, the senate and house
23 fiscal agencies, and the state budget office.

24 Sec. 309. By April 1, the state court administrative office
25 shall provide a report on drug treatment, mental health, and
26 veterans court programs in this state. The report shall include
27 information on the number of each type of program that has been

1 established, the number of program participants in each
2 jurisdiction, and the impact of the programs on offender criminal
3 involvement and recidivism. The report shall be submitted to the
4 senate and house appropriations subcommittees on judiciary, the
5 senate and house fiscal agencies, and the state budget office.

6 Sec. 311. (1) The funds appropriated in part 1 for drug
7 treatment courts as that term is defined in section 1060 of the
8 revised judicature act of 1961, 1961 PA 236, MCL 600.1060, shall be
9 administered by the state court administrative office to operate
10 drug treatment court programs. A drug treatment court shall be
11 responsible for handling cases involving substance abusing
12 nonviolent offenders through comprehensive supervision, testing,
13 treatment services, and immediate sanctions and incentives. A drug
14 treatment court shall use all available county and state personnel
15 involved in the disposition of cases including, but not limited to,
16 parole and probation agents, prosecuting attorneys, defense
17 attorneys, and community corrections providers. The funds may be
18 used in connection with other federal, state, and local funding
19 sources.

20 (2) From the funds appropriated in part 1, the chief justice
21 shall allocate sufficient funds for the Michigan judicial institute
22 to provide in-state training for those identified in subsection
23 (1), including training for new drug treatment court judges.

24 (3) For drug treatment court grants, consideration for
25 priority may be given to those courts where higher instances of
26 substance abuse cases are filed.

27 (4) The judiciary shall receive \$1,500,000.00 in Byrne formula

1 grant funding as an interdepartmental grant from the department of
2 state police to be used for expansion of drug treatment courts, to
3 assist in avoiding prison bed space growth for nonviolent offenders
4 in collaboration with the department of corrections.

5 Sec. 312. From the funds appropriated in part 1, the state
6 court administrator shall produce a statistical report regarding
7 the implementation of the parental rights restoration act, 1990 PA
8 211, MCL 722.901 to 722.908, as it pertains to minors seeking
9 court-issued waivers of parental consent. The state court
10 administrative office shall report the total number of petitions
11 filed and the total number of petitions granted under that act.

12 Sec. 316. (1) From the funds appropriated in part 1 for
13 pretrial risk assessment, the state court administrative office
14 shall pilot a pretrial risk assessment tool in an effort to provide
15 relevant information to judges so they can make evidence-based bond
16 decisions that will increase public safety and reduce costs
17 associated with unnecessary pretrial detention.

18 (2) The state court administrative office shall submit a
19 status report by February 1 to the senate and house appropriations
20 subcommittees on judiciary, the senate and house fiscal agencies,
21 and the state budget office that outlines plans for piloting the
22 tool and an implementation timeline.

23 (3) The state court administrative office shall submit a
24 report by October 30 to the senate and house appropriations
25 subcommittees on judiciary, the senate and house fiscal agencies,
26 and the state budget office on costs associated with piloting the
27 pretrial risk assessment tool.

1 Sec. 317. Funds appropriated in part 1 shall not be used for
2 the permanent assignment of state-owned vehicles to justices or
3 judges or any other judicial branch employee. This section does not
4 preclude the use of state-owned motor pool vehicles for state
5 business in accordance with approved guidelines.

6 Sec. 320. (1) From the funds appropriated in part 1 for the
7 swift and sure sanctions program, created under section 3 of
8 chapter XIA of the code of criminal procedure, 1927 PA 175, MCL
9 771A.3, the state court administrative office shall administer a
10 program to distribute grants to qualifying courts in accordance
11 with the objectives and requirements of the probation swift and
12 sure sanctions act, chapter XIA of the code of criminal procedure,
13 1927 PA 175, MCL 771A.1 to 771A.8. Of the funds designated for the
14 program, not more than \$100,000.00 shall be available to the state
15 court administrative office to pay for employee costs associated
16 with the administration of the program funds. Of the funds
17 designated for the program, \$500,000.00 is reserved for programs in
18 counties that had more than 325 individuals sentenced to prison in
19 the previous calendar year. Courts interested in participating in
20 the swift and sure sanctions program may apply to the state court
21 administrative office for a portion of the funds appropriated in
22 part 1 under this section.

23 (2) By April 1, the state court administrative office, in
24 cooperation with the department of corrections, shall provide a
25 report on the courts that receive funding under the swift and sure
26 sanctions program described in subsection (1) to the senate and
27 house appropriations subcommittees on judiciary, the senate and

1 house fiscal agencies, and the state budget office. The report
2 shall include all of the following:

3 (a) The number of offenders who participate in the program.

4 (b) The criminal history of offenders who participate in the
5 program.

6 (c) The recidivism rate of offenders who participate in the
7 program, including the rate of return to jail, prison, or both.

8 (d) A detailed description of the establishment and parameters
9 of the program.

10 (3) As used in this section, "program" means a swift and sure
11 sanctions program described in subsection (1).

12 Sec. 321. From the funds appropriated in part 1, the judicial
13 branch shall support a statewide legal self-help internet website
14 and local nonprofit self-help centers that use the statewide
15 website to provide assistance to individuals representing
16 themselves in civil legal proceedings. The state court
17 administrative office shall summarize the costs of maintaining the
18 website, provide statistics on the number of people visiting the
19 website, and provide information on content usage, form completion,
20 and user feedback. By March 1, the state court administrative
21 office shall report this information for the preceding fiscal year
22 to the senate and house appropriations subcommittees on judiciary,
23 the senate and house fiscal agencies, and the state budget office.

24 Sec. 322. If Byrne formula grant funding is awarded to the
25 state appellate defender, the state appellate defender office may
26 receive and expend Byrne formula grant funds in an amount not to
27 exceed \$250,000.00 as an interdepartmental grant from the

1 department of state police. If the appellate defender appointed
2 under section 3 of the appellate defender act, 1978 PA 620, MCL
3 780.713, receives federal grant funding from the United States
4 Department of Justice in excess of the amount appropriated in part
5 1, the office of appellate defender may receive and expend grant
6 funds in an amount not to exceed \$300,000.00 as other federal
7 grants.

8 Sec. 324. From the funds appropriated in part 1 for the
9 medication-assisted treatment program, the judiciary shall maintain
10 a medication-assisted treatment program to provide treatment for
11 opioid-addicted and alcohol-addicted individuals who are referred
12 to and voluntarily participate in the medication-assisted treatment
13 program.

14 **ONE-TIME APPROPRIATIONS**

15 Sec. 401. From the funds appropriated in part 1 for veterans
16 courts, \$68,000.00 shall be allocated to a veterans court in a
17 county with a population of not less than 250,000 or more than
18 251,000 according to the 2010 federal decennial census. The purpose
19 of this program expansion is to increase the number of participants
20 and to decrease recidivism rates.

21 Sec. 402. (1) The state appellate defender office attorneys
22 and support staff shall increase to ensure Michigan compliance with
23 Montgomery v Louisiana, 577 US _____ (2016). The purpose of the
24 program expansion is to ensure competent, resourced, and supervised
25 counsel in cases involving the resentencing of juvenile lifers. The
26 representation by SADO counsel will create opportunities for

1 release, saving prison costs for the state.

2 (2) From the funds appropriated in part 1, the state appellate
3 defender office shall submit a report by September 30 to the senate
4 and house appropriations subcommittees on judiciary, the senate and
5 house fiscal agencies, and the state budget office on the number of
6 juvenile lifer cases investigated and prepared by the state
7 appellate defender office. The report shall include a calculation
8 of hours spent and focus on incremental costs associated with
9 investigating and conducting a robust examination of each case,
10 with particular emphasis on those costs that may be avoided after
11 the cases have been disposed.

12 PART 2A

13 PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS
14 FOR FISCAL YEAR 2018-2019

15 **GENERAL SECTIONS**

16 Sec. 1201. It is the intent of the legislature to provide
17 appropriations for the fiscal year ending on September 30, 2019 for
18 the line items listed in part 1. Fiscal year 2018-2019
19 appropriations are anticipated to be the same as those for fiscal
20 year 2017-2018, except that the line items will be adjusted for
21 changes in caseload and related costs, federal fund match rates,
22 economic factors, and available revenue. These adjustments will be
23 determined after the January 2018 consensus revenue estimating
24 conference.

ARTICLE XIII

DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of licensing and regulatory affairs for the fiscal year ending September 30, 2018, from the following funds:

DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS

APPROPRIATION SUMMARY

Full-time equated unclassified positions 57.5

Full-time equated classified positions 2,322.3

GROSS APPROPRIATION \$ 434,672,000

Interdepartmental grant revenues:

Total interdepartmental grants and intradepartmental

transfers 47,835,100

ADJUSTED GROSS APPROPRIATION \$ 386,836,900

Federal revenues:

Total federal revenues 65,020,900

Special revenue funds:

Total local revenues 250,000

Total private revenues 111,800

Total other state restricted revenues 277,037,600

State general fund/general purpose \$ 44,416,600

State general fund/general purpose schedule:

Ongoing state general fund/general

purpose 43,016,600

One-time state general fund/general

1	purpose	1,400,000	
2	Sec. 102. DEPARTMENTAL ADMINISTRATION AND SUPPORT		
3	Full-time equated unclassified positions	57.5	
4	Full-time equated classified positions	108.0	
5	Unclassified salaries--57.5 FTE positions		\$ 5,007,500
6	Administrative services--77.0 FTE positions		8,692,300
7	Executive director programs--24.0 FTE positions		3,216,500
8	FOIA coordination--2.0 FTE positions		309,700
9	Local community stabilization authority--1.0 FTE		
10	position.....		150,000
11	Office for new Americans--4.0 FTE positions		467,300
12	Property management		11,778,400
13	Worker's compensation		<u>381,800</u>
14	GROSS APPROPRIATION		\$ 30,003,500
15	Appropriated from:		
16	Interdepartmental grant revenues:		
17	IDG from MDIFS, accounting services		150,000
18	IDG from MDTED, unemployment hearings		588,000
19	Federal revenues:		
20	DED, vocational rehabilitation and independent living		905,600
21	DOE, heating oil and propane		25,000
22	DOL, occupational safety and health		725,000
23	EPA, underground storage tanks		29,100
24	HHS-Medicaid, certification of health care providers		
25	and suppliers.....		403,400
26	HHS-Medicare, certification of health care providers		
27	and suppliers.....		587,800

1	Special revenue funds:	
2	Stabilization authority contract	150,000
3	Aboveground storage tank fees	92,300
4	Accountancy enforcement fund	54,300
5	Asbestos abatement fund	140,700
6	Boiler inspection fund	264,600
7	Builder enforcement fund	99,600
8	Construction code fund	922,700
9	Corporation fees	5,004,400
10	Elevator fees	272,200
11	Fire alarm fees	7,000
12	Fire safety standard and enforcement fund	2,100
13	Fire service fees	483,000
14	Fireworks safety fund	59,300
15	Health professions regulatory fund	1,572,200
16	Health systems fees	225,500
17	Licensing and regulation fund	908,100
18	Liquor license revenue	300,000
19	Liquor purchase revolving fund	4,328,600
20	Marihuana registry fund	636,400
21	Michigan unarmed combat fund	5,900
22	Mobile home code fund	314,900
23	Nurse professional fund	36,300
24	PMECSEMA fund	44,100
25	Private occupational school license fees	55,200
26	Property development fees	7,300
27	Public utility assessments	2,536,400

1	Radiological health fees	217,700
2	Real estate appraiser education fund	2,600
3	Real estate education fund	7,000
4	Real estate enforcement fund	10,800
5	Refined petroleum fund	185,800
6	Restructuring mechanism assessments	12,100
7	Retired engineers technical assistance program fund ..	7,000
8	Safety education and training fund	780,400
9	Second injury fund	244,700
10	Securities fees	3,724,300
11	Securities investor education and training fund	9,200
12	Security business fund	4,000
13	Self-insurers security fund	128,800
14	Silicosis and dust disease fund	110,800
15	Survey and remonumentation fund	94,300
16	Tax tribunal fund	1,160,000
17	Utility consumer representation fund	54,000
18	Worker's compensation administrative revolving fund ..	102,700
19	State general fund/general purpose	\$ 1,210,300
20	Sec. 103. ENERGY AND UTILITY PROGRAMS	
21	Full-time equated classified positions	208.0
22	Michigan agency for energy--58.0 FTE positions	\$ 12,624,800
23	Public service commission--150.0 FTE positions	<u>25,895,300</u>
24	GROSS APPROPRIATION	\$ 38,520,100
25	Appropriated from:	
26	Federal revenues:	
27	DOE, heating oil and propane	3,781,700

1	DOT, gas pipeline safety	2,190,300
2	Special revenue funds:	
3	Public utility assessments	30,892,700
4	Restructuring mechanism assessments	609,600
5	Retired engineers technical assistance program fund ..	488,000
6	State general fund/general purpose	\$ 557,800
7	Sec. 104. LIQUOR CONTROL COMMISSION	
8	Full-time equated classified positions	143.0
9	Liquor licensing and enforcement--115.0 FTE positions	\$ 15,783,000
10	Management support services--28.0 FTE positions	<u>4,455,900</u>
11	GROSS APPROPRIATION	\$ 20,238,900
12	Appropriated from:	
13	Special revenue funds:	
14	Direct shipper enforcement revolving fund	300,000
15	Liquor control enforcement and license investigation	
16	revolving fund.....	175,000
17	Liquor license fee enhancement fund	76,400
18	Liquor license revenue	7,471,800
19	Liquor purchase revolving fund	12,215,700
20	State general fund/general purpose	\$ 0
21	Sec. 105. OCCUPATIONAL REGULATION	
22	Full-time equated classified positions	1,143.9
23	Bureau of community and health systems--433.9 FTE	
24	positions.....	\$ 62,226,900
25	Bureau of construction codes--171.0 FTE positions	21,122,900
26	Bureau of fire services--78.0 FTE positions	11,013,600
27	Bureau of professional licensing--210.0 FTE positions	40,580,600

1	Corporations, securities, and commercial licensing	
2	bureau--118.0 FTE positions	15,411,400
3	Medical marihuana facilities licensing and	
4	tracking--108.0 FTE positions	10,000,000
5	Medical marihuana program--25.0 FTE positions	<u>4,949,100</u>
6	GROSS APPROPRIATION	\$ 165,304,500
7	Appropriated from:	
8	Interdepartmental grant revenues:	
9	IDG from MDE, child care licensing	17,522,700
10	Federal revenues:	
11	DHS, fire training systems	28,000
12	DOT, hazardous materials training and planning	60,000
13	EPA, underground storage tanks	804,400
14	HHS-Medicaid, certification of health care providers	
15	and suppliers.....	9,258,700
16	HHS-Medicare, certification of health care providers	
17	and suppliers.....	12,438,200
18	Special revenue funds:	
19	Aboveground storage tank fees	203,100
20	Accountancy enforcement fund	688,300
21	Boiler inspection fund	3,352,300
22	Builder enforcement fund	643,600
23	Construction code fund	7,789,500
24	Corporation fees	7,061,000
25	Distance education fund	301,100
26	Elevator fees	4,296,700
27	Fire alarm fees	127,600

1	Fire safety standard and enforcement fund	40,100
2	Fire service fees	2,511,700
3	Fireworks safety fund	698,600
4	Health professions regulatory fund	23,913,500
5	Health systems fees	3,730,900
6	Licensing and regulation fund	11,376,800
7	Liquor purchase revolving fund	143,200
8	Marihuana registry fund	4,949,100
9	Marihuana regulatory fund	10,000,000
10	Michigan unarmed combat fund	146,000
11	Mobile home code fund	3,031,600
12	Nurse professional fund	1,963,800
13	Nursing home administrative penalties	100,000
14	PMECSEMA fund	1,851,500
15	Private occupational school license fees	522,900
16	Property development fees	318,100
17	Real estate appraiser education fund	64,000
18	Real estate education fund	344,400
19	Real estate enforcement fund	704,400
20	Refined petroleum fund	2,643,400
21	Securities fees	5,014,600
22	Securities investor education and training fund	501,200
23	Security business fund	340,100
24	Survey and remonumentation fund	856,200
25	State general fund/general purpose	\$ 24,963,200
26	Sec. 106. EMPLOYMENT SERVICES	
27	Full-time equated classified positions	464.4

1	Bureau of employment relations--22.0 FTE positions ...	\$	4,236,100
2	Bureau of services for blind persons--113.0 FTE		
3	positions.....		24,766,800
4	Compensation supplement fund		1,820,000
5	First responder presumed coverage fund claims		1,780,000
6	Insurance funds administration--23.0 FTE positions ...		5,265,600
7	Michigan occupational safety and health		
8	administration--197.0 FTE positions		29,022,400
9	Radiation safety section--21.4 FTE positions		3,259,700
10	Wage and hour program--32.0 FTE positions		3,763,800
11	Workers' compensation agency--56.0 FTE positions		<u>8,077,300</u>
12	GROSS APPROPRIATION	\$	81,991,700
13	Appropriated from:		
14	Federal revenues:		
15	DED, vocational rehabilitation and independent living		18,538,800
16	DOL, occupational safety and health		11,866,500
17	HHS, mammography quality standards		513,300
18	Special revenue funds:		
19	Blind services, local		100,000
20	Blind services, private		111,800
21	Asbestos abatement fund		806,800
22	Corporation fees		9,491,100
23	First responder presumed coverage fund		1,980,000
24	Michigan business enterprise program fund		400,000
25	Radiological health fees		2,746,400
26	Safety education and training fund		9,800,000
27	Second injury fund		2,602,200

1	Securities fees	8,701,100
2	Self-insurers security fund	1,571,500
3	Silicosis and dust disease fund	1,091,900
4	Worker's compensation administrative revolving fund ..	1,662,600
5	State general fund/general purpose	\$ 10,007,700
6	Sec. 107. MICHIGAN ADMINISTRATIVE HEARING SYSTEM	
7	Full-time equated classified positions	236.0
8	Michigan administrative hearing system--218.0 FTE	
9	positions.....	\$ 38,147,000
10	Michigan compensation appellate commission--18.0 FTE	
11	positions.....	<u>4,622,200</u>
12	GROSS APPROPRIATION	\$ 42,769,200
13	Appropriated from:	
14	Interdepartmental grant revenues:	
15	IDG from MDTED, unemployment hearings	4,284,100
16	IDG revenues, administrative hearings and rules	25,290,300
17	Federal revenues:	
18	DOL, occupational safety and health	153,900
19	Special revenue funds:	
20	Corporation fees	3,066,300
21	State restricted revenue - administrative hearings	
22	and rules.....	9,145,200
23	Worker's compensation administrative revolving fund ..	135,200
24	State general fund/general purpose	\$ 694,200
25	Sec. 108. COMMISSIONS	
26	Full-time equated classified positions	19.0
27	Asian Pacific American affairs commission--1.0 FTE	

1	position.....	\$	137,400
2	Commission on Middle Eastern American affairs--1.0		
3	FTE position.....		125,000
4	Hispanic/Latino commission of Michigan--1.0 FTE		
5	position.....		286,000
6	Michigan indigent defense commission--16.0 FTE		
7	positions.....		<u>2,386,800</u>
8	GROSS APPROPRIATION	\$	2,935,200
9	Appropriated from:		
10	State general fund/general purpose	\$	2,935,200
11	Sec. 109. GRANTS		
12	Fire protection grants	\$	9,273,900
13	Firefighter training grants		2,000,000
14	Liquor law enforcement grants		7,200,000
15	Medical marihuana operation and oversight grants		3,000,000
16	Remonumentation grants		7,300,000
17	Subregional libraries state aid		451,800
18	Utility consumer representation fund		<u>750,000</u>
19	GROSS APPROPRIATION	\$	29,975,700
20	Appropriated from:		
21	Special revenue funds:		
22	Fire protection fund		8,500,000
23	Fireworks safety fund		2,000,000
24	Liquor license revenue		7,200,000
25	Marihuana registry fund		3,000,000
26	Survey and remonumentation fund		7,300,000
27	Utility consumer representation fund		750,000

1	State general fund/general purpose	\$	1,225,700
2	Sec. 110. INFORMATION TECHNOLOGY		
3	Information technology services and projects	\$	<u>21,533,100</u>
4	GROSS APPROPRIATION	\$	21,533,100
5	Appropriated from:		
6	Federal revenues:		
7	DED, vocational rehabilitation and independent living		1,229,800
8	DOE, heating oil and propane		24,000
9	DOL, occupational safety and health		364,500
10	DOT, gas pipeline safety		45,000
11	EPA, underground storage tanks		100,200
12	HHS-Medicaid, certification of health care providers		
13	and suppliers		325,900
14	HHS-Medicare, certification of health care providers		
15	and suppliers		621,800
16	Special revenue funds:		
17	Aboveground storage tank fees		54,600
18	Accountancy enforcement fund		1,100
19	Asbestos abatement fund		52,500
20	Boiler inspection fund		383,100
21	Construction code fund		1,047,500
22	Corporation fees		3,495,700
23	Distance education fund		6,000
24	Elevator fees		431,100
25	Fire safety standard and enforcement fund		3,000
26	Fire service fees		199,200
27	Fireworks safety fund		35,200

1	Health professions regulatory fund	1,230,700
2	Health systems fees	228,200
3	Licensing and regulation fund	1,830,500
4	Liquor purchase revolving fund	2,895,900
5	Marihuana registry fund	298,900
6	Michigan unarmed combat fund	6,800
7	Mobile home code fund	305,800
8	PMECSEMA fund	178,600
9	Private occupational school license fees	21,900
10	Public utility assessments	1,494,900
11	Radiological health fees	143,300
12	Real estate appraiser education fund	1,000
13	Real estate education fund	4,900
14	Refined petroleum fund	170,800
15	Restructuring mechanism assessments	40,100
16	Retired engineers technical assistance program fund ..	5,000
17	Safety education and training fund	392,800
18	Second injury fund	465,600
19	Securities fees	1,094,600
20	Securities investor education and training fund	1,000
21	Self-insurers security fund	343,100
22	Silicosis and dust disease fund	138,400
23	Survey and remonumentation fund	74,100
24	Tax tribunal fund	323,500
25	State general fund/general purpose	\$ 1,422,500
26	Sec. 111. ONE-TIME BASIS ONLY	
27	Drinking water declaration of emergency	\$ 100

1	Fire protection grants enhancement - one-time	<u>1,400,000</u>
2	GROSS APPROPRIATION	\$ 1,400,100
3	Appropriated from:	
4	Special revenue funds:	
5	Drinking water declaration of emergency reserve fund .	100
6	State general fund/general purpose	\$ 1,400,000

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FOR FISCAL YEAR 2017-2018

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2017-2018 is \$321,454,200.00 and state spending from state resources to be paid to local units of government for fiscal year 2017-2018 is \$30,625,700.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS

19	Fire protection grants.....	\$ 9,273,900
20	Fire protection grants - one-time.....	1,400,000
21	Firefighter training grants.....	2,000,000
22	Liquor law enforcement grants	7,200,000
23	Medical marihuana operation and oversight grants	3,000,000
24	Remonumentation grants	7,300,000
25	Subregional libraries state aid	<u>451,800</u>

1 Total department of licensing and regulatory
 2 affairs..... \$ 30,625,700

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

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

7 (a) "DED" means the United States Department of Education.

8 (b) "Department" means the department of licensing and
 9 regulatory affairs.

10 (c) "DHHS" means the Michigan department of health and human
 11 services.

12 (d) "DHS" means the United States Department of Homeland
 13 Security.

14 (e) "DIFS" means the department of insurance and financial
 15 services.

16 (f) "Director" means the director of the department.

17 (g) "DOE" means the United States Department of Energy.

18 (h) "DOL" means the United States Department of Labor.

19 (i) "DOT" means the United States Department of
 20 Transportation.

21 (j) "EPA" means the United States Environmental Protection
 22 Agency.

23 (k) "Fiscal agencies" means Michigan house fiscal agency and
 24 Michigan senate fiscal agency.

25 (l) "FOIA" means the freedom of information act, 1976 PA 442,
 26 MCL 15.231 to 15.246.

27 (m) "FTE" means full-time equated.

1 (n) "HHS" means the United States Department of Health and
2 Human Services.

3 (o) "IDG" means interdepartmental grant.

4 (p) "IT" means information technology.

5 (q) "MDE" means the Michigan department of education.

6 (r) "PMECSEMA" means pain management education and controlled
7 substances electronic monitoring and antidiversion.

8 (s) "Subcommittees" means the subcommittees of the house and
9 senate appropriations committees with jurisdiction over the budget
10 for the department.

11 (t) "TED" means the Michigan department of talent and economic
12 development.

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

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

1 competitively priced and of comparable quality.

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

8 Sec. 207. (1) Out-of-state travel shall be limited to
9 situations when travel is approved by a departmental employee's
10 immediate supervisor and in which 1 or more of the following
11 conditions apply:

12 (a) The travel is required by legal mandate or court order or
13 for law enforcement purposes.

14 (b) The travel is necessary to protect the health or safety of
15 Michigan citizens or visitors or to assist other states in similar
16 circumstances.

17 (c) The travel is necessary to produce budgetary savings or to
18 increase state revenues, including protecting existing federal
19 funds or securing additional federal funds.

20 (d) The travel is necessary to comply with federal
21 requirements.

22 (e) The travel is necessary to secure specialized training for
23 staff that is not available within this state.

24 (f) The travel is financed entirely by federal or nonstate
25 funds.

26 (2) The department shall not approve the travel of more than 1
27 departmental employee to a specific professional development

1 conference or training seminar that is located outside of this
2 state unless a professional development conference or training
3 seminar is funded by a federal or private funding source and
4 requires more than 1 person from a department to attend, or the
5 conference or training seminar includes multiple issues in which 1
6 employee from the department does not have expertise.

7 (3) Not later than January 1, each department shall prepare a
8 travel report listing all travel by classified and unclassified
9 employees outside this state in the immediately preceding fiscal
10 year that was funded in whole or in part with funds appropriated in
11 the department's budget. The report shall be submitted to the house
12 and senate appropriations committees, the fiscal agencies, and the
13 state budget director. The report shall include all of the
14 following information:

15 (a) The name of each person receiving reimbursement for travel
16 outside this state or whose travel costs were paid by this state.

17 (b) The destination of each travel occurrence.

18 (c) The dates of each travel occurrence.

19 (d) A brief statement of the reason for each travel
20 occurrence.

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

26 (f) A total of all out-of-state travel funded for the
27 immediately preceding fiscal year.

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

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

15 Sec. 210. (1) In addition to the funds appropriated in part 1,
16 there is appropriated an amount not to exceed \$10,000,000.00 for
17 federal contingency funds. These funds are not available for
18 expenditure until they have been transferred to another line item
19 in part 1 under section 393(2) of the management and budget act,
20 1984 PA 431, MCL 18.1393.

21 (2) In addition to the funds appropriated in part 1, there is
22 appropriated an amount not to exceed \$25,000,000.00 for state
23 restricted contingency funds. These funds are not available for
24 expenditure until they have been transferred to another line item
25 in part 1 under section 393(2) of the management and budget act,
26 1984 PA 431, MCL 18.1393.

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

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

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

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

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

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

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

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

23 (e) Job specifications and wage rates.

24 Sec. 212. Within 14 days after the release of the executive
25 budget recommendation, the department shall cooperate with the
26 state budget office to provide the senate and house appropriations
27 chairs, the subcommittees chairs, and the fiscal agencies with an

1 annual report on estimated state restricted fund balances, state
2 restricted fund projected revenues, and state restricted fund
3 expenditures for the fiscal years ending September 30, 2017 and
4 September 30, 2018.

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

9 Sec. 214. Total authorized appropriations from all sources
10 under part 1 for legacy costs for the fiscal year ending September
11 30, 2018 are \$56,364,700.00. From this amount, total agency
12 appropriations for pension-related legacy costs are estimated at
13 \$29,005,600.00. Total agency appropriations for retiree health care
14 legacy costs are estimated at \$27,359,100.00.

15 Sec. 215. Unless prohibited by law, the department may accept
16 credit card or other electronic means of payment for licenses,
17 fees, or permits.

18 Sec. 218. The department shall not take disciplinary action
19 against an employee for communicating with a member of the
20 legislature or his or her staff.

21 Sec. 219. The department shall not develop or produce any
22 television or radio productions.

23 Sec. 220. The department, in conjunction with the department
24 of health and human services, shall maintain an accounting
25 structure within the state's accounting system that will allow
26 expenditures associated with the administration of the Healthy
27 Michigan plan to be identified.

1 Sec. 221. The department may carry into the succeeding fiscal
2 year unexpended federal pass-through funds to local institutions
3 and governments that do not require additional state matching
4 funds. Federal pass-through funds to local institutions and
5 governments that are received in amounts in addition to those
6 included in part 1 and that do not require additional state
7 matching funds are appropriated for the purposes intended. Within
8 14 days after the receipt of federal pass-through funds, the
9 department shall notify the house and senate chairpersons of the
10 subcommittees, the fiscal agencies, and the state budget director
11 of pass-through funds appropriated under this section.

12 Sec. 222. (1) Grants supported with private revenues received
13 by the department are appropriated upon receipt and are available
14 for expenditure by the department, subject to subsection (3), for
15 purposes specified within the grant agreement and as permitted
16 under state and federal law.

17 (2) Within 10 days after the receipt of a private grant
18 appropriated in subsection (1), the department shall notify the
19 house and senate chairpersons of the subcommittees, the fiscal
20 agencies, and the state budget director of the receipt of the
21 grant, including the fund source, purpose, and amount of the grant.

22 (3) The amount appropriated under subsection (1) shall not
23 exceed \$1,500,000.00.

24 Sec. 223. (1) The department may charge registration fees to
25 attendees of informational, training, or special events sponsored
26 by the department.

27 (2) These fees shall reflect the costs for the department to

1 sponsor the informational, training, or special events.

2 (3) Revenue generated by the registration fees is appropriated
3 upon receipt and available for expenditure to cover the
4 department's costs of sponsoring informational, training, or
5 special events.

6 (4) Revenue generated by registration fees in excess of the
7 department's costs of sponsoring informational, training, or
8 special events shall carry forward to the subsequent fiscal year
9 and not lapse to the general fund.

10 (5) The amount appropriated under subsection (3) shall not
11 exceed \$500,000.00.

12 Sec. 224. The department may make available to interested
13 entities otherwise unavailable customized listings of
14 nonconfidential information in its possession, such as names and
15 addresses of licensees. The department may establish and collect a
16 reasonable charge to provide this service. The revenue received
17 from this service is appropriated when received and shall be used
18 to offset expenses to provide the service. Any balance of this
19 revenue collected and unexpended at the end of the fiscal year
20 shall lapse to the appropriate restricted fund.

21 Sec. 225. (1) The department shall sell documents at a price
22 not to exceed the cost of production and distribution. Money
23 received from the sale of these documents shall revert to the
24 department. In addition to the funds appropriated in part 1, these
25 funds are available for expenditure when they are received by the
26 department of treasury. This subsection applies only for the
27 following documents:

1 (a) Corporation and securities division documents, reports,
2 and papers required or permitted by law pursuant to section 1060(5)
3 of the business corporation act, 1972 PA 284, MCL 450.2060.

4 (b) The Michigan liquor control code of 1998, 1998 PA 58, MCL
5 436.1101 to 436.2303.

6 (c) The mobile home commission act, 1987 PA 96, MCL 125.2301
7 to 125.2350; the business corporation act, 1972 PA 284, MCL
8 450.1101 to 450.2098; the nonprofit corporation act, 1982 PA 162,
9 MCL 450.2101 to 450.3192; and the uniform securities act (2002),
10 2008 PA 551, MCL 451.2101 to 451.2703.

11 (d) Worker's compensation health care services rules.

12 (e) Construction code manuals.

13 (f) Copies of transcripts from administrative law hearings.

14 (2) In addition to the funds appropriated in part 1, funds
15 appropriated for the department under sections 55, 57, 58, and 59
16 of the administrative procedures act of 1969, 1969 PA 306, MCL
17 24.255, 24.257, 24.258, and 24.259, and section 203 of the
18 legislative council act, 1986 PA 268, MCL 4.1203, are appropriated
19 for all expenses necessary to provide for the cost of publication
20 and distribution.

21 (3) Unexpended funds at the end of the fiscal year shall carry
22 forward to the subsequent fiscal year and not lapse to the general
23 fund.

24 Sec. 226. (1) No later than March 1, the department shall
25 submit a report to the subcommittees and fiscal agencies pertaining
26 to licensing and regulatory programs during the previous fiscal
27 year for the following agencies:

- 1 (a) Public service commission.
- 2 (b) Liquor control commission.
- 3 (c) Bureau of fire services.
- 4 (d) Bureau of construction codes.
- 5 (e) Corporations, securities, and commercial licensing bureau.
- 6 (f) Bureau of professional licensing.
- 7 (g) Bureau of community and health systems.
- 8 (h) Michigan occupational safety and health administration.

9 (2) The report shall be in a format that is consistent between
10 the agencies listed in subsection (1) and shall provide, but is not
11 limited to, the following information, as applicable, for each
12 agency in subsection (1):

13 (a) Revenue generated by and expenditures disbursed for each
14 regulatory product.

15 (b) Number of applications, both initial and renewal, for each
16 regulatory product.

17 (c) Number of applications, both initial and renewal, approved
18 for each regulatory product.

19 (d) Number of applications, both initial and renewal, denied
20 for each regulatory product.

21 (e) Average amount of time, both tolled and untolled, to
22 approve or deny applications, both initial and renewal, for each
23 regulatory product.

24 (f) Number of examinations proctored for initial applications
25 for each regulatory product.

26 (g) Number of complaints received pertaining to each regulated
27 activity.

1 (h) Number of investigations opened pertaining to each
2 regulated activity.

3 (i) Number of investigations closed pertaining to each
4 regulated activity.

5 (j) Average amount of time to close investigations pertaining
6 to each regulated activity.

7 (k) Number of enforcement actions pertaining to each regulated
8 activity.

9 (l) Number of administrative hearings pertaining to each
10 regulated activity.

11 (m) Number of administrative hearing adjudications pertaining
12 to each regulated activity.

13 (n) The type and amount of each fee charged to support each
14 regulated activity.

15 (3) As used in subsection (2), "regulatory product" means
16 licensure, certification, registration, inspection, review,
17 permitting, approval, or any other regulatory service provided by
18 the agencies specified in subsection (1) for each regulated
19 activity. As used in this subsection and subsection (2), "regulated
20 activity" means the particular activities, entities, facilities,
21 and industries regulated by the agencies specified in subsection
22 (1).

23 Sec. 227. It is the intent of the legislature that the
24 department establish an employee performance monitoring process
25 that is consistent throughout the department in addition to current
26 civil service commission evaluations. By April 1, the department
27 shall submit a report to the state budget office, the

subcommittees, and the fiscal agencies on changes to the employee performance monitoring process that are planned or implemented, as well as the number of employee evaluations performed.

ENERGY AND UTILITY PROGRAMS

Sec. 301. The Michigan Agency for Energy administers the low-income energy assistance grant program on behalf of DHHS via an interagency agreement. Funds supporting the grant program are appropriated in the department upon awarding of grants and may be expended for grant payments and administrative related expenses incurred in the operation of the program.

LIQUOR CONTROL COMMISSION

Sec. 401. The liquor control commission shall utilize funds appropriated from the liquor purchase revolving fund to invest in technology upgrades in an effort to mitigate delays for issuing licenses under section 503 of the Michigan liquor control code of 1998, 1998 PA 58, MCL 436.1503. It is the intent of the legislature that the commission utilize free software to mitigate these delays, if such a product is available.

Sec. 402. (1) From the appropriations in part 1 from the direct shipper enforcement fund, the liquor control commission shall expend these funds as required under section 203(11) of the Michigan liquor control code of 1998, 1998 PA 58, MCL 436.1203, to investigate and audit unlawful direct shipments of wine by unlicensed wineries and retailers, with priority directed toward unlicensed out-of-state retailers and third-party marketers. The

1 commission shall use shipping records available to it under section
2 203(21) of the Michigan liquor control code of 1998, 1998 PA 58,
3 MCL 436.1203, to assist with this effort.

4 (2) By February 1, the liquor control commission shall provide
5 a report to the legislature and the subcommittees detailing the
6 commission's activities to investigate and audit the illegal
7 shipping of wine and the results of these activities. The report
8 shall include the following:

9 (a) Work hours spent, specific actions undertaken, and the
10 number of FTEs dedicated to identify and stop unlicensed out-of-
11 state retailers, third-party marketers, and wineries that ship
12 illegally in Michigan.

13 (b) General overview of expenditures associated with efforts
14 to identify and stop unlicensed out-of-state retailers, third-party
15 marketers, and wineries that ship illegally in Michigan.

16 (c) Number of out-of-state entities found to have illegally
17 shipped wine into Michigan and total weight of illegally shipped
18 wine. These items shall be broken down by total number of retailers
19 and total number of wineries.

20 (d) Suggested areas of focus on how to address direct shipper
21 enforcement and illegal importation in the future.

22 **OCCUPATIONAL REGULATION**

23 Sec. 501. Money appropriated under this part and part 1 for
24 the bureau of fire services shall not be expended unless, in
25 accordance with section 2c of the fire prevention code, 1941 PA
26 207, MCL 29.2c, inspection and plan review fees will be charged

according to the following schedule:

Operation and maintenance inspection fee

<u>Facility type</u>	<u>Facility size</u>	<u>Fee</u>
Hospitals	Any	\$8.00 per bed

Plan review and construction inspection fees for
hospitals and schools

<u>Project cost range</u>	<u>Fee</u>
\$101,000.00 or less	minimum fee of \$155.00
\$101,001.00 to \$1,500,000.00	\$1.60 per \$1,000.00
\$1,500,001.00 to \$10,000,000.00	\$1.30 per \$1,000.00
\$10,000,001.00 or more	\$1.10 per \$1,000.00
	or a maximum fee of \$60,000.00.

Sec. 502. The funds collected by the department for licenses, permits, and other elevator regulation fees set forth in the Michigan Administrative Code and as determined under section 8 of 1976 PA 333, MCL 338.2158, and section 16 of 1967 PA 227, MCL 408.816, that are unexpended at the end of the fiscal year shall carry forward to the subsequent fiscal year.

Sec. 503. No later than February 15, the department shall submit a report to the subcommittees, fiscal agencies, and state budget director providing the following information:

(a) The number of honorably discharged veterans, individually or if a majority interest of a corporation or limited liability company, that were exempted from paying licensure, registration, filing, or any other fees collected under each licensure or regulatory program administered by the bureau of construction codes and the corporations, securities, and commercial licensing bureau

1 during the preceding fiscal year.

2 (b) The specific fees and total amount of revenue exempted
3 under each licensure or regulatory program administered by the
4 bureau of construction codes and the corporations, securities, and
5 commercial licensing bureau during the preceding fiscal year.

6 (c) The actual costs of providing licensing and other
7 regulatory services to veterans exempted from paying licensure,
8 registration, filing, or any other fees during the preceding fiscal
9 year and a description of how these costs were calculated.

10 (d) The estimated amount of revenue that will be exempted
11 under each licensure or regulatory program administered by the
12 bureau of construction codes and the corporations, securities, and
13 commercial licensing bureau in both the current and subsequent
14 fiscal years and a description of how the exempted revenue was
15 estimated.

16 Sec. 505. Funds remaining in the homeowner construction lien
17 recovery fund are appropriated to the department for payment of
18 court-ordered homeowner construction lien recovery fund judgments
19 entered prior to August 23, 2010. Pursuant to available funds, the
20 payment of final judgments shall be made in the order in which the
21 final judgments were entered and began accruing interest.

22 Sec. 507. The department shall submit a report by January 31
23 to the standing committees on appropriations of the senate and
24 house of representatives, the fiscal agencies, and the state budget
25 director that includes all of the following information for the
26 prior fiscal year regarding the medical marihuana program under the
27 Michigan medical marihuana act, 2008 IL 1, MCL 333.26421 to

1 333.26430:

2 (a) The number of initial applications received.

3 (b) The number of initial applications approved and the number
4 of initial applications denied.

5 (c) The average amount of time, from receipt to approval or
6 denial, to process an initial application.

7 (d) The number of renewal applications received.

8 (e) The number of renewal applications approved and the number
9 of renewal applications denied.

10 (f) The average amount of time, from receipt to approval or
11 denial, to process a renewal application.

12 (g) The percentage of initial applications not approved or
13 denied within the time requirements established in section 6 of the
14 Michigan medical marihuana act, 2008 IL 1, MCL 333.26426.

15 (h) The percentage of renewal applications not approved or
16 denied within the time requirements established in section 6 of the
17 Michigan medical marihuana act, 2008 IL 1, MCL 333.26426.

18 (i) The percentage of registry identification cards for
19 approved initial applications not issued within the time
20 requirements established in section 6 of the Michigan medical
21 marihuana act, 2008 IL 1, MCL 333.26426.

22 (j) The percentage of registry identification cards for
23 approved renewal applications not issued within the time
24 requirements established in section 6 of the Michigan medical
25 marihuana act, 2008 IL 1, MCL 333.26426.

26 (k) The number of registry identification cards issued to or
27 renewed for patients residing in each county as of September 30 of

1 the preceding fiscal year under the Michigan medical marihuana act,
2 2008 IL 1, MCL 333.26421 to 333.26430.

3 (l) The amount collected from the medical marihuana program
4 application and renewal fees authorized in section 5 of the
5 Michigan medical marihuana act, 2008 IL 1, MCL 333.26425.

6 (m) The costs of administering the medical marihuana program
7 under the Michigan medical marihuana act, 2008 IL 1, MCL 333.26421
8 to 333.26430.

9 Sec. 508. If the revenue collected by the department for
10 health systems administration or radiological health administration
11 and projects from fees and collections exceeds the amount
12 appropriated in part 1, the revenue may be carried forward into the
13 subsequent fiscal year. The revenue carried forward under this
14 section shall be used as the first source of funds in the
15 subsequent fiscal year.

16 Sec. 511. No later than February 1, the department shall
17 submit a report to the subcommittees, fiscal agencies, and state
18 budget director providing the following information:

19 (a) The total amount of reimbursements made to local units of
20 government for delegated inspections of fireworks retail locations
21 pursuant to section 11 of the Michigan fireworks safety act, 2011
22 PA 256, MCL 28.461, from the funds appropriated in part 1 for the
23 bureau of fire services during the preceding fiscal year.

24 (b) The amount of reimbursement for delegated inspections of
25 fireworks retail locations for each local unit of government that
26 received reimbursement from the funds appropriated in part 1 for
27 the bureau of fire services during the preceding fiscal year.

1 Sec. 513. (1) Beginning October 1, for the purpose of
2 defraying the costs associated with responding to false final
3 inspection appointments and to discourage the practice of calling
4 for final inspections when the project is incomplete or
5 noncompliant with a plan of correction previously provided by the
6 bureau of fire services, the bureau of fire services may assess a
7 fee not to exceed \$200.00 for responding to a second or subsequent
8 confirmed false inspection appointment. Fees collected under this
9 section shall be deposited into the restricted account referenced
10 by section 2c(2) of the fire prevention code, 1941 PA 207, MCL
11 29.2c, and explicitly identified within the Michigan administrative
12 information network.

13 (2) Not later than September 30, the department shall prepare
14 a report that provides the amount of the fee assessed under
15 subsection (1), the number of fees assessed and issued per region,
16 the cost allocation for the work performed and reduced as a result
17 of this section, and any recommendations for consideration by the
18 legislature. The department shall submit this information to the
19 state budget director, the subcommittees, and the fiscal agencies.

20 Sec. 515. (1) The department shall assess and collect fees in
21 the licensing and regulation of child care organizations, as
22 described in 1973 PA 116, MCL 722.111 to 722.128, and adult foster
23 care facilities, as described in the adult foster care facility
24 licensing act, 1979 PA 218, MCL 400.701 to 400.737.

25 (2) The department shall report the total amount of fees
26 assessed and collected under subsection (1) during the preceding
27 fiscal year to the fiscal agencies no later than December 1 and

1 shall provide information requested by the fiscal agencies as they
2 consider necessary to shift authorization equivalent to that amount
3 from the general fund/general purpose to a state restricted fund
4 within the department's budget for fiscal year 2018-2019.

5 Sec. 517. The department shall submit a report on the Michigan
6 automated prescription system to the senate and house
7 appropriations committees and the senate and house fiscal agencies
8 by November 30. The report shall include, but is not limited to,
9 the following:

10 (a) Total number of licensed health professionals registered
11 to the Michigan automated prescription system.

12 (b) Total number of dispensers registered to the Michigan
13 automated prescription system.

14 (c) Total number of prescribers using the Michigan automated
15 prescription system.

16 (d) Total number of dispensers using the Michigan automated
17 prescription system.

18 (e) Number of cases related to overprescribing,
19 overdispensing, and drug diversion where the department took
20 administrative action as a result of information and data generated
21 from the Michigan automated prescription system.

22 (f) The number of integrations from the electronic health
23 record systems used by prescribers and dispensers with the Michigan
24 automated prescription system.

25 Sec. 518. From the amount appropriated in part 1 for the
26 bureau of community and health systems, upon receipt of the order
27 of suspension of a licensed adult foster care home, home for the

1 aged, or nursing home, the department shall serve the facility and
2 provide contemporaneous notice to the offices of legislators
3 representing a district where the licensed facility is situated.

4 Sec. 519. The department shall submit a report regarding the
5 medical marihuana facilities licensing and tracking program to the
6 standing committees on appropriations of the senate and house, the
7 senate and house fiscal agencies, and the state budget director by
8 March 1. The report shall include, but is not limited to, the
9 following:

10 (a) The number of initial license applications received for
11 each license category.

12 (b) The number of initial applications approved and the number
13 of initial license applications denied.

14 (c) The average amount of time, from receipt to approval or
15 denial, to process an initial application.

16 (d) The total number of license applications approved by
17 license category and by county.

18 (e) The total amount collected from application fees.

19 (f) The total amount collected from any established regulatory
20 assessment.

21 (g) The costs of administering the medical marihuana
22 facilities licensing and tracking program.

23 **EMPLOYMENT SERVICES**

24 Sec. 704. (1) The appropriation in part 1 for the bureau of
25 services for blind persons includes funds for case services. These
26 funds may be used for tuition payments for blind clients.

1 (2) Revenue collected by the bureau of services for blind
2 persons and from private and local sources that is unexpended at
3 the end of the fiscal year may carry forward to the subsequent
4 fiscal year.

5 Sec. 705. The bureau of services for blind persons shall work
6 collaboratively with service organizations and government entities
7 to identify qualified match dollars to maximize use of available
8 federal vocational rehabilitation funds.

9 Sec. 707. The bureau of services for blind persons may provide
10 and enter into agreements to provide general services, training,
11 meetings, information, special equipment, software, facility use,
12 and technical consulting services to other principal executive
13 departments, state agencies, local units of government, the
14 judicial branch of government, other organizations, and patrons of
15 department facilities. The department may charge fees for these
16 services that are reasonably related to the cost of providing the
17 services. In addition to the funds appropriated in part 1, funds
18 collected by the department for these services are appropriated for
19 all expenses necessary. The funds appropriated under this section
20 are allotted for expenditure when they are received by the
21 department of treasury.

22 Sec. 708. Funds received in excess of the appropriation in
23 part 1 for first responder presumed coverage claims from the first
24 responder presumed coverage fund are appropriated in an amount
25 sufficient to pay approved claims due in the current fiscal year
26 pursuant to section 405 of the worker's disability compensation act
27 of 1969, 1969 PA 317, MCL 418.405.

COMMISSIONS

Sec. 800. If Byrne formula grant funding is awarded to the Michigan indigent defense commission, the Michigan indigent defense commission may receive and expend Byrne formula grant funds in an amount not to exceed \$250,000.00 as an interdepartmental grant from the department of state police. The Michigan indigent defense commission, created under section 5 of the Michigan indigent defense commission act, 2013 PA 93, MCL 780.985, may receive and expend federal grant funding from the United States Department of Justice in an amount not to exceed \$300,000.00 as other federal grants.

Sec. 801. From the funds appropriated in part 1, the Michigan indigent defense commission shall submit a report by September 30 to the senate and house appropriations subcommittees on judiciary, the subcommittees, the senate and house fiscal agencies, and the state budget director on the incremental costs associated with the standard development process, the compliance plan process, and the collection of data from all indigent defense systems and attorneys providing indigent defense. Particular emphasis shall be placed on those costs that may be avoided after standards are developed and compliance plans are in place.

Sec. 802. The Michigan office for new Americans is to coordinate with the Asian Pacific American affairs commission, the Commission on Middle Eastern American affairs, and the Hispanic/Latino commission of Michigan to produce a report by March 1 that is to be transmitted to the senate and house subcommittee chairpersons and the senate and house fiscal agencies. The report

1 shall include, but is not limited to, the following:

2 (a) Total number of people with whom each commission directly
3 interacts through programming.

4 (b) Total number of public events that each commission
5 conducted.

6 (c) Description of the activities that the commissions
7 initiated to promote cooperation between the commissions.

8 (d) Total number of meetings that each commission held with
9 foreign diplomats.

10 (e) Programmatic costs of each commission.

11 **DEPARTMENT GRANTS**

12 Sec. 901. The appropriation in part 1 for fire protection
13 grants shall be appropriated to cities, villages, and townships
14 with state-owned facilities for fire services, instead of taxes, in
15 accordance with 1977 PA 289, MCL 141.951 to 141.956.

16 Sec. 902. (1) The department shall expend the funds
17 appropriated in part 1 for medical marihuana operation and
18 oversight grants for grants to county law enforcement offices for
19 the operation and oversight of the Michigan medical marihuana
20 program pursuant to section 6(l) of the Michigan medical marihuana
21 act, 2008 IL 1, MCL 333.26426. These grants shall be distributed
22 proportionately based on the number of registry identification
23 cards issued to or renewed for the residents of each county whose
24 county law enforcement office applied for a grant under subsection
25 (2). For the purposes of this subsection, operation and oversight
26 grants are for education, communication, and enforcement of the

1 Michigan medical marihuana act, 2008 IL 1, MCL 333.26421 to
2 333.26430.

3 (2) No later than December 1, the department shall post a
4 listing of potential grant money available to each county law
5 enforcement agency on its website. In addition, the department
6 shall work collaboratively with county law enforcement agencies,
7 the Michigan Sheriff's Association, and other representative law
8 enforcement organizations regarding the availability of these grant
9 funds. A county law enforcement agency requesting a grant shall
10 apply on a form developed by the department and available on the
11 website. The form shall contain the county law enforcement agency's
12 specific projected plan for use of the money and its agreement to
13 maintain all records and to submit documentation to the department
14 to support the use of the grant money.

15 (3) In order to be eligible to receive a grant under
16 subsection (1), a county law enforcement agency shall apply no
17 later than January 1 and agree to report how the grant was expended
18 and provide that report to the department no later than September
19 15. The department shall submit a report no later than October 15
20 of the subsequent fiscal year to the state budget director, the
21 subcommittees, and the fiscal agencies detailing the grant amounts
22 by recipient and the reported uses of the grants in the preceding
23 fiscal year.

24 (4) County law enforcement agencies may distribute
25 discretionary grants made under subsection (1) to municipal law
26 enforcement agencies for the operation and oversight of the
27 Michigan medical marihuana program pursuant to section 6(1) of the

1 Michigan medical marihuana act, 2008 IL 1, MCL 333.26426. If a
2 county law enforcement agency distributes a discretionary grant in
3 this manner, that county law enforcement agency shall require the
4 receiving municipal law enforcement agency to provide a report on
5 how that grant was spent. Reports from municipal law enforcement
6 agencies shall be included as part of the report submitted to the
7 department as required in subsection (3).

8 Sec. 903. (1) The amount appropriated in part 1 for
9 firefighter training grants shall only be expended for payments to
10 counties to reimburse organized fire departments for firefighter
11 training and other activities required under the firefighters
12 training council act, 1966 PA 291, MCL 29.361 to 29.377.

13 (2) If the amount appropriated in part 1 for firefighter
14 training grants is expended by the firefighter training council,
15 established in section 3 of the firefighters training council act,
16 1966 PA 291, MCL 29.363, for payments to counties under section 14
17 of the firefighters training council act, 1966 PA 291, MCL 29.374,
18 it is the intent of the legislature that:

19 (a) The amount appropriated in part 1 for firefighter training
20 grants shall be allocated pursuant to section 14(2) of the
21 firefighters training council act, 1966 PA 291, MCL 29.374.

22 (b) If the amount allocated to any county under subdivision
23 (a) is less than \$5,000.00, the amounts disbursed to each county
24 under subdivision (a) shall be adjusted to provide for a minimum
25 payment of \$5,000.00 to each county.

26 (3) No later than February 1, the department shall submit a
27 financial report to the subcommittees and fiscal agencies

1 identifying the following information for the preceding fiscal
2 year:

3 (a) The amount of the payments that would be made to each
4 county if the distribution formula described by the first sentence
5 of section 14(2) of the firefighters training council act, 1966 PA
6 291, MCL 29.374, would have been utilized to allocate the total
7 amount appropriated in part 1 for firefighter training grants.

8 (b) The amount of the payments approved by the firefighter
9 training council for allocation to each county.

10 (c) The amount of the payments actually expended or encumbered
11 within each county.

12 (d) A description of any other payments or expenditures made
13 under the authority of the firefighter training council.

14 (e) The amount of payments approved for allocations to
15 counties that was not expended or encumbered and lapsed back to the
16 fireworks safety fund.

17 Sec. 904. (1) The funds appropriated in part 1 for a regional
18 or subregional library shall not be released until a budget for
19 that regional or subregional library has been approved by the
20 department for expenditures for library services directly serving
21 the blind and persons with disabilities.

22 (2) In order to receive subregional state aid as appropriated
23 in part 1, a regional or subregional library's fiscal agency shall
24 agree to maintain local funding support at the same level in the
25 current fiscal year as in the fiscal agency's preceding fiscal
26 year. If a reduction in expenditures equally affects all agencies
27 in a local unit of government that is the regional or subregional

1 library's fiscal agency, that reduction shall not be interpreted as
 2 a reduction in local support and shall not disqualify a regional or
 3 subregional library from receiving state aid under part 1. If a
 4 reduction in income affects a library cooperative or district
 5 library that is a regional or subregional library's fiscal agency
 6 or a reduction in expenditures for the regional or subregional
 7 library's fiscal agency, a reduction in expenditures for the
 8 regional or subregional library shall not be interpreted as a
 9 reduction in local support and shall not disqualify a regional or
 10 subregional library from receiving state aid under part 1.

11

ARTICLE XIV

12

DEPARTMENT OF MILITARY AND VETERANS AFFAIRS

13

PART 1

14

LINE-ITEM APPROPRIATIONS

15

Sec. 101. There is appropriated for the department of military

16

and veterans affairs for the fiscal year ending September 30, 2018,

17

from the following funds:

18

DEPARTMENT OF MILITARY AND VETERANS AFFAIRS

19

APPROPRIATION SUMMARY

20

Full-time equated unclassified positions 9.0

21

Full-time equated classified positions 904.5

22

GROSS APPROPRIATION \$ 179,504,400

23

Interdepartmental grant revenues:

24

IDG from department of state police 101,800

25

Total interdepartmental grants and intradepartmental

1	transfers.....	101,800
2	ADJUSTED GROSS APPROPRIATION	\$ 179,402,600
3	Federal revenues:	
4	Other federal revenues	92,334,100
5	Total federal revenues	92,334,100
6	Special revenue funds:	
7	Local revenues	1,528,400
8	Total local revenues	1,528,400
9	Private revenues	640,000
10	Total private revenues	640,000
11	Other state restricted revenues	22,332,600
12	Total other state restricted revenues	22,332,600
13	State general fund/general purpose	\$ 62,567,500
14	State general fund/general purpose schedule:	
15	Ongoing state general fund/general	
16	purpose	60,067,500
17	One-time state general fund/general	
18	purpose	2,500,000
19	Sec. 102. MILITARY	
20	Full-time equated unclassified positions	9.0
21	Full-time equated classified positions	333.0
22	Unclassified salaries--9.0 FTE positions	\$ 1,468,300
23	Departmentwide	1,853,100
24	Headquarters and armories--88.0 FTE positions	17,317,800
25	Michigan youth challenge academy--50.0 FTE positions .	5,259,100
26	Military family relief fund	600,000
27	Military training sites and support	

1	facilities--195.0 FTE positions	33,956,100
2	National Guard operations	398,200
3	National Guard tuition assistance fund	4,007,000
4	Starbase grant	<u>2,322,000</u>
5	GROSS APPROPRIATION	\$ 67,181,600
6	Appropriated from:	
7	Interdepartmental grant revenues:	
8	IDG from department of state police	101,800
9	Federal revenues:	
10	Other federal revenues	47,200,100
11	Special revenue funds:	
12	Local revenues	1,528,400
13	Private revenues	100,000
14	Other state restricted revenues	2,567,800
15	State general fund/general purpose	\$ 15,683,500
16	Sec. 103. MICHIGAN VETERANS AFFAIRS AGENCY	
17	Full-time equated classified positions	224.5
18	Board of managers (veterans homes)	\$ 940,000
19	D.J. Jacobetti home for veterans--179.5 FTE positions	22,275,500
20	Michigan veterans affairs agency	
21	administration---39.0 FTE positions	7,061,200
22	Michigan veterans facility authority	1,000,000
23	Veterans trust fund administration---6.0 FTE positions	1,468,900
24	Veterans trust fund grants	3,746,500
25	Targeted grants	200,000
26	Veterans service grants	<u>3,835,500</u>
27	GROSS APPROPRIATION	\$ 40,527,600

1	Appropriated from:	
2	Federal revenues:	
3	Other federal revenues	8,396,100
4	Special revenue funds:	
5	Private revenues	540,000
6	Other state restricted revenues	10,730,100
7	State general fund/general purpose	\$ 20,861,400
8	Sec. 104. GRAND RAPIDS HOME FOR VETERANS	
9	Full-time equated classified positions	347.0
10	Veterans home operations	\$ 9,007,800
11	Purchased services	10,342,700
12	Salaries, wages, and fringe benefits---347.0 FTE	
13	positions.....	<u>31,054,000</u>
14	GROSS APPROPRIATION	\$ 50,404,500
15	Appropriated from:	
16	Federal revenues:	
17	Other federal revenues	21,165,600
18	Special revenue funds:	
19	Other state restricted revenues	6,620,200
20	State general fund/general purpose	\$ 22,618,700
21	Sec. 105. CAPITAL OUTLAY	
22	Land and acquisitions	\$ 2,000,000
23	Special maintenance - National Guard	15,000,000
24	Special maintenance - veterans homes	<u>500,000</u>
25	GROSS APPROPRIATION	\$ 17,500,000
26	Appropriated from:	
27	Federal revenues:	

1	Other federal revenues	15,000,000
2	Special revenue funds:	
3	Other state restricted revenues	2,000,000
4	State general fund/general purpose	\$ 500,000
5	Sec. 106. INFORMATION TECHNOLOGY	
6	Information technology services and projects	\$ <u>1,390,700</u>
7	GROSS APPROPRIATION	\$ 1,390,700
8	Appropriated from:	
9	Federal revenues:	
10	Other federal revenues	572,300
11	Special revenue funds:	
12	Other state restricted revenues	414,500
13	State general fund/general purpose	\$ 403,900
14	Sec. 107. ONE-TIME APPROPRIATIONS	
15	Armory maintenance	\$ <u>2,500,000</u>
16	GROSS APPROPRIATION	\$ 2,500,000
17	Appropriated from:	
18	State general fund/general purpose	\$ 2,500,000

19 PART 2

20 PROVISIONS CONCERNING APPROPRIATIONS

21 FOR FISCAL YEAR 2017-2018

22 **GENERAL SECTIONS**

23 Sec. 201. Pursuant to section 30 of article IX of the state
 24 constitution of 1963, total state spending from state sources under
 25 part 1 for fiscal year 2017-2018 is \$84,900,100.00 and state

1 spending from state sources to be paid to local units of government
 2 for fiscal year 2017-2018 is \$142,400.00. The itemized statement
 3 below identifies appropriations from which spending to local units
 4 of government will occur:

5 DEPARTMENT OF MILITARY AND VETERANS AFFAIRS

6	Michigan veterans affairs agency administration	\$	90,000
7	Military training sites and support facilities	\$	<u>52,400</u>
8	TOTAL	\$	142,400

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

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

13 (a) "Core services" means that phrase as defined in section
 14 373 of the management and budget act, 1984 PA 431, MCL 18.1373.

15 (b) "Department" means the department of military and veterans
 16 affairs.

17 (c) "Director" means the director of the department.

18 (d) "FTE" means full-time equated.

19 (e) "HVAC" means heating, ventilation, and air conditioning.

20 (f) "IDG" means interdepartmental grant.

21 (g) "Michigan veterans' facility authority" means the
 22 authority created under section 3 of the Michigan veterans'
 23 facility authority act, 2016 PA 560, MCL 36.103.

24 (h) "MVAA" means the Michigan veterans affairs agency.

25 (i) "Subcommittees" means the subcommittees of the senate and
 26 house appropriations committees with jurisdiction over the budget
 27 of the department.

1 (j) "Support services" means an activity, such as information
2 technology, accounting, human resources, legal, and other support
3 functions that are required to support the ongoing delivery of core
4 services.

5 (k) "USDVA" means the United States Department of Veterans
6 Affairs.

7 (l) "USDVA-VHA" means the USDVA Veterans Health
8 Administration.

9 (m) "VSO" means veterans service organization.

10 (n) "Work project" means that term as defined in section 404
11 of the management and budget act, 1984 PA 431, MCL 18.1404, and
12 that meets the criteria in section 451a(1) of the management and
13 budget act, 1984 PA 431, MCL 18.1451a.

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

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

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

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

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

19 (a) The dates of each travel occurrence.

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

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

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

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

13 Sec. 210. (1) In addition to the funds appropriated in part 1,
14 there is appropriated an amount not to exceed \$10,000,000.00 for
15 federal contingency funds. These funds are not available for
16 expenditure until they have been transferred to another line item
17 in part 1 under section 393(2) of the management and budget act,
18 1984 PA 431, MCL 18.1393.

19 (2) In addition to the funds appropriated in part 1, there is
20 appropriated an amount not to exceed \$3,000,000.00 for state
21 restricted contingency funds. These funds are not available for
22 expenditure until they have been transferred to another line item
23 in part 1 under section 393(2) of the management and budget act,
24 1984 PA 431, MCL 18.1393.

25 (3) In addition to the funds appropriated in part 1, there is
26 appropriated an amount not to exceed \$500,000.00 for local
27 contingency funds. These funds are not available for expenditure

1 until they have been transferred to another line item in part 1
2 under section 393(2) of the management and budget act, 1984 PA 431,
3 MCL 18.1393.

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

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

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

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

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

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

21 (e) Job specifications and wage rates.

22 Sec. 212. Within 14 days after the release of the executive
23 budget recommendation for that respective fiscal year, the
24 department shall cooperate with the state budget office to provide
25 the senate and house appropriations chairs, the senate and house
26 appropriations subcommittees chairs, and the senate and house
27 fiscal agencies with an annual report on estimated state restricted

1 fund balances, state restricted fund projected revenues, and state
2 restricted fund expenditures for the fiscal years ending September
3 30, 2017 and September 30, 2018.

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

8 Sec. 214. Total authorized appropriations from all sources
9 under part 1 for legacy costs for the fiscal year ending September
10 30, 2018 are estimated at \$17,075,800.00. From this amount, total
11 agency appropriations for pension-related legacy costs are
12 estimated at \$8,787,300.00. Total agency appropriations for retiree
13 health care legacy costs are estimated at \$8,288,500.00.

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

17 Sec. 216. The department shall provide quarterly reports to
18 the subcommittees, the senate and house fiscal agencies, and the
19 state budget office, which shall provide the following data:

20 (a) A list of all major work projects, including a status
21 report of each project.

22 (b) The department's financial status, featuring a report of
23 budgeted versus actual expenditures by part 1 line item including a
24 year-end projection of budget requirements. If projected department
25 budget requirements exceed the allocated budget, the report shall
26 include a plan to reduce overall expenses while still satisfying
27 specified service level requirements.

1 (c) A report on the status of performance metrics cited in
2 this part and information required to be reported in this part.

3 (d) The number of active employees at the close of the fiscal
4 quarter by job classification and program.

5 (e) Evidence of efficiencies and management of funds within
6 established appropriations.

7 Sec. 217. The appropriations in part 1 are for the core
8 services, support services, and work projects of the department,
9 including, but not limited to, the following core services:

10 (a) Armories and joint force readiness.

11 (b) National Guard training facilities and air bases.

12 (c) Michigan youth challenge academy.

13 (d) Military family relief fund.

14 (e) Starbase grant.

15 (f) National Guard tuition assistance program.

16 (g) Michigan veterans affairs agency administration.

17 (h) Veterans service grants.

18 (i) Veterans' trust fund administration.

19 (j) Veterans' trust fund grants.

20 (k) Board of managers (veterans homes).

21 (l) Grand Rapids home for veterans.

22 (m) D.J. Jacobetti home for veterans.

23 (n) Michigan veterans' facility authority.

24 Sec. 218. The appropriations in part 1 for capital outlay
25 shall be carried forward at the end of the fiscal year consistent
26 with section 248 of the management and budget act, 1984 PA 431, MCL
27 18.1248.

1 Sec. 219. Sixty days prior to the public announcement of the
2 intention to sell any department real property, the department
3 shall submit notification of that intent to the subcommittees and
4 the senate and house fiscal agencies.

5 **MILITARY**

6 Sec. 301. (1) From the funds appropriated in part 1, there is
7 funding to support unclassified employee positions as authorized by
8 section 5 of article XI of the state constitution of 1963. These
9 positions include the following: department director - the adjutant
10 general for Michigan; assistant adjutant general - army; assistant
11 adjutant general - installations; assistant adjutant general - air;
12 senior policy executive - Michigan veterans affairs agency; senior
13 deputy director - state operations; director - strategy and policy;
14 chief executive officer for the veteran health system; and director
15 - Michigan veterans affairs agency.

16 (2) Not less than 30 days prior to the department submitting a
17 request for an additional unclassified employee position from the
18 civil service commission, or for any substantive change to the
19 duties of an existing unclassified employee position, the
20 department shall notify the subcommittees and the senate and house
21 fiscal agencies.

22 Sec. 302. (1) From the funds appropriated in part 1 for
23 military operations, effective and efficient executive direction
24 and administrative leadership shall be provided to the department.

25 (2) The department shall operate and maintain National Guard
26 armories.

1 (3) The department shall evaluate armories and submit a
2 quarterly report on the status of the armories.

3 (4) The department shall maintain a system to measure the
4 condition and adequacy of the armories.

5 (5) The Michigan Army National Guard and Air National Guard
6 shall work to provide a culture that is free of sexual assault,
7 through an environment of prevention, education and training,
8 response capability, victim support, reporting procedures, and
9 appropriate accountability that enhances the safety and well-being
10 of all guard members.

11 (6) By December 1, the department shall report the following
12 information to the subcommittees, the senate and house fiscal
13 agencies, and the state budget office:

14 (a) An assessment of the grounds and facilities of each armory
15 to objectively measure and determine the current facility condition
16 and capability to support authorized manpower, unit training, and
17 operations.

18 (b) Recommendations for the placement of new armories, the
19 relocation or consolidation of existing armories, or a change in
20 the mission of units assigned to armories to ideally position the
21 National Guard in current or projected population centers.

22 (c) Recommendations for the enhanced use of armories to
23 facilitate family support programs during deployments.

24 (d) An analysis of the feasibility, potential costs, and
25 benefits of use of armories shared with other local, state, or
26 federal agencies to improve responses to local emergencies as well
27 as the community support provided to armories.

1 (e) An investment strategy and proposed funding amounts in a
2 prioritized project list to correct the most critical facility
3 shortfalls across the inventory of armories in this state.

4 Sec. 303. (1) The department shall maintain the Michigan youth
5 challenge academy to provide values, skills, education, and self-
6 discipline instruction for at-risk youth as provided under 32 USC
7 509.

8 (2) The department shall take steps to recruit candidates to
9 the challenge academy from economically disadvantaged areas,
10 including those with low-income and high-unemployment backgrounds.

11 (3) The department shall partner with the department of health
12 and human services to identify youth who may be eligible for the
13 challenge academy from those youth served by department of health
14 and human services programs. These eligible youth shall be given
15 priority for enrollment in the academy.

16 (4) The department shall maintain the staffing and resources
17 necessary to train at least 144 cadets simultaneously at the
18 Michigan youth challenge academy.

19 (5) The department shall ensure that the average grade level
20 increase for Michigan youth challenge academy graduates is 2 years
21 as measured with the tests of adult basic education (TABE) metrics.

22 (6) Any unexpended private donations to support the Michigan
23 youth challenge academy at the close of this fiscal year shall not
24 lapse to the general fund but shall be carried forward to the
25 subsequent fiscal year.

26 Sec. 304. (1) The department shall provide grants for
27 disbursement from the military family relief fund, as provided

1 under the military family relief fund act, 2004 PA 363, MCL 35.1211
2 to 35.1216, and R 200.5 to R 200.95 of the Michigan Administrative
3 Code.

4 (2) The department shall provide information on the revenues,
5 expenditures for advertising and assistance grants, and fund
6 balance of the Michigan military family relief fund, as provided
7 under section 216 of this part.

8 (3) The department shall provide sufficient staffing and other
9 resources to provide outreach to the Michigan families of members
10 of the reserve component of the Armed Forces of the United States
11 called into active duty and to support the processing and approval
12 of grant applications for this fiscal year under the Michigan
13 military relief fund and report those applications as provided in
14 section 216 of this part.

15 Sec. 305. (1) The department shall provide Army and Air
16 National Guard forces, when directed, for state and local
17 emergencies and in support of national military requirements.

18 (2) The department shall operate and maintain Army National
19 Guard training facilities, including Fort Custer and Camp Grayling.

20 (3) The department shall maintain a system that measures the
21 condition and adequacy of air facilities using both quality and
22 functionality criteria.

23 (4) The department shall operate and maintain Air National
24 Guard air bases, including Selfridge Air National Guard base,
25 Battle Creek Air National Guard base, and Alpena combat readiness
26 training center.

27 (5) The department shall provide the following information as

1 provided under section 216 of this part:

2 (a) The apportioned and assigned strength of the Michigan Army
3 National Guard.

4 (b) The apportioned and assigned strength of the Michigan Air
5 National Guard.

6 (c) Recruiting, retention, and attrition data, including
7 measurement against stated performance goals, for the Michigan Army
8 National Guard.

9 (d) Recruiting, retention, and attrition data, including
10 measurement against stated performance goals, for the Michigan Air
11 National Guard.

12 Sec. 306. There is created and established under the
13 jurisdiction and control of the department a revolving account to
14 be known as the billeting fund account. All of the fees and other
15 revenues generated from the operation of the chargeable transient
16 quarters program shall be deposited in the billeting fund account.
17 Appropriations will be made from the account for the support of
18 program operations and the maintenance and operations of the
19 chargeable transient quarters program and will not exceed the
20 estimated revenues for the fiscal year in which they are made,
21 together with unexpended balances from prior years. The department
22 shall submit an annual report of operations and expenditures
23 regarding the billeting fund account to the appropriations
24 committees of the senate and house of representatives, the senate
25 and house fiscal agencies, and the state budget office at the end
26 of the fiscal year.

27 Sec. 307. (1) The department shall maintain a National Guard

1 tuition assistance program for members of the Michigan Army and Air
2 National Guard.

3 (2) The objective of the National Guard tuition assistance
4 program is to bolster military readiness by increasing recruitment
5 and retention of Michigan Army and Air National Guard service
6 members, to fill federally authorized strength levels for the
7 state, to improve the Michigan Army and Air National Guard's
8 competitive draw from other military enlistment options in the
9 state, to enhance the ability of the Michigan Army and Air National
10 Guard to compete for members and federal dollars with surrounding
11 states, and to increase the pool of eligible candidates within the
12 Michigan Army and Air National Guard to become commissioned
13 officers.

14 (3) The department shall make efforts to increase the number
15 of Michigan Army and Air National Guard members participating in
16 the program to 1,100 during the fourth year of the program's
17 existence. To evaluate the effectiveness of the program, the
18 department shall monitor the number of new recruits and new
19 reenlistments and the percentage of those who become participants
20 in the program to determine whether the percentage of authorized
21 Michigan Army and Air National Guard strength obtained and retained
22 is competitive in comparison with the neighboring army and air
23 national guards from Illinois, Indiana, Ohio, and Wisconsin.

24 (4) The general fund/general purpose funds appropriated in
25 part 1 for the National Guard tuition assistance fund shall be
26 deposited to the restricted Michigan National Guard tuition
27 assistance fund created in section 4 of the Michigan National Guard

1 tuition assistance act, 2014 PA 259, MCL 32.434. All funds in the
2 restricted Michigan National Guard tuition assistance fund are
3 appropriated and available for expenditure to support the Michigan
4 National Guard tuition assistance program.

5 Sec. 308. The department shall maintain the starbase program
6 at Air National Guard facilities, as provided under 10 USC 2193b,
7 to improve the knowledge, skills, and interest of students,
8 primarily in the fifth grade, in math, science, and technology. The
9 starbase program is to specifically target minority and at-risk
10 students for participation.

11 **MICHIGAN VETERANS AFFAIRS AGENCY**

12 Sec. 401. The board of managers and Michigan veterans'
13 facility authority shall exercise certain regulatory and governance
14 authority regarding admission and member affairs at the Grand
15 Rapids and D.J. Jacobetti homes for veterans. The board of managers
16 shall also work to represent the interest of the veterans'
17 community in both advisory and advocacy roles.

18 Sec. 402. (1) The MVAA, the board of managers, and the
19 Michigan veterans' facility authority shall provide compassionate
20 and quality nursing and domiciliary care services at the Grand
21 Rapids and D.J. Jacobetti homes for veterans so that members can
22 achieve their highest potential of wellness, independence, self-
23 worth, and dignity.

24 (2) The department shall provide resources necessary to
25 provide nursing care services to veterans in accordance with
26 federal standards and provide the results of the annual USDVA

1 survey and certification as proof of compliance.

2 (3) Appropriations in part 1 for the Grand Rapids and the D.J.
3 Jacobetti homes for veterans shall not be used for any purpose
4 other than for veterans and veterans' families.

5 (4) Any contractor providing competency evaluated nursing
6 assistants (CENA) to the Grand Rapids home for veterans shall
7 ensure that each CENA has at least 8 hours of training on
8 information provided by the home.

9 (5) Any contractor providing competency evaluated nursing
10 assistants to the Grand Rapids home for veterans shall ensure that
11 each CENA has at least 1 eight-hour shift of shadowing at the
12 veterans' home.

13 (6) Any contractor providing competency evaluated nursing
14 assistants to the Grand Rapids home for veterans shall ensure that
15 each CENA is competent in the basic skills needed to perform his or
16 her assigned duties at the home.

17 (7) The Grand Rapids home for veterans shall provide each CENA
18 at least 12 hours of in-service training once that individual has
19 been assigned to the home.

20 (8) All complaints of abusive or neglectful care at the Grand
21 Rapids and the D.J. Jacobetti homes for veterans by a resident
22 member, a resident member's family or legal guardian, or staff of
23 the veterans' homes received by a supervisor shall be referred to
24 the director of nursing or his or her designee upon receipt of the
25 complaint. The director of nursing or his or her designee shall
26 report on not less than a monthly basis, except that the board of
27 managers may specify a more frequent reporting period to the home

1 administrator, board of managers, agency, subcommittees, senate and
2 house fiscal agencies, and state budget office the following
3 information:

4 (a) A description of the process by which resident members and
5 others may file complaints of alleged abuse or neglect at the Grand
6 Rapids and the D.J. Jacobetti homes for veterans.

7 (b) Summary statistics on the number and general nature of
8 complaints of abuse or neglect.

9 (c) Summary statistics on the final disposition of complaints
10 of abuse or neglect received.

11 (9) The Grand Rapids and D.J. Jacobetti homes for veterans
12 shall provide an on-site, board-certified psychiatrist for all
13 resident members with mental health disorders in order to ensure
14 that those resident members receive needed services in a
15 professional and timely manner. The Grand Rapids and D.J. Jacobetti
16 homes for veterans shall provide all members and staff a safe and
17 secure environment.

18 (10) The Grand Rapids and D.J. Jacobetti homes for veterans
19 shall ensure that they effectively develop, execute, and monitor
20 all comprehensive care plans in accordance with federal regulations
21 and their internal policies, with a goal that a comprehensive care
22 plan is fully developed for all resident members.

23 (11) The Grand Rapids and D.J. Jacobetti homes for veterans
24 shall implement controls over their food, maintenance supplies,
25 pharmaceuticals, and medical supplies inventories.

26 (12) The Grand Rapids and D.J. Jacobetti homes for veterans
27 shall establish sufficient controls for calculating resident member

1 maintenance assessments in order to accurately calculate resident
2 member maintenance assessments for each billing cycle. The Grand
3 Rapids and D.J. Jacobetti homes for veterans shall establish
4 sufficient controls to ensure that all past due resident member
5 maintenance assessments are addressed within 30 days.

6 (13) The Grand Rapids and D.J. Jacobetti homes for veterans
7 shall establish sufficient controls over monetary donations and
8 donated goods.

9 (14) The Grand Rapids and D.J. Jacobetti homes for veterans
10 shall implement sufficient controls over the handling of resident
11 member funds to ensure the release of funds within 3 business days
12 upon the resident member leaving the home and to ensure that a
13 representative of a resident member is provided a full accounting
14 of that resident member's funds within 10 business days of the
15 death of that resident member.

16 (15) The MVAA shall post on its website all policies adopted
17 by the board of managers, the Michigan veterans' facility
18 authority, and the veterans' homes related to the administrative
19 operations of the veterans' homes.

20 (16) The process by which visitors, residents, and employees
21 of the Grand Rapids and D.J. Jacobetti homes for veterans may
22 register complaints shall be displayed in high-traffic areas
23 throughout the home.

24 (17) The MVAA shall report its findings regarding the state
25 veterans' homes' compliance with the requirements and standards
26 under this section in a quarterly report to the legislature and the
27 state budget office. The quarterly reports shall include, but are

1 not limited to, all of the following information:

2 (a) Quality of care metrics, including:

3 (i) The number of patient care hours and staffing levels
4 measured against USDVA-VHA standards.

5 (ii) Sentinel events reported to the USDVA.

6 (iii) Fall and wound reports.

7 (iv) Complaint reports, including abuse and neglect complaints
8 and outcomes of complaint investigations.

9 (v) Additional minimum data set quality of care indicators
10 used to measure quality of care in long-term care facilities.

11 (b) Quarterly budget update.

12 (c) An accounting of resident member populations at the Grand
13 Rapids and D.J. Jacobetti homes for veterans as follows:

14 (i) By demographics, including period of service, gender, and
15 age.

16 (ii) By care setting, payment source, and associated revenue
17 projections.

18 (d) Updates related to the modernization of the Grand Rapids
19 and D.J. Jacobetti homes for veterans, including information
20 related to the following:

21 (i) Infrastructure/capital outlay improvements.

22 (ii) Information technology updates.

23 (iii) Financial management.

24 (e) Updates on corrective action status related to any audit
25 and survey findings until those findings have been fully addressed.

26 (18) The Grand Rapids and D.J. Jacobetti homes for veterans
27 shall provide to the subcommittees, the senate and house fiscal

1 agencies, and the state budget office the results of any annual or
2 for-cause survey conducted by the USDVA-VHA and any corresponding
3 corrective action plan. This information shall also be made
4 available publicly through the department's or MVAA's website.

5 (19) The MVAA shall provide to the legislature and the state
6 budget office quarterly reports regarding the status of Medicaid
7 certification efforts, including, but not limited to, descriptions
8 of incremental milestones, associated expenditures, and the
9 percentage of plan completed.

10 Sec. 403. (1) From the increased funds appropriated in part 1
11 for the D.J. Jacobetti home for veterans, the department shall
12 pursue compliance with current Centers for Medicare and Medicaid
13 Services certification standards. The purpose of this expansion is
14 to obtain Medicaid certification by June 1, 2018, to increase the
15 ability to fully utilize all federal funding available to cover the
16 cost of care of eligible veterans living at the D.J. Jacobetti home
17 for veterans, and to improve overall quality of care for all
18 veterans living at the D.J. Jacobetti home for veterans.

19 (2) The department shall identify specific outcomes and
20 performance measures for this initiative, including, but not
21 limited to, the following:

22 (a) The quality of care to members of the D.J. Jacobetti home
23 for veterans shall increase as a result of increased direct care
24 staffing ratios.

25 (b) The quality of the care environment at the D.J. Jacobetti
26 home for veterans shall increase as a result of facility updates
27 made according to Medicaid specifications to increase members'

1 access to private and semi-private accommodations.

2 (c) The quality of care for members of the D.J. Jacobetti home
3 for veterans shall increase as a result of increased ability
4 efforts to implement long-term care, evidence-based best practices
5 at the D.J. Jacobetti home for veterans.

6 (d) The collection of available federal Medicaid revenue shall
7 increase as a result of Medicaid certification.

8 (e) The fiscal stability of the D.J. Jacobetti home for
9 veterans shall improve due to increased efforts to collect
10 available federal revenue.

11 Sec. 404. The department shall ensure that the quality of care
12 for members of the Grand Rapids and D.J. Jacobetti homes for
13 veterans shall exceed the current quality of care for the full
14 spectrum of health care services as a result of the upgrades made
15 to the homes to meet the Centers for Medicare and Medicaid Services
16 certification standards. The department shall provide a quarterly
17 report to the subcommittees, which contains evidence that the
18 quality of care for the full spectrum of health care services has
19 improved due to those upgrades.

20 Sec. 405. (1) The MVAA shall provide a report, as provided
21 under section 216 of this part, on the financial status of the
22 Michigan veterans' trust fund, including the number and amount of
23 emergency grants, state administrative expenses, and county
24 administrative expenses.

25 (2) The Michigan veterans' trust fund board together with the
26 agency shall maintain the staffing and resources necessary to
27 process a minimum of 2,000 applications for veterans' trust fund

1 emergency grants.

2 Sec. 406. (1) The MVAA shall provide outreach services to
3 Michigan veterans to advise them on the benefits to which they are
4 entitled, as provided under Executive Reorganization Order No.
5 2013-2, MCL 32.92. The MVAA shall also do the following:

6 (a) Maintain the staffing partnerships and other resources
7 necessary to develop and operate an outreach program that
8 communicates benefit eligibility information to at least 50% of
9 Michigan's population of veterans, as assessed by annual census
10 estimates, with a goal of reaching 100% and enabling 100% to access
11 benefit information online.

12 (b) Communicate veteran benefit information pertaining to the
13 Michigan military family relief fund, Michigan veterans' trust
14 fund, and USDVA health, financial, and memorial benefits to which
15 veterans are entitled.

16 (c) Provide sufficient staffing and other resources to approve
17 requests for military discharge certificates (DD-214) annually.

18 (d) Continue the process to digitize all medical records,
19 military discharge documents, and burial records that are currently
20 on paper and microfilm.

21 (e) Provide a report, as provided under section 216 of this
22 part, on the MVAA's performance on the performance measures,
23 outcomes, and initiatives developed by the agency in the strategic
24 plan required by section 501 of 2013 PA 9.

25 (f) Provide a report to the subcommittees, the senate and
26 house fiscal agencies, and the state budget office no later than
27 April 1 providing for the following:

1 (i) To the extent known, data on the estimated number of
2 homeless veterans, by county, in this state.

3 (ii) A summary of the activities and strategies developed to
4 date under the MVAA community assessment and regional service
5 delivery model pilot.

6 (2) From the funds appropriated in part 1, the MVAA shall
7 provide for the regional coordination of services, as follows:

8 (a) Regional coordinators shall be selected by the MVAA
9 through a grant agreement with VSOs or by other means.

10 (b) Regional coordinators shall provide the following
11 services:

12 (i) Coordinate veteran benefit counselors' efforts throughout
13 a specified region.

14 (ii) Coordinate services with the department of health and
15 human services and the department of corrections.

16 (iii) Coordinate with regional workforce and economic
17 development agencies.

18 (iv) Coordinate activities among local foundations, nonprofit
19 organizations, and community groups to improve accessibility,
20 enrollment, and utilization of the array of health care, education,
21 employment assistance, and quality of life services provided at the
22 local level.

23 (c) The MVAA may work with MVAA service officers, regional
24 coordinators, county veteran counselors, VSO service officers, and
25 other service providers to incorporate the provision of information
26 relating to mental health care resources into their daily
27 operations to aid veterans in understanding the mental health care

1 support services they may be eligible to receive.

2 (d) The MVAA shall coordinate with the department of health
3 and human services to identify Medicaid recipients who are veterans
4 and who may be eligible for federal veterans health care benefits
5 or other benefits, to the extent that the identification does not
6 violate applicable confidentiality requirements.

7 (e) The MVAA shall collaborate with the department of
8 corrections to create and maintain a process by which prisoners can
9 obtain a copy of their DD-214 form or other military discharge
10 documentation if necessary.

11 (f) The MVAA shall ensure that all MVAA service officers, VSO
12 service officers, and regional coordinators receive appropriate
13 training in processing applications for benefits payable to
14 veterans due to military sexual trauma, post-traumatic stress
15 disorder, depression, anxiety, substance abuse, or other mental
16 health issues.

17 (3) The MVAA shall provide claims processing services to
18 Michigan veterans in support of benefit claims submitted to the
19 USDVA for the health, financial, and memorial benefits for which
20 they are eligible, and shall do all of the following:

21 (a) Report the following information as provided in section
22 216 of this part:

23 (i) The number of benefit claims, by type, submitted to the
24 USDVA by MVAA and coalition partner veteran service officers.

25 (ii) The number of fully developed claims submitted to the
26 USDVA, with an overall goal of 40% of benefit claims submitted that
27 are considered fully developed by the USDVA.

1 (b) Maintain the staffing and resources necessary to process a
2 minimum of 500 claims per year.

3 (4) The MVAA shall maintain staffing and resources necessary
4 to develop and implement a process to ensure that all county
5 counselors receive the training and accreditation necessary to
6 provide quality services to veterans. The MVAA shall report
7 information as provided in section 216 of this part on the number
8 and percentage of county veterans counselors requesting training by
9 the MVAA, with an overall goal of 100% of county veterans
10 counselors trained.

11 (5) From the funds appropriated in part 1 for MVAA operations,
12 the MVAA shall provide grant assistance to enhance the capacity and
13 capabilities of counties in providing benefit claims assistance.
14 These funds must be used to continue the implementation of an
15 internet-based data system, to increase the number of county
16 veterans counselors, and to increase the number of counties that
17 provide service to veterans through county veterans counselors. The
18 MVAA shall provide a report, as provided in section 216 of this
19 part, on the expenditures and activities of the grant funds
20 directed by this subsection.

21 (6) From the funds appropriated in part 1 for MVAA, the MVAA
22 is authorized to expend up to \$50,000.00 to hire legal services to
23 represent veterans benefit cases before federal court to maintain
24 accreditation under 38 CFR 14.628(d)(1)(iv).

25 Sec. 407. (1) The MVAA shall disburse VSO grants to achieve
26 agency goals and performance objectives in partnership with the
27 VSOs. Grants to VSOs will be disbursed to fund programs and

1 projects which are determined by the agency to meet agency
2 performance objectives and ensure that VSOs communicate the
3 availability of emergency grants through the Michigan veterans'
4 trust fund. In disbursing veterans service organization grants, the
5 MVAA shall do the following:

6 (a) Ensure that each VSO that receives grants is issued
7 performance standards.

8 (b) Ensure that each VSO that receives grant funds uses those
9 funds for veterans advocacy and outreach.

10 (c) Monitor the performance of each VSO that receives grants.

11 (2) Veterans service organization grants awarded by the MVAA
12 shall provide for the following, as developed by the MVAA:

13 (a) The provision of service to veterans statewide, using a
14 regional service delivery model, with services provided at
15 specified locations and times, including service provided in state
16 correctional facilities.

17 (b) The payment of a fixed hourly service rate of \$34.00 per
18 hour.

19 (c) A specified number of service hours within each geographic
20 region of this state, with a statewide goal based on both
21 appropriations for the fiscal year ending September 30, 2018 for
22 the VSO grant program and the fixed hourly service rate under
23 subsection (2)(b). The statewide goal will include service hours
24 provided to eligible incarcerated veterans within 1 year of their
25 earliest release date.

26 (d) Use of an MVAA-designated internet-based claims data
27 system.

1 (3) The MVAA shall report the following information as
2 provided in section 216 of this part:

3 (a) A summary of activities supported through the
4 appropriation in part 1 for VSO grants, including, separately for
5 each service region, the amount of expenditures to date, number of
6 service hours, number of claims for benefits submitted by type of
7 claim, and other information deemed appropriate by the MVAA.

8 (b) The number of fully developed claims, by type, submitted
9 to the USDVA by VSOs, with an overall goal of 40% of benefit claims
10 submitted that are considered fully developed by the USDVA.

11 Sec. 408. (1) The Michigan veterans' trust fund board together
12 with the MVAA shall provide emergency grants for disbursement from
13 the Michigan veterans' trust fund, as provided under the following
14 program authorities:

15 (a) Sections 37, 38, and 39 of article IX of the state
16 constitution of 1963.

17 (b) 1946 (1st Ex Sess) PA 9, MCL 35.602 to 35.610.

18 (c) R 35.1 to R 35.7 of the Michigan Administrative Code.

19 (d) R 35.621 to R 35.623 of the Michigan Administrative Code.

20 (2) No later than December 1, the MVAA shall provide a
21 detailed report of the Michigan veterans' trust fund that includes,
22 for the immediately preceding fiscal year, information on grants
23 provided from the emergency grant program, including details
24 concerning the methodology of allocations, the selection of
25 emergency grant program authorized agents, a description of how the
26 emergency grant program is administered in each county, and a
27 detailed breakdown of trust fund expenditures for that year,

1 including the amount distributed to each county for administrative
2 costs and emergency grants. The report shall also include the
3 number of approved applications, by category of assistance, and the
4 number of denied applications, by reason of denial. The report
5 shall also provide an update on the department's efforts to reduce
6 program administrative costs and maintain the Michigan veterans'
7 trust fund corpus to its original amount of at least
8 \$50,000,000.00.

9 (3) Any funds not expended or encumbered at the end of the
10 current fiscal year shall be deposited into the Michigan veterans'
11 trust fund corpus.

12 **CAPITAL OUTLAY**

13 Sec. 501. (1) The department shall provide for the acquisition
14 and disposition of National Guard armories, facilities, and lands
15 as provided under sections 368, 382, and 382a of the Michigan
16 military act, 1967 PA 150, MCL 32.768, 32.782, and 32.782a.

17 (2) The department shall provide a listing of property sales
18 and acquisitions as provided under section 216 of this part.

19 Sec. 502. (1) The appropriations in part 1 for special
20 maintenance - National Guard shall be carried forward at the end of
21 the fiscal year consistent with section 248 of the management and
22 budget act, 1984 PA 431, MCL 18.1248.

23 (2) The appropriations for special maintenance - National
24 Guard shall be expended in accordance with the requirements of
25 sections 302 and 305 of this part and shall be expended according
26 to the maintenance priorities of the department to repair and

1 modernize military training sites and support facilities, including
2 armories, which may include projects such as roof, HVAC, or boiler
3 replacement, interior renovations, facility expansion, improvements
4 to parking facilities, and other projects.

5 (3) The department shall provide a quarterly report as
6 provided under section 216 of this part providing information on
7 the status, projected costs, and projected completion date of
8 current and planned special maintenance projects at the armories
9 and other National Guard facilities funded from capital outlay
10 appropriations made in part 1 and in prior appropriations years.

11 Sec. 503. (1) The appropriations in part 1 for special
12 maintenance - veterans homes shall be carried forward at the end of
13 the fiscal year consistent with section 248 of the management and
14 budget act, 1984 PA 431, MCL 18.1248.

15 (2) The appropriations for special maintenance - veterans
16 homes shall be expended in accordance with the requirements of
17 section 402 of this part and shall be expended according to the
18 maintenance priorities of the department to repair and modernize
19 the state's veterans' homes, which may include projects such as
20 roof, HVAC, or boiler replacement, interior renovations, facility
21 expansion, improvements to parking facilities, and other projects
22 designed to enhance the quality of life and medical care of
23 members.

24 (3) The MVAA shall provide a quarterly report as provided
25 under section 216 of this part providing information on the status,
26 projected costs, and projected completion date of current and
27 planned special maintenance projects at the Grand Rapids home for

veterans and D.J. Jacobetti home for veterans funded from capital outlay appropriations made in part 1 and in prior appropriations years.

ONE-TIME APPROPRIATIONS

Sec. 601. (1) The appropriations in part 1 for armory maintenance shall be carried forward at the end of the fiscal year consistent with section 248 of the management and budget act, 1984 PA 431, MCL 18.1248.

(2) The appropriations for armory maintenance shall be expended in accordance with the requirements of sections 302 and 305 of this part and shall be expended according to the maintenance priorities of the department to repair and modernize military training sites and support facilities, including armories.

PART 2A

PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS

FOR FISCAL YEAR 2018-2019

GENERAL SECTIONS

Sec. 701. It is the intent of the legislature to provide appropriations for the fiscal year ending on September 30, 2019 for the line items listed in part 1. The fiscal year 2018-2019 appropriations are anticipated to be the same as those for fiscal year 2017-2018, excluding appropriations designated as one-time appropriations and adjusting for changes in caseload and related costs, federal fund match rates, economic factors, and available

revenue. These adjustments will be determined after the January 2018 consensus revenue estimating conference.

Sec. 702. The veterans affairs agency shall provide the percentage of Michigan veterans contacted, with a goal of 100%, and report upon those outreach findings to the subcommittees at quarterly legislative hearings.

Sec. 703. The veterans affairs agency shall maintain a minimum 50% fully developed claims as determined by the USDVA.

ARTICLE XV

DEPARTMENT OF NATURAL RESOURCES

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of natural resources for the fiscal year ending September 30, 2018, from the following funds:

DEPARTMENT OF NATURAL RESOURCES

APPROPRIATION SUMMARY

Full-time equated unclassified positions 6.0

Full-time equated classified positions 2,261.8

GROSS APPROPRIATION \$ 410,469,700

Interdepartmental grant revenues:

Total interdepartmental grants and intradepartmental

transfers 232,200

ADJUSTED GROSS APPROPRIATION \$ 410,237,500

Federal revenues:

1	Total federal revenues	70,095,700
2	Special revenue funds:	
3	Total local revenues	0
4	Total private revenues	7,446,000
5	Total other state restricted revenues	274,248,500
6	State general fund/general purpose	\$ 58,447,300
7	FUND SOURCE SUMMARY	
8	Full-time equated unclassified positions	6.0
9	Full-time equated classified positions	2,261.8
10	GROSS APPROPRIATION	\$ 410,469,700
11	Interdepartmental grant revenues:	
12	IDG, land acquisition services-to-work orders	232,200
13	Total interdepartmental grants and intradepartmental	
14	transfers.....	232,200
15	ADJUSTED GROSS APPROPRIATION	\$ 410,237,500
16	Federal revenues:	
17	Federal funds	70,095,700
18	Total federal revenues	70,095,700
19	Special revenue funds:	
20	Private funds	7,431,000
21	Private - Mann house trust fund	15,000
22	Total private revenues	7,446,000
23	Cervidae licensing and inspection fees	138,800
24	Clean Michigan initiative fund	100
25	Commercial forest fund	26,600
26	Deer habitat reserve	2,136,700
27	Fire equipment fund	668,700

1	Fisheries settlement	629,200
2	Forest development fund	38,543,200
3	Forest land user charges	253,100
4	Forest recreation account	1,836,300
5	Game and fish protection fund	74,294,000
6	Invasive species fund	100
7	Land exchange facilitation fund	5,009,100
8	Local public recreation facilities fund	1,697,000
9	Mackinac Island State Park fund	1,583,700
10	Mackinac Island State Park operation fund	127,700
11	MacMullan conference center account	1,156,000
12	Marine safety fund	3,738,800
13	Michigan heritage publications fund	22,300
14	Michigan historical center operations fund	742,200
15	Michigan natural resources trust fund	1,306,900
16	Michigan state parks endowment fund	26,576,100
17	Michigan state waterways fund	27,850,200
18	Michigan trailways fund	200
19	Nongame wildlife fund	482,100
20	Off-road vehicle safety education fund	203,600
21	Off-road vehicle trail improvement fund	7,078,900
22	Park improvement fund	49,598,600
23	Park improvement fund - Belle Isle subaccount	800,200
24	Permanent snowmobile trail easement fund	700,000
25	Public use and replacement deed fees	27,600
26	Recreation improvement account	1,532,300
27	Recreation passport fees	8,296,200

1	Snowmobile registration fee revenue	1,197,600
2	Snowmobile trail improvement fund	9,934,100
3	Sportsmen against hunger fund	77,500
4	Turkey permit fees	1,017,400
5	Waterfowl fees	120,800
6	Waterfowl hunt stamp	1,500,000
7	Wildlife management public education fund	2,100,000
8	Wildlife resource protection fund	1,147,100
9	Youth hunting and fishing education and outreach fund	97,500
10	Total other state restricted revenues	274,248,500
11	State general fund/general purpose	\$ 58,447,300
12	Sec. 102. DEPARTMENTAL ADMINISTRATION AND SUPPORT	
13	Full-time equated unclassified positions 6.0	
14	Full-time equated classified positions 121.1	
15	Unclassified salaries--6.0 FTE positions	\$ 776,700
16	Accounting service center	1,489,000
17	Executive direction--11.6 FTE positions	2,136,400
18	Finance and operations--105.5 FTE positions	16,581,800
19	Gifts and pass-through transactions	5,000,000
20	Legal services--4.0 FTE positions	550,500
21	Natural resources commission	77,100
22	Property management	<u>3,711,000</u>
23	GROSS APPROPRIATION	\$ 30,322,500
24	Appropriated from:	
25	Interdepartmental grant revenues:	
26	IDG, land acquisition services-to-work orders	232,200
27	Federal revenues:	

1	Federal funds	340,700
2	Special revenue funds:	
3	Private funds	5,000,000
4	Clean Michigan initiative fund	100
5	Deer habitat reserve	158,000
6	Forest development fund	2,811,400
7	Forest land user charges	7,300
8	Forest recreation account	52,300
9	Game and fish protection fund	7,072,100
10	Land exchange facilitation fund	4,932,500
11	Local public recreation facilities fund	197,000
12	Marine safety fund	792,800
13	Michigan natural resources trust fund	1,284,600
14	Michigan state parks endowment fund	1,300,800
15	Michigan state waterways fund	777,300
16	Nongame wildlife fund	13,500
17	Off-road vehicle safety education fund	700
18	Off-road vehicle trail improvement fund	170,200
19	Park improvement fund	1,765,800
20	Public use and replacement deed fees	27,600
21	Recreation improvement account	84,300
22	Snowmobile registration fee revenue	49,300
23	Snowmobile trail improvement fund	125,100
24	Sportsmen against hunger fund	500
25	Turkey permit fees	78,200
26	Waterfowl fees	3,400
27	Wildlife resource protection fund	41,900

1	State general fund/general purpose	\$	3,002,900
2	Sec. 103. DEPARTMENT INITIATIVES		
3	Full-time equated classified positions	16.0	
4	Great Lakes restoration initiative	\$	2,922,000
5	Invasive species prevention and control--16.0 FTE		
6	positions.....		5,031,700
7	Michigan conservation corps		<u>1,000,000</u>
8	GROSS APPROPRIATION	\$	8,953,700
9	Appropriated from:		
10	Special revenue funds:		
11	Federal funds		2,922,000
12	State general fund/general purpose	\$	6,031,700
13	Sec. 104. COMMUNICATION AND CUSTOMER SERVICES		
14	Full-time equated classified positions	135.3	
15	Marketing and outreach--80.8 FTE positions	\$	13,738,800
16	Michigan historical center--54.5 FTE positions		6,013,600
17	Michigan wildlife council		<u>2,100,000</u>
18	GROSS APPROPRIATION	\$	21,852,400
19	Appropriated from:		
20	Federal revenues:		
21	Federal funds		1,558,300
22	Special revenue funds:		
23	Private funds		396,200
24	Private - Mann house trust fund		15,000
25	Forest development fund		133,400
26	Forest recreation account		16,400
27	Game and fish protection fund		8,327,000

1	Land exchange facilitation fund	46,000
2	Marine safety fund	36,000
3	Michigan heritage publications fund	22,300
4	Michigan historical center operations fund	742,200
5	Michigan state parks endowment fund	89,500
6	Michigan state waterways fund	147,600
7	Nongame wildlife fund	10,700
8	Off-road vehicle trail improvement fund	31,200
9	Park improvement fund	2,811,200
10	Recreation passport fees	23,800
11	Snowmobile registration fee revenue	19,400
12	Snowmobile trail improvement fund	45,600
13	Sportsmen against hunger fund	76,400
14	Wildlife management public education fund	2,100,000
15	Youth hunting and fishing education and outreach fund	95,500
16	State general fund/general purpose	\$ 5,108,700
17	Sec. 105. WILDLIFE DIVISION	
18	Full-time equated classified positions	227.5
19	Natural resources heritage--9.0 FTE positions	\$ 631,300
20	Wildlife management--218.5 FTE positions	<u>41,932,700</u>
21	GROSS APPROPRIATION	\$ 42,564,000
22	Appropriated from:	
23	Federal revenues:	
24	Federal funds	25,158,800
25	Special revenue funds:	
26	Private funds	315,700
27	Cervidae licensing and inspection fees	85,400

1	Deer habitat reserve	1,717,100
2	Forest development fund	77,600
3	Game and fish protection fund	11,937,300
4	Nongame wildlife fund	427,400
5	Turkey permit fees	905,400
6	Waterfowl fees	114,100
7	State general fund/general purpose	\$ 1,825,200
8	Sec. 106. FISHERIES DIVISION	
9	Full-time equated classified positions	222.5
10	Aquatic resource mitigation--2.0 FTE positions	\$ 629,300
11	Cormorant population mitigation program	150,000
12	Fish production--63.0 FTE positions	10,242,000
13	Fisheries resource management--157.5 FTE positions ...	<u>20,639,100</u>
14	GROSS APPROPRIATION	\$ 31,660,400
15	Appropriated from:	
16	Federal revenues:	
17	Federal funds	11,292,000
18	Special revenue funds:	
19	Private funds	136,200
20	Fisheries settlement	629,200
21	Game and fish protection fund	19,083,700
22	Invasive species fund	100
23	State general fund/general purpose	\$ 519,200
24	Sec. 107. LAW ENFORCEMENT	
25	Full-time equated classified positions	284.0
26	General law enforcement--284.0 FTE positions	\$ <u>42,435,200</u>
27	GROSS APPROPRIATION	\$ 42,435,200

1	Appropriated from:	
2	Federal revenues:	
3	Federal funds	6,510,900
4	Special revenue funds:	
5	Cervidae licensing and inspection fees	53,400
6	Forest development fund	45,400
7	Forest recreation account	72,800
8	Game and fish protection fund	19,444,800
9	Marine safety fund	1,342,300
10	Michigan state parks endowment fund	71,400
11	Michigan state waterways fund	21,700
12	Off-road vehicle safety education fund	156,100
13	Off-road vehicle trail improvement fund	1,692,800
14	Park improvement fund	72,800
15	Snowmobile registration fee revenue	721,400
16	Wildlife resource protection fund	1,063,100
17	State general fund/general purpose	\$ 11,166,300
18	Sec. 108. PARKS AND RECREATION DIVISION	
19	Full-time equated classified positions	911.9
20	Forest recreation and trails--53.0 FTE positions	\$ 6,172,400
21	MacMullan conference center--15.0 FTE positions	1,156,000
22	Recreational boating--170.5 FTE positions	19,011,000
23	State parks--673.4 FTE positions	67,144,900
24	State park improvement revenue bonds - debt service ..	<u>1,191,000</u>
25	GROSS APPROPRIATION	\$ 94,675,300
26	Appropriated from:	
27	Federal revenues:	

1	Federal funds	1,761,200
2	Special revenue funds:	
3	Private funds	428,000
4	Forest recreation account	1,652,800
5	MacMullan conference center account	1,156,000
6	Michigan state parks endowment fund	21,103,200
7	Michigan state waterways fund	17,868,000
8	Michigan trailways fund	100
9	Off-road vehicle safety education fund	7,200
10	Off-road vehicle trail improvement fund	1,456,700
11	Park improvement fund	43,590,500
12	Park improvement fund - Belle Isle subaccount	800,200
13	Recreation improvement account	492,000
14	Recreation passport fees	272,400
15	Snowmobile registration fee revenue	15,800
16	Snowmobile trail improvement fund	1,598,600
17	State general fund/general purpose	\$ 2,472,600
18	Sec. 109. MACKINAC ISLAND STATE PARK COMMISSION	
19	Full-time equated classified positions	17.0
20	Historical facilities system--13.0 FTE positions	\$ 1,583,700
21	Mackinac Island State Park operations--4.0 FTE	
22	positions.....	<u>333,600</u>
23	GROSS APPROPRIATION	\$ 1,917,300
24	Appropriated from:	
25	Special revenue funds:	
26	Mackinac Island State Park fund	1,583,700
27	Mackinac Island State Park operation fund	127,700

1	State general fund/general purpose	\$	205,900
2	Sec. 110. FOREST RESOURCES DIVISION		
3	Full-time equated classified positions	326.5	
4	Adopt-a-forest program	\$	25,000
5	Cooperative resource programs--11.0 FTE positions		1,551,400
6	Forest fire equipment		931,500
7	Forest management and timber market development--176.0		
8	FTE positions		31,344,000
9	Forest management initiatives--8.5 FTE positions		859,900
10	Minerals management--17.0 FTE positions		2,840,300
11	Wildfire protection--114.0 FTE positions		<u>13,827,400</u>
12	GROSS APPROPRIATION	\$	51,379,500
13	Appropriated from:		
14	Federal revenues:		
15	Federal funds		4,292,500
16	Special revenue funds:		
17	Private funds		1,054,900
18	Commercial forest fund		24,500
19	Fire equipment fund		668,700
20	Forest development fund		32,865,700
21	Forest land user charges		221,900
22	Game and fish protection fund		1,937,700
23	Michigan state parks endowment fund		2,670,200
24	Michigan state waterways fund		51,400
25	State general fund/general purpose	\$	7,592,000
26	Sec. 111. GRANTS		
27	Dam management grant program	\$	350,000

1	Deer habitat improvement partnership initiative	200,000
2	Federal - clean vessel act grants	400,000
3	Federal - forest stewardship grants	2,000,000
4	Federal - land and water conservation fund payments ..	2,566,900
5	Federal - rural community fire protection	400,000
6	Federal - urban forestry grants	900,000
7	Fisheries habitat improvement grants	1,250,000
8	Grants to communities - federal oil, gas, and timber	
9	payments.....	3,450,000
10	Grants to counties - marine safety	3,074,700
11	National recreational trails	3,900,000
12	Nonmotorized trail development and maintenance grants	350,000
13	Off-road vehicle safety training grants	29,200
14	Off-road vehicle trail improvement grants	3,706,200
15	Recreation improvement fund grants	907,100
16	Recreation passport local grants	1,500,000
17	Snowmobile law enforcement grants	380,100
18	Snowmobile local grants program	8,090,400
19	Trail easements	700,000
20	Wildlife habitat improvement grants	<u>1,500,000</u>
21	GROSS APPROPRIATION	\$ 35,654,600
22	Appropriated from:	
23	Federal revenues:	
24	Federal funds	15,184,300
25	Special revenue funds:	
26	Private funds	100,000
27	Deer habitat reserve	200,000

1	Game and fish protection fund	2,750,000
2	Local public recreation facilities fund	1,500,000
3	Marine safety fund	1,407,300
4	Off-road vehicle safety education fund	29,200
5	Off-road vehicle trail improvement fund	3,706,200
6	Permanent snowmobile trail easement fund	700,000
7	Recreation improvement account	907,100
8	Snowmobile registration fee revenue	380,100
9	Snowmobile trail improvement fund	8,090,400
10	State general fund/general purpose	\$ 700,000
11	Sec. 112. INFORMATION TECHNOLOGY	
12	Information technology services and projects	\$ <u>10,327,400</u>
13	GROSS APPROPRIATION	\$ 10,327,400
14	Appropriated from:	
15	Special revenue funds:	
16	Commercial forest fund	2,100
17	Deer habitat reserve	61,600
18	Forest development fund	1,609,700
19	Forest land user charges	23,900
20	Forest recreation account	42,000
21	Game and fish protection fund	3,741,400
22	Land exchange facilitation fund	30,600
23	Marine safety fund	160,400
24	Michigan natural resources trust fund	22,300
25	Michigan state parks endowment fund	1,341,000
26	Michigan state waterways fund	484,200
27	Michigan trailways fund	100

1	Nongame wildlife fund	30,500
2	Off-road vehicle safety education fund	10,400
3	Off-road vehicle trail improvement fund	21,800
4	Park improvement fund	1,358,300
5	Recreation improvement account	48,900
6	Snowmobile registration fee revenue	11,600
7	Snowmobile trail improvement fund	74,400
8	Sportsmen against hunger fund	600
9	Turkey permit fees	33,800
10	Waterfowl fees	3,300
11	Wildlife resource protection fund	42,100
12	Youth hunting and fishing education and outreach	2,000
13	State general fund/general purpose	\$ 1,170,400
14	Sec. 113. CAPITAL OUTLAY	
15	(a) RECREATIONAL LANDS AND INFRASTRUCTURE	
16	State parks repair and maintenance	\$ 9,500,000
17	Wetlands restoration, enhancement, and acquisition ...	<u>1,500,000</u>
18	GROSS APPROPRIATION	\$ 11,000,000
19	Appropriated from:	
20	Special revenue funds:	
21	Recreation passport fees	8,000,000
22	Waterfowl hunt stamp	1,500,000
23	State general fund/general purpose	\$ 1,500,000
24	(b) WATERWAYS BOATING PROGRAM	
25	State harbors and boating access sites:	
26	East Tawas state harbor, Iosco County, harbor	
27	renovation, dock replacements, dredging, fueling	

1	station, new electrical/utilities, phase III (total		
2	authorized cost is increased from \$4,420,000 to		
3	\$5,920,000; federal share is \$1,650,000; state share		
4	is increased from \$2,770,000 to \$4,270,000)	\$	1,500,000
5	Local boating infrastructure maintenance and		
6	improvements		2,500,000
7	State boating infrastructure maintenance		<u>5,575,000</u>
8	GROSS APPROPRIATION	\$	9,575,000
9	Appropriated from:		
10	Federal revenues:		
11	Federal funds		1,075,000
12	Special revenue funds:		
13	Michigan state waterways fund		8,500,000
14	State general fund/general purpose	\$	0
15	Sec. 114. ONE-TIME APPROPRIATIONS		
16	Bay City state recreation area, playscape		
17	reconstruction	\$	500,000
18	Invasive species (one-time)		200,000
19	Land ownership tracking system		2,900,000
20	Mineral extraction summit		50,000
21	Off-road vehicle trail improvement grants (one-time) .		176,200
22	Onaway State Park, pavilion reconstruction		500,000
23	Shooting range construction, repair, and maintenance .		250,000
24	Snowmobile law enforcement grants (one-time)		100,000
25	Snowmobile local grants program (one-time)		226,200
26	State parks repair and maintenance		7,000,000
27	Swimmer's itch pilot program		250,000

1	Trail development	5,000,000
2	Wildlife management	<u>1,000,000</u>
3	GROSS APPROPRIATION	\$ 18,152,400
4	Appropriated from:	
5	Special revenue funds:	
6	Forest development fund	1,000,000
7	State general fund/general purpose	\$ 17,152,400

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FOR FISCAL YEAR 2017-2018

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2017-2018 is \$332,695,800.00 and state spending from state resources to be paid to local units of government for fiscal year 2017-2018 is \$7,254,300.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF NATURAL RESOURCES

GRANTS

21	Dam management grant program	\$ 175,000
22	Fisheries habitat improvement grants	125,000
23	Grants to counties - marine safety	1,407,300
24	Nonmotorized trail development and maintenance grants	262,500
25	Off-road vehicle safety training grants	29,200

1	Off-road vehicle trail improvement grants	534,500
2	Recreation improvement fund grants	90,700
3	Recreation passport local grants	1,500,000
4	Snowmobile law enforcement grants	480,100
5	Wildlife habitat improvement grants	150,000
6	Local boating infrastructure maintenance and	
7	improvements.....	<u>2,500,000</u>
8	TOTAL.....	\$ 7,254,300

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

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

13 (a) "Department" means the department of natural resources.

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

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

16 (d) "IDG" means interdepartmental grant.

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

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

1 businesses if they are competitively priced and of comparable
2 quality. In addition, preference should be given to goods or
3 services, or both, that are manufactured or provided by Michigan
4 businesses owned and operated by veterans, if they are
5 competitively priced and of comparable quality.

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

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

22 (a) The dates of each travel occurrence.

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

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

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

16 Sec. 210. (1) In addition to the funds appropriated in part 1,
17 there is appropriated an amount not to exceed \$3,000,000.00 for
18 federal contingency funds. These funds are not available for
19 expenditure until they have been transferred to another line item
20 in part 1 under section 393(2) of the management and budget act,
21 1984 PA 431, MCL 18.1393.

22 (2) In addition to the funds appropriated in part 1, there is
23 appropriated an amount not to exceed \$10,000,000.00 for state
24 restricted contingency funds. These funds are not available for
25 expenditure until they have been transferred to another line item
26 in part 1 under section 393(2) of the management and budget act,
27 1984 PA 431, MCL 18.1393.

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

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

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

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

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

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

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

24 (e) Job specifications and wage rates.

25 Sec. 212. Within 14 days after the release of the executive
26 budget recommendation, the department shall cooperate with the
27 state budget office to provide the senate and house appropriations

1 chairs, the senate and house appropriations subcommittees chairs,
 2 and the senate and house fiscal agencies with an annual report on
 3 estimated state restricted fund balances, state restricted fund
 4 projected revenues, and state restricted fund expenditures for the
 5 fiscal years ending September 30, 2017 and September 30, 2018.

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

10 Sec. 214. Total authorized appropriations from all sources
 11 under part 1 for legacy costs for the fiscal year ending September
 12 30, 2018 are \$44,255,600.00. From this amount, total agency
 13 appropriations for pension-related legacy costs are estimated at
 14 \$22,774,200.00. Total agency appropriations for retiree health care
 15 legacy costs are estimated at \$21,481,400.00.

16 Sec. 215. Appropriations of state restricted game and fish
 17 protection funds have been made in the following amounts to the
 18 following departments and agencies:

19	Legislative auditor general	\$	31,300
20	Attorney general		756,300
21	Department of technology, management, and budget		492,500
22	Department of treasury		3,013,100

23 Sec. 216. Pursuant to section 43703(3) of the natural
 24 resources and environmental protection act, 1994 PA 451, MCL
 25 324.43703, there is appropriated from the game and fish protection
 26 trust fund to the game and fish protection account of the Michigan
 27 conservation and recreation legacy fund, \$6,000,000.00 for the

1 fiscal year ending September 30, 2018.

2 Sec. 218. The department and agencies receiving appropriations
3 in part 1 shall receive and retain copies of all reports funded
4 from appropriations in part 1. Federal and state guidelines for
5 short-term and long-term retention of records shall be followed.
6 The department may electronically retain copies of reports unless
7 otherwise required by federal and state guidelines.

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

11 **DEPARTMENT INITIATIVES**

12 Sec. 251. From the amounts appropriated in part 1 for invasive
13 species prevention and control, the department shall allocate not
14 less than \$3,600,000.00 for grants for the prevention, detection,
15 eradication, and control of invasive species.

16 **DEPARTMENT SUPPORT SERVICES**

17 Sec. 302. The department may charge land acquisition projects
18 appropriated for the fiscal year ending September 30, 2018, and for
19 prior fiscal years, a standard percentage fee to recover actual
20 costs, and may use the revenue derived to support the land
21 acquisition service charges provided for in part 1.

22 Sec. 303. As appropriated in part 1, the department may charge
23 both application fees and transaction fees related to the exchange
24 or sale of state-owned land or rights in land authorized by part 21
25 of the natural resources and environmental protection act, 1994 PA

1 451, MCL 324.2101 to 324.2162. The fees shall be set by the
2 director at a rate that allows the department to recover its costs
3 for providing these services.

4 **COMMUNICATION AND CUSTOMER SERVICES**

5 Sec. 404. For the purposes of administering the museum store
6 as provided in section 6 of 2016 PA 470, MCL 399.806, the
7 department is exempt from section 261 of the management and budget
8 act, 1984 PA 431, MCL 18.1261.

9 Sec. 405. As appropriated in part 1, proceeds in excess of
10 costs incurred in the conduct of auctions, sales, or transfers of
11 artifacts no longer considered suitable for the collections of the
12 state historical museum may be expended upon receipt for additional
13 material for the collection. The department shall notify the
14 chairpersons, vice chairpersons, and minority vice chairpersons of
15 the senate and house appropriations subcommittees on natural
16 resources 1 week prior to any auctions or sales. Any unexpended
17 funds may be carried forward into the next succeeding fiscal year.

18 Sec. 406. As appropriated in part 1, funds collected by the
19 department for historical markers; document reproduction and
20 services; conferences, admissions, workshops, and training classes;
21 and the use of specialized equipment, facilities, exhibits,
22 collections, and software shall be used for expenses necessary to
23 provide the required services. The department may charge fees for
24 the aforementioned services, including admission fees. Any
25 unexpended funds may be carried forward into the next succeeding
26 fiscal year.

1 Sec. 408. By October 21, 2017, the department shall submit to
2 the senate and house appropriations subcommittees on natural
3 resources a report on all land transactions approved by the natural
4 resources commission in the fiscal year ending September 30, 2017.
5 For each land transaction, the report shall include the size of the
6 parcel, the county and municipality in which the parcel is located,
7 the dollar amount of the transaction, the fund source affected by
8 the transaction, and whether the transaction is by purchase, public
9 auction, transfer, exchange, or conveyance.

10 **WILDLIFE DIVISION**

11 Sec. 503. From the funds appropriated in part 1, the
12 department shall produce a report detailing any efforts undertaken
13 to enforce the invasive species order on swine raised under the
14 husbandry of residents of this state. The report shall include fund
15 sources used and the amount of expenditures and shall be submitted
16 to the legislature by December 31, 2017.

17 Sec. 504. From the funds appropriated in part 1, the
18 department shall provide a report to the legislature on the use of
19 registration fees collected from privately owned cervid operations.
20 Appropriations in part 1 from cervidae licensing and inspection
21 fees shall not be used for anything other than work directly
22 related to the regulation of privately owned cervid operations in
23 this state.

24 **FISHERIES DIVISION**

25 Sec. 601. (1) From the appropriation in part 1 for aquatic

1 resource mitigation, not more than \$758,000.00 shall be allocated
2 for grants to watershed councils, resource development councils,
3 soil conservation districts, local governmental units, and other
4 nonprofit organizations for stream habitat stabilization and soil
5 erosion control.

6 (2) The fisheries division in the department shall develop
7 priority and cost estimates for all projects recommended for grants
8 under subsection (1).

9 Sec. 602. As a condition of expenditure of fisheries
10 management appropriations under part 1, the department of natural
11 resources shall not impede the certification process for water
12 control structures on Michigan waterways. The department of natural
13 resources shall fund from funds appropriated in part 1 all non-
14 water-quality studies or requirements that the department requests
15 of either of the following:

16 (a) The department of environmental quality as a condition for
17 issuance of a certification under section 401 of the federal water
18 pollution control act, 33 USC 1341.

19 (b) The Federal Energy Regulatory Commission as a condition of
20 licensing under the federal power act, 16 USC 791a to 825r.

21 Sec. 603. The department shall provide an annual report to the
22 legislature on use of funding provided for cormorant management.
23 The department shall use general fund/general purpose revenue for
24 this purpose and submit revenue appropriated in part 1 for
25 cormorant management to the United States Department of Agriculture
26 Animal and Plant Health Inspection Service to allow for increased
27 taking of cormorants and their nests. If any funds appropriated for

1 cormorant management are retained by the department, or other funds
2 become available for this purpose, the department shall use those
3 funds to harass cormorants with the goal of reducing foraging
4 attempts on fish populations.

5 **FOREST RESOURCES DIVISION**

6 Sec. 802. From the funds appropriated in part 1, the
7 department shall provide quarterly reports on the number of acres
8 of state forestland marked or treated for timber harvest to the
9 senate and house appropriations subcommittees on natural resources
10 and the standing committees of the senate and house of
11 representatives with primary responsibility for natural resources
12 issues. The department shall complete and deliver these reports by
13 45 days after the end of the fiscal quarter.

14 Sec. 803. In addition to the money appropriated in part 1, the
15 department may receive and expend money from federal sources to
16 provide response to wildfires as required by a compact with the
17 federal government. If additional expenditure authorization is
18 required, the department shall notify the state budget office that
19 expenditure under this section is required. The department shall
20 notify the house and senate appropriations subcommittees on natural
21 resources and the house and senate fiscal agencies by November 1,
22 2017, of the expenditures under this section during the fiscal year
23 ending September 30, 2017.

24 Sec. 807. (1) In addition to the funds appropriated in part 1,
25 there is appropriated from the disaster and emergency contingency
26 fund up to \$800,000.00 to cover costs related to any disaster as

1 defined in section 2 of the emergency management act, 1976 PA 390,
2 MCL 30.402.

3 (2) Funds appropriated under subsection (1) shall not be
4 expended unless the state budget director recommends the
5 expenditure and the department notifies the house and senate
6 committees on appropriations. By December 1 each year, the
7 department shall provide a report to the senate and house fiscal
8 agencies and the state budget office on the use of the disaster and
9 emergency contingency fund during the prior fiscal year.

10 (3) If Federal Emergency Management Agency (FEMA)
11 reimbursement is approved for costs paid from the disaster and
12 emergency contingency fund, the federal revenue shall be deposited
13 into the disaster and emergency contingency fund.

14 (4) Unexpended and unencumbered funds remaining in the
15 disaster and emergency contingency fund at the close of the fiscal
16 year shall not lapse to the general fund and shall be carried
17 forward and be available for expenditures in subsequent fiscal
18 years.

19 Sec. 808. (1) From the increased funds appropriated in part 1
20 for forest management and timber market development, the department
21 shall increase the harvest of timber on state forestlands. The
22 purpose of this program expansion is to expand the forest products
23 economy.

24 (2) The department shall identify specific outcomes and
25 performance metrics for this initiative, such as increasing the
26 number of acres prepared for timber sale.

LAW ENFORCEMENT

Sec. 901. The appropriation in part 1 for snowmobile law enforcement grants shall be used by the department to provide grants to county law enforcement agencies to enforce part 821 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.82101 to 324.82161, including rules promulgated under that part and ordinances enacted pursuant to that part. The department shall consider the number of enforcement hours and the number of miles of snowmobile trails in each county in allocating these grants. Any funds not distributed to counties revert back to the snowmobile registration fee subaccount created under section 82111 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.82111. Counties shall provide semiannual reports to the department on the use of grant money received under this section.

Sec. 902. The department shall provide a report on the marine safety grant program to the senate and house appropriations subcommittees on natural resources and the senate and house fiscal agencies by December 1, 2017. The report shall include the following information for the preceding year: the total amount of revenue received for watercraft registrations, the amount deposited into the marine safety fund, and the expenditures made from the marine safety fund, including the amounts expended for department administration, other state agencies, the law enforcement division, and grants to counties. The report shall also include the distribution methodology used by the department to distribute the marine safety grants and a list of the grants and the amounts

1 awarded by county.

2 Sec. 903. From the increased funds appropriated in part 1 for
3 conservation officers, the department shall hire, train, and outfit
4 10 detectives or specialists, or both, as well as 2 support staff.
5 The primary purpose of the new staff is to conduct long-term
6 surveillance and covert investigations to combat illegal activities
7 and enforce regulations.

8 **GRANTS**

9 Sec. 1001. Federal pass-through funds to local institutions
10 and governments that are received in amounts in addition to those
11 included in part 1 for grants to communities - federal oil, gas,
12 and timber payments and that do not require additional state
13 matching funds are appropriated for the purposes intended. By
14 November 30, 2017, the department shall report to the senate and
15 house appropriations subcommittees on natural resources, the senate
16 and house fiscal agencies, and the state budget director on all
17 amounts appropriated under this section during the fiscal year
18 ending September 30, 2017.

19 **CAPITAL OUTLAY**

20 Sec. 1103. The appropriations in part 1 for capital outlay
21 shall be carried forward at the end of the fiscal year consistent
22 with section 248 of the management and budget act, 1984 PA 431, MCL
23 18.1248.

24 **ONE-TIME BASIS ONLY APPROPRIATIONS**

Sec. 1201. (1) The appropriation in part 1 for the swimmer's itch pilot program shall be distributed to a Michigan-based nonprofit organization for the purpose of pursuing comprehensive, science-based swimmer's itch mitigation and research by appropriately qualified subject matter experts. This appropriation may be used to reimburse costs incurred before the effective date of this act, and may be carried forward as a work project in accordance with the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

(2) By January 1 the department must submit a report to the House and Senate appropriations subcommittees on natural resources detailing data collected, program plan, and effectiveness measures of the swimmer's itch pilot program.

ARTICLE XVI

DEPARTMENT OF STATE POLICE

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of state police for the fiscal year ending September 30, 2018, from the following funds:

DEPARTMENT OF STATE POLICE

APPROPRIATION SUMMARY

Full-time equated unclassified positions 3.0

Full-time equated classified positions 3,437.0

GROSS APPROPRIATION \$ 694,763,900

1	Interdepartmental grant revenues:	
2	IDG from department of corrections	344,200
3	IDG from department of state	373,900
4	IDG from department of transportation	11,697,900
5	IDG from department of treasury	7,750,100
6	IDG from other restricted funding	2,569,100
7	Intradepartmental transfers	3,486,400
8	Total interdepartmental grants and intradepartmental	
9	transfers.....	26,221,600
10	ADJUSTED GROSS APPROPRIATION	\$ 668,542,300
11	Federal revenues:	
12	Other federal revenues	83,662,500
13	Total federal revenues	83,662,500
14	Special revenue funds:	
15	Local revenues	5,835,200
16	Total local revenues	5,835,200
17	Private revenues	178,100
18	Total private revenues	178,100
19	Michigan merit award trust fund	843,000
20	Other state restricted revenue	138,580,700
21	Total state restricted revenues	139,423,700
22	State general fund/general purpose	\$ 439,442,800
23	State general fund/general purpose schedule:	
24	Ongoing state general fund/general	
25	purpose	418,721,600
26	One-time state general fund/general	
27	purpose	20,721,200

1	Sec. 102. DEPARTMENTAL ADMINISTRATION AND SUPPORT	
2	Full-time equated unclassified positions	3.0
3	Full-time equated classified positions	83.0
4	Unclassified salaries--3.0 FTE positions	\$ 586,100
5	Accounting service center	1,066,500
6	Department services--58.0 FTE positions	8,823,200
7	Departmentwide	40,942,200
8	Executive direction--25.0 FTE positions	<u>4,170,100</u>
9	GROSS APPROPRIATION	\$ 55,588,100
10	Appropriated from:	
11	Interdepartmental grant revenues:	
12	IDG from department of corrections	26,000
13	IDG from department of state	1,400
14	IDG from department of transportation	3,900
15	IDG from department of treasury	135,800
16	IDG from other restricted funding	158,200
17	Intradepartmental transfers	38,200
18	Federal revenues:	
19	Other federal revenues	546,000
20	Special revenue funds:	
21	Local revenues	6,200
22	Michigan merit award trust fund	17,600
23	Other state restricted revenues	5,488,600
24	State general fund/general purpose	\$ 49,166,200
25	Sec. 103. LAW ENFORCEMENT SERVICES	
26	Full-time equated classified positions	530.0
27	Biometrics and identification--54.0 FTE positions	\$ 9,294,100

1	Criminal justice information center--134.0 FTE	
2	positions.....	19,917,400
3	Forensic science--270.0 FTE positions	43,876,100
4	Grants and community services--17.0 FTE positions	19,042,500
5	Training--55.0 FTE positions	<u>10,466,100</u>
6	GROSS APPROPRIATION	\$ 102,596,200
7	Appropriated from:	
8	Interdepartmental grant revenues:	
9	IDG from department of corrections	318,200
10	IDG from department of state	368,700
11	IDG from department of transportation	1,197,700
12	IDG from department of treasury	664,900
13	IDG from other restricted funding	2,398,700
14	Intradepartmental transfers	750,000
15	Federal revenues:	
16	Other federal funds	16,409,400
17	Special revenue funds:	
18	Local revenues	915,300
19	Private revenues	100,000
20	Other state restricted revenues	36,591,700
21	State general fund/general purpose	\$ 42,881,600
22	Sec. 104. MICHIGAN COMMISSION ON LAW ENFORCEMENT STANDARDS	
23	Full-time equated classified positions..... 18.0	
24	Public safety officers benefit program--1.0 FTE	
25	position.....	\$ 151,100
26	Standards and training/justice training grants--17.0	
27	FTE positions.....	9,887,100

1	Training only to local units	<u>654,500</u>
2	GROSS APPROPRIATION	\$ 10,692,700
3	Appropriated from:	
4	Federal revenues:	
5	Other federal revenues	175,700
6	Special revenue funds:	
7	Other state restricted revenues	9,215,900
8	State general fund/general purpose	\$ 1,301,100
9	Sec. 105. FIELD SERVICES	
10	Full-time equated classified positions	2,213.0
11	Investigative services--180.5 FTE positions	\$ 33,824,800
12	Post operations--2,002.5 FTE positions	295,480,300
13	Impaired driving safety commission fund	250,000
14	Secure cities partnership--30.0 FTE positions	<u>7,831,100</u>
15	GROSS APPROPRIATION	\$ 337,386,200
16	Appropriated from:	
17	Interdepartmental grant revenues:	
18	IDG from department of treasury	6,096,400
19	Intradepartmental transfers	775,200
20	Federal revenues:	
21	Other federal revenues	6,675,300
22	Special revenue funds:	
23	Local revenues	2,079,400
24	Michigan merit award trust fund	819,300
25	Other state restricted revenues	48,700,400
26	State general fund/general purpose	\$ 272,240,200
27	Sec. 106. SPECIALIZED SERVICES	

1	Full-time equated classified positions	593.0	
2	Commercial vehicle enforcement--211.0 FTE positions ..		\$ 28,721,700
3	Commercial vehicle regulation--12.0 FTE positions		2,226,200
4	Emergency management and homeland security--67.0 FTE		
5	positions.....		16,021,800
6	Hazardous materials programs--25.0 FTE positions		30,139,700
7	Highway safety planning--26.0 FTE positions		18,001,900
8	Intelligence operations--184.0 FTE positions		24,804,000
9	Secondary road patrol program--1.0 FTE position		11,069,300
10	Civil Air Patrol		20,000
11	Special operations--67.0 FTE positions		<u>12,012,500</u>
12	GROSS APPROPRIATION		\$ 143,017,100
13	Appropriated from:		
14	Interdepartmental grant revenues:		
15	IDG from department of transportation		10,239,400
16	IDG from department of treasury		681,900
17	Intradepartmental transfers		1,902,200
18	Federal revenues:		
19	Other federal revenues		58,899,000
20	Special revenue funds:		
21	Local revenues		1,700,100
22	Private revenues		78,100
23	Other state restricted revenues		29,219,100
24	State general fund/general purpose		\$ 40,297,300
25	Sec. 107. INFORMATION TECHNOLOGY		
26	Information technology services and projects		\$ <u>24,762,400</u>
27	GROSS APPROPRIATION		\$ 24,762,400

1	Appropriated from:	
2	Interdepartmental grant revenues:	
3	IDG from department of state	3,800
4	IDG from department of transportation	256,900
5	IDG from department of treasury	171,100
6	IDG from other restricted funding	12,200
7	Intradepartmental transfers	20,800
8	Federal revenues:	
9	Other federal revenues	957,100
10	Special revenue funds:	
11	Local revenues	1,134,200
12	Michigan merit award trust fund	6,100
13	Other state restricted revenues	9,365,000
14	State general fund/general purpose	\$ 12,835,200
15	Sec. 108. ONE-TIME APPROPRIATIONS	
16	Disaster and emergency contingency fund	5,000,000
17	Equipment lifecycle replacement - secure cities	1,000,000
18	Fair and impartial policing training grants	980,000
19	Forensic science	730,000
20	Law enforcement job task analysis	200,000
21	Sexual assault prevention and education initiative ...	600,000
22	Advanced 9-1-1	2,200,000
23	Michigan International Speedway traffic control	725,000
24	Trooper school	<u>9,286,200</u>
25	GROSS APPROPRIATION	\$ 20,721,200
26	Appropriated from:	
27	State general fund/general purpose	\$ 20,721,200

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FOR FISCAL YEAR 2017-2018

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state sources under part 1 for fiscal year 2017-2018 is \$578,866,500.00 and state spending from state sources to be paid to local units of government for fiscal year 2017-2018 is \$14,113,200.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF STATE POLICE

Standards and training/justice training grants	\$	2,500,100
Training only to local units		654,500
Secondary road patrol program		<u>10,958,600</u>
TOTAL	\$	14,113,200

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

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

(a) "CJIS" means Criminal Justice Information Systems.

(b) "Core service" means that phrase as defined in section 373 of the management and budget act, 1984 PA 431, MCL 18.1373.

(c) "Department" means the department of state police.

(d) "Director" means the director of the department.

(e) "DNA" means deoxyribonucleic acid.

(f) "DTMB" means the department of technology, management, and

1 budget.

2 (g) "FTE" means full-time equated.

3 (h) "IDG" means interdepartmental grant.

4 (i) "MCOLES" means the Michigan commission on law enforcement
5 standards.

6 (j) "Subcommittees" means the subcommittees of the senate and
7 house standing committees on appropriations with jurisdiction over
8 the budget for the department.

9 (k) "Support service" means an activity required to support
10 the ongoing delivery of core services.

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

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

27 Sec. 206. The director shall take all reasonable steps to

1 ensure businesses in deprived and depressed communities compete for
2 and perform contracts to provide services or supplies, or both. The
3 director shall strongly encourage firms with which the department
4 contracts to subcontract with certified businesses in depressed and
5 deprived communities for services or supplies, or both.

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

16 (a) The dates of each travel occurrence.

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

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

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

10 Sec. 210. (1) In addition to the funds appropriated in part 1,
11 there is appropriated an amount not to exceed \$10,000,000.00 for
12 federal contingency funds. These funds are not available for
13 expenditure until they have been transferred to another line item
14 in part 1 under section 393(2) of the management and budget act,
15 1984 PA 431, MCL 18.1393.

16 (2) In addition to the funds appropriated in part 1, there is
17 appropriated an amount not to exceed \$3,500,000.00 for state
18 restricted contingency funds. These funds are not available for
19 expenditure until they have been transferred to another line item
20 in part 1 under section 393(2) of the management and budget act,
21 1984 PA 431, MCL 18.1393.

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

1 (4) In addition to the funds appropriated in part 1, there is
2 appropriated an amount not to exceed \$200,000.00 for private
3 contingency funds. These funds are not available for expenditure
4 until they have been transferred to another line item in part 1
5 under section 393(2) of the management and budget act, 1984 PA 431,
6 MCL 18.1393.

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

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

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

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

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

18 (e) Job specifications and wage rates.

19 Sec. 212. Within 14 days after the release of the executive
20 budget recommendation, the department shall cooperate with the
21 state budget office to provide the senate and house appropriations
22 chairs, the senate and house appropriations subcommittees chairs,
23 and the senate and house fiscal agencies with an annual report on
24 estimated state restricted fund balances, state restricted fund
25 projected revenues, and state restricted fund expenditures for the
26 fiscal years ending September 30, 2017 and September 30, 2018.

27 Sec. 213. The department shall maintain, on a publicly

1 accessible website, a department scorecard that identifies, tracks,
2 and regularly updates key metrics that are used to monitor and
3 improve the department's performance.

4 Sec. 214. Total authorized appropriations from all sources
5 under part 1 for legacy costs for the fiscal year ending September
6 30, 2018 are estimated at \$124,240,400.00. From this amount, total
7 agency appropriations for pension-related legacy costs are
8 estimated at \$70,149,700.00. Total agency appropriations for
9 retiree health care legacy costs are estimated at \$54,090,700.00.

10 Sec. 215. Based on the availability of federal funding and the
11 demonstrated need as indicated by applications submitted to the
12 state court administrative office, the department shall provide
13 \$1,500,000.00 in Byrne justice assistance grant program funding to
14 the judiciary by interdepartmental grant.

15 Sec. 216. A department or state agency shall not take
16 disciplinary action against an employee for communicating with a
17 member of the legislature or his or her staff.

18 Sec. 217. The department shall provide quarterly reports to
19 the subcommittees, the senate and house fiscal agencies, and the
20 state budget office that provide the following data:

21 (a) A list of major work projects, including the status of
22 each project.

23 (b) The department's financial status, featuring a report of
24 budgeted versus actual expenditures by part 1 line item including a
25 year-end projection of budget requirements. If projected department
26 budget requirements exceed the allocated budget, the report shall
27 include a plan to reduce overall expenses while still satisfying

1 specified service level requirements.

2 (c) A report on the performance metrics cited or information
3 required to be reported in this part, reasons for nonachievement of
4 metric targets, and proposed corrective actions.

5 Sec. 218. The appropriations in part 1 are for the core
6 services, support services, and work projects of the department,
7 including, but not limited to, the following core services:

8 (a) State security operations.

9 (b) Training.

10 (c) Michigan commission on law enforcement standards.

11 (d) Criminal justice information systems.

12 (e) Forensic analysis and biometric identification.

13 (f) Post operations and investigative services.

14 (g) Special operations.

15 (h) Intelligence operations.

16 (i) Commercial vehicle regulation and enforcement.

17 (j) Emergency management and homeland security.

18 (k) Highway safety planning.

19 (l) Secondary road patrol program.

20 Sec. 219. The department shall notify the subcommittees, the
21 chairpersons of the senate and house standing committees on
22 appropriations, and the senate and house fiscal agencies not less
23 than 90 days before recommending to close or consolidate any state
24 police posts. The notification shall include a local and state
25 impact study of the proposed post closure or consolidation.

26 Sec. 220. At least 90 days before beginning any effort to
27 privatize, the department shall submit a complete project plan to

1 the subcommittees and the senate and house fiscal agencies. The
2 plan shall include the criteria under which the privatization
3 initiative will be evaluated. The evaluation shall be completed and
4 submitted to the subcommittees and the senate and house fiscal
5 agencies within 30 months.

6 Sec. 221. (1) When the department provides contractual
7 services to a local unit of government, the department shall be
8 reimbursed for all costs incurred in providing the services,
9 including, but not limited to, retirement and overtime costs.

10 (2) The department shall define service cost models for those
11 services requiring reimbursement.

12 (3) Contractual services provided to an entity other than a
13 local unit of government may be provided by department personnel,
14 but only on an overtime basis outside the normal work schedule of
15 the personnel.

16 (4) This section does not apply to services provided to state
17 agencies.

18 (5) Revenues received for contractual or reimbursed services
19 in excess of the appropriation in part 1 are appropriated and may
20 be received and expended by the department for the purposes for
21 which funds are received.

22 (6) If additional authorization is approved in the statewide
23 integrated governmental management application (SIGMA) by the state
24 budget office under this section, the department shall notify the
25 subcommittees and the senate and house fiscal agencies within 10
26 days after the approval. The notification shall include the amount
27 and funding source of the additional authorization, the date of its

1 approval, and the projected use of funds to be expended.

2 Sec. 222. The department shall serve as an active liaison
3 between the DTMB and state, local, regional, and federal public
4 safety agencies on matters pertaining to the Michigan public safety
5 communications system and shall report user issues to the DTMB.

6 Sec. 223. Money privately donated to the department is
7 appropriated under part 1 to be used for the purposes designated by
8 the donor of the money, if specified.

9 Sec. 224. (1) Federal revenues authorized by and available
10 from the federal government in excess of the appropriation in part
11 1 are appropriated and may be received and expended by the
12 department for purposes authorized under state law and subject to
13 federal requirements.

14 (2) The department shall notify the subcommittee and fiscal
15 agencies prior to expending federal revenues received and
16 appropriated under subsection (1).

17 (3) If additional authorization is approved in the statewide
18 integrated governmental management application (SIGMA) by the state
19 budget office under this section, the department shall notify the
20 subcommittees and the senate and house fiscal agencies within 10
21 days after the approval. The notification shall include the amount
22 and funding source of the additional authorization, the date of its
23 approval, and the projected use of funds to be expended.

24 **DEPARTMENTAL ADMINISTRATION AND SUPPORT**

25 Sec. 301. (1) The department shall provide security services
26 at the State Capitol Complex facilities and the State Secondary

1 Complex as provided under section 6c of 1935 PA 59, MCL 28.6c.

2 (2) The department shall maintain the staff and resources
3 necessary to respond to emergencies at the State Capitol Complex,
4 State Secondary Complex, House Office Building, Farnum Building,
5 Capitol parking lot, Townsend Parking Ramp, the Roosevelt Parking
6 Ramp, and other areas as directed.

7 (3) The department may develop a phased approach for improving
8 security at the Capitol Building.

9 (4) The department shall maintain a goal of annually
10 conducting 35,000 property inspections of state owned and leased
11 facilities.

12 **LAW ENFORCEMENT SERVICES**

13 Sec. 401. (1) The department shall develop and deliver
14 professional, innovative, and quality training that supports the
15 enforcement and public safety efforts of the criminal justice
16 community.

17 (2) The department shall provide performance data as provided
18 under section 217 of this part for average classroom occupancy
19 rate, with an annual goal of at least 55%.

20 (3) The department shall submit a report to the subcommittees
21 and the senate and house fiscal agencies within 60 days of the
22 conclusion of any trooper, motor carrier, or state properties
23 security recruit school. The report shall include the following:

24 (a) The number of veterans and the number of MCOLES-certified
25 police officers who were admitted to and the number who graduated
26 from the recruit school.

1 (b) The total number of recruits who were admitted to the
2 school, the number of recruits who graduated from the school, and
3 the location at which each of these recruits is assigned.

4 (4) The department shall distribute and review course
5 evaluations to ensure that quality training is provided.

6 Sec. 402. (1) In accordance with applicable state and federal
7 laws and regulations, the department shall maintain and ensure
8 compliance with CJIS databases and applications in the support of
9 public safety and law enforcement communities.

10 (2) The department shall improve the accuracy, timeliness, and
11 completeness of criminal history information by conducting a
12 minimum of 30 outreach activities targeted to criminal justice
13 agencies.

14 (3) The department shall provide for the compilation of crime
15 statistics consistent with the uniform crime reporting (UCR)
16 program and the national incident-based report system (NIBRS).

17 (4) The department shall provide for the compilation and
18 evaluation of traffic crash reports and the maintenance of the
19 state accident data collection system.

20 (5) The department shall make individual traffic crash reports
21 available for a fee of \$10.00 per incident. The department may also
22 sell an extract of electronic traffic crash data for a fee of \$0.25
23 per incident, provided that the name, address, and any other
24 personal identifying information have been excluded.

25 (6) In accordance with applicable state and federal laws and
26 regulations, the department shall provide for the maintenance and
27 dissemination of criminal history records and juvenile records,

1 including to the extent necessary to exchange criminal history
2 records information with the Federal Bureau of Investigation and
3 other states through the interstate identification index, the
4 National Crime Information Center, and other federal CJIS databases
5 and indices.

6 (7) In accordance with applicable state and federal laws, the
7 department shall provide for the maintenance of records, including
8 criminal history records regarding firearms licensure.

9 (8) The department shall provide to the legislature a report
10 on concealed pistol licensing not later than December 1, 2018 that
11 includes all of the following:

12 (a) The department's actual revenue received from fees paid
13 for concealed pistol license (CPL) applications for fiscal year
14 2017-2018 and the uses of that revenue.

15 (b) The department's fiscal year 2017-2018 costs for
16 administering its concealed pistol licensing responsibilities under
17 1927 PA 372, MCL 28.421 to 28.435, but not including costs related
18 to the administration of other state statutes, or requirements of
19 federal law.

20 (9) The department shall provide information on the number of
21 background checks processed through the internet criminal history
22 access tool (ICHAT) as provided in section 217 of this part.

23 (10) The following unexpended and unencumbered revenues
24 deposited into the criminal justice information center service fees
25 shall not lapse to the general fund, but shall be carried forward
26 into the subsequent fiscal year:

27 (a) Fees for fingerprinting and criminal record checks and

1 name-based criminal record checks under 1935 PA 120, MCL 28.271 to
2 28.273.

3 (b) Fees for application and licensing for initial and renewal
4 concealed pistol licenses under 1927 PA 372, MCL 28.421 to 28.435.

5 (c) Fees for searching, copying, and providing public records
6 under the freedom of information act, 1976 PA 442, MCL 15.231 to
7 15.246.

8 (d) Revenue from other sources, including, but not limited to,
9 investment and interest earnings.

10 (11) Unexpended and unencumbered revenue generated by state
11 records management system fees shall not lapse to the general fund,
12 but shall be carried forward into the subsequent fiscal year.

13 Sec. 403. (1) The department shall provide forensic testing
14 services to aid in criminal investigations.

15 (2) The department shall ensure its ability to maintain
16 accreditation by a federally designated accrediting agency, as
17 provided under 42 USC 14132.

18 (3) The department shall provide forensic science services
19 with an average turnaround time of 55 days, assuming an annual
20 caseload volume commensurate with that received in fiscal year
21 2012-2013, and shall achieve a goal of a 30-day average turnaround
22 time across all forensic science disciplines.

23 (4) The department shall provide the following data as
24 provided in section 217 of this part:

25 (a) The average turnaround time for processing forensic
26 evidence across all disciplines.

27 (b) Forensic laboratory staffing levels, including scientists

1 in training, and vacancies.

2 (c) The number of backlogged cases in each discipline.

3 (5) The department shall provide for the forensic testing and
4 analysis/profiling of DNA evidence to aid criminal investigations
5 by law enforcement agencies in this state.

6 Sec. 404. (1) The biometrics and identification division shall
7 house and manage the automated fingerprint identification system,
8 the statewide network of agency photographs, and combined offender
9 DNA index system biometric databases.

10 (2) The department shall provide data on the number of 10-
11 print and palm-print submissions to the database, with a goal of at
12 least 97% of submissions provided electronically as provided in
13 section 217 of this part.

14 (3) The department shall maintain the staffing and resources
15 necessary to have a 28-day average wait time for scheduling a
16 polygraph examination, assuming an annual caseload received
17 commensurate with fiscal year 2012-2013, with a goal of achieving a
18 15-day average wait time.

19 (4) If changes are made to the department's protocol for
20 retaining and purging DNA analysis samples and records, the
21 department shall post a copy of the protocol changes on the
22 department's website.

23 Sec. 405. Not later than December 1 of the subsequent fiscal
24 year, the department shall submit a report to the subcommittees and
25 senate and house fiscal agencies that includes, but is not limited
26 to, all of the following information:

27 (a) Sexual assault kit analysis backlog at the beginning of

1 the current fiscal year.

2 (b) The number of sexual assault kits collected or submitted
3 for analysis during the current fiscal year.

4 (c) The number of sexual assault kits analyzed and the number
5 of associated DNA profiles created and uploaded during the current
6 fiscal year.

7 (d) Sexual assault kit analysis backlog at the ending of the
8 current fiscal year.

9 (e) The average turnaround time to analyze sexual assault kits
10 and to create and upload associated DNA profiles for the current
11 fiscal year.

12 Sec. 406. The department shall provide administrative support
13 for the following grant and community service programs:

14 (a) The operations of the automobile theft prevention
15 authority.

16 (b) Administration of the Edward Byrne memorial justice
17 assistance program and other grant programs as well as the
18 department's community policing efforts.

19 (c) Oversight and administration of 9-1-1 operations
20 statewide.

21 **MICHIGAN COMMISSION ON LAW ENFORCEMENT STANDARDS**

22 Sec. 501. (1) MCOLES shall establish standards for the
23 selection, employment, training, education, licensing, and
24 revocation of all law enforcement officers and provide the basic
25 law enforcement training curriculum for law enforcement training
26 academy programs statewide.

(2) MCOLES shall maintain staffing and resources necessary to update law enforcement standards within 120 days of the enactment date of any new legislation.

FIELD SERVICES

Sec. 601. (1) Department enlisted personnel who are employed to enforce traffic laws as provided in section 629e of the Michigan vehicle code, 1949 PA 300, MCL 257.629e, shall not be prohibited from responding to crimes in progress or other emergency situations and are responsible for making every effort to protect all residents of this state.

(2) The department shall maintain the staffing and resources necessary to continually work to enhance traffic safety throughout this state and shall dedicate a minimum of 455,200 hours to statewide patrol, of which a minimum of 40,000 shall be committed to distressed cities in this state, and a minimum of 2,000 shall be committed to Belle Isle. The department shall work to improve public safety efforts within distressed cities by enhancing data analysis capabilities and identifying crime trends and areas with high occurrence of crime.

(3) The department shall maintain the staffing and resources necessary to perform activities to maintain a 93% compliance rate for reporting by registered sex offenders.

(4) The department shall submit a report on or before December 1 to the subcommittees and senate and house fiscal agencies regarding the secure cities partnership during the prior fiscal year.

1 Sec. 602. (1) The department shall identify and apprehend
2 criminals through criminal investigations in this state.

3 (2) The department shall maintain the staffing and resources
4 necessary to provide a comparable number of hours investigating
5 crimes as those performed in fiscal year 2012-2013.

6 (3) The department shall maintain the staffing and resources
7 necessary to annually meet or exceed a case clearance rate of 62%.

8 (4) The department shall annually provide 4 training
9 opportunities to local law enforcement partners with the goal of
10 increasing their knowledge of gambling laws, trends, legal issues,
11 and opioid-related investigations.

12 (5) The department shall maintain the staffing and resources
13 necessary to increase the number of opioid-related investigations
14 by 20% above the number of such investigations conducted in the
15 2014-2015 fiscal year conducted by multijurisdictional task forces
16 and hometown security teams. The department shall work to enhance
17 investigative and drug interdiction efforts by enhancing data
18 analysis capabilities and linking investigations among
19 multijurisdictional task forces and hometown security teams.

20 Sec. 603. (1) The department shall provide protection to this
21 state, its economy, welfare, and vital state-sponsored programs
22 through the prevention and suppression of organized smuggling of
23 untaxed tobacco products in the state, through enforcement of the
24 tobacco products tax act, 1993 PA 327, MCL 205.421 to 205.436, and
25 other laws pertaining to combating criminal activity in this state,
26 by maintaining a tobacco tax enforcement unit.

27 (2) The department shall submit an annual report on December 1

1 to the subcommittees, the senate and house appropriations
2 subcommittees on general government, the senate and house fiscal
3 agencies, and the state budget office that details expenditures and
4 activities related to tobacco tax enforcement for the prior fiscal
5 year.

6 (3) The tobacco tax enforcement unit shall dedicate a minimum
7 of 16,600 hours to tobacco tax enforcement.

8 Sec. 604. (1) The department shall provide fire investigation
9 services to citizens of this state through training and
10 investigative assistance to public safety agencies in this state.

11 (2) The department shall maintain the staffing and resources
12 necessary to maintain readiness to respond appropriately to at
13 least the number of requests for fire investigation services that
14 occurred in fiscal year 2010-2011 and shall be available for call
15 out statewide 100% of the time.

16 **SPECIALIZED SERVICES**

17 Sec. 701. (1) The department shall operate the Michigan
18 intelligence operation center for homeland security as the state's
19 primary federally designated fusion center to receive, analyze,
20 gather, and disseminate threat-related information among federal,
21 state, local, tribal, and private sector partners.

22 (2) The department shall ensure public safety by providing
23 public and private sector partners with timely and accurate
24 information regarding critical information key resource threats as
25 reported to or discovered by the Michigan intelligence operations
26 center for homeland security and shall increase public awareness on

1 how to report suspicious activity through website or telephone
2 communications.

3 (3) The department shall maintain the staffing and resources
4 necessary to support the cyber section, including the Michigan
5 cyber command center, the computer crimes unit, and the Internet
6 crimes against children task force. The department shall maintain
7 the staffing and resources necessary to increase the number of
8 cases completed by the computer crimes unit by 40% above the number
9 of cases completed in the 2014-2015 fiscal year. The unit shall
10 pursue process improvement initiatives to effectively utilize staff
11 resources in providing investigatory assistance and evidentiary
12 analysis for law enforcement and criminal justice agencies
13 statewide.

14 (4) The department shall maintain the staffing and resources
15 necessary to provide digital forensic analysis services with a goal
16 of decreasing backlogs of digital forensic analysis cases annually
17 until the department maintains a 60-day turnaround time.

18 Sec. 702. (1) The department shall provide specialized
19 services in support of, and to enhance, local, state, and federal
20 law enforcement operations within this state in accordance with all
21 applicable state and federal laws and regulations.

22 (2) The department shall maintain the staffing and resources
23 necessary to provide training to maintain readiness to respond
24 appropriately to at least the number of requests for specialty
25 services which occurred in fiscal year 2010-2011.

26 (3) The canine unit shall be available for call out statewide
27 100% of the time.

1 (4) The bomb squad unit shall be available for call out
2 statewide 100% of the time.

3 (5) The emergency support teams shall be available for call
4 out statewide 100% of the time.

5 (6) The marine services team shall be available for call out
6 statewide 100% of the time.

7 (7) Aviation services shall be available for call out
8 statewide 100% of the time, unless prohibited by weather or
9 unexpected mechanical breakdowns.

10 (8) The department shall prepare a report to the legislature
11 that evaluates law enforcement issues related to the use of drones,
12 including existing local, state, and federal laws and regulations
13 regarding their use, any input that the department may have to
14 offer as to the efficacy of such laws, and department-recommended
15 drone law/regulation enforcement policies which could be
16 established as Michigan law enforcement best practices. This report
17 shall be transmitted to the chairpersons of the senate and house
18 appropriations subcommittees, the subcommittees, and the senate and
19 house fiscal agencies no later than April 2, 2018.

20 Sec. 703. (1) The department shall maintain commercial vehicle
21 regulation, school bus inspections, and enforcement activities,
22 including enforcement of requirements concerning size, weight, and
23 load restrictions; operating authority; registration; fuel taxes;
24 transportation of hazardous materials; operations of new entrants;
25 and commercial driver's licenses.

26 (2) The department shall maintain the staffing and resources
27 necessary to meet inspection goals consistent with the department's

1 federal motor carrier assistance program activities.

2 (3) Revenue collected under the motor carrier act, 1933 PA
3 254, MCL 475.1 to 479.42, shall be expended in accordance with that
4 act. Unexpended and unencumbered revenues shall not lapse to the
5 general fund but shall be carried forward into the subsequent
6 fiscal year.

7 Sec. 704. (1) The department shall coordinate the mitigation,
8 preparation, response, and recovery activities of municipal,
9 county, state, and federal governments, and other governmental
10 entities, for all hazards, disasters, and emergencies.

11 (2) The state director of emergency management may expend
12 money appropriated under part 1 to call upon any agency or
13 department of the state or any resource of the state to protect
14 life or property or to provide for the health or safety of the
15 population in any area of the state in which the governor proclaims
16 a state of emergency or state of disaster under 1945 PA 302, MCL
17 10.31 to 10.33, or under the emergency management act, 1976 PA 390,
18 MCL 30.401 to 30.421. The state director of emergency management
19 may expend the amounts the director considers necessary to
20 accomplish these purposes. The director shall submit to the state
21 budget director as soon as possible a complete report of all
22 actions taken under the authority of this section. The report shall
23 contain, as a separate item, a statement of all money expended that
24 is not reimbursable from federal money. The state budget director
25 shall review the expenditures and submit recommendations to the
26 legislature in regard to any possible need for a supplemental
27 appropriation.

(3) In addition to the money appropriated in part 1, the department may receive and expend money from local, private, federal, or state sources for the purpose of providing emergency management training to local or private interests and for the purpose of supporting emergency preparedness, response, recovery, and mitigation activity. If additional expenditure authorization in the statewide integrated governmental management application (SIGMA) is approved by the state budget office under this section, the department and the state budget office shall notify the subcommittees and the senate and house fiscal agencies within 10 days after the approval. The notification shall include the amount and source and the additional authorization, the date of its approval, and the projected use of funds to be expended under the authorization.

(4) The department shall foster, promote, and maintain partnerships to protect this state and homeland from all hazards.

(5) The department shall maintain the staffing and resources necessary to do all of the following:

(a) Serve approximately 105 local emergency management preparedness programs and 88 local emergency planning committees in this state.

(b) Operate and maintain the state's emergency operations center and provide command and control in support of emergency response services.

(c) Maintain readiness, including training and equipment to respond to civil disorders and natural disasters commensurate with the capabilities of fiscal year 2010-2011.

1 (d) Perform hazardous materials response training.

2 (6) The department shall conduct a minimum of 3 training
3 sessions to enhance safe response in the event of natural or
4 manmade incidents, emergencies, or disasters.

5 (7) In addition to the funds appropriated in part 1, there is
6 appropriated from the disaster and emergency contingency fund an
7 amount necessary to cover costs related to any disaster or
8 emergency as defined in the emergency management act, 1976 PA 390,
9 MCL 30.401 to 30.421. Funds shall be expended as provided under
10 sections 18 and 19 of the emergency management act, 1976 PA 390,
11 MCL 30.418 and 30.419, and R 30.51 to R 30.61 of the Michigan
12 Administrative Code.

13 (8) Funds in the disaster and emergency contingency fund shall
14 not be expended unless the state budget director approves the
15 expenditure and the department and the state budget office notify
16 the senate and house appropriations committees. If expenditures are
17 made from the disaster and emergency contingency fund during a
18 month, the department shall submit monthly reports to the senate
19 and house fiscal agencies detailing the purpose of the
20 expenditures. These monthly reports shall be submitted within 30
21 days after the end of the month during which funds from the
22 disaster and emergency contingency fund were expended.

23 (9) Upon the declaration of a state of emergency or disaster
24 by the governor under section 3 of the emergency management act,
25 1976 PA 390, MCL 30.403, approval of the state budget director, and
26 notification of the subcommittees and senate and house fiscal
27 agencies, the director may expend funds appropriated from any

1 source to any line item within part 1 for the purpose of paying the
2 necessary and reasonable expenses incurred by the department in
3 responding to or mitigating the effects of any emergency or
4 disaster as those terms are defined in section 2 of the emergency
5 management act, 1976 PA 390, MCL 30.402.

6 (10) The department shall track and report on a quarterly
7 basis, per section 217 of this part, the status of the department's
8 assessment of critical infrastructure vulnerabilities, including
9 the protection status of critical infrastructure items identified
10 by the assessment.

11 Sec. 705. The department shall provide for the planning,
12 administration, and implementation of highway traffic safety
13 programs to save lives and reduce injuries on Michigan roads in
14 partnership with other public and private organizations.

15 Sec. 706. (1) The department shall provide funding to county
16 sheriff departments to patrol secondary roads.

17 (2) The sheriffs' duties under the secondary road patrol
18 program, as outlined in section 76(2) of 1846 RS 14, MCL 51.76, are
19 to patrol and monitor traffic violations; to enforce the criminal
20 laws of this state, violations of which are observed by or brought
21 to the attention of the sheriff's department while patrolling and
22 monitoring secondary roads; to investigate accidents involving
23 motor vehicles; and to provide emergency assistance to persons on
24 or near a highway or road the sheriff is patrolling and monitoring.

25 (3) The department shall provide the following information on
26 secondary road patrol activities supported by appropriations in
27 part 1:

1 (a) The number of funded full-time equivalent county sheriff
2 secondary road patrol deputies.

3 (b) The number of hours dedicated to patrol under the
4 secondary road patrol program, with an annual goal of at least
5 178,000 hours.

6 (4) The information required to be reported under subsection
7 (3) shall be reported on an annual basis.

8 **ONE-TIME APPROPRIATIONS**

9 Sec. 901. (1) Funding provided in part 1 for the sexual
10 assault prevention and education initiative shall be used to
11 provide and administer grants to public or nonpublic community
12 colleges, colleges, and universities with a physical presence in
13 this state to address campus sexual assault issues to improve the
14 safety and security of students, faculty, and staff in campus
15 environments in this state.

16 (2) Grant funds awarded shall support sexual assault programs,
17 including education, awareness, prevention, reporting, and
18 bystander intervention programs.

19 (3) The department shall issue awards no later than December
20 1, 2017, with a grant period of 1 year.

21 (4) The department shall report on grant activities to the
22 subcommittees and the state budget office by February 28, 2019.

23 (5) Unexpended and unencumbered appropriations in part 1 for
24 the sexual assault prevention and education initiative are
25 designated as work project appropriations. Any unencumbered or
26 unallotted funds at the end of the fiscal year shall be carried

1 forward into the succeeding fiscal year. The following is in
2 compliance with section 451a(1) of the management and budget act,
3 1984 PA 431, MCL 18.1451a:

4 (a) The purpose of the project is to provide grants for sexual
5 assault education, awareness, prevention, reporting, and bystander
6 intervention programs.

7 (b) The project will be accomplished by grants to eligible
8 community colleges, colleges, and universities.

9 (c) The total estimated cost of the project is \$600,000.00.

10 (d) The estimated completion date is September 30, 2019.

11 Sec. 902. Funding appropriated in part 1 for advanced 9-1-1
12 shall be used to support the costs for the administration and
13 initial implementation of a supplemental 9-1-1 database that allows
14 public safety answering points to view voluntarily disclosed
15 information relevant to the 9-1-1 caller, including information on
16 properties and household members, that would assist first
17 responders in providing emergency services to the caller. The
18 implementation of the database among public safety answering points
19 and the funding for this purpose shall be overseen and administered
20 by the office of the state 9-1-1 coordinator. Funds shall be
21 payable by the office to a vendor based upon the number of public
22 safety answering points implementing a supplemental database.
23 Public safety answering points choosing to implement a supplemental
24 database shall begin implementation by not later than October 1,
25 2018 to be eligible for funds provided under this section. Funds
26 appropriated for advanced 9-1-1 shall be considered a work project,
27 and unexpended and unencumbered funds shall be carried forward into

1 the subsequent fiscal year.

2 PART 2A
3 PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS
4 FOR FISCAL YEAR 2018-2019

5 **GENERAL SECTIONS**

6 Sec. 1001. It is the intent of the legislature to provide
7 appropriations for the fiscal year ending on September 30, 2019 for
8 the line items listed in part 1. The fiscal year 2018-2019
9 appropriations are anticipated to be the same as those for fiscal
10 year 2017-2018, excluding appropriations designated as one-time
11 appropriations and adjusting for changes in caseload and related
12 costs, federal fund match rates, economic factors, and available
13 revenue. These adjustments will be determined after the January
14 2018 consensus revenue estimating conference.

15 ARTICLE XVII
16 STATE TRANSPORTATION DEPARTMENT
17 PART 1

18 LINE-ITEM APPROPRIATIONS

19 Sec. 101. There is appropriated for the state transportation
20 department for the fiscal year ending September 30, 2018, from the
21 following funds:

22 **STATE TRANSPORTATION DEPARTMENT**

23 APPROPRIATION SUMMARY

1	Full-time equated unclassified positions	6.0	
2	Full-time equated classified positions	2,820.3	
3	GROSS APPROPRIATION		\$ 4,347,443,000
4	Total interdepartmental grants and intradepartmental		
5	transfers.....		4,039,300
6	ADJUSTED GROSS APPROPRIATION		\$ 4,343,403,700
7	Federal revenues:		
8	Federal aid - transportation programs		1,340,301,200
9	Total federal revenues		1,340,301,200
10	Special revenue funds:		
11	Local revenues		50,532,000
12	Private revenues		100,000
13	Total local and private revenues		50,632,000
14	Blue Water Bridge fund.....		23,432,600
15	Comprehensive transportation fund.....		335,482,700
16	Economic development fund.....		54,085,000
17	Intercity bus equipment and facility fund.....		100,000
18	IRS debt service rebate		7,004,300
19	Local bridge fund.....		30,598,300
20	Michigan transportation fund.....		1,470,983,700
21	Qualified airport fund.....		6,500,000
22	Rail freight fund.....		6,000,000
23	State aeronautics fund.....		16,418,600
24	State trunkline fund.....		1,001,865,300
25	Total other state restricted revenues		2,952,470,500
26	State general fund/general purpose		\$ 0
27	Sec. 102. DEBT SERVICE		

1	Airport safety and protection plan	\$	4,617,000
2	Blue Water Bridge fund		7,105,100
3	Comprehensive transportation		18,244,500
4	Economic development		11,548,300
5	Local bridge fund		2,315,400
6	State trunkline		<u>185,109,100</u>
7	GROSS APPROPRIATION	\$	228,939,400
8	Appropriated from:		
9	Federal revenues:		
10	Federal aid - transportation programs		37,783,300
11	Special revenue funds:		
12	Blue Water Bridge fund		7,105,100
13	Comprehensive transportation fund		18,244,500
14	Economic development fund		11,548,300
15	IRS debt service rebate		7,004,300
16	Local bridge fund		2,315,400
17	State aeronautics fund		4,617,000
18	State trunkline fund		140,321,500
19	State general fund/general purpose	\$	0
20	Sec. 103. COLLECTION, ENFORCEMENT, AND OTHER AGENCY		
21	SUPPORT SERVICES		
22	CTF grant to civil service commission	\$	200,000
23	CTF grant to department of attorney general		205,000
24	CTF grant to department of treasury		12,700
25	CTF grant to legislative auditor general		39,000
26	CTF grant to department of technology, management, and		
27	budget		45,500

1	MTF grant to department of environmental quality	1,345,900
2	MTF grant to department of treasury	2,701,700
3	MTF grant to legislative auditor general	315,800
4	MTF grant to department of state for collection of	
5	revenue and fees	20,000,000
6	SAF grant to civil service commission	150,000
7	SAF grant to department of attorney general	179,400
8	SAF grant to department of treasury	73,400
9	SAF grant to legislative auditor general	30,300
10	SAF grant to department of technology, management, and	
11	budget	34,600
12	STF grant to civil service commission	5,847,000
13	STF grant to department of attorney general	2,447,600
14	STF grant to department of state police	11,697,900
15	STF grant to department of technology, management, and	
16	budget	1,199,300
17	STF grant to department of treasury	169,800
18	STF grant to legislative auditor general	<u>733,500</u>
19	GROSS APPROPRIATION	\$ 47,428,400
20	Appropriated from:	
21	Special revenue funds:	
22	Comprehensive transportation fund	502,200
23	Michigan transportation fund	24,363,400
24	State aeronautics fund	467,700
25	State trunkline fund	22,095,100
26	State general fund/general purpose	\$ 0
27	Sec. 104. DEPARTMENTAL ADMINISTRATION AND SUPPORT	

1	Full-time equated unclassified positions	6.0	
2	Full-time equated classified positions	252.3	
3	Unclassified salaries--6.0 FTE positions		\$ 776,600
4	Asset management council		1,876,400
5	Business support services--42.0 FTE positions		6,595,600
6	Commission audit--29.3 FTE positions		3,367,500
7	Economic development and enhancement programs--10.0		
8	FTE positions		1,643,500
9	Finance, contracts, and support services--171.0 FTE		
10	positions		21,418,200
11	Property management		7,103,500
12	Worker's compensation		<u>1,619,000</u>
13	GROSS APPROPRIATION		\$ 44,400,300
14	Appropriated from:		
15	IDG for accounting service center user charges		4,039,300
16	Special revenue funds:		
17	Comprehensive transportation fund		1,551,300
18	Economic development fund		380,400
19	Michigan transportation fund		4,217,100
20	State aeronautics fund		702,400
21	State trunkline fund		33,509,800
22	State general fund/general purpose		\$ 0
23	Sec. 105. INFORMATION TECHNOLOGY		
24	Information technology services and projects		\$ <u>33,465,900</u>
25	GROSS APPROPRIATION		\$ 33,465,900
26	Appropriated from:		
27	Federal revenues:		

1	Federal aid - transportation programs	520,500
2	Special revenue funds:	
3	Blue Water Bridge fund	55,300
4	Comprehensive transportation fund	225,100
5	Economic development fund	37,200
6	Michigan transportation fund	294,300
7	State aeronautics fund	175,600
8	State trunkline fund	32,157,900
9	State general fund/general purpose \$	0
10	Sec. 106. TRANSPORTATION PLANNING	
11	Full-time equated classified positions 137.0	
12	Planning services--137.0 FTE positions \$	36,245,200
13	Grants to regional planning councils	<u>488,800</u>
14	GROSS APPROPRIATION \$	36,734,000
15	Appropriated from:	
16	Federal revenues:	
17	Federal aid - transportation programs	19,250,000
18	Special revenue funds:	
19	Comprehensive transportation fund	610,500
20	Michigan transportation fund	9,580,800
21	State aeronautics fund	15,000
22	State trunkline fund	7,277,700
23	State general fund/general purpose \$	0
24	Sec. 107. DESIGN AND ENGINEERING SERVICES	
25	Full-time equated classified positions 1,473.3	
26	Program development, delivery, and system operations--	
27	1,473.3 FTE positions \$	<u>161,253,100</u>

1	GROSS APPROPRIATION	\$	161,253,100
2	Appropriated from:		
3	Federal revenues:		
4	Federal aid - transportation programs		23,529,800
5	Special revenue funds:		
6	Comprehensive transportation fund		187,100
7	Michigan transportation fund		12,281,400
8	State aeronautics fund		160,300
9	State trunkline fund		125,094,500
10	State general fund/general purpose	\$	0
11	Sec. 108. HIGHWAY MAINTENANCE		
12	Full-time equated classified positions		793.7
13	State trunkline operations--793.7 FTE positions	\$	<u>317,593,400</u>
14	GROSS APPROPRIATION	\$	317,593,400
15	Appropriated from:		
16	Special revenue funds:		
17	State trunkline fund		317,593,400
18	State general fund/general purpose	\$	0
19	Sec. 109. ROAD AND BRIDGE PROGRAMS		
20	Cities and villages	\$	491,162,500
21	County road commissions		880,938,200
22	Grants to local programs		33,000,000
23	Local bridge program		28,282,900
24	Local federal aid and road and bridge construction ...		278,400,300
25	Local agency wetland mitigation bank fund		2,000,000
26	Movable bridge		5,110,000
27	Rail grade crossing		3,000,000

1	Rail grade crossing - surface improvements	3,000,000
2	State trunkline federal aid and road and bridge	
3	construction.....	<u>1,140,756,800</u>
4	GROSS APPROPRIATION	\$ 2,865,650,700
5	Appropriated from:	
6	Federal revenues:	
7	Federal aid - transportation programs	1,061,767,600
8	Special revenue funds:	
9	Local funds	30,003,500
10	Blue Water Bridge fund	9,800,800
11	Local bridge fund	28,282,900
12	Michigan transportation fund	1,418,210,700
13	State trunkline fund	317,585,200
14	State general fund/general purpose	\$ 0
15	Sec. 110. BLUE WATER BRIDGE	
16	Full-time equated classified positions..... 41.0	
17	Blue Water Bridge operations--41.0 FTE positions	\$ <u>6,471,400</u>
18	GROSS APPROPRIATION	\$ 6,471,400
19	Appropriated from:	
20	Special revenue funds:	
21	Blue Water Bridge fund	6,471,400
22	State general fund/general purpose	\$ 0
23	Sec. 111. TRANSPORTATION ECONOMIC DEVELOPMENT	
24	Forest roads	\$ 5,000,000
25	Rural county primary	7,779,800
26	Rural county urban system	2,500,000
27	Target industries/economic redevelopment	19,059,500

1	Urban county congestion	<u>7,779,800</u>
2	GROSS APPROPRIATION	\$ 42,119,100
3	Appropriated from:	
4	Special revenue funds:	
5	Economic development fund	42,119,100
6	State general fund/general purpose	\$ 0
7	Sec. 112. AERONAUTICS SERVICES	
8	Full-time equated classified positions 48.0	
9	Air service program	\$ 250,000
10	Aviation services--48.0 FTE positions	<u>7,596,100</u>
11	GROSS APPROPRIATION	\$ 7,846,100
12	Appropriated from:	
13	Special revenue funds:	
14	State aeronautics fund	7,846,100
15	State general fund/general purpose	\$ 0
16	Sec. 113. PUBLIC TRANSPORTATION SERVICES	
17	Full-time equated classified positions 36.0	
18	Passenger transportation services--36.0 FTE positions	\$ <u>5,789,100</u>
19	GROSS APPROPRIATION	\$ 5,789,100
20	Appropriated from:	
21	Federal revenues:	
22	Federal aid - transportation programs	972,100
23	Special revenue funds:	
24	Comprehensive transportation fund	4,817,000
25	State general fund/general purpose	\$ 0
26	Sec. 114. LOCAL BUS TRANSIT	
27	Local bus operating	\$ 188,250,000

1	Nonurban operating/capital	<u>28,027,900</u>
2	GROSS APPROPRIATION	\$ 216,277,900
3	Appropriated from:	
4	Federal revenues:	
5	Federal aid - transportation programs	26,027,900
6	Special revenue funds:	
7	Local funds	2,000,000
8	Comprehensive transportation fund	188,250,000
9	State general fund/general purpose	\$ 0
10	Sec. 115. INTERCITY PASSENGER AND FREIGHT	
11	Full-time equated classified positions	39.0
12	Detroit/Wayne County Port Authority	\$ 200,000
13	Freight property management	1,000,000
14	Intercity services	8,060,000
15	Marine passenger service	400,000
16	Office of rail--39.0 FTE positions	6,483,400
17	Rail freight economic development	8,768,200
18	Rail operations and infrastructure	<u>115,991,500</u>
19	GROSS APPROPRIATION	\$ 140,903,100
20	Appropriated from:	
21	Federal revenues:	
22	Federal aid - transportation programs	64,600,000
23	Special revenue funds:	
24	Local funds	260,000
25	Private funds	100,000
26	Comprehensive transportation fund	67,078,400
27	Intercity bus equipment and facility fund	100,000

1	Michigan transportation fund	2,036,000
2	Rail freight fund	6,000,000
3	State trunkline fund	728,700
4	State general fund/general purpose	\$ 0
5	Sec. 116. PUBLIC TRANSPORTATION DEVELOPMENT	
6	Municipal credit program	\$ 2,000,000
7	Service initiatives	3,389,200
8	Specialized services	17,938,900
9	Transit capital	59,403,500
10	Transportation to work	3,700,000
11	Van pooling	<u>195,000</u>
12	GROSS APPROPRIATION	\$ 86,626,600
13	Appropriated from:	
14	Federal revenues:	
15	Federal aid - transportation programs	26,850,000
16	Special revenue funds:	
17	Local funds	5,760,000
18	Comprehensive transportation fund	54,016,600
19	State general fund/general purpose	\$ 0
20	Sec. 117. CAPITAL OUTLAY	
21	(1) BUILDINGS AND FACILITIES	
22	Salt storage buildings and containment control	\$ 2,500,000
23	Special maintenance, remodeling, and additions	<u>3,001,500</u>
24	GROSS APPROPRIATION	\$ 5,501,500
25	Appropriated from:	
26	State trunkline fund	5,501,500
27	State general fund/general purpose	\$ 0

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Airport safety, protection, and improvement program ..	\$	93,943,000
Detroit Metropolitan Wayne County Airport		<u>6,500,000</u>
GROSS APPROPRIATION	\$	100,443,000
Appropriated from:		
Federal revenues:		
Federal aid - transportation programs		79,000,000
Special revenue funds:		
Local funds		12,508,500
Qualified airport fund		6,500,000
State aeronautics fund		2,434,500
State general fund/general purpose	\$	0

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PROVISIONS CONCERNING APPROPRIATIONS

FOR FISCAL YEAR 2017-2018

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2017-2018 is \$2,952,470,500.00 and state spending from state resources to be paid to local units of government for fiscal year 2017-2018 is \$1,717,843,100.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

STATE TRANSPORTATION DEPARTMENT

Rail grade crossing - surface improvements	\$	3,000,000
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1	Urban county congestion	7,779,800
2	Local bridge program	28,282,900
3	Service initiatives	1,414,200
4	Transit capital	42,853,500
5	Rural county primary	7,779,800
6	Cities and villages	491,162,500
7	Grants to local programs	33,000,000
8	Local bus operating	188,250,000
9	Detroit/Wayne County Port Authority	200,000
10	Airport safety, protection, and improvement program ..	2,434,500
11	Forest roads	5,000,000
12	Grants to regional planning councils	488,800
13	Movable Bridge	2,555,000
14	Air service program	250,000
15	Local agency wetlands mitigation	2,000,000
16	Rail grade crossing	1,500,000
17	Transportation to work	3,700,000
18	Marine passenger service	400,000
19	Municipal credit program	2,000,000
20	Rural county urban system	2,500,000
21	Specialized services	3,853,900
22	Detroit Metropolitan Wayne County Airport	6,500,000
23	County road commissions	<u>880,938,200</u>
24	TOTAL	\$ 1,717,843,100

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

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

2 (a) "CTF" means comprehensive transportation fund.

3 (b) "Department" means the state transportation department.

4 (c) "Director" means the director of the department.

5 (d) "DOT" means the United States Department of
6 Transportation.

7 (e) "DOT-FHWA" means DOT, Federal Highway Administration.

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

9 (g) "IDG" means interdepartmental grant.

10 (h) "MTF" means Michigan transportation fund.

11 (i) "SAF" means state aeronautics fund.

12 (j) "STF" means state trunkline fund.

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

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

1 competitively priced and of comparable quality.

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

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

18 (a) The dates of each travel occurrence.

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

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

1 services for bonding activities and for those activities that the
2 attorney general authorizes.

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

12 Sec. 210. (1) In addition to the funds appropriated in part 1,
13 there is appropriated an amount not to exceed \$200,000,000.00 for
14 federal contingency funds. These funds are not available for
15 expenditure until they have been transferred to another line item
16 in part 1 pursuant to section 393(2) of the management and budget
17 act, 1984 PA 431, MCL 18.1393.

18 (2) In addition to the funds appropriated in part 1, there is
19 appropriated an amount not to exceed \$40,000,000.00 for state
20 restricted contingency funds. These funds are not available for
21 expenditure until they have been transferred to another line item
22 in part 1 pursuant to section 393(2) of the management and budget
23 act, 1984 PA 431, MCL 18.1393.

24 (3) In addition to the funds appropriated in part 1, there is
25 appropriated an amount not to exceed \$1,000,000.00 for local
26 contingency funds. These funds are not available for expenditure
27 until they have been transferred to another line item in part 1

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

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

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

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

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

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

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

20 (e) Job specifications and wage rates.

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

1 fiscal years ending September 30, 2017 and September 30, 2018.

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

6 Sec. 214. Total authorized appropriations from all sources
7 under part 1 for legacy costs for the fiscal year ending September
8 30, 2018 are \$63,943,300.00. From this amount, total agency
9 appropriations for pension-related legacy costs are estimated at
10 \$32,905,600.00. Total agency appropriations for retiree health care
11 legacy costs are estimated at \$31,037,700.00.

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

15 Sec. 217. The department shall provide notice to the speaker
16 of the house, the house minority leader, the senate majority
17 leader, the senate minority leader, the house and senate standing
18 committees on transportation, the appropriate house and senate
19 appropriations subcommittees on transportation, and the house and
20 senate fiscal agencies on proposed federal rule changes related to
21 the department that would require amendments to the laws of this
22 state. The notice shall be given within 30 business days of the
23 proposed federal rule being posted to the federal register and
24 shall include a description of the proposed federal rule, the
25 publication date, the date when public comment closes, the document
26 citation, and a description of the statutory changes needed when
27 the rule is finalized.

1 Sec. 270. In order to reduce costs and maintain quality, it is
2 the intent of the legislature that, excluding the fleet of motor
3 vehicles for the department of state police, the department will
4 prioritize the utilization of remanufactured parts as the primary
5 means of maintenance and repair for the state of Michigan's fleet
6 of motor vehicles.

7 **DEPARTMENTAL SECTIONS**

8 Sec. 301. (1) The department may establish a fee schedule and
9 collect fees sufficient to cover the costs to issue the permits
10 that the department is authorized by law to issue upon request,
11 unless otherwise stipulated by law. All permit fees are
12 nonrefundable application fees and shall be credited to the
13 appropriate fund to recover the direct and indirect costs of
14 receiving, reviewing, and processing the requests.

15 (2) A bridge authority shall hold 3 public hearings on an
16 increase in any toll charged by the authority at least 30 days
17 before the toll change will become effective. Two of the hearings
18 shall be held within 5 miles of the bridge over which the bridge
19 authority has jurisdiction. One hearing shall be held in Lansing.
20 Public hearings held under this section shall be conducted in
21 accordance with the open meetings act, 1976 PA 267, MCL 15.261 to
22 15.275, and shall be conducted so as to provide a reasonable
23 opportunity for public comment, including both spoken and written
24 comments.

25 Sec. 304. If, as a requirement of bidding on a highway
26 project, the department requires a contractor to submit financial

1 or proprietary documentation as to how the bid was calculated, that
2 bid documentation shall be kept confidential and shall not be
3 disclosed other than to a department representative without the
4 contractor's written consent. The department may disclose the bid
5 documentation if necessary to address or defend a claim by a
6 contractor.

7 Sec. 305. (1) The department may permit space on public
8 passenger transportation properties to be occupied by public or
9 private tenants on a competitive market rate basis. The department
10 shall require that revenue from the tenants be placed in an account
11 to be used to pay the costs to maintain and improve the property.

12 (2) The department shall charge public transit agencies and
13 intercity bus carriers equal rates per square foot for leasing
14 space in state-owned intermodal facilities.

15 Sec. 306. (1) The amounts appropriated in part 1 to support
16 tax and fee collection, law enforcement, and other program services
17 provided to the department and to transportation funds by other
18 state departments shall be expended from transportation funds
19 pursuant to annual contracts between the department and those other
20 state departments. The contracts shall be executed prior to the
21 expenditure or obligation of those funds. The contracts shall
22 provide, but are not limited to, the following data applicable to
23 each state department:

24 (a) Estimated costs to be recovered from transportation funds.

25 (b) Description of services provided to the department and/or
26 transportation funds and financed with transportation funds.

27 (c) Detailed cost allocation methods appropriate to the type

1 of services being provided and the activities financed with
2 transportation funds.

3 (2) Not later than 2 months after publication of the state of
4 Michigan comprehensive annual financial report, each state
5 department receiving funding pursuant to an interdepartment
6 contract with the department shall submit a written report to the
7 department, the state budget director, and the house and senate
8 fiscal agencies stating by spending authorization account the
9 amount of estimated funds contracted with the department, the
10 amount of funds expended, the amount of funds returned to the
11 transportation funds, and any unreimbursed transportation-related
12 costs incurred but not billed to transportation funds. A copy of
13 the report shall be submitted to the auditor general, and the
14 report shall be subject to audit.

15 (3) The auditor general shall use a risk-based approach in
16 developing an audit program for the use of transportation funds.

17 Sec. 307. Before March 1 of each year, the department will
18 provide to the legislature, the state budget office, and the house
19 and senate fiscal agencies its rolling 5-year plan listing by
20 county or by county road commission all highway construction
21 projects for the fiscal year and all expected projects for the
22 ensuing fiscal years.

23 Sec. 310. The department shall provide in a timely manner
24 copies of the agenda and approved minutes of monthly transportation
25 commission meetings to the members of the house and senate
26 appropriations subcommittees on transportation, the house and
27 senate fiscal agencies, and the state budget director.

1 Sec. 313. (1) From funds appropriated in part 1, the
2 department may increase a state infrastructure bank program and
3 grant or loan funds in accordance with regulations of the state
4 infrastructure bank program of the United States Department of
5 Transportation. The state infrastructure bank is to be administered
6 by the department for the purpose of providing a revolving, self-
7 sustaining resource for financing transportation infrastructure
8 projects.

9 (2) In addition to funds provided in subsection (1), money
10 received by the state as federal grants, repayment of state
11 infrastructure bank loans, or other reimbursement or revenue
12 received by the state as a result of projects funded by the program
13 and interest earned on that money shall be deposited in the
14 revolving state infrastructure bank fund and shall be available for
15 transportation infrastructure projects. At the close of the fiscal
16 year, any unencumbered funds remaining in the state infrastructure
17 bank fund shall remain in the fund and be carried forward into the
18 succeeding fiscal year.

19 (3) The department shall submit a report to the state budget
20 director, the house and senate appropriations subcommittees on
21 transportation, and the house and senate fiscal agencies on the
22 status of the state infrastructure bank. The report shall be
23 submitted on or before December 1, 2017. The report shall include
24 all of the following:

25 (a) The balance in the state infrastructure bank at September
26 30, 2017, including a breakdown of the balance by cash and cash
27 equivalents, outstanding loans, and balance available for loan to

1 local agencies.

2 (b) A breakdown of the state infrastructure loan balance by
3 amounts designated as originating from federal sources and the
4 amounts originating from nonfederal sources.

5 (c) A list of outstanding loans by agency, original loan
6 amount, project description, loan term, and amount outstanding.

7 Sec. 319. The department shall post signs at each rest area to
8 identify the agency or contractor responsible for maintenance of
9 the rest area. The signs shall include a department telephone
10 number and shall indicate that unsafe or unclean conditions at the
11 rest area may be reported to that telephone number.

12 Sec. 353. The department shall review its contractor payment
13 process and ensure that all prime contractors are paid promptly.
14 The department shall ensure that prime contractors are in
15 compliance with special provision 109.10 regarding the prompt
16 payment of subcontractors.

17 Sec. 357. When presented with complete local federal aid
18 project submittals, the department shall complete all necessary
19 reviews and inspections required to let local federal aid projects
20 within 120 days of receipt. The department shall implement a system
21 for monitoring the local federal aid project review process.

22 Sec. 375. The department is prohibited from reimbursing
23 contractors or consultants for costs associated with groundbreaking
24 ceremonies, receptions, open houses, or press conferences related
25 to transportation projects funded, in whole or in part, by revenue
26 appropriated in part 1.

27 Sec. 376. The department shall not spend funds appropriated in

1 part 1 for the purpose of examining the potential association
2 between commercial signs, outdoor advertising signs, billboards,
3 digital billboards, or commercial electronic variable message signs
4 and motor vehicle activity or motor vehicle driver behavior.

5 Sec. 381. The department shall require as a condition of each
6 contract or subcontract for construction, maintenance, or
7 engineering services that the prequalified contractor or
8 prequalified subcontractor agree to use the E-Verify system to
9 verify that all persons hired during the contract term by the
10 contractor or subcontractor are legally present and authorized to
11 work in the United States. The department may verify this
12 information directly or may require contractors and subcontractors
13 to verify the information and submit a certification to the
14 department. The department shall report to the house and senate
15 appropriations committees and the house and senate fiscal agencies
16 by March 1 of each year describing the processes it has developed
17 and implemented under provisions of this section. As used in this
18 section, "E-Verify" means an Internet-based system operated by the
19 Department of Homeland Security, U.S. Citizenship and Immigration
20 Services in partnership with the Social Security Administration.

21 Sec. 382. In administering a contract with a county road
22 commission, city, or village that allocates costs of construction
23 or reconstruction of highways, roads, and streets as provided in
24 section 18d of 1951 PA 51, MCL 247.668d, the department shall
25 submit the final cost-sharing bill to the county road commission,
26 city, or village not later than 2 years after the date of the final
27 contract payment to the construction contractor.

1 Sec. 383. (1) The department shall prepare a report on use of
2 department-owned aircraft during the fiscal year ending September
3 30, 2017. With respect to each department-owned aircraft, the
4 report shall include all of the following:

5 (a) Total hours of usage.

6 (b) Description of specific flights including dates of travel,
7 names of passengers including state agency, university, or local
8 government affiliation, travel origin and destination, and total
9 estimated costs associated with the air travel.

10 (2) The report shall be submitted to the senate and house
11 appropriations subcommittees on transportation and the house and
12 senate fiscal agencies no later than February 1, 2018.

13 (3) The department shall maintain a system for recovering the
14 cost of operating department-owned aircraft through charges to
15 aircraft users.

16 (4) From the funds appropriated in part 1, the department is
17 prohibited from transporting legislators or legislative staff on
18 state-owned aircraft without prior approval from the senate
19 majority leader or the speaker of the house of representatives and
20 only when the aircraft is already scheduled by state agencies on
21 related official state business.

22 Sec. 384. (1) Except as otherwise provided in subsection (2),
23 the department shall not obligate the state to expend any state
24 transportation revenue for construction planning or construction of
25 the Detroit River International Crossing or a renamed successor. In
26 addition, except as provided in subsection (2), the department
27 shall not commit the state to any new contract related to the

1 construction planning or construction of the Detroit River
2 International Crossing or a renamed successor that would obligate
3 the state to expend any state transportation revenue. An
4 expenditure for staff resources used in connection with project
5 activities, which expenditure is subject to full and prompt
6 reimbursement from Canada, shall not be considered an expenditure
7 of state transportation revenue.

8 (2) If the legislature enacts specific enabling legislation
9 for the construction of the Detroit River International Crossing or
10 a renamed successor, subsection (1) does not apply once the
11 enabling legislation goes into effect.

12 Sec. 385. (1) The department shall submit reports to the state
13 budget director, the speaker of the house, the house minority
14 leader, the senate majority leader, the senate minority leader, the
15 house and senate appropriations subcommittees on transportation,
16 and the house and senate fiscal agencies on department activities
17 related to all nonconstruction or construction planning activities
18 related to the Detroit River International Crossing or a renamed
19 successor. The initial report shall be submitted on or before
20 December 1, 2017 and shall cover the fiscal year ending September
21 30, 2017.

22 (2) The initial report shall include, at a minimum, all of the
23 following:

24 (a) Department costs incurred in the fiscal year ending
25 September 30, 2017, including employee salaries, wages, benefits,
26 travel, and contractual services, and what activities those costs
27 were related to.

1 (b) Costs of other executive branch agencies incurred in the
2 fiscal year ending September 30, 2017, including employee salaries,
3 wages, benefits, travel, and contractual services, and what
4 activities those costs were related to.

5 (c) A breakdown of the source of funds used for the activities
6 described in subdivisions (a) and (b).

7 (d) A breakdown of reimbursements made by Canada under section
8 384(1) to the state for expenditures for staff resources used in
9 connection with project activities.

10 (e) A narrative description of the status of the Detroit River
11 International Crossing or a renamed successor, including efforts
12 undertaken to implement provisions of the crossing agreement
13 executed June 15, 2012 by representatives of the Canadian
14 government and this state.

15 (3) After submission of the initial report, a subsequent
16 report shall be submitted on March 1, 2018, June 1, 2018, and
17 September 1, 2018 and shall include the same information described
18 in subsection (2) for the applicable previous fiscal quarter.

19 Sec. 393. The department shall promote best practices for
20 public transportation services in this state, including, but not
21 limited to, the following:

22 (a) Transit vehicle rehabilitation to reduce life-cycle cost
23 of public transportation through midlife rehabilitation of transit
24 buses.

25 (b) Cooperation between entities using transit, including
26 school districts, cities, townships, and counties with a view to
27 promoting cost savings through joint purchasing of fuel and other

1 procurements.

2 (c) Coordination of transportation dollars among state
3 departments which provide transit-related services, including the
4 department of health and human services. Priority should be given
5 to use of public transportation services where available.

6 (d) Promotion of intelligent transportation services for buses
7 that incorporate computer and navigation technology to make transit
8 systems more efficient, including stoplight coordinating, vehicle
9 tracking, data tracking, and computerized scheduling.

10 Sec. 394. The department and local road agencies shall make
11 the preservation of their existing road networks a funding
12 priority.

13 Sec. 395. From the funds appropriated in part 1 for state
14 trunkline federal aid road and bridge construction, the department
15 may expend up to \$10,000,000.00 on highway maintenance activities
16 to support safety-related, high-priority, and other deferred
17 routine maintenance needs on Michigan's state trunkline network.

18 Sec. 396. In soliciting proposals for contractual services,
19 other than construction contracts, the department shall obtain
20 assurance that the respondents have the financial capability,
21 equipment, work force, and prior work experience sufficient to
22 perform the proposed services.

23 Sec. 397. The department shall report annually to the house
24 and senate appropriations subcommittees and the house and senate
25 fiscal agencies all work project balances and all federal earmarks
26 not expended for the preceding fiscal year. The initial report
27 shall be submitted on or before February 1, 2018.

1 Sec. 398. The department shall continue to work to eliminate
2 fatalities and serious injuries on Michigan's trunkline and shall
3 maintain the Toward Zero Deaths (TZD) statewide safety campaign.
4 The department shall prioritize additional median cable guardrail
5 installation when appropriate to address trunkline locations with a
6 history of correctable fatal and serious injury crashes.

7 **FEDERAL**

8 Sec. 402. A portion of the federal DOT-FHWA highway research,
9 planning, and construction funds made available to this state shall
10 be allocated to transportation programs administered by local
11 jurisdictions in accordance with section 100 of 1951 PA 51, MCL
12 247.6600. A local road agency, with respect to a project approved
13 for federal aid funding in a state transportation improvement
14 program, may enter into a voluntary buyout agreement with the
15 department or with another local road agency to exchange the
16 federal aid with state restricted transportation funds as agreed to
17 by the respective parties. The state restricted transportation
18 funds received in exchange for federal aid funds shall be used for
19 the same purpose as the federal aid funds were originally intended.

20 Sec. 403. After meeting the capital needs of existing section
21 5310 subrecipients, the department shall include in its grant
22 application to the Federal Transit Administration replacement buses
23 for rural transit agencies to the maximum extent possible based on
24 the federal regulations that govern the section 5310 program.

25 **MICHIGAN TRANSPORTATION FUND**

1 Sec. 501. The money received under the motor carrier act, 1933
2 PA 254, MCL 475.1 to 479.42, and not appropriated to the department
3 of licensing and regulatory affairs or the department of state
4 police is deposited in the Michigan transportation fund.

5 Sec. 503. (1) The funds appropriated in part 1 for the
6 economic development and local bridge programs shall not lapse at
7 the end of the fiscal year but shall carry forward each fiscal year
8 for the purposes for which appropriated in accordance with 1987 PA
9 231, MCL 247.901 to 247.913, and section 10(5) of 1951 PA 51, MCL
10 247.660.

11 (2) Interest earned in the department of transportation
12 economic development fund and local bridge fund shall remain in the
13 respective funds and shall be allocated to the respective programs
14 based on actual interest earned at the end of each fiscal year.

15 (3) In addition to the funds appropriated in part 1, the
16 department of transportation economic development fund and local
17 bridge fund may receive federal, local, or private funds or
18 restricted source funds such as interest earnings. These funds are
19 appropriated for projects that are consistent with the purposes of
20 the respective funds.

21 (4) None of the funds statutorily dedicated to the
22 transportation economic development fund and local bridge fund
23 shall be diverted to other projects.

24 Sec. 504. Funds from the Michigan transportation fund shall be
25 distributed to the comprehensive transportation fund, the economic
26 development fund, the recreation improvement fund, and the state
27 trunkline fund, in accordance with this part and part 1 and part

711 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.71101 to 324.71108, and may only be used as specified in this part and part 1, 1951 PA 51, MCL 247.651 to 247.675, and part 711 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.71101 to 324.71108.

STATE TRUNKLINE FUND

Sec. 601. The department shall maintain documentation to support initial acceptance of warrantied projects, interim and final inspections, and notifications to contractors that the warranty period had expired. The department also shall review and evaluate consultant evaluation requirements or recommendations and update existing policies and procedures accordingly.

Sec. 604. At the close of the fiscal year, any unencumbered and unexpended balance in the state trunkline fund shall remain in the state trunkline fund and shall carry forward and is appropriated for federal aid road and bridge programs for projects contained in the annual state transportation program.

Sec. 605. (1) From the increased funds appropriated in part 1 for highway maintenance, the department shall expand highway maintenance activities in the current fiscal year to support flooding mitigation-related activities on limited access state trunklines in Wayne, Oakland, and Macomb Counties, as well as other safety-related, high-priority, and deferred routine maintenance needs on Michigan's state trunkline network.

(2) The department shall identify specific outcomes and performance measures, including, but not limited to, the following:

1 (a) Number of drainage catch basins cleaned on limited-access
2 state trunklines in Wayne, Oakland, and Macomb Counties during the
3 fiscal year ending September 30, 2018.

4 (b) Number of flooding-related closures on limited-access
5 state trunklines in Wayne, Oakland, and Macomb Counties during the
6 fiscal year ending September 30, 2018.

7 Sec. 606. From the funds appropriated in part 1, it is the
8 intent of the legislature that the department shall expend between
9 \$2,000,000.00 and \$3,000,000.00 for the engineering and design of a
10 rebuilding and modernization project on I-94 between M-60 and
11 Sargent Road in Jackson County. The engineering and design work
12 shall prepare the project for the receipt of any future federal
13 funds, if and when they become available.

14 Sec. 610. The department shall have as a priority the removal
15 of dead deer and other large animal remains from the traveled
16 portion and shoulder of state highways. The department, and
17 counties that perform state highway maintenance under contract,
18 shall remove animal remains, wherever practicable and when funds
19 are available, away from the traveled portion and shoulder of state
20 highways.

21 Sec. 612. The department shall establish guidelines governing
22 incentives and disincentives provided under contracts for state
23 trunkline projects. The guidelines shall include specific financial
24 information concerning incentives and disincentives. On or before
25 January 1 of each year, the department shall prepare a report for
26 the immediately preceding fiscal year regarding contract incentives
27 and disincentives. This report shall include a list, by project, of

1 the contractors that received contract incentives and/or
2 disincentives, the amount of the incentives and/or disincentives,
3 the fund source of any incentives, and the number of days that each
4 project was completed either ahead or past the contracted
5 completion date. This report shall be provided to the senate and
6 house appropriations subcommittees on transportation, the senate
7 and house standing committees on transportation, and the senate and
8 house fiscal agencies.

9 Sec. 613. (1) On or before February 1 of each year, the
10 department shall prepare a report on all capital federal aid
11 participating construction projects completed in the prior fiscal
12 year. The report shall include the following information:

13 (a) Location of the project.

14 (b) General description of the project.

15 (c) As-bid cost of the project.

16 (d) As-built cost of the project.

17 (e) Estimated completion date.

18 (f) Actual completion date.

19 (g) Whether design engineering was performed by department
20 staff or contract engineering consultants.

21 (h) Design engineering costs.

22 (i) Whether construction engineering was performed by
23 department staff or contract engineering consultants.

24 (j) Construction engineering costs.

25 (2) The report shall include a discussion of design
26 engineering and construction engineering costs as a proportion of
27 total project costs and in comparison with other state

1 transportation agencies. The report shall also include a discussion
2 of relative efficiency and effectiveness of work performed by
3 department staff and work performed by contract engineering
4 consultants.

5 (3) The report described in this section shall be provided to
6 the senate and house appropriations subcommittees on
7 transportation, the senate and house standing committees on
8 transportation, and the senate and house fiscal agencies.

9 Sec. 660. (1) The legislature encourages the department to
10 examine the use of alternative road surface materials, including
11 recycled materials, and to develop criteria and specifications for
12 their use in both department-managed and contracted projects.

13 (2) The department shall report on efforts taken to implement
14 this section. The report shall include descriptions of specific
15 materials evaluated, evaluation methods, and results of specific
16 field or laboratory tests. The department shall complete and submit
17 the report to the state budget director, the house and senate
18 appropriations subcommittees on transportation, and the house and
19 senate fiscal agencies on or before March 1 of each year.

20 Sec. 670. (1) The department shall investigate, by way of bid
21 solicitation and all other practical means, the complete
22 refurbishment of all department winter maintenance trucks scheduled
23 for sale or retirement in the fiscal year ending September 30,
24 2018.

25 (2) On or before November 1, 2018, the department shall submit
26 to the house of representatives and senate appropriations
27 subcommittees and the house and senate fiscal agencies a final

1 report. The final report must include an analysis illustrating the
2 costs and benefits of the complete refurbishment of winter
3 maintenance trucks compared to the sale and purchase of new
4 equipment.

5 **TRANSIT AND RAIL RELATED FUNDS**

6 Sec. 701. The department shall establish an intercity bus
7 equipment and facility fund as a subsidiary fund within the
8 comprehensive transportation fund created under section 10b of 1951
9 PA 51, MCL 247.660b. Proceeds received by this state from the sale
10 of state-owned intercity bus equipment shall be credited to the
11 intercity bus equipment and facility fund for the purchase and
12 repair of intercity bus equipment, as appropriated. Security
13 deposits not returned to a lessee of state-owned intercity bus
14 equipment under terms of the lease agreement shall be credited to
15 the intercity bus equipment and facility fund for the repair of
16 intercity bus equipment, as appropriated. Money received by the
17 department from lease payments for state-owned intercity bus
18 equipment, and facility maintenance charges under terms of leases
19 of state-owned intercity facilities, shall be credited to the
20 intercity bus equipment and facility fund for the purchase and
21 repair of intercity bus equipment or for the maintenance and
22 rehabilitation of state-owned intercity facilities, as
23 appropriated. At the close of the fiscal year, any funds remaining
24 in the intercity bus equipment and facility fund shall remain in
25 the fund and be carried forward into the succeeding fiscal year.

26 Sec. 702. Money that is received by this state as repayment

1 for loans made for rail or water freight capital projects, and as a
2 result of the sale of property or equipment used or projected to be
3 used for rail or water freight projects shall be deposited in the
4 rail freight fund created by section 17 of the state transportation
5 preservation act of 1976, 1976 PA 295, MCL 474.67. At the close of
6 the fiscal year, any funds remaining in the rail freight fund shall
7 remain in the fund and be carried forward into the succeeding
8 fiscal year.

9 Sec. 703. After receiving notification from a railroad company
10 pursuant to section 8 of the state transportation preservation act
11 of 1976, 1976 PA 295, MCL 474.58, the department shall immediately
12 notify the house of representatives and senate appropriations
13 subcommittees on transportation and the state budget office that
14 the railroad company has filed with the appropriate governmental
15 agencies for abandonment of a line.

16 Sec. 704. From the funds appropriated in part 1, the
17 department shall prepare and transmit a report that provides detail
18 regarding the department's obligations for programs funded under
19 the appropriation in part 1 for rail operations and infrastructure.
20 The report shall include a breakdown of the appropriation by
21 program, year-to-date obligations under each program itemized by
22 project, and an estimate of future obligations under each program
23 itemized by project for the remainder of the fiscal year. The
24 initial report shall be submitted to the senate and house
25 appropriations subcommittees on transportation, the state budget
26 director, and the senate and house fiscal agencies, on or before
27 February 1, 2018. The department also shall update and resubmit the

1 final report on or before November 1, 2018. The department also
2 shall update and resubmit the final report for the 2016-2017 fiscal
3 year on or before November 1, 2017.

4 Sec. 706. The Detroit/Wayne County Port Authority shall issue
5 a complete operations assessment and a financial disclosure
6 statement. The operations assessment shall include operational
7 goals for the next 5 years and recommendations to improve land
8 acquisition and development efficiency. The report shall be
9 completed and submitted to the house of representatives and senate
10 appropriations subcommittees on transportation, the state budget
11 director, and the house and senate fiscal agencies by June 30 of
12 each fiscal year for the prior fiscal year.

13 Sec. 711. (1) As prescribed in subsection (2), the department
14 shall submit reports to the state budget director, the house and
15 senate appropriations subcommittees on transportation, and the
16 house and senate fiscal agencies on rail passenger service provided
17 by Amtrak under a contractual agreement with the department. The
18 report shall be submitted on or before May 1 of each year.

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

20 (a) Passenger counts for the preceding fiscal year for each
21 Amtrak service route in Michigan.

22 (b) Revenue and operating expenses by Amtrak route.

23 (c) Total state operating payments to Amtrak in the preceding
24 fiscal year by Amtrak route.

25 (d) A discussion of major factors affecting route costs and
26 revenue and net state costs in the preceding fiscal year, and
27 factors affecting route costs and revenue and net state costs

1 anticipated in the current and future fiscal years.

2 (e) Fare revenue by route and fare revenue as a percentage of
3 route operating expense.

4 Sec. 735. For the fiscal year ending September 30, 2018, the
5 appropriation to a street railway pursuant to section 10e(22) of
6 1951 PA 51, MCL 247.660e, is \$0.

7 Sec. 750. From the funds appropriated in part 1 for rail
8 freight economic development, the department must expend at least
9 \$2,500,000.00 of the comprehensive transportation fund on freight
10 economic development.

11 **AERONAUTICS FUND**

12 Sec. 801. Except as otherwise provided in section 903 of this
13 part for capital outlay, at the close of the fiscal year, any
14 unobligated and unexpended balance in the state aeronautics fund
15 created in the aeronautics code of the state of Michigan, 1945 PA
16 327, MCL 259.1 to 259.208, shall lapse to the state aeronautics
17 fund and be appropriated by the legislature in the immediately
18 succeeding fiscal year.

19 Sec. 802. The legislature encourages the department to find
20 private entities or local public agencies to assume ownership and
21 operating responsibility for airports currently owned by the
22 department.

23 Sec. 803. (1) Not later than November 1, 2017, the department,
24 in cooperation with the department of technology, management, and
25 budget, shall release a request for proposal seeking competitive
26 bids for the award of a contract for third party management and

1 sale of the department's aging aircraft. Third party management
2 shall include, but not be limited to: aircraft transportation
3 services, aircraft, aircraft personnel including pilots and
4 technicians, aircraft maintenance, aircraft facilities, and
5 aircraft fuel.

6 (2) The department shall forward a copy of the request for
7 proposal to the chairs of the house of representatives and senate
8 appropriations subcommittees on transportation at least 30 days
9 prior to the release for bidding of the request for proposal.

10 (3) Within the fiscal year ending September 30, 2018, the
11 department shall sell 1 of 2 Beechcraft King Air twin engine turbo
12 prop airplanes. Proceeds from the sale shall be credited to state
13 aeronautics fund.

14 **CAPITAL OUTLAY**

15 Sec. 901. (1) From federal-state-local project appropriations
16 contained in part 1 for the purpose of assisting political entities
17 and subdivisions of this state in the construction and improvement
18 of publicly used airports and landing fields within this state, the
19 state transportation department may permit the award of contracts
20 on behalf of units of local government for the authorized locations
21 not to exceed the indicated amounts, of which the state allocated
22 portion shall not exceed the amount appropriated in part 1.

23 (2) Political entities and subdivisions shall provide not less
24 than 5% of the cost of any project under this section, unless a
25 total nonfederal share greater than 10% is otherwise specified in
26 federal law. State money shall not be allocated until local money

1 is allocated. State money for any 1 project shall not exceed 1/3 of
2 the total appropriation in part 1 from state funds for airport
3 improvement programs.

4 (3) The Michigan aeronautics commission may take those steps
5 necessary to match federal money available for airport construction
6 and improvement within this state and to meet the matching
7 requirements of the federal government. Whether acting alone or
8 jointly with another political subdivision or public agency or with
9 this state, a political subdivision or public agency of this state
10 shall not submit to any agency of the federal government a project
11 application for airport planning or development unless it is
12 authorized in this part and part 1 and the project application is
13 approved by the governing body of each political subdivision or
14 public agency making the application and by the Michigan
15 aeronautics commission.

16 Sec. 903. The appropriations in part 1 for capital outlay
17 shall be carried forward at the end of the fiscal year consistent
18 with the provisions of section 248 of the management and budget
19 act, 1984 PA 431, MCL 18.1248.

20 ARTICLE XX

21 SUPPLEMENTAL APPROPRIATIONS

22 PART 1

23 LINE-ITEM APPROPRIATIONS

24 FOR FISCAL YEAR 2016-2017

25 Sec. 101. There is appropriated for various state departments

1 and agencies and the judicial branch to supplement appropriations
 2 for the fiscal year ending September 30, 2017, from the following
 3 funds:

4 **APPROPRIATION SUMMARY**

5	Full-time equated classified positions	21.0	
6	GROSS APPROPRIATION		\$ 110,385,700
7	Interdepartmental grant revenues:		
8	Total interdepartmental grants and intradepartmental		
9	transfers.....		9,146,200
10	ADJUSTED GROSS APPROPRIATION		\$ 101,239,500
11	Federal revenues:		
12	Total federal revenues		155,423,100
13	Special revenue funds:		
14	Total local revenues		460,400
15	Total private revenues		1,361,100
16	Total other state restricted revenues		(48,678,200)
17	State general fund/general purpose		\$ (7,326,900)

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

19 **(1) APPROPRIATION SUMMARY**

20	Full-time equated classified positions	3.0	
21	GROSS APPROPRIATION		\$ 3,726,300
22	Interdepartmental grant revenues:		
23	Total interdepartmental grants and intradepartmental		
24	transfers.....		719,300
25	ADJUSTED GROSS APPROPRIATION		\$ 3,007,000
26	Federal revenues:		

1	Total federal revenues	677,000
2	Special revenue funds:	
3	Total local revenues	530,000
4	Total private revenues	0
5	Total other state restricted revenues	1,800,000
6	State general fund/general purpose	\$ 0
7	(2) ATTORNEY GENERAL OPERATIONS	
8	Full-time equated classified positions	3.0
9	Attorney general operations--3.0 FTE positions	\$ 2,519,300
10	Prosecuting attorneys coordinating council	<u>1,207,000</u>
11	GROSS APPROPRIATION	\$ 3,726,300
12	Appropriated from:	
13	Interdepartmental grant revenues:	
14	IDG from MDLARA, unlicensed builders	719,300
15	Federal revenues:	
16	Federal funds	417,100
17	National criminal history improvement program	259,900
18	Special revenue funds:	
19	Local revenues	530,000
20	Lawsuit settlement proceeds fund	1,800,000
21	State general fund/general purpose	\$ 0
22	Sec. 103. DEPARTMENT OF CORRECTIONS	
23	(1) APPROPRIATION SUMMARY	
24	GROSS APPROPRIATION	\$ 10,750,000
25	Interdepartmental grant revenues:	
26	Total interdepartmental grants and intradepartmental	

1	transfers.....		0
2	ADJUSTED GROSS APPROPRIATION	\$	10,750,000
3	Federal revenues:		
4	Total federal revenues		0
5	Special revenue funds:		
6	Total local revenues		0
7	Total private revenues		0
8	Total other state restricted revenues		0
9	State general fund/general purpose	\$	10,750,000
10	(2) PRISONER REENTRY AND COMMUNITY SUPPORT		
11	Residential services	\$	<u>750,000</u>
12	GROSS APPROPRIATION	\$	750,000
13	Appropriated from:		
14	State general fund/general purpose	\$	750,000
15	(3) FIELD OPERATIONS ADMINISTRATION		
16	Supervising region incentive program	\$	(2,518,600)
17	Supervising region incentive program		<u>2,518,600</u>
18	GROSS APPROPRIATION	\$	0
19	Appropriated from:		
20	State general fund/general purpose	\$	0
21	(4) HEALTH CARE		
22	Hepatitis C treatment	\$	<u>10,000,000</u>
23	GROSS APPROPRIATION	\$	10,000,000
24	Appropriated from:		
25	State general fund/general purpose	\$	10,000,000
26	Sec. 104. DEPARTMENT OF EDUCATION		

1 **(1) APPROPRIATION SUMMARY**

2	GROSS APPROPRIATION	\$	14,526,200
3	Interdepartmental grant revenues:		
4	Total interdepartmental grants and intradepartmental		
5	transfers.....		0
6	ADJUSTED GROSS APPROPRIATION	\$	14,526,200
7	Federal revenues:		
8	Total federal revenues		12,426,200
9	Special revenue funds:		
10	Total local revenues		0
11	Total private revenues		0
12	Total other state restricted revenues		0
13	State general fund/general purpose	\$	2,100,000

14 **(2) MICHIGAN OFFICE OF GREAT START**

15	Child development and care external support	\$	8,592,300
16	Child development and care public assistance		<u>5,933,900</u>
17	GROSS APPROPRIATION	\$	14,526,200
18	Appropriated from:		
19	Federal revenues:		
20	Total federal revenues		12,426,200
21	State general fund/general purpose	\$	2,100,000

22 **Sec. 105. DEPARTMENT OF ENVIRONMENTAL QUALITY**

23 **(1) APPROPRIATION SUMMARY**

24	GROSS APPROPRIATION	\$	3,300,000
25	Interdepartmental grant revenues:		
26	Total interdepartmental grants and intradepartmental		

1	transfers.....		0
2	ADJUSTED GROSS APPROPRIATION	\$	3,300,000
3	Federal revenues:		
4	Total federal revenues		0
5	Special revenue funds:		
6	Total local revenues		0
7	Total private revenues		0
8	Total other state restricted revenues		3,300,000
9	State general fund/general purpose	\$	0
10	(2) ONE-TIME BASIS ONLY APPROPRIATIONS		
11	Drinking water declaration of emergency	\$	<u>3,300,000</u>
12	GROSS APPROPRIATION	\$	3,300,000
13	Appropriated from:		
14	Special revenue funds:		
15	Drinking water declaration of emergency reserve fund .		3,300,000
16	State general fund/general purpose	\$	0
17	Sec. 106. DEPARTMENT OF HEALTH AND HUMAN SERVICES		
18	(1) APPROPRIATION SUMMARY		
19	Full-time equated classified positions		3.0
20	GROSS APPROPRIATION	\$	16,923,200
21	Interdepartmental grant revenues:		
22	Total interdepartmental grants and intradepartmental		
23	transfers.....		0
24	ADJUSTED GROSS APPROPRIATION	\$	16,923,200
25	Federal revenues:		
26	Total federal revenues		137,036,200

1	Special revenue funds:	
2	Total local revenues	(2,119,600)
3	Total private revenues	51,100
4	Total other state restricted revenues	(68,200,600)
5	State general fund/general purpose	\$ (49,843,900)
6	(2) CHILDREN'S SERVICES AGENCY - CHILD WELFARE	
7	Foster care payments	\$ 3,626,000
8	Guardianship assistance program	(348,700)
9	Child care fund	12,166,600
10	Adoption subsidies	<u>(8,101,800)</u>
11	GROSS APPROPRIATION	\$ 7,342,100
12	Appropriated from:	
13	Federal revenues:	
14	Social security act, temporary assistance for needy	
15	families	(11,122,400)
16	Capped federal revenues	420,300
17	Total other federal revenues	(2,265,200)
18	Special revenue funds:	
19	Local funds - county chargeback	299,700
20	Private - collections	51,100
21	State general fund/general purpose	\$ 19,958,600
22	(3) PUBLIC ASSISTANCE	
23	Family independence program	\$ (7,461,500)
24	State disability assistance payments	(1,152,400)
25	State supplementation	<u>(1,328,600)</u>
26	GROSS APPROPRIATION	\$ (9,942,500)
27	Appropriated from:	

1	Federal revenues:	
2	Social security act, temporary assistance for needy	
3	families.....	(7,461,500)
4	Special revenue funds:	
5	Supplemental security income recoveries	(511,300)
6	State general fund/general purpose	\$ (1,969,700)
7	(4) BEHAVIORAL HEALTH PROGRAM ADMINISTRATION AND	
8	SPECIAL PROJECTS	
9	Full-time equated classified positions 3.0	
10	Behavioral health program administration--3.0 FTE	
11	positions.....	\$ <u>2,810,800</u>
12	GROSS APPROPRIATION	\$ 2,810,800
13	Appropriated from:	
14	Federal revenues:	
15	Total other federal revenues	1,810,800
16	State general fund/general purpose	\$ 1,000,000
17	(5) BEHAVIORAL HEALTH SERVICES	
18	Medicaid mental health services	\$ (60,493,200)
19	Medicaid substance use disorder services	(1,392,400)
20	Healthy Michigan plan - behavioral health	34,461,700
21	Autism services	27,136,500
22	Prepaid inpatient health plans	<u>5,000,000</u>
23	GROSS APPROPRIATION	\$ 4,712,600
24	Appropriated from:	
25	Federal revenues:	
26	Total other federal revenues	14,548,600
27	State general fund/general purpose	\$ (9,836,000)

1	(6) CHILDREN'S SPECIAL HEALTH CARE SERVICES	
2	Medical care and treatment	\$ (13,720,700)
3	GROSS APPROPRIATION	\$ (13,720,700)
4	Appropriated from:	
5	Federal revenues:	
6	Total other federal revenues	13,708,900
7	State general fund/general purpose	\$ (27,429,600)
8	(7) MEDICAL SERVICES ADMINISTRATION	
9	Healthy Michigan plan administration	\$ 1,000,000
10	Medical services administration	1,000,000
11	GROSS APPROPRIATION	\$ 2,000,000
12	Appropriated from:	
13	Federal revenues:	
14	Total other federal revenues	1,000,000
15	State general fund/general purpose	\$ 1,000,000
16	(8) MEDICAL SERVICES	
17	Hospital services and therapy	\$ (270,317,700)
18	Physician services	(7,661,700)
19	Medicare premium payments	43,584,700
20	Pharmaceutical services	(151,520,200)
21	Home health services	(101,500)
22	Hospice services	5,085,400
23	Transportation	(834,900)
24	Auxiliary medical services	38,100
25	Dental services	3,100,000
26	Ambulance services	(5,802,500)
27	Long-term care services	49,154,800

1	Integrated care organizations	(41,762,200)
2	Medicaid home- and community-based services waiver ...	16,630,700
3	Adult home help services	5,110,700
4	Personal care services	(1,481,200)
5	Program of all-inclusive care for the elderly	(4,782,200)
6	Health plan services	43,810,400
7	Healthy Michigan plan	400,808,200
8	Subtotal basic medical services program	83,058,900
9	Special Medicaid reimbursement	(60,088,000)
10	Subtotal special medical services payments	<u>(60,088,000)</u>
11	GROSS APPROPRIATION	\$ 22,970,900
12	Appropriated from:	
13	Federal revenues:	
14	Total other federal revenues	126,396,700
15	Special revenue funds:	
16	Total local revenues	(2,419,300)
17	Michigan merit award trust fund	0
18	Total other state restricted revenues	(67,689,300)
19	State general fund/general purpose	\$ (33,317,200)
20	(9) ONE-TIME BASIS ONLY APPROPRIATIONS	
21	Double-up food bucks	\$ <u>750,000</u>
22	GROSS APPROPRIATION	\$ 750,000
23	Appropriated from:	
24	State general fund/general purpose	\$ 750,000

25 **Sec. 107. JUDICIARY**

26 **(1) APPROPRIATION SUMMARY**

1	GROSS APPROPRIATION	\$	534,600
2	Interdepartmental grant revenues:		
3	Total interdepartmental grants and intradepartmental		
4	transfers.....		34,600
5	ADJUSTED GROSS APPROPRIATION	\$	500,000
6	Federal revenues:		
7	Total federal revenues		0
8	Special revenue funds:		
9	Total local revenues		0
10	Total private revenues		0
11	Total other state restricted revenues		0
12	State general fund/general purpose	\$	500,000
13	(2) SUPREME COURT		
14	Judicial institute	\$	7,100
15	Community dispute resolution		<u>500,000</u>
16	GROSS APPROPRIATION	\$	507,100
17	Appropriated from:		
18	Interdepartmental grant revenues:		
19	IDG from department of state police		7,100
20	State general fund/general purpose	\$	500,000
21	(3) INDIGENT DEFENSE - CRIMINAL		
22	Appellate public defender program	\$	<u>27,500</u>
23	GROSS APPROPRIATION	\$	27,500
24	Appropriated from:		
25	Interdepartmental grant revenues:		
26	IDG from department of state police		27,500
27	State general fund/general purpose	\$	0

Sec. 108. DEPARTMENT OF LICENSING AND REGULATORY

AFFAIRS

(1) APPROPRIATION SUMMARY

Full-time equated classified positions 8.0

GROSS APPROPRIATION \$ 13,682,300

Interdepartmental grant revenues:

Total interdepartmental grants and intradepartmental

transfers 7,092,300

ADJUSTED GROSS APPROPRIATION \$ 6,590,000

Federal revenues:

Total federal revenues 975,700

Special revenue funds:

Total local revenues 0

Total private revenues 0

Total other state restricted revenues 614,300

State general fund/general purpose \$ 5,000,000

(2) DEPARTMENTAL ADMINISTRATION

Financial and administrative services \$ 0

Property management 0

Information technology services and projects 0

GROSS APPROPRIATION \$ 0

Appropriated from:

Special revenue funds:

Refined petroleum fund 356,600

Underground storage tank fees (356,600)

State general fund/general purpose \$ 0

(3) LIQUOR CONTROL COMMISSION

1	Liquor licensing and enforcement	\$	<u>175,000</u>
2	GROSS APPROPRIATION	\$	175,000
3	Appropriated from:		
4	Special revenue funds:		
5	Liquor control enforcement and license investigation		
6	revolving fund.....		175,000
7	State general fund/general purpose	\$	0
8	(4) OCCUPATIONAL REGULATION		
9	Full-time equated classified positions		8.0
10	Bureau of community and health systems--8.0 FTE		
11	positions.....	\$	7,092,300
12	Bureau of professional licensing		1,415,000
13	Bureau of fire services		<u>0</u>
14	GROSS APPROPRIATION	\$	8,507,300
15	Appropriated from:		
16	Interdepartmental grant revenues:		
17	IDG-MDE, childcare licensing		7,092,300
18	Federal revenues:		
19	Federal revenues		975,700
20	Special revenue funds:		
21	Aboveground storage tank fees		(82,300)
22	Accountancy enforcement fund		280,000
23	Builder enforcement fund		159,300
24	Refined petroleum fund		2,043,400
25	Underground storage tank fees		(1,961,100)
26	State general fund/general purpose	\$	0
27	(5) MICHIGAN INDIGENT DEFENSE COMMISSION		

1	Michigan indigent defense commission	\$	<u>5,000,000</u>
2	GROSS APPROPRIATION	\$	5,000,000
3	Appropriated from:		
4	State general fund/general purpose	\$	5,000,000

5 **Sec. 109. DEPARTMENT OF MILITARY AND VETERANS**

6 **AFFAIRS**

7 **(1) APPROPRIATION SUMMARY**

8	GROSS APPROPRIATION	\$	800,000
9	Interdepartmental grant revenues:		
10	Total interdepartmental grants and intradepartmental		
11	transfers.....		0
12	ADJUSTED GROSS APPROPRIATION	\$	800,000
13	Federal revenues:		
14	Total federal revenues		0
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	\$	800,000

20 **(2) MILITARY**

21	National Guard tuition assistance program	\$	<u>800,000</u>
22	GROSS APPROPRIATION	\$	800,000
23	Appropriated from:		
24	State general fund/general purpose	\$	800,000

25 **Sec. 110. DEPARTMENT OF NATURAL RESOURCES**

1 **(1) APPROPRIATION SUMMARY**

2	GROSS APPROPRIATION	\$	8,158,000
3	Interdepartmental grant revenues:		
4	Total interdepartmental grants and intradepartmental		
5	transfers.....		0
6	ADJUSTED GROSS APPROPRIATION	\$	8,158,000
7	Federal revenues:		
8	Total federal revenues		4,308,000
9	Special revenue funds:		
10	Total local revenues		0
11	Total private revenues		0
12	Total other state restricted revenues		0
13	State general fund/general purpose	\$	3,850,000

14 **(2) WILDLIFE MANAGEMENT**

15	Wildlife management	\$	<u>4,308,000</u>
16	GROSS APPROPRIATION	\$	4,308,000
17	Appropriated from:		
18	Federal revenues:		
19	Federal funds		4,308,000
20	State general fund/general purpose	\$	0

21 **(3) GRANTS**

22	Wetland mitigation bank grants	\$	<u>3,850,000</u>
23	GROSS APPROPRIATION	\$	3,850,000
24	Appropriated from:		
25	State general fund/general purpose	\$	3,850,000

26 **(4) ONE-TIME BASIS ONLY APPROPRIATIONS**

27	Swimmer's itch pilot program	\$	(250,000)
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1	Swimmer's itch pilot program		<u>250,000</u>
2	GROSS APPROPRIATION	\$	0
3	Appropriated from:		
4	State general fund/general purpose	\$	0
5	Sec. 111. DEPARTMENT OF STATE		
6	(1) APPROPRIATION SUMMARY		
7	GROSS APPROPRIATION	\$	0
8	Interdepartmental grant revenues:		
9	Total interdepartmental grants and intradepartmental		
10	transfers.....		0
11	ADJUSTED GROSS APPROPRIATION	\$	0
12	Federal revenues:		
13	Total federal revenues		0
14	Special revenue funds:		
15	Total local revenues		0
16	Total private revenues		0
17	Total other state restricted revenues		0
18	State general fund/general purpose	\$	0
19	(2) ELECTION REGULATION		
20	Help America vote act	\$	(6,768,700)
21	Help America vote act		<u>6,768,700</u>
22	GROSS APPROPRIATION	\$	0
23	Appropriated from:		
24	Federal revenues:		
25	HHS-HAVA		0
26	State general fund/general purpose	\$	0

Sec. 112. DEPARTMENT OF STATE POLICE

(1) APPROPRIATION SUMMARY

GROSS APPROPRIATION	\$	8,058,100
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers.....		0
ADJUSTED GROSS APPROPRIATION	\$	8,058,100
Federal revenues:		
Total federal revenues		0
Special revenue funds:		
Total local revenues		0
Total private revenues		0
Total other state restricted revenues		3,908,100
State general fund/general purpose	\$	4,150,000

(2) FIELD SERVICES

Roadside saliva testing pilot project	\$	<u>150,000</u>
GROSS APPROPRIATION	\$	150,000
Appropriated from:		
State general fund/general purpose	\$	150,000

(3) ONE-TIME APPROPRIATIONS

Disaster and emergency contingency fund	\$	4,000,000
Drinking water declaration of emergency		<u>3,908,100</u>
GROSS APPROPRIATION	\$	7,908,100
Appropriated from:		
Special revenue funds:		
Total other state restricted revenues		3,908,100
State general fund/general purpose	\$	4,000,000

**Sec. 113. DEPARTMENT OF TECHNOLOGY, MANAGEMENT, AND
BUDGET**

(1) APPROPRIATION SUMMARY

GROSS APPROPRIATION \$ 5,531,000

Interdepartmental grant revenues:

Total interdepartmental grants and intradepartmental
transfers..... 0

ADJUSTED GROSS APPROPRIATION \$ 5,531,000

Federal revenues:

Total federal revenues 0

Special revenue funds:

Total local revenues 0

Total private revenues 0

Total other state restricted revenues 2,500,000

State general fund/general purpose \$ 3,031,000

(2) ONE-TIME BASIS ONLY APPROPRIATIONS

Citizen centric government information technology

project..... \$ 3,031,000

Regional infrastructure asset management pilot 2,000,000

Drinking water declaration of emergency 500,000

GROSS APPROPRIATION \$ 5,531,000

Appropriated from:

Special revenue funds:

Michigan infrastructure fund 2,000,000

Drinking water declaration of emergency reserve fund . 500,000

State general fund/general purpose \$ 3,031,000

Sec. 114. STATE TRANSPORTATION DEPARTMENT

(1) APPROPRIATION SUMMARY

GROSS APPROPRIATION	\$	4,310,000
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers.....		0
ADJUSTED GROSS APPROPRIATION	\$	4,310,000
Federal revenues:		
Total federal revenues		0
Special revenue funds:		
Total local revenues		0
Total private revenues		1,310,000
Total other state restricted revenues		3,000,000
State general fund/general purpose	\$	0

(2) ROAD AND BRIDGE PROGRAMS

Priority roads investment program	\$	3,000,000
State trunkline federal aid road and bridge construction.....		<u>350,000</u>
GROSS APPROPRIATION	\$	3,350,000

Appropriated from:

Special revenue funds:		
Private funds		350,000
Michigan infrastructure fund		3,000,000
State general fund/general purpose	\$	0

(3) INTERCITY PASSENGER

Intercity services	\$	<u>960,000</u>
GROSS APPROPRIATION	\$	960,000

1	Appropriated from:		
2	Special revenue funds:		
3	Private funds		960,000
4	State general fund/general purpose	\$	0
5	Sec. 115. DEPARTMENT OF TREASURY		
6	(1) APPROPRIATION SUMMARY		
7	Full-time equated classified positions	7.0	
8	GROSS APPROPRIATION	\$	12,750,000
9	Interdepartmental grant revenues:		
10	Total interdepartmental grants and intradepartmental		
11	transfers.....		1,300,000
12	ADJUSTED GROSS APPROPRIATION	\$	11,450,000
13	Federal revenues:		
14	Total federal revenues		0
15	Special revenue funds:		
16	Total local revenues		2,050,000
17	Total private revenues		0
18	Total other state restricted revenues		4,400,000
19	State general fund/general purpose	\$	5,000,000
20	(2) FINANCIAL AND ADMINISTRATIVE SERVICES		
21	Office of collections	\$	<u>1,300,000</u>
22	GROSS APPROPRIATION	\$	1,300,000
23	Appropriated from:		
24	Interdepartmental grant revenues:		
25	IDG, levy warrant cost assessment fees		1,300,000
26	State general fund/general purpose	\$	0

1 **(3) GRANTS**

2 Wrongful imprisonment compensation fund \$ 5,000,000

3 GROSS APPROPRIATION \$ 5,000,000

4 Appropriated from:

5 State general fund/general purpose \$ 5,000,000

6 **(4) CITY INCOME TAX ADMINISTRATION PROGRAM**

7 Full-time equated classified positions 7.0

8 City income tax administration program--7.0 FTE

9 positions \$ 2,050,000

10 GROSS APPROPRIATION \$ 2,050,000

11 Appropriated from:

12 Special revenue funds:

13 Local - city income tax fund 2,050,000

14 State general fund/general purpose \$ 0

15 **(5) ONE-TIME BASIS ONLY APPROPRIATIONS**

16 Drinking water declaration of emergency \$ 4,400,000

17 GROSS APPROPRIATION \$ 4,400,000

18 Appropriated from:

19 Special revenue funds:

20 Drinking water declaration of emergency reserve fund . 4,400,000

21 State general fund/general purpose \$ 0

22 **Sec. 116. DEPARTMENT OF TALENT AND ECONOMIC**

23 **DEVELOPMENT**

24 **(1) APPROPRIATION SUMMARY**

25 GROSS APPROPRIATION \$ 7,336,000

26 Interdepartmental grant revenues:

1	Total interdepartmental grants and intradepartmental	
2	transfers.....	0
3	ADJUSTED GROSS APPROPRIATION	\$ 7,336,000
4	Federal revenues:	
5	Total federal revenues	0
6	Special revenue funds:	
7	Total local revenues	0
8	Total private revenues	0
9	Total other state restricted revenues	0
10	State general fund/general purpose	\$ 7,336,000
11	(2) ONE-TIME BASIS ONLY APPROPRIATIONS	
12	Special grants	\$ <u>7,336,000</u>
13	GROSS APPROPRIATION	\$ 7,336,000
14	Appropriated from:	
15	State general fund/general purpose	\$ 7,336,000

16 PART 2

17 PROVISIONS CONCERNING APPROPRIATIONS

18 FOR FISCAL YEAR 2016-2017

19 **GENERAL SECTIONS**

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

21 constitution of 1963, total state spending from state sources under

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

23 (\$56,005,100.00) and total state spending from state sources to be

24 paid to local units of government is \$17,920,600.00.

25 Sec. 202. The appropriations made and expenditures authorized

under this part and part 1 and the departments, commissions, boards, offices, and programs for which appropriations are made under this part and part 1 are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

DEPARTMENT OF ATTORNEY GENERAL

Sec. 301. The unexpended funds appropriated in part 1 for attorney general operations are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for projects under this section until the projects have been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is for representation of the state in the court of claims regarding claims of compensation pursuant to the wrongful imprisonment compensation act, 2016 PA 343, MCL 691.1751 to 691.1757:

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

(c) The total estimated cost of the project is \$1,800,000.00.

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

Sec. 302. The unexpended funds appropriated in part 1 for prosecuting attorneys coordinating council are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for projects under this section until the projects have been completed. The following is in compliance

1 with section 451a of the management and budget act, 1984 PA 431,
2 MCL 18.1451a:

3 (a) The purpose of the project is for the design, development,
4 and implementation of a case management computer system.

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

7 (c) The total estimated cost of the project is \$1,207,000.00.

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

9 **DEPARTMENT OF CORRECTIONS**

10 Sec. 351. The unexpended funds appropriated in part 1 for
11 supervising region incentive program are designated as a work
12 project appropriation, and any unencumbered or unallotted funds
13 shall not lapse at the end of the fiscal year and shall be
14 available for expenditure for projects under this section until the
15 projects have been completed. The following is in compliance with
16 section 451a of the management and budget act, 1984 PA 431, MCL
17 18.1451a:

18 (a) The purpose of the project is to provide incentives to
19 field operations administration regions that implement supervision
20 practices, procedures, and sanctions directed at parole and
21 probation revocation reduction.

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

24 (c) The total estimated cost of the project is \$2,518,600.00.

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

DEPARTMENT OF EDUCATION

Sec. 401. The unexpended funds appropriated in part 1 for child development and care external support are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for projects under this section until the projects have been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to work with the department of licensing and regulatory affairs to provide comprehensive background checks for child care staff members of all child development and care eligible providers, as required by the recently reauthorized federal child development and care block grant.

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

(c) The total estimated cost of the project is \$7,092,300.00.

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

DEPARTMENT OF ENVIRONMENTAL QUALITY

Sec. 451. The unexpended funds appropriated in part 1 for the drinking water declaration of emergency are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for projects under this section until the projects have been completed. The following is in compliance

1 with section 451a of the management and budget act, 1984 PA 431,
2 MCL 18.1451a:

3 (a) The purpose of the projects to be carried forward is to
4 provide support for the drinking water declaration of emergency.

5 (b) The projects will be accomplished by contract.

6 (c) The total estimated cost of all projects is \$3,300,000.00.

7 (d) The tentative completion date is December 31, 2017.

8 **DEPARTMENT OF HEALTH AND HUMAN SERVICES**

9 Sec. 501. (1) From the funds appropriated in part 1 for
10 medical services administration, the department of health and human
11 services shall allocate \$500,000.00 of general fund/general purpose
12 revenue and any associated federal match towards the implementation
13 and use of a cloud-based analytics platform for Medicaid claims to
14 identify areas of best practice, cost reduction, opportunities for
15 quality improvement, and comparative cost analysis among providers,
16 hospitals, and managed care organizations. The analytics platform
17 should include the ability to adjust for variations in patient risk
18 and acuity differences when comparing performance across regions
19 and hospitals. The analytics platform shall provide data analysis
20 on, but not be limited to, readmission rates, mortality,
21 complication rates, and total episode costs, including pre- and
22 post-discharge costs, across high-volume acute episodes of care.

23 (2) The contracted organization awarded funding shall identify
24 a methodology to identify and measure savings associated with the
25 use of the analytics platform.

26 Sec. 502. From the funds appropriated in part 1 for prepaid

1 inpatient health plans, the department of health and human services
2 shall allocate \$5,000,000.00 to a prepaid inpatient health plan
3 that is located in a county with a population between 840,000 and
4 850,000 according to the most recent federal decennial census.

5 Sec. 503. (1) The department of health and human services
6 shall begin to develop a minimum of 1, and a maximum of 3, fully
7 financially integrated Medicaid physical health and behavioral
8 health pilot projects and demonstration models to alter the
9 behavioral health financial and services delivery systems. It is
10 the intent of the legislature that, by November 1, 2017, the
11 department of health and human services shall identify a time frame
12 for implementation of the pilot projects and demonstration models,
13 any identified barriers to implementation and the remedies to
14 address any identified barriers, and any policy changes necessary
15 to implement the pilot projects and demonstration models and shall
16 submit a report to the senate and house subcommittees on the
17 department budget, the senate and house fiscal agencies, the senate
18 and house policy offices, and the state budget office.

19 (2) From the funds appropriated in part 1 for behavioral
20 health program administration, the department of health and human
21 services shall enter into an agreement with a project facilitator
22 by August 1, 2017 to establish performance metrics and
23 comprehensive pilot demonstration project plans. The project
24 facilitator must have at least 5 years' project management
25 experience.

26 Sec. 504. It is the intent of the legislature that, of the
27 funds appropriated in part 1 for program of all-inclusive care for

1 the elderly (PACE), \$900,000.00 shall be used to provide additional
2 slots in fiscal year 2016-2017 for 2 operating PACE programs.

3 **DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS**

4 Sec. 551. The unexpended funds appropriated in part 1 for the
5 bureau of community and health systems are designated as a work
6 project appropriation, and any unencumbered or unallotted funds
7 shall not lapse at the end of the fiscal year and shall be
8 available for expenditures for projects under this section until
9 the projects have been completed. The following is in compliance
10 with section 451a of the management and budget act, 1984 PA 431,
11 MCL 18.1451a:

12 (a) The purpose of the project is to provide comprehensive
13 background checks for child care staff members of all child
14 development and care eligible providers, as required by the
15 recently reauthorized federal child development and care block
16 grant.

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

19 (c) The total estimated cost is \$7,092,300.00.

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

21 **DEPARTMENT OF NATURAL RESOURCES**

22 Sec. 601. The unexpended funds appropriated in part 1 for
23 wetland mitigation bank grants are designated as a work project
24 appropriation, and any unencumbered or unallotted funds shall not
25 lapse at the end of the fiscal year and shall continue to be

1 available for expenditure under this section until the projects
2 have been completed. The following is in compliance with section
3 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

4 (a) The purpose of the project is to construct wetland
5 mitigation banks on DNR-managed public lands.

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

8 (c) The total estimated cost of the project is \$4,350,000.00.

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

10 Sec. 602. (1) The unexpended funds appropriated in part 1 for
11 swimmer's itch pilot program are designated as a work project
12 appropriation, and any unencumbered or unallotted funds shall not
13 lapse at the end of the fiscal year and shall continue to be
14 available for expenditure under this section until the project has
15 been completed. The following is in compliance with section 451a of
16 the management and budget act, 1984 PA 431, MCL 18.1451a:

17 (a) The purpose of the project is to provide comprehensive,
18 science-based swimmer's itch research by appropriately qualified
19 subject matter experts.

20 (b) The project will be accomplished by a Michigan nonprofit
21 organization.

22 (c) The total estimated cost of the project is \$750,000.00.

23 (d) The tentative completion date is September 30, 2020.

24 (2) The appropriation may be used to reimburse costs incurred
25 before the effective date of this act.

26 **DEPARTMENT OF STATE**

1 Sec. 651. The unexpended funds appropriated in part 1 for help
2 America vote act are designated as a work project appropriation,
3 and any unencumbered or unallotted funds shall not lapse at the end
4 of the fiscal year and shall continue to be available for
5 expenditure under this section until the project has been
6 completed. The following is in compliance with section 451a of the
7 management and budget act, 1984 PA 431, MCL 18.1451a:

8 (a) The purpose of the project is to implement provisions of
9 the help America vote act of 2002, 42 USC 20901 to 21145, section
10 37 of the Michigan election law, 1954 PA 116, MCL 168.37, and other
11 election reforms.

12 (b) The project will be accomplished by utilizing state
13 employees, by contract with private vendors, or by grants to local
14 units of government.

15 (c) The total estimated cost of these projects is
16 \$6,768,700.00.

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

18 **DEPARTMENT OF TECHNOLOGY, MANAGEMENT, AND BUDGET**

19 Sec. 701. The appropriation in part 1 for the department of
20 technology, management, and budget shall be used to contract with
21 an integrity oversight monitor to ensure legal compliance, detect
22 misconduct, and promote best practices in the expenditure of the
23 funds appropriated for the drinking water declaration of emergency.

24 Sec. 702. (1) Pursuant to section 352 of the management and
25 budget act, 1984 PA 431, MCL 18.1352, which provides for a transfer
26 of state general fund revenue into or out of the countercyclical

1 budget and economic stabilization fund, the calculations required
 2 by section 352 of the management and budget act, 1984 PA 431, MCL
 3 18.1352, are determined as follows:

	<u>2015</u>	<u>2016</u>	<u>2017</u>
4 Michigan personal income (millions).	\$421,044	\$436,623	\$453,651
5 less: transfer payments.....	<u>91,527</u>	<u>96,012</u>	<u>101,044</u>
6 Subtotal	\$329,517	\$340,611	\$352,647
7 Divided by: Detroit consumer price			
8 index for 12 months ending June 30	2.195	2.191	2.223
9 Equals: real adjusted Michigan			
10 personal income.....	\$150,122	\$155,487	\$158,618
11 Percentage change.....	N/A	3.6%	2.0%
12 Growth rate in excess of 2%?.....	N/A	1.6%	0.0%
13 Equals: countercyclical budget and			
14 economic stabilization fund pay-in			
15 calculation for the fiscal year ending			
16 September 30, 2017 (millions).....	N/A	\$155.7	N/A
17 Growth rate less than 0%?.....	N/A	NO	NO
18 Equals: countercyclical budget and			
19 economic stabilization fund pay-out			
20 calculation for the fiscal year ending			
21 September 30, 2017 (millions).....	N/A	N/A	\$0.0
22 (2) Notwithstanding subsection (1), there is appropriated for			
23 the fiscal year ending September 30, 2017, from GF/GP revenue for			
24 deposit into the countercyclical budget and economic stabilization			
25 fund the sum of \$75,000,000.00.			

DEPARTMENT OF TREASURY

Sec. 751. The general fund/general purpose funds appropriated in part 1 for wrongful imprisonment compensation fund shall be deposited into the restricted wrongful imprisonment compensation fund created in the wrongful imprisonment compensation act, 2016 PA 343, MCL 691.1751 to 691.1757. All funds in the wrongful imprisonment compensation fund are appropriated and available for expenditure to support wrongful imprisonment compensation payments.

Sec. 752. From the appropriation in part 1 for drinking water declaration of emergency, \$400,000.00 shall be allocated to the University of Michigan - Flint for costs related to the drinking water declaration of emergency.

DEPARTMENT OF TALENT AND ECONOMIC DEVELOPMENT

Sec. 801. (1) From the one-time funds appropriated in part 1 for special grants, \$3,300,000.00 shall be awarded to a highway project located in a county with a population of between 425,000 and 426,000 according to the most recent federal decennial census.

(2) From the one-time funds appropriated in part 1 for special grants, \$200,000.00 shall be awarded to a river dredging project in a county with a population of between 600,000 and 605,000 according to the most recent federal decennial census.

(3) From the one-time funds appropriated in part 1 for special grants, \$386,000.00 shall be awarded to a highway project in a county with a population of between 260,000 and 265,000 according to the most recent federal decennial census.

(4) From the one-time funds appropriated in part 1 for special

1 grants, \$750,000.00 shall be awarded to road projects in a county
2 with a population of between 1,200,000 and 1,300,000 according to
3 the most recent federal decennial census.

4 (5) From the one-time funds appropriated in part 1 for special
5 grants, \$1,000,000.00 shall be awarded to infrastructure repair
6 projects in a county with a population of between 16,000 and 17,000
7 according to the most recent federal decennial census.

8 (6) From the one-time funds appropriated in part 1 for special
9 grants, \$1,700,000.00 shall be awarded for water and sewer system
10 improvements for a city where the state has closed a maximum
11 security correctional facility within the past 8 years.

12 **REPEALER**

13 Enacting section 1. Section 1801 of 2016 PA 340 is repealed.