

Act No. 158
Public Acts of 2017
Approved by the Governor
November 8, 2017
Filed with the Secretary of State
November 9, 2017
EFFECTIVE DATE: November 9, 2017

**STATE OF MICHIGAN
99TH LEGISLATURE
REGULAR SESSION OF 2017**

Introduced by Senator Hildenbrand

ENROLLED SENATE BILL No. 253

AN ACT to make, supplement, and adjust appropriations for various state departments and agencies and capital outlay purposes for the fiscal years ending September 30, 2017 and September 30, 2018; to provide for the expenditure of the appropriations; and to repeal acts and parts of acts.

The People of the State of Michigan enact:

PART 1

LINE-ITEM APPROPRIATIONS
FOR FISCAL YEAR 2016-2017

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

APPROPRIATION SUMMARY

| | | |
|---|----|-----------|
| GROSS APPROPRIATION | \$ | 6,596,100 |
| Interdepartmental grant revenues: | | |
| Total interdepartmental grants and intradepartmental transfers..... | | 0 |
| ADJUSTED GROSS APPROPRIATION | \$ | 6,596,100 |
| Federal revenues: | | |
| Total federal revenues | | 2,000,000 |
| Special revenue funds: | | |
| Total local revenues..... | | 268,800 |
| Total private revenues..... | | 0 |
| Total other state restricted revenues | | 625,900 |
| State general fund/general purpose | \$ | 3,701,400 |

Sec. 102. DEPARTMENT OF ATTORNEY GENERAL

(1) APPROPRIATION SUMMARY

| | | |
|---|----|---|
| GROSS APPROPRIATION | \$ | 0 |
| Interdepartmental grant revenues: | | |
| Total interdepartmental grants and intradepartmental transfers..... | | 0 |
| ADJUSTED GROSS APPROPRIATION | \$ | 0 |
| Federal revenues: | | |
| Total federal revenues | | 0 |
| Special revenue funds: | | |
| Total local revenues..... | | 0 |

| | For Fiscal Year Ending Sept. 30, 2017 |
|---|---|
| Total private revenues | \$ 0 |
| Total other state restricted revenues | 0 |
| State general fund/general purpose | \$ 0 |
| (2) ATTORNEY GENERAL OPERATIONS | |
| Attorney general operations..... | \$ (2,600,000) |
| Attorney general operations..... | 2,600,000 |
| GROSS APPROPRIATION | \$ 0 |
| Appropriated from: | |
| Special revenue funds: | |
| Lawsuit settlement proceeds fund | 0 |
| State general fund/general purpose | \$ 0 |
| Sec. 103. DEPARTMENT OF MILITARY AND VETERANS AFFAIRS | |
| (1) APPROPRIATION SUMMARY | |
| GROSS APPROPRIATION | \$ 2,268,800 |
| Interdepartmental grant revenues: | |
| Total interdepartmental grants and intradepartmental transfers..... | 0 |
| ADJUSTED GROSS APPROPRIATION | \$ 2,268,800 |
| Federal revenues: | |
| Total federal revenues | 2,000,000 |
| Special revenue funds: | |
| Total local revenues..... | 268,800 |
| Total private revenues | 0 |
| Total other state restricted revenues | 0 |
| State general fund/general purpose | \$ 0 |
| (2) MILITARY | |
| Michigan youth challenge academy | \$ 268,800 |
| National Guard operations..... | 2,000,000 |
| GROSS APPROPRIATION | \$ 2,268,800 |
| Appropriated from: | |
| Federal revenues: | |
| Total federal revenues | 2,000,000 |
| Special revenue funds: | |
| Total local revenues..... | 268,800 |
| State general fund/general purpose | \$ 0 |
| Sec. 104. DEPARTMENT OF TREASURY | |
| (1) APPROPRIATION SUMMARY | |
| GROSS APPROPRIATION | \$ 4,327,300 |
| Interdepartmental grant revenues: | |
| Total interdepartmental grants and intradepartmental transfers..... | 0 |
| ADJUSTED GROSS APPROPRIATION | \$ 4,327,300 |
| Federal revenues: | |
| Total federal revenues | 0 |
| Special revenue funds: | |
| Total local revenues..... | 0 |
| Total private revenues | 0 |
| Total other state restricted revenues | 625,900 |
| State general fund/general purpose | \$ 3,701,400 |
| (2) INFORMATION TECHNOLOGY | |
| Treasury operations information technology services and projects..... | \$ 4,327,300 |
| GROSS APPROPRIATION | \$ 4,327,300 |
| Appropriated from: | |
| Special revenue funds: | |
| Delinquent tax collection revenue | 370,000 |
| Tobacco tax revenue..... | 255,900 |
| State general fund/general purpose | \$ 3,701,400 |

PART 1A

LINE-ITEM APPROPRIATIONS
FOR FISCAL YEAR 2017-2018

Sec. 151. There is appropriated for the various state departments and agencies to supplement appropriations for the fiscal year ending September 30, 2018, from the following funds:

APPROPRIATION SUMMARY

| | | |
|---|----|------------|
| Full-time equated classified positions.....2.0 | | |
| GROSS APPROPRIATION | \$ | 56,242,400 |
| Interdepartmental grant revenues: | | |
| Total interdepartmental grants and intradepartmental transfers..... | | 0 |
| ADJUSTED GROSS APPROPRIATION | \$ | 56,242,400 |
| Federal revenues: | | |
| Total federal revenues | | 41,872,700 |
| Special revenue funds: | | |
| Total local revenues..... | | 0 |
| Total private revenues..... | | 0 |
| Total other state restricted revenues | | 600,000 |
| State general fund/general purpose | \$ | 13,769,700 |

Sec. 152. DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT

(1) APPROPRIATION SUMMARY

| | | |
|---|----|---------|
| GROSS APPROPRIATION | \$ | 250,000 |
| Interdepartmental grant revenues: | | |
| Total interdepartmental grants and intradepartmental transfers..... | | 0 |
| ADJUSTED GROSS APPROPRIATION | \$ | 250,000 |
| Federal revenues: | | |
| Total federal revenues | | 0 |
| Special revenue funds: | | |
| Total local revenues..... | | 0 |
| Total private revenues..... | | 0 |
| Total other state restricted revenues | | 0 |
| State general fund/general purpose | \$ | 250,000 |

(2) FOOD AND DAIRY

| | | |
|--|----|---------|
| Food safety and quality assurance | \$ | 150,000 |
| GROSS APPROPRIATION | \$ | 150,000 |
| Appropriated from: | | |
| State general fund/general purpose | \$ | 150,000 |

(3) ONE-TIME APPROPRIATIONS

| | | |
|--|----|---------|
| Campground development grant | \$ | 100,000 |
| GROSS APPROPRIATION | \$ | 100,000 |
| Appropriated from: | | |
| State general fund/general purpose | \$ | 100,000 |

Sec. 153. ATTORNEY GENERAL

(1) APPROPRIATION SUMMARY

| | | |
|---|----|---------|
| GROSS APPROPRIATION | \$ | 600,000 |
| Interdepartmental grant revenues: | | |
| Total interdepartmental grants and intradepartmental transfers..... | | 0 |
| ADJUSTED GROSS APPROPRIATION | \$ | 600,000 |
| Federal revenues: | | |
| Total federal revenues | | 0 |
| Special revenue funds: | | |
| Total local revenues..... | | 0 |
| Total private revenues..... | | 0 |
| Total other state restricted revenues | | 600,000 |
| State general fund/general purpose | \$ | 0 |

(2) ATTORNEY GENERAL OPERATIONS

| | | |
|----------------------------------|----|---------|
| Attorney general operations..... | | 600,000 |
| GROSS APPROPRIATION | \$ | 600,000 |

| | |
|---|--------------|
| Appropriated from: | |
| Special revenue funds: | |
| Lawsuit settlement proceeds fund | \$ 600,000 |
| State general fund/general purpose | \$ 0 |
| (3) ONE-TIME APPROPRIATIONS | |
| Prosecuting attorneys coordinating council NextGen IT system..... | \$ (600,000) |
| Prosecuting attorneys coordinating council NextGen IT system..... | 600,000 |
| GROSS APPROPRIATION | \$ 0 |
| Appropriated from: | |
| Special revenue funds: | |
| Lawsuit settlement proceeds fund | 0 |
| State general fund/general purpose | \$ 0 |

Sec. 154. CAPITAL OUTLAY

(1) APPROPRIATION SUMMARY

| | |
|---|--------|
| GROSS APPROPRIATION | \$ 100 |
| Interdepartmental grant revenues: | |
| Total interdepartmental grants and intradepartmental transfers..... | 0 |
| ADJUSTED GROSS APPROPRIATION | \$ 100 |
| Federal revenues: | |
| Total federal revenues | 0 |
| Special revenue funds: | |
| Total local revenues..... | 0 |
| Total private revenues..... | 0 |
| Total other state restricted revenues | 0 |
| State general fund/general purpose | \$ 100 |

(2) STATE BUILDING AUTHORITY FINANCED CONSTRUCTION

AUTHORIZATIONS

| | |
|---|--------|
| Western Michigan University - College of Aviation renovation and addition (total authorized cost \$20,000,000; state building authority share \$14,999,800; university share \$5,000,000; state general fund share \$200) | \$ 100 |
| GROSS APPROPRIATION | \$ 100 |
| Appropriated from: | |
| State general fund/general purpose | \$ 100 |

Sec. 155. DEPARTMENT OF CORRECTIONS

(1) APPROPRIATION SUMMARY

| | |
|---|------|
| GROSS APPROPRIATION | \$ 0 |
| Interdepartmental grant revenues: | |
| Total interdepartmental grants and intradepartmental transfers..... | 0 |
| ADJUSTED GROSS APPROPRIATION | \$ 0 |
| Federal revenues: | |
| Total federal revenues | 0 |
| Special revenue funds: | |
| Total local revenues..... | 0 |
| Total private revenues..... | 0 |
| Total other state restricted revenues | 0 |
| State general fund/general purpose | \$ 0 |

(2) FIELD OPERATIONS ADMINISTRATION

| | |
|--|----------------|
| Criminal justice reinvestment..... | \$ (5,498,400) |
| Criminal justice reinvestment..... | 5,498,400 |
| GROSS APPROPRIATION | \$ 0 |
| Appropriated from: | |
| State general fund/general purpose | \$ 0 |

Sec. 156. DEPARTMENT OF ENVIRONMENTAL QUALITY

(1) APPROPRIATION SUMMARY

| | |
|---------------------------|--------------|
| GROSS APPROPRIATION | \$ 1,000,000 |
|---------------------------|--------------|

| | |
|---|---------------------|
| Interdepartmental grant revenues: | |
| Total interdepartmental grants and intradepartmental transfers..... | \$ 0 |
| ADJUSTED GROSS APPROPRIATION | \$ 1,000,000 |
| Federal revenues: | |
| Total federal revenues | 0 |
| Special revenue funds: | |
| Total local revenues..... | 0 |
| Total private revenues..... | 0 |
| Total other state restricted revenues | 0 |
| State general fund/general purpose | \$ 1,000,000 |
| (2) REMEDIATION AND REDEVELOPMENT DIVISION | |
| Contaminated site investigation, cleanup, and revitalization..... | \$ 1,000,000 |
| GROSS APPROPRIATION | \$ 1,000,000 |
| Appropriated from: | |
| State general fund/general purpose | \$ 1,000,000 |

Sec. 157. DEPARTMENT OF HEALTH AND HUMAN SERVICES

(1) APPROPRIATION SUMMARY

| | |
|---|----------------------|
| Full-time equated classified position..... | 1.0 |
| GROSS APPROPRIATION | \$ 48,207,200 |
| Interdepartmental grant revenues: | |
| Total interdepartmental grants and intradepartmental transfers..... | 0 |
| ADJUSTED GROSS APPROPRIATION | \$ 48,207,200 |
| Federal revenues: | |
| Total federal revenues | 41,872,700 |
| Special revenue funds: | |
| Total local revenues..... | 0 |
| Total private revenues..... | 0 |
| Total other state restricted revenues | 0 |
| State general fund/general purpose | \$ 6,334,500 |

(2) COMMUNITY SERVICES AND OUTREACH

| | |
|--|---------------------|
| Full-time equated classified position..... | 1.0 |
| Domestic violence prevention and treatment—1.0 FTE position | \$ 154,500 |
| Housing and support services | 2,000,000 |
| School success partnership program..... | 75,000 |
| Uniform statewide sexual assault evidence kit tracking system..... | 4,000,000 |
| GROSS APPROPRIATION | \$ 6,229,500 |
| Appropriated from: | |
| Federal revenues: | |
| Total other federal revenues..... | 2,000,000 |
| State general fund/general purpose | \$ 4,229,500 |

(3) CHILDREN'S SERVICES AGENCY - CHILD WELFARE

| | |
|--|-------------------|
| Youth in transition..... | \$ 280,000 |
| GROSS APPROPRIATION | \$ 280,000 |
| Appropriated from: | |
| State general fund/general purpose | \$ 280,000 |

(4) FIELD OPERATIONS AND SUPPORT SERVICES

| | |
|--|------------------|
| Public assistance field staff..... | \$ 75,000 |
| GROSS APPROPRIATION | \$ 75,000 |
| Appropriated from: | |
| State general fund/general purpose | \$ 75,000 |

(5) BEHAVIORAL HEALTH SERVICES

| | |
|--|----------------------|
| Community substance use disorder prevention, education, and treatment..... | \$ 16,372,700 |
| Federal mental health block grant..... | 2,000,000 |
| Genomic opioid research..... | 700,000 |
| GROSS APPROPRIATION | \$ 19,072,700 |

| | |
|---|----------------|
| Appropriated from: | |
| Federal revenues: | |
| Total other federal revenues..... | \$ 18,372,700 |
| State general fund/general purpose | \$ 700,000 |
| (6) LABORATORY SERVICES | |
| Laboratory services | \$ 1,500,000 |
| GROSS APPROPRIATION | \$ 1,500,000 |
| Appropriated from: | |
| Federal revenues: | |
| Total other federal revenues..... | 1,500,000 |
| State general fund/general purpose | \$ 0 |
| (7) INFORMATION TECHNOLOGY | |
| Michigan Medicaid information system | \$ 20,000,000 |
| GROSS APPROPRIATION | \$ 20,000,000 |
| Appropriated from: | |
| Federal revenues: | |
| Total other federal revenues..... | 20,000,000 |
| State general fund/general purpose | \$ 0 |
| (8) ONE-TIME BASIS ONLY APPROPRIATIONS | |
| Direct primary care pilot program..... | \$ (5,724,000) |
| Direct primary care pilot program..... | 5,724,000 |
| Double-up food bucks..... | 750,000 |
| Primary care and dental health services..... | 300,000 |
| GROSS APPROPRIATION | \$ 1,050,000 |
| Appropriated from: | |
| Federal revenues: | |
| Total other federal revenues..... | 0 |
| State general fund/general purpose | \$ 1,050,000 |

Sec. 158. DEPARTMENT OF NATURAL RESOURCES

(1) APPROPRIATION SUMMARY

| | |
|---|--------------|
| GROSS APPROPRIATION | \$ 1,026,200 |
| Interdepartmental grant revenues: | |
| Total interdepartmental grants and intradepartmental transfers..... | 0 |
| ADJUSTED GROSS APPROPRIATION | \$ 1,026,200 |
| Federal revenues: | |
| Total federal revenues | 0 |
| Special revenue funds: | |
| Total local revenues..... | 0 |
| Total private revenues..... | 0 |
| Total other state restricted revenues | 0 |
| State general fund/general purpose | \$ 1,026,200 |

(2) ONE-TIME APPROPRIATIONS

| | |
|---|--------------|
| Bay City State Recreation Area, playscape reconstruction..... | \$ 400,000 |
| Onaway State Park, pavilion reconstruction | 400,000 |
| Snowmobile local grants program (one-time)..... | 226,200 |
| GROSS APPROPRIATION | \$ 1,026,200 |
| Appropriated from: | |
| State general fund/general purpose | \$ 1,026,200 |

Sec. 159. DEPARTMENT OF STATE

(1) APPROPRIATION SUMMARY

| | |
|---|--------------|
| GROSS APPROPRIATION | \$ 5,000,000 |
| Interdepartmental grant revenues: | |
| Total interdepartmental grants and intradepartmental transfers..... | 0 |
| ADJUSTED GROSS APPROPRIATION | \$ 5,000,000 |
| Federal revenues: | |
| Total federal revenues | 0 |

| | |
|---|---------------------|
| Special revenue funds: | |
| Total local revenues..... | \$ 0 |
| Total private revenues..... | 0 |
| Total other state restricted revenues..... | 0 |
| State general fund/general purpose..... | \$ 5,000,000 |
| (2) ONE-TIME BASIS ONLY APPROPRIATIONS | |
| Election administration and services..... | \$ 5,000,000 |
| GROSS APPROPRIATION | \$ 5,000,000 |
| Appropriated from: | |
| State general fund/general purpose..... | \$ 5,000,000 |

**Sec. 160. DEPARTMENT OF STATE POLICE
(1) APPROPRIATION SUMMARY**

| | |
|---|-------------------|
| Full-time equated classified position.....1.0 | |
| GROSS APPROPRIATION | \$ 158,900 |
| Interdepartmental grant revenues: | |
| Total interdepartmental grants and intradepartmental transfers..... | 0 |
| ADJUSTED GROSS APPROPRIATION | \$ 158,900 |
| Federal revenues: | |
| Total federal revenues..... | 0 |
| Special revenue funds: | |
| Total local revenues..... | 0 |
| Total private revenues..... | 0 |
| Total other state restricted revenues..... | 0 |
| State general fund/general purpose..... | \$ 158,900 |
| (2) LAW ENFORCEMENT SERVICES | |
| Full-time equated classified position.....1.0 | |
| Grants and community services—1.0 FTE position..... | \$ 118,900 |
| Training..... | 20,000 |
| GROSS APPROPRIATION | \$ 138,900 |
| Appropriated from: | |
| State general fund/general purpose..... | \$ 138,900 |
| (3) MICHIGAN COMMISSION ON LAW ENFORCEMENT STANDARDS | |
| Standards and training/justice training grants..... | \$ 20,000 |
| GROSS APPROPRIATION | \$ 20,000 |
| Appropriated from: | |
| State general fund/general purpose..... | \$ 20,000 |

PART 2

PROVISIONS CONCERNING APPROPRIATIONS
FOR FISCAL YEAR 2016-2017

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state sources under part 1 for fiscal year 2016-2017 is \$4,327,300.00 and total state spending from state sources to be paid to local units of government for fiscal year 2016-2017 is \$0.00.

Sec. 202. The appropriations authorized under 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 amount of \$6,400,000.00 of unexpended lawsuit settlement proceeds fund revenues at the end of the fiscal year shall remain in the lawsuit settlement proceeds fund and carry forward into the succeeding fiscal year.

Sec. 302. (1) From the lawsuit settlement proceeds fund appropriated in part 1, the department may spend the funds for the costs of all associated expenses related to the declaration of emergency due to drinking water contamination up to \$2,600,000.00.

(2) The attorney general's office must submit a report to the senate and house standing committees on appropriations, the senate and house appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget director by November 1 of the following fiscal year detailing how funds in subsection (1), and funds from prior years associated with legal costs pertaining to the Flint water declaration of emergency, were expended. The report must itemize expenditures by case, purpose, hourly rate of retained attorney, and department involved.

DEPARTMENT OF TREASURY

Sec. 401. Unexpended and unencumbered funds up to a maximum of \$4,327,300.00 remaining in accounts appropriated for tax processing - individual income tax direct e-file in 2014 PA 252, road funding IT changes in section 701 of 2015 PA 6, tax processing for special taxes CustFin in 2015 PA 84, and free individual tax e-file in 2016 PA 268 are reappropriated for the fiscal year ending September 30, 2017 for treasury operations information technology services and projects.

Sec. 402. The unexpended funds appropriated for a motor fuel, tobacco tax, and customer financial system replacement are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditure for projects under this section until the projects have been completed. The following is in compliance with section 451a(1) of the management and budget act, 1984 PA 431, MCL 18.1451a:

- (a) The purpose of the project is to implement a motor fuel, tobacco tax, and customer financial system replacement.
- (b) The project will be accomplished by state employees and contracts with private vendors.
- (c) The total cost of the project is \$4,327,300.00
- (d) The tentative completion date is September 30, 2019.

PART 2A

PROVISIONS CONCERNING APPROPRIATIONS FOR FISCAL YEAR 2017-2018

GENERAL SECTIONS

Sec. 1201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state sources in part 1A for the fiscal year ending September 30, 2018 is \$14,369,700.00 and total state spending from state sources paid to local units of government is \$800,000.00.

Sec. 1202. The appropriations authorized under part 1A are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT

Sec. 1301. From the funds appropriated in part 1A for food safety and quality assurance, the department of agriculture and rural development shall issue a grant of \$150,000.00 to a third-party entity for the purposes of providing education and training as it relates to proper management of draft beer delivery systems. The grant issued under this section shall be focused on providing education and training to the new entities that were given the ability by 2016 PA 514 to fill growlers for off-premises consumption under section 537 of the Michigan liquor control code of 1998, 1998 PA 58, MCL 436.1537.

Sec. 1302. From the funds appropriated in part 1A for campground development grant, the department of agriculture and rural development shall allocate \$100,000.00 to a county with a population of greater than 130,000 people but less than 140,000 people according to the most recent federal decennial census. This funding shall be used to aid in the acquisition and development of property for a campground for visitors to an equestrian center located within that county.

DEPARTMENT OF ATTORNEY GENERAL

Sec. 1331. (1) From the lawsuit settlement proceeds fund appropriated in part 1A, the department may spend the funds for the costs of all associated expenses related to the declaration of emergency due to drinking water contamination up to \$2,600,000.00.

(2) From the lawsuit settlement proceeds fund appropriated in part 1A, the prosecuting attorneys coordinating council may spend up to \$600,000.00 to upgrade its NextGen information technology case management system.

(3) From the lawsuit settlement proceeds fund appropriated in part 1A, \$180,000.00 shall be used by the department of attorney general for costs associated with implementing the duties and responsibilities prescribed to the attorney general's office under the bad-faith patent infringement claims act, 2016 PA 550, MCL 446.161 to 446.173, related to bad-faith patent infringement claims.

(4) The attorney general's office must submit a quarterly report to the senate and house standing committees on appropriations, the senate and house appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget director, detailing how funds in subsection (1), and funds from prior years associated with legal costs pertaining to the Flint water declaration of emergency, were expended. The report must itemize expenditures by case, purpose, hourly rate of retained attorney, and department involved.

CAPITAL OUTLAY

Sec. 1351. For the state building authority financed construction authorization in part 1A, the legislature hereby determines that the lease of the facility from the authority is for a public purpose as authorized by 1964 PA 183, MCL 830.411 to 830.425. The legislature approves and authorizes the lease and conveyance of the property to the state building authority, the state building authority acquiring the facility and leasing it to the state and the educational institution, or state, as applicable, and the governor and secretary of state executing the lease for and on behalf of the state pursuant to the requirements of 1964 PA 183, MCL 830.411 to 830.425. Per the requirements of the lease, it is the intent of the legislature to annually appropriate sufficient amounts to pay the rent as obligated pursuant to the lease.

DEPARTMENT OF CORRECTIONS

Sec. 1371. (1) The funds appropriated in part 1A for criminal justice reinvestment shall be used only to fund data collection and evidence-based programs designed to reduce recidivism among probationers and parolees.

(2) Of the funds appropriated in part 1A for criminal justice reinvestment, at least \$600,000.00 shall be allocated to an organization that has received the United States Department of Labor Training to Work 2 grant to provide county jail inmates with programming and services to prepare them to get and keep jobs. Examples of eligible programs and services are, but are not limited to: adult education, tutoring, manufacturing skills training, participation in a simulated work environment, mentoring, cognitive therapy groups, life skills classes, substance abuse recovery groups, fatherhood programs, classes in understanding the legal system, family literacy, health and wellness, finance management, employer presentations, and classes on job retention. Programming and support services should begin before release and continue after release from the county jail. To be eligible for funding, an organization must show at least 2 years' worth of data that demonstrate program success.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Sec. 1401. From funds appropriated in part 1A for youth in transition, \$280,000.00 shall be awarded to a foundation that provides housing at a charter high school for students ages 16 to 22 who have previously dropped out or are at risk of not graduating on time operating in a county with a population of greater than 172,000 but less than 175,000 according to the most recent federal decennial census. It is the intent of the legislature that this is the second year out of 3 years that funding is to be provided by the legislature for the foundation described in this section.

Sec. 1402. From the funds appropriated in part 1A for school success partnership program, the department of health and human services shall allocate \$75,000.00 by December 1 of the current fiscal year to support the Northeast Michigan Community Service Agency programming, which will take place in each county in the governor's prosperity region 3.

Sec. 1406. From the funds appropriated in part 1A for primary care and dental health services, \$300,000.00 shall be allocated for primary care clinic and dental health clinic services for indigent individuals to be provided in clinic locations in the city of Detroit and Wayne County by a public nonprofit organization that is pursuing certification as a federally qualified health center and is expected to be certified within 2 years.

Sec. 1407. (1) The department shall apply to CMS for a waiver to allow the department to bill CMS for direct primary care services for Medicaid enrollees. After the department receives a response from CMS regarding the waiver, the department shall do 1 of the following:

(a) If CMS approves the waiver, from the funds appropriated in part 1A for direct primary care pilot program, the department shall expend \$710,000.00 general fund/general purpose plus associated federal match for this program as part of a work project.

(b) If CMS does not approve the waiver, from the funds appropriated in part 1A for direct primary care pilot program, the department shall expend \$864,000.00 general fund/general purpose to fund a direct primary care pilot program as part of a work project.

(2) If the waiver in subsection (1) is approved, the department shall implement a direct primary care pilot program for Medicaid enrollees that shall run from October 1, 2017 to September 30, 2018. The pilot program shall include no more than 400 enrollees from each of the following Medicaid eligibility categories:

- (a) Childless adults.
- (b) Children ages 0 to 6 years.
- (c) Children ages 7 to 18 years.
- (d) Parents.
- (e) Elderly individuals.
- (f) Disabled individuals.

(3) If the waiver in subsection (1) is not approved, the department shall implement a direct primary care pilot program for Medicaid enrollees that shall run from October 1, 2017 to September 30, 2018. The pilot program shall include no more than 400 enrollees from each of the following Medicaid eligibility categories:

- (a) Childless adults.
- (b) Children ages 0 to 18 years.
- (c) Parents.

(4) The department shall open enrollment for the direct primary care pilot program to all Medicaid beneficiaries and shall keep enrollment open until the limits described in subsections (2) and (3) are reached. For the purposes of the pilot program, each enrollee, up to the limits described in subsections (2) and (3), that opts into the pilot program shall be enrolled in a single, eligible direct primary care service provider plan. The department shall maintain and publicly share a list of eligible direct primary care service providers with potential pilot program enrollees.

(5) An eligible direct primary care service provider must meet the following requirements:

(a) The direct primary care service provider must be a licensed physician in a primary care specialty.

(b) If the waiver in subsection (1) is approved, the monthly direct primary care enrollment fee shall not exceed a weighted average of \$70.00 per month across all eligibility categories. The average shall be weighted by the population makeup of the pilot program. If the waiver in subsection (1) is not approved, the monthly direct primary care enrollment fee shall not exceed a weighted average of \$60.00 per month across all eligibility categories. The average shall be weighted by the population makeup of the pilot program.

(c) The direct primary care service provider will be contracted with the department and must not accept any other third-party payments for providing health care services to enrollees under this pilot program.

(d) The direct primary care service provider must only provide primary care services.

(e) The direct primary care service provider's services must include, but are not limited to, access to telemedicine and same or next business day appointments.

(6) Managed care organizations contracted by this state to provide Medicaid services within the county where a direct primary care pilot program enrollee lives shall authorize direct primary care service providers participating in the pilot program to serve as "gateway" service providers who are able to refer pilot enrollees to non-primary-care services within the managed care organization's provider network. The managed care provider is not liable for increased costs resulting from the implementation of the pilot program. The direct primary care service providers must do all of the following:

(a) Only refer pilot program enrollees to non-primary-care service providers within the managed care organization's provider network when making referrals for non-primary-care services.

(b) For pharmacy services not covered in the direct primary care services agreement, only authorize the use of pharmaceuticals covered under the managed care organization's formulary management system.

(c) Follow all prior authorization requirements mandated by the managed care organization.

(7) The department shall have access to the patient records of each enrollee in the pilot program for the sole purpose of aggregate data collection.

(8) On a quarterly basis, the department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office on the implementation of the direct primary care pilot program. The report shall include, but is not limited to, the following performance metrics:

(a) The number of enrollees in the pilot program by eligibility category.

(b) The per-member-per-month rate paid in the previous fiscal year per eligibility category.

(c) The number of claims paid in the previous fiscal year per eligibility category.

(d) The number of claims per category weighted to reflect 400 enrollees.

(e) The dollar value of all claims per eligibility category.

(f) The per-member-per-month actual cost. As used in this subdivision, "per-member-per-month actual cost" means the direct primary care plan costs and any managed care costs not covered through the direct primary care plan, including managed care provider overhead costs.

(g) The average direct primary care cost per enrollee per eligibility category.

(h) The average number of actual claims per eligibility category.

(i) The average actual dollar value of claims per eligibility category.

(j) The number of enrollees in the pilot program during the previous quarter who are no longer eligible for Medicaid in the current quarter, broken down by eligibility category.

(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 expenditure for the direct primary care pilot program for Medicaid 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.

(d) The tentative completion date is September 30, 2020.

(10) The department may take out a stop loss policy to mitigate the potential cost impact if pilot program per-member-per-month costs exceed per-member-per-month costs for the program the enrollee would have been in had he or she not participated in the pilot program. The cost of the stop loss plan shall not be used in the assessment of the success of the pilot program.

Sec. 1408. The funds appropriated in part 1A for genomic opioid research shall be released to a community mental health services program located in a county with a population of more than 245,000 and less than 255,000 according to the most recent decennial census unless the department of health and human services institutional review board does not approve a proposed genomic opioid research plan from that community mental health services program. The institutional review board shall review and approve the proposed genomic opioid research plan unless the institutional review board determines that the research plan does not meet all of the following requirements:

(a) The plan's ability to facilitate research on the potential of genomic testing to improve opioid prescribing practices and medication-assisted treatment programs.

(b) The plan's ability to comply with federal regulations regarding the protection of human subjects, 45 CFR part 46.

(c) The plan's ability to comply with applicable privacy requirements contained in the health insurance portability and accountability act of 1996, Public Law 104-191, or regulations promulgated under that act, 45 CFR parts 160 and 164.

Sec. 1450. (1) From the funds appropriated in part 1A for domestic violence prevention and treatment, the department shall allocate \$134,500.00 to fund 1.0 additional FTE position for the Michigan domestic and sexual violence prevention and treatment board to conduct an annual audit of the proper submission of sexual assault evidence kits as required by the sexual assault kit evidence submission act, 2014 PA 227, MCL 752.931 to 752.935. The department shall allocate \$20,000.00 to the Michigan domestic and sexual violence prevention and treatment board to plan, prepare, and implement training for health care providers on the existence of the uniform statewide sexual assault evidence kit tracking system, the requirement to use the system, and requirements of the sexual assault kit evidence submission act, 2014 PA 227, MCL 752.931 to 752.935.

(2) By September 30 of the current fiscal year, the department shall submit to the senate and house appropriations subcommittees on the department of health and human services, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office a report on the findings of the audit described in subsection (1), including, but not limited to, a detailed county-by-county compilation of the number of sexual assault evidence kits that were properly submitted and the number that met or did not meet deadlines established in the sexual assault kit evidence submission act, 2014 PA 227, MCL 752.931 to 752.935, the number of kits retrieved by law enforcement after analysis, and the physical location of all released kits collected by health care providers in that year, as of the date of the annual draft report for each reporting agency.

Sec. 1451. (1) From the funds appropriated in part 1A for the uniform statewide sexual assault evidence kit tracking system, in accordance with the final report of the Michigan sexual assault evidence kit tracking and reporting commission that was issued in response to section 2 of 2014 PA 318, MCL 752.962, \$800,000.00 is allocated to contract for development and implementation of a uniform statewide sexual assault evidence kit tracking system. The system shall include the following:

(a) A uniform statewide system to track the submission and status of sexual assault evidence kits.

(b) A uniform statewide system to audit untested kits that were collected on or before March 1, 2015 and were released by victims to law enforcement.

(c) Secure electronic access for victims.

(d) The ability to accommodate concurrent data entry with kit collection through various mechanisms, including web entry through computer or smartphone, and through scanning devices.

(2) By March 30 of the current fiscal year, the department shall submit to the senate and house appropriations subcommittees on the department of health and human services, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office a status report on implementation and operation of the uniform statewide sexual assault evidence kit tracking system, including operational status and any known issues regarding implementation.

(3) The sexual assault evidence tracking fund is established in the department of treasury. From the funds appropriated in part 1A for the uniform statewide sexual assault evidence kit tracking system, \$3,200,000.00 shall be deposited in the sexual assault evidence tracking fund.

(4) Money in the sexual assault evidence tracking fund at the close of a fiscal year shall remain in the sexual assault evidence tracking fund and shall not revert to the general fund and shall be appropriated as provided by law for the development and implementation of a uniform statewide sexual assault evidence kit tracking system as described in subsection (1).

DEPARTMENT OF STATE

Sec. 1601. The unexpended funds appropriated in part 1A for election administration and services are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditure for projects under this section until the projects have been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to support the replacement of aging voting machines with new voting machines statewide.

(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 \$5,000,000.00.

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

DEPARTMENT OF STATE POLICE

Sec. 1701. From the funds appropriated in part 1A for grants and community services, the department shall allocate \$118,900.00 to fund 1.0 FTE position to coordinate the department's implementation and ongoing utilization of the uniform statewide sexual assault evidence kit tracking system. The department shall act as a liaison between local law enforcement agencies and the department of health and human services regarding implementation and utilization of the uniform statewide sexual assault kit evidence tracking system and shall ensure that the department of state police maintains compliance with the statutory requirements outlined in the sexual assault kit evidence submission act, 2014 PA 227, MCL 752.931 to 752.935.

Sec. 1702. From the funds appropriated in part 1A for training, the department shall allocate \$20,000.00 to conduct 1 statewide training seminar for prosecutors, law enforcement leadership, and law enforcement officers on the existence of the uniform statewide sexual assault evidence kit tracking system, the requirement to use the system, and requirements of the sexual assault kit evidence submission act, 2014 PA 227, MCL 752.931 to 752.935.

Sec. 1703. From the funds appropriated in part 1A for standards and training/justice training grants, the Michigan commission on law enforcement standards shall allocate \$20,000.00 to plan, prepare, and implement internet-based training seminars in order to train law enforcement officers on the existence of the uniform statewide sexual assault evidence kit tracking system, the requirement to use the system, and requirements of the sexual assault kit evidence submission act, 2014 PA 227, MCL 752.931 to 752.935. The Michigan commission on law enforcement standards may also use regional, in-service, 1/2-day training seminars in conjunction with, or in lieu of, internet-based training seminars to train law enforcement officers on the existence of the uniform statewide sexual assault evidence kit tracking system, the requirement to use the system, and requirements of the sexual assault kit evidence submission act, 2014 PA 227, MCL 752.931 to 752.935.

REPEALERS

Enacting section 1. Section 314 of article VIII of 2016 PA 268 is repealed.

Enacting section 2. Section 604 of article V, section 314 of article VIII, and section 1913 of article X of 2017 PA 107 are repealed.

This act is ordered to take immediate effect.



Secretary of the Senate



Clerk of the House of Representatives

Approved

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Governor