

HOUSE SUBSTITUTE FOR  
SENATE BILL NO. 253

A bill 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:**

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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

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

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

13       **(1) APPROPRIATION SUMMARY**

14	GROSS APPROPRIATION .....	\$	0
15	Interdepartmental grant revenues:		
16	Total interdepartmental grants and intradepartmental		
17	transfers.....		0
18	ADJUSTED GROSS APPROPRIATION .....	\$	0
19	Federal revenues:		
20	Total federal revenues .....		0
21	Special revenue funds:		
22	Total local revenues .....		0
23	Total private revenues .....		0
24	Total other state restricted revenues .....		0
25	State general fund/general purpose .....	\$	0

26       **(2) ATTORNEY GENERAL OPERATIONS**

1	Attorney general operations .....	\$	(2,600,000)
2	Attorney general operations .....		<u>2,600,000</u>
3	GROSS APPROPRIATION .....	\$	0
4	Appropriated from:		
5	Special revenue funds:		
6	Lawsuit settlement proceeds fund .....		0
7	State general fund/general purpose .....	\$	0
8	<b>Sec. 103. DEPARTMENT OF MILITARY AND VETERANS</b>		
9	<b>AFFAIRS</b>		
10	<b>(1) APPROPRIATION SUMMARY</b>		
11	GROSS APPROPRIATION .....	\$	2,268,800
12	Interdepartmental grant revenues:		
13	Total interdepartmental grants and intradepartmental		
14	transfers.....		0
15	ADJUSTED GROSS APPROPRIATION .....	\$	2,268,800
16	Federal revenues:		
17	Total federal revenues .....		2,000,000
18	Special revenue funds:		
19	Total local revenues .....		268,800
20	Total private revenues .....		0
21	Total other state restricted revenues .....		0
22	State general fund/general purpose .....	\$	0
23	<b>(2) MILITARY</b>		
24	Michigan youth challeNGe academy .....	\$	268,800
25	National Guard operations .....		<u>2,000,000</u>
26	GROSS APPROPRIATION .....	\$	2,268,800

1	Appropriated from:	
2	Federal revenues:	
3	Total federal revenues .....	2,000,000
4	Special revenue funds:	
5	Total local revenues .....	268,800
6	State general fund/general purpose .....	\$ 0

7 **Sec. 104. DEPARTMENT OF TREASURY**

8 **(1) APPROPRIATION SUMMARY**

9	GROSS APPROPRIATION .....	\$ 4,327,300
10	Interdepartmental grant revenues:	
11	Total interdepartmental grants and intradepartmental	
12	transfers.....	0
13	ADJUSTED GROSS APPROPRIATION .....	\$ 4,327,300
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 .....	625,900
20	State general fund/general purpose .....	\$ 3,701,400

21 **(2) INFORMATION TECHNOLOGY**

22	Treasury operations information technology services	
23	and projects.....	\$ <u>4,327,300</u>
24	GROSS APPROPRIATION .....	\$ 4,327,300

25 Appropriated from:  
26 Special revenue funds:

## Senate Bill No. 253 as amended October 10, 2017

1	Delinquent tax collection revenue .....	370,000
2	Tobacco tax revenue .....	255,900
3	State general fund/general purpose .....	\$ 3,701,400

4 PART 1A  
5 LINE-ITEM APPROPRIATIONS  
6 FOR FISCAL YEAR 2017-2018

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

10 **APPROPRIATION SUMMARY**

11	Full-time equated classified positions .....	2.0
12	GROSS APPROPRIATION .....	\$ [56,242,400]
13	Interdepartmental grant revenues:	
14	Total interdepartmental grants and intradepartmental	
15	transfers .....	0
16	ADJUSTED GROSS APPROPRIATION .....	\$ [56,242,400]
17	Federal revenues:	
18	Total federal revenues .....	41,872,700
19	Special revenue funds:	
20	Total local revenues .....	0
21	Total private revenues .....	0
22	Total other state restricted revenues .....	[600,000]
23	State general fund/general purpose .....	\$ 13,769,700

24 **Sec. 152. DEPARTMENT OF AGRICULTURE AND RURAL**

1 **DEVELOPMENT**

2 **(1) APPROPRIATION SUMMARY**

3 GROSS APPROPRIATION ..... \$ 250,000

4 Interdepartmental grant revenues:

5 Total interdepartmental grants and intradepartmental  
6 transfers..... 0

7 ADJUSTED GROSS APPROPRIATION ..... \$ 250,000

8 Federal revenues:

9 Total federal revenues ..... 0

10 Special revenue funds:

11 Total local revenues ..... 0

12 Total private revenues ..... 0

13 Total other state restricted revenues ..... 0

14 State general fund/general purpose ..... \$ 250,000

15 **(2) FOOD AND DAIRY**

16 Food safety and quality assurance ..... \$ 150,000

17 GROSS APPROPRIATION ..... \$ 150,000

18 Appropriated from:

19 State general fund/general purpose ..... \$ 150,000

20 **(3) ONE-TIME APPROPRIATIONS**

21 Campground development grant ..... \$ 100,000

22 GROSS APPROPRIATION ..... \$ 100,000

23 Appropriated from:

24 State general fund/general purpose ..... \$ 100,000

25 **Sec. 153. ATTORNEY GENERAL**

26 **(1) APPROPRIATION SUMMARY**

## Senate Bill No. 253 as amended October 10, 2017

1	GROSS APPROPRIATION .....	\$	[600,000]
2	Interdepartmental grant revenues:		
3	Total interdepartmental grants and intradepartmental		
4	transfers.....		0
5	ADJUSTED GROSS APPROPRIATION .....	\$	[600,000]
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 .....		[600,000]
12	State general fund/general purpose .....	\$	0
13	<b>(2) ATTORNEY GENERAL OPERATIONS</b>		
14	[		]
15	Attorney general operations .....		<u>[600,000]</u>
16	GROSS APPROPRIATION .....	\$	[600,000]
17	Appropriated from:		
18	Special revenue funds:		
19	Lawsuit settlement proceeds fund .....		[600,000]
20	State general fund/general purpose .....	\$	0
21	<b>(3) ONE-TIME APPROPRIATIONS</b>		
22	Prosecuting attorneys coordinating council NextGen IT		
23	system.....	\$	(600,000)
24	Prosecuting attorneys coordinating council NextGen IT		
25	system.....		<u>600,000</u>
26	GROSS APPROPRIATION .....	\$	0
27	Appropriated from:		

1	Special revenue funds:		
2	Lawsuit settlement proceeds fund .....		0
3	State general fund/general purpose .....	\$	0
4	<b>Sec. 154. CAPITAL OUTLAY</b>		
5	<b>(1) APPROPRIATION SUMMARY</b>		
6	GROSS APPROPRIATION .....	\$	100
7	Interdepartmental grant revenues:		
8	Total interdepartmental grants and intradepartmental		
9	transfers.....		0
10	ADJUSTED GROSS APPROPRIATION .....	\$	100
11	Federal revenues:		
12	Total federal revenues .....		0
13	Special revenue funds:		
14	Total local revenues .....		0
15	Total private revenues .....		0
16	Total other state restricted revenues .....		0
17	State general fund/general purpose .....	\$	100
18	<b>(2) STATE BUILDING AUTHORITY FINANCED CONSTRUCTION</b>		
19	<b>AUTHORIZATIONS</b>		
20	Western Michigan University - College of Aviation		
21	renovation and addition (total authorized cost		
22	\$20,000,000; state building authority share		
23	\$14,999,800; university share \$5,000,000; state		
24	general fund share \$200) .....	\$	<u>100</u>
25	GROSS APPROPRIATION .....	\$	100
26	Appropriated from:		



1	State general fund/general purpose .....	\$	100
2	<b>Sec. 155. DEPARTMENT OF CORRECTIONS</b>		
3	<b>(1) APPROPRIATION SUMMARY</b>		
4	GROSS APPROPRIATION .....	\$	0
5	Interdepartmental grant revenues:		
6	Total interdepartmental grants and intradepartmental		
7	transfers.....		0
8	ADJUSTED GROSS APPROPRIATION .....	\$	0
9	Federal revenues:		
10	Total federal revenues .....		0
11	Special revenue funds:		
12	Total local revenues .....		0
13	Total private revenues .....		0
14	Total other state restricted revenues .....		0
15	State general fund/general purpose .....	\$	0
16	<b>(2) FIELD OPERATIONS ADMINISTRATION</b>		
17	Criminal justice reinvestment .....	\$	(5,498,400)
18	Criminal justice reinvestment .....		<u>5,498,400</u>
19	GROSS APPROPRIATION .....	\$	0
20	Appropriated from:		
21	State general fund/general purpose .....	\$	0
22	<b>Sec. 156. DEPARTMENT OF ENVIRONMENTAL QUALITY</b>		
23	<b>(1) APPROPRIATION SUMMARY</b>		
24	GROSS APPROPRIATION .....	\$	1,000,000
25	Interdepartmental grant revenues:		

1	Total interdepartmental grants and intradepartmental		
2	transfers.....		0
3	ADJUSTED GROSS APPROPRIATION .....	\$	1,000,000
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 .....	\$	1,000,000
11	<b>(2) REMEDIATION AND REDEVELOPMENT DIVISION</b>		
12	Contaminated site investigation, cleanup, and		
13	revitalization.....	\$	<u>1,000,000</u>
14	GROSS APPROPRIATION .....	\$	1,000,000
15	Appropriated from:		
16	State general fund/general purpose .....	\$	1,000,000
17	<b>Sec. 157. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>		
18	<b>(1) APPROPRIATION SUMMARY</b>		
19	Full-time equated classified positions.....	1.0	
20	GROSS APPROPRIATION .....	\$	48,207,200
21	Interdepartmental grant revenues:		
22	Total interdepartmental grants and intradepartmental		
23	transfers.....		0
24	ADJUSTED GROSS APPROPRIATION .....	\$	48,207,200
25	Federal revenues:		
26	Total federal revenues .....		41,872,700

1	Special revenue funds:		
2	Total local revenues .....		0
3	Total private revenues .....		0
4	Total other state restricted revenues .....		0
5	State general fund/general purpose .....	\$	6,334,500
6	<b>(2) COMMUNITY SERVICES AND OUTREACH</b>		
7	Full-time equated classified positions .....	1.0	
8	Domestic violence prevention and treatment--1.0 FTE		
9	position.....	\$	154,500
10	Housing and support services .....		2,000,000
11	School success partnership program .....		75,000
12	Uniform statewide sexual assault evidence kit tracking		
13	system.....		<u>4,000,000</u>
14	GROSS APPROPRIATION .....	\$	6,229,500
15	Appropriated from:		
16	Federal revenues:		
17	Total other federal revenues .....		2,000,000
18	State general fund/general purpose .....	\$	4,229,500
19	<b>(3) CHILDREN'S SERVICES AGENCY - CHILD WELFARE</b>		
20	Youth in transition .....	\$	<u>280,000</u>
21	GROSS APPROPRIATION .....	\$	280,000
22	Appropriated from:		
23	State general fund/general purpose .....	\$	280,000
24	<b>(4) FIELD OPERATIONS AND SUPPORT SERVICES</b>		
25	Public assistance field staff .....	\$	<u>75,000</u>
26	GROSS APPROPRIATION .....	\$	75,000
27	Appropriated from:		

1	State general fund/general purpose .....	\$	75,000
2	<b>(5) BEHAVIORAL HEALTH SERVICES</b>		
3	Community substance use disorder prevention,		
4	education, and treatment.....	\$	16,372,700
5	Federal mental health block grant .....		2,000,000
6	Genomic opioid research .....		<u>700,000</u>
7	GROSS APPROPRIATION .....	\$	19,072,700
8	Appropriated from:		
9	Federal revenues:		
10	Total other federal revenues .....		18,372,700
11	State general fund/general purpose .....	\$	700,000
12	<b>(6) LABORATORY SERVICES</b>		
13	Laboratory services .....	\$	<u>1,500,000</u>
14	GROSS APPROPRIATION .....	\$	1,500,000
15	Appropriated from:		
16	Federal revenues:		
17	Total other federal revenues .....		1,500,000
18	State general fund/general purpose .....	\$	0
19	<b>(7) INFORMATION TECHNOLOGY</b>		
20	Michigan Medicaid information system .....	\$	<u>20,000,000</u>
21	GROSS APPROPRIATION .....	\$	20,000,000
22	Appropriated from:		
23	Federal revenues:		
24	Total other federal revenues .....		20,000,000
25	State general fund/general purpose .....	\$	0
26	<b>(8) ONE-TIME BASIS ONLY APPROPRIATIONS</b>		
27	Direct primary care pilot program .....	\$	(5,724,000)

1	Direct primary care pilot program .....		5,724,000
2	Double-up food bucks .....		750,000
3	Primary care and dental health services .....		<u>300,000</u>
4	GROSS APPROPRIATION .....	\$	1,050,000
5	Appropriated from:		
6	Federal revenues:		
7	Total other federal revenues .....		0
8	State general fund/general purpose .....	\$	1,050,000

9       **Sec. 158. DEPARTMENT OF NATURAL RESOURCES**

10       **(1) APPROPRIATION SUMMARY**

11	GROSS APPROPRIATION .....	\$	1,026,200
12	Interdepartmental grant revenues:		
13	Total interdepartmental grants and intradepartmental		
14	transfers.....		0
15	ADJUSTED GROSS APPROPRIATION .....	\$	1,026,200
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 .....	\$	1,026,200

23       **(2) ONE-TIME APPROPRIATIONS**

24	Bay City State Recreation Area, playscape		
25	reconstruction.....	\$	400,000
26	Onaway State Park, pavilion reconstruction .....		400,000

1	Snowmobile local grants program (one-time) .....	<u>226,200</u>
2	GROSS APPROPRIATION .....	\$ 1,026,200
3	Appropriated from:	
4	State general fund/general purpose .....	\$ 1,026,200

5       **Sec. 159. DEPARTMENT OF STATE**

6       **(1) APPROPRIATION SUMMARY**

7	GROSS APPROPRIATION .....	\$ 5,000,000
8	Interdepartmental grant revenues:	
9	Total interdepartmental grants and intradepartmental	
10	transfers.....	0
11	ADJUSTED GROSS APPROPRIATION .....	\$ 5,000,000
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 .....	\$ 5,000,000

19       **(2) ONE-TIME BASIS ONLY APPROPRIATIONS**

20	Election administration and services .....	<u>\$ 5,000,000</u>
21	GROSS APPROPRIATION .....	\$ 5,000,000
22	Appropriated from:	
23	State general fund/general purpose .....	\$ 5,000,000

24       **Sec. 160. DEPARTMENT OF STATE POLICE**

25       **(1) APPROPRIATION SUMMARY**

1	Full-time equated classified positions .....	1.0		
2	GROSS APPROPRIATION .....		\$	158,900
3	Interdepartmental grant revenues:			
4	Total interdepartmental grants and intradepartmental			
5	transfers.....			0
6	ADJUSTED GROSS APPROPRIATION .....		\$	158,900
7	Federal revenues:			
8	Total federal revenues .....			0
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 .....		\$	158,900
14	<b>(2) LAW ENFORCEMENT SERVICES</b>			
15	Full-time equated classified positions .....	1.0		
16	Grants and community services--1.0 FTE position .....		\$	118,900
17	Training .....			<u>20,000</u>
18	GROSS APPROPRIATION .....		\$	138,900
19	Appropriated from:			
20	State general fund/general purpose .....		\$	138,900
21	<b>(3) MICHIGAN COMMISSION ON LAW ENFORCEMENT STANDARDS</b>			
22	Standards and training/justice training grants .....		\$	<u>20,000</u>
23	GROSS APPROPRIATION .....		\$	20,000
24	Appropriated from:			
25	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



1 subsection (1), and funds from prior years associated with legal  
2 costs pertaining to the Flint water declaration of emergency, were  
3 expended. The report must itemize expenditures by case, purpose,  
4 hourly rate of retained attorney, and department involved.

5 **DEPARTMENT OF TREASURY**

6 Sec. 401. Unexpended and unencumbered funds up to a maximum of  
7 \$4,327,300.00 remaining in accounts appropriated for tax processing  
8 - individual income tax direct E-file in 2014 PA 252, road funding  
9 IT changes in section 701 of 2015 PA 6, tax processing for special  
10 taxes CustFin in 2015 PA 84, and free individual tax e-file in 2016  
11 PA 268 are reappropriated for the fiscal year ending September 30,  
12 2017 for treasury operations information technology services and  
13 projects.

14 Sec. 402. The unexpended funds appropriated for a motor fuel,  
15 tobacco tax, and customer financial system replacement are  
16 designated as a work project appropriation, and any unencumbered or  
17 unallotted funds shall not lapse at the end of the fiscal year and  
18 shall be available for expenditures for projects under this section  
19 until the projects have been completed. The following is in  
20 compliance with section 451a(1) of the management and budget act,  
21 1984 PA 431, MCL 18.1451a:

22 (a) The purpose of the project is to implement a motor fuel,  
23 tobacco tax, and customer financial system replacement.

24 (b) The project will be accomplished by state employees and  
25 contracts with private vendors.

26 (c) The total cost of the project is \$4,327,300.00

Senate Bill No. 253 as amended October 10, 2017

1 (d) The tentative completion date is September 30, 2019.

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PART 2A

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PROVISIONS CONCERNING APPROPRIATIONS

4

FOR FISCAL YEAR 2017-2018

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**GENERAL SECTIONS**

6

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

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[\$14,369,700.00] and total state spending from state sources paid to local units of government is \$800,000.00.

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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.

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**DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT**

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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.

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Senate Bill No. 253 as amended October 10, 2017

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

9       DEPARTMENT OF ATTORNEY GENERAL

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

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

18       (3) From the lawsuit settlement proceeds fund appropriated in  
19 part 1A, \$180,000.00 shall be used by the department of attorney  
20 general for costs associated with implementing the duties and  
21 responsibilities prescribed to the attorney general's office under  
22 the bad-faith patent infringement claims act, 2016 PA 550, MCL  
23 446.161 to 446.173, related to bad-faith patent infringement  
24 claims.

25       (4) The attorney general's office must submit a quarterly  
26 report to the senate and house standing committees on

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

#### 8 **CAPITAL OUTLAY**

9       Sec. 1351. For the state building authority financed  
10 construction authorization in part 1A, the legislature hereby  
11 determines that the lease of the facility from the authority is for  
12 a public purpose as authorized by 1964 PA 183, MCL 830.411 to  
13 830.425. The legislature approves and authorizes the lease and  
14 conveyance of the property to the state building authority, the  
15 state building authority acquiring the facility and leasing it to  
16 the state and the educational institution, or state, as applicable,  
17 and the governor and secretary of state executing the lease for and  
18 on behalf of the state pursuant to the requirements of 1964 PA 183,  
19 MCL 830.411 to 830.425. Per the requirements of the lease, it is  
20 the intent of the legislature to annually appropriate sufficient  
21 amounts to pay the rent as obligated pursuant to the lease.

#### 22 **DEPARTMENT OF CORRECTIONS**

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

1 probationers and parolees.

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

18 **DEPARTMENT OF HEALTH AND HUMAN SERVICES**

19 Sec. 1401. From funds appropriated in part 1A for youth in  
20 transition, \$280,000.00 shall be awarded to a foundation that  
21 provides housing at a charter high school for students ages 16 to  
22 22 who have previously dropped out or are at risk of not graduating  
23 on time operating in a county with a population of greater than  
24 172,000 but less than 175,000 according to the most recent federal  
25 decennial census. It is the intent of the legislature that this is  
26 the second year out of 3 years that funding is to be provided by

1 the legislature for the foundation described in this section.

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

8       Sec. 1406. From the funds appropriated in part 1A 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. 1407. (1) The department shall apply to CMS for a waiver  
16 to allow the department to bill CMS for direct primary care  
17 services for Medicaid enrollees. After the department receives a  
18 response from CMS regarding the waiver, the department shall do 1  
19 of the following:

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

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

1           (2) If the waiver in subsection (1) is approved, the  
2 department shall implement a direct primary care pilot program for  
3 Medicaid enrollees that shall run from October 1, 2017 to September  
4 30, 2018. The pilot program shall include no more than 400  
5 enrollees from each of the following Medicaid eligibility  
6 categories:

7           (a) Childless adults.

8           (b) Children ages 0 to 6 years.

9           (c) Children ages 7 to 18 years.

10          (d) Parents.

11          (e) Elderly individuals.

12          (f) Disabled individuals.

13           (3) If the waiver in subsection (1) is not approved, the  
14 department shall implement a direct primary care pilot program for  
15 Medicaid enrollees that shall run from October 1, 2017 to September  
16 30, 2018. The pilot program shall include no more than 400  
17 enrollees from each of the following Medicaid eligibility  
18 categories:

19          (a) Childless adults.

20          (b) Children ages 0 to 18 years.

21          (c) Parents.

22           (4) The department shall open enrollment for the direct  
23 primary care pilot program to all Medicaid beneficiaries and shall  
24 keep enrollment open until the limits described in subsections (2)  
25 and (3) are reached. For the purposes of the pilot program, each  
26 enrollee, up to the limits described in subsections (2) and (3),  
27 that opts in to the pilot program shall be enrolled in a single,

1 eligible direct primary care service provider plan. The department  
2 shall maintain and publicly share a list of eligible direct primary  
3 care service providers with potential pilot program enrollees.

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

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

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

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

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

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

26 (6) Managed care organizations contracted by this state to  
27 provide Medicaid services within the county where a direct primary



1 care pilot program enrollee lives shall authorize direct primary  
2 care service providers participating in the pilot program to serve  
3 as "gateway" service providers who are able to refer pilot  
4 enrollees to non-primary-care services within the managed care  
5 organization's provider network. The managed care provider is not  
6 liable for increased costs resulting from the implementation of the  
7 pilot program. The direct primary care service providers must do  
8 all of the following:

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

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

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

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

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

27 (a) The number of enrollees in the pilot program by

1 eligibility category.

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

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

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

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

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

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

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

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

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

23 (k) The category savings subtotal. As used in this  
24 subdivision, "category savings subtotal" means the per-member-per-  
25 month rate paid in fiscal year 2016-2017 minus the per-member-per-  
26 month actual cost, times the number of enrollees in the eligibility  
27 category.

1           (l) The total savings. As used in this subdivision, "total  
2 savings" means the per-member-per-month rate paid in the previous  
3 fiscal year minus the per-member-per-month actual cost, times the  
4 total number of enrollees in the program.

5           (9) Unexpended and unencumbered funds up to a maximum of  
6 \$2,016,000.00 general fund/general purpose revenue plus any  
7 associated federal match remaining in accounts appropriated in part  
8 1 for direct primary care pilot program are designated as work  
9 project appropriations, and any unencumbered or unallotted funds  
10 shall not lapse at the end of the fiscal year and shall be  
11 available for expenditures for the direct primary care pilot  
12 program for Medicaid under this section until the work project has  
13 been completed. All of the following are in compliance with section  
14 451a(1) of the management and budget act, 1984 PA 431, MCL  
15 18.1451a:

16           (a) The purpose of the work project is to fund the cost of a  
17 direct primary care pilot program as provided by this section.

18           (b) The work project will be accomplished by contracting with  
19 a managed care organization under contract with the department to  
20 provide Medicaid services.

21           (c) The total estimated completion cost of the work project is  
22 \$6,048,000.00.

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

24           (10) The department may take out a stop loss policy to  
25 mitigate the potential cost impact if pilot program per-member-per-  
26 month costs exceed per-member-per-month costs for the program the  
27 enrollee would have been in had he or she not participated in the

1 pilot program. The cost of the stop loss plan shall not be used in  
2 the assessment of the success of the pilot program.

3       Sec. 1408. The funds appropriated in part 1A for genomic  
4 opioid research shall be released to a community mental health  
5 services program located in a county with a population of more than  
6 245,000 and less than 255,000 according to the most recent  
7 decennial census unless the department of health and human services  
8 institutional review board does not approve a proposed genomic  
9 opioid research plan from that community mental health services  
10 program. The institutional review board shall review and approve  
11 the proposed genomic opioid research plan unless the institutional  
12 review board determines that the research plan does not meet all of  
13 the following requirements:

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

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

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

23       Sec. 1450. (1) From the funds appropriated in part 1A for  
24 domestic violence prevention and treatment, the department shall  
25 allocate \$134,500.00 to fund 1.0 additional FTE position for the  
26 Michigan domestic and sexual violence prevention and treatment  
27 board to conduct an annual audit of the proper submission of sexual

1 assault evidence kits as required by the sexual assault kit  
2 evidence submission act, 2014 PA 227, MCL 752.931 to 752.935. The  
3 department shall allocate \$20,000.00 to the Michigan domestic and  
4 sexual violence prevention and treatment board to plan, prepare,  
5 and implement training for health care providers on the existence  
6 of the uniform statewide sexual assault evidence kit tracking  
7 system, the requirement to use the system, and requirements of the  
8 sexual assault kit evidence submission act, 2014 PA 227, MCL  
9 752.931 to 752.935.

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

24 Sec. 1451. (1) From the funds appropriated in part 1A for the  
25 uniform statewide sexual assault evidence kit tracking system, in  
26 accordance with the final report of the Michigan sexual assault  
27 evidence kit tracking and reporting commission that was issued in

Senate Bill No. 253 as amended October 19, 2017

1 response to section 2 of 2014 PA 318, MCL 752.962, <<\$800,000.00>> is  
2 allocated to contract for development and implementation of a  
3 uniform statewide sexual assault evidence kit tracking system. The  
4 system shall include the following:

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

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

10 (c) Secure electronic access for victims.

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

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27 (2)>> By March 30 of the current fiscal year, the department

## Senate Bill No. 253 as amended October 19, 2017

1 shall submit to the senate and house appropriations subcommittees  
 2 on the department of health and human services, the senate and  
 3 house fiscal agencies, the senate and house policy offices, and the  
 4 state budget office a status report on implementation and operation  
 5 of the uniform statewide sexual assault evidence kit tracking  
 6 system, including operational status and any known issues regarding  
 7 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).>>

8 **DEPARTMENT OF STATE**

9 Sec. 1601. The unexpended funds appropriated in part 1A for  
 10 election administration and services are designated as a work  
 11 project appropriation, and any unencumbered or unallotted funds  
 12 shall not lapse at the end of the fiscal year and shall be  
 13 available for expenditure for projects under this section until the  
 14 projects have been completed. The following is in compliance with  
 15 section 451a of the management and budget act, 1984 PA 431, MCL  
 16 18.1451a:

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

19 (b) The project will be accomplished by utilizing state  
 20 employees or contracts with service providers, or both.

21 (c) The total estimated cost of the project is \$5,000,000.00.

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

23 **DEPARTMENT OF STATE POLICE**

24 Sec. 1701. From the funds appropriated in part 1A for grants  
 25 and community services, the department shall allocate \$118,900.00

1 to fund 1.0 FTE position to coordinate the department's  
2 implementation and ongoing utilization of the uniform statewide  
3 sexual assault evidence kit tracking system. The department shall  
4 act as a liaison between local law enforcement agencies and the  
5 department of health and human services regarding implementation  
6 and utilization of the uniform statewide sexual assault kit  
7 evidence tracking system and shall ensure that the department of  
8 state police maintains compliance with the statutory requirements  
9 outlined in the sexual assault kit evidence submission act, 2014 PA  
10 227, MCL 752.931 to 752.935.

11 Sec. 1702. From the funds appropriated in part 1A for  
12 training, the department shall allocate \$20,000.00 to conduct 1  
13 statewide training seminar for prosecutors, law enforcement  
14 leadership, and law enforcement officers on the existence of the  
15 uniform statewide sexual assault evidence kit tracking system, the  
16 requirement to use the system, and requirements of the sexual  
17 assault kit evidence submission act, 2014 PA 227, MCL 752.931 to  
18 752.935.

19 Sec. 1703. From the funds appropriated in part 1A for  
20 standards and training/justice training grants, the Michigan  
21 commission on law enforcement standards shall allocate \$20,000.00  
22 to plan, prepare, and implement internet-based training seminars in  
23 order to train law enforcement officers on the existence of the  
24 uniform statewide sexual assault evidence kit tracking system, the  
25 requirement to use the system, and requirements of the sexual  
26 assault kit evidence submission act, 2014 PA 227, MCL 752.931 to  
27 752.935. The Michigan commission on law enforcement standards may



1 also use regional, in-service, 1/2-day training seminars in  
2 conjunction with, or in lieu of, internet-based training seminars  
3 to train law enforcement officers on the existence of the uniform  
4 statewide sexual assault evidence kit tracking system, the  
5 requirement to use the system, and requirements of the sexual  
6 assault kit evidence submission act, 2014 PA 227, MCL 752.931 to  
7 752.935.

8 **REPEALERS**

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

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